

**Before the**  
**MAHARASHTRA ELECTRICITY REGULATORY COMMISSION**  
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**Case No. 206 of 2024**

**In the matter of**

**Case of Jawaharlal Nehru Port Authority (JNPA) for approval of Truing-up of FY 2022-23 and FY 2023-24, Provisional Truing-up of FY 2024-25, and Approval of Aggregate Revenue Requirement (ARR) and Tariff for the Multi-Year Tariff period for FY 2025-26 to FY 2029-30 for its Distribution Business**

**Coram**

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

**ORDER**

**Dated: 28 March 2025**

Jawaharlal Nehru Port Authority (JNPA) has filed its Petition on 29 November 2024 for Truing-up of FY 2022-23 and FY 2023-24, Provisional Truing-up of FY 2024-25, and Aggregate Revenue Requirement (ARR) and Tariff for the Multi-Year Tariff period for FY 2025-26 to FY 2029-30 for its Distribution Business in accordance with Regulation 5 of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2024. JNPA filed its original Petition on 29 November 2024 and revised Petition on 20 December 2024. The Commission finally admitted the Petition on 26 December 2024.

The Commission, in exercise of its powers vested under Sections 61, 62 and 63 of the Electricity Act, 2003 (EA 2003) and all other powers enabling it in this behalf, and after taking into consideration the submissions made by JNPA and all other relevant material, has approved the Truing-up of ARR for FY 2022-23 and FY 2023-24, Provisional Truing-up of ARR for FY 2024-25 and determination of the ARR and Tariff for FY 2025-26 to FY 2029-30.

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## **LIST OF ABBREVIATIONS**

<b>Abbreviations</b>	
ABR	Average Billing Rate
ABT	Availability Based Tariff
ACoS	Average Cost of Supply
AMR	Automated Meter Reading
ARR	Aggregate Revenue Requirement
ATE/APTEL	Appellate Tribunal for Electricity
Capex	Capital Expenditure
CERC	Central Electricity Regulatory Commission
CPI	Consumer Price Index
CSD	Consumer Security Deposit
CSS	Cross-Subsidy Surcharge
DEEP	Discovery of Efficient Electricity Price
DPR	Detailed Project Report
DSM	Demand Side Management
EA 2003	Electricity Act, 2003
ECB	External Commercial Borrowings
FAC	Fuel Adjustment Charge
FY	Financial Year
GDAM	Green Day Ahead Market
GEPL	Gigaplex Estate Private Limited
GFA	Gross Fixed Assets
GTAM	Green Term Ahead Market
GoI	Government of India
HPO	Hydro Power Obligation
HT	High Tension
IEEE	The Institute of Electrical and Electronics Engineers
InSTS	Intra-State Transmission System
IoWC	Interest on Working Capital
IT & ITeS	Information Technology & Information Technology-enabled Services
JNPA	Jawaharlal Nehru Port Authority
KRC	KRC Infrastructure and Projects Private Limited
kV	kilo Volt
kVA	kilo Volt Ampere
kVAh	kilo Volt Ampere hour
kW	kilo Watt
kWh	kilo Watt hour
LD	Liquidated Damages
LT	Low Tension
MAT	Minimum Alternate Tax

Abbreviations	
MCLR	Marginal Cost of Lending Rate
MERC	Maharashtra Electricity Regulatory Commission
MIDC	Maharashtra Industrial Development Corporation
MBPPL	Mindspace Business Parks Pvt. Ltd.
MkVAh	Million kilo Volt Ampere hours
MPL	Manikaran Power Limited
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MSETCL	Maharashtra State Electricity Transmission Company Limited
MSLDC	Maharashtra State Load Despatch Centre
MVA	Million Volt Ampere
MYT	Multi Year Tariff
PBT	Profit Before Tax
PPA	Power Purchase Agreement
RA	Resource Adequacy
RBI	Reserve Bank of India
RE	Renewable Energy
REC	Renewable Energy Certificate
RoE	Return on Equity
RPO	Renewable Purchase Obligation
SEZ	Special Economic Zone
SMS	Short Message Service
SOP	Standards of Performance
STOA	Short-Term Open Access
STU	State Transmission Utility
ToD	Time-of-Day
TSU	Transmission System User
TTSC	Total Transmission System Cost
TVS	Technical Validation Session
UI	Unscheduled Interchange
VCoS	Voltage-wise Cost of Supply
WPI	Wholesale Price Index

## 1. BACKGROUND AND SALIENT FEATURES OF THE ORDER

### 1.1 Background

- 1.1.1 M/s. Jawaharlal Nehru Port Authority (hereinafter referred to as “JNPA”) is a major port notified under Major Port Trusts Act, 1963. JNPA has been notified as a Developer of SEZ by the Ministry of Commerce and Industry, Government of India on 11 August 2014 vide SEZ notification No. S. O. 2047 (E). The SEZ is being developed over an area of 277.38 Hectares situated in the villages of Savarkahar, Karal, Sonari and Jaskhar of Uran Taluka, District Raigad of the Maharashtra.
- 1.1.2 The SEZ has been planned to be developed within the port area to ensure end-to-end facilities for export-based industries including manufacturing, warehousing, assembly, packaging and finally shipment. The following sectors have been shortlisted for inclusion in the overall development plan based on their export potential and linkages to port:
- Engineering cluster,
  - Textile and apparel,
  - Electronics manufacturing,
  - Logistic Centre, and
  - Multi services/ ITes/ Healthcare etc.
- 1.1.3 The Commission, after following the due regulatory process, vide its Order dated 14 June 2018 in Case No. 47 of 2018 confirmed the status of JNPA as a deemed Distribution Licensee for the notified SEZ area under Section 14 of the EA, 2003. The Commission vide its notification No. MERC/TEC/Licence Conditions/JNPA/2018/5036 dated 13 November 2018 notified; specific conditions of Distribution License applicable to JNPA.
- 1.1.4 JNPA submitted that its operation as a Distribution Licensee commenced from 11 August 2021, i.e., in FY 2021-22.
- 1.1.5 **Multi Year Tariff Regulations, 2019:** On 1 August 2019, the Commission notified the MERC MYT Regulations, 2019, applicable for determination of ARR and Tariff for the 4<sup>th</sup> Control Period from FY 2020-21 to FY 2024-25.
- 1.1.6 **MYT Order for True up of FY 2021-22, Provisional True up of FY 2022-23, ARR and MYT for FY 2023-24 and FY 2024-25:** In its first Tariff Order for JNPA in Case No 219 of 2022 dated 31 March 2023 (“the first Tariff Order”), the Commission approved Truing-up of FY 2021-22, Provisional Truing-up of FY 2022-23 and ARR and MYT of FY 2023-24 and FY 2024- 25.
- 1.1.7 **Multi Year Tariff Regulations 2024:** On 19 August 2024, the Commission notified the MERC MYT Regulations, 2024, applicable for determination of ARR and Tariff for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30.

1.1.8 **Admission of the MYT Petition and Public Consultation Process:** Regulation 5.1(a) of the MYT Regulations, 2024 specifies that MYT Petitions are to be filed by 30 November 2024 from the Distribution Licensees. Accordingly, JNPA filed its MYT Petition for approval of truing up of FY 2022-23 and FY 2023-24, Provisional Truing up of FY 2024-25, and ARR and Tariff for FY 2025-26 to FY 2029-30 on 29 November 2024. This Petition has been registered as Case No 206 of 2024. JNPA submitted its replies to the data gaps and filed its revised MYT Petition on 20 December 2024 with the following main prayers:

- i. *To admit the MYT Petition as per the provisions of MERC MYT Regulations 2024, consider for further proceedings before the Hon'ble Commission;*
- ii. *To approve the True-up and Revenue Gap/(Surplus) for FY 2022-23, FY 2023-24 and recovery of the same through tariff, as proposed by JNPA;*
- iii. *To approve Provisional True Up for FY 2024-25 as presented in this Petition in accordance with the MYT Regulations 2019 and its amendments thereof;*
- iv. *To approve the ARR for 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 and its recovery through revised tariff as proposed by JNPA;*
- v. *To determine JNPA's share of the Transmission Charges and MSLDC Charges, and consider the same while approving the ARR for JNPA for the Control Period;*
- vi. *To approve Retail Supply Tariff for 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 and the Tariff schedule, as proposed by JNPA;*
- vii. *To approve the Schedule of Charges as proposed by JNPA;*
- viii. *Condone any inadvertent omissions, errors, short comings and permit JNPA to add/change/modify/alter this filing and make further submissions as may be required at a future date; and*
- ix. *Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.*

## 1.2 Technical Validation Session

- 1.2.1 On 7 December 2024, the Commission raised preliminary data gaps on the Petition submitted by JNPA and sought certain information. JNPA submitted its reply on 13 December 2024.
- 1.2.2 The Commission held a Technical Validation Session (TVS) on 18 December 2024. The list of persons who attended the TVS is at **Appendix-I**.

## 1.3 Admission of Petition and Public Consultation Process

- 1.3.1 JNPA filed the revised Petition on 20 December 2024 after incorporating the replies to the data gaps raised by the Commission.
- 1.3.2 The Commission admitted the MYT Petition on 26 December 2024. In accordance with

Section 64 of the EA, 2003, it directed JNPA to publish its Petition in the prescribed abridged form and manner, to ensure public participation. The Commission also directed it to reply expeditiously to the suggestions and objections received. JNPA issued a Public Notice inviting suggestions and objections from the public on 27 December 2024 in the daily newspapers Active Times (English), Free Press Journal (English), Mumbai Laxdeep (Marathi) and Navashakti (Marathi). JNPA's Petition and its Executive Summary were made available for inspection or purchase at JNPA's offices. The Petition was made available on JNPA's website free of cost in downloadable format. The Executive Summary of the Petition and Public Notice were also made available on the website of the Commission in downloadable format.

- 1.3.3 The Commission did not receive any written suggestions and objections from the stakeholders. The Commission held a e-Public Hearing on 21 January 2025 at 10:30 hrs. The list of persons who attended the Public Hearing is provided at **Appendix- II**.
- 1.3.4 The Commission has ensured that the due process contemplated under the Law to ensure transparency and public participation was followed at every stage and adequate opportunity was given to all concerned to express their views. As no suggestions and objections has been received no separate chapter on the same has been included in this Order.

## **1.4 Organisation of the Order**

This Order is organised in the following Sections:

- **Section 1** provides a brief background of the quasi-judicial regulatory process undertaken by the Commission;
- **Section 2** discusses the components of True up for FY 2022-23 and 2023-24 and details the Commission's analysis and approval of the various components;
- **Section 3** discusses the components of Provisional True up of FY 2024-25 and details the Commission's analysis and approval of the various components;
- **Section 4** discusses the components of ARR for MYT Control Period from FY 2025-26 to FY 2029-30, and details the Commission's analysis and approval of the various components;
- **Section 5** details the Commission's Tariff Philosophy and the category-wise tariffs applicable for the FY 2025-26 to FY 2029-30, including determination of Wheeling Charges and Cross-Subsidy Surcharge;
- **Section 6** details the Schedule of Charges;
- **Section 7** summarises the Directives of the Commission, and
- **Section 8** sets out the Applicability of this Order followed by the approved Tariff Schedule in Annexure-I to Annexure-VI.

Note: In order to ensure that precision and transparency is maintained in the approved values of the ARR, the Commission has mentioned them upto 4 decimal points.

## 2. TRUING-UP OF AGGREGATE REVENUE REQUIREMENT FOR FY 2022-23 and 2023-24

### 2.1 Background

2.1.1 JNPA has sought final Truing-up of expenditure and revenue for FY 2022-23 and FY 2023-24 based on audited/ actual values and normative values, wherever appropriate, vis-à-vis the amounts provisionally approved by the Commission for FY 2022-23 and approved ARR for FY 2023-24 in the Order in Case No. 219 of 2022 dated 31 March 2023 as specified in Regulation 5.1 (c) of the MYT Regulations, 2019.

2.1.2 In this Section, the Commission has analysed all the elements of actual expenditure and revenue of JNPA for FY 2022-23, and FY 2023-24 and, after prudence check, has undertaken the Truing-up of expenses and revenue.

### 2.2 Energy Sales

#### *JNPA's Submission*

2.2.1 In the MTR Order in Case No. 219 of 2022, the energy sales for JNPA were approved at 4.43 MU for FY 2022-23 and 8.05 MU for FY 2023-24. As against this, JNPA's actual energy sales were 4.16 MU for FY 2022-23 and 5.66 MU for FY 2023-24. JNPA has attributed the significant shortfall of sales in FY 2023-24 to factors, such as lower occupancy, a fire affecting one of the major high-tension consumers, and slower than expected growth of new consumers in the SEZ area, all of which were beyond JNPA's control and have impacted demand and load growth.

2.2.2 JNPA has considered actual sales for the purpose of the True up for FY 2022-23 and FY 2023-24 as shown in the following table:

**Table 1: Energy Sales submitted by JNPA for FY 2022-23 & FY 2023-24 (in MU)**

Consumer Category & Consumption Slab	FY 2022-23			FY 2023-24		
	MTR Order	Actual for True Up (Audited)	Difference	MTR Order	Actual for True Up (Audited)	Difference
<b>HT Category</b>						
Industrial HT-I (A)	2.47	2.83	0.36	3.39	3.59	0.20
Commercial HT-(II)	1.43	0.88	(0.55)	3.58	1.41	(2.17)
<b>Sub-total</b>	<b>3.90</b>	<b>3.71</b>	<b>(0.19)</b>	<b>6.97</b>	<b>5.00</b>	<b>(1.97)</b>
<b>LT Category</b>						
Commercial LT-II (A)	-	0.00	0.00	-	0.02	0.02
Commercial LT-II (B)	0.11	0.14	0.03	0.18	0.22	0.04
Commercial LT-II (C)	0.07	0.03	(0.04)	0.47	0.02	(0.45)



Consumer Category & Consumption Slab	FY 2022-23			FY 2023-24		
	MTR Order	Actual for True Up (Audited)	Difference	MTR Order	Actual for True Up (Audited)	Difference
Industrial LT-V (II)	0.29	0.24	(0.05)	0.35	0.31	(0.04)
Public Service LT VII(B)(II)	0.06	0.05	(0.01)	0.08	0.08	0.00
<b>Sub-total</b>	<b>0.53</b>	<b>0.45</b>	<b>(0.08)</b>	<b>1.08</b>	<b>0.65</b>	<b>(0.43)</b>
<b>Total</b>	<b>4.43</b>	<b>4.16</b>	<b>(0.27)</b>	<b>8.05</b>	<b>5.66</b>	<b>(2.39)</b>

**Table 2: Energy Sales submitted by JNPA for FY 2022-23 & FY 2023-24 (in MkVAh)**

Consumer Category & Consumption Slab	FY 2022-23			FY 2023-24		
	MTR Order	Actual for True Up (Audited)	Difference	MTR Order	Actual for True Up (Audited)	Difference
<b>HT Category</b>						
Industrial HT-I (A)	2.62	2.98	0.36	3.58	3.71	0.13
Commercial HT-(II)	1.53	0.90	(0.63)	3.84	1.41	(2.43)
<b>Sub-total</b>	<b>4.15</b>	<b>3.88</b>	<b>(0.27)</b>	<b>7.42</b>	<b>5.12</b>	<b>(2.30)</b>
<b>LT Category</b>						
Commercial LT-II (A)	0.00	0.00	0.00	0.00	0.02	0.02
Commercial LT-II (B)	0.11	0.14	0.03	0.19	0.23	0.04
Commercial LT-II (C)	0.07	0.03	(0.04)	0.49	0.02	(0.47)
Industrial LT-V (II)	0.31	0.25	(0.06)	0.37	0.31	(0.06)
Public Service LT VII(B)(II)	0.06	0.05	(0.01)	0.08	0.09	0.01
<b>Sub-total</b>	<b>0.55</b>	<b>0.47</b>	<b>(0.08)</b>	<b>1.13</b>	<b>0.67</b>	<b>(0.46)</b>
<b>Total</b>	<b>4.70</b>	<b>4.35</b>	<b>(0.35)</b>	<b>8.55</b>	<b>5.78</b>	<b>(2.77)</b>

### ***Commission's Analysis and Ruling***

- 2.2.3 The Commission notes that, the actual sales of JNPA in FY 2022-23 are marginally lower than those approved in the MTR Order. Further, the actual sales of JNPA in FY 2023-24 are substantially lower than those approved in the MTR Order due to various factors including lower occupancy, a fire affecting one of the major high-tension consumers, and slower than expected growth of new consumers in the SEZ area.
- 2.2.4 As per Regulation 9 of MYT Regulations 2019, the variation in sales is uncontrollable factor. Accordingly, the Commission has approved the actual Energy Sales for FY 2022-23 and FY 2023-24 as submitted by JNPA which is summarised in the table below:

**Table 3: Category-wise Energy Sales for FY 2022-23 & 2023-24 approved by the Commission (MU)**

Consumer Category	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
<b>HT Category</b>						
Industrial HT-I (A)	2.47	2.83	2.83	3.39	3.59	3.59
Commercial HT-(II)	1.43	0.88	0.88	3.58	1.41	1.41
<b>Subtotal</b>	<b>3.90</b>	<b>3.71</b>	<b>3.71</b>	<b>6.97</b>	<b>5.00</b>	<b>5.00</b>
<b>LT Category</b>						
Commercial LT-II (A)	0.00	0.00	0.00	0.00	0.02	0.02
Commercial LT-II (B)	0.11	0.14	0.14	0.18	0.22	0.22
Commercial LT-II (C)	0.07	0.03	0.03	0.47	0.02	0.02
Industrial LT-V (II)	0.29	0.24	0.24	0.35	0.31	0.31
Public Service LT VII(B)(II)	0.06	0.05	0.05	0.08	0.08	0.08
<b>Subtotal</b>	<b>0.53</b>	<b>0.45</b>	<b>0.45</b>	<b>1.08</b>	<b>0.65</b>	<b>0.65</b>
<b>Total</b>	<b>4.43</b>	<b>4.16</b>	<b>4.16</b>	<b>8.05</b>	<b>5.66</b>	<b>5.66</b>

**Table 4: Category wise Energy Sales for FY 2022-23 & 2023-24 approved by the Commission (MkVAh)**

Consumer Category	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
<b>HT Category</b>						
Industrial HT-I (A)	2.62	2.98	2.98	3.58	3.71	3.71
Commercial HT-(II)	1.53	0.90	0.90	3.84	1.41	1.41
<b>Subtotal</b>	<b>4.15</b>	<b>3.88</b>	<b>3.88</b>	<b>7.42</b>	<b>5.12</b>	<b>5.12</b>
<b>LT Category</b>						
Commercial LT-II (A)	0.00	0.00	0.00	-	0.02	0.02
Commercial LT-II (B)	0.11	0.14	0.14	0.19	0.23	0.23
Commercial LT-II (C)	0.07	0.03	0.03	0.49	0.02	0.02
Industrial LT-V (II)	0.31	0.25	0.25	0.37	0.31	0.31
Public Service LT VII(B)(II)	0.06	0.05	0.05	0.08	0.09	0.09
<b>Subtotal</b>	<b>0.55</b>	<b>0.47</b>	<b>0.47</b>	<b>1.13</b>	<b>0.67</b>	<b>0.67</b>
<b>Total</b>	<b>4.70</b>	<b>4.35</b>	<b>4.35</b>	<b>8.55</b>	<b>5.78</b>	<b>5.78</b>

## 2.3 Distribution Loss

### JNPA's Submission

- 2.3.1 Actual distribution loss in FY 2022-23 was 12.96%, as against approved distribution loss level of 14.05%. The level of distribution loss was primarily due to higher no-load losses associated with sub-optimal asset utilization. JNPA's infrastructure was developed to handle a significant load of around 50 MVA, with connectivity at 220 kV and a network operating at 33 kV and 11 kV levels. However, the actual load realized was less than 1 MW, leading to increased no-load losses. These technical losses, attributed to the operation of two 50 MVA distribution transformers, contributed significantly to the higher distribution loss observed during this period.
- 2.3.2 In FY 2023-24, JNPA successfully reduced its distribution loss to 7.36%, as against the approved loss level of 13.05%. JNPA achieved this loss reduction by strategically switching off one of the distribution transformers to minimize no-load losses and optimizing the loading conditions of the remaining transformer.

### ***Commission's Analysis and Ruling***

- 2.3.3 JNPA has submitted distribution loss of 12.96% against approved distribution loss level of 14.05% for FY 2022-23 which it has attributed primarily to higher no-load losses. JNPA chose to strategically switch off one distribution transformer to minimize no-load losses and achieved 7.36% distribution losses, a significant reduction for FY 2023-24 against approved loss level of 13.05%.
- 2.3.4 However, in line with the direction given in the previous Tariff Order, JNPA didn't submit the segregation of the distribution loss between HT Levels and LT Levels. In reply to a query raised by the Commission regarding segregation of distribution loss between the HT levels and LT levels JNPA submitted that, since 89% of its sales out of the total sales belongs to HT category, considering the configuration of existing distribution network and since primary distribution voltage is at 11 kV, it would not be appropriate to segregate such lower quantum of loss into HT level and LT level. The Commission noted the steps taken by the JNPA to reduce the distribution loss and approves the actual levels of distribution loss for FY 2022-23 and FY 2023-24.

**Table 5: Distribution Loss as approved by the Commission for FY 2022-23 and 2023-24**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved	MTR Order	MYT Petition	Approved
Distribution Loss (%)	14.05%	12.96%	12.96%	13.05%	7.36%	7.36%

## **2.4 Energy Balance**

### ***JNPA's Submission***

2.4.1 JNPA has considered the energy balance after considering the actual energy sales, actual distribution loss and actual energy purchase. JNPA has considered the actual InSTS loss at 3.36% and 3.39% for FY 2022-23 and FY 2023-24 respectively. JNPA has considered input energy in kWh as per data shared by MSLDC vide letter dated 15 November 2024. Accordingly, energy balance for FY 2022-23 and FY 2023-24 as submitted by JNPA is as under:

**Table 6: Energy Balance submitted by JNPA for FY 2022-23 & FY 2023-24**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual	MTR Order	Actual
Energy Sales (MU)	4.430	4.161	8.050	5.656
Distribution loss (%)	14.05%	12.96%	13.05%	7.36%
Energy Requirement at T<>D (MU)	5.154	4.780	9.258	6.105
Intra-State Transmission Loss (%)	3.18%	3.36%	3.18%	3.39%
Energy Requirement at G<>T (MU)	5.32	4.941	9.562	6.312

### **Commission's Analysis and Ruling**

2.4.2 The Commission has considered InSTS loss as per State Grid Loss Account for respective years as available on MSLDC website. The Commission has considered the actual approved sales, approved distribution loss levels to arrive at the energy requirement at generation periphery. The Commission approves the energy balance for Truing-Up of ARR for FY 2022-23 and FY 2023-24 as follows:

**Table 7: Energy Balance for FY 2022-23 and FY 2023-24 as approved by the Commission**

Particulars	Unit	FY 2022-23			FY 2023-24		
		MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Energy Sales	MU	4.43	4.16	4.16	8.05	5.66	5.66
Distribution loss	%	14.05%	12.96%	12.96%	13.05%	7.36%	7.36%
Energy Requirement at T<>D	MU	5.15	4.78	4.78	9.26	6.10	6.10
Intra-State Transmission Loss	%	3.18%	3.36%	3.26%	3.18%	3.39%	3.27%
<b>Energy Requirement at G&lt;&gt;T</b>	<b>MU</b>	<b>5.32</b>	<b>4.95</b>	<b>4.94</b>	<b>9.56</b>	<b>6.32</b>	<b>6.31</b>
<b>Total Power Purchase at State Periphery</b>	<b>MU</b>	<b>5.56</b>	<b>4.84</b>	<b>4.84</b>	<b>9.57</b>	<b>6.32</b>	<b>6.31</b>
Imbalance Pool	MU	(0.230)	0.106	0.106	-	0.001	0.001
Less: Surplus Energy Traded	MU	-	-	-	-	-	-

Particulars	Unit	FY 2022-23			FY 2023-24		
		MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
<b>Total Power Available at G↔T (MU)</b>	<b>MU</b>	<b>5.33</b>	<b>4.95</b>	<b>4.94</b>	<b>9.57</b>	<b>6.32</b>	<b>6.31</b>

## 2.5 Power Purchase Quantum and Cost

### JNPA's Submission

2.5.1 In FY 2022-23 and FY 2023-24 JNPA has purchased power from conventional sources for meeting its base load and peak load requirement, from power exchange and net purchase from imbalance pool. JNPA has submitted following details regarding its power purchase from various sources:

### Purchase from Conventional Sources

2.5.2 JNPA had undertaken Short-term power procurement through competitive bidding route under Section 63 of the Electricity Act, 2003.

2.5.3 The summary of JNPA's power procurement for FY 2022-23 and FY 2023-24 is as follows:

**Table 8: Power procurement summary for FY 2022-23 & FY 2023-24 as submitted by JNPA**

Power Source	Time Period	Power	Rate (Rs./ kWh)	Periphery	Order Number
Manikaran Power Limited	1 July 2021 to 31 December 2021 (contract extended by 6 months) up to 30 June 2022	2 MW	3.60	State periphery	Case No. 5 of 2021
	1 July 2022 to 30 June 2023	1 MW	5.02	Distribution periphery	Case No 90 of 2022
	1 July 2023 to 30 June 2024	1.5 MW	6.30	State periphery	Case No. 153 of 2023 and IA 46 of 2023
	1 September 2024 to 31 Aug 2025	1.8 MW	6.30	State periphery	Case No. 138 of 2024 and IA No. 45 of 2024

2.5.4 During unavailability of contracted power, JNPA has procured 0.32 MU and 0.16 MU from Power Exchange at Rs. 6.26/ kWh and Rs. 5.23/ kWh (excluding MSLDC NOC charges) for FY 2022-23 and FY 2023-24, respectively.

### Renewable Purchase Obligation (RPO)

2.5.5 In FY 2022-23 and FY 2023-24 to meet the RPO targets of 19.50% and 22.00% respectively, JNPA has purchased RECs from Power Exchange. JNPA has considered the carried forward

shortfall of 0.03 MU for RPO as approved by the Commission for FY 2021-22 to arrive at the cumulative RPO target for FY 2022-23.

**Table 9: RPO Target Shortfall / (Surplus) for FY 2022-23 and FY 2023-24 submitted by JNPA**

RPO Targets & Achievement	Units	FY 2022-23	FY 2023-24
Total Energy Requirement	MU	4.94	6.31
RPO target	%	19.50%	22.00%
RPO target	MU	0.96	1.39
Cumulative RPO target including previous. Shortfall/ (Surplus)	MU	0.99	1.41
RPO Achievement	MU	0.97	1.36
<b>RPO Shortfall/ (Surplus)</b>	<b>MU</b>	<b>0.02</b>	<b>0.05</b>

2.5.6 To meet the RPO, JNPA has purchased 970 RECs in FY 2022-23 and 1360 RECs in FY 2023-24. Accordingly based on the target, there is a shortfall of 0.02 MU in FY 2022-23 and shortfall of 0.05 MU in FY 2023-24. JNPA requested the Commission to allow the shortfall to be carried forward to FY 2024-25.

2.5.7 JNPA has requested the Commission to consider composite RPO requirement in accordance with Regulation 7.5 of Maharashtra Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2019, since its peak demand is less than 10 MW.

### DSM Deviation

2.5.8 JNPA has considered the actual quantum and cost of purchase from purchase deviations for FY 2022-23 and FY 2023-24. Further, JNPA has not claimed additional deviation charges.

### Purchase from Imbalance Pool

2.5.9 JNPA has submitted that it has computed the quantum of actual pool imbalance by deducting power purchase from all the remaining sources from the total power purchase at G-T interface, which is considered as actual pool imbalance quantum for FY 2022-23 and FY 2023-24. Further, JNPA has not considered any cost associated with imbalance pool. It shall claim the cost only when bills are received and accounted by it in appropriate claims/ filing (MTR/ FAC).

2.5.10 The power purchase quantum and cost for FY 2022-23 and FY 2023-24 as submitted by JNPA is shown in the table below:

**Table 10: Power Purchase quantum and cost for FY 2022-23 as claimed by JNPA**

Source of Power (Station wise)	MTR Order			Actual		
	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs. /kWh)	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs. /kWh)
<b>Short term Sources</b>						
Power Exchange	0.091	0.09	9.82	0.319	0.21	6.49
Manikaran Power Limited	5.47	2.69	4.92	4.716	2.22	4.70
Power Purchase from UI / DSM	(0.230)	(0.065)	2.84	(0.200)	(0.071)	3.54
REC	-	0.09	-	-	0.10	-
Imbalance Pool	-	-	-	0.106	-	-
<b>Total</b>	<b>5.33</b>	<b>2.80</b>	<b>5.26</b>	<b>4.94</b>	<b>2.45</b>	<b>4.97</b>

**Table 11: Power Purchase quantum and cost for FY 2023-24 as claimed by JNPA**

Source of Power (Station wise)	MTR Order			Actual for True up		
	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs. /kWh)	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs. /kWh)
Power Exchange	1.680	0.84	5.02	0.158	0.09	5.80
Manikaran Power Limited	7.89	4.26	5.40	6.428	3.79	5.90
Power Purchase from UI / DSM	-	-	-	(0.276)	(0.095)	3.43
REC	-	0.21	-	-	0.066	-
Imbalance Pool	-	-	-	0.001	-	-
<b>Total</b>	<b>9.57</b>	<b>5.32</b>	<b>5.55</b>	<b>6.31</b>	<b>3.86</b>	<b>6.11</b>

### ***Commission's Analysis and Ruling***

2.5.11 The Commission observed that, Power Purchase cost as per JNPA's Annual Audited Accounts showed values of Rs. 2,55,96,493 for FY 2022-23 and Rs. 4,66,61,250 for FY 2023-24. As against these values, JNPA has claimed Power Purchase cost of Rs. 2,40,87,790 for FY 2022-23 and Rs. 4,34,00,079.95 for FY 2023-24. In reply to a query raised by the Commission in this regard, JNPA submitted that, the difference is due to discrepancies between the actual power purchase expenses and the expenses captured towards power purchase cost in the audited accounts. These differences are due to various factors, including:

- Consideration of prior period charges, outstanding liabilities and GST disallowance entries.
- Inclusion of A&G (Administrative & General) expenses payments in power purchase expense such as Chartered Accountant Cost, Annual Licensee Fees, Advertisement Agency Charges and etc.



(c) MSLDC (Maharashtra State Load Despatch Centre) DSM charges payable/ receivable adjustments of prior period.

2.5.12 JNPA further submitted that, due to above aforementioned factors, JNPA had to restate the power purchase expenses. JNPA submitted the power purchase reconciliation statement for FY 2022-23, FY 2023-24 as follows:

**Table 12: Reconciliation of Power Purchase Expenses for FY 2022-23 submitted by JNPA**

Particulars	As per Accounts (A)	As per MYT Petition (B)	Difference (A-B)	Remarks						
GST Disallowed and Prior Period Charges	4,77,001	-	4,77,001	<ul style="list-style-type: none"><li>Entries of GST Disallowed and Prior Period Charges.</li><li><b>Not Claimed in MYT Petition.</b></li></ul>						
Jagdish Laxman Sate & CO	50,000	-	50,000	<ul style="list-style-type: none"><li>Claimed as A&amp;G expenses for CA charges related to the JNPA SEZ DISCOM business.</li><li>However, booked in Power Purchase expenses.</li><li><b>Not Claimed in MYT Petition as power purchase expense.</b></li></ul>						
Maharashtra Electricity Regulatory	3,00,000	-	3,00,000	<ul style="list-style-type: none"><li>Claimed as A&amp;G expenses for MERC Licensee Fees.</li><li>However, booked in Power Purchase expenses.</li><li><b>Not Claimed in MYT Petition as power purchase expense.</b></li></ul>						
Manikaran Power Limited	2,35,47,344	2,17,33,385	18,13,960	<ul style="list-style-type: none"><li>Difference due to March 2022 Payment made in April 22, Differential not Claimed in MYT Petition.</li><li>Power Purchase Amount paid to MPL (Less rebate) is considered in Audited Statement.</li><li>Breakup of expenses considered is as follows –<table border="1"><thead><tr><th>MPL Invoice amount</th><th>Rebate Availed</th><th>Net Amount Paid</th></tr></thead><tbody><tr><td>Rs. 2,21,76,923</td><td>Rs. 4,43,538</td><td>Rs. 2,17,33,385</td></tr></tbody></table></li><li>Rebate of Rs. 4,43,538 considered in Non-Tariff Income.</li><li><b>Difference of Rs. 18,13,960 related to the payment to MPL of March 2022.</b></li></ul>	MPL Invoice amount	Rebate Availed	Net Amount Paid	Rs. 2,21,76,923	Rs. 4,43,538	Rs. 2,17,33,385
MPL Invoice amount	Rebate Availed	Net Amount Paid								
Rs. 2,21,76,923	Rs. 4,43,538	Rs. 2,17,33,385								
PTC India Limited	37,12,457	29,87,490	7,24,967	<ul style="list-style-type: none"><li>Excess amount of Rs. 7,24,967 for advance payment towards power procurement from the Power Exchange.</li><li>Breakup of amount considered - Rs. 19,94,823.46 (PTC IEX) + Rs. 9,92,892 (PTC REC) = Rs. 29,87,715.46.</li><li>Rs. 29,87,715.46 Claimed as power purchase expense in MYT Petition.</li></ul>						



Particulars	As per Accounts (A)	As per MYT Petition (B)	Difference (A-B)	Remarks
				<ul style="list-style-type: none"> <li>• <b>Advance payment of Rs. 7,24,967 not Claimed in MYT Petition.</b></li> </ul>
Virtuous Energy Private Limited	75,000	75,000	-	MSLDC NOC Charges are paid by Virtuous Energy Private Limited (VEPL) O&M Contractor to JNPA and JNPA reimbursed the NOC Charges to VEPL
MSLDC DSM Payable for FY 2022-23 as per Accounts	4,34,607	-	4,34,607	Settled in Net DSM Charges for FY 2022-23
FY 21-22 DSM Receivable as per Accounts	(19,55,962) (a)	(7,08,085) (c)	(22,91,831) (d = a + b - c)	Difference is related to DSM Receivables from MSLDC are irregular and 4th/5th week invoice of March-23 booked in FY 2023-24.
FY 22-23 DSM Receivable as per Accounts	(10,43,954) (b)			
<b>Net Power Purchase</b>	<b>2,55,96,493</b>	<b>2,40,87,790</b>	<b>15,08,703</b>	<ul style="list-style-type: none"> <li>• Net Power Purchase Expenses as per audited accounts - Rs. 2,55,96,493</li> <li>• Claimed in MYT Petition - 2,40,87,790</li> <li>• Difference - Rs. 15,08,703.</li> <li>• <b>Rs. 15,08,703 Not Claimed in MYT Petition</b></li> </ul>

**Table 13: Reconciliation of Power Purchase Expenses for FY 2023-24 submitted by JNPA**

Particulars	As per Accounts (A)	As per MYT Petition (B)	Difference (A-B)	Remarks
Licensee Fees, Interest on SD and OSL Creation for MSLDC Charges	2,76,699.00	-	2,76,699.00	<ul style="list-style-type: none"> <li>• Claimed as A&amp;G expenses of Rs. 3,00,000 for Annual Licensee Fees to MERC</li> <li>• Outstanding Liabilities of Rs. (- 23,301) of Prior period</li> <li>• <b>Not Claimed in MYT Petition as power purchase expense.</b></li> </ul>
Jagadish Laxman Sate & Co	10,000.00	-	10,000.00	<ul style="list-style-type: none"> <li>• Claimed as A&amp;G expenses for CA charges of JNPA SEZ DISCOM business</li> <li>• However, booked in Power Purchase expenses.</li> <li>• <b>Not Claimed in MYT Petition as power purchase expense.</b></li> </ul>
Maharashtra Electricity Regulatory	8,50,000.00	-	8,50,000.00	<ul style="list-style-type: none"> <li>• Claimed as A&amp;G Expenses</li> <li>• MERC Fees - Rs. 4,50,000 for FAC Filing Fees</li> <li>• Tariff adoption Petition Fees of Rs. 3,00,000</li> </ul>

Particulars	As per Accounts (A)	As per MYT Petition (B)	Difference (A-B)	Remarks						
				<ul style="list-style-type: none"><li>Interlocutory Application of Rs. 1,00,000.</li><li><b>Not Claimed in MYT Petition as power purchase expense.</b></li></ul>						
Maharashtra State Load Despatch Centre	16,350.00	17,820.00	(1,470.00)	<ul style="list-style-type: none"><li>MSLDC Operating charges claimed in MYT as per invoices.</li><li>Breakup of expenses considered is as follows Rs. 18,000 (SLDC Operating Charges) - Rs. 180 (Rebate availed) = Rs. 17,820.</li><li>Rebate of Rs. 180 considered in Non-Tariff Income.</li></ul>						
Manikaran Power Limited	3,71,51,468.00	3,71,72,861.00	(21,393.00)	<ul style="list-style-type: none"><li>Claimed as per Invoices</li><li>Breakup of amount considered:<table><tr><td>MPL Invoice amount</td><td>Rebate Availed</td><td>Net Amount Paid</td></tr><tr><td>Rs. 3,79,31,490</td><td>Rs. 7,58,629</td><td>Rs. 3,71,72,861</td></tr></table></li><li>Rebate of Rs. 7,58,629 considered in Non-Tariff Income.</li></ul>	MPL Invoice amount	Rebate Availed	Net Amount Paid	Rs. 3,79,31,490	Rs. 7,58,629	Rs. 3,71,72,861
MPL Invoice amount	Rebate Availed	Net Amount Paid								
Rs. 3,79,31,490	Rs. 7,58,629	Rs. 3,71,72,861								
Moulis Advertising Service Pvt Ltd	2,24,656.00	-	2,24,656.00	<ul style="list-style-type: none"><li>Claimed in A&amp;G Expenses, Power Purchase Tender Advertisement Cost</li><li><b>Not Claimed in MYT Petition as power purchase expense.</b></li></ul>						
MSLDC DSM Payable	11,62,645.00 (a)	(9,47,521.00) (c)	17,75,504.00 (d = a + b - c)	<ul style="list-style-type: none"><li>Net receivable of Rs. 9,47,521 claimed as per the MSLDC DSM invoice.</li><li>However, in the audited accounts, payment is considered on an accrual basis, which includes payments for FY 2022-23 and FY 2023-24.</li></ul>						
MSLDC DSM Receivable in FY 2023-24	(3,34,662.00) (b)									
PTC India Limited	15,85,696.00	14,85,695.95	1,00,000.05	<ul style="list-style-type: none"><li>Excess amount of Rs. 1,00,000 for advance payment towards power procurement from the Power Exchange.</li><li><b>Not Claimed in MYT Petition</b></li></ul>						
State Transmission Utility	53,98,095.00	55,81,224.00	(1,83,129.00)	<ul style="list-style-type: none"><li>Claimed as per Invoices</li><li>Breakup of amount considered: Rs. 5,63,760 (INSTS Invoice amount) - Rs. 56,376 (Rebate availed) = Rs. 55,81,224.</li><li>Rebate of Rs. 56,376 considered in Non-Tariff Income.</li></ul>						
Sunjeet Communications Pvt Ltd	2,30,302.80	-	2,30,302.80	<ul style="list-style-type: none"><li>Power Purchase Tender Advertisement Cost, Claimed in A&amp;G Expenses</li><li><b>Not Claimed in MYT Petition as power purchase expense.</b></li></ul>						
Virtuous Energy Private Limited	90,000.00	90,000.00	-	<ul style="list-style-type: none"><li>MSLDC NOC Charges.</li><li>Expenses are matching.</li><li>Charges are paid by Virtuous Energy Private Limited (VEPL) and JNPA reimbursed the NOC Charges to VEPL</li></ul>						

Particulars	As per Accounts (A)	As per MYT Petition (B)	Difference (A-B)	Remarks
<b>Total</b>	<b>4,66,61,249.80</b>	<b>4,34,00,079.95</b>	<b>32,61,169.85</b>	<ul style="list-style-type: none"> <li>Net Power Purchase Expenses as per audited accounts - Rs. 4,66,61,249.80</li> <li>Claimed in MYT Petition – 4,34,00,079.95</li> <li>Difference - Rs. <b>32,61,169.85</b></li> <li><b>Rs. 32,61,169.85 Not Claimed in MYT Petition</b></li> </ul>

2.5.13 The Commission observed that, JNPA's actual claim of power purchase expenses in its MYT Petition includes only the power purchase related expenses and it has not considered prior period expenses, A&G expenses, GST disallowances etc. Whereas JNPA has claimed A&G related expenses under the A&G expenses and rebate availed on payment of power purchase expenses under the non-tariff income.

2.5.14 As part of the Petition JNPA submitted invoices towards power purchase from various sources including purchase of RECs during FY 2022-23 and FY 2023-24. The Commission, after verifying the invoices sought clarification/ justification regarding the claimed Power Purchase during FY 2022-23 from Manikaran amounting to Rs. 2.21 crore, from PTC India amounting to Rs. 0.19 crore and during FY 2023-24 from PTC India amounting to Rs. 0.14 crore. In response JNPA submitted a reconciliation statement for the Net Power Purchase cost by submitting all the relevant invoices. On scrutiny of the reconciliation statement and the invoices, the Commission observed that claims of JNPA are accurate.

### Renewable Purchase Obligation (RPO)

2.5.15 Regulation 7.5 of Maharashtra Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2019 provides that Distribution Licensee with peak demand less than 10 MW are allowed to meet their RPO targets of 19.50% and 22.00% for FY 2022-23 and 2023-24 respectively on composite basis.

2.5.16 In line with the Energy Balance approved by the Commission in the previous section. The Commission has computed the RPO fulfilment of JNPA against the target as follows:

**Table 14: RPO Target Shortfall / (Surplus) for FY 2022-23 and FY 2023-24 computed by Commission**

RPO Targets & Achievement	Units	FY 2022-23	FY 2023-24
Total Energy Requirement	MU	4.94	6.31
RPO target	%	19.50%	22.00%
RPO target	MU	0.96	1.39
Previous shortfall allowed to carry forward*	MU	0.03	0.00
Cumulative RPO target including previous.	MU	0.99	1.41

RPO Targets & Achievement	Units	FY 2022-23	FY 2023-24
Shortfall/ (Surplus)			
RPO Achievement	MU	0.97	1.36
<b>RPO Shortfall/(Surplus)</b>	<b>MU</b>	<b>0.02</b>	<b>0.05</b>

*\*In the MTR Order Commission had allowed JNPA to carry forward shortfall of 0.03 MU till FY 2024-25*

2.5.17 The Commission notes that there is cumulative RPO shortfall of 0.07 MU collectively for FY 2022-23 and FY 2023-24. In the MTR Order JNPA was allowed to carry forward RPO shortfall of 0.03 MU till FY 2024-25. Considering the request made by JNPA, the Commission hereby approves JNPA's proposal and allows it to carry forward the cumulative RPO shortfall of 0.07 MU till FY 2024-25.

2.5.18 Considering FY 2024-25 as the last year of the 5<sup>th</sup> Control Period, the Commission is not inclined to carry forward any cumulative shortfall of RPO in the next Control Period starting from FY 2025-26 onwards. At the time of True Up of FY 2024-25, for any cumulative shortfall in RPO, the Distribution Licensees shall be subjected to reduction in ARR according to Regulation 12.3 of the Maharashtra Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024.

### Purchase from Imbalance Pool

2.5.19 Based on the reinstated energy balance due to consideration of actual Intra-State Transmission loss, the Commission has adjusted the balance of 0.01 MUs in FY 2022-23 and in FY 2023-24 in the imbalance pool. As submitted by JNPA, no cost towards the imbalance pool has been claimed by JNPA. Accordingly, the Commission approves no cost towards imbalance pool. The approved power purchase quantum, cost and rate are as shown in the table below:

**Table 15: Power Purchase quantum, cost and rate for FY 2022-23 approved by the Commission**

Source of Power (Station wise)	MYT Petition			Approved in this Order		
	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs./ kWh)
Manikaran Power Limited	4.72	2.22	4.70	4.72	2.22	4.70
Power Purchase from UI/ DSM	(0.20)	(0.07)	3.54	(0.20)	(0.07)	3.54
Power Exchange	0.32	0.21	6.49	0.32	0.21	6.49
RECs	-	0.10	-	-	0.10	0.00
Imbalance Pool	0.11	-	-	0.11	-	-
<b>Total</b>	<b>4.94</b>	<b>2.45</b>	<b>4.97</b>	<b>4.94</b>	<b>2.45</b>	<b>4.97</b>

**Table 16: Power Purchase quantum cost and rate for FY 2023-24 approved by the Commission**

Source of Power (Station wise)	MYT Petition			Approved in this Order		
	Quantum (MU)	Cost (Rs. crore)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. crore)	Per unit cost (Rs./ kWh)
Manikaran Power Limited	6.43	3.79	5.90	6.43	3.79	5.90
Power Purchase from UI/ DSM	(0.28)	(0.09)	3.43	(0.28)	(0.09)	3.43
Power Exchange	0.16	0.09	5.80	0.16	0.09	5.80
RECs	-	0.07	-	-	0.07	-
Imbalance Pool	0.001	-	-	0.001	-	-
<b>Total</b>	<b>6.31</b>	<b>3.86</b>	<b>6.11</b>	<b>6.31</b>	<b>3.86</b>	<b>6.11</b>

## 2.6 Transmission Charges and MSLDC Charges

### *JNPA's submission*

2.6.1 JNPA has submitted that, it paid the transmission charges and MSLDC charges as Short-Term Open Access Consumer and it has considered actual payments made by it for FY 2022-23 and 2023-24. However, being a Distribution Licensee, JNPA is entitled to share the TTSC and MSLDC charges in accordance with the MERC MYT Regulations, 2019.

2.6.2 JNPA has claimed following Transmission charges and MSLDC charges, as shown in the table:

**Table 17: Transmission Charges and MSLDC Charges for FY 2022-23 and 2023-24 submitted by JNPA (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True- up	MTR Order	Actual for True- up
Intra-State Transmission Charges	0.218	0.000	0.560	0.564
MSLDC Charges	0.093	0.000	0.002	0.002

### *Commission's Analysis and Ruling*

2.6.3 The Commission notes the submission of JNPA. The Commission has verified the InSTS charges and MSLDC charges with the books of accounts and invoices submitted by JNPA and the same are found in order.

2.6.4 Accordingly, the Commission approves the Transmission Charges and MSLDC Charges for FY 2022-23 and 2023-24 as shown in the table below:

**Table 18: Transmission Charges and MSLDC Charges for FY 2022-23 and 2023-24 approved**

**by the Commission (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Intra-State Transmission Charges	0.218	-	-	0.560	0.564	0.564
MSLDC Charges	0.093	-	-	0.180	0.002	0.002

## 2.7 Operation & Maintenance Expenses

### JNPA's submission

- 2.7.1 JNPA submitted that, it being a new Licensee whereby the load has not been commensurate with the load envisaged at the time of filing MTR Petition, JNPA has allocated common employees of JNPA to look after the distribution business. Hence there are no dedicated employees at present allocated to JNPA distribution licensee business. JNPA has entered into a contract with a third-party contractor for R&M, billing, operations etc. of the entire licensee area. JNPA submitted that considering the miniscule business activity of SEZ at present, JNPA (Corporate Entity equivalent) provides the support related to employee allocation, common services of Central Procurement, Group Finance and HR, Centralized IT services, Administration, Security and other common departments. The allocation of common costs was executed following a precedent similar to that employed by integrated utilities like Reliance Infrastructure Limited (RInfra), where central corporate expenses related to procurement, finance, human resources, IT, administration, and security services were apportioned to various business segments based on turnover.
- 2.7.2 JNPA further submitted that, although it is a government entity, the operational requirements of its distribution business are comparable to those of private licensees. For benchmarking O&M expenses, JNPA utilized a blend of metrics from both private and government licensees (e.g., MADC), recognizing significant variability in O&M costs, particularly during the initial years of operation. JNPA adopted an average O&M expense based on a four-year period, with escalation applied in accordance with the Wholesale Price Index (WPI) and Consumer Price Index (CPI) indices as specified under the MERC MYT Regulations, 2019. Specifically, JNPA employed a benchmark rate of 30 paise/unit for Employee Expenses and 10 paise/unit for A&G Expenses for FY 2021-22, with subsequent adjustments made in line with the escalation indices as per MYT Regulations. This approach was accepted by the Commission in the MTR Order. In line with this approach, JNPA has claimed the A&G expenses. as the operation of JNPA is at nascent stage and is in process of ramping up its operations in next few years. As JNPA achieves substantial loading and occupancy in its SEZ, it will be able to claim the actual incurred R&M Expenses. However, since the load is yet to be fructified as envisaged, JNPA is required to claim the R&M Expenses proportionate to the current load.



2.7.3 Regarding the Employee Expenses, JNPA submitted that, it has considered the benchmark Employee Expenses at 30 paise/ unit and has booked employee expenses of Rs. 0.13 Crore and Rs. 0.17 Crore for FY 2022-23 and FY 2023-24, respectively in its Audited Accounts.

2.7.4 Regarding the A&G Expenses, JNPA submitted that, it has considered the benchmark A&G Expenses at 10 paise/ unit and has booked A&G expenses of Rs. 0.09 Crore and Rs. 0.24 Crore for FY 2022-23 and FY 2023-24, respectively in its Audited Accounts. The detailed break-up of A&G expenses provided by JNPA is as follows:

**Table 19: A&G Expenses for FY 2022-23 and FY 2023-24 claimed by JNPA (Rs. Crore)**

A&G Expenses	FY 2022-23	FY 2023-24
License Fees	0.03	0.03
Petition Filing fees	-	0.09
CA Charges	0.01	0.001
Advertisement Cost	-	0.05
Electricity Expenses for Own Consumption	0.01	0.02
A&G expenses as per Audited Financial Statement	0.04	0.06
<b>Total</b>	<b>0.09</b>	<b>0.24</b>

2.7.5 As regards R&M expenses, JNPA has submitted that the actual cost incurred by it for FY 2022-23 is Rs 1.57 Crore and for FY 2023-24 it is Rs. 1.34 Crore. Since the load is yet to be fructified as envisaged and R&M of the assets needs to be done even though there is minimal load, it will have huge impact on the consumers of JNPA. In view of the same, even though the actual expense is much higher, JNPA has only claimed R&M expense in proportion to the load to lower the impact on tariff. The R&M expenses as claimed by JNPA for FY 2022-23 and FY 2023-24 are as follows:

**Table 20: R&M Expenses as claimed by JNPA for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23	FY 2023-24
Contract with Virtuous Energy P. Ltd	1.57	1.35
Proportion of Load	2%	4%
Allocation to R&M in pro-rata to Load	0.03	0.054

2.7.6 JNPA has segregated O&M expenses between the Wires Business and Retail Supply Business based on the Allocation Matrix as specified in the MERC MYT Regulations, 2019.

2.7.7 The total O&M expenses claimed by JNPA for FY 2022-23 and 2023-24 are as under:

**Table 21: O&M Expenses claimed by JNPA for FY 2022-23 and 2023-24 (Rs. Crore)**

Sr. No.	Particulars	FY 2022-23		FY 2023-24	
		MTR Order	Actual for True up	MTR Order	Actual for True up
	<b>Distribution Wires Business</b>				

Sr. No.	Particulars	FY 2022-23		FY 2023-24	
		MTR Order	Actual for True up	MTR Order	Actual for True up
1	Employee Expenses	0.1900	0.0849	0.2688	0.1103
2	R&M Expenses		0.0204		0.0350
3	A&G Expenses		0.0585		0.1568
4	<b>Total O&amp;M Expenses</b>	<b>0.1850</b>	<b>0.1638</b>	<b>0.2688</b>	<b>0.3021</b>
	<b>Retail Supply Business</b>				
1	Employee Expenses	0.1000	0.0457	0.1400	0.0594
2	R&M Expenses		0.0110		0.0188
3	A&G Expenses		0.0315		0.0844
4	<b>Total O&amp;M Expenses</b>	<b>0.0996</b>	<b>0.0882</b>	<b>0.1448</b>	<b>0.1627</b>
	<b>Total of Distribution Wire Business and Retail Supply Business</b>				
1	Employee Expenses	0.29	0.1306	0.4088	0.1697
2	R&M Expenses		0.0314		0.0538
3	A&G Expenses		0.09		0.2412
4	<b>Total O&amp;M Expenses</b>	<b>0.2846</b>	<b>0.252</b>	<b>0.4136</b>	<b>0.4648</b>

### Commission's Analysis and Ruling

2.7.8 The Commission has arrived at Normative O&M expenses as per provisions of the MYT Regulations 2019. The Commission has considered approved O&M expenses for FY 2022-23 (first complete year for JNPA) as normative O&M expense for FY 2022-23. For FY 2023-24, to arrive at the normative O&M Expense, the Commission has considered inflation index of 5.53% based on inflation factor with 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years (including the year of Truing-up) (4.92%) 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 (including the year of Truing-up) (5.78%).

2.7.9 As regard application of the efficiency factor, the Commission observed that, the number of consumers in JNPA's License area increased from 13 in FY 2021-22 to 18 in FY 2022-23 indicating a strong annual growth of 38%. Thus, the Commission has not considered the efficiency factor of 1% as FY 2022-23 was the first complete year for JNPA.

2.7.10 The relevant provisions of the MYT Regulations 2019 are as follows:

*“75.3 The Operation and Maintenance expenses for each subsequent year shall be determined by escalating these Base Year expenses of FY 2019-20 by an inflation factor with 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years as per the Office of Economic Advisor of Government of India and 70% weightage to the average yearly inflation derived based on the monthly Consumer Price Index for Industrial Workers*



*(all-India) of the past five financial years as per the Labour Bureau, Government of India, as reduced by an efficiency factor of 1% or as may be stipulated by the Commission from time to time, to arrive at the permissible Operation and Maintenance expenses for each year of the Control Period:*

*Provided that, in the Truing-up of the O&M expenses for any particular year of the Control Period, an inflation factor with 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years (including the year of Truing-up) 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 (including the year of Truing-up), as reduced by an efficiency factor of 1% or as may be stipulated by the Commission from time to time, shall be applied to arrive at the permissible Operation and Maintenance Expenses for that year:*

*Provided further that the efficiency factor shall be considered as zero, in case there is an increase in the number of consumers including Open Access consumers connected to the Distribution Wires of at least 2 percent annually over the last 3 years:*

*Provided also that in case such increase in the number of consumers is lower than 2 percent annually over the last 3 years, then the reduction in efficiency factor shall be considered in proportion to the percentage growth in the number of consumers."*

2.7.11 Accordingly, the Commission has calculated the normative O&M expenses for FY 2022-23 and FY 2023-24 for the purposes of sharing of gains and losses and found JNPA's submission of normative O&M expenses in order.

### **Approval of Actual**

2.7.12 The Commission noted that JNPA has claimed O&M expenses of Rs. 0.25 crore and 0.46 crore in FY 2022-23 and 2023-24 respectively. JNPA has claimed Employee Expenses @ 30 paise/ unit, A&G Expenses @ 10 paise/ unit. The Commission compared the actual expenses claimed and reflected in the Audited Accounts as against those arrived through calculations.

**Table 22: Comparison of Employee expenses & A&G Expenses claimed by JNPA and calculated using norms**

Particulars	FY 2022-23	FY 2023-24
Actual Sales claimed & approved (MU)	4.16	5.66
<b><u>Employee Expenses</u></b>		
Employee Expenses @ 30 paise/ unit (Rs.) (a)	12,48,186	16,96,658

Particulars	FY 2022-23	FY 2023-24
Employee Expenses as per Audited Accounts (Note No. 23) (Rs.) (b)	13,06,193	16,96,658
<b>Difference (Rs.) (b-a)</b>	<b>58,007</b>	<b>0</b>
<b>A&amp;G Expenses</b>		
A&G Expenses @ 10 paise / unit (Rs.) (c)	4,16,062	5,65,553
A&G Expenses as per Audited Accounts (Note No. 25) (Rs.) (d)	4,35,398	5,65,553
<b>Difference (Rs.) (d-c)</b>	<b>19,336</b>	<b>0</b>

2.7.13 The Commission observed that, for FY 2022-23 there was mismatch in the Employee Expenses and A&G Expenses as claimed by JNPA and calculated based on the norms. For FY 2023-24 there was no mismatch in the Employee Expenses and A&G Expenses as claimed by JNPA and calculated based on the norms. Accordingly, the Commission has considered correct claim as per the calculations for FY 2022-23.

2.7.14 The Commission has approved Employee expenses and A&G expenses considering the approved Energy Sales and approved norms Further in line with the approach followed in MTR Order, the Commission has considered the License Fees, Petition Filing Fees, CA Charges for FY 2022-23 and CA Charges and Advertisement Cost for FY 2023-24 under the A&G Expenses.

2.7.15 Further, the Commission noted that, JNPA has claimed R&M expenses in proportion to the loading which is in line with methodology approved by the Commission in the MTR Order. The Summary of the O&M expense approved by the Commission for FY 2022-23 and FY 2023-24 is given in the table below:

**Table 23: O&M Expenses of JNPA for FY 2022-23 and 2023-24 as approved by the Commission (Rs. Crore)**

Particulars	FY 2022-23				FY 2023-24			
	MTR Order	Normative	MYT Petition	Approved in this Order	MTR Order	Normative	MYT Petition	Approved in this Order
<b>Wires Business</b>								
Employee Expenses	0.1850		0.0849	0.0811	0.2688		0.1103	0.1103
R&M Expenses			0.0204	0.0204			0.0350	0.0350
A&G Expenses			0.0585	0.0572			0.1568	0.1568
<b>Total O&amp;M Expenses</b>	<b>0.1850</b>	<b>0.1588</b>	<b>0.1638</b>	<b>0.1588</b>	<b>0.2688</b>	<b>0.1676</b>	<b>0.3021</b>	<b>0.3021</b>
<b>Supply Business</b>								
Employee Expenses	0.0996		0.0457	0.0437	0.1448		0.0594	0.0594
R&M Expenses			0.0110	0.0110			0.0188	0.0188
A&G Expenses			0.0315	0.0308			0.0844	0.0844
<b>Total O&amp;M Expenses</b>	<b>0.0996</b>	<b>0.0855</b>	<b>0.0882</b>	<b>0.0855</b>	<b>0.1448</b>	<b>0.0902</b>	<b>0.1627</b>	<b>0.1627</b>

## 2.8 Capital Expenditure and Capitalisation

### JNPA's Submission

- 2.8.1 In the MTR Order, for FY 2022-23, JNPA had not proposed any capitalisation, therefore the Commission did not approve any capitalisation for FY 2022-23. For FY 2023-24, the Commission, approved total capital expenditure of Rs. 2.09 crores consisting of Rs. 1.88 crore for Wires Business and Rs. 0.21 crore for Supply Business.
- 2.8.2 As against the approved values, JNPA has not incurred any capital expenditure in FY 2022-23. In FY 2023-24, JNPA has incurred capital expenditure of Rs. 2.23 Crore for Wire Business and Rs. 0.25 Crore for Supply Business.
- 2.8.3 The distribution network of JNPA was developed for a load requirement of 50 MVA. It is operational since August 2021 with a capital expenditure (capex) of Rs 104.26 Crore. JNPA highlighted that claiming this full capex would impact consumer tariffs due to limited load growth. Regulation 3.12 of the MERC (Approval of Capital Investment Schemes) Regulations, 2022, requires a minimum asset loading of 25% for capitalisation, which could result in no capex being allowed despite the assets being in use. To avoid burdening consumers with the entire capex given lower sales, JNPA proposed claiming capitalisation proportionate to actual asset loading. Consequently, the Commission, utilizing its Power to Relax under the 2022 regulations, permitted capex/capitalisation proportionate to asset loading for FY 2023-24.

**Table 24: Capitalisation proportionate to the load approved by Commission in MTR Order (Rs. Crore)**

Particulars	Units	Total	FY 2022-23	FY 2023-24
Total CAPEX/ Capitalisation	Rs. Crore	104.26	-	2.47
Actual Load	MW	50	0.96	1.23
Load rounded off	MW		1.00	2.00

- 2.8.4 JNPA submitted that in FY 2021-22 it had capitalised the asset put to use of Rs. 104.26 crore out of the total approved Capex of Rs. 113.94 crore, with balance of Rs. 9.68 crore asset classified under the Capital Work in Progress. In FY 2023-24, the remaining CWIP of Rs. 9.68 crore was fully capitalized and reflected as operational assets in JNPA's audited financial statements. Therefore, the asset of Rs. 113.94 crore has now been capitalised, however, JNPA considers the asset loading according to the methodology approved by the Commission in MTR Order. Accordingly, JNPA has claimed capitalisation proportionate to the increase in load in FY 2023-24.

**Table 25: Capitalisation claimed by JNPA for Distribution Wires and Retail Supply Business**

**for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
<b>Distribution Wires Business</b>				
Capital Expenditure	-	-	-	8.72
Capitalisation	0.00	-	1.88	2.23
<b>Retail Supply Business</b>				
Capital Expenditure	-	-	-	0.97
Capitalisation	-	-	0.21	0.25

**Commission's Analysis and Ruling**

- 2.8.5 The Commission vide letter dated 27 December 2022 had given post-facto in-principle approval to the DPR submitted by JNPA. In FY 2021-22 JNPA had capitalised the put to use asset of Rs. 104.26 crore out of the total approved Capex of Rs. 113.94 crore, with balance of Rs. 9.68 crore asset classified under in Capital Work in Progress. In FY 2023-24, the remaining CWIP of Rs. 9.68 crore was fully capitalized and reflected as operational assets of JNPA. The Capital Expenditure proposed by JNPA is as per DPR approved by the Commission. Accordingly, the Commission approves the Capital Expenditure.
- 2.8.6 JNPA has submitted capitalisation in proportion to the load in line with the methodology approved by the Commission in the MTR Order. In line with the same Commission approves Capitalisation for FY 2022-23 and FY 2023-24.

**Table 26: Capital Expenditure & Capitalisation approved by the Commission for FY 2022-23 and FY 2023-24**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
<b>Wires Business</b>						
Capital Expenditure	0.00	0.00	0.00	0.00	8.72	8.72
Capitalisation	0.00	0.00	0.00	1.88	2.23	2.23
<b>Supply Business</b>						
Capital Expenditure	0.00	0.00	0.00	0.00	0.97	0.97
Capitalisation	0.00	0.00	0.00	0.21	0.25	0.25

**2.9 Depreciation**

**JNPA's Submission**

- 2.9.1 JNPA has computed the Depreciation for FY 2022-23 and 2023-24 in accordance with Regulation 28 of the MERC MYT Regulations, 2019, by applying the asset class-wise Depreciation rate specified in the MERC MYT Regulations, 2019 on the average asset class-

wise GFA during the year. The depreciation as claimed by JNPA is provided in the following table:

**Table 27: Depreciation as claimed by JNPA for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
<b>Distribution Wires Business</b>				
Opening GFA	1.88	1.88	1.88	1.88
Additions during the Year	0.00	0.00	1.88	2.23
Retirement during the year	0.00	0.00	0.00	0.00
Closing GFA	1.88	1.88	3.7567	4.10
<b>Depreciation</b>	<b>0.0991</b>	<b>0.0991</b>	<b>0.1486</b>	<b>0.1578</b>
<b>Retail Supply Business</b>				
Opening GFA	0.21	0.21	0.21	0.21
Additions during the Year	0.00	0.00	0.21	0.25
Retirement during the year	0.00	0.00	0.00	0.00
Closing GFA	0.21	0.21	0.42	0.46
<b>Depreciation</b>	<b>0.0110</b>	<b>0.0110</b>	<b>0.0165</b>	<b>0.018</b>

### **Commission's Analysis and Ruling**

2.9.2 The Commission has computed the depreciation for FY 2022-23 and 2023-24 in accordance with Regulation 28 of MERC MYT Regulations, 2019. The Commission has considered asset-wise closing GFA as of FY 2021-22 as opening GFA. Further Commission has calculated the depreciation by applying the asset class-wise depreciation rate as specified in the MERC MYT Regulations, 2019 on the average asset class-wise GFA during the year.

2.9.3 The Commission has approved depreciation for FY 2022-23 and 2023-24 as shown in the table below:

**Table 28: Depreciation as approved by the Commission for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>						
Opening GFA	1.8767	1.8767	1.8767	1.8800	1.8767	1.8767
Additions during the Year	0.0000	0.0000	0.0000	1.8800	2.2253	2.2253
Retirement during the year	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Closing GFA	1.8767	1.8767	1.8767	3.7500	4.1021	4.1021
<b>Depreciation</b>	<b>0.0991</b>	<b>0.0991</b>	<b>0.0991</b>	<b>0.1486</b>	<b>0.1578</b>	<b>0.1578</b>
<b>Retail Supply Business</b>						
Opening GFA	0.2085	0.2085	0.2085	0.2100	0.2085	0.2085
Additions during the Year	0.0000	0.0000	0.0000	0.2100	0.2473	0.2473

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Retirement during the year	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Closing GFA	0.2085	0.2085	0.2085	0.4200	0.4558	0.4558
<b>Depreciation</b>	<b>0.0110</b>	<b>0.0110</b>	<b>0.0110</b>	<b>0.0165</b>	<b>0.0175</b>	<b>0.0175</b>

## 2.10 Interest on Loan

### JNPA's Submission

2.10.1 JNPA has computed the Interest on Long Term Loan Capital in accordance with Regulation 30 of the MERC MYT Regulations, 2019. JNPA has considered normative Debt: Equity ratio of 70:30 on the addition to GFA to consider normative loan component of the capitalisation.

2.10.2 JNPA has submitted that it does not have any actual loan and there is no other business regulated by the Commission. Accordingly, JNPA has considered the interest rate of the entity for JNPA in line with proviso of Regulation 30.5 of MERC MYT Regulations 2019 as outlined below:

*“30.5 The rate of interest shall be the weighted average rate of interest computed on the basis of the actual long-term loan portfolio at the beginning of each year:  
.....*

*Provided also that if the Generating Company or the Licensee or the MSLDC, as the case may be, does not have actual long-term loan, and its other Businesses regulated by the Commission also do not have actual long-term loan even in the past, then the weighted average rate of interest of the entity as a whole shall be considered:”*

2.10.3 In FY 2022-23, JNPA (as an entity) has taken long term loan by issuing tax-free bonds at 13.77% and from ECB at 4.67%. For the purpose of true-up, JNPA has considered the interest rate of 4.67%.

2.10.4 In FY 2023-24, JNPA has borrowed fund from ECB at 8.28% and the same is considered for as the rate of Interest for the purpose of True-up. The Interest on Long Term Loans as claimed by JNPA for FY 2022-23 and FY 2023-24 are as follows:

**Table 29: JNPA submitted Interest on Loan Capital for Distribution Wires Business (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Opening Balance of Gross Normative Loan	1.31	1.31	1.31	1.31

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Cumulative Repayment till the year	0.10	0.05	0.20	0.15
Opening Balance of Net Normative Loan	1.21	1.26	1.12	1.17
Less: Reduction of Normative Loan due to retirement or replacement of assets	-	-	-	-
Addition of Normative Loan due to capitalisation during the year	-	-	1.31	1.56
Repayment of Normative loan during the year	0.10	0.10	0.15	0.16
Closing Balance of Net Normative Loan	1.12	1.17	2.28	2.56
Closing Balance of Gross Normative Loan	1.31	1.31	2.62	2.87
Average Balance of Net Normative Loan	1.17	1.21	1.70	1.87
Weighted average Rate of Interest on actual Loans (%)	4.47%	4.67%	4.47%	8.28%
Interest Expenses	0.052	0.057	0.076	0.154
Financing Charges	0.000	0.000	0.000	0.000
<b>Total Interest &amp; Financing Charges</b>	<b>0.052</b>	<b>0.057</b>	<b>0.076</b>	<b>0.154</b>

**Table 30: JNPA submitted Interest on Loan Capital for Retail Supply Business (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Opening Balance of Gross Normative Loan	0.15	0.15	0.15	0.15
Cumulative Repayment till the year	0.01	0.01	0.02	0.02
Opening Balance of Net Normative Loan	0.13	0.14	0.12	0.13
Less: Reduction of Normative Loan due to retirement or replacement of assets	0.00	0.00	0.00	0.00
Addition of Normative Loan due to capitalisation during the year	0.00	0.00	0.15	0.17
Repayment of Normative loan during the year	0.01	0.01	0.02	0.02
Closing Balance of Net Normative Loan	0.12	0.13	0.26	0.28
Closing Balance of Gross Normative Loan	0.15	0.15	0.30	0.32
Average Balance of Net Normative Loan	0.12	0.13	0.19	0.21
Weighted average Rate of Interest on actual Loans (%)	4.47%	4.67%	4.47%	8.28%
Interest Expenses	0.01	0.01	0.01	0.02
Financing Charges	0.00	0.00	0.00	0.00
<b>Total Interest &amp; Financing Charges</b>	<b>0.0058</b>	<b>0.0063</b>	<b>0.0084</b>	<b>0.0172</b>

### **Commission's Analysis and Ruling**

2.10.5 In reply to a query raised by the Commission in respect of details of actual funding for capital expenditure, JNPA submitted that there are no actual loans on the books of the regulated entity, i.e., Distribution Licensee, which is a division of the parent entity i.e. JNPA. Since JNPA does not have any actual loans, for considering the rate of interest to be applied on the normative loan, the weighted average rate of interest on the actual loan portfolio of JNPA (entity as a



whole) for FY 2022-23 and 2023-24 is considered. This is in accordance with the 4<sup>th</sup> proviso of Regulation 30.5 of the MERC MYT Regulations, 2019.

2.10.6 JNPA further submitted that in FY 2022-23 it had taken long term loan by issuing tax-free bonds at 13.77% and from ECB at 4.67%. According to the 4<sup>th</sup> proviso of Regulation 30.5 of the MERC MYT Regulations 2019, weighted average rate of interest is computed as 4.85%. Similarly, in FY 2023-24, JNPA borrowed fund from ECB at 8.28% and the same is considered for as the rate of interest for the purpose of True-up. JNPA has submitted documentary evidence for the same.

**Table 31: Rate of interest as submitted by JNPA for FY 2022-23 and FY 2023-24**

Particulars	Int. Rate for FY 2022-23	Int. Rate for FY 2023-24
Interest Paid in FY 2022-23 (Rs. Crore)	91.18	95.70
Principal Outstanding as on 31.03.2023 (Rs. Crore)	1,703.38	
Principal Outstanding as on 31.03.2022 (Rs. Crore)	1,966.75	
Average Principal Amount (Rs. Crore)	1,835.06	
Interest Paid in FY 2023-24 (Rs. Crore)		95.70
Principal Outstanding as on 31.03.2024 (Rs. Crore)		NIL
Principal Outstanding as on 31.03.2023 (Rs. Crore)		1703.38
Average Principal Amount (Rs. Crore)		851.69
<b>Weighted rate of interest</b>	<b>4.67%</b>	<b>8.28%</b>

2.10.7 The Commission observed that, JNPA has considered weighted average rate of interest based on actual long term loan portfolio during FY 2022-23 and FY 2023-24. The relevant provisions of MYT Regulations 2019 are reproduced below:

*“30.5 The rate of interest shall be the weighted average rate of interest computed on the basis of the actual long-term loan portfolio at the beginning of each year:*

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

...

*Provided also that if the Generating Company or the Licensee or the MSLDC, as the case may be, does not have actual long-term loan, and its other Businesses regulated by the Commission also do not have actual long-term loan even in the past, then the weighted average rate of interest of the entity as a whole shall be considered:*

...”



2.10.8 The Commission considered the closing balance of normative loans as of FY 2021-22 as the opening balance of normative loans for FY 2022-23. Further, repayment of loan is considered equal to the depreciation.

2.10.9 The Interest on Loan as approved by the Commission for FY 2022-23 and 2023-24 is summarised in the table below:

**Table 32: Interest on Loan approved by the Commission for FY 2022-23 & FY 2023-24 (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>						
Opening Normative Loan	1.2146	1.2642	1.2642	1.1155	1.1651	1.1651
Addition of Normative Loan during the year	0.0000	0.0000	0.0000	1.3100	1.5577	1.5577
Less: Repayment during the year	0.0991	0.0991	0.0991	0.1500	0.1578	0.1578
Closing Normative Loan	1.1155	1.1651	1.1651	2.2755	2.5650	2.5650
Average Normative Loan	1.1651	1.2146	1.2146	1.6955	1.8650	1.8650
Rate of Interest	4.47%	4.67%	4.67%	4.47%	8.28%	8.28%
Interest on Loan for Wires Business	<b>0.0520</b>	<b>0.0567</b>	<b>0.0567</b>	<b>0.0757</b>	<b>0.1544</b>	<b>0.1544</b>
<b>Retail Supply Business</b>						
Opening Normative Loan	0.1350	0.1405	0.1405	0.1240	0.1295	0.1295
Addition of Normative Loan during the year	0.0000	0.0000	0.0000	0.1500	0.1731	0.1731
Less: Repayment during the year	0.0110	0.0110	0.0110	0.0200	0.0175	0.0175
Closing Normative Loan	0.1240	0.1295	0.1295	0.2540	0.2850	0.2850
Average Normative Loan	0.1295	0.1350	0.1350	0.1890	0.2072	0.2072
Rate of Interest	4.47%	4.67%	4.67%	4.47%	8.28%	8.28%
Interest on Loan for Supply Business	<b>0.0058</b>	<b>0.0063</b>	<b>0.0063</b>	<b>0.0084</b>	<b>0.0172</b>	<b>0.0172</b>

## 2.11 Return on Equity

### JNPA's Submission

2.11.1 JNPA has computed the Return on Equity (RoE) for FY 2022-23 and FY 2023-24 in accordance with Regulation 29 of the MYT Regulations, 2019, for the Distribution Wires and Retail Supply business separately.

2.11.2 Since tax is paid by JNPA as a whole entity which also includes regulated business and unregulated businesses, JNPA has considered the tax rate as per actual tax paid by JNPA. JNPA has considered effective tax rate of 34.94% for FY 2022-23 and FY 2023-24. The pre-tax return on equity is equal to 21.52% for Wires Business and 23.83% for Retail Business for FY 2022-23 and FY 2023-24, respectively.

2.11.3 JNPA has submitted that, it has achieved Wires Availability of 94.81% for FY 2022-23 and 99.28% for FY 2023-24 and therefore it is entitled for additional RoE of 1% in FY 2023-24. Further, no assessed bills were issued by JNPA in FY 2022-23 and FY 2023-24 and the collection efficiency is 99.70% and 100.62% in FY 2022-23 and FY 2023-24 respectively. Accordingly, JNPA has claimed additional RoE of 2% for FY 2022-23 and FY 2023-24. The following table provides the total pre-tax RoE claimed by JNPA:

**Table 33: Pre-tax RoE for FY 2022-23 and FY 2023-24 submitted by JNPA**

Particulars	FY 2022-23	FY 2023-24
<b>Distribution Wire Business</b>		
Base RoE	14.00%	14.00%
Performance RoE	0.00%	1.00%
Total RoE	14.00%	15.00%
Effective tax Rate	34.94%	34.94%
Pre-Tax RoE	21.52%	23.06%
<b>Retail Supply Business</b>		
Base RoE	15.50%	15.50%
Performance RoE	2.00%	2.00%
Total RoE	17.50%	17.50%
Effective tax Rate	34.94%	34.94%
Pre-Tax RoE	26.90%	26.90%

**Table 34: JNPA submitted RoE for Distribution Wires Business for FY 2022-23 and FY 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Regulatory Equity at the beginning of the year	0.563	0.563	0.563	0.563
Capitalisation during the year	0.000	0.000	1.877	2.225
Equity portion of capitalisation during the year	0.000	0.000	0.563	0.668
Reduction in Equity Capital on account of retirement / replacement of assets	0.000	0.000	0.000	0.000
Regulatory Equity at the end of the year	0.563	0.563	1.126	1.231
<b>Return on Equity Computation</b>				
Base Rate of Return on Equity	14.00%	14.00%	14.00%	14.00%
Pretax Return on Equity after considering effective Tax rate	21.52%	21.52%	21.52%	21.52%
Return on Regulatory Equity at the beginning of the year	0.121	0.121	0.121	0.121
Return on Regulatory Equity addition during the year	0.000	0.000	0.061	0.072
<b>Total Return on Equity</b>	<b>0.121</b>	<b>0.121</b>	<b>0.182</b>	<b>0.193</b>

**Table 35: JNPA submitted Additional RoE for Wires Business for FY 2022-23 and FY 2023-24 (Rs. Crore)**

Particulars	Unit	FY 2022-23	FY 2023-24
		April-March (Audited)	April-March (Audited)
Wires Availability above 98% (95% for MSEDCL)	%	94.81%	99.28%
Additional Rate of Return on Equity for Wire Availability (a)	%	0.00%	1.00%
<b>Additional Return on Equity Computation</b>			
Return on Regulatory Equity at the beginning of the year	Rs. Crore	-	0.0087
Return on Regulatory Equity addition during the year	Rs. Crore	-	0.0051
<b>Total Additional Return on Equity</b>	<b>Rs. Crore</b>	<b>-</b>	<b>0.0138</b>

**Table 36: JNPA submitted RoE for Retail Supply Business for FY 2022-23 and FY 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Regulatory Equity at the beginning of the year	0.06	0.063	0.063	0.063
Capitalisation during the year	0.00	-	0.209	0.247
Equity portion of capitalisation during the year	0.00	-	0.063	0.074
Reduction in Equity Capital on account of retirement / replacement of assets	0.00	-	0.00	-
Regulatory Equity at the end of the year	0.063	0.063	0.125	0.137
<b>Return on Equity Computation</b>				
Base Rate of Return on Equity	15.50%	15.50%	15.50%	15.50%
Pretax Return on Equity after considering effective Tax rate	23.83%	23.83%	23.83%	23.83%
Return on Regulatory Equity at the beginning of the year	0.015	0.015	0.015	0.015
Return on Regulatory Equity addition during the year	0.000	0.000	0.007	0.009
<b>Total Return on Equity</b>	<b>0.015</b>	<b>0.015</b>	<b>0.022</b>	<b>0.024</b>

**Table 37: JNPA submitted Additional RoE for Retail Supply Business for FY 2022-23 and FY 2023-24 (Rs. Crore)**

Particulars	Unit	FY 2022-23	FY 2023-24
		April -March (Audited )	April -March (Audited )
% of Assessed bills with respect total bills issued during the year	%	0.00%	0.00%
Additional Rate of Return on Equity for Assessment of bills (a)	%	1.00%	1.00%

Particulars	Unit	FY 2022-23	FY 2023-24
		April -March (Audited )	April -March (Audited )
Collection Efficiency for the year	%	99.70%	100.61%
Additional Rate of Return for collection efficiency (b)	%	1.00%	1.00%
Total Additional Return on Equity (c) = (a) + (b)	%	2.00%	2.00%
<b>Additional Return on Equity Computation</b>			
Return on Regulatory Equity at the beginning of the year	Rs. Crore	0.002	0.002
Return on Regulatory Equity addition during the year	Rs. Crore	0.000	0.001
<b>Total Additional Return on Equity</b>	Rs. Crore	<b>0.002</b>	<b>0.003</b>

### ***Commission's Analysis and Ruling***

- 2.11.4 The Commission has noted the submissions of JNPA. JNPA submitted ITR acknowledgement in support of the Tax rate used for grossing up the RoE for both the years. it is observed that for both FY 2022-23 and FY 2023-24, the effective Income Tax Rate is 17.47% i.e., MAT Rate. Therefore, the Commission has considered effective Income Tax Rate of 17.47% for both FY 2022-23 and FY 2023-24. Accordingly, the Commission has computed the pre-tax RoE after effective Tax rate by grossing up the Base RoE. The same was found to be in order.
- 2.11.5 JNPA has submitted Wires Availability of 94.81% and 99.28% for FY 2022-23 and FY 2023-24 respectively. In reply to a query raised by the Commission JNPA submitted Standard of Performance Quarterly Return for FY 2022-23 and FY 2023-24 to support its claim of Wires Availability. The same was found in order. Accordingly, the Commission approves the claim of additional RoE on account of wires availability of 0.00% for FY 2022-23 and 1.00% for FY 2023-24.
- 2.11.6 JNPA has submitted Auditor certified collection efficiency of 99.73% and 100.61% for FY 2022-23 and FY 2023-24 respectively. Since JNPA claimed 0% of assessed bills, the Commission approves additional RoE of 1.00% for both FY 2022-23 and 2023-24.
- 2.11.7 The Commission has considered opening balance of equity for FY 2022-23 as the approved closing balance of equity for FY 2021-22 and closing balance of equity for FY 2022-23 is considered as the opening balance of equity for FY 2023-24. Commission has considered nil addition to equity as there is no approved capitalisation for FY 2022-23 and FY 2023-24. The summary of the base RoE approved for FY 2022-23 and FY 2023-24 is provided as under:

**Table 38: Base RoE for Wires Business for FY 2022-23 and FY 2023-24 approved by the Commission (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Regulatory Equity at beginning of the year	0.5630	0.5630	0.5630	0.5630	0.5630	0.5630
Equity portion of capitalisation during the year	0.0000	0.0000	0.0000	0.5631	0.6676	0.6676
Regulatory Equity at the end of the year	0.5630	0.5630	0.5630	1.1261	1.2306	1.2306
Base Return on Equity	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Pre-tax Return on Equity after considering effective Tax rate	21.52%	21.52%	21.52%	21.52%	21.52%	21.52%
<b>Return on Equity for Wires Business</b>	<b>0.1212</b>	<b>0.1212</b>	<b>0.1212</b>	<b>0.1817</b>	<b>0.1930</b>	<b>0.1930</b>

**Table 39: Base RoE for Supply Business for FY 2022-23 and FY 2023-24 approved by the Commission (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Regulatory Equity at beginning of the year	0.0626	0.0626	0.0626	0.0626	0.0626	0.0626
Equity portion of capitalisation during the year	0.0000	0.0000	0.0000	0.0626	0.0742	0.0742
Regulatory Equity at the end of the year	0.0626	0.0626	0.0626	0.1251	0.1367	0.1367
Base Return on Equity	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
Pre-tax Return on Equity after considering effective Tax rate	23.83%	23.83%	23.83%	23.83%	23.83%	23.83%
<b>Return on Equity for Supply Business</b>	<b>0.0149</b>	<b>0.0149</b>	<b>0.0149</b>	<b>0.0224</b>	<b>0.0237</b>	<b>0.0237</b>

**Table 40: Additional RoE for Wires Business as approved by the Commission for FY 2022-23 and FY 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Wires Availability above 98%	94.81%	94.81%	99.28%	99.28%
Additional Rate of Return on Equity for Wire availability	0.00%	0.00%	1.00%	1.00%
Pre-tax Return on Equity after considering effective Tax rate (per annum)	0.00%	0.00%	1.54%	1.54%
<b>Additional Return on Equity Computation</b>				
Return on Regulatory Equity at the beginning of the year (Rs. Crore)	0.0000	0.0000	0.0087	0.0087
Return on Regulatory Equity addition during the year (Rs. Crore)	0.0000	0.0000	0.0051	0.0051
<b>Total Additional Return on Equity (Rs. Crore)</b>	<b>0.0000</b>	<b>0.0000</b>	<b>0.0138</b>	<b>0.0138</b>

**Table 41: Additional RoE for Supply Business as approved by the Commission for FY 2022-23 and FY 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
% Of Assessed bills with respect to total bills issued during the year	0.00%	0.00%	0.00%	0.00%
Additional Rate of Return on Equity for assessment of bills	1.00%	1.00%	1.00%	1.00%
Collection Efficiency for the year	99.70%	99.70%	100.61%	100.61%
Additional Rate of Return for collection efficiency	1.00%	1.00%	1.00%	1.00%
Total Additional Return on Equity	2.00%	2.00%	2.00%	2.00%
Pre-tax Return on Equity after considering effective Tax rate (per annum)	3.07%	3.07%	3.07%	3.07%
<b>Additional Return on Equity Computation</b>				
Return on Regulatory Equity at the beginning of the year (Rs. Crore)	0.0019	0.0019	0.0019	0.0019
Return on Regulatory Equity addition during the year (Rs. Crore)	0.0000	0.0000	0.0011	0.0011
<b>Total Additional Return on Equity (Rs. Crore)</b>	<b>0.0019</b>	<b>0.0019</b>	<b>0.0031</b>	<b>0.0031</b>

## 2.12 Interest on Working Capital and on Consumer's Security Deposit

### JNPA's Submission

2.12.1 JNPA has computed the normative Interest on Working Capital as per Regulation 32 of the MYT Regulations, 2019. JNPA has considered rate of Interest for computing Interest on Working Capital according to Regulation 32.3 (b) and 34.3 (b) of MERC MYT Regulations, 2019.

2.12.2 JNPA has considered the rate of interest for computation of interest on CSD equal to the prevailing Bank Rate of Reserve Bank of India (RBI) i.e. 5.74% for FY 2022-23 and 6.75 % for FY 2023-24.

2.12.3 JNPA requested the Commission to approve the IoWC computed on normative basis for FY 2022-23 and FY 2023-24 as given in the table below:

**Table 42: Interest on Working Capital and CSD submitted by JNPA for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
O&M expenses for a month	0.015	0.012	0.020	0.017

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Maintenance Spares at 1% of Opening GFA	0.019	0.019	0.020	0.019
One and half months equivalent of the expected revenue from charges for use of Distribution Wires	0.038	0.035	0.090	0.059
Less: Amount held as Security Deposit from Distribution System Users	0.005	0.006	0.010	0.014
<b>Total Working Capital Requirement</b>	<b>0.067</b>	<b>0.059</b>	<b>0.120</b>	<b>0.080</b>
<b>Computation of Working Capital Interest</b>				
Interest Rate (%) - SBI Base Rate +150 basis points	9.55%	9.30%	9.55%	10.07%
<b>Interest on Working Capital</b>	<b>0.0064</b>	<b>0.0055</b>	<b>0.0115</b>	<b>0.0081</b>
Actual Working Capital Interest	-	0.0000	-	0.0000
<b>Interest on Security Deposit</b>				
Interest Rate (%) - Bank Rate	4.25%	5.74%	6.15%	6.75%
<b>Interest on Security Deposit</b>	<b>0.0004</b>	<b>0.0004</b>	<b>0.0004</b>	<b>0.0009</b>

**Table 43: Interest on Working Capital for Retail Supply Business submitted by JNPA for FY 2022-23 and FY 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
O&M expenses for a month	0.008	0.006	0.010	0.009
Maintenance Spares at 1% of Opening GFA	0.002	0.002	0.000	0.002
One and half months equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	0.464	0.411	1.150	0.527
Less: Amount held as security deposit	0.049	0.056	0.050	0.126
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	0.259	0.204	0.510	0.368
<b>Total Working Capital Requirement</b>	<b>0.166</b>	<b>0.159</b>	<b>0.600</b>	<b>0.045</b>
<b>Computation of Working Capital Interest</b>				
Interest Rate (%) - SBI Base Rate +150 basis points	9.55%	9.30%	6.15%	10.07%
<b>Interest on Working Capital</b>	<b>0.016</b>	<b>0.015</b>	<b>0.037</b>	<b>0.004</b>
Actual Working Capital Interest	-	0.000	-	0.000
<b>Interest on Security Deposit</b>				
Interest Rate (%) - Bank Rate	4.25%	5.74%	6.15%	6.75%
<b>Interest on Security Deposit</b>	<b>0.003</b>	<b>0.003</b>	<b>0.003</b>	<b>0.008</b>



### Commission's Analysis and Ruling

2.12.4 The Commission has computed the total working capital requirement, interest on working capital on normative basis in accordance with Regulation 32 of the MYT Regulations 2019 and approved the same.

2.12.5 In reply to a query raised by the Commission regarding the consumer security deposit, JNPA submitted that, as per Regulation 30.11 of MERC MYT Regulations 2019, it has paid interest on security deposit based on the prevailing Bank Rate of Reserve Bank of India. For FY 2022-23, an amount of Rs. 23,522 was paid in April 2023 while for FY 2023-24, an amount of Rs. 86,658 was paid in April 2024.

2.12.6 In support of its claim JNPA submitted following Ledger of Interest on security deposit paid to consumer for FY 2022-23 and FY 2023-24.

**Table 44: Ledger of Interest on Security Deposit for FY 2022-23**

Sr. No.	Party Name	Customer Code	Date of Payment	Interest Amount
1	Sadanand Engg Works	SEW001	05/12/2022	1112
2	Piyush Enterprises	PET001	10/10/2021	14899
3	Sarvesh Logistics Services	SLS001	22/09/2021	7450
4	State Bank of India	SBI001	06/02/2023	62
			<b>Total</b>	<b>23522</b>

**Table 45: Ledger of Interest on Security Deposit for FY 2023-24**

Sr. No.	Customer Name	Customer Code	Date of Payment	Interest Amount
1	M/S. SADANAND ENGINEERING WORKS	SEW001	09/05/2024	5,555.18
2	Sarveshwar Logistics Services Pvt L	SLS001	09/05/2024	11,831.78
3	STATE BANK OF INDIA	SBI001	09/05/2024	675.00
4	SIMOSIS INTERNATIONAL	SIMOS001	09/05/2024	29,345.61
5	OIL FIELD WAREHOUSE & SERVICES LTD	OFWS001	09/05/2024	2,678.72
6	OWS Warehouse Services LLP	OWS001	09/05/2024	3,075.44
7	RK Flexo Printers Packers LLP	RKF001	09/05/2024	8,364.56
8	Rudra Flexipack LLP	RFP001	09/05/2024	10,457.72
9	ATAR MOHD SAEED DAWOOD PVT LTD	AMD001	09/05/2024	6,731.51
10	CGS Construction	CGS001	09/05/2024	492.36
11	Sarveshwar Logistics Services Pvt L	SLS001	09/08/2024	7,450.00
			<b>Total</b>	<b>86,657.88</b>

2.12.7 JNPA also submitted that interest on security deposits has not been paid to connections under JNPA SEZ, as these pertain to JNPA SEZ captive consumers. Due to the initial phase of operationalization of the Distribution Licensee, JNPA was unable to create separate heads in the audited accounts statement for interest on security deposits. JNPA reiterated its full



commitment to regulatory compliance and assured the Commission that, from FY 2024-25 onwards, all such expenses will be booked under a separate accounting head.

2.12.8 As per Regulation 30.11 of MERC MYT Regulations 2019, at the time of Truing-up, the interest on the amount of security deposit for the year shall be considered on the basis of the actual interest paid by the Licensee during the year. Accordingly, the Commission has considered the actual interest paid on the security deposit by JNPA.

2.12.9 For the purpose of working out the Working Capital requirement, the Commission has considered actual CSD of Rs. 6,18,156 and Rs. 13,94,849 for FY 2022-23 and FY 2023-24 respectively as reflected in Note 17 of the Audited Accounts. Further, the Commission has considered the rate of interest equal to the weighted average one-year MCLR during the year plus 150 basis points which is 9.30% and 10.07% for FY 2022-23 and 2023-24, respectively. The IoWC and interest on CSD approved by the Commission are shown in the table below:

**Table 46: Interest on Working Capital and Consumers' Security Deposit approved by the Commission for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>						
O&M expenses for a month	0.0154	0.0117	0.0116	0.0200	0.0169	0.0140
Maintenance Spares at 1% of Opening GFA	0.0188	0.0188	0.0188	0.0200	0.0188	0.0188
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	0.0378	0.0346	0.0346	0.0900	0.0585	0.0585
Less: Amount held as Security Deposit from Distribution System Users	0.0054	0.0062	0.0062	0.0100	0.0139	0.0139
<b>Total Working Capital Requirement</b>	<b>0.0665</b>	<b>0.0589</b>	<b>0.0588</b>	<b>0.1200</b>	<b>0.0803</b>	<b>0.0773</b>
Interest Rate (%) - SBI Base Rate +150 basis points	9.55%	9.30%	9.30%	9.55%	10.07%	10.07%
<b>Interest on Working Capital</b>	<b>0.0064</b>	<b>0.0055</b>	<b>0.0055</b>	<b>0.0116</b>	<b>0.0081</b>	<b>0.0078</b>
<b>Interest on Security Deposit</b>	<b>0.0004</b>	<b>0.0004</b>	<b>0.0002</b>	<b>0.0004</b>	<b>0.0009</b>	<b>0.0009</b>
<b>Retail Supply Business</b>						
O&M expenses for a month	0.0083	0.0063	0.0062	0.0100	0.0091	0.0075
Maintenance Spares at 1% of Opening GFA	0.0021	0.0021	0.0021	0.0000	0.0021	0.0021

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
One and half month's equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	0.4635	0.4106	0.4106	1.1500	0.5274	0.5274
Less: Amount held as security deposit	0.0490	0.0556	0.0556	0.0500	0.1255	0.1255
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	0.2594	0.2044	0.2044	0.5100	0.3685	0.3685
<b>Total Working Capital Requirement</b>	<b>0.1655</b>	<b>0.1589</b>	<b>0.1588</b>	<b>0.6000</b>	<b>0.0446</b>	<b>0.0430</b>
Interest Rate (%) - SBI Base Rate +150 basis points	9.55%	9.30%	9.30%	9.55%	10.07%	10.07%
<b>Interest on Working Capital</b>	<b>0.0158</b>	<b>0.0148</b>	<b>0.0148</b>	<b>0.0577</b>	<b>0.0045</b>	<b>0.0043</b>
<b>Interest on Security Deposit</b>	<b>0.0034</b>	<b>0.0032</b>	<b>0.0021</b>	<b>0.0032</b>	<b>0.0085</b>	<b>0.0078</b>

## 2.13 Provisions for Bad Debts

### *JNPA's Submission*

2.13.1 JNPA has not made any provisioning for bad debts as it has not booked any outstanding receivables for FY 2022-23 and FY 2023-24 in its Audited Accounts.

### *Commission's Analysis and Ruling*

2.13.2 As JNPA has not claimed any provisions towards bad debts, the Commission has not approved any amount for FY 2022-23 and FY 2023-24.

## 2.14 Contribution to Contingency Reserves

### *JNPA's Submission*

2.14.1 The Commission in the MTR Order had considered the contribution to contingency reserve at 0.25% of Opening GFA for FY 2022-23 and FY 2023-24. JNPA has computed the amount of contribution to contingency reserves for FY 2022-23 and FY 2023-24. It has further submitted that it shall invest the amount related to the Contribution to Contingency Reserve during FY 2024-25.

2.14.2 The amount claimed by JNPA towards contribution to contingency reserves for FY 2022-23 and FY 2023-24 is as follows:

**Table 47: Contribution to contingency reserves claimed by JNPA in FY 2022-23 and FY 2023-24 (Rs. crores)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
<b>Wires business</b>				
Opening Balance of GFA	0.0000	0.0000	0.0047	0.0047
<b>Contribution to Contingency Reserves for Wires Business</b>	<b>0.0047</b>	<b>0.0047</b>	<b>0.0047</b>	<b>0.0047</b>
<b>Retail Supply Business</b>				
Opening Balance of GFA	0.0000	0.0000	0.0005	0.0005
<b>Contribution to Contingency Reserves for Supply Business</b>	<b>0.0005</b>	<b>0.0005</b>	<b>0.0005</b>	<b>0.0005</b>

***Commission's Analysis and Ruling***

2.14.3 In reply to a query in this regard, JNPA submitted that it has not invested the amount related to the contribution to contingency reserve for FY 2022-23. However, JNPA invested the amount of Rs. 1,56,000 related to the contribution to contingency reserve in authorized securities for FY 2023-24 and FY 2024-25 on 17 January 2025. The details submitted by JNPA in this regard are as follows:

**Table 48: Details submitted by JNPA regarding actual investments towards contribution to contingency reserve**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Contribution to Contingency Reserves- Wire Business in Rs. Crore	0.0047	0.0047	0.0094
Contribution to Contingency Reserves- Retail Supply Business in Rs. Crore	0.0005	0.0005	0.001
<b>Total in Rs. Crore</b>	<b>0.0052</b>	<b>0.0052</b>	<b>0.0104</b>
<b>Total in Rs.</b>	<b>52,000</b>	<b>52,000</b>	<b>1,04,000</b>
<b>Remarks</b>	<b>Not Invested</b>	<b>Invested amount of Rs. 1,56,000 in Fixed Deposit on dated 17 January 2025</b>	

2.14.4 JNPA reiterated its commitment to compliance with the Regulations and assured that, from FY 2024-25 onwards, it will ensure timely investment of the amount related to the Contribution to the Contingency Reserve, as required. JNPA has duly made the investment for FY 2024-25 within the prescribed timeframe. JNPA requested the Commission to exercise its 'Power to Relax' under Regulation 105 of the MERC (Multi Year Tariff) Regulations, 2019, and approve its proposal towards contribution to contingency reserve.

2.14.5 The relevant provisions of the MYT Regulations 2019 regarding contributions to contingency reserve is as follows:

*“35.1 Where the Licensee has made a contribution to the Contingency Reserve, a sum not less than 0.25 per cent and not more than 0.5 per cent of the original cost of fixed assets shall be allowed annually towards such contribution in the calculation of Aggregate Revenue Requirement:*

...

*Provided also that if the Licensee does not invest the amount of contribution to Contingency Reserves in authorised securities within a period of six months of the close of the Year, then the contribution allowed in the calculation of Aggregate Revenue Requirement shall be disallowed at the time of true-up:*

...”

2.14.6 The Commission notes that JNPA has not made any contribution to the contingency reserves for FY 2022-23 and FY 2023-24 within 6 months of the close of the respective years. Further, JNPA has made investments of Rs.1,56,000 in the securities authorised under the Indian Trusts Act, 1882 in FY 2024-25, the documentary evidence of which was submitted by JNPA. Thus, the Commission shall consider the entire amount of Rs.1,56,000 towards contribution to contingency reserve in FY 2024-25.

2.14.7 As JNPA has not invested the amount of contribution to contingency reserves in authorized securities within a period of six months of the close of the years FY 2022-23 and FY 2023-24, the Commission allows nil contribution to contingency reserves for FY 2022-23 and FY 2023-24 as per Regulation 35.1 of MYT Regulations 2019. The contribution to contingency reserves approved by the Commission are as follows:

**Table 49: Contribution to contingency reserves approved by Commission for FY 2022-23 & FY 2023-24**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Contribution to Contingency Reserves - Wires Business	0.0047	0.0047	0.0000	0.0047	0.0047	0.0000
Contribution to Contingency Reserves - Retail Supply Business	0.0005	0.0005	0.0000	0.0005	0.0005	0.0000
<b>Total</b>	<b>0.0052</b>	<b>0.0052</b>	<b>0.0000</b>	<b>0.0052</b>	<b>0.0052</b>	<b>0.0000</b>

## 2.15 Non-Tariff Income

### *JNPA's Submission*

2.15.1 JNPA has submitted that Non-Tariff Income claimed by it mainly comprises income from investments, income from rebate on power purchase and income from consumer charges levied in accordance with Schedule of Charges. JNPA has claimed Non-Tariff Income in accordance with Audited Accounts of the respective years.

**Table 50: Non-Tariff Income as claimed by JNPA in FY 2022-23 and FY 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Distribution Wires Business	0.0000	0.0000	0.0002	0.0000
Retail Supply Business	0.0032	0.0460	0.0032	0.0815
<b>Total Non-Tariff Income</b>	<b>0.0032</b>	<b>0.0460</b>	<b>0.0034</b>	<b>0.0815</b>

***Commission's Analysis and Ruling***

2.15.2 The Commission verified the claim of JNPA with the Audited Accounts, the same was found to be in order. The Commission observed that, JNPA has availed rebate on power purchase which forms the major portion of the non tariff income.

2.15.3 The Commission approves non-tariff income as per actuals and as verified from the books of accounts. The Non-Tariff income approved by the Commission for FY 2022-23 and 2023-24 is provided in the table below:

**Table 51: Non-Tariff Income Approved by the Commission for FY 2022-23 and 2023-24 (Rs. crore)**

Particulars	2022-23			2023-24		
	MTR	Petitioned	Approved in this Order	MTR	Petitioned	Approved in this Order
Distribution Wires Business	0.0000	0.0000	0.0000	0.0002	0.0000	0.0000
Retail Supply Business	0.0032	0.0460	0.0460	0.0032	0.0815	0.0815
<b>Total Non-Tariff Income</b>	<b>0.0032</b>	<b>0.0460</b>	<b>0.0460</b>	<b>0.0034</b>	<b>0.0815</b>	<b>0.0815</b>

**2.16 Sharing of Gains/ (Losses)**

***JNPA's Submission***

2.16.1 JNPA has submitted that Regulation 11 of the MYT Regulations, 2019 outlines the process for sharing of gains and losses that arise from controllable factors namely, O&M Expenses, Interest on Working capital and distribution loss.

2.16.2 JNPA has computed sharing of gains/ (losses) on account of the difference between the actual O&M expenses and the allowable O&M expenses as per the Commission's approved methodology in MTR Order, as efficiency gains, rather than the standard practice of considering the difference between the approved and actual values as efficiency gain/ loss. The efficiency gains/ loss claimed by JNPA are as follows:

**Table 52: Efficiency gains/ (losses) due to O&M expenses as claimed by JNPA (in Rs. crore)**

Sr. No.	Particulars	Normative	Actual	Gain / (Loss)	Efficiency Gain/ (Loss) to be shared/ borne by JNPA
	<b>FY 2022-23</b>				
1	O&M Expenses for Wires Business	0.19	0.16	0.02	0.007
2	O&M Expenses for Retail Supply Business	0.10	0.09	0.01	0.004
3	<b>Total Sharing to be claimed/(adjusted) in ARR</b>				<b>0.011</b>
	<b>FY 2023-24</b>				
1	O&M Expenses for Wires Business	0.27	0.30	(0.03)	(0.022)
2	O&M Expenses for Retail Supply Business	0.14	0.16	(0.02)	(0.012)
3	<b>Total Sharing to be claimed/(adjusted) in ARR</b>				<b>(0.034)</b>

2.16.3 JNPA has computed sharing of gains/ (losses) on account of difference between normative Interest on Working Capital approved and claimed, in the True up of FY 2022-23 and FY 2023-24 as follows:

**Table 53: Efficiency gains/ (losses) due to Interest on Working Capital as claimed by JNPA (in Rs. crore)**

Sr. No.	Particulars	Normative	Actual	Gain / (Loss)	Efficiency Gain/ (Loss) to be shared/ borne by JNPA
	<b>FY 2022-23</b>				
1	Interest on Working Capital for Wires Business	0.01	0.01	(0.01)	(0.004)
2	Interest on Working Capital for Retail Supply Business	0.02	0.01	(0.01)	(0.010)
3	<b>Total Sharing to be claimed/(adjusted) in ARR</b>				<b>(0.014)</b>
	<b>FY 2023-24</b>				
1	Interest on Working Capital for Wires Business	0.01	0.01	(0.01)	(0.005)
2	Interest on Working Capital for Retail Supply Business	0.06	0.00	(0.00)	(0.003)
3	<b>Total Sharing to be claimed/(adjusted) in ARR</b>				<b>(0.008)</b>

2.16.4 JNPA submitted that, it has achieved actual distribution loss of 12.96% and 7.36% against the normative target of 14.05% and 13.05% approved for FY 2022-23 and FY 2023-24, respectively. JNPA has calculated incentive for reduction in distribution loss for FY 2022-23 and FY 2023-24 as shown in the table below:

**Table 54: Gains on account of reduction of distribution loss as submitted by JNPA**

Particulars	Units	FY 2022-23	FY 2023-24
Normative Distribution loss (target)	%	14.05%	13.05%
Energy input @ Normative Distribution Loss	MU	5.01	6.73
Energy input @ Actual Distribution Loss	MU	4.94	6.31
Reduction in Power Purchase due to actual distribution loss less than the normative target	MU	0.07	0.42
Actual Power Purchase Cost for the year	Rs. Crore	2.45	3.86
Average Power Purchase Rate	Rs. / unit	4.97	6.11
Power Purchase Cost gain/(loss) due to actual distribution loss	Rs. Crore	0.03	0.26
Amount retained by JNPA (1/3rd of incentive/(loss))	Rs. Crore	0.01	0.09
<b>Amount passed on to consumers by JNPA (2/3rd of above incentive/(loss))</b>	Rs. Crore	<b>0.02</b>	<b>0.17</b>

### ***Commission's Analysis and Rulings***

- 2.16.5 As per the Regulation 11 of the MYT Regulations 2019, two-third of the efficiency gain and one third of loss has to be passed on to consumers which means, one-thirds of the gains is allowed to be retained by JNPA and two-thirds of the loss is required to borne by JNPA.
- 2.16.6 The Commission has considered the normative O&M expenses allowed vide MTR Order and the actual O&M expenses approved in the section above for FY 2022-23 and FY 2023-24. The Commission has calculated the difference between the normative and the actual O&M expenses as efficiency gains / losses on account of O&M expenses.
- 2.16.7 The Commission has computed normative IoWC separately for Distribution Wires Business and Retail Supply Business in earlier part of this Order. The Commission has observed that JNPA considered the revised normative interest on working capital claimed as the actual interest on working capital for calculating the sharing of efficiency gains/(losses) for FY 2022-23 and FY 2023-24. JNPA has not claimed any actual interest on working capital. Accordingly, for the present proceedings, the actual IoWC is considered as zero and the difference between the normative and the actual IoWC is subjected to sharing of efficiency gains/ losses on account of IoWC.
- 2.16.8 The Commission has considered approved values of distribution loss and average power purchase cost approved for FY 2022-23 and FY 2023-24 to arrive at the gain due to reduction in power purchase cost on account of distribution loss.
- 2.16.9 Accordingly, the gains/ loss on account of controllable factors computed by Commission are as follows:



**Table 55: Sharing of efficiency gains/ (losses) for FY 2022-23 as approved by Commission due to O&M Expenses & IoWC (Rs. Crore)**

Particulars	FY 2022-23							
	Revised Normative	Actual	Approved in this Order	Gain/ (loss)	Rebate in Tariff	Additional Charge in tariff	Efficiency gain/ (loss) retained	Sharing of efficiency gain/(loss) in ARR
O&M Expenses for Wires Business	0.1588	0.1588	0.1588	-	0.0000	0.0000	0.0000	-
O&M Expenses for Retail Supply Business	0.0855	0.0855	0.0855	-	0.0000	0.0000	0.0000	-
Interest on Working Capital for Wires Business	0.0055	0.0000	0.0055	0.0055	0.0036	0.0000	0.0018	-0.0036
Interest on Working Capital for Retail Supply Business	0.0148	0.0000	0.0148	0.0148	0.0098	0.0000	0.0049	-0.0098
<b>Total</b>					<b>0.0135</b>	<b>-</b>	<b>0.0067</b>	<b>(0.0135)</b>

**Table 56: Sharing of efficiency gains/ (losses) for FY 2023-24 as approved by Commission due to O&M Expenses & IoWC (Rs. Crore)**

Particulars	FY 2023-24							
	Revised Normative	Actual	Approved in this Order	Gain/ (loss)	Rebate in Tariff	Additional Charge in tariff	Efficiency gain/ (loss) retained	Sharing of efficiency gain/(loss) in ARR
O&M Expenses for Wires Business	0.1676	0.3021	0.3021	(0.1345)	0.0000	0.0448	-0.0897	(0.0897)
O&M Expenses for Retail Supply Business	0.0902	0.1627	0.1627	(0.0724)	0.0000	0.0241	-0.0483	(0.0483)
Interest on Working Capital for Wires Business	0.0078	0.0000	0.0078	0.0078	0.0052	0.0000	0.0026	-0.0052
Interest on Working Capital for Retail Supply Business	0.0043	0.0000	0.0043	0.0043	0.0029	0.0000	0.0014	-0.0029
<b>Total</b>					<b>0.0081</b>	<b>0.0690</b>	<b>(0.1339)</b>	<b>(0.1461)</b>



**Table 57: Sharing gain/ (loss) on account of distribution loss as approved by Commission**

Particulars	Units	FY 2022-23		FY 2023-24	
		MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Normative Distribution loss as per MTR Order	%	14.05%	14.05%	13.05%	13.05%
Energy input at Normative Distribution Loss	MU	5.01	5.01	6.73	6.73
Energy input at Actual Distribution Loss	MU	4.94	4.94	6.31	6.31
Reduction in Power Purchase due to actual distribution loss less than the normative target	MU	0.07	0.07	0.42	0.42
Actual Power Purchase Cost for the year	Rs. Crore	2.45	2.45	3.86	3.86
Average Power Purchase Cost	Rs. / unit	4.97	4.97	6.11	6.11
Power Purchase Cost gain/(loss) due to actual distribution loss	Rs. Crore	0.0340	0.0340	0.2570	0.2570
<b>Amount passed on to consumers as rebate</b>	<b>Rs. Crore</b>	<b>0.0227</b>	<b>0.0227</b>	<b>0.1713</b>	<b>0.1713</b>
<b>Sharing of efficiency gain/(loss) in ARR</b>			<b>0.0113</b>		<b>0.0857</b>

## 2.17 Revenue from Sale of Electricity

### JNPA's Submission

2.17.1 JNPA has considered the actual revenue from sale of electricity for FY 2022-23 and FY 2023-24, as per audited accounts. The summary of revenue from sale of electricity for FY 2022-23 and FY 2023-24 submitted by JNPA is as follows:

**Table 58: Revenue from sale of electricity for FY 2022-23 & FY 2023-24 as submitted by JNPA (Rs. Crore)**

Consumer Category	FY 2022-23	FY 2023-24
	Actual	Actual
	Revenue - Rs. Crore	
<b>HT Category</b>		
Industrial HT-I (A)	2.28	2.92
Commercial HT-(II)	0.88	1.19
<b>Sub-total</b>	<b>3.16</b>	<b>4.12</b>
<b>LT Category</b>		
Commercial LT-II (A)	0.00	0.02
Commercial LT-II (B)	0.12	0.20
Commercial LT-II (C)	0.06	0.02
Industrial LT-V (II)	0.18	0.26
Public Service LT VII(B)(II)	0.04	0.07
<b>Sub-total</b>	<b>0.40</b>	<b>0.57</b>
<b>Total</b>	<b>3.56</b>	<b>4.69</b>

### Commission's Analysis and Ruling

2.17.2 The Commission reconciled the revenue with the audited accounts of FY 2022-23 and FY 2023-24. The Commission observed that, JNPA has booked revenue from wheeling charges of Rs. 0.28 Crore and Rs. 0.47 Crore in FY 2022-23 and FY 2023-24 respectively. The actual revenue as per audited accounts approved by Commission is as follows:

**Table 59: Revenue from Sale of Electricity for FY 2022-23 and 2023-24 as approved by Commission (Rs. Crore)**

Particulars	2022-23			2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Revenue from Wheeling Charges	-	0.2771	0.2771	-	0.4683	0.4683
Revenue from Fixed/ Demand & Energy Charges	-	3.2847	3.2847	-	4.2194	4.2194
<b>Revenue from Sale of Electricity</b>	<b>4.0100</b>	<b>3.5618</b>	<b>3.5618</b>	<b>9.7069</b>	<b>4.6877</b>	<b>4.6877</b>

## 2.18 Summary of ARR for FY 2022-23 and FY 2023-24

### JNPA's Submission

2.18.1 The summary of ARR for FY 2022-23 and 2023-24 for Distribution Wires Business as claimed by JNPA is shown in the following table:

**Table 60: ARR Summary for Distribution Wires Business submitted by JNPA for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Operation & Maintenance Expenses	0.185	0.164	0.269	0.302
Depreciation	0.099	0.099	0.149	0.158
Interest on Loan Capital	0.052	0.057	0.076	0.154
Interest on Working Capital	0.006	0.005	0.012	0.008
Interest on deposit from Consumers and Distribution System Users	0.000	0.000	0.000	0.001
Provision for bad and doubtful debts	-	-	-	-
Contribution to contingency reserves	0.005	0.005	0.005	0.005
Income Tax	-	-	-	-
<b>Total Revenue Expenditure</b>	<b>0.348</b>	<b>0.330</b>	<b>0.510</b>	<b>0.628</b>
Add: Return on Equity Capital	0.121	0.121	0.182	0.207
Add: Sharing of Gains/(Losses) on O&M & IoWC	-	0.003	-	(0.028)
<b>Aggregate Revenue Requirement</b>	<b>0.469</b>	<b>0.455</b>	<b>0.692</b>	<b>0.807</b>
Less: Non-Tariff Income	-	-	-	-
Less: Income from other business	-	-	-	-
<b>Aggregate Revenue Requirement from Distribution Wires</b>	<b>0.469</b>	<b>0.455</b>	<b>0.692</b>	<b>0.807</b>

2.18.2 The Summary of ARR for FY 2022-23 and FY 2023-24 for Retail Supply Business as claimed by JNPA is shown in the following table:

**Table 61: ARR Summary for Retail Supply Business submitted by JNPA for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
Power Purchase Expenses (including Inter-State Transmission Charges)	2.802	2.453	5.315	3.856
Operation & Maintenance Expenses	0.100	0.088	0.145	0.163
Depreciation	0.011	0.011	0.017	0.018
Interest on Loan Capital	0.006	0.006	0.008	0.017
Interest on Working Capital	0.016	0.015	0.058	0.004
Interest on Consumer Security Deposit	0.003	0.003	0.003	0.008
Write-off of Provision for bad and doubtful debts	-	-	-	-
Contribution to contingency reserves	0.001	0.001	0.001	0.001
Intra-State Transmission Charges	0.218	-	0.560	0.564
MSLDC Fees & Charges	0.093	-	0.002	0.002
Interest on deposit from Consumers and Distribution System Users	-	-	-	-
<b>Total Revenue Expenditure</b>	<b>3.249</b>	<b>2.577</b>	<b>6.108</b>	<b>4.632</b>
Add: Return on Equity Capital	0.015	0.017	0.022	0.027
Add: Sharing of Gains/(Losses) on O&M & IoWC	-	(0.006)	-	(0.015)
Add: Sharing of Gains/(Losses) on Distribution Loss	-	0.011	-	0.086
<b>Aggregate Revenue Requirement</b>	<b>3.264</b>	<b>2.599</b>	<b>6.130</b>	<b>4.730</b>
Less: Non-Tariff Income	0.003	0.046	0.003	0.082
Less: Income from other business	-	-	-	-
Less: Receipts on account of Cross-Subsidy Surcharge	-	-	-	-
Less: Receipts on account of Additional Surcharge, if any	-	-	-	-
<b>Aggregate Revenue Requirement from Retail Supply</b>	<b>3.261</b>	<b>2.553</b>	<b>6.127</b>	<b>4.648</b>

#### ***Commission's Analysis and Ruling***

2.18.3 Based on the analysis in the previous paragraphs, the Commission has approved the ARR for FY 2022-23 and 2023-24 along with the Revenue Gap/Surplus approved by the Commission in the MTR Order, as summarised in the tables below:

**Table 62: ARR for Distribution Wires Business approved by the Commission for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Operation & Maintenance Expenses	0.1850	0.1638	0.1588	0.2688	0.3021	0.3021

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Depreciation	0.0991	0.0991	0.0991	0.1486	0.1578	0.1578
Interest on Loan Capital	0.0520	0.0567	0.0567	0.0758	0.1544	0.1544
Interest on Working Capital	0.0064	0.0055	0.0055	0.0116	0.0081	0.0078
Interest on deposit from Consumers and Distribution System Users	0.0004	0.0004	0.0002	0.0004	0.0009	0.0009
Provision for bad and doubtful debts	-	-	-	-	-	-
Contribution to contingency reserves	0.0047	0.0047	-	0.0047	0.0047	-
Sharing of (gains)/ losses due to O&M and IoWC	-	0.0034	(0.0036)	-	(0.0276)	(0.0949)
<b>Total Revenue Expenditure</b>	<b>0.3476</b>	<b>0.3336</b>	<b>0.3167</b>	<b>0.5100</b>	<b>0.6005</b>	<b>0.5281</b>
Add: Return on Equity Capital	0.1212	0.1212	0.1212	0.1817	0.2068	0.2068
<b>Aggregate Revenue Requirement</b>	<b>0.4687</b>	<b>0.4547</b>	<b>0.4378</b>	<b>0.6917</b>	<b>0.8073</b>	<b>0.7349</b>
Less: Non-Tariff Income	-	-	-	0.0002	-	-
Less: Income from other business	-	-	-	-	-	-
<b>Aggregate Revenue Requirement from Distribution Wires</b>	<b>0.4687</b>	<b>0.4547</b>	<b>0.4378</b>	<b>0.6916</b>	<b>0.8073</b>	<b>0.7349</b>
Add: Revenue Gap/ (Surplus) for FY 2021-22	-	-	-	0.1688	-	0.1688
Add: Revenue Gap/ (Surplus) for FY 2022-23	-	-	-	0.1666	-	0.1666
Add: Carrying/ (Holding) Cost for Revenue Gap/(Surplus) of FY 2021-22	-	-	-	0.0314	-	0.0314
Revenue Requirement deferred to future years	-	-	-	0.0000	-	0.0000
Carrying Cost due to Revenue Deferment	-	-	-	0.0000	-	0.0000
<b>Net ARR</b>	<b>0.4687</b>	<b>0.4547</b>	<b>0.4378</b>	<b>1.0584</b>	<b>0.8073</b>	<b>1.1017</b>

**Table 62: ARR for Retail Supply Business approved by the Commission for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Power Purchase Expenses (including Inter-State Transmission Charges)	2.8019	2.4531	2.4531	5.3150	3.8560	3.8560

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Operation & Maintenance Expenses	0.0996	0.0882	0.0855	0.1448	0.1627	0.1627
Depreciation	0.0110	0.0110	0.0110	0.0165	0.0175	0.0175
Interest on Loan Capital	0.0058	0.0063	0.0063	0.0084	0.0172	0.0172
Interest on Working Capital	0.0158	0.0148	0.0148	0.0577	0.0045	0.0043
Interest on Consumer Security Deposit	0.0034	0.0032	0.0021	0.0032	0.0085	0.0078
Write-off of Provision for bad and doubtful debts	-	-	-	-	-	-
Contribution to contingency reserves	0.0005	0.0005	-	0.0005	0.0005	-
Intra-State Transmission Charges	0.2184	-	-	0.5600	0.5638	0.5638
MSLDC Fees & Charges	0.0926	-	-	0.1800	0.0018	0.0018
Sharing of (gains)/ losses due to O&M and IoWC	-	(0.0061)	(0.0098)	-	0.0149	(0.0512)
Sharing of (gains)/ losses due to distribution loss	-	0.0227	0.0113	-	0.1713	0.0857
<b>Total Revenue Expenditure</b>	<b>3.2491</b>	<b>2.5938</b>	<b>2.5743</b>	<b>6.2861</b>	<b>4.8186</b>	<b>4.6655</b>
Add: Return on Equity Capital	0.0149	0.0168	0.0168	0.0224	0.0268	0.0268
<b>Aggregate Revenue Requirement</b>	<b>3.2640</b>	<b>2.6106</b>	<b>2.5911</b>	<b>6.3084</b>	<b>4.8454</b>	<b>4.6923</b>
Less: Non-Tariff Income	0.0032	0.0460	0.0460	0.0032	0.0815	0.0815
Less: Income from other business	-	-	-	-	-	-
Less: Receipts on account of Cross-Subsidy Surcharge	-	-	-	-	-	-
Less: Receipts on account of Additional Surcharge if any	-	-	-	-	-	-
<b>Aggregate Revenue Requirement from Retail Supply</b>	<b>3.2608</b>	<b>2.5646</b>	<b>2.5451</b>	<b>6.3053</b>	<b>4.7639</b>	<b>4.6108</b>
Add: Revenue Gap/ (Surplus) for FY 2021-22	-	-	-	0.0389		0.0389
Add: Revenue Gap/ (Surplus) for FY 2022-23	-	-	-	-0.4471		-0.4471
Add: Carrying/ (Holding) Cost for Revenue Gap/(Surplus) of FY 2021-22	-	-	-	0.0072		0.0072
Revenue Requirement deferred to future years	-	-	-	0.0252		0.0252
Carrying Cost due to Revenue Deferment	-	-	-	-0.0012		-0.0012
<b>Net ARR</b>	<b>3.2608</b>	<b>2.5646</b>	<b>2.5451</b>	<b>5.9283</b>	<b>4.7639</b>	<b>4.2338</b>

## 2.19 Revenue Gap/ (Surplus) for FY 2022-23 and 2023-24

### JNPA's Submission

2.19.1 JNPA has computed the combined Revenue Gap/ (Surplus) for the Distribution Wires Business and Retail Supply Business for FY 2022-23 and FY 2023-24, as shown in the following table:

**Table 63: Revenue Gap/ (Surplus) submitted by JNPA for FY 2022-23 and 2023-24 (Rs. Crore)**

Particulars	FY 2022-23		FY 2023-24	
	MTR Order	Actual for True up	MTR Order	Actual for True up
ARR for Distribution Wires Business	0.469	0.455	0.692	0.807
ARR for Retail Supply Business	3.261	2.553	6.127	4.648
Combined ARR for Wires and Retail Supply Business	3.730	3.008	6.819	5.456
Less: Revenue from sale of electricity	-	3.562	-	4.688
<b>Revenue Gap/(Surplus)</b>	<b>3.730</b>	<b>(0.554)</b>	<b>6.819</b>	<b>0.768</b>

### Commission's Analysis and Ruling

2.19.2 On detailed analysis of all the ARR components, and after arriving at the ARR approved in this Order for Distribution Wires Business and Retail Supply Business, the Commission has arrived at the standalone revenue Gap/ (Surplus) for Wire Business and Supply Business, respectively.

2.19.3 Accordingly, Revenue Gap/ (Surplus) approved by the Commission for FY 2022-23, and FY 2023-24 is as follows:

**Table 64: Revenue Gap/ (Surplus) for FY 2022-23 and FY 2023-24 as approved by the Commission (Rs. Crore)**

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
ARR for Wires Business	0.4687	0.4547	0.4378	1.0584	0.8073	1.1017
ARR for Retail Supply Business	3.2608	2.5646	2.5451	5.9283	4.7639	4.2338
<b>Combined ARR for Wires and Retail Supply Business</b>	<b>3.7294</b>	<b>3.0193</b>	<b>2.9829</b>	<b>6.9867</b>	<b>5.5712</b>	<b>5.3355</b>
Revenue from existing tariff - Wires Business	0.3021	0.2771	0.2771	0.5422	0.4683	0.4683
Revenue from existing tariff - Retail supply business	3.7079	3.2847	3.2847	9.1647	4.2194	4.2194
<b>Combined Revenue from wheeling charges and existing tariff</b>	<b>4.0100</b>	<b>3.5618</b>	<b>3.5618</b>	<b>9.7069</b>	<b>4.6877</b>	<b>4.6877</b>
Revenue Gap/ (Surplus) approved for Wires Business	0.1666	0.1776	0.1607	0.5162	0.3390	0.6334

Particulars	FY 2022-23			FY 2023-24		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Revenue Gap/ (Surplus) approved for Supply Business	(0.4471)	(0.7201)	(0.7395)	(3.2364)	0.5445	0.0144
<b>Combined Revenue Gap/(Surplus)approved</b>	<b>(0.2806)</b>	<b>(0.5425)</b>	<b>(0.5789)</b>	<b>(2.7202)</b>	<b>0.8835</b>	<b>0.6478</b>

2.19.4 Accordingly, the Commission approves the revenue surplus for FY 2022-23 and revenue gap for FY 2023-24 as mentioned above.

### 3. PROVISIONAL TRUING-UP OF AGGREGATE REVENUE REQUIREMENT FOR FY 2024-25

#### 3.1 Background

3.1.1 In the present Petition, JNPA has sought provisional Truing-up of FY 2024-25 in accordance with MYT Regulations, 2019. In its Petition JNPA has presented the comparison of expenditure and revenue approved by the Commission for FY 2024-25 in the MTR Order vis-à-vis the estimated performance.

3.1.2 JNPA has submitted estimated provisional values for Provisional Truing-up of FY 2024-25, based on the actual values of energy sales, power purchase, revenue and expenditure from April to September 2024 (H1), and revised estimates for October to March 2025 (H2), in accordance with the provisions of MYT Regulations, 2019.

#### 3.2 Energy Sales

##### *JNPA's Submission*

3.2.1 JNPA submitted that, as of the first half (H1) of FY 2024-25, it recorded actual sales of 2.67 MU. JNPA has relied on Resource Adequacy Plan to estimate the sales of the second half (H2) of FY 2024-25.

3.2.2 In August 2024, a consumer within JNPA's license area commissioned a 1.5 MW solar rooftop renewable energy (RE) generation plant under a net metering arrangement. As a result, JNPA has considered net sales of 5.56 MU for FY 2024-25, considering the energy generated by this embedded solar plant.

3.2.3 The summary of Energy Sales (actual and estimated) by JNPA for FY 2024-25 is as under:

**Table 65: Energy Sales proposed by JNPA for FY 2024-25 (MU)**

Consumer Category & Consumption Slab	FY 2024-25			
	MTR Order	Apr – Sep (Actual)	Oct – Mar (Estimated)	Estimated Provisional True-Up
<b>HT Category</b>				
Industrial HT-I (A)	2.47	1.29	1.38	2.67
Commercial HT-(II)	1.43	1.04	1.15	2.19
<b>Sub-total</b>	<b>3.90</b>	<b>2.33</b>	<b>2.53</b>	<b>4.86</b>
<b>LT Category</b>				
Commercial LT-II (A)	0.00	0.03	0.02	0.05
Commercial LT-II (B)	0.11	0.07	0.09	0.16
Commercial LT-II (C)	0.07	0.02	0.01	0.04
Industrial LT-V (II)	0.29	0.17	0.17	0.34
Public Service LT VII(B)(II)	0.06	0.05	0.06	0.11



Consumer Category & Consumption Slab	FY 2024-25			
	MTR Order	Apr – Sep (Actual)	Oct – Mar (Estimated)	Estimated Provisional True-Up
<b>Sub-total</b>	<b>0.53</b>	<b>0.34</b>	<b>0.36</b>	<b>0.70</b>
<b>Total</b>	<b>4.43</b>	<b>2.67</b>	<b>2.89</b>	<b>5.56</b>

**Table 66: Energy Sales proposed by JNPA for FY 2024-25 (MkVAh)**

Consumer Category & Consumption Slab	FY 2024-25			
	MTR Order	Apr – Sep (Actual)	Oct – Mar (Estimated)	Estimated Provisional True-Up
<b>HT Category</b>				
Industrial HT-I (A)	5.39	1.33	1.42	2.75
Commercial HT-(II)	4.78	1.04	1.15	2.19
<b>Sub-total</b>	<b>10.17</b>	<b>2.37</b>	<b>2.58</b>	<b>4.95</b>
<b>LT Category</b>				
Commercial LT-II (A)	0.00	0.03	0.03	0.05
Commercial LT-II (B)	0.41	0.07	0.09	0.16
Commercial LT-II (C)	1.37	0.03	0.02	0.04
Industrial LT-V (II)	0.69	0.17	0.17	0.34
Public Service LT VII(B)(II)	0.16	0.05	0.06	0.11
<b>Sub-total</b>	<b>2.62</b>	<b>0.36</b>	<b>0.70</b>	<b>0.71</b>
<b>Total</b>	<b>12.79</b>	<b>2.73</b>	<b>3.28</b>	<b>5.66</b>

### **Commission's Analysis and Ruling**

3.2.4 On analysing the trend of energy sales in H1 and H2 of FY 2024-25, the Commission observed that energy sales in the H1: H2 of financial year is in the proportion 48.02 : 51.98. Energy sales are an uncontrollable factor as per Regulation 9 of the MYT Regulations, 2019, the energy sales of 5.56 MU as submitted by JNPA are provisionally approved by the Commission for FY 2024-25. Any variation in actual sales will be trued up at time of final Truing-up.

3.2.5 The category-wise sales as submitted by JNPA and approved by the Commission are given in the table below:

**Table 67: Category-wise Energy Sales approved by Commission for FY 2024-25**

Consumer Category	Sales in MU			Sales in MkVAh		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
<b>HT Category</b>						
Industrial HT-I (A)	5.09	2.67	2.67	5.39	2.75	2.75
Commercial HT-(II)	4.45	2.19	2.19	4.78	2.19	2.19
<b>Subtotal</b>	<b>9.54</b>	<b>4.86</b>	<b>4.86</b>	<b>10.17</b>	<b>4.95</b>	<b>4.95</b>
<b>LT Category</b>						

Consumer Category	Sales in MU			Sales in MkVAh		
	MTR Order	MYT Petition	Approved in this Order	MTR Order	MYT Petition	Approved in this Order
Commercial LT-II (A)	-	0.05	0.05	0.00	0.05	0.05
Commercial LT-II (B)	0.39	0.16	0.16	0.41	0.16	0.16
Commercial LT-II (C)	1.30	0.04	0.04	1.37	0.04	0.04
Industrial LT-V (II)	0.65	0.34	0.34	0.69	0.34	0.34
Public Service LT VII(B)(II)	0.16	0.11	0.11	0.16	0.11	0.11
<b>Subtotal</b>	<b>2.50</b>	<b>0.70</b>	<b>0.70</b>	<b>2.63</b>	<b>0.71</b>	<b>0.71</b>
<b>Total</b>	<b>12.04</b>	<b>5.56</b>	<b>5.56</b>	<b>12.79</b>	<b>5.66</b>	<b>5.66</b>

### 3.3 Distribution Loss

#### *JNPA's Submission*

3.3.1 JNPA has projected a distribution loss level of 8.00% for FY 2024-25, attributing the losses to a network primarily operating at higher voltage levels of 33 kV/ 11 kV for 50 MVA capacity. JNPA has submitted that the current distribution losses, range from 7% to 10%, and are mainly due to technical losses. Given the slower increase in load and the infrastructure planned for a 50 MW capacity, JNPA expects the distribution losses to remain around 8%, reflecting efficient network management and realistic load expectations. The distribution loss claimed by JNPA for FY 2024-25 is shown in the following table:

**Table 68: Distribution Loss proposed by JNPA for FY 2024-25**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
Distribution Loss (%)	12.05%	8.00%

#### *Commission's Analysis and Ruling*

3.3.2 The Commission approved actual distribution loss level of 7.36% for FY 2023-24. The Commission observed that, the distribution loss claimed by JNPA for the first half of FY 2024-25 is based on the actual energy sales and energy drawal at the Transmission-Distribution (T<>D) Interface which is 9.11%. Operational improvements may result in achievement of further lower distribution loss in FY 2024-25. Therefore, the Commission has considered the distribution loss as proposed by JNPA. Accordingly, the Distribution Loss provisionally approved by the Commission for FY 2024-25 is as shown in the following Table:

**Table 69: Distribution Loss Provisionally approved by the Commission for FY 2024-25**

Particulars	FY 2024-25		
	MTR	Petitioned	Approved in this Order
Distribution Loss (%)	12.05%	8.00%	8.00%

### 3.4 Energy Balance

#### JNPA's Submission

3.4.1 JNPA has considered the Energy Balance for FY 2024-25 after considering the estimated Energy Sales, Distribution Loss and Energy Purchase. JNPA has considered actual InSTS loss for half of FY 2024-25 based on State Grid Loss account of MSLDC. The estimated Energy Balance for FY 2024-25 as submitted by JNPA is shown in the following table:

**Table 70: Energy Balance proposed by JNPA for FY 2024-25**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
<b>Energy Sales (MU)</b>	<b>12.05</b>	<b>5.56</b>
Distribution loss (%)	12.05%	8.00%
Energy Requirement at T<>D (MU)	13.70	6.04
Intra-State Transmission Loss (%)	3.18%	3.18%
Energy Requirement at G<>T (MU)	14.15	6.24
Total Purchase (MU)	14.17	6.25
Imbalance Pool (MU)	0.00	(0.00)
<b>Total Energy Purchased</b>	<b>14.17</b>	<b>6.25</b>

#### Commission's Analysis and Ruling

3.4.2 In reply to a query raised by the Commission regarding actual power purchase quantum from Power Exchange considered in the Petition not matching with the quantum as per the invoices, for power procured in the months of May 2024 to August 2024, JNPA submitted following:

**Table 71: Details of actual quantum of power purchase from Power Exchange for H1 of FY 2024-25 as submitted by JNPA**

Power Exchange Invoice Details for H1 of FY 2024-25	
Purchase of Energy - Monthly	Qty (MU)
May-24	0.15
Jun-24	0.25
Jul-24	0.50
Aug-24	0.42
<b>Total</b>	<b>1.32</b>

3.4.3 JNPA further submitted that, there is difference in the units considered in the Petition (1.28 MU). However, the above stated power purchase units procured from the Power Exchange are consistent with the invoices submitted by JNPA. JNPA requested the Commission to consider

the power procured quantum from power exchange as 1.32 MU instead of 1.28 MU for H1 of FY 2024-25.

- 3.4.4 The Commission has considered the provisionally approved sales, distribution loss level and InSTS loss level of 3.28% for FY 2024-25. The Commission has adjusted the 0.04 MU in the Imbalance pool. The Energy Balance provisionally approved for FY 2024-25, is summarized in the table below:

**Table 72: Energy Balance provisionally approved for FY 2024-25**

Particulars	Unit	FY 2024-25		
		MTR Order	MYT Petition	Approved in this Order
Energy Sales	MU	12.05	5.56	5.56
Distribution loss	%	12.05%	8.00%	8.00%
Energy Requirement at T<D	MU	13.70	6.04	6.04
Intra-State Transmission Loss	%	3.18%	3.18%	3.28%
<b>Energy Requirement at G&lt;T</b>	<b>MU</b>	<b>14.15</b>	<b>6.24</b>	<b>6.25</b>
<b>Total Power Purchase at State Periphery</b>	<b>MU</b>	<b>14.17</b>	<b>6.24</b>	<b>6.28</b>
Imbalance Pool	MU	0.00	0.00	0.04
Less: Surplus Energy Traded	MU	0.00	0.00	0.00
<b>Total Power Available at G&lt;T (MU)</b>	<b>MU</b>	<b>14.15</b>	<b>6.24</b>	<b>6.25</b>

### 3.5 Power Purchase Quantum and Cost

#### *JNPA's Submission*

- 3.5.1 The power purchase cost of JNPA includes the purchase from conventional sources for meeting its Base Load and Peak Load requirement, RPO for future projections, from power exchange and net purchase from Imbalance Pool made during the year.

#### **Power Purchase for Base Load & Peak Load**

- 3.5.2 JNPA submitted that, the Commission vide its Order dated 27 September 2023 in Case No. 153 of 2023 and IA 46 of 2023, approved short term power procurement for the period 1 July, 2023 to 30 June 2024 at Rs 6.30/ kWh to fulfil its RTC power purchase requirement of 1.5 MW from M/s. Manikaran Power Limited.
- 3.5.3 In view of the expiry of the contract, in the month of March 2024, JNPA initiated the process for invitation of bid for power procurement from the period 1 July, 2024 to 30 June, 2025 under competitive bidding process. However, as the final price offered by sole bidder being higher side as compared to the prevailing market rate. JNPA annulled the tender and refloated it again during April 2024. But in second attempt also there was single bidder and price quoted was still on higher side than the market rate. Therefore, it was decided to annul the tender. In the

interim JNPA procured power through power exchange during the month of July, 2024 and August, 2024 to meet the requirements of the consumers under Distribution Licensee. JNPA vide its letter date 16 July 2024 intimated the Commission about its decision to procure power through the power exchange. JNPA procured power from the Power Exchange during July 2024 and August 2024 at rates of Rs. 4.88/ kWh.

- 3.5.4 JNPA undertook the competitive bidding process in accordance with Guidelines notified by the Ministry of Power, Government of India, to procure short-term power of up to 1.8 MW RTC for the period from 1 September 2024 to 31 August 2025. After completion of the competitive bidding process including the e-Reverse Auction (e-RA) process, M/s Manikaran Power Limited (MPL), emerged the only bidder with a rate of Rs. 6.30 /kWh. The Commission vide its Order dated 9 October 2024 in Case No. IA No. 45 of 2024 in Case No. 138 of 2024 approved the discovered power purchase rate and PPA. The PPA is valid for a period of 1 year,
- 3.5.5 JNPA submitted that, it has claimed actual charges incurred for obtaining No Objection Certificates (NOCs) from MSLDC amounting to Rs. 45,000 in H1 of FY 2024-25. Further, JNPA has considered additional Rs. 45,000 for NOC in H2 of FY 2024-25. As part of the Petition JNPA submitted the invoices towards power purchase in H1 of FY 2024-25.

#### **Renewable Purchase Obligation (RPO)**

- 3.5.6 For FY 2024-25, JNPA has considered composite RPO target of 29.90%. Further, JNPA has carried forward 0.05 MU of RPO from FY 2023-24 to FY 2024-25 and proposed the RPO compliance as follows:

**Table 73: JNPA proposed RPO Target Shortfall / (Surplus) for FY 2024-25**

<b>RPO Target Shortfall / (Surplus)</b>	<b>Units</b>	<b>FY 2024-25</b>
Total Energy Requirement (a)	MU	6.24
RPO target (b)	%	29.90%
RPO achievement through Solar Rooftop 1.5MW (c)	MU	22.22%
RPO Target after Solar Rooftop Adjustment (d = b - c)	%	7.68%
RPO Target after Solar Rooftop Adjustment (e = a x d)	MU	0.48
Cumulative RPO target (f)	MU	0.53
RPO Achievement (g)	MU	0.53
RPO Shortfall/(Surplus) (h = f - g)	MU	-

- 3.5.7 JNPA has proposed to meet 22.22% of its RPO target through a 1.5 MW solar rooftop installation. JNPA has proposed to meet the remaining requirement of 7.68% through purchase of RECs which it has accounted for at a cost of Rs. 0.20/ kWh.

#### **DSM Deviation**

3.5.8 JNPA has considered the actual quantum and cost of purchase Deviation Quantum for H1 of FY 2024-25, as purchase from Deviation Quantum cannot be projected as a source of supply, the same has not been estimated for the second half of FY 2024-25.

3.5.9 The summary of power purchase cost for FY 2024-25 as submitted by JNPA is shown in the table below:

**Table 74: Power Purchase cost submitted by JNPA for FY 2024-25**

Source of Power (Station wise)	MTR Order			Provisional True-Up		
	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs. /kWh)	Quantum (MU)	Cost (Rs. Crore)	Per unit cost (Rs. /kWh)
<b>Short term Sources</b>						
New Short-Term Source	14.17	7.65	5.40	-	-	-
Power Exchange	0.00	0.00	0.00	1.275	0.63	4.95
Manikaran Power Limited	0.00	0.00	0.00	4.968	3.13	6.30
Power Purchase from UI / DSM	0.00	0.00	0.00	(0.002)	0.04	(195.38)
REC		0.35		-	0.01	
<b>Total</b>	<b>14.17</b>	<b>8.00</b>	<b>5.65</b>	<b>6.24</b>	<b>3.82</b>	<b>6.11</b>

### ***Commission's Analysis and Ruling***

3.5.10 The Commission has taken note of JNPA's multiple attempts to arrange the competitive bid process and its timely intimation to Commission about power procurement from the power exchange. The Commission vide its Order dated 9 October 2024 in Case No. IA No. 45 of 2024 in Case No. 138 of 2024, approved short term power procurement (1.8 MW RTC base load of 0.9 MW and additional peak power of 0.9 MW) for the period from 1 September 2024 to 31 August 2025 from M/s. Manikaran Power Limited at competitively discovered rate of Rs 6.30/kWh.

3.5.11 The Commission observed that, in the Audited Allocation Statement till 30 September 2024, the Power Purchase Expenses booked are Rs. 1,57,65,140 as against that, JNPA has claimed Rs. 2,13,15,028 in its MYT Petition. In reply to a query sought by the Commission, JNPA submitted reconciliation statement towards actual expenses till 30 September 2024. The Commission analysed the reconciliation and found it in order.

3.5.12 The Commission has provisionally considered the power procured through power exchange in May 2024 and August 2024 based on the invoices submitted by JNPA (1.38 MU).

3.5.13 In this context, the Commission provisionally approves the power purchase quantum and cost for FY 2024-25 as submitted by JNPA, subject to prudence check at the time of true-up. The Commission further directs JNPA to submit the details of all the invoices towards power

purchase for FY 2024-25 duly reconciled with its audited accounts along with its True up petition for FY 2024-25.

### Renewable Purchase Obligation (RPO)

3.5.14 Regulation 7.5 of (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2019 states as follows:

*“7.5 Distribution Licensee with peak demand less than 10 MW, a Captive User of a Captive Generating Plant with installed capacity of 1 MW and above, and Open Access Consumers with Contract Demand of 1 MW and above, shall be required to meet only their composite RPO target set out in column (c) of the Table above annually:*

*...”*

3.5.15 Further, Regulation 7.5 (A) of (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024 mandates the total RPO target for FY 2024-25 as 29.91%.

3.5.16 Since JNPA’s projected peak demand is less than 10 MW in FY 2024-25, JNPA shall be subjected to meeting composite RPO target of 29.91%. The Commission also notes that out of the total power procurement projected by JNPA for FY 2024-25, a substantial portion of it (~22%) is planned to be met through embedded rooftop solar installation of 1.5 MW. JNPA has proposed to meet the remaining RPO through the purchase of REC. As highlighted at para 2.5.17 and at para 2.5.18 JNPA shall also meet its carry forwarded cumulative RPO shortfall of 0.07 MU in FY 2024-25. At the time of True Up of FY 2024-25, for any cumulative shortfall in RPO, JNPA shall be subjected to reduction in ARR according to Regulation 12.3 of the Maharashtra Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024.

3.5.17 The summary of the provisionally approved power purchase cost for FY 2024-25 is provided as under:

**Table 75: Power Purchase quantum, cost and rate provisionally approved by the Commission for FY 2024-25**

Source of Power (station wise)	MTR Order			MYT Petition			Approved in this Order		
	Quantum (MU)	Cost (Rs. crore)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. crore)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. crore)	Per unit cost (Rs./ kWh)
New Short-Term Source	14.17	7.65	5.40	0.00	0.00	0.00	0.00	0.00	0.00



Source of Power (station wise)	MTR Order			MYT Petition			Approved in this Order		
	Quantum (MU)	Cost (Rs. crore)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. crore)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. crore)	Per unit cost (Rs./ kWh)
Manikaran Power Limited				4.97	3.13	6.30	4.97	3.13	6.30
Power Exchange				1.28	0.63	4.79	1.32	0.63	4.79
RECs		0.35		0.00	0.01		0.00	0.01	
Power Purchase from UI/DSM				0.00	0.04		0.00	0.04	
<b>Total</b>	<b>14.17</b>	<b>8.00</b>	<b>5.65</b>	<b>6.24</b>	<b>3.82</b>	<b>6.11</b>	<b>6.28</b>	<b>3.82</b>	<b>6.07</b>

### 3.6 Transmission Charges and MSLDC Charges

#### JNPA's Submission

3.6.1 JNPA has submitted the estimated Transmission Charges and MSLDC Charges for FY 2024-25, based on Order dated 31 March 2023 in Case No. 239 of 2022 and approved InSTS Tariff based on Order dated 31 March 2023 in Case No. 233 of 2022 as shown in the following table:

**Table 76: Transmission Charges and MSLDC Charges submitted by JNPA for FY 2024-25 (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
Intra-State Transmission Charges	0.75	0.75
MSLDC Charges	0.0025	0.0025

#### Commission's Analysis and Ruling

3.6.2 The Commission has noted the submissions from the JNPA regarding tariffs. The InSTS charges and MSLDC charges will be reviewed and verified at the time of true-up based on actuals. The Commission notes that JNPA has claimed transmission charges and MSLDC charges for Short-Term Open Access.

3.6.3 Accordingly, the Commission provisionally approves the Transmission Charges and MSLDC Charges for FY 2024-25 as shown in the table below:

**Table 77: Transmission Charges and MSLDC Charges for FY 2024-25 provisionally approved by the Commission (Rs. Crore)**

Particulars	FY 2024-25		
	MTR	Petitioned	Approved in this Order
Intra-State Transmission Charges	0.7500	0.7464	0.7464
MSLDC Charges	0.2460	0.0025	0.0025



### 3.7 Operation & Maintenance Expenses

#### JNPA's Submission

3.7.1 JNPA has worked out the normative O&M expenses for FY 2024-25 based on Regulation 75 of the MYT Regulations 2019. JNPA has considered the normative O&M expenses of FY 2024-25 and escalated the same with Wholesale Price Index (WPI) and Consumer Price Index (CPI) indices of last 5 years in the ratio 70:30. JNPA has not considered 1% efficiency factor despite an increase in number of consumers. JNPA has prayed not to reduce the escalation factor by 1% efficiency factor.

3.7.2 The total O&M expenses estimated and claimed by JNPA for FY 2024-25 are as under:

**Table 78: Normative O&M Expenses submitted by JNPA for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25		
		MTR Order	Revised Normative	Provisional True-Up
	Distribution Wires Business			
1	Employee Expenses	0.44	0.13	0.11
2	R&M Expenses		0.04	0.04
3	A&G Expenses		0.04	0.16
4	<b>Total O&amp;M Expenses</b>	<b>0.44</b>	<b>0.21</b>	<b>0.31</b>
	Retail Supply Business			
1	Employee Expenses	0.24*	0.07	0.06
2	R&M Expenses		0.02	0.02
3	A&G Expenses		0.02	0.07
4	<b>Total O&amp;M Expenses</b>	<b>0.24</b>	<b>0.11</b>	<b>0.15</b>
	<b>Total of Distribution Wire Business and Retail Supply Business</b>			
1	Employee Expenses	0.68^	0.20	0.17
2	R&M Expenses		0.07	0.06
3	A&G Expenses		0.06	0.23
4	<b>Total O&amp;M Expenses</b>	<b>0.68</b>	<b>0.32</b>	<b>0.46</b>

\*JNPA had incorrectly indicated this value as Rs. 0.10 Cr. The value has been corrected.

^ JNPA had incorrectly indicated this value as Rs. 0.54 Cr. The value has been corrected.

#### Commission's Analysis and Ruling

3.7.3 Regulations 75.3 and 84.3 of the MYT Regulations, 2019 specifies that:

*“75.3 The Operation and Maintenance expenses for each subsequent year shall be determined by escalating these Base Year expenses of FY 2019-20 by an inflation factor with 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years as per the Office of Economic Advisor of Government of India and 70% weightage to the average yearly inflation derived based on the monthly Consumer Price Index for*

*Industrial Workers (all-India) of the past five financial years as per the Labour Bureau, Government of India, as reduced by an efficiency factor of 1% or as may be stipulated by the Commission from time to time, to arrive at the permissible Operation and Maintenance expenses for each year of the Control Period:*

...

*Provided further that the efficiency factor shall be considered as zero, in case there is an increase in the number of consumers including Open Access consumers connected to the Distribution Wires of at least 2 percent annually over the last 3 years:*

*Provided also that in case such increase in the number of consumers is lower than 2 percent annually over the last 3 years, then the reduction in efficiency factor shall be considered in proportion to the percentage growth in the number of consumers.”*

*“84.3 The Operation and Maintenance expenses for each subsequent year shall be determined by escalating these Base Year expenses of FY 2019-20 by an inflation factor with 30% weightage to the average yearly inflation derived based on the monthly Wholesale Price Index of the respective past five financial years as per the Office of Economic Advisor of Government of India and 70% weightage to the average yearly inflation derived based on the monthly Consumer Price Index for Industrial Workers (all-India) of the past five financial years as per the Labour Bureau, Government of India, as reduced by an efficiency factor of 1% or as may be stipulated by the Commission from time to time, to arrive at the permissible Operation and Maintenance expenses for each year of the Control Period:*

...

*Provided further that the efficiency factor shall be considered as zero, in case there is an increase in the number of consumers including Open Access consumers connected to the Distribution Wires of at least 2 percent annually over the last 3 years:*

*Provided also that in case such increase in the number of consumers is lower than 2 percent annually over the last 3 years, then the reduction in efficiency factor shall be considered in proportion to the percentage growth in the number of consumers.”*

3.7.4 The Commission observed that there is an increasing trend of the actual number of consumers in JNPA’s License area over the last 3 years i.e. from FY 2021-22 to FY 2024-25 with an

exception of year FY 2023-24 to FY 2024-25 wherein the number of consumers remained constant.

**Table 79: Trend of number of consumers over the years**

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Consumers	13	18	23	23
% Increase over previous year	-	38%	28%	0%
CAGR	-	-	-	20.95%

3.7.5 JNPA is still in the development phase showing traction in increasing numbers of consumers in its License area. In this context, the Commission deems it fit not to consider efficiency factor of 1% which is usually applicable to Distribution Licensees with stable growth ( $\leq 2\%$  annual increase in number of consumers).

3.7.6 In line with the provisions of Regulations 75.3 and 84.3 of the MYT Regulations, 2019 the Commission has considered approved O&M Expenses for FY 2022-23 (first complete year for JNPA) as the base. The Commission has analysed the actual WPI and CPI data for the previous five years. By applying 30% weightage to WPI and 70% weightage to CPI, Commission has arrived at the escalation rates of 5.86% for FY 2022-23, 5.53% for FY 2023-24. The Commission has considered the escalation rate of FY 2023-24 for FY 2024-25 as the WPI and CPI data for the complete year of FY 2024-25 is not currently available. During the True-up of FY 2024-25, actual escalation rate of FY 2024-25 shall be considered.

3.7.7 The Commission provisionally approves following O&M Expenses for FY 2024-25:

**Table 80: O&M Expenses provisionally approved by the Commission for FY 2024-25 (Rs. Crore)**

Particulars	FY 2024-25		
	MTR	Petitioned	Approved in this Order
<b>Wires Business</b>			
Employee Expenses	0.4400	0.1127	0.1768
R&M Expenses		0.0369	
A&G Expenses		0.1565	
<b>Total O&amp;M Expenses</b>	<b>0.4400</b>	<b>0.3062</b>	<b>0.1768</b>
<b>Supply Business</b>			
Employee Expenses	0.2391	0.0607	0.0952
R&M Expenses		0.0199	
A&G Expenses		0.0738	
<b>Total O&amp;M Expenses</b>	<b>0.2391</b>	<b>0.1544</b>	<b>0.0952</b>

### 3.8 Capital Expenditure and Capitalisation

#### JNPA's Submission

3.8.1 JNPA has not proposed any Capital Expenditure and Capitalisation for FY 2024-25.

3.8.2 The following table shows the amount of Capital Expenditure and Capitalization approved in the MTR Order and claimed by JNPA in the provisional true-up for FY 2024-25:

**Table 81: Capital Expenditure and Capitalisation for FY 2024-25 as claimed by JNPA (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
<b>Distribution Wires Business</b>		
Capital Expenditure	0.00	0.00
Capitalisation	1.88	0.00
<b>Retail Supply Business</b>		
Capital Expenditure	0.00	0.00
Capitalisation	0.21	0.00

#### ***Commission's Analysis and Ruling***

3.8.3 Since JNPA has not proposed any Capital Expenditure and Capitalisation for FY 2024-25, the Commission does not approve any Capital Expenditure and Capitalisation for FY 2024-25. The Capital Expenditure and Capitalisation as approved by the Commission are as follows:

**Table 82: Capital Expenditure and Capitalisation as approved by Commission for FY 2024-25 (Rs. Crore)**

Particulars	FY 2024-25		
	MTR Order	MYT Petition	Approved in this Order
<b>Wires Business</b>			
Capital Expenditure	0.00	0.00	0.00
Capitalisation	1.88	0.00	0.00
<b>Supply Business</b>			
Capital Expenditure	0.00	0.00	0.00
Capitalisation	0.21	0.00	0.00

### **3.9 Depreciation**

#### ***JNPA's Submission***

3.9.1 JNPA has computed the depreciation for FY 2024-25 in accordance with Regulation 28 of the MYT Regulations, 2019 by applying the asset class wise depreciation rate specified in the MYT Regulations, 2019 on the average asset class-wise GFA during the year.

3.9.2 JNPA has proposed following depreciation for FY 2024-25 as shown in the table:

**Table 83: Depreciation for FY 2024-25 as claimed by JNPA (Rs. Crore)**

Particulars	MTR Order	Provisional True-Up
<b>Distribution Wires Business</b>		
Opening GFA	3.75	4.10
Additions during the Year	1.88	0.00
Retirement during the year	0.00	0.00
Closing GFA	5.63	4.10
<b>Depreciation</b>	<b>0.2477</b>	<b>0.217</b>
<b>Retail Supply Business</b>		
Opening GFA	0.42	0.46
Additions during the Year	0.21	0.00
Retirement during the year	0.00	0.00
Closing GFA	0.63	0.46
<b>Depreciation</b>	<b>0.0275</b>	<b>0.0241</b>

### **Commission's Analysis and Ruling**

3.9.3 The Commission has computed the depreciation for FY 2024-25 in accordance with Regulation 28 of MERC MYT Regulations, 2019. The Commission has calculated the Depreciation by applying the asset class-wise depreciation rate as specified in the MYT Regulations, 2019 on the average asset class-wise GFA during the year.

3.9.4 The Commission provisionally approves depreciation for FY 2024-25 as shown in the table below:

**Table 84: Depreciation provisionally approved by the Commission for FY 2024-25 (Rs. Crore)**

Particulars	MTR Order	Petitioned	Approved in this Order
<b>Distribution Wires Business</b>			
Opening GFA	3.7534	4.1021	4.1021
Additions during the Year	1.8767	0.0000	0.0000
Retirement during the year	0.0000	0.0000	0.0000
Closing GFA	5.6302	4.1021	4.1021
<b>Depreciation</b>	<b>0.2477</b>	<b>0.2166</b>	<b>0.2166</b>
<b>Retail Supply Business</b>			
Opening GFA	0.4170	0.4558	0.4558
Additions during the Year	0.2085	0.0000	0.0000
Retirement during the year	0.0000	0.0000	0.0000
Closing GFA	0.6256	0.4558	0.4558
<b>Depreciation</b>	<b>0.0275</b>	<b>0.0241</b>	<b>0.0241</b>

### **3.10 Interest on Long-term Loan Capital**

#### **JNPA's Submission**

3.10.1 JNPA has calculated the Interest on Long-term Loan Capital for FY 2024-25 according to Regulation 30 of the MYT Regulations, 2019. It has considered the closing balance of net normative loan from the true-up of FY 2023-24 as the opening balance for FY 2024-25. Depreciation for the year is treated as the normative repayment of the loan. It has considered the weighted average rate of interest (8.28%), same as that applicable for FY 2023-24 in accordance with Regulation 30.5 of the MERC MYT Regulations 2019.

3.10.2 The interest on long term loans claimed by JNPA for FY 2024-25 is as follows:

**Table 85: Interest on Long Term Loan Capital claimed by JNPA for FY 2024-25 (Rs. Crore)**

Particulars	Wires Business		Retail Supply Business	
	MTR Order	Provisional True-Up	MTR Order	Provisional True-Up
Opening Balance of Gross Normative Loan	2.624	2.871	0.254	0.319
Cumulative Repayment till the year	0.348	0.306	0.038	0.034
Opening Balance of Net Normative Loan	2.276	2.565	0.254	0.285
Less: Reduction of Normative Loan due to retirement or replacement of assets	0.000	0.000	0.000	0.000
Addition of Normative Loan due to capitalisation during the year	1.314	0.000	0.150	0.000
Repayment of Normative loan during the year	0.248	0.217	0.030	0.024
Closing Balance of Net Normative Loan	3.341	2.348	0.374	0.261
Closing Balance of Gross Normative Loan	3.937	2.871	0.404	0.319
Average Balance of Net Normative Loan	2.809	2.457	0.314	0.273
Weighted average Rate of Interest on actual Loans (%)	4.47%	8.28%	4.47%	8.28%
Interest Expenses	0.126	0.203	0.014	0.023
Financing Charges	0.000	0.000	0.000	0.000
<b>Total Interest &amp; Financing Charges</b>	<b>0.126</b>	<b>0.203</b>	<b>0.014</b>	<b>0.023</b>

#### ***Commission's Analysis and Ruling***

3.10.3 The Commission has considered closing balance of normative loan as of FY 2023-24 as the opening balance of normative loan for FY 2024-25. Since there is no capitalisation claimed by JNPA no addition to the normative loan has been considered. The repayment of loan is considered equal to the Depreciation allowed during the year.

3.10.4 The Commission has considered the weighted average rate of interest on the actual loan portfolio as on 1<sup>st</sup> April 2024 (8.28%) as the applicable rate of interest in line with 4<sup>th</sup> proviso of Regulation 30.5 of the MERC MYT Regulations 2019. The Commission has provisionally approved the normative interest on loan capital for FY 2024-25 as follows:

**Table 86: Interest on Loan approved by the Commission for FY 2024-25 (Rs. Crore)**

Particulars	MTR	Petitioned	Approved in this Order
<b>Distribution Wires Business</b>			
Opening Normative Loan	2.2755	2.5650	2.5650
Addition of Normative Loan during the year	1.3137	0.0000	0.0000
Less: Repayment during the year	0.2477	0.2166	0.2166
Closing Normative Loan	3.3415	2.3484	2.3484
Average Normative Loan	2.8085	2.4567	2.4567
Rate of Interest	4.47%	8.28%	8.28%
<b>Interest on Loan for Wires Business</b>	<b>0.12565</b>	<b>0.20341</b>	<b>0.20341</b>
<b>Retail Supply Business</b>			
Opening Normative Loan	0.2540	0.2850	0.2850
Addition of Normative Loan during the year	0.1500	0.0000	0.0000
Less: Repayment during the year	0.0300	0.0241	0.0241
Closing Normative Loan	0.3740	0.3190	0.3190
Average Normative Loan	0.3140	0.2730	0.2730
Rate of Interest	4.47%	8.28%	8.28%
<b>Interest on Loan for Supply Business</b>	<b>0.0140</b>	<b>0.0226</b>	<b>0.0226</b>

### 3.11 Return on Equity

#### JNPA's Submission

3.11.1 JNPA has computed the Return on Equity (RoE) for FY 2024-25 in accordance with Regulation 29 of the MYT Regulations, 2019, for Distribution Wires Business and Retail Supply Business separately.

3.11.2 JNPA has considered the closing equity as considered in the True-up of FY 2023-24, as the opening equity for FY 2024-25 and 50% of the equity component of asset addition during the year. Further, JNPA has computed RoE only for the base return on equity part, it shall claim the additional return on equity at the time of True-up.

3.11.3 For FY 2024-25, JNPA has computed the Base RoE for the Wires Business at 14%. It has considered pre-tax return on equity of 21.52% for Wires Business and 15.50% for Retail Supply Business for FY 2024-25. JNPA has computed RoE at the rates specified above on the opening equity for FY 2024-25.

3.11.4 The RoE as claimed by JNPA for FY 2024-25 is as under:

**Table 87: Return on Equity as claimed by JNPA for FY 2024-25 (Rs. Crore)**

Particulars	Wires Business		Retail Supply Business	
	MTR Order	Provisional True-Up	MTR Order	Provisional True-Up
Regulatory Equity at the beginning of the year	1.1261	1.2306	0.13	0.14
Capitalisation during the year	1.8767	0.0000	0.21	0.000
Equity portion of capitalisation during the year	0.5630	0.0000	0.06	0.000



Particulars	Wires Business		Retail Supply Business	
	MTR Order	Provisional True-Up	MTR Order	Provisional True-Up
Reduction in Equity Capital on account of retirement / replacement of assets	0.0000	0.0000	0.000	0.000
<b>Regulatory Equity at the end of the year</b>	<b>1.6891</b>	<b>1.2306</b>	<b>0.188</b>	<b>0.137</b>
<b>Return on Equity Computation</b>				
Base Rate of Return on Equity	14.00%	14.00%	15.50%	15.50%
Pretax Return on Equity after considering effective Tax rate	21.52%	21.52%	23.83%	23.83%
Return on Regulatory Equity at the beginning of the year	0.2423	0.2648	0.0298	0.0326
Return on Regulatory Equity addition during the year	0.0606	0.0000	0.0075	0.0000
<b>Total Return on Equity</b>	<b>0.3029</b>	<b>0.2648</b>	<b>0.0373</b>	<b>0.0326</b>

### Commission's Analysis and Ruling

3.11.5 The Commission has computed RoE at base rates of 14.00% and 15.50% for the Distribution Wires Business and Retail Supply Business, respectively, in accordance with the MYT Regulations 2019. The Commission has considered the opening balance of equity for FY 2024-25 as the closing balance of equity of FY 2023-24. Further RoE is computed on the opening balance of equity and 50% of the equity component of asset addition during the year. Since there is no capitalisation claimed by JNPA no addition to the normative equity has been considered.

3.11.6 Further, the Commission has considered pre-tax return on equity after considering effective tax rate of 21.52% for Wires Business and 23.83% for Retail Supply Business (same as that for FY 2023-24) for FY 2024-25.

3.11.7 The RoE approved provisionally for FY 2024-25 is summarised in the following table:

**Table 88: Return on Equity provisionally approved by the Commission for FY 2024-25 (Rs. crore)**

Particulars	2024-25		
	MTR Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>			
Regulatory Equity at the beginning of the year	1.1261	1.2306	1.2306
Equity portion of capitalisation during the year	0.5630	0.0000	0.0000
Regulatory Equity at the end of the year	1.6891	1.2306	1.2306
Base Return on Equity (per annum)	14.00%	14.00%	14.00%
Pre-tax Return on Equity after considering effective Tax rate (per annum)	21.52%	21.52%	21.52%
<b>Return on Equity for Wires Business</b>	<b>0.3029</b>	<b>0.2648</b>	<b>0.2648</b>
<b>Retail Supply Business</b>			
Regulatory Equity at the beginning of the year	0.1251	0.1367	0.1367
Equity portion of capitalisation during the year	0.0626	0.0000	0.0000
Regulatory Equity at the end of the year	0.1877	0.1367	0.1367



Particulars	2024-25		
	MTR Order	MYT Petition	Approved in this Order
Base Return on Equity (per annum)	15.50%	15.50%	15.50%
Pre-tax Return on Equity after considering effective Tax rate (per annum)	23.83%	23.83%	23.83%
<b>Return on Equity for Supply Business</b>	<b>0.0373</b>	<b>0.0326</b>	<b>0.0326</b>

### 3.12 Interest on Working Capital and Consumer's Security Deposit

#### JNPA's Submission

3.12.1 JNPA has computed the normative working capital requirement as per the MYT Regulations 2019. It has considered the rate of interest on working capital for the FY 2024-25 at 10.45% (one-year SBI MCLR of 8.95% as of 1 November 2024+ 150 basis points).

3.12.2 JNPA has considered Consumer Security Deposit (CSD) in FY 2024-25 at the same level as FY 2023-24. It has considered the rate of interest on CSD equal to the RBI Bank Rate as on 1<sup>st</sup> April 2023, i.e., 6.75%. The Interest on Working Capital and Consumer's Security Deposit as claimed by JNPA is as follows:

**Table 89: IoWC and Interest on CSD for Distribution Wires Business claimed by JNPA for FY 2024-25 (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
O&M expenses for a month	0.040	0.018
Maintenance Spares at 1% of Opening GFA	0.040	0.041
One and half months equivalent of the expected revenue from charges for use of Distribution Wires	0.140	0.092
Less: Amount held as Security Deposit from Distribution System Users	0.010	0.018
<b>Total Working Capital Requirement</b>	<b>0.210</b>	<b>0.133</b>
<b>Computation of Working Capital Interest</b>		
Interest Rate (%) - SBI Base Rate +150 basis points	9.55%	10.45%
<b>Interest on Working Capital</b>	<b>0.0203</b>	<b>0.0139</b>
Actual Working Capital Interest	0.000	0.000
<b>Interest on Security Deposit</b>		
Interest Rate (%) - Bank Rate	6.15%	6.75%
<b>Interest on Security Deposit</b>	<b>0.0004</b>	<b>0.0012</b>

**Table 90: IoWC and Interest on CSD for Retail Supply Business claimed by JNPA for FY 2024-25 (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
O&M expenses for a month	0.020	0.009
Maintenance Spares at 1% of Opening GFA	0.000	0.005

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
One and half months equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	1.620	0.813
Less: Amount held as security deposit	0.050	0.162
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	0.750	0.381
<b>Total Working Capital Requirement</b>	<b>0.840</b>	<b>0.285</b>
<b>Computation of Working Capital Interest</b>		
Interest Rate (%) - SBI Base Rate +150 basis points	9.45%	10.45%
<b>Interest on Working Capital</b>	<b>0.079</b>	<b>0.03</b>
Actual Working Capital Interest	0.000	0.000
<b>Interest on Security Deposit</b>		
Interest Rate (%) - Bank Rate	6.15%	6.75%
<b>Interest on Security Deposit</b>	<b>0.003</b>	<b>0.011</b>

### Commission's Analysis and Ruling

3.12.3 The Commission has computed the total working capital requirement in accordance with the MERC MYT Regulations, 2019. The Commission has considered SBI MCLR Rate as on the date of filing Petition 29 November 2024 (9.00%) plus 150 basis points that is 10.50% as the rate applicable for calculation of IoWC.

3.12.4 The Commission has considered CSD at the same level as that allowed by the Commission for True-up of FY 2023-24 and as proposed by JNPA. The Commission has considered interest rate on CSD equal to the prevailing Bank Rate of Reserve Bank of India (RBI), in accordance with the Regulation 30.11 MYT Regulations, 2019.

3.12.5 IoWC and interest on CSD as approved by the Commission are shown in the table below:

**Table 91: Interest on Working Capital and Consumers' Security Deposit provisionally approved by the Commission for FY 2024-25 (Rs. Crore)**

Particulars	2024-25		
	MTR Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>			
O&M expenses for a month	0.0400	0.0175	0.0147
Maintenance Spares at 1% of Opening GFA	0.0400	0.0410	0.0410
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	0.1400	0.0923	0.0923
Less: Amount held as Security Deposit from Distribution System Users	0.0100	0.0180	0.0180
<b>Total Working Capital Requirement</b>	<b>0.2100</b>	<b>0.1328</b>	<b>0.1300</b>
Interest Rate (%) - SBI Base Rate +150 basis points	9.55%	10.45%	10.50%

Particulars	2024-25		
	MTR Order	MYT Petition	Approved in this Order
<b>Interest on Working Capital</b>	<b>0.0203</b>	<b>0.0139</b>	<b>0.0137</b>
Interest Rate (%) - Bank Rate	6.15%	6.75%	6.50%
<b>Interest on CSD</b>	<b>0.0004</b>	<b>0.0012</b>	<b>0.0012</b>
<b>Retail Supply Business</b>			
O&M expenses for a month	0.0200	0.0094	0.0079
Maintenance Spares at 1% of Opening GFA	0.0000	0.0046	0.0046
One and half month's equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	1.6200	0.8133	0.8133
Less: Amount held as security deposit	0.0500	0.1620	0.1620
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	0.7500	0.3803	0.3803
<b>Total Working Capital Requirement</b>	<b>0.8400</b>	<b>0.2849</b>	<b>0.2834</b>
Interest Rate (%) - SBI Base Rate +150 basis points	9.45%	10.45%	10.50%
<b>Interest on Working Capital</b>	<b>0.0799</b>	<b>0.0298</b>	<b>0.0298</b>
Interest Rate (%) - Bank Rate	6.15%	6.75%	6.50%
<b>Interest on CSD</b>	<b>0.0033</b>	<b>0.0109</b>	<b>0.0105</b>

### 3.13 Provisions for Bad Debts

#### *JNPA's Submission*

3.13.1 JNPA has not made any provision for bad debts as it has not envisaged any outstanding receivables for FY 2024-25.

#### *Commission's Analysis and Ruling*

3.13.2 As JNPA has not envisaged any provisions for bad debts, the Commission has not approved any amount towards provision for bad debts for FY 2024-25.

### 3.14 Contribution to Contingency Reserves

#### *JNPA's Submission*

3.14.1 JNPA has considered the Contribution to Contingency Reserve at 0.5% of opening GFA for FY 2024-25. The contribution to contingency reserve claimed by JNPA for FY 2024-25 is as follows:

**Table 92: Contribution to Contingency Reserves Loss for FY 2024-25 as submitted by JNPA (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
<b>Wires business</b>		
Opening Balance of GFA	0.0094	0.0094
Contribution to Contingency Reserves for Wires Business	0.0094	0.0103

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
<b>Retail Supply Business</b>		
Opening Balance of GFA	0.0010	0.0010
Contribution to Contingency Reserves for Supply Business	0.0010	0.0011

### Commission's Analysis and Ruling

3.14.2 The Commission has comprehensively dealt with the issue of contribution to contingency reserves at para 2.14.6 of this Order. Accordingly, the Commission approves amount of Rs.1,56,000 actually invested by JNPA in the Fixed Deposit in FY 2024-25 towards the contribution to contingency reserves. The contribution to contingency reserves approved by the Commission for FY 2024-25 is as follows:

**Table 93: Contribution to contingency reserves approved by Commission in FY 2024-25**

Particulars	2024-25		
	MTR Order	MYT Petition	Approved in this Order
<b>Wires Business</b>			
Opening Balance of Contingency Reserves	0.01	0.01	0.00
Opening Gross Fixed Assets	3.75	4.10	4.10
<b>Contribution to Contingency Reserves during the year</b>	<b>0.0094</b>	<b>0.0103</b>	<b>0.0140</b>
Closing Balance of Contingency Reserves	0.02	0.02	0.01
Closing Balance of Contingency Reserves as % of Opening GFA	0.50%	0.48%	0.34%
<b>Retail Supply Business</b>			
Opening Balance of Contingency Reserves	0.0010	0.0010	0.0000
Opening Gross Fixed Assets	0.4170	0.4558	0.4558
<b>Contribution to Contingency Reserves during the year</b>	<b>0.0010</b>	<b>0.0011</b>	<b>0.0016</b>
Closing Balance of Contingency Reserves	0.0021	0.0022	0.0016
Closing Balance of Contingency Reserves as % of Opening GFA	0.50%	0.48%	0.34%

### 3.15 Non- Tariff Income

#### JNPA's Submission

3.15.1 JNPA has submitted that Non-Tariff Income mainly comprises income from rebate on power purchase and income from rebate on invoices of InSTS and SLDC Operating Charges. JNPA has considered the non-tariff income of Rs. 0.0039 Crore for Wire Business and Rs. 0.0297 Crore for Retail Supply Business for FY 2024-25.

3.15.2 Non-Tariff Income claimed by JNPA for FY 2024-25 is as follows:

**Table 94: Non-Tariff Income for FY 2024-25 claimed by JNPA (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
<b>Non-Tariff Income</b>		
Distribution Wires Business	0.0007	0.0000
Retail Supply Business	0.0032	0.0297
<b>Total Non-Tariff Income</b>	<b>0.0039</b>	<b>0.0297</b>

### **Commission's Analysis and Ruling**

3.15.3 The Commission observes that, JNPA's non-tariff income majorly comprises of rebate availed on payments towards power purchase. In the past years i.e. FY 2022-23 and FY 2023-24 JNPA had claimed non-tariff income of Rs. 0.0460 Cr. and Rs. 0.0815 Cr respectively. JNPA's claim for FY 2024-25 is substantially lower than the past years. The Commission has considered average of the non-tariff income approved in the past years i.e. Rs. 0.0629 Cr. as the non-tariff income for FY 2024-25.

3.15.4 The non-tariff income provisionally approved by the Commission for FY 2024-25 is as follows:

**Table 95: Non-Tariff Income provisionally approved by the Commission for FY 2024-25 (Rs. Crore)**

Particulars	MTR Order	FY 2024-25	
		Petitioned	Approved in this Order
Distribution Wires Business	0.0007	0.0000	0.0000
Retail Supply Business	0.0032	0.0297	0.0629
<b>Total Non-Tariff Income</b>	<b>0.0039</b>	<b>0.0297</b>	<b>0.0629</b>

## **3.16 Revenue from Sale of Electricity**

### **JNPA's Submission**

3.16.1 JNPA has projected revenue, for FY 2024-25 based on actual tariff approved by the Commission for FY 2024-25 in the MTR Order along with actual category-wise FAC applicable in H1 of FY 2024-25.

**Table 96: Revenue from Sale of Electricity for FY 2024-25 as claimed by JNPA (Rs. Crore)**

Consumer Category	FY 2024-25
	Provisional True-Up
<b>HT Category</b>	
Industrial HT-I (A)	4.13
Commercial HT-(II)	2.19
<b>Sub-total</b>	<b>6.32</b>
<b>LT Category</b>	
Commercial LT-II (A)	0.05

Consumer Category	FY 2024-25
	Provisional True-Up
Commercial LT-II (B)	0.28
Commercial LT-II (C)	0.06
Industrial LT-V (II)	0.41
Public Service LT VII(B)(II)	0.13
<b>Sub-total</b>	<b>0.93</b>
<b>Total</b>	<b>7.25</b>

### ***Commission's Analysis and Ruling***

3.16.2 The Commission accepts JNPA's submission regarding estimated revenue for FY 2024-25 which is based on actual revenue for the first half of FY 2024-25 and projected revenue for the second half of FY 2024-25. The Commission shall review the actual revenue at the time of Truing-up.

3.16.3 The revenue from sale of electricity provisionally approved by the Commission for FY 2024-25 is as follows:

**Table 97: Revenue from sale of electricity provisionally approved by the Commission for FY 2024-25 (Rs. Crore)**

Particulars	MTR Order	MYT Petition	Approved in this Order
Revenue from Wheeling Charges		0.74	0.74
Revenue from Fixed/ Demand & Energy Charges		6.51	6.51
<b>Revenue from Sale of Electricity</b>	<b>13.79</b>	<b>7.24</b>	<b>7.24</b>

### **3.17 Summary of ARR for FY 2024-25**

#### ***JNPA's Submission***

3.17.1 The Summary of ARR as submitted by JNPA for FY 2024-25 for Distribution Wires Business is shown in the following table:

**Table 98: ARR Summary for Distribution Wires Business for FY 2024-25 as submitted by JNPA (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
Operation & Maintenance Expenses	0.4440	0.1332
Depreciation	0.2477	0.2166
Interest on Loan Capital	0.1257	0.2034
Interest on Working Capital	0.0203	0.0139
Interest on deposit from Consumers and Distribution System Users	0.0004	0.0012
Provision for bad and doubtful debts	0.0000	0.0000
Contribution to contingency reserves	0.0094	0.0103
Income Tax	0.0000	0.0000

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
<b>Total Revenue Expenditure</b>	<b>0.8474</b>	<b>0.5785</b>
Add: Return on Equity Capital	0.3029	0.2648
<b>Aggregate Revenue Requirement</b>	<b>1.1503</b>	<b>0.8434</b>
Less: Non-Tariff Income	0.0007	0.0000
Less: Income from other business	0.0000	0.0000
<b>Aggregate Revenue Requirement from Distribution Wires</b>	<b>1.1496</b>	<b>0.8434</b>

3.17.2 The Summary of ARR as submitted by JNPA for FY 2024-25 for Retail Supply Business is shown in the following table:

**Table 99: ARR Summary for Retail Supply Business for FY 2024-25 as submitted by JNPA (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
Power Purchase Expenses (including Inter-State Transmission Charges)	8.004	3.815
Operation & Maintenance Expenses	0.239	0.154
Depreciation	0.028	0.024
Interest on Loan Capital	0.014	0.023
Interest on Working Capital	0.080	0.030
Interest on Consumer Security Deposit	0.003	0.011
Write-off of Provision for bad and doubtful debts	0.000	0.000
Contribution to contingency reserves	0.001	0.001
Intra-State Transmission Charges	0.750	0.746
MSLDC Fees & Charges	0.0025	0.003
Interest on deposit from Consumers and Distribution System Users	0.000	0.000
<b>Total Revenue Expenditure</b>	<b>9.1209</b>	<b>4.807</b>
Add: Return on Equity Capital	0.037	0.033
<b>Aggregate Revenue Requirement</b>	<b>9.158</b>	<b>4.840</b>
Less: Non-Tariff Income	0.003	0.030
Less: Income from other business	0.000	0.000
Less: Receipts on account of Cross-Subsidy Surcharge	0.000	0.000
Less: Receipts on account of Additional Surcharge if any	0.000	0.000
<b>Aggregate Revenue Requirement from Retail Supply</b>	<b>9.155</b>	<b>4.810</b>

### ***Commission's Analysis and Ruling***

3.17.3 Based on the analysis in the previous paragraphs and the Revenue Gap/Surplus approved by the Commission in the MTR Order, the Commission has provisionally approved the ARR for FY 2024-25, as summarized in the table below:



**Table 100: ARR for Distribution Wires Business provisionally approved by the Commission for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25		
		MTR Order	MYT Petition	Approved in this Order
1	Operation & Maintenance Expenses	0.4440	0.3062	0.1768
2	Depreciation	0.2477	0.2166	0.2166
3	Interest on Loan Capital	0.1257	0.2034	0.2034
4	Interest on Working Capital	0.0203	0.0139	0.0137
5	Interest on deposit from Consumers and Distribution System Users	0.0004	0.0012	0.0012
6	Provision for bad and doubtful debts	-	-	-
7	Contribution to contingency reserves	0.0094	0.0103	0.0140
8	<b>Total Revenue Expenditure</b>	<b>0.8474</b>	<b>0.7515</b>	<b>0.6257</b>
9	Add: Return on Equity Capital	0.3029	0.2648	0.2648
10	<b>Aggregate Revenue Requirement</b>	<b>1.1503</b>	<b>1.0163</b>	<b>0.8905</b>
11	Less: Non-Tariff Income	0.0007	-	-
12	Less: Income from other business	-	-	-
13	<b>Aggregate Revenue Requirement from Distribution Wires</b>	<b>1.1496</b>	<b>1.0163</b>	<b>0.8905</b>
14	Revenue Requirement deferred to future years	0.0000	0.0000	0.0000
15	Carrying Cost due to Revenue Deferment	0.0000	0.0000	0.0000
16	<b>Net ARR</b>	<b>1.1496</b>	<b>1.0163</b>	<b>0.8905</b>

**Table 101: ARR for Retail Supply Business provisionally approved by the Commission for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25		
		MTR Order	MYT Petition	Approved in this Order
1	Power Purchase Expenses (including Inter-State Transmission Charges)	8.0036	3.8153	3.8153
2	Operation & Maintenance Expenses	0.2391	0.1544	0.0952
3	Depreciation	0.0275	0.0241	0.0241
4	Interest on Loan Capital	0.0140	0.0226	0.0226
5	Interest on Working Capital	0.0799	0.0298	0.0298
6	Interest on Consumer Security Deposit	0.0033	0.0109	0.0105
7	Write-off of Provision for bad and doubtful debts	-	-	-
8	Contribution to contingency reserves	0.0010	0.0011	0.0016
9	Intra-State Transmission Charges	0.7500	0.7464	0.7464
10	MSLDC Fees & Charges	0.2460	0.0025	0.0025
11	<b>Total Revenue Expenditure</b>	<b>9.3645</b>	<b>4.8070</b>	<b>4.7479</b>
12	Add: Return on Equity Capital	0.0373	0.0326	0.0326
13	<b>Aggregate Revenue Requirement</b>	<b>9.4018</b>	<b>4.8396</b>	<b>4.7804</b>
14	Less: Non-Tariff Income	0.0032	0.0297	0.0629
15	Less: Income from other business	-	-	-
15	Less: Receipts on account of Cross-Subsidy Surcharge	-	-	-



Sr. No.	Particulars	FY 2024-25		
		MTR Order	MYT Petition	Approved in this Order
16	Less: Receipts on account of Additional Surcharge, if any	-	-	-
17	<b>Aggregate Revenue Requirement from Retail Supply</b>	<b>9.3985</b>	<b>4.8098</b>	<b>4.7175</b>
18	Revenue Requirement deferred to future years	-0.0252	0.0000	-0.0252
19	Carrying Cost due to Revenue Deferment	-0.0012	0.0000	-0.0012
20	<b>Net ARR</b>	<b>9.3722</b>	<b>4.8098</b>	<b>4.6911</b>

### 3.18 Revenue Gap/ (Surplus) for FY 2024-25

#### JNPA's Submission

3.18.1 JNPA has computed the combined Revenue Gap/(Surplus) for the Distribution Wires Business and Retail Supply Business for FY 2024-25, as shown in the following table:

**Table 102: Revenue Gap/ (Surplus) projected by JNPA for FY 2024-25 (Rs. Crore)**

Particulars	FY 2024-25	
	MTR Order	Provisional True-Up
ARR for Distribution Wires Business	1.150	0.843
ARR for Retail Supply Business	9.155	4.810
Combined ARR for Wires and Retail Supply Business	10.305	5.653
Less: Revenue from sale of electricity	-	7.246
<b>Revenue Gap/(Surplus)</b>	<b>10.305</b>	<b>(1.592)</b>

#### Commission's Analysis and Ruling

3.18.2 Based on the analysis in the previous paragraphs the combined Revenue Gap/ (Surplus) for the Wires Business and Retail Supply Business provisionally approved for FY 2024-25, is shown in the following table:

**Table 103: Revenue Gap/ (Surplus) provisionally approved by Commission for FY 2024-25 (Rs. Crore)**

Particulars	FY 2024-25		
	MTR Order	MYT Petition	Approved in this Order
ARR for Wires Business	1.1496	1.0163	0.8905
ARR for Retail Supply Business	9.3722	4.8098	4.6911
<b>Combined ARR for Wires and Retail Supply Business</b>	<b>10.5217</b>	<b>5.8262</b>	<b>5.5816</b>
Less: Revenue at Existing Tariff - Wires Business	0.8549	0.7381	0.7381
Less: Revenue at Existing Tariff - Supply Business	12.9341	6.5060	6.5060
<b>Less: Revenue at Existing Tariff - Combined for Wires and Retail Supply Business</b>	<b>13.7890</b>	<b>7.2441</b>	<b>7.2441</b>

Particulars	FY 2024-25		
	MTR Order	MYT Petition	Approved in this Order
Revenue Gap/ (Surplus) - Wires Business	0.2947	0.2783	0.1524
Revenue Gap/ (Surplus) - Supply Business	(3.5619)	(1.6962)	(1.8149)
<b>Revenue Gap/ (Surplus) - Combined Wires and Retail Supply Business</b>	<b>(3.2673)</b>	<b>(1.4179)</b>	<b>(1.6625)</b>

## 4. PROJECTION OF AGGREGATE REVENUE REQUIREMENT FOR THE MYT CONTROL PERIOD FROM FY 2025-26 TO FY 2029-30

### 4.1 Background

4.1.1 The Commission issued the MYT Regulations, 2024 on August 19, 2024, covering the Control Period from FY 2025-26 to FY 2029-30. According to Regulation 5.1 (a) (iii) of these regulations, the ARR must be projected for each year within the Control Period. In this chapter, JNPA has outlined the ARR projections for the Control Period from FY 2025-26 to FY 2029-30, and the Commission has analysed the submissions of JNPA and provided its ruling.

### 4.2 Energy Sales

#### JNPA's Submission

4.2.1 JNPA submitted that it has 23 consumers comprising both HT and LT consumers with an aggregate contracted capacity of 3.6 MVA and a total demand of 1.18 MW as of FY 2024-25. Using it as a base it has projected the Resource Adequacy plan for the 5<sup>th</sup> Control period and projected an increase in demand from 1.37 MW to 2.15 MW over the 5<sup>th</sup> Control Period.

4.2.2 JNPA submitted that one of its consumers has commissioned a 1.5 MW solar rooftop plant under net metering in August 2024. In addition to it, JNPA has planned to install a 300-kWp solar plant by the first quarter of FY 2025-26, and another consumer has also planned to install a 250-kWp solar rooftop plant in the same period. It has considered these renewable sources while projecting sales for FY 2025-26 to FY 2029-30.

4.2.3 Summary of the category-wise energy sales in MU projected by JNPA for the 5<sup>th</sup> control period is given below:

**Table 104: Category-wise Energy Sales projected by JNPA during the 5<sup>th</sup> control period (MU)**

Consumer Category & Consumption Slab	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>HT Category</b>					
Industrial HT-I (A)	3.02	3.41	3.86	4.36	4.93
Commercial HT-(II)	2.46	2.76	3.10	3.48	3.91
<b>Sub-total</b>	<b>5.48</b>	<b>6.17</b>	<b>6.96</b>	<b>7.84</b>	<b>8.84</b>
<b>LT Category</b>					
Commercial LT-II (A)	0.05	0.05	0.06	0.06	0.06
Commercial LT-II (B)	0.17	0.18	0.19	0.20	0.20
Commercial LT-II (C)	0.04	0.04	0.04	0.04	0.04
Industrial LT-V (II)	0.36	0.38	0.40	0.42	0.45
Public Service LT VII(B)(II)	0.12	0.12	0.13	0.13	0.14

Consumer Category & Consumption Slab	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Sub-total	0.73	0.77	0.81	0.85	0.89
Total	6.21	6.94	7.77	8.69	9.73

4.2.4 Summary of the category-wise energy sales in Million kVAh (MkVAh) projected by JNPA for the 5<sup>th</sup> control period is given below:

**Table 105: Category-wise Energy Sales projected by JNPA during the 5<sup>th</sup> control period (MkVAh)**

Consumer Category & Consumption Slab	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>HT Category</b>					
Industrial HT-I (A)	3.11	3.52	3.98	4.50	5.08
Commercial HT-(II)	2.46	2.77	3.11	3.49	3.92
<b>Sub-total</b>	<b>5.58</b>	<b>6.29</b>	<b>7.09</b>	<b>7.99</b>	<b>9.00</b>
<b>LT Category</b>					
Commercial LT-II (A)	0.06	0.06	0.06	0.06	0.06
Commercial LT-II (B)	0.17	0.18	0.19	0.20	0.21
Commercial LT-II (C)	0.04	0.04	0.05	0.05	0.05
Industrial LT-V (II)	0.36	0.38	0.41	0.43	0.45
Public Service LT VII(B)(II)	0.12	0.12	0.13	0.13	0.14
<b>Sub-total</b>	<b>0.75</b>	<b>0.79</b>	<b>0.83</b>	<b>0.87</b>	<b>0.91</b>
<b>Total</b>	<b>6.33</b>	<b>7.07</b>	<b>7.91</b>	<b>8.85</b>	<b>9.91</b>

### **Commission's Analysis and Ruling**

4.2.5 The Commission also notes that, JNPA has proposed kVAh based tariff across all its consumer categories. The Commission is of the view that the SEZ based Licensee which has very limited area of licence is in the best position to judge the sales growth in its License area. Accordingly, the Commission accepts the proposed sales as submitted by JNPA for period from FY 2025-26 to FY 2029-30.

4.2.6 The category-wise sales approved by the Commission are given in the table below:

**Table 106: Category-wise Energy Sales for FY 2025-26 to FY 2029-30 approved by the Commission (MU)**

Consumer Category	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>HT Category</b>						
Industrial HT-I (A)	3.02	3.02	3.41	3.41	3.86	3.86
Commercial HT-(II)	2.46	2.46	2.76	2.76	3.10	3.10
<b>Subtotal</b>	<b>5.48</b>	<b>5.48</b>	<b>6.17</b>	<b>6.17</b>	<b>6.96</b>	<b>6.96</b>
<b>LT Category</b>						

Consumer Category	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Commercial LT-II (A)	0.05	0.05	0.05	0.05	0.06	0.06
Commercial LT-II (B)	0.17	0.17	0.18	0.18	0.19	0.19
Commercial LT-II (C)	0.04	0.04	0.04	0.04	0.04	0.04
Industrial LT-V (II)	0.36	0.36	0.38	0.38	0.40	0.40
Public Service LT VII(B)(II)	0.12	0.12	0.12	0.12	0.13	0.13
<b>Subtotal</b>	<b>0.73</b>	<b>0.73</b>	<b>0.77</b>	<b>0.77</b>	<b>0.81</b>	<b>0.81</b>
<b>Total</b>	<b>6.21</b>	<b>6.21</b>	<b>6.94</b>	<b>6.94</b>	<b>7.77</b>	<b>7.77</b>

Consumer Category	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>HT Category</b>				
Industrial HT-I (A)	4.36	4.36	4.93	4.93
Commercial HT-(II)	3.48	3.48	3.91	3.91
<b>Subtotal</b>	<b>7.84</b>	<b>7.84</b>	<b>8.84</b>	<b>8.84</b>
<b>LT Category</b>				
Commercial LT-II (A)	0.06	0.06	0.06	0.06
Commercial LT-II (B)	0.20	0.20	0.20	0.20
Commercial LT-II (C)	0.04	0.04	0.04	0.04
Industrial LT-V (II)	0.42	0.42	0.45	0.45
Public Service LT VII(B)(II)	0.13	0.13	0.14	0.14
<b>Subtotal</b>	<b>0.85</b>	<b>0.85</b>	<b>0.89</b>	<b>0.89</b>
<b>Total</b>	<b>8.69</b>	<b>8.69</b>	<b>9.73</b>	<b>9.73</b>

**Table 107: Category-wise Energy Sales for FY 2025-26 to FY 2029-30 approved by the Commission (MkVAh)**

Consumer Category	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>HT Category</b>						
Industrial HT-I (A)	3.11	3.11	3.52	3.52	3.98	3.98
Commercial HT-(II)	2.46	2.46	2.77	2.77	3.11	3.11
<b>Subtotal</b>	<b>5.58</b>	<b>5.58</b>	<b>6.29</b>	<b>6.29</b>	<b>7.09</b>	<b>7.09</b>
<b>LT Category</b>						
Commercial LT-II (A)	0.06	0.06	0.06	0.06	0.06	0.06
Commercial LT-II (B)	0.17	0.17	0.18	0.18	0.19	0.19
Commercial LT-II (C)	0.04	0.04	0.04	0.04	0.05	0.05
Industrial LT-V (II)	0.36	0.36	0.38	0.38	0.41	0.41
Public Service LT VII(B)(II)	0.12	0.12	0.12	0.12	0.13	0.13
<b>Subtotal</b>	<b>0.75</b>	<b>0.75</b>	<b>0.79</b>	<b>0.79</b>	<b>0.83</b>	<b>0.83</b>
<b>Total</b>	<b>6.33</b>	<b>6.33</b>	<b>7.07</b>	<b>7.07</b>	<b>7.91</b>	<b>7.91</b>

Consumer Category	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>HT Category</b>				
Industrial HT-I (A)	4.50	4.50	5.08	5.08
Commercial HT-(II)	3.49	3.49	3.92	3.92
<b>Subtotal</b>	<b>7.99</b>	<b>7.99</b>	<b>9.00</b>	<b>9.00</b>
<b>LT Category</b>				
Commercial LT-II (A)	0.06	0.06	0.06	0.06
Commercial LT-II (B)	0.20	0.20	0.21	0.21
Commercial LT-II (C)	0.05	0.05	0.05	0.05
Industrial LT-V (II)	0.43	0.43	0.45	0.45
Public Service LT VII(B)(II)	0.13	0.13	0.14	0.14
<b>Subtotal</b>	<b>0.87</b>	<b>0.87</b>	<b>0.91</b>	<b>0.91</b>
<b>Total</b>	<b>8.85</b>	<b>8.85</b>	<b>9.91</b>	<b>9.91</b>

### 4.3 Distribution Loss

#### JNPA's Submission

4.3.1 For FY 2024-25, JNPA has estimated distribution loss level of 8.00%. JNPA has proposed reducing the distribution losses from level of 8.00% by 0.25% annually from FY 2025-26 to FY 2029-30. Summary of the Distribution losses as claimed by JNPA is given in the table below:

**Table 108: Distribution Loss trajectory proposed by JNPA for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Distribution Loss (%)	7.75%	7.50%	7.25%	7.00%	6.75%

#### Commission's Analysis and Ruling

4.3.2 The Commission notes that, JNPA has reduced distribution loss level from 36.92% in FY 2021-22 to 7.36% in FY 2023-24. For FY 2024-25 JNPA has projected to achieve distribution loss level of 8.00% against the approved loss level of 12.05% (as per MTR Order). As per JNPA, the higher no-load loss is the primary reason for the higher losses.

4.3.3 The Commission is of the view that a reduction of 0.25% over the approved loss level of FY 2024-25 for each year of the 5<sup>th</sup> control period would be a reasonable target to achieve for JNPA, as the gradual increase in load will reduce the no-load losses with gradual increase in loading. Therefore, the Commission accepts the distribution loss trajectory proposed by JNPA for the 5<sup>th</sup> control period. The approved distribution loss trajectory for the 5<sup>th</sup> control period is given in the table below:

**Table 109: Distribution loss trajectory as approved by the Commission for FY 2025-26 to 2029-**

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Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Loss (%)	7.75%	7.75%	7.50%	7.50%	7.25%	7.25%

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Distribution Loss (%)	7.00%	7.00%	6.75%	6.75%

#### 4.4 Own Energy Consumption

##### *JNPA's Submission*

- 4.4.1 The Commission sought a clarification from JNPA for any Demand Side Management Programs undertaken by it and if the impact of DSM programs was considered in the RA planning. JNPA was also requested to submit the details of activities considered while forecasting load as mentioned in Regulation 6.9 of MERC RA Regulations, 2024.
- 4.4.2 In response to the above query, JNPA submitted that since its distribution operations are still developing. The current demand estimates do not consider the various impacts provided under Regulation 6.9 of the MERC RA Regulations, 2024. The implementation of measures like Demand Response programs and energy efficiency initiatives is not yet feasible due to small demand and since such measures also have cost implications, which at present cannot be burdened on the few existing consumers.
- 4.4.3 JNPA has submitted that it plans to raise awareness about energy conservation among its consumers by promoting the use of modern technology and energy-saving equipment in general lighting and other processes. JNPA has requested the Commission to consider its current load estimates for projections as submitted in its RA Plan.

##### *Commission's Analysis and Ruling*

- 4.4.4 The Commission directs JNPA to approach the Commission within three months of issuance of this Order and submit the list of energy efficient schemes that are proposed to be undertaken in the next Control Period. Further, JNPA is directed to conduct the study for assessment of self-consumption and submit the findings of such study. The Commission has considered FY 2024-25 as base year for self-consumption assessment. During the Control Period, JNPA shall reduce its self-consumption by 0.5% each year, which translates to 2.5% over the control period.

## 4.5 Energy Balance

### JNPA's Submission

4.5.1 JNPA submitted that it has considered the Energy Balance after considering the proposed energy sales and distribution loss trajectory. Further, JNPA also submitted that it has considered the InSTS loss as updated on the STU's portal for FY 2023-24.

4.5.2 Summarized Energy Balance for FY 2025-26 to FY 2029-30 submitted by the JNPA for the 5<sup>th</sup> control period is shown in the following table:

**Table 110: Energy Balance projected for the 5<sup>th</sup> Control Period by JNPA**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Energy Sales (MU)	6.21	6.94	7.77	8.69	9.73
Distribution loss (%)	7.75%	7.50%	7.25%	7.00%	6.75%
Energy Requirement at T<D (MU)	6.73	7.51	8.37	9.35	10.44
Intra-State Transmission Loss (%)	3.26%	3.26%	3.26%	3.26%	3.26%
Energy Requirement at G<T (MU)	6.96	7.76	8.66	9.66	10.79

### Commission's Analysis and Ruling

4.5.3 The Commission has noted the submission of JNPA. The Commission has considered the approved energy sales and distribution loss trajectory from FY 2025-26 to FY 2029-30. The Commission has taken approved InSTS loss levels of 3.28%, 3.26%, 3.24%, 3.22% and 3.20% for the years FY 2025-26, FY 2026-27, FY 2027-28, FY 2028-29 and FY 2029-30 respectively as per the InSTS Tariff Order dated 28 March 2025 in Case No. 208 of 2024.

4.5.4 Accordingly, the total energy requirement approved for FY 2025-26 to FY 2029-30 is as shown in the table below:

**Table 111: Energy Balance for FY 2025-26 to FY 2029-30 approved by the Commission**

Particulars	Unit	FY 2025-26		FY 2026-27		FY 2027-28	
		MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Energy Sales	MU	6.21	6.21	6.94	6.94	7.77	7.77
Distribution loss	%	7.75%	7.75%	7.50%	7.50%	7.25%	7.25%
Energy Requirement at T<D	MU	6.73	6.73	7.51	7.51	8.37	8.37
Intra-State Transmission Loss	%	3.26%	3.28%	3.26%	3.26%	3.26%	3.24%
<b>Energy Requirement at G&lt;T</b>	MU	<b>6.9608</b>	<b>6.9622</b>	<b>7.7607</b>	<b>7.7607</b>	<b>8.6570</b>	<b>8.6553</b>
<b>Total Power Purchase at State Periphery</b>	MU	<b>6.9615</b>	<b>6.9622</b>	<b>7.7615</b>	<b>7.7607</b>	<b>8.6579</b>	<b>8.6553</b>
Imbalance Pool	MU	0.00	0.00	0.00	0.00	0.00	0.00



Particulars	Unit	FY 2025-26		FY 2026-27		FY 2027-28	
		MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Less: Surplus Energy Traded	MU	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Power Available at G&lt;T</b>	<b>MU</b>	<b>6.9615</b>	<b>6.9622</b>	<b>7.7615</b>	<b>7.7607</b>	<b>8.6579</b>	<b>8.6553</b>

Particulars	Unit	FY 2028-29		FY 2029-30	
		MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Energy Sales	MU	8.69	8.69	9.73	9.73
Distribution loss	%	7.00%	7.00%	6.75%	6.75%
Energy Requirement at T<D	MU	9.35	9.35	10.44	10.44
Intra-State Transmission Loss	%	3.26%	3.22%	3.26%	3.20%
<b>Energy Requirement at G&lt;T</b>	<b>MU</b>	<b>9.6617</b>	<b>9.6577</b>	<b>10.7880</b>	<b>10.7813</b>
<b>Total Power Purchase at State Periphery</b>	<b>MU</b>	<b>9.6627</b>	<b>9.6577</b>	<b>10.7891</b>	<b>10.7813</b>
Imbalance Pool	MU	0.00	0.00	0.00	0.00
Less: Surplus Energy Traded	MU	0.00	0.00	0.00	0.00
<b>Total Power Available at G&lt;T</b>	<b>MU</b>	<b>9.6627</b>	<b>9.6577</b>	<b>10.7891</b>	<b>10.7813</b>

## 4.6 Resource Adequacy Plan

### Background

- 4.6.1 Under Rule 16 of Electricity (Amendment) Rules, 2022, the Ministry of Power, Government of India, in consultation with the CEA, issued the guidelines for Resource Adequacy in June 2023. As per these guidelines, the CEA is mandated to publish the national-level Planning Resource Margin (PRM) as a guide for all the States/ UTs while undertaking their Resource Adequacy (RA) exercises. (clause 3.1) and also to publish the capacity credits for different resource types on a regional basis. (clause 3.1)
- 4.6.2 Each Distribution Licensee shall undertake a Resource Adequacy Plan (RAP) for a 10-year horizon (Long-term Distribution Licensee Resource Adequacy Plan (LT-DRAP) to meet their peak and electrical energy requirement. (clause 3.7). The distribution licensees shall refer to LT-NRAP if required for inputs like PRM, capacity credits, etc. while formulating their LT-DRAP and shall submit their plans to CEA. (clause 3.7.1)
- 4.6.3 The Commission has notified the MERC (Framework for Resource Adequacy) Regulations, 2024 herein referred as ‘MERC RA Regulations, 2024’, to enable the implementation of the RA Framework to reliably meet the projected demand within the state. The objective of the Regulations is to enable the implementation of Resource Adequacy framework by outlining a mechanism for planning of generation and transmission resources for reliably meeting the

projected demand in compliance with specified reliability standards for serving the load with an optimum generation mix.

- 4.6.4 These regulations outline the development and preparation of an RA Plan for the LT-DRAP for up to 10 years, Medium-term Distribution Resource Adequacy Plan (MT-DRAP) for up to 5 years and Short-Term Resource Adequacy Plan (ST-DRAP) for up to one year by distribution licensees. The Regulation covers a mechanism for long term, medium term and short-term forecasting and demand assessment using scientific modelling tools, generation resource planning, procurement planning, and monitoring and compliance.
- 4.6.5 In compliance to the provisions of Regulation 5.4 of the MERC (Framework for Resource Adequacy) Regulations, 2024, JNPA had submitted its RA Plan on 27 September 2024. The Commission scrutinized the proposal submitted by JNPA and noted certain data discrepancies in demand forecasting and shortcomings in compliance to the provisions of the MERC RA Regulations, 2024.
- 4.6.6 Further, the Commission had noted that, as per the MoP guidelines for RA, the CEA is mandated to publish a Long-term National Resource Adequacy Plan (LT-NRAP), which shall determine the optimal Planning Reserve Margin (PRM) requirement at the All-India level conforming to the reliable supply targets. The LT-NRAP shall allocate the share in the national peak for each State, and in States where there are multiple distribution licensees, the respective STU/ SLDC shall allocate each distribution licensee's share in the national peak within 15 days of the publication of LT-NRAP.
- 4.6.7 Further, these guidelines also require NLDC to annually publish a one-year look-ahead Short-term National Resource Adequacy Plan (ST-NRAP). The Commission had also noted that, the CEA/ NLDC are yet to publish the LT-NRAP and ST-NRAP results, including reliability indices (LOLP/ NENS) and, PRM, Capacity Credit (CC) factors, as per its Guidelines. Hence, allocation factors for the contribution of States to National CPD are not readily available for assessment. Meanwhile, the CEA had published a Discussion Paper dated 18 October 2024 for a methodology for demand contribution and CC factor assessment and invited comments.
- 4.6.8 In view of above developments at the national level on RA planning, critical observations on RA plans submitted by JNPA and considering the forthcoming MYT proceedings as per MYT Regulations 2024, the Commission directed JNPA to revisit the RA planning in light of the methodology specified by the CEA in the discussion paper published by CEA dated 18 October 2024 for computation of Capacity Credit of Generation Resources & Coincident Peak Requirement of Utilities under RA Framework.
- 4.6.9 As per the Regulation No. 12.13 of MERC RA Regulations, 2024, for planning RA requirement, the distribution licensee is required to duly factor in the allocation of RA

requirement to the distribution licensee as may be suggested by the STU/ SLDC, as the case may be, based on average of share in state coincident peak demand (CPD) and share in state non-coincident peak demand (NCPD) for MT-RA and ST-RA.

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

4.6.11 In view of the above directions of the Commission, JNPA submitted its revised RA planning as a part of its MYT Tariff Petition for the 5th control period in this Petition.

#### **Scrutiny of the RA Planning as per the provisions of the MERC RA Regulations 2024.**

##### ***JNPA's submission***

4.6.12 JNPA had projected energy sales and peak demand for the Control Period based on the Short-term and Medium-term Distribution Resource Adequacy Plans (ST-DRAP and MT-DRAP) submitted to the Commission on 15 October 2024. The RA Plan outlines a framework to ensure reliable power supply for consumers for the 5th Control Period (FY 2025-26 to FY 2029-30).

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

4.6.14 As per the provisions of the Regulation 6.4 of the MERC RA Regulations, 2024, the demand forecasting carried out by utilizing the category wise consumption data for various categories.

4.6.15 In the RA plan JNPA has envisaged it's individual consumer category consumption to grow at following CAGR:

**Table 112: Consumer category-wise growth rate of Energy Sales as submitted by JNPA**

<b>Consumer category wise Energy Sale (MU)</b>	<b>YoY growth rate/CAGR- as applicable</b>
HT I Industry	13.02%
HT II Commercial	12.32%
LT II (A) – LT Commercial	3.58%
LT II (B) -- LT Commercial	5.03%
LT II (C) -- LT Commercial	3.13%
LT V (ii) - LT Industry	5.81%
LT VII Public Service	3.66%

### ***Commission's Analysis and Ruling***

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

- (a) **Hourly/ Sub-hourly profiling:** Focus on hourly/ sub-hourly demand assessment (MW) than merely energy projections (MWh) (*Ref. Reg 6.1, 6.2 and 7.1, 7.2*)
- (b) **Planning Horizon:** Demand forecasts to cover across planning horizons Long term (10 year), Medium term (5 year) and Short term (up to 1 year) (*Ref. Reg 6 and 7*)
- (c) **Best fit Methodologies:** Methodology for demand/ energy forecast to include combination of various statistical methodologies, tools and econometric modelling approaches rather than CAGR based method and adopt best fit approach (*Ref. Reg 6.5, 6.7 and 7.3, 7.4*)
- (d) **Scenario Planning:** Adoption of probabilistic modelling approach with multiple scenarios of forecasts (viz. most probable, business as usual, aggressive) rather than deterministic scenario. EPS projections could be one of the scenario with due reference to influence of other factors (*Ref. Reg. 6.6 and 6.15*)
- (e) **Integral approach to Demand side measures:** Demand and energy forecast to include energy efficiency, energy conservation and demand side measures their impacts as integral part of demand assessment in terms of change in load shape, load curve, variation in peak/off-peak hours, seasonal variations etc. (*Ref. Reg. 6.9, 6.10 and 7.6*)
- (f) **Influence of State/ National Policy measures:** Adoption of several state/national policy measures such as PM-Surya Ghar, PM-KUSUM/ MSKVY2.0, penetration of LED /BLED fan, EV policy, Green Hydrogen, Data Centre policy, captive policy, open access/ green energy open access policy etc. to be factored in the LT/MT/ST demand forecasts and energy forecasts (*Ref. Reg. 6.9 and 6.10*)

4.6.17 The Commission has scrutinized JNPA's submission as regards Demand / Energy forecasts with reference to provisions under MERC RA Regulations 2024 in the following table.

**Table 113: Scrutiny of JNPA's submission regarding Demand / Energy forecasts**

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
1	<b>Demand Forecast and baseline for demand forecast and basis for projections</b>	<ul style="list-style-type: none"> <li>• ST: hourly/sub-hourly</li> <li>• MT: hourly</li> <li>• LT: monthly peak/off-peak load assessment and forecasts along with category-wise energy forecasts (<b>Reg 6.1</b>)</li> </ul>	<ul style="list-style-type: none"> <li>• Submitted the ST (FY 2025-26) and MT (2025-30) demand forecasts.</li> <li>• JNPA submitted that JNPA's Total Peak Load consumption is less than 1.5 MW. Due to such lower demand, it faces tremendous difficulty in procuring power.</li> <li>• Due to such lower demand, it faces tremendous difficulty in procuring power.</li> <li>• Energy Sales forecast excl. open access is projected to grow from 6.21 MU (FY25-26) to 9.73 MU (FY29-30) and 13.69 MU (FY32-33).</li> <li>• Peak Load forecast excl. open access is projected to grow from 0.92 MW (FY25-26) to 1.44 MW (FY29-30).</li> </ul>	<ul style="list-style-type: none"> <li>• The Commission has noted that LT (2025-35) demand forecasts are submitted only partially by JNPA.</li> <li>• It is highlighted that JNPA has made an error in its RA Plan in mentioning its Peak Load. Instead the figures project the Total Load leaving a data gap in Peak Load projected for the period 2030-2033.</li> <li>• The Commission has noted JNPA's submission and directs it to apply the same as its sales increase over the upcoming years.</li> <li>• Observations on consideration of consumer category-wise energy sales is covered in detail in Section 4.2 above.</li> <li>• Further, premise for hourly/sub-hourly MW forecast, impact of shift in load shape, load curve due to EV load, RTPV penetration, GEOA, demand side measures are not clearly known.</li> </ul>
2	<b>Forecast Scenarios</b>	<ul style="list-style-type: none"> <li>• Distribution Licensee (DL) must conduct statistical analysis and shall select the method for which standard deviation is the lowest and R-square is the highest (<b>Reg 6.7</b>)</li> </ul>	<ul style="list-style-type: none"> <li>• JNPA submitted that as a smaller DL with a total peak load consumption of less than 1.5 MW, it has employed the Compound Annual Growth Rate (CAGR) method for sales</li> </ul>	<ul style="list-style-type: none"> <li>• The Commission finds JNPA to be non-compliant with Reg 6.7 of MERC RA Regulations.</li> <li>• In response to the Commission's query, JNPA submitted that it being a small DL with</li> </ul>
3	<b>Forecast Methodology</b>	<ul style="list-style-type: none"> <li>• utilize state-of-the-art tools,</li> </ul>		

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
		<ul style="list-style-type: none"> <li>scientific and mathematical methodologies, and</li> <li>comprehensive database such as but not limited to weather data, historical data, demographic and econometric data, consumption profiles, impact of policies and drivers etc. as may be applicable to their control area (Reg 6.8)</li> <li>submit the methodology developed for demand forecast and provide a detailed explanation for refinement in ascertaining hourly load profile. <b>(Reg 6.1)</b></li> </ul>	<p>forecasting. This approach is straightforward aligning with historical trends and provides a consistent basis for projecting future sales.</p> <ul style="list-style-type: none"> <li>Based on the relationship between sales and load, JNPA applied a 11%-12% (approximately) growth factor to project future load.</li> <li>Using the projected load growth, it has submitted its power procurement plan to ensure the adequacy of supply while optimizing procurement costs.</li> </ul>	<p>a total peak load consumption of less than 1.5 MW. JNPA has primarily relied on the CAGR method to project the sales and demand. The Commission has considered the same.</p> <ul style="list-style-type: none"> <li>Although the Commission is not applying MERC RA Regulations, 2024 to its fullest extent as JNPA is a small SEZ. The Commission expects JNPA to apply the same as its sales increase over the upcoming years.</li> </ul>
4	<b>Assessment of Peak Demand</b>	<ul style="list-style-type: none"> <li>Peak demand (in MW) shall be determined by considering the average load factor, load diversity factor, seasonal variation factors for the last three years and the load forecasts (in MWh) obtained in Regulation 6.13</li> <li>If any other appropriate load factor is considered for future years, a detailed explanation shall be provided. <b>(Reg 6.14)</b></li> </ul>	<ul style="list-style-type: none"> <li>JNPA has submitted to be facing practical challenges, due to the scale of operations, in using advanced statistical techniques, such as standard deviation and R-square calculations.</li> <li>In light of the above, JNPA has sought the Commission's 'Power to Relax' under Regulation 26 of the MERC RA Regulations, 2024 and approve the adopted methodology as compliant.</li> </ul>	<ul style="list-style-type: none"> <li>Detailed observations on forecast methodology are provided under Chapter-4.</li> </ul>
5	<b>Demand Assessment and Forecasting</b>	<ul style="list-style-type: none"> <li>Develop trajectories based on economic parameters, policies, historical data, and future projections as mentioned in the Regulation, such as:</li> </ul>	<ul style="list-style-type: none"> <li>JNPA has submitted that it is currently in the early stages of its distribution operations and is facing challenges in</li> </ul>	<ul style="list-style-type: none"> <li>The Commission notes the submission of JNPA and is therefore not applying MERC RA Regulations, 2024</li> </ul>

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
		<p>Energy efficiency measures</p> <p>Energy savings and conservation interventions</p> <p>Demand response programs</p> <p>Demand-side management measures</p> <p>DSM (Demand-Side Management)</p> <p>Electric vehicles</p> <p>Tariff signals</p> <p>Changes in specific energy consumption</p> <p>Increase in commercial activities with electrification</p> <p>Changes in consumption pattern from seasonal consumers</p> <p>Availability of supply</p> <ul style="list-style-type: none"> <li>Policy influences including:</li> <li>24 x 7 supply to all customers</li> <li>LED penetration</li> <li>Storage policies</li> <li>Develop separate trajectories for each customer category for each policy.</li> <li>Distribution licensees are free to consider the impact of consumer migration in demand forecasting and include it in the analysis if deemed appropriate. <b>(Reg 6.9)</b></li> </ul>	<p>implementing comprehensive demand-side measures like those outlined in the Regulation 6.9 of the MERC RA Regulations, 2024.</p> <ul style="list-style-type: none"> <li>It has submitted that due to its small consumer base, imposing the costs of programs such as demand response, energy efficiency, and demand-side management on existing consumers could lead to higher tariffs.</li> <li>As a result, it has submitted that it is focusing on creating consumer awareness about energy conservation and the use of energy-efficient technologies.</li> <li>JNPA has based its future load estimates on historical data and growth assumptions using the CAGR methodology.</li> <li>JNPA has acknowledged the requirement for refining load profiles under Regulation 6.11 but notes that current operational constraints and evolving load patterns in its SEZ area make detailed analysis challenging. JNPA is committed to conducting thorough load research and refining load profiles</li> </ul>	<p>to its fullest extent as JNPA is a small SEZ.</p> <ul style="list-style-type: none"> <li>However, the Commission expects JNPA to apply the same as its sales and operations mature over the upcoming years.</li> <li>The Commission also directs JNPA to fulfil Regulation 6.11 while submitting the next RA plan.</li> </ul>

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
6	<b>Load Research analysis</b>	<ul style="list-style-type: none"> <li>• ST: Load research analysis to be conducted with inputs from SLDC and detailed explanation for refinement.</li> <li>• MT: MT forecast may be revised with a detailed explanation of refinement. <b>(Reg 6.11)</b></li> </ul>	<p>as its consumer base grows and stabilizes in the future.</p> <ul style="list-style-type: none"> <li>• JNPA has requested the Commission to consider these operational constraints and the nascent stage of its operations when evaluating its current load estimates and projections submitted under its RA Plan.</li> <li>• JNPA submitted that it is facing challenges in conducting a detailed load research analysis due to the limited consumer base and evolving load patterns in the SEZ area.</li> <li>• It is submitted that as the consumer base expands and load patterns stabilize, JNPA will plan to refine the medium-term load profile for consumer categories and shall submit the findings in compliance with Regulation 6.11.</li> <li>• JNPA has requested the Commission to consider these operational constraints and the early-stage nature of their operations and condone the non-submission of refined medium-term load profiles.</li> </ul>	



S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
7	<b>Demand Forecasting</b>	<ul style="list-style-type: none"> <li>The DL must calculate load forecasts (in MWh) by adding either the loss trajectory approved by the Commission in the latest tariff order or the actual loss from the previous year, whichever is lower. If the Commission has not approved a loss trajectory for the planning horizon, an appropriate trajectory from State or National policies should be used, with a detailed explanation provided. <b>(Reg 6.13)</b></li> </ul>	<ul style="list-style-type: none"> <li>JNPA has submitted that it has calculated the load forecast by considering the actual losses for previous years and estimating the projected losses for future years. This calculation has been carried out in accordance MERC RA Regulations, 2024, ensuring compliance with Regulation 6.13.</li> </ul>	<ul style="list-style-type: none"> <li>The Commission has considered the submission of JNPA.</li> </ul>
8	<b>Forecast Scenarios</b>	<ul style="list-style-type: none"> <li>Most probable,</li> <li>Business as usual,</li> <li>Aggressive <b>(Reg 6.15)</b></li> </ul>	<ul style="list-style-type: none"> <li>JNPA submitted that currently it projects a total load of approximately 3 MW, which is significantly lower than its capacity to serve 50 MW within its supply area.</li> <li>Additionally, most sales are expected from High Tension (HT) consumers with a consistent demand throughout the day, resulting in a flat load curve.</li> <li>Consequently, JNPA has not included scenarios of load variation in its current forecasts. However, it plans to incorporate such scenarios during the Mid-Term Review (MTR) Petition if there is a substantial increase in consumer load growth.</li> <li>JNPA has further requested the Commission to</li> </ul>	<ul style="list-style-type: none"> <li>Non-compliant with Reg 6.15 of MERC RA Regulations.</li> <li>The Commission directs JNPA to fulfil Regulation 6.11 while submitting the next RA plan.</li> </ul>

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
			consider the current scenario as outlined in its current Resource Adequacy (RA) Plan.	
9	<b>Category-Wise Demand Forecast</b>	<ul style="list-style-type: none"> <li>• DLs is responsible for providing the category wise consumption data for consumer categories to various agencies for purpose of state level demand forecasts <b>(Reg 6.3)</b></li> <li>• DL needs to do the demand forecast for all category of Consumers for which the Commission has determined separate Retail Tariff. <b>(Reg 6.4)</b></li> </ul>	<ul style="list-style-type: none"> <li>• As noted by the Commission, JNPA has submitted the Category wise energy consumption data and load forecast</li> <li>• It has submitted forecast for MT and ST. i.e., from 2025-26 to 2029-30. LT i.e., from 2030-31 to 2034-35 is partially submitted.</li> </ul>	<ul style="list-style-type: none"> <li>• Detailed observations on the Consumer category-wise Sales forecasts are provided in above chapter.</li> </ul>

4.6.18 The Commission observes that for sales projections under MYT petition JNPA has extensively relied on consumer-category-wise energy forecasts (MWh) using CAGR based approach for long term/ medium forecasts.

4.6.19 The forecast of demand (MW) and shift in hourly/ sub-hourly Demand forecasts (MW) is equally important particularly for adoption of other policy measures such as PM-Surya Ghar/ Rooftop PV, Demand side and EE/EC measures etc. While the impact of some of these measures in energy terms (MWh) and broad capacity addition/ shift have been considered but its influence on Hourly/ Sub-hourly Demand is not known

4.6.20 It is not clear if any econometric or statistical modelling approach or partial end use method has been used for the demand/ energy forecasts during current RA planning exercise. The Commission would encourage JNPA to explore use of various methodologies and statistical tools and use best fit approach for demand forecasting.

4.6.21 The Commission would encourage JNPA to factor in adjustment in sales forecasts on account of energy efficiency measures, demand side management measures, DSM, EV, etc. The comparison of Demand/ Sales forecasts proposed by JNPA and approved by the Commission for 5<sup>th</sup> Control Period is summarized in Section 4.2 above.

## Generation Resource Planning

### JNPA's submission

4.6.22 In overall compliance under Generation Resource Planning, the Commission requested for more clarity on JNPA's strategy on medium-term and long-term power procurement plans. JNPA shall comply with Regulation 12.10 of MERC RA Regulations, 2024 and keep minimum 70% of RAR through Long-term contracts, minimum 20% of RAR through Medium-term contracts, and the rest to be met through Short-term contracts.

4.6.23 Additionally, the Commission sought more clarification as per the above Regulation on:

- (a) *Capacity crediting of generation resources,*
- (b) *Assessment of Planning Reserve Margin (PRM) and*
- (c) *Ascertaining Resource Adequacy Requirement (RAR) and Allocation for Control Area.*

4.6.24 In response to a query from the Commission, JNPA submitted that because of its extremely small load and operational limitations, the practical applicability of these measures is constrained. The incorporation of capacity crediting, PRM assessment, and RAR allocation, as specified in Regulation 9.1, may not be directly relevant to its operational scale.

4.6.25 Additionally, JNPA has sought relaxation against Regulations 9.1 and 12.10 while considering the unique challenges posed by JNPA's small-scale operations.

### Commission's Analysis and Ruling

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

- (a) **Capacity Crediting of Generation Resources and its contribution to Solar/ Non-Solar hours:** Focus on assessing the contribution of generation resource to meet the demand at various hours particularly, variable renewable generation resources such as wind/ solar, storage resources (*Ref. Reg 9.1, 9.3 and 10*)
- (b) **Gestation period of various Generation Resource technologies and contracting arrangements:** Different technologies (such as wind, solar, PSP, BESS, nuclear, coal etc.) have different gestation periods. Further, variety of contracting arrangements (e.g. RE-RTC, FDRE, Hybrid) are emerging and would have variety of characteristic generation profile and associated costs. (*Ref. Reg 9.1, 9.2, 9.4 and 10*)

- (c) **Planning Reserve Margin:** Need to include PRM factor to comply with reliability indices (such as LOLP, NENS) notified by CEA and PRM to be evaluated through iterative process to meet with reliability standards (*Ref. Reg 9.5, and 11*)
- (d) **Assessment of Resource Adequacy Requirement (Shortfall/ Surplus):** Identification of RA requirement and resource gap/surplus (both quantum and duration) is crucial. Adoption of probabilistic modelling approach with multiple scenarios of forecasts (viz. most probable, business as usual, aggressive) for RA Gap/ Surplus assessment in LT/MT/ST rather than deterministic scenario. (*Ref. Reg. 12*)
- (e) **Integrated approach guided by CEA/ STU/ SLDC for control area and distribution licensee:** In order to optimal planning of resources inputs from LT-NRAP and ST-NRAP to be published by CEA as also allocation of RA requirement to concerned Distribution Licensee by STU/SLDC RA(*Ref. Reg. 6.9 and 6.10*)

4.6.27 The Commission has scrutinized JNPA's submission as regards **Assessment of Generation Resources and its proposed mix** with reference to provisions under MERC RA Regulations 2024.

**Table 114: Scrutiny of JNPA's submission regarding Assessment of Generation Resources and its proposed mix**

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
1	<b>Capacity Credit</b>	<ul style="list-style-type: none"> <li>• Net Load based approach.</li> <li>• RE CC = Sum of RE Generation for top 250 Hrs/Sum of RE IC for top 250 Hrs.</li> <li>• CC factor is computed for each year of duration of past five-years and the resultant CC is the average of CC values of past 5 years.</li> <li>• Thermal CC: computed based on coal /gas availability, forced and planned outages</li> <li>• Hydro CC: computed based on water availability</li> <li>• Storage CC: Net Load Based Approach</li> </ul>	<ul style="list-style-type: none"> <li>• JNPA submitted that due to its extremely small load and operational</li> <li>• limitations, the practical applicability</li> <li>• of capacity crediting, PRM assessment, and RAR allocation, may not be directly relevant to its operational scale.</li> </ul>	<ul style="list-style-type: none"> <li>• CEA Guidelines stipulate that as part of its LT-NRAP study, CEA would specify CC factors for different technologies across region.</li> <li>• Further, CEA had advocated determination of separate CC factors for wind and solar technologies for Solar hours and Non-Solar hours separately.</li> </ul>

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
		(Reg 10.2)		
2	<b>Planning Reserve Margin</b>	<ul style="list-style-type: none"> <li>PRM factor is computed based on the reliability Indices in terms of LoLP (0.2%) and NENS (0.05%) as specified by Authority or Commission (Reg 11.2)</li> <li>Capacity planning by DLs /STU /MSLDC shall factor PRM while developing state-level Resource Plan <b>(Reg 11.3)</b></li> </ul>		<ul style="list-style-type: none"> <li>CEA has not specified any PRM numbers, however, it has specified Loss of Load Probability (LOLP) as 0.2% and Normalized Energy Not Served (NENS) at 0.05% in the RA guidelines.</li> <li>The Commission has considered the same.</li> </ul>
3	<b>RA Requirement and Allocation</b>	<ul style="list-style-type: none"> <li>DLs RA plan is based on the sum of adjusted contracted generation capacities, calculated with CC factors over time intervals (15 minutes to one hour) as specified by the Commission. <b>(Reg 12.1)</b></li> </ul>	<ul style="list-style-type: none"> <li>JNPA has submitted that, in its early development phase, it is managing a contracted load of 1.5 MW through short-term power procurement, primarily with Birla Carbon Pvt Ltd (Manikaran Power Limited) via the DEEP portal.</li> <li>JNPA has submitted that since its overall demand as per the RA Plan is marginally increased from 1.37 MW in FY 2025-26 to 2.15 MW in FY 2029-30, hence, long-term and medium -term procurement planning would not be feasible as no generators in market would provide such long -term commitments.</li> <li>JNPA has highlighted upon the limited interest in bidding,</li> </ul>	<ul style="list-style-type: none"> <li>CEA has not yet published the LT-NRAP plan which is expected to outline RA requirement of each State to meet the National Peak alongwith planning for reserve requirements.</li> <li>However, CEA has published Discussion Paper which outline the methodology for allocation of RA requirement based on contribution to national coincident peak demand by different states, which provide fair indication of Maharashtra's contribution to the national peak.</li> <li>Similar exercise is required to undertaken at state level by STU/SLDC for allocation of RA requirement amongst distribution licensees at state level. The Commission expects that the exercise of RA requirement assessment for State and its allocation between distribution licensees shall be completed before Annual RA Rolling plan exercise</li> </ul>

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
			<p>due to small-scale demand.</p> <ul style="list-style-type: none"> <li>As a result, JNPA is struggling to expand its supplier base and resource options at this stage.</li> </ul>	<p>for next year taking into consideration LT-NRAP studies to be published by CEA.</p>
5	<b>Plan to contract capacity meet RA Requirement</b>	<ul style="list-style-type: none"> <li>Plan Contract capacities to meet Resource Adequacy Requirements (RAR), ensuring coverage of peak demand plus PRM. (Reg 12.9)</li> </ul>	<ul style="list-style-type: none"> <li>JNPA has now finalized its Power Procurement Plan comprising Manikaran Power Limited and Other Short Term through Competitive bidding.</li> </ul>	<ul style="list-style-type: none"> <li>The Commission approves the Power Procurement plan of JNPA.</li> </ul>

4.6.28 It may be noted that in the MERC RPO Regulations, 2019 as amended from time to time, the Commission has given relaxation to the Small Distribution Licensees with Peak Demand lesser than 20 MW, who are permitted to achieve the RPO in a composite manner, as against the RPO targets for larger Distribution Licensees, who are required to meet separate RPO targets for Wind, Hydro, and Other sources. Along similar lines, JNPA has requested the Commission to exercise its 'Power to Relax' under Regulation 26 of the MERC (Framework for Resource Adequacy) RA Regulations, 2024 and exempt it from the stringent provisions of the MERC RA Regulations, 2024.

4.6.29 The Commission would highlight that one of the important objectives of RA Regulations 2024 is resource planning with optimal resource mix to optimize overall cost of power for the utility and its end consumers while reliably meeting the forecasting load requirements. The relevant extract of objective of MERC RA Regulations, 2024 is provided as under:

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

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

- 4.6.30 The Commission expects JNPA to comply with the provision of the MERC RA Regulations, 2024 as its sales increase over the upcoming years.
- 4.6.31 To optimize the cost of power procurement during evening peak/ non-solar hours, JNPA should evaluate and explore Storage (incl. BESS) solutions (2hr./ 4hr.) to store surplus solar generation to be utilized during non-solar (evening peak) hours rather than procuring expensive power from market during non-solar (evening peak) hours. JNPA should explore and evaluate development of distributed storage solutions and its procurement plan through competitive route at early date.
- 4.6.32 Specific schemes of Demand side management measures could act as optimal resource and the JNPA should develop DSM schemes for various consumer categories as such effective load management tool. It should also encourage and facilitate consumers who wish to invest in energy storage and support the grid during non-solar (evening peak) hours provided it is viable business opportunity. Specific schemes under Demand Side Management framework can be designed and submitted for further regulatory scrutiny and approval.

## **Power Procurement Planning**

### ***JNPA's submission***

- 4.6.33 JNPA has submitted that since its overall demand as per the RA Plan is marginally increased from 1.37 MW in FY 2025-26 to 2.15 MW in FY 2029-30, hence, long-term and medium-term procurement planning would not be feasible as no generators in market would provide such long-term commitment. Accordingly, in lines with the RA Plan submitted, JNPA has proposed the procurement of its consumer demand estimated for the 5<sup>th</sup> Control Period through Short Term Power Procurement at the rate of Rs. 6.30/ kWh as decided by the Commission. This is the latest available rate approved by the Commission vide Tariff Adoption Order in Case No. 138 of 2024 and IA No. 45 of 2024 dated 9 October 2024.
- 4.6.34 For FY 2025-26 to FY 2029-30, JNPA has submitted that it has considered the RPO targets specified in the MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) Regulations, 2019, amended from time to time.
- 4.6.35 JNPA has proposed to meet the composite RPO compliance as per the above referred Regulations, accordingly, the RPO projected for the 5<sup>th</sup> Control Period is provided in Table 116.
- 4.6.36 JNPA has submitted that a consumer within its licensed area commissioned a 1.5 MW solar rooftop renewable energy (RE) generation plant under net metering in August 2024. Additionally, JNPA plans to install a 300 KW solar RE plant, expected to be commissioned in Q1 of FY 2025-26 within the licensed area. Furthermore, another consumer is planning to

install a 250 KW solar rooftop RE generation plant under net metering, also anticipated to be commissioned in Q1 of FY 2025-26. These RE installations, totalling 2.05 MW, will contribute toward meeting the Distributed Renewable Purchase Obligation (RPO) of the Distribution Licensee.

4.6.37 JNPA has further submitted that if RE power is purchased from GDAM/ GTAM market, the landed cost would be much higher after loading all the charges up to the Maharashtra Periphery resulting in higher burden on consumers. Accordingly, it would be prudent to purchase RECs till the time there is substantial load on the system.

### ***Commission's Analysis and Ruling***

4.6.38 The Commission has scrutinized JNPA's submission as regards **Power Procurement Planning and its proposed mix** with reference to provisions under MERC RA Regulations 2024.

**Table 115: Scrutiny of JNPA's submission regarding Power Procurement Planning and its proposed mix**

S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
1	<b>Composition of LT, MT and ST along with details of procurement of existing and planned capacity</b>	<ul style="list-style-type: none"> <li>Percentage Shares of LT, MT and ST are as follows: LT = 70%, MT = 20% and ST = 10% (Remaining of LT and MT) <b>(Reg 12.10)</b></li> <li>Submission of the list of all existing generating stations (Conventional + RE) along with RA plan. <b>(Reg 17.4)</b></li> </ul>	<ul style="list-style-type: none"> <li>JNPA has submitted that its current load projection is approximately 3 MW, which is significantly lower than its load-serving capability of 50 MW.</li> <li>Due to the minor increase in load, JNPA's resource adequacy (RA) planning is focused on short-term procurement for the next 8 years, covering the current 5th Multi-Year Tariff (MYT) Control Period.</li> <li>In its early development phase, it</li> </ul>	<ul style="list-style-type: none"> <li>The Commission directs JNPA to comply with the Regulations as its demand picks up in subsequent years.</li> <li>The Commission also notes that the Assessment of Firm capacity is linked to contracted capacity, technology/ type of resource and its Capacity credit factor.</li> <li>CEA is yet to publish its CC factors under LT-NRAP for various resources across regions. However, it has indicated CC factors in its Discussion Paper published and also provided CC factors separately for Wind and Solar technologies during</li> </ul>
2	<b>Firm Capacity</b>	<ul style="list-style-type: none"> <li>Demonstration of 100% tie-up for the first year and a minimum 90% tie-up for the second year to meet the requirement of their contribution towards meeting state peak. <b>(Reg 15.6)</b></li> </ul>		



S. No.	Parameters	Provisions as per MERC RA Regulations 2024	JNPA's Submissions	Commission's Observations and Remarks
3.	<b>Identify Generation Mix and Procurement Strategy</b>	<ul style="list-style-type: none"> <li>in LT, MT and ST</li> <li>seek approval of the Commission (Reg. 15.5)</li> </ul>	<p>is managing a contracted load of 1.5 MW through short-term power procurement, primarily with Birla Carbon Pvt Ltd (Manikaran Power Limited) via the DEEP portal and Short term procurement.</p> <ul style="list-style-type: none"> <li>JNPA has requested the Commission to reconsider the submitted RA Plan and to use its 'Power to Relax' under Regulation 26 of the MERC RA Regulations, 2024, to exempt JNPA from certain provisions of these regulations.</li> </ul>	<p>Solar and Non-Solar hours separately.</p> <ul style="list-style-type: none"> <li>Upon publication of the LT-NRAP study by CEA and CC factors thereof, JNPA should undertake comprehensive exercise for assessment of Firm Capacity, and RA Gap/Surplus during Annual RA Rolling plan exercise.</li> </ul>

4.6.39 The Commission has ensured that the power procurement planning based on merit order and hourly dispatch also factors in the RPO targets RPO as specified under MERC RPO Regulations. Further, the hourly shortfall/ surplus is expected to be traded in the optimal manner and cost/revenue implications of the same have also been factored in while projecting the power purchase planning for the 5<sup>th</sup> Control Period.

4.6.40 A detailed estimation of the source-wise projected quantum and cost along with basis for cost assumptions thereof, has been covered extensively under Section 4.7 of this Order.

4.6.41 JNPA has sought a general relaxation under Regulation 26 of the MERC RA Plan Regulations, 2024.

4.6.42 After considering JNPA's submission, the Commission decides that no penalty is imposed for this year. However, in the next assessment, penalty is to be levied based on the efforts taken by JNPA to comply with the MERC RA Regulations, 2024. Penalty is to be imposed as per the following Regulation 19.4 of the MERC RA Regulations, 2024:

*“19.4. The rate of Non-compliance charges shall be equivalent to 1.1 times the Marginal Capacity Charge (Rs/kW/month) or 1.25 times the Average Capacity Charge (Rs/kW/month)*

*whichever is higher, as approved by the Commission for the power procurement by concerned distribution licensee under its ARR/Tariff Order for the relevant financial year, unless separately specified by the Commission.”*

4.6.43 In pursuance of the above the Commission highlights upon the importance of Resource Adequacy framework for establishing a mechanism for planning generation and transmission resources. This is to ensure projected demand is met reliably while adhering to specified reliability standards and achieving an optimal generation mix. The Commission notes that many a regulation can be onerous for small Distribution Licensee. Therefore, the Commission is not imposing any penalty for now. However, the Commission expects that the annual RA rolling plan would ensure consistency in the approach for demand/energy forecasting exercise. The Commission directs that during the annual rolling plan exercise, JNPA should clarify the significant variation in forecasts for each consumer category with reasons and adopt corrective measures in its forecasting approach.

4.6.44 Some of the specific actions that are required to be followed by JNPA are outlined below:

- (a) JNPA should undertake realistic estimation of hourly demand and energy forecast upon verifying/ validating the base year consumption and growth factor assumptions thereof.
- (b) JNPA should undertake load survey for various consumer categories and assess the impact in change in load shape due to load side measures, adoption of new ToD tariff regime, agriculture load shift to day-time hours, demand side measures, proliferation of EV, RTPV, GEOA, industrial load growth, growth in data centres etc.
- (c) JNPA should explore advancing the procurement of storage resources (2 hr. / 4 hr.) to meet Non-solar (evening peak) requirement and such procurement through competitive route as well as distributed storage facilities.
- (d) JNPA should encourage and facilitate consumers who intend to invest in storage facilities and support grid during non-solar (evening peak) hours and design and develop DSM schemes to facilitate the same.
- (e) JNPA should explore advance tie up / contracting arrangement with generating stations and other distribution licensees for trade of surplus power to optimize and reduce the burden of the fixed cost of contracted thermal generating stations.

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

- (a) JNPA shall submit demand forecasts to MSLDC by 30th April of each year for the ensuing year(s).

- (b) JNPA shall perform MT-DRAP and ST-DRAP exercise by 31st August of each year for the ensuring year(s).
- (c) The monthly/weekly/day-ahead/intraday power procurements/sale by JNPA and generator schedule shall be made available on the websites of JNPA.
- (d) JNPA shall establish a planning cell for Resource Adequacy as per Regulation 23.1 of Resource Adequacy Regulation.
- (e) Another round the clock dedicated cell shall also be constituted by JNPA for power purchase/sell in real-time, and also undertake intra-day, day ahead, week ahead power procurement through Power Exchanges or any other means as per Regulation 23.2 of Resource Adequacy Regulation.

#### **4.7 Power Purchase Quantum and Cost**

##### ***JNPA's submission***

- 4.7.1 JNPA has envisaged procurement of its power requirement from conventional sources for meeting its Base Load and Peak Load requirement, RPO for future projections, from power exchange and net purchase from Imbalance Pool made during the year.

##### **Purchase from Conventional Sources**

- 4.7.2 JNPA has submitted its Resource Adequacy (RA) Plan for approval, detailing its Power Purchase strategy for the 5<sup>th</sup> Control Period under the MERC (Framework for RA) Regulations, 2024. The plan shows a marginal increase in demand from 1.37 MW in FY 2025-26 to 2.15 MW in FY 2029-30. JNPA submitted that due to the modest increase in demand, there would be a lack of long-term commitment from generators. Therefore, JNPA plans to meet its demand through Short Term power procurement only.
- 4.7.3 For the purpose of projection, JNPA has used rate of Rs. 6.30/ kWh for Short-Term Procurement, which is the rate approved by the Commission in a Tariff Adoption Order in Case No. 138 of 2024 and IA No. 45 of 2024 dated 9 October 2024.

##### **Renewable Purchase Obligation (RPO)**

- 4.7.4 As per Regulation 7.5 of the MERC (Renewable Purchase Obligation, its Compliance and Implementation of Renewable Energy Certificate Framework) (First Amendment) Regulations, 2024 JNPA having peak demand of less than 10 MW is required to meet its composite RPO target.

4.7.5 A consumer within JNPA's licensed area commissioned a 1.5 MWp solar rooftop plant under net metering in August 2024. JNPA plans to install a 300 kWp solar plant, which is expected to be operational in Q1 of FY 2025-26. Further, another consumer in JNPA's Licence area is planning to install a 250 kWp solar rooftop plant, which is expected to be commissioned in Q1 of FY 2025-26. These installations, totalling 2.05 MW, will contribute to meeting JNPA's RPO from FY 2025-26 to FY 2029-30. JNPA has planned to meet any shortfall in meeting RPO by procuring RECs at Rs. 0.20/ kWh. This is so as purchasing RE power from markets like GDAM/ GTAM would be costlier as landed cost of RE power would be much higher after loading all the charges up to the Maharashtra periphery resulting in higher burden on consumers.

4.7.6 The Summary of the RPO Target and JNPA's plan to meet RPO for the 5<sup>th</sup> Control Period is given in the table below:

**Table 116: RPO Target and JNPA's plan to meet RPO during the 5<sup>th</sup> Control Period**

RPO Targets & Achievement	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Energy Requirement (a)	MU	6.96	7.76	8.66	9.66	10.79
RPO target (b)	%	33.01%	35.95%	38.81%	41.37%	43.33%
Solar RE plant of 2.05MW (1.5MW + 300KW + 250KW) from FY 2025-26 (c)	%	41.06%	36.83%	33.01%	29.58%	26.49%
Remaining RPO (d = b – c)	%	-8.05%	-0.88%	5.80%	11.79%	16.84%
RPO target	MU	(0.56)	(0.07)	0.50	1.14	1.82
RPO Achievement	MU	-	-	-	1.01	1.82
RPO Shortfall/(Surplus)	MU	(0.56)	(0.63)	(0.13)	-	-

#### **Purchase from Imbalance Pool**

4.7.7 JNPA has not estimated any purchase from the imbalance pool for the 5<sup>th</sup> Control Period.

4.7.8 The summary of power purchase cost for the 5<sup>th</sup> Control Period as submitted by JNPA is shown in the table below:

**Table 117: Power Purchase Cost projected for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	Source	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Quantum (MU)</b>	Manikaran Power Limited	2.85	0.00	0.00	0.00	0.00
	Other Short Term through Competitive	4.11	7.76	8.66	9.66	10.79

Particulars	Source	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	bidding					
	<b>Total</b>	<b>6.96</b>	<b>7.76</b>	<b>8.66</b>	<b>9.66</b>	<b>10.79</b>
<b>Cost (Rs. Crore)</b>	Manikaran Power Limited	1.80	0.00	0.00	0.00	0.00
	Other Short Term through Competitive bidding	2.59	4.89	5.45	6.09	6.80
	REC	0.00	0.00	0.00	0.02	0.04
	<b>Total</b>	<b>4.39</b>	<b>4.89</b>	<b>5.45</b>	<b>6.11</b>	<b>6.83</b>
<b>Per unit cost (Rs. /kWh)</b>	Manikaran Power Limited	6.30	0.00	0.00	0.00	0.00
	Other Short Term through Competitive bidding	6.30	6.30	6.30	6.30	6.30
	REC	0.20	0.20	0.20	0.20	0.20
	<b>Total</b>	<b>6.30</b>	<b>6.30</b>	<b>6.30</b>	<b>6.32</b>	<b>6.33</b>

### Commission's Analysis and Ruling

4.7.9 The Commission approves the quantum of power purchase based on the energy balance as approved in the earlier section. For the purpose of estimating the power purchase expense towards the procurement of short-term conventional power, the Commission has decided to consider the latest approved rate of Rs. 6.30/ kWh as approved by the Commission in Tariff Adoption Order in Case No. 138 of 2024 and IA No. 45 of 2024 dated 9 October 2024 for JNPA.

4.7.10 The Commission notes JNPA's proposal for fulfilling its RPO target and directs it to meet its RPO obligation in a timely manner.

4.7.11 Based on the above considerations, the Commission approves the power purchase quantum, cost, and rate as given in following table. The same shall be reviewed at the time of true-up based on actuals. Details of power purchase approved for the period from FY 2025-26 to FY 2029-30 is as shown in table below:

**Table 118: Power Purchase Quantum, Cost and Rate approved by the Commission for the 5th Control Period from FY 2025-26 to FY 2029-30.**

Source of Power	FY 2025-26					
	MYT Petition			Approved in this Order in this Order		
	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)
Manikaran Power Limited	2.85	179.76	6.30	2.85	179.76	6.30
Other Short Term through Competitive Bidding	4.11	258.81	6.30	4.11	258.86	6.30

Source of Power	FY 2025-26					
	MYT Petition			Approved in this Order in this Order		
	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)
RECs	-	0.00	-	-	0.00	-
<b>Total</b>	<b>6.96</b>	<b>438.57</b>	<b>6.30</b>	<b>6.96</b>	<b>438.62</b>	<b>6.30</b>

Source of Power	FY 2026-27					
	MYT Petition			Approved in this Order in this Order		
	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)
Other Short Term through Competitive Bidding	7.76	488.97	6.30	7.76	488.92	6.30
RECs	-	0.00	-	-	0.00	-
<b>Total</b>	<b>7.76</b>	<b>488.97</b>	<b>6.30</b>	<b>7.76</b>	<b>488.92</b>	<b>6.30</b>

Source of Power	FY 2027-28					
	MYT Petition			Approved in this Order in this Order		
	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)
Other Short Term through Competitive Bidding	8.66	545.45	6.30	8.66	545.28	6.30
RECs	-	0.00	-	-	0.00	-
<b>Total</b>	<b>8.66</b>	<b>545.45</b>	<b>6.30</b>	<b>8.66</b>	<b>545.28</b>	<b>6.30</b>

Source of Power	FY 2028-29					
	MYT Petition			Approved in this Order in this Order		
	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)
Other Short Term through Competitive Bidding	9.66	608.75	6.30	9.66	608.75	6.30
RECs	-	2.02	-	-	2.02	-
<b>Total</b>	<b>9.66</b>	<b>610.77</b>	<b>6.32</b>	<b>9.66</b>	<b>610.77</b>	<b>6.32</b>

Source of Power	FY 2029-30					
	MYT Petition			Approved in this Order in this Order		
	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)	Quantum (MU)	Cost (Rs. Lakh)	Per unit cost (Rs./ kWh)
Other Short Term through Competitive Bidding	10.79	679.71	6.30	10.78	679.22	6.30
RECs	-	3.63	-	-	3.63	-
<b>Total</b>	<b>10.79</b>	<b>683.35</b>	<b>6.33</b>	<b>10.78</b>	<b>682.85</b>	<b>6.33</b>

#### 4.8 Transmission Charges and MSLDC Charges

##### JNPA's submission

4.8.1 JNPA has proposed short term power purchase over the 5<sup>th</sup> Control Period, therefore, it has considered short term transmission charges from the Tariff Order dated 31 March 2023 in Case No. 219 of 2022 for FY 2024-25 with 5.00% year on year escalation over the 5<sup>th</sup> Control Period. Also, for projecting MSLDC charges, JNPA has considered MSLDC Charges as approved by the Commission in the Tariff Order dated 31 March 2023 in Case No. 219 of 2022 for FY 2024-25 with 5.00% year on year escalation over the 5<sup>th</sup> Control Period.

4.8.2 JNPA requested the Commission to determine its specific share of the TTSC and MSLDC charges in accordance with the MERC (MYT) Regulations, 2024 and these charges to be considered while approving its Aggregate Revenue Requirement (ARR) for the 5<sup>th</sup> Control Period.

**Table 119: Intra-State Transmission Charges and MSLDC charges for the 5th Control Period (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Intra-State Transmission Charges	49.85	71.96	88.51	104.36	119.12
MSLDC Charges	0.14	0.19	0.28	0.34	0.38

##### Commission's Analysis and Ruling

4.8.3 The Commission has noted the submission of JNPA. For the period FY 2025-26 to FY 2029-30 the Commission has approved the Intra-State Transmission Charges vide its Order dated 28 March 2025 in Case No. 208 of 2024, MSLDC Charges vide its Order dated 28 March 2025 in Case No.186 of 2024 and STU Charges vide its Order dated 28 March 2025 in Case No.183 of 2024.

4.8.4 The Transmission charges, STU charges and MSLDC charges for FY 2025-26 to FY 2029-30 as approved by the Commission are shown in the table below:

**Table 120: Intra-state Transmission Charges and MSLDC Charges for FY 2025-26 to FY 2029-30 approved by the Commission (Rs. lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Intra-State Transmission Charges	49.85	30.75	71.96	47.14	88.51	53.73
MSLDC Charges	0.14	0.14	0.19	0.15	0.28	0.18
STU Fixed Charges	-	0.04	-	0.04	-	0.05

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Intra-State Transmission Charges	104.36	58.67	119.12	63.26
MSLDC Charges	0.34	0.21	0.38	0.24
STU Fixed Charges	-	0.05	-	0.05

## 4.9 Operation & Maintenance Expenses

### JNPA's submission

- 4.9.1 JNPA submitted that the MYT Regulations, 2024, includes provisions for estimating O&M expenses for Distribution Licensees based on GFA and the number of consumers. However, specific O&M norms for the Deemed Distribution Licensees including JNPA have not been established under these regulations and are to be established by the Commission on case-by-case basis.
- 4.9.2 JNPA has derived its O&M norms using the methodology outlined in the Statement of Reasons accompanying the MYT Regulations, 2024.
- 4.9.3 The summary of the O&M Norms derived for Wires and Retail Supply Business and corresponding O&M Expenses for the 5<sup>th</sup> Control Period as calculated and proposed by JNPA is provided as under:

**Table 121: O&M Norms for Wires Business derived by JNPA for the 5<sup>th</sup> Control Period**

Particulars	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
JNPA (Wires)	% of GFA	4.13%	4.31%	4.50%	4.71%	3.93%
	INR Lakh/'00 Consumers	7.23	7.02	6.62	6.31	6.06
Particulars	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wires Average GFA	Rs. Crore	4.10	4.10	4.10	4.10	5.13



Particulars	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Number of Consumers	Nos.	26	28	31	34	37

**Table 122: O&M Norms for Retail Supply Business derived by JNPA for the 5th Control Period**

Particulars	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
JNPA (Retail Supply)	% of GFA	2.22%	2.32%	2.43%	2.53%	2.12%
	INR Lakh/'00 Consumers	35.05	34.01	32.10	30.58	29.36
Particulars	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Retail Supply Average GFA	Rs. Crore	0.46	0.46	0.46	0.46	0.57
Number of Consumers	Nos.	26	28	31	34	37

4.9.4 Summarized normative O&M expenses as computed and submitted by JNPA based on the derived O&M norms for the 5<sup>th</sup> Control Period is given in the table below:

**Table 123: O&M Expenses for Wires and Retail Supply Business for 5th Control Period (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Wires Business	19.05	19.90	20.80	21.73	22.71
Retail Supply Business	10.26	10.72	11.20	11.70	12.23
<b>Total O&amp;M Expenses Claimed</b>	<b>29.31</b>	<b>30.62</b>	<b>32.00</b>	<b>33.43</b>	<b>34.94</b>

### **Commission's Analysis and Ruling**

4.9.5 MYT Regulations 2024 do not mention any O&M norms for arriving at normative O&M expenses for JNPA. Regulation 93.2 of the MYT Regulations 2024 has following provisions:

“93.2 ...

*Provided that in case of the Distribution Licensee or the Deemed Distribution Licensee tariff is yet to be determined by the Commission till coming into force of these Regulations, the Commission may determine the O&M Norms on case-to-case basis.”*

4.9.6 In line with the above provisions, the Commission has determined normative O&M expenses for JNPA for the 5<sup>th</sup> Control Period in this Order.

4.9.7 The Commission has considered similar methodology as per the Statement of Reasons (SOR) of the MYT Regulations 2024, used to derive O&M Expense norms of other Distribution Licensees to arrive at the specific normative O&M expenses of JNPA for the 5<sup>th</sup> Control Period.

4.9.8 The Commission has followed the following steps to determine normative O&M expenses for JNPA:

- a) The Commission has estimated the O&M Expenses for the 5<sup>th</sup> Control Period by escalating the actual approved O&M expenses of FY 2022-23 (being the first complete year for JNPA) post sharing of gains and losses separately for wires business and retail supply business to arrive at the Base Year O&M Expenses of FY 2024-25. The Commission has used actual 5 years average of CPI: WPI having the ratio of 70:30 to escalate these FY 2022-23 O&M expense up to the Base Year i.e. FY 2024-25. For this the Commission has used escalation rate of 5.53% (arrived after applying 30% weight to 5 year average WPI of 4.92% and 70% weight to 5 year average of CPI of 5.78% for FY 2024-25) and escalation rate of 4.97% (arrived after applying 30% weight to 5 year average WPI of 5.04% and 70% weight to 5 year average of CPI of 4.93% for FY 2024-25).
- b) Such derived normalised O&M expense (separately for distribution wires business and retail supply business) for the base year i.e. FY 2024-25 is further escalated over the 5<sup>th</sup> Control Period with the inflation rate of 4.97% (arrived after applying 30% weight to 5 year average WPI of 5.04% and 70% weight to 5 year average of CPI of 4.93% for FY 2024-25). As noted at para 3.7.5 the Commission has not considered 1.00% efficiency factor JNPA is still in the development phase showing traction in increasing numbers of consumers since its inception.

4.9.9 Based on the above method, the O&M Expenses approved for FY 2025-26 to FY 2029-30 are as follows:

**Table 124: Normative O&M Expenses approved for JNPA for the 5 the Control Period (Rs. Lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
O&M Expenses for Wires Business	19.05	18.46	19.90	19.38	20.80	20.34
O&M Expenses for Supply Business	10.26	9.85	10.72	10.34	11.20	10.85
<b>Total O&amp;M Expenses</b>	<b>29.31</b>	<b>28.31</b>	<b>30.62</b>	<b>29.71</b>	<b>32.00</b>	<b>31.19</b>

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
O&M Expenses for Wires Business	21.73	21.35	22.71	22.41

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
O&M Expenses for Supply Business	11.70	11.39	12.23	11.95
<b>Total O&amp;M Expenses</b>	<b>33.43</b>	<b>32.74</b>	<b>34.94</b>	<b>34.37</b>

#### 4.10 Capital Expenditure and Capitalisation

##### JNPA's Submission

4.10.1 JNPA has proposed to capitalise its assets in proportion to loading of assets across the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 to avoid undue burden on the consumers. Accordingly, JNPA considered no Capitalisation from FY 2025-26 to FY 2028-29. It has considered Capitalisation of Rs. 205.10 Lakh for the Wire Business and Rs. 22.79 Lakh for Retail Supply Business during FY 2029-30

4.10.2 The following table summarised the claim of JNPA towards the proposed Capital Expenditure and Capitalization for the 5<sup>th</sup> Control Period:

**Table 125: Capex and Capitalisation projected in proportion to the Load for the 5<sup>th</sup> Control Period (Rs. Lakh)**

Particulars	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Total Capitalisation	Rs. Lakh	0.00	0.00	0.00	0.00	227.89
Actual Load	MW	1.37	1.54	1.72	1.92	2.15
Load rounded off	MW	2.00	2.00	2.00	2.00	3.00

4.10.3 The summary of proposed Capitalisation for Wires and Retail Supply Business for the Control Period is provided below:

**Table 126: Capitalisation projected by JNPA for Wires and Retail Supply Business in the 5<sup>th</sup> Control Period (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Distribution Wires Business</b>					
Capital Expenditure	0.00	0.00	0.00	0.00	0.00
Capitalisation	0.00	0.00	0.00	0.00	205.10
<b>Retail Supply Business</b>					
Capital Expenditure	0.00	0.00	0.00	0.00	0.00
Capitalisation	0.00	0.00	0.00	0.00	22.79

##### Commission's Analysis and Ruling

4.10.4 The Commission observes that JNPA has completed capital expenditure of Rs. 113.94 crore as approved by the Commission vide letter dated 27 December 2022. In FY 2021-22 JNPA capitalised the put to use asset of Rs. 104.26 crore in its books and capitalised the balance Rs. 9.68 crore of assets in its books thus completing the capitalisation of total approved Capex of

Rs. 113.94 crore in its books.

- 4.10.5 During the 5<sup>th</sup> Control Period JNPA has not claimed any capital expenditure and thus the Commission approves ‘nil’ capital expenditure for the 5<sup>th</sup> Control Period.
- 4.10.6 The Commission had deliberated the issue regarding approval of recovery of capitalisation in proportion to the actual/ proposed loading in line with 2<sup>nd</sup> proviso to the Regulation 3.12 of the MERC (Approval of Capital Investment Schemes) Regulations, 2022 .
- 4.10.7 In the current case, Commission observed that the projected loading in the 5<sup>th</sup> Control Period is below minimum asset loading of 25% from FY 2025-26 to FY 2028-29. Thus, in line with the approach followed by the Commission for approval of proposed capitalisation in Order dated 31<sup>st</sup> March 2023 in Case No. 219 of 2022, the Commission approves the proposed recovery of capitalisation for FY 2025-26 to FY 2029-30 in proportion to the loading as proposed by JNPA.

**Table 127: Capitalisation for JNPA approved by the Commission for the 5<sup>th</sup> Control Period (Rs. Lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in the Order	MYT Petition	Approved in the Order	MYT Petition	Approved in the Order
<b>Distribution Wires Business</b>						
Capital Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Capitalisation	0.00	0.00	0.00	0.00	0.00	0.00
<b>Retail Supply Business</b>						
Capital Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Capitalisation	0.00	0.00	0.00	0.00	0.00	0.00

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in the Order	MYT Petition	Approved in the Order
<b>Distribution Wires Business</b>				
Capital Expenditure	0.00	0.00	0.00	0.00
Capitalisation	0.00	0.00	205.10	205.10
<b>Retail Supply Business</b>				
Capital Expenditure	0.00	0.00	0.00	0.00
Capitalisation	0.00	0.00	22.79	22.79

## 4.11 Depreciation

### JNPA's Submission

- 4.11.1 JNPA has computed the Depreciation in accordance with Regulation 28 of the MYT Regulations, 2024. JNPA has computed depreciation according to the depreciation rates as specified in Annexure I (Existing Assets) as per the MYT Regulations, 2024 for the Capitalisation considered for respective years. The depreciation proposed by JNPA for the 5<sup>th</sup> Control Period is summarised in the table below:

**Table 128: Depreciation for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 as submitted by JNPA (Rs. lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Distribution Wires Business</b>					
Opening GFA	410.21	410.21	410.21	410.21	410.21
Additions during the Year	0.00	0.00	0.00	0.00	205.10
Retirement during the year	0.00	0.00	0.00	0.00	0.00
Closing GFA	410.21	410.21	410.21	410.21	615.31
<b>Depreciation</b>	<b>21.66</b>	<b>21.66</b>	<b>21.66</b>	<b>21.66</b>	<b>27.07</b>
<b>Retail Supply Business</b>					
Opening GFA	45.58	45.58	45.58	45.58	45.58
Additions during the Year	0.00	0.00	0.00	0.00	22.79
Retirement during the year	0.00	0.00	0.00	0.00	0.00
Closing GFA	45.58	45.58	45.58	45.58	68.37
<b>Depreciation</b>	<b>2.41</b>	<b>2.41</b>	<b>2.41</b>	<b>2.41</b>	<b>3.01</b>

**Commission's Analysis and Ruling**

4.11.2 The Commission has computed the Depreciation for FY 2025-26 to FY 2029-30 in accordance with Regulation 28 of MYT Regulations, 2024. The Commission has considered approved Capitalisation for FY 2029-30 towards addition of assets during the year. The Commission notes that although the assets are projected to be capitalised in FY 2029-30 in proportion to actual loading, the assets are considered as existing assets. The Commission has calculated the Depreciation by applying the asset class-wise Depreciation rate as specified in the MYT Regulations, 2024 (Annexure-I, Existing Assets) on the average asset class-wise GFA during the year.

4.11.3 In view of the above, the Commission has approved Depreciation for FY 2025-26 to FY 2029-30 as shown in the table below:

**Table 129: Depreciation for JNPA for the 5<sup>th</sup> Control Period as approved by the Commission (Rs. Lakh)**

Particulars	2025-26		2026-27		2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>						
Opening GFA	410.21	410.21	410.21	410.21	410.21	410.21
Additions during the Year	0.00	0.00	0.00	0.00	0.00	0.00
Retirement during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing GFA	410.21	410.21	410.21	410.21	410.21	410.21
<b>Depreciation</b>	<b>21.66</b>	<b>21.66</b>	<b>21.66</b>	<b>21.66</b>	<b>21.66</b>	<b>21.66</b>
<b>Retail Supply Business</b>						

Particulars	2025-26		2026-27		2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Opening GFA	45.58	45.58	45.58	45.58	45.58	45.58
Additions during the Year	0.00	0.00	0.00	0.00	0.00	0.00
Retirement during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing GFA	45.58	45.58	45.58	45.58	45.58	45.58
<b>Depreciation</b>	<b>2.41</b>	<b>2.41</b>	<b>2.41</b>	<b>2.41</b>	<b>2.41</b>	<b>2.41</b>

Particulars	2028-29		2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>				
Opening GFA	410.21	410.21	410.21	410.21
Additions during the Year	0.00	0.00	205.10	205.10
Retirement during the year	0.00	0.00	0.00	0.00
Closing GFA	410.21	410.21	615.31	615.31
<b>Depreciation</b>	<b>21.66</b>	<b>21.66</b>	<b>27.07</b>	<b>27.07</b>
<b>Retail Supply Business</b>				
Opening GFA	45.58	45.58	45.58	45.58
Additions during the Year	0.00	0.00	22.79	22.79
Retirement during the year	0.00	0.00	0.00	0.00
Closing GFA	45.58	45.58	68.37	68.37
<b>Depreciation</b>	<b>2.41</b>	<b>2.41</b>	<b>3.01</b>	<b>3.01</b>

#### 4.12 Interest on Long Term Loans

##### JNPA's Submission

4.12.1 JNPA has submitted that it does not have actual loans and there is no other business regulated by the Commission. Accordingly, JNPA has considered the interest rate of the entity as a whole in line with 4<sup>th</sup> proviso of Regulations 30.5 of MYT Regulations 2024.

4.12.2 JNPA has considered normative debt: equity ratio of 70:30 on the addition to GFA towards addition of loan capital. The Depreciation has been considered as normative repayment of loan during the year.

4.12.3 JNPA (as an entity) has taken loan from ECB at 8.28% during FY 2023-24. JNPA has considered this loan to continue over the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30, for the purpose of projections. JNPA has computed the Interest on Long Term Loan Capital in accordance with Regulation 30 of the MERC MYT Regulations, 2024. The Interest on Long Term Loans projected by JNPA over the 5<sup>th</sup> Control Period is as follows:

**Table 130: Normative Interest on Long Term Loan projected by JNPA over the 5<sup>th</sup> Control**

**Period (Rs. Lakh)**

<b>Particulars</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>
<b>Distribution Wires Business</b>					
Opening Balance	234.84	213.18	191.52	169.86	148.20
Addition loan during the year	-	-	-	-	143.57
Repayment during the year	21.66	21.66	21.66	21.66	27.07
Closing Balance	213.18	191.52	169.86	148.20	264.70
Average Balance of Loan	224.01	202.35	180.69	159.03	206.45
Weighted Avg. Rate of Interest (%)	8.28%	8.28%	8.28%	8.28%	8.28%
<b>Total Interest Charges</b>	<b>18.55</b>	<b>16.75</b>	<b>14.96</b>	<b>13.17</b>	<b>17.09</b>
<b>Retail Supply Business</b>					
Opening Balance	26.09	23.69	21.28	18.87	16.47
Addition loan during the year	-	-	-	-	15.95
Repayment during the year	2.41	2.41	2.41	2.41	3.01
Closing Balance	23.69	21.28	18.87	16.47	29.41
Average Balance of Loan	24.89	22.48	20.08	17.67	22.94
Weighted. Avg. Rate of Interest (%)	8.28%	8.28%	8.28%	8.28%	8.28%
<b>Total Interest Charges</b>	<b>2.06</b>	<b>1.86</b>	<b>1.66</b>	<b>1.46</b>	<b>1.90</b>
<b>Combined Distribution Business</b>					
Opening Balance	260.93	236.87	212.80	188.73	164.67
Addition loan during the year	-	-	-	-	159.52
Repayment during the year	24.07	24.07	24.07	24.07	30.08
Closing Balance	236.87	212.80	188.73	164.67	294.11
Average Balance of Loan	248.90	224.83	200.77	176.70	229.39
Weighted Avg. Rate of Interest (%)	8.28%	8.28%	8.28%	8.28%	8.28%
<b>Total Interest Charges</b>	<b>20.61</b>	<b>18.62</b>	<b>16.62</b>	<b>14.63</b>	<b>18.99</b>

**Commission's Analysis and Ruling**

- 4.12.4 For arriving at the normative debt component, the Commission has considered normative debt: equity ratio of 70:30. The Commission has considered outstanding balance at the end of FY 2024-25 as the opening balance of normative loan at the start of FY 2025-26.
- 4.12.5 Since JNPA's Distribution entity on its own does not have any actual loans, the rate of interest has been considered based on the weighted average rate of interest on the actual loan portfolio of JNPA (entity as whole) as of FY 2023-24 (actual) for the period from FY 2025-26 to FY 2029-30, in accordance with the 4<sup>th</sup> proviso of Regulation 30.5 of the MERC MYT Regulations, 2024. The Commission has relied on weighted average rate of interest of 8.28% as submitted by JNPA and as reflected in the documentary evidence submitted by JNPA.



4.12.6 The repayment of loan is considered equal to the Depreciation allowed during the year in accordance with MERC MYT Regulations, 2024. The Interest on Loan approved by the Commission for the period from FY 2025-26 to FY 2029-30 is summarised in the table below:

**Table 131: Interest on normative Loan for JNPA for the 5<sup>th</sup> Control Period approved by the Commission (Rs. Lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>						
Opening Normative Loan	234.84	234.84	213.18	213.18	191.52	191.52
Addition of Normative Loan during the year	0.00	0.00	0.00	0.00	0.00	0.00
Less: Repayment during the year	21.66	21.66	21.66	21.66	21.66	21.66
Closing Normative Loan	213.18	213.18	191.52	191.52	169.86	169.86
Average Normative Loan	224.01	224.01	202.35	202.35	180.69	180.69
Rate of Interest	8.28%	8.28%	8.28%	8.28%	8.28%	8.28%
<b>Interest on Loan for Wires Business</b>	<b>18.55</b>	<b>18.55</b>	<b>16.75</b>	<b>16.75</b>	<b>14.96</b>	<b>14.96</b>
<b>Retail Supply Business</b>						
Opening Normative Loan	26.09	26.09	23.69	23.69	21.28	21.28
Addition of Normative Loan during the year	0.00	0.00	0.00	0.00	0.00	0.00
Less: Repayment during the year	2.41	2.41	2.41	2.41	2.41	2.41
Closing Normative Loan	23.69	23.69	21.28	21.28	18.87	18.87
Average Normative Loan	24.89	24.89	22.48	22.48	20.08	20.08
Rate of Interest	8.28%	8.28%	8.28%	8.28%	8.28%	8.28%
<b>Interest on Loan for Supply Business</b>	<b>2.06</b>	<b>2.06</b>	<b>1.86</b>	<b>1.86</b>	<b>1.66</b>	<b>1.66</b>

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>				
Opening Normative Loan	169.86	169.86	148.20	148.20
Addition of Normative Loan during the year	0.00	0.00	143.57	143.57
Less: Repayment during the year	21.66	21.66	27.07	27.07
Closing Normative Loan	148.20	148.20	264.70	264.70
Average Normative Loan	159.03	159.03	206.45	206.45
Rate of Interest	8.28%	8.28%	8.28%	8.28%
<b>Interest on Loan for Wires Business</b>	<b>13.17</b>	<b>13.17</b>	<b>17.09</b>	<b>17.09</b>
<b>Retail Supply Business</b>				
Opening Normative Loan	18.87	18.87	16.47	16.47



Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Addition of Normative Loan during the year	0.00	0.00	15.95	15.95
Less: Repayment during the year	2.41	2.41	3.01	3.01
Closing Normative Loan	16.47	16.47	29.41	29.41
Average Normative Loan	17.67	17.67	22.94	22.94
Rate of Interest	8.28%	8.28%	8.28%	8.28%
<b>Interest on Loan for Supply Business</b>	<b>1.46</b>	<b>1.46</b>	<b>1.90</b>	<b>1.90</b>

#### 4.13 Return on Equity

##### JNPA's Submission

4.13.1 JNPA has computed the RoE for the 5<sup>th</sup> Control Period for Distribution Wires Business and Retail Supply Business separately in line with the Regulation 29.7 and Regulation 29.8 of the MYT Regulations, 2024.

4.13.2 JNPA has determined the effective tax rate for its operations, including both regulated and unregulated businesses, to be 34.94% based on the actual tax paid in FY 2024-25. JNPA has used this tax rate for calculating the RoE according to the MYT Regulations 2024. For the fiscal years 2025-26 to 2029-30, JNPA has calculated a pre-tax RoE of 23.83% for its Wires Business and 26.90% for its Retail Business as considered for FY 2025-26.

4.13.3 JNPA has computed the RoE on the opening equity for each year and 50% of asset additions during the year, with a normative equity share set at 30% of capitalization.

4.13.4 The summary of the Pre-Tax rate of RoE claimed by JNPA for the 5<sup>th</sup> Control Period is given in the table below:

**Table 132: Pre-Tax RoE for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 as claimed by JNPA**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Distribution Wire Business</b>					
Total RoE	15.50%	15.50%	15.50%	15.50%	15.50%
Effective tax Rate	34.94%	34.94%	34.94%	34.94%	34.94%
<b>Pre-Tax RoE</b>	<b>23.83%</b>	<b>23.83%</b>	<b>23.83%</b>	<b>23.83%</b>	<b>23.83%</b>
<b>Retail Supply Business</b>					
Total RoE	17.50%	17.50%	17.50%	17.50%	17.50%
Effective tax Rate	34.94%	34.94%	34.94%	34.94%	34.94%
<b>Pre-Tax RoE</b>	<b>26.90%</b>	<b>26.90%</b>	<b>26.90%</b>	<b>26.90%</b>	<b>26.90%</b>

4.13.5 Based on the above Pre-Tax RoE, the RoE claimed by JNPA for the 5<sup>th</sup> Control Period for the Wires Business and Retail Supply Business is given in the table below:

**Table 133: RoE for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 as claimed by JNPA (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Distribution Wires Business</b>					
Op. Balance of Equity	123.06	123.06	123.06	123.06	123.06
Addition during the year	-	-	-	-	61.53
Cl. Balance of Equity	123.06	123.06	123.06	123.06	184.59
<b>Return on Equity Computation</b>					
Op. Balance	29.32	29.32	29.32	29.32	29.32
Addition during the year	-	-	-	-	7.33
<b>Return on Equity on Wire Business</b>	<b>29.32</b>	<b>29.32</b>	<b>29.32</b>	<b>29.32</b>	<b>36.65</b>
<b>Retail Supply Business</b>					
Op. Balance of Equity	13.67	13.67	13.67	13.67	13.67
Addition during the year	-	-	-	-	6.84
Cl. Balance of Equity	13.67	13.67	13.67	13.67	20.51
<b>Return on Equity Computation</b>					
Op. Balance	3.68	3.68	3.68	3.68	3.68
Addition during the year	-	-	-	-	0.92
<b>Return on Equity on Supply Business</b>	<b>3.68</b>	<b>3.68</b>	<b>3.68</b>	<b>3.68</b>	<b>4.60</b>
<b>Combined Distribution Business</b>					
<b>Return on Equity on Combined Distribution Business</b>	<b>33.00</b>	<b>33.00</b>	<b>33.00</b>	<b>33.00</b>	<b>41.25</b>

### ***Commission's Analysis and Ruling***

4.13.6 The Commission has approved RoE based on Regulation 29.1 and 29.2 of the MYT Regulations 2024. The Commission has considered the approved closing balance of equity at the end of FY 2024-25 as the opening balance of regulatory equity at the beginning of the year for FY 2025-26. In line with approved capitalisation the Commission has considered 30% of approved capitalisation for FY 2029-30 towards addition to equity during the year.

4.13.7 First proviso to Regulation 34.1 of the MYT Regulations 2024 provides that the Income tax rate shall be allowed as the latest available Income Tax Rate approved by the Commission. Accordingly, as elaborated at para 3.11.6 above, the Commission has considered the effective tax rate of 17.47% (MAT) applicable for FY 2023-24 for the purpose of projecting pre-tax RoE on the base rate of 15.50% for Wires Business and 17.50% for the Retail Supply Business.

4.13.8 The RoE approved for FY 2025-26 to FY 2029-30 is summarised in the following table:

**Table 134: Return on Equity for JNPA approved by the Commission for the 5<sup>th</sup> Control Period (Rs. Lakh)**

Particulars	2025-26		2026-27		2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Regulatory Equity at the beginning of the year	123.06	123.06	123.06	123.06	123.06	123.06
Equity portion of capitalization during the year	0.00	0.00	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	123.06	123.06	123.06	123.06	123.06	123.06
Base Return on Equity	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
Pre-tax Return on Equity after considering effective Tax rate	23.83%	23.83%	23.83%	23.83%	23.83%	23.83%
<b>Return on Equity for Wires Business</b>	<b>29.32</b>	<b>29.32</b>	<b>29.32</b>	<b>29.32</b>	<b>29.32</b>	<b>29.32</b>
Regulatory Equity at the beginning of the year	13.67	13.67	13.67	13.67	13.67	13.67
Equity portion of capitalization during the year	0.00	0.00	0.00	0.00	0.00	0.00
Regulatory Equity at the end of the year	13.67	13.67	13.67	13.67	13.67	13.67
Base Return on Equity	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%
Pre-tax Return on Equity after considering effective Tax rate	26.90%	26.90%	26.90%	26.90%	26.90%	26.90%
<b>Return on Equity for Supply Business</b>	<b>3.68</b>	<b>3.68</b>	<b>3.68</b>	<b>3.68</b>	<b>3.68</b>	<b>3.68</b>

Particulars	2028-29		2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Regulatory Equity at the beginning of the year	123.06	123.06	123.06	123.06
Equity portion of capitalization during the year	0.00	0.00	61.53	61.53
Regulatory Equity at the end of the year	123.06	123.06	184.59	184.59
Base Return on Equity	15.50%	15.50%	15.50%	15.50%
Pre-tax Return on Equity after considering effective Tax rate	23.83%	23.83%	23.83%	23.83%
<b>Return on Equity for Wires Business</b>	<b>29.32</b>	<b>29.32</b>	<b>36.65</b>	<b>36.65</b>
Regulatory Equity at the beginning of the year	13.67	13.67	13.67	13.67
Equity portion of capitalization during the year	0.00	0.00	6.84	6.84
Regulatory Equity at the end of the year	13.67	13.67	20.51	20.51
Base Return on Equity	17.50%	17.50%	17.50%	17.50%
Pre-tax Return on Equity after considering effective Tax rate	26.90%	26.90%	26.90%	26.90%
<b>Return on Equity for Supply Business</b>	<b>3.68</b>	<b>3.68</b>	<b>4.60</b>	<b>4.60</b>

#### 4.14 Interest on Working Capital and on Consumer's Security Deposit

##### JNPA's Submission

4.14.1 JNPA has computed the normative Interest on Working Capital as per Regulation 32 of the MYT Regulations, 2024.

4.14.2 The one-year SBI MCLR rate as on 30 November 2024 is 8.95%. Accordingly, JNPA has considered the rate of interest for computation of IoWC as 10.45% (8.95%+ 150 basis points), in accordance with the MYT Regulations, 2024.

4.14.3 JNPA has projected the CSD by considering 5% annual increase in CSD from FY 2025-26 to FY 2029-30, on account of lack of past data. JNPA submitted that it shall submit the actual increase in CSD at the time of Truing-up for the respective years. The rate of interest for computation of interest on CSD has been considered equal to the prevailing Bank Rate of Reserve Bank of India (RBI), in accordance with the MERC MYT Regulations, 2024.

**Table 135: IoWC as submitted by JNPA for the 5th Control Period from FY 2025-26 to FY 2029-30 (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Distribution Wires Business</b>					
O&M expenses for a month	1.59	1.66	1.73	1.81	1.89
Maintenance Spares at 1% of Opening GFA	4.10	4.10	4.10	4.10	4.10
One and half months equivalent of the expected revenue from charges for use of Distribution Wires	11.41	11.29	11.18	11.07	13.30
Less: Amount held as Security Deposit from Distribution System Users	2.05	2.34	2.67	3.04	3.47
<b>Total Working Capital Requirement</b>	<b>15.05</b>	<b>14.72</b>	<b>14.35</b>	<b>13.94</b>	<b>15.83</b>
<b>Computation of Working Capital Interest</b>					
Interest Rate (%) - SBI Base Rate +150 basis points	10.45%	10.45%	10.45%	10.45%	10.45%
<b>Interest on Working Capital</b>					
<i>Normative Working Capital Interest</i>	<b>1.57</b>	<b>1.54</b>	<b>1.50</b>	<b>1.46</b>	<b>1.65</b>
<i>Interest on Security Deposit</i>	<b>0.14</b>	<b>0.16</b>	<b>0.18</b>	<b>0.21</b>	<b>0.23</b>
<b>Retail Supply Business</b>					
O&M expenses for a month	0.85	0.89	0.93	0.98	1.02
Maintenance Spares at 1% of Opening GFA	0.46	0.46	0.46	0.46	0.46
One and half months equivalent of the expected revenue from sale of electricity	63.24	72.37	81.57	91.80	103.06
Less: Amount held as Security Deposit	18.47	21.06	24.01	27.38	31.22
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	40.71	46.76	52.85	59.62	66.90

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Total Working Capital Requirement</b>	<b>5.36</b>	<b>5.90</b>	<b>6.09</b>	<b>6.22</b>	<b>6.41</b>
<b>Computation of Working Capital Interest</b>					
Interest Rate (%) - SBI Base Rate +150 basis points	10.45%	10.45%	10.45%	10.45%	10.45%
<b>Interest on Working Capital</b>					
<i>Normative Working Capital Interest</i>	<b>0.56</b>	<b>0.62</b>	<b>0.64</b>	<b>0.65</b>	<b>0.67</b>
<i>Interest on Security Deposit</i>	<b>1.25</b>	<b>1.42</b>	<b>1.62</b>	<b>1.85</b>	<b>2.11</b>
<b>Combined Distribution Business</b>					
<i>Normative Working Capital Interest</i>	<b>2.13</b>	<b>2.15</b>	<b>2.14</b>	<b>2.11</b>	<b>2.32</b>
<i>Interest on Security Deposit</i>	<b>1.39</b>	<b>1.58</b>	<b>1.80</b>	<b>2.05</b>	<b>2.34</b>

### Commission's Analysis and Ruling

4.14.4 The Commission has computed the total working capital requirement of JNPA in accordance with the Regulation 32.3 and 32.4 of the MYT Regulations, 2024. The Commission noted that, JNPA has projected the CSD by considering 5% annual increase in CSD from FY 2025-26 to FY 2029-30, on account of lack of past data. However, Commission believes that CSD shall increase over the years with increasing billing and revenue in line with the provisions of the Regulation 13.2 of MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021. The revenue from sale of electricity as per the approved tariff for the period from FY 2025-26 to FY 2029-30 increases by an average 11.53%. Accordingly, the Commission has projected the CSD by escalating approved CSD for FY 2024-25 by 11.53% over the Control Period.

4.14.5 The Commission has considered the rate of IoWC equal to prevailing SBI MCLR Rate (9.00%) plus 150 basis points. i.e. 10.50%. While the interest rate on CSD is considered equal to the prevailing Bank Rate of Reserve Bank of India (RBI) at the time of filing of the Petition i.e. 6.50%. The IoWC and interest on CSD as approved by the Commission are shown in the table below:

**Table 136: Interest on Working Capital and Consumers' Security Deposit approved by the Commission for the 5th Control Period (Rs. Lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>						
O&M expenses for a month	1.59	1.54	1.66	1.61	1.73	1.70
Maintenance Spares at 1% of Opening GFA	4.10	4.10	4.10	4.10	4.10	4.10

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	11.41	11.62	11.29	13.02	11.18	14.52
Less: Amount held as Security Deposit from Distribution System Users	2.05	0.67	2.34	0.75	2.67	0.84
<b>Total Working Capital Requirement</b>	<b>15.05</b>	<b>16.59</b>	<b>14.72</b>	<b>17.99</b>	<b>14.35</b>	<b>19.48</b>
Interest Rate (%) - SBI Base Rate +150 basis points	10.45%	10.50%	10.45%	10.50%	10.45%	10.50%
<b>Interest on Working Capital</b>	<b>1.57</b>	<b>1.74</b>	<b>1.54</b>	<b>1.89</b>	<b>1.50</b>	<b>2.05</b>
Interest Rate (%) - Bank Rate	6.75%	6.50%	6.75%	6.50%	6.75%	6.50%
<b>Interest on CSD</b>	<b>0.14</b>	<b>0.04</b>	<b>0.16</b>	<b>0.05</b>	<b>0.18</b>	<b>0.05</b>
<b>Retail Supply Business</b>						
O&M expenses for a month	0.85	0.82	0.89	0.86	0.93	0.90
Maintenance Spares at 1% of Opening GFA	0.46	0.46	0.46	0.46	0.46	0.46
One and half month's equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	63.24	56.04	72.37	62.68	81.57	70.14
Less: Amount held as security deposit	18.47	6.05	21.06	6.77	24.01	7.57
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	40.71	40.71	46.76	46.76	52.85	52.85
<b>Total Working Capital Requirement</b>	<b>5.36</b>	<b>10.56</b>	<b>5.90</b>	<b>10.47</b>	<b>6.09</b>	<b>11.07</b>
Interest Rate (%) - SBI Base Rate +150 basis points	10.45%	10.50%	10.45%	10.50%	10.45%	10.50%
<b>Interest on Working Capital</b>	<b>0.56</b>	<b>1.11</b>	<b>0.62</b>	<b>1.10</b>	<b>0.64</b>	<b>1.16</b>
Interest Rate (%) - Bank Rate	6.75%	6.50%	6.75%	6.50%	6.75%	6.50%
<b>Interest on CSD</b>	<b>1.25</b>	<b>0.39</b>	<b>1.42</b>	<b>0.44</b>	<b>1.62</b>	<b>0.49</b>

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>				
O&M expenses for a month	1.81	1.78	1.89	1.87
Maintenance Spares at 1% of Opening GFA	4.10	4.10	4.10	4.10
One and half month's equivalent of the expected revenue from charges for use of Distribution Wires	11.07	16.27	13.30	18.24
Less: Amount held as Security Deposit from Distribution System Users	3.04	0.94	3.47	1.05
<b>Total Working Capital Requirement</b>	<b>13.94</b>	<b>21.21</b>	<b>15.83</b>	<b>23.16</b>

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Interest Rate (%) - SBI Base Rate +150 basis points	10.45%	10.50%	10.45%	10.50%
<b>Interest on Working Capital</b>	<b>1.46</b>	<b>2.23</b>	<b>1.65</b>	<b>2.43</b>
Interest Rate (%) - Bank Rate	6.75%	6.50%	6.75%	6.50%
<b>Interest on CSD</b>	<b>0.21</b>	<b>0.06</b>	<b>0.23</b>	<b>0.07</b>
<b>Retail Supply Business</b>				
O&M expenses for a month	0.98	0.95	1.02	1.00
Maintenance Spares at 1% of Opening GFA	0.46	0.46	0.46	0.46
One and half month's equivalent of the expected revenue from sale of electricity including revenue from CSS and Additional Surcharge	91.80	78.50	103.06	87.92
Less: Amount held as security deposit	27.38	8.48	31.22	9.49
Less: One month equivalent of cost of power purchase, transmission charges and MSLDC Charges	59.62	59.62	66.90	66.90
<b>Total Working Capital Requirement</b>	<b>6.22</b>	<b>11.81</b>	<b>6.41</b>	<b>12.99</b>
Interest Rate (%) - SBI Base Rate +150 basis points	10.45%	10.50%	10.45%	10.50%
<b>Interest on Working Capital</b>	<b>0.65</b>	<b>1.24</b>	<b>0.67</b>	<b>1.36</b>
Interest Rate (%) - Bank Rate	6.75%	6.50%	6.75%	6.50%
<b>Interest on CSD</b>	<b>1.85</b>	<b>0.55</b>	<b>2.11</b>	<b>0.62</b>

#### 4.15 Provisioning for Bad Debts

##### *JNPA's Submission*

4.15.1 JNPA has not considered any provision for bad debts as it has not envisaged any outstanding receivables during the 5<sup>th</sup> Control Period.

##### *Commission's Analysis and Ruling*

4.15.2 As JNPA has not envisaged any provisioning for bad debts, the Commission has not approved any amount towards provision for bad debt during the 5<sup>th</sup> Control Period.

#### 4.16 Contribution to Contingency Reserves

##### *JNPA's Submission*

4.16.1 JNPA has claimed the 0.25% of opening value of GFA as the contribution to contingency Reserves in lines with Regulation 35.1 of the MERC (MYT) Regulations, 2024. The summary



of the Contribution to Contingency Reserves claimed for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30 is provided as under:

**Table 137: Contribution to Contingency Reserves claimed by JNPA during the 5<sup>th</sup> Control Period (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Wires business</b>					
Opening Balance of GFA	1.96	2.99	4.01	5.04	6.07
Contribution to Contingency Reserves for Wires Business	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>
<b>Retail Supply Business</b>					
Opening Balance of GFA	0.22	0.33	0.11	0.23	0.34
Contribution to Contingency Reserves for Supply Business	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>

**Commission's Analysis and Ruling**

4.16.2 The Commission approves contribution to contingency reserves as proposed by JNPA in line with Regulation 35.1 of the MYT Regulations 2024. The Commission has considered closing balance of contingency reserves as of FY 2024-25 as the opening balance of contingency reserves for FY 2025-26. Accordingly, the contribution to contingency reserves for JNPA approved by the Commission during the 5<sup>th</sup> Control Period is as follows:

**Table 138: Contribution to Contingency Reserves for JNPA approved by the Commission for the 5<sup>th</sup> Control Period (Rs. Lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>						
Opening Balance of Contingency Reserves	1.96	1.40	2.99	2.43	4.01	3.46
Opening Gross Fixed Assets	410.21	410.21	410.21	410.21	410.21	410.21
<b>Contribution to Contingency Reserves during the year</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>
Closing Balance of Contingency Reserves	2.99	2.43	4.01	3.46	5.04	4.48
Closing Balance of Contingency Reserves as % of Opening GFA	0.73%	0.59%	0.98%	0.84%	1.23%	1.09%
<b>Retail Supply Business</b>						
Opening Balance of Contingency Reserves	0.22	0.16	0.33	0.27	0.11	0.38
Opening Gross Fixed Assets	45.58	45.58	45.58	45.58	45.58	45.58
<b>Contribution to Contingency Reserves during the year</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>
Closing Balance of Contingency Reserves	0.33	0.27	0.45	0.38	0.23	0.50



Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Closing Balance of Contingency Reserves as % of Opening GFA	0.73%	0.59%	0.98%	0.84%	0.50%	1.09%

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Distribution Wires Business</b>				
Opening Balance of Contingency Reserves	5.04	4.48	6.07	5.51
Opening Gross Fixed Assets	410.21	410.21	410.21	410.21
<b>Contribution to Contingency Reserves during the year</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>
Closing Balance of Contingency Reserves	6.07	5.51	7.09	6.53
Closing Balance of Contingency Reserves as % of Opening GFA	1.48%	1.34%	1.73%	1.59%
<b>Retail Supply Business</b>				
Opening Balance of Contingency Reserves	0.23	0.50	0.34	0.61
Opening Gross Fixed Assets	45.58	45.58	45.58	45.58
<b>Contribution to Contingency Reserves during the year</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>	<b>0.11</b>
Closing Balance of Contingency Reserves	0.34	0.61	0.46	0.73
Closing Balance of Contingency Reserves as % of Opening GFA	0.75%	1.34%	1.00%	1.59%

#### 4.17 Non-Tariff Income

##### JNPA's Submission

4.17.1 JNPA has considered Non-Tariff Income of FY 2024-25 for both Wires and Retail Supply Business without any escalation for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30.

4.17.2 JNPA has submitted that it shall claim actual Non-Tariff Income at the time of True-up. The Summary of the Non-Tariff Income as claimed by JNPA for the 5<sup>th</sup> Control period is given in the table below:

**Table 139: Non-Tariff Income claimed by JNPA for the 5<sup>th</sup> Control Period (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Non-Tariff Income</b>					
<i>Distribution Wires Business</i>	-	-	-	-	-
<i>Retail Supply Business</i>	2.97	2.97	2.97	2.97	2.97
<b>Total Non-Tariff Income</b>	<b>2.97</b>	<b>2.97</b>	<b>2.97</b>	<b>2.97</b>	<b>2.97</b>

##### Commission's Analysis and Ruling

4.17.3 As noted at para 3.15.3 the Commission has considered average of the non-tariff income approved in the past years i.e. Rs. 0.0629 Cr. as the non-tariff income for FY 2024-25. The Commission approves this value as non-tariff income for the 5<sup>th</sup> Control Period.

4.17.4 The Summary of the Non-Tariff income approved by the Commission is given in the table below:

**Table 140: Non-Tariff Income of JNPA approved by the Commission for the 5<sup>th</sup> Control Period (Rs. Lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
NTI for Wires Business	0.00	0.00	0.00	0.00	0.00	0.00
NTI for Supply Business	2.97	6.29	2.97	6.29	2.97	6.29
<b>Total NTI</b>	<b>2.97</b>	<b>6.29</b>	<b>2.97</b>	<b>6.29</b>	<b>2.97</b>	<b>6.29</b>

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
NTI for Wires Business	0.00	0.00	0.00	0.00
NTI for Supply Business	2.97	6.29	2.97	6.29
<b>Total NTI</b>	<b>2.97</b>	<b>6.29</b>	<b>2.97</b>	<b>6.29</b>

#### 4.18 Summary of ARR for FY 2025-26 to FY 2029-30

##### JNPA's Submission

4.18.1 The Summary of ARR as submitted by JNPA for Distribution Wires Business for the 5<sup>th</sup> Control Period is shown in the following table:

**Table 141: Projected ARR for the Distribution Wires Business for the 5<sup>th</sup> Control Period as claimed by JNPA (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Operation & Maintenance Expenses	19.05	19.90	20.80	21.73	22.71
Depreciation	21.66	21.66	21.66	21.66	27.07
Interest on Loan Capital	18.55	16.75	14.96	13.17	17.09
Interest on Working Capital	1.57	1.54	1.50	1.46	1.65
Interest on deposit from Consumers and Distribution System Users	0.14	0.16	0.18	0.21	0.23
Provision for bad and doubtful debts	-	-	-	-	-
Contribution to contingency reserves	1.03	1.03	1.03	1.03	1.03
Income Tax	-	-	-	-	-
<b>Total Revenue Expenditure</b>	<b>61.99</b>	<b>61.04</b>	<b>60.12</b>	<b>59.25</b>	<b>69.79</b>
Add: Return on Equity Capital	29.32	29.32	29.32	29.32	36.65
<b>Aggregate Revenue Requirement</b>	<b>91.31</b>	<b>90.36</b>	<b>89.44</b>	<b>88.57</b>	<b>106.44</b>
Less: Non-Tariff Income	-	-	-	-	-

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Less: Income from other business	-	-	-	-	-
<b>Aggregate Revenue Requirement from Distribution Wires</b>	<b>91.31</b>	<b>90.36</b>	<b>89.44</b>	<b>88.57</b>	<b>106.44</b>

4.18.2 The Summary of ARR as submitted by JNPA for Retail Supply Business for the 5<sup>th</sup> Control Period is shown in the following table:

**Table 142: Projected ARR for the Retail Supply Business for the 5<sup>th</sup> Control Period as claimed by JNPA (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Power Purchase Expenses (including Inter-State Transmission Charges)	438.57	488.97	545.45	610.77	683.35
Operation & Maintenance Expenses	10.26	10.72	11.20	11.70	12.23
Depreciation	2.41	2.41	2.41	2.41	3.01
Interest on Loan Capital	2.06	1.86	1.66	1.46	1.90
Interest on Working Capital	0.56	0.62	0.64	0.65	0.67
Interest on Consumer Security Deposit	1.25	1.42	1.62	1.85	2.11
Write-off of Provision for bad and doubtful debts	-	-	-	-	-
Contribution to contingency reserves	0.11	0.11	0.11	0.11	0.11
Intra-State Transmission Charges	49.85	71.96	88.51	104.36	119.12
MSLDC Fees & Charges	0.14	0.19	0.28	0.34	0.38
Interest on deposit from Consumers and Distribution System Users	-	-	-	-	-
<b>Total Revenue Expenditure</b>	<b>505.21</b>	<b>578.26</b>	<b>651.88</b>	<b>733.66</b>	<b>822.88</b>
Add: Return on Equity Capital	3.68	3.68	3.68	3.68	4.60
<b>Aggregate Revenue Requirement</b>	<b>508.88</b>	<b>581.94</b>	<b>655.56</b>	<b>737.34</b>	<b>827.47</b>
Less: Non-Tariff Income	2.97	2.97	2.97	2.97	2.97
Less: Income from other business	-	-	-	-	-
Less: Receipts on account of Cross-Subsidy Surcharge	-	-	-	-	-
Less: Receipts on account of Additional Surcharge, if any	-	-	-	-	-
<b>Aggregate Revenue Requirement from Retail Supply</b>	<b>505.91</b>	<b>578.97</b>	<b>652.58</b>	<b>734.36</b>	<b>824.50</b>

#### **Commission's Analysis and Ruling**

4.18.3 Based on the analysis in the previous paragraphs, the Commission has approved the ARR for FY 2025-26 to FY 2029-30, as summarised in the tables below:

**Table 143: Projected ARR for the Wires Business approved by the Commission for the 5<sup>th</sup>**

**Control Period (Rs. Lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Operation & Maintenance Expenses	19.05	18.46	19.90	19.38	20.80	20.34
Depreciation	21.66	21.66	21.66	21.66	21.66	21.66
Interest on Loan Capital	18.55	18.55	16.75	16.75	14.96	14.96
Interest on Working Capital	1.57	1.74	1.54	1.89	1.50	2.05
Interest on deposit from Consumers and Distribution System Users	0.14	0.04	0.16	0.05	0.18	0.05
Provision for bad and doubtful debts	0.00	0.00	0.00	0.00	0.00	0.00
Contribution to contingency reserves	1.03	1.03	1.03	1.03	1.03	1.03
<b>Total Revenue Expenditure</b>	<b>61.99</b>	<b>61.48</b>	<b>61.04</b>	<b>60.76</b>	<b>60.12</b>	<b>60.09</b>
Add: Return on Equity Capital	29.32	29.32	29.32	29.32	29.32	29.32
<b>Aggregate Revenue Requirement</b>	<b>91.31</b>	<b>90.80</b>	<b>90.36</b>	<b>90.08</b>	<b>89.44</b>	<b>89.41</b>
Less: Non-Tariff Income	0.00	0.00	0.00	0.00	0.00	0.00
Less: Income from other business	0.00	0.00	0.00	0.00	0.00	0.00
<b>Aggregate Revenue Requirement from Distribution Wires</b>	<b>91.31</b>	<b>90.80</b>	<b>90.36</b>	<b>90.08</b>	<b>89.44</b>	<b>89.41</b>

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Operation & Maintenance Expenses	21.73	21.35	22.71	22.41
Depreciation	21.66	21.66	27.07	27.07
Interest on Loan Capital	13.17	13.17	17.09	17.09
Interest on Working Capital	1.46	2.23	1.65	2.43
Interest on deposit from Consumers and Distribution System Users	0.21	0.06	0.23	0.07
Provision for bad and doubtful debts	0.00	0.00	0.00	0.00
Contribution to contingency reserves	1.03	1.03	1.03	1.03
<b>Total Revenue Expenditure</b>	<b>59.25</b>	<b>59.49</b>	<b>69.79</b>	<b>70.11</b>
Add: Return on Equity Capital	29.32	29.32	36.65	36.65
<b>Aggregate Revenue Requirement</b>	<b>88.57</b>	<b>88.81</b>	<b>106.44</b>	<b>106.76</b>
Less: Non-Tariff Income	0.00	0.00	0.00	0.00
Less: Income from other business	0.00	0.00	0.00	0.00
<b>Aggregate Revenue Requirement from Distribution Wires</b>	<b>88.57</b>	<b>88.81</b>	<b>106.44</b>	<b>106.76</b>

**Table 144: Projected ARR for the JNPA's Retail Supply Business approved by the**

**Commission for the 5th Control Period (Rs. Lakh)**

Particulars	FY 2025-26		FY 2026-27		FY 2027-28	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Power Purchase Expenses	438.57	438.62	488.97	488.92	545.45	545.28
Operation & Maintenance Expenses	10.26	9.85	10.72	10.34	11.20	10.85
Depreciation	2.41	2.41	2.41	2.41	2.41	2.41
Interest on Loan Capital	2.06	2.06	1.86	1.86	1.66	1.66
Interest on Working Capital	0.56	1.11	0.62	1.10	0.64	1.16
Interest on Consumer Security Deposit	1.25	0.39	1.42	0.44	1.62	0.49
Write-off of Provision for bad and doubtful debts	0.00	0.00	0.00	0.00	0.00	0.00
Contribution to contingency reserves	0.11	0.11	0.11	0.11	0.11	0.11
Intra-State Transmission Charges	49.85	30.75	71.96	47.14	88.51	53.73
MSLDC Fees & Charges	0.14	0.14	0.19	0.15	0.28	0.18
STU Fees & Charges	0.00	0.04	0.00	0.04	0.00	0.05
<b>Total Revenue Expenditure</b>	<b>505.21</b>	<b>485.47</b>	<b>578.26</b>	<b>552.52</b>	<b>651.88</b>	<b>615.92</b>
Add: Return on Equity Capital	3.68	3.68	3.68	3.68	3.68	3.68
<b>Aggregate Revenue Requirement</b>	<b>508.88</b>	<b>489.15</b>	<b>581.94</b>	<b>556.19</b>	<b>655.56</b>	<b>619.60</b>
Less: Non-Tariff Income	2.97	6.29	2.97	6.29	2.97	6.29
Less: Income from other business	0.00	0.00	0.00	0.00	0.00	0.00
<b>Aggregate Revenue Requirement from Retail Supply</b>	<b>505.91</b>	<b>482.85</b>	<b>578.97</b>	<b>549.90</b>	<b>652.58</b>	<b>613.31</b>

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
Power Purchase Expenses	610.77	610.77	683.35	682.85
Operation & Maintenance Expenses	11.70	11.39	12.23	11.95
Depreciation	2.41	2.41	3.01	3.01
Interest on Loan Capital	1.46	1.46	1.90	1.90
Interest on Working Capital	0.65	1.24	0.67	1.36
Interest on Consumer Security Deposit	1.85	0.55	2.11	0.62
Write-off of Provision for bad and doubtful debts	0.00	0.00	0.00	0.00
Contribution to contingency reserves	0.11	0.11	0.11	0.11
Intra-State Transmission Charges	104.36	58.67	119.12	63.26
MSLDC Fees & Charges	0.34	0.21	0.38	0.24
STU Fees & Charges	0.00	0.05	0.00	0.05
<b>Total Revenue Expenditure</b>	<b>733.66</b>	<b>686.86</b>	<b>822.88</b>	<b>765.35</b>
Add: Return on Equity Capital	3.68	3.68	4.60	4.60

Particulars	FY 2028-29		FY 2029-30	
	MYT Petition	Approved in this Order	MYT Petition	Approved in this Order
<b>Aggregate Revenue Requirement</b>	<b>737.34</b>	<b>690.54</b>	<b>827.47</b>	<b>769.95</b>
Less: Non-Tariff Income	2.97	6.29	2.97	6.29
Less: Income from other business	0.00	0.00	0.00	0.00
<b>Aggregate Revenue Requirement from Retail Supply</b>	<b>734.36</b>	<b>684.25</b>	<b>824.50</b>	<b>763.66</b>

## 5. TARIFF PHILOSOPHY, TARIFF DESIGN AND CATEGORY-WISE TARIFFS FOR MYT CONTROL PERIOD FROM FY 2025-26 TO 2029-30

### 5.1 Approach to Tariff Design

5.1.1 In this section of the Order, the Commission has determined the Retail Supply Tariff and Wheeling Charges for JNPA. The Commission has kept in view the principles of tariff determination set out in Sections 61 and 62 of the Electricity Act, 2003, the Tariff Policy, the MERC MYT Regulations, 2024 and has taken into consideration JNPA's submissions.

### 5.2 Computation of Carrying/ (Holding) Cost on Past Gaps/ (Surplus) and Cumulative ARR for MYT Control Period

#### JNPA's Submission

5.2.1 JNPA has computed the Revenue Gap/(Surplus) at the existing Tariff based on the Projected ARR of the Distribution Wires and Retail Supply Business, and the revenue based on the projected category-wise sales and tariff presently being charged to the consumers for FY 2024-25, as approved by the Commission vide Tariff Order dated 31 March 2023 in Case No. 219 of 2022.

5.2.2 JNPA has worked out its Carrying Cost of total Rs. 12.42 Lakh for the True-up years viz. FY 2022-23 and FY 2023-24 pertaining towards the Wires Business, which is proposed to be passed on to its consumers during FY 2025-26. The summary of the Carrying cost computed for the Wires Business is provided as under:

**Table 145: Cumulative Revenue Gap/ (Surplus) of Wires Business with Carrying Cost as submitted by JNPA (Rs. Lakh)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total Carrying/ (Holding) Cost
Opening Revenue Gap/(Surplus)	0.00	17.76	51.65	51.65	-
Revenue Gap/(Surplus) during the year	17.76	33.90	-	-51.65	-
Revenue Gap/(Surplus) at the end of the year	17.76	51.65	51.65	0.00	-
Carrying Cost Interest Rate	9.30%	10.07%	10.45%	10.45%	-
<b>Carrying Cost</b>	<b>0.83</b>	<b>3.49</b>	<b>5.40</b>	<b>2.70</b>	<b>12.42</b>

5.2.3 JNPA has worked out its Holding Cost of total Rs. 13.34 Lakh for the True-up years viz. FY 2022-23 and FY 2023-24 pertaining towards the Retail Supply Business, which is proposed to be passed on to its consumers during FY 2025-26. The summary of the Holding cost computed for the Wires Business is provided as under:

**Table 146: Cumulative Revenue Gap/ (Surplus) of Wires Business with Carrying Cost as submitted by JNPA(Rs. Lakh)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total Carrying/ (Holding) Cost
Opening Revenue Gap/(Surplus)	0.00	(73.14)	(30.24)	(30.24)	-
Revenue Gap/(Surplus) during the year	(73.14)	42.90	-	30.24	-
Revenue Gap/(Surplus) at the end of the year	(73.14)	(30.24)	(30.24)	0.00	-
Carrying Cost Interest Rate	9.30%	10.07%	10.45%	10.45%	-
<b>Carrying Cost</b>	<b>(3.40)</b>	<b>(5.20)</b>	<b>(3.16)</b>	<b>(1.58)</b>	<b>(13.34)</b>

5.2.4 JNPA submitted that it has projected the ARR for the MYT Control Period from FY 2025-26 to FY 2029-30. As stated earlier, the incremental Revenue Gap/(Surplus) after final true-up of FY 2022-23, the Revenue Gap/(Surplus) after final true-up of FY 2023-24, the Revenue Gap/(Surplus) after provisional true-up of FY 2024-25, and the associated carrying/(holding) cost as computed above, have been added to the projected ARR for FY 2025-26. Further, in order to smoothen the impact of the past period Revenue Gap/(Surplus), rather than recovering the entire Revenue Gap/(Surplus) in a single year, i.e., FY 2025-26, JNPA has proposed to spread the Revenue Gap/(Surplus) across the MYT Control Period from FY 2025-26 to FY 2029-30, in such a manner that the tariff increase/decrease is smoothened.

5.2.5 The revised ARR for recovery for the MYT Control Period from FY 2025-26 to FY 2029-30, after adjusting the previous period Revenue Gap/(Surplus) in the above manner, is presented in the tables below, separately for the Wires Business and Supply Business:

**Table 147: Cumulative ARR for Retail Supply Business from FY 2025-26 to FY 2029-30 as submitted by JNPA (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	91.31	90.36	89.44	88.57	106.44
Add: Revenue Gap/(Surplus) for FY 2022-23	17.76	-	-	-	-
Add: Revenue Gap/(Surplus) for FY 2023-24	33.90	-	-	-	-
Add: Revenue Gap/(Surplus) for FY 2024-25	10.53	-	-	-	-
Carrying/(Holding) Cost on previous years' true-up Gap/(Surplus)	12.42	-	-	-	-
<b>Cumulative ARR</b>	<b>165.91</b>	<b>90.36</b>	<b>89.44</b>	<b>88.57</b>	<b>106.44</b>
Spreading of Revenue Gap over 5 years for smoothening tariff impact	14.92	14.92	14.92	14.92	14.92
Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	6.24	4.68	3.12	1.56	0.00



Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Revised Cumulative ARR for recovery</b>	<b>112.47</b>	<b>109.96</b>	<b>107.48</b>	<b>105.05</b>	<b>121.36</b>

**Table 148: Cumulative ARR for Retail Supply Business from FY 2025-26 to FY 2029-30 as submitted by JNPA (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	505.91	578.97	652.58	734.36	824.50
Add: Revenue Gap/(Surplus) for FY 2022-23	(73.14)	-	-	-	-
Add: Revenue Gap/(Surplus) for FY 2023-24	42.90	-	-	-	-
Add: Revenue Gap/(Surplus) for FY 2024-25	(169.76)	-	-	-	-
Carrying/(Holding) Cost on previous years' true-up Gap/(Surplus)	(13.34)	-	-	-	-
<b>Cumulative ARR</b>	<b>292.56</b>	<b>578.97</b>	<b>652.58</b>	<b>734.36</b>	<b>824.50</b>
Spreading of Revenue Gap over 5 years for smoothening tariff impact	(42.67)	(42.67)	(42.67)	(42.67)	(42.67)
Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	(17.84)	(13.38)	(8.92)	(4.46)	0.00
<b>Revised Cumulative ARR for recovery</b>	<b>445.40</b>	<b>522.92</b>	<b>600.99</b>	<b>687.23</b>	<b>781.83</b>

5.2.6 Based on the above projected Revenue Requirement, JNPA has computed the average increase/(reduction) in tariff required to meet the Revenue Requirement for each year of the MYT Control Period, separately for the Wires Business and Supply Business, as well as the combined Distribution Business. Further, the tariff increase/(reduction) has been computed by considering the revised tariff for the previous year as the base, for appropriate analysis.

5.2.7 The following Table shows the Tariff increase/(decrease) for the 5th Control Period FY 2025-26 to FY 2029-30 as submitted by JNPA:

**Table 149: Tariff increase/(reduction) for Combined Distribution Business from FY 2025-26 to FY 2029-30 as submitted by JNPA**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Net ARR of Licensed Business (Rs. Crore)	557.87	632.88	708.48	792.28	903.19
Energy Sales (MkVAh)	6.33	7.07	7.91	8.85	9.91
Average Cost of Supply (Rs/kVAh)	8.82	8.95	8.95	8.95	9.11
<b>Average Annual Tariff Increase (%)</b>	<b>-12%</b>	<b>1%</b>	<b>0%</b>	<b>0%</b>	<b>2%</b>

5.2.8 The Wheeling Charges have been proposed, such that the entire Wires ARR is recovered from the Wheeling Charges. The Retail Supply Tariff, i.e., Fixed/Demand Charges and Energy

Charges, have been proposed accordingly, to recover the balance part of the composite ARR projected for FY 2025-26 to FY 2029-30.

### **Commission's Analysis and Ruling**

5.2.9 For estimating the revenue from sale of electricity at the existing tariff, the Commission has taken the approved sales for the 5<sup>th</sup> Control Period and consumer category wise tariff approved vide Order dated 31<sup>st</sup> March 2023 in Case No. 219 of 2022.

5.2.10 The Commission has computed the Revenue Gap/ (Surplus) at the existing Tariff based on the approved ARR of the Distribution Wires Business and Retail Supply Business, and the revenue estimated by it from sale of electricity at the existing tariff.

5.2.11 For FY 2022-23, in the MTR Order the Commission approved revenue Gap of Rs. 0.1666 Crore and revenue Surplus of Rs. 0.4471 Crore for Wires and Retail Supply business respectively. Based on the revenue Gap/ (Surplus) calculated after the True Up of FY 2022-23 in para 2.19.3 of this Order, the incremental revenue Gap/(Surplus) considered by the Commission is given in the Table below.

**Table 150: Incremental Gap/ (Surplus) for FY 2022-23 as approved by the Commission (Rs. Crore)**

Particulars	Gap/ (Surplus) Allowed in MTR Order for FY 2022-23	Gap/ (Surplus) Allowed in this Order for FY 2022-23	Incremental Gap/(Surplus) for FY 2022-23
Wires Business	0.1666	0.1607	(0.0059)
Retail Supply Business	(0.4471)	(0.7395)	(0.2924)
<b>Total</b>	<b>(0.2805)</b>	<b>(0.5789)</b>	<b>(0.2984)</b>

5.2.12 The Commission has calculated carrying cost at the weighted average Base Rate prevailing for the concerned Year, plus 150 Basis Points, in accordance with the Regulation 33 of the MYT Regulations, 2019. The summary of the Carrying cost is provided in the table below:

**Table 151: Carrying Cost/ (Holding Cost) as approved by the Commission for FY 2022-23 & FY 2023-24 (Rs. Lakh)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25*	FY 2025-26	Total
<b>Carrying / (Holding) Cost for Wires Business</b>					
Opening Gap/(Surplus)	-	(0.59)	62.75	62.75	-
Gap/(Surplus) during the year	(0.59)	63.34	-	(62.75)	-
Closing Gap/(Surplus)	(0.59)	62.75	62.75	-	-
Average Gap/(Surplus)	(0.30)	31.08	62.75	31.37	-
Interest Rate for Carrying/(Holding) Cost	9.30%	10.07%	10.50%	10.50%	-
<b>Carrying Cost for the Year</b>	<b>(0.03)</b>	<b>3.13</b>	<b>6.59</b>	<b>3.29</b>	<b>12.98</b>

Particulars	FY 2022-23	FY 2023-24	FY 2024-25*	FY 2025-26	Total
<b>Carrying / (Holding) Cost for Supply Business</b>					
Opening Gap/(Surplus)	-	(29.24)	(27.81)	(27.81)	-
Gap/(Surplus) during the year	(29.24)	1.44	-	27.81	-
Closing Gap/(Surplus)	(29.24)	(27.81)	(27.81)	-	-
Average Gap/(Surplus)	(14.62)	(28.52)	(27.81)	(13.90)	-
Interest Rate for Carrying/(Holding) Cost	9.30%	10.07%	10.50%	10.50%	-
<b>Holding Cost for the Year</b>	<b>(1.36)</b>	<b>(2.87)</b>	<b>(2.92)</b>	<b>(1.46)</b>	<b>(8.61)</b>
<b>Carrying/ (Holding) Cost for the year - Combined Wires &amp; Supply Business</b>	<b>(1.39)</b>	<b>0.26</b>	<b>3.67</b>	<b>1.83</b>	<b>4.37</b>

\*No carrying/ (Holding) cost for FY 2024-25 is considered as it is provisionally trued-up.

5.2.13 The Commission calculated aggregated Revenue Gap/ (Surplus) by adding approved Revenue Gap/ (Surplus) of FY 2022-23, FY 2023-24, FY 2024-25 along with the Carrying cost and spread it over period of 5 years to smoothen tariff impact for Distribution Wires and Retail Supply Business.

5.2.14 The Commission calculated Revised ARR for the recovery for 5<sup>th</sup> Control Period as per methodology discussed above. The summary of the Revised ARR for the recovery for the 5<sup>th</sup> Control Period as approved by the Commission is given in the table below:

**Table 152: Revised Cumulative ARR for Recovery for Distribution Wires Business for the 5th Control Period from FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	90.80	90.08	89.41	88.81	106.76
Incremental Gap/(Surplus) after truing up for FY 2022-23	(0.59)	-	-	-	-
True-up Gap/(Surplus) after truing up for FY 2023-24	63.34	-	-	-	-
Revenue Gap/ (Surplus) after provisional truing up for FY 2024-25	15.24	-	-	-	-
Carrying/(Holding) Cost on previous years' true-up Gap/(Surplus)	12.98	-	-	-	-
<b>Cumulative ARR</b>	<b>181.78</b>	<b>90.08</b>	<b>89.41</b>	<b>88.81</b>	<b>106.76</b>
Spreading of Revenue Gap over 5 years for smoothening tariff impact	(8.25)	4.10	18.75	37.20	39.20
Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	10.42	9.99	8.02	4.12	-
<b>Cumulative ARR for recovery</b>	<b>92.96</b>	<b>104.16</b>	<b>116.17</b>	<b>130.12</b>	<b>145.95</b>

**Table 153: Revised Cumulative ARR for Recovery for Retail Supply Business for the 5th Control Period from FY 2025-26 to FY 2029-30 as approved by the Commission (Rs. Lakh)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Standalone ARR	482.85	549.90	613.31	684.25	763.66
Incremental Gap/(Surplus) after truing up for FY 2022-23	(29.24)	-	-	-	-
True-up Gap/(Surplus) after truing up for FY 2023-24	1.44	-	-	-	-
Revenue Gap/ (Surplus) after provisional truing up for FY 2024-25	(181.49)	-	-	-	-
Carrying/(Holding) Cost on previous years' true-up Gap/(Surplus)	(8.61)	-	-	-	-
<b>Cumulative ARR</b>	<b>264.95</b>	<b>549.90</b>	<b>613.31</b>	<b>684.25</b>	<b>763.66</b>
Spreading of Revenue Gap over 5 years for smoothening tariff impact	(16.96)	(35.30)	(44.08)	(54.78)	(66.78)
Carrying/(Holding) Cost due to spreading of Gap/(Surplus) over 5 years	(21.10)	(17.39)	(12.76)	(7.01)	-
<b>Cumulative ARR for recovery</b>	<b>444.79</b>	<b>497.21</b>	<b>556.46</b>	<b>622.46</b>	<b>696.87</b>

### 5.3 Cost of Supply

#### JNPA's Submission

5.3.1 JNPA submitted that in MTR Order it has endeavoured to reduce the cross-subsidy between consumer categories with reference to the Average Cost of Supply (ACoS). However, in the MYT Regulations, 2024, the Commission has specified that the cross-subsidy shall be computed with reference to the Retail Cost of Supply (RCoS).

5.3.2 The relevant extract of the MYT Regulations, 2024 is reproduced below:

*“111.4 The Commission shall endeavour to gradually reduce the cross-subsidy between consumer categories with respect to the Average Cost of Supply in accordance with the provisions of the Act:*

*Provided that Average Cost of Supply of Retail Supply Business shall be considered for determining cross-subsidy of consumer category.*

*111.5 While determining the tariff, the Commission shall also keep in view the cost of supply at different voltage levels and the need to minimise tariff shock to consumers.”*  
(Emphasis added)

5.3.3 JNPA also submitted that it has computed ACoS as well as RCoS and has proposed category-wise tariff in such a manner that the cross-subsidies are reduced over the Control Period.

5.3.4 The RCoS and ACoS computed by JNPA for each year of the Control Period from FY 2025-26 to FY 2029-30 is shown in the Table below:

**Table 154: ACoS and RCoS from FY 2025-26 to FY 2029-30 as submitted by JNPA**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Revised Cumulative ARR for recovery (Rs. Lakh)	445.40	522.92	600.99	687.23	781.83
Sales (MkVAh)	6.33	7.07	7.91	8.85	9.91
<b>RCoS (Rs/kVAh)</b>	<b>7.04</b>	<b>7.39</b>	<b>7.60</b>	<b>7.76</b>	<b>7.89</b>
<b>Overall ACoS (Rs/kVAh)</b>	<b>8.82</b>	<b>8.95</b>	<b>8.95</b>	<b>8.95</b>	<b>9.11</b>

#### *Commission's Analysis and Ruling*

5.3.5 The Commission has noted the submission made by JNPA regards to RCoS and category-wise tariff. Based on the approved sales and Revised Cumulative ARR for Recovery for Retail Supply business the Commission has determined RCoS for the Control period given in the table below:

**Table 155: RCoS and ACoS as approved by the Commission for the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Cumulative ARR for Recovery approved for Supply Business (Rs. Lakh)</b>	<b>444.79</b>	<b>497.21</b>	<b>556.46</b>	<b>622.46</b>	<b>696.87</b>
Approved in this Order Sales (MkVAh)	6.33	7.07	7.91	8.85	9.91
<b>Retail Cost of Supply (Rs/kVAh)</b>	<b>7.03</b>	<b>7.03</b>	<b>7.03</b>	<b>7.03</b>	<b>7.03</b>
Cumulative ARR for Recovery approved for Distribution Wires Business (Rs. Lakh)	92.96	104.16	116.17	130.12	145.95
Cumulative ARR for Recovery approved for Total Distribution Business (Rs. Lakh)	537.76	601.37	672.64	752.58	842.83
<b>Average Cost of Supply (Rs/kVAh)</b>	<b>8.50</b>	<b>8.50</b>	<b>8.50</b>	<b>8.50</b>	<b>8.50</b>
<b>Effective year on year increase / Decrease (%)</b>	<b>0.83%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

## **5.4 Wheeling Charges**

### *JNPA's Submission*

5.4.1 JNPA submitted that contribution of HT Sales to the total projected sales for FY 2025-26 to FY 2029-30 is ~89%. Considering the configuration of existing distribution network and since primary distribution voltage is at 11 kV, it would not be appropriate to segregate such lower quantum of loss into HT Level and LT Level.

5.4.2 Accordingly, JNPA has proposed common/ composite wheeling charges for HT and LT category based on the ARR for Wires Business and projected energy sales, as shown in table below

**Table 156: Wheeling Charges proposed by JNPA for FY 2023-24 and FY 2024-25**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Net ARR for Distribution Wires Business (Rs. Lakh)	112.47	109.96	107.48	105.05	121.36
Energy Sales (MU in kVAh)	6.33	7.07	7.91	8.85	9.91
<b>Wheeling Charges (Rs./kVAh)</b>	<b>1.78</b>	<b>1.55</b>	<b>1.36</b>	<b>1.19</b>	<b>1.22</b>

### **Commission's Analysis and Ruling**

5.4.3 The Commission in the MTR Order had directed JNPA to segregate the Distribution Loss between the HT and LT network and also asked JNPA to provide the segregated voltage-wise (HT:LT) capitalized value (Opening GFA) for each asset class during the time of filing MYT for the 5<sup>th</sup> Control Period. In response JNPA has submitted that that contribution of HT Sales to the total projected sales for FY 2025-26 to FY 2029-30 is ~89%. JNPA also submitted that primary distribution voltage is at 11 kV and it would not be appropriate to segregate such lower quantum of sales into HT Level and LT Level.

5.4.4 The Commission has noted the submission made by the JNPA in regard to composite wheeling charges. Given the low sales levels, for the 5<sup>th</sup> Control period the Commission has determined the common Wheeling Charges for HT and LT categories in Rs/ kVAh in line with the approach followed at the time of MTR Order by considering the approved energy sales in kVAh and ARR of Distribution Wires Business as shown in the table below:

**Table 157: Composite Wheeling Charges for JNPA approved by the Commission for the 5<sup>th</sup> Control Period**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cumulative approved ARR of Wires Business (Rs. Lakh)	92.96	104.16	116.17	130.12	145.95
Approved in this Order HT Sales (MkVAh)	5.58	6.29	7.09	7.99	9.00
Approved in this Order LT Sales (MkVAh)	0.75	0.79	0.83	0.87	0.91
<b>Composite Wheeling Charges (Rs/kVAh)</b>	<b>1.47</b>	<b>1.47</b>	<b>1.47</b>	<b>1.47</b>	<b>1.47</b>

## **5.5 Tariff Philosophy for Retail Supply**

### **Background**

5.5.1 The Commission is guided by the provisions of the EA 2003, the draft National Tariff Policy and other Orders by Hon'ble Appellate Tribunal of Electricity (APTEL) in the matter of Tariff

design. The Commission has considered the main objectives of the EA 2003 including the protection of the interest of consumers, the supply of electricity to all areas and rationalization of tariffs. Apart from the above, the Commission has also taken into consideration JNPA's submissions as well as the public responses in these MYT proceedings.

- 5.5.2 Apart from tariff levels, the complexity of the tariff structure plays an important role in building transparency and limiting the discretionary power of the Distribution Licensees. A simpler tariff structure helps easy understanding by consumers and on the other hand, creation of many different categories gives discretionary power to the Distribution Licensees while charging tariffs.
- 5.5.3 In case of JNPA, considering that it is a SEZ, the number of consumer categories is already limited considering the type of consumers operating in the SEZ premises.
- 5.5.4 Further, the Commission is well within its power to make required changes in the tariff structure even if the Licensee has not proposed such changes or no indication has been given to the public regarding the intended changes. In this context, the APTEL, vide its Order in Appeal No. 106 of 2008, has ruled that the Commission has the power to design the tariff as per its own wisdom. It also mentions that the Commission does not need to seek public comments before announcement of the tariff. The relevant part of the APTEL Order in Appeal No. 106 of 2008 is reproduced below:

“ ...

- 14) *It is not the case of the appellant that the Commission had no power to create tariff design different from the one proposed by the licensee. The Commission has the power to design the tariff as per its own wisdom. The Commission need not, before issuing the actual order, publicly announce the tariff it proposed and call for public comments. In fact this is not even the appellant's contention.*
- 15) *The rule of natural justice requires the Commission to issue a public notice about the ARR and Tariff petition of the licensee and to allow the public to make its submissions on the ARR and Tariff proposals. The Commission has, thereafter, to design the scheme for recovery of the ARR keeping in view various relevant factors. If the classification of the consumers can be supported on any of the grounds mentioned in section 62(3) it would not be proper to say that the tariff fixing was violative of principles of natural justice because the Commission did not issue a public notice of the tariff categories which the Commission had intended to create.”*

- 5.5.5 Considering the above judgement, the Commission is proceeding with its analysis of the existing tariff structure and considering changes as deemed appropriate including those pertaining to change in definition of billing demand, changes in the methodology for



computation of load factor incentives and creation of stabilizing mechanism for the variation on account of FAC in consumer bills.

5.5.6 The subsequent paragraphs deal with the submissions of JNPA regarding the Tariff Philosophy and the changes approved by the Commission in the existing tariff structure.

### **JNPA's Submission**

#### **(a) Fixed/ Demand Charges**

5.5.7 JNPA has proposed to increase its Fixed/ Demand Charges across the consumer categories, as compared to the Fixed/ Demand Charges approved by the Commission vide its Tariff Order in Case No. 219 of 2022, dated 31 March 2023.

5.5.8 Accordingly, the summary of Fixed/ Demand Charges proposed by JNPA for the 5<sup>th</sup> Control Period is provided as under:

**Table 158: Proposed Fixed/ Demand Charges for the 5th Control Period from FY 2025-26 to FY 2029-30**

Category of consumers	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Industrial HT-I (A)	Rs/kVA/mth	365	360	360	360	360
Commercial HT-(II)	Rs/kVA/mth	330	305	305	305	305
Commercial LT-II (A)	Rs/conn/mth	200	200	195	195	195
Commercial LT-II (B)	Rs/kVA/mth	330	330	325	325	335
Commercial LT-II (C)	Rs/kVA/mth	80	70	65	60	55
Industrial LT-V (II)	Rs/kVA/mth	395	395	395	395	400
Public Service LT VII(B)(II)	Rs/kVA/mth	395	390	390	390	380

#### **(b) Cross-Subsidy reduction trajectory**

5.5.9 JNPA has equated the Cross-Subsidy to around zero across all consumers categories during the entire 5<sup>th</sup> Control Period i.e. from FY 2025-26 to FY 2029-30, i.e., the Average Billing Rate (ABR) across all consumer categories is nearly equal to the Average Cost of Supply (ACoS), for the respective years.

5.5.10 The cross-subsidy trajectory proposed over the 5<sup>th</sup> Control Period, with respect to the cross-subsidy based on existing tariffs, is summarized in the table below:

**Table 159: Proposed cross subsidy trajectory by JNPA for 5th Control period**

Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Projected	Projected	Projected	Projected	Projected
<b>HT Category</b>					
Industrial HT-I (A)	100%	100%	100%	100%	100%
Commercial HT-(II)	103%	101%	101%	102%	102%



Category	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Projected	Projected	Projected	Projected	Projected
<b>LT Category</b>					
Commercial LT-II (A)	103%	101%	101%	103%	103%
Commercial LT-II (B)	103%	100%	99%	101%	101%
Commercial LT-II (C)	104%	102%	103%	103%	103%
Industrial LT-V (II)	99%	95%	95%	96%	95%
Public Service LT VII(B)(II)	102%	100%	101%	101%	101%

**(c) Power Factor Incentives/Penalties**

5.5.11 JNPA has proposed kVAh based tariff across all consumer categories (HT and LT), hence there is no such requirement for proposing such applicability of Power Factor Incentive/ Penalty mechanism. Accordingly, JNPA has proposed of not adopting such mechanism over the entire 5<sup>th</sup> Control Period i.e., from FY 2025-26 to FY 2029-30.

**(d) Load Factor Incentive/ Penalty**

5.5.12 The Commission proposed the applicability of the Load Factor Incentives/Penalty vide its Order dated 31 March 2023 in Case No. 219 of 2022. The relevant extract of the same is provided as under:

“ .....

*(e) Load Factor Incentive/Penalty*

*5.4.41 In order to ensure secure operation of electricity grid, it is critical that every constituent of the system acts within its assigned boundaries. Intentional violation of Contract Demand limit by individual consumer for its own financial gain may lead to a system failure, which may affect other consumers. Hence, the Commission is constrained to restrict the Load Factor Incentive to only those consumers who do not exceed their Contract Demand during the month.*

*5.4.42 Accordingly, the Commission rules that Load Factor Incentive shall not be applicable for the month if the consumer exceeds its Contract Demand in that month. Consumers exceeding Contract demand during the off-peak hours (2200 hrs. to 0600 hrs.) would also not be eligible for Load factor Incentive for that month.*

*5.4.43 The Load Factor incentive shall be available only if the consumer has no arrears with the Distribution Licensee, and payment is made within seven days from the date of the electricity bill. However, it will be available to consumers in whose case payment of arrears in instalments has been allowed by the Distribution Licensee, and such payment is being made as scheduled. The Distribution Licensee has to take a commercial decision on the issue of how to determine the time frame for which the payments should have been made as scheduled, in order to be eligible for the Load Factor Incentive.”*

5.5.13 JNPA has proposed to continue with the same philosophy of the Load Factor Incentive/ Penalty as approved by the Commission in the referred Tariff Order over the entire 5<sup>th</sup> Control Period i.e., from FY 2025-26 to FY 2029-30.

**(e) Penalty for exceeding the Contract Demand**

5.5.14 The Commission proposed the mechanism for the applicability of the Penalty for exceeding the Contract Demand vide its Order dated 31 March 2023 in Case No. 219 of 2022. The relevant extract of the same is provided as under:

“ .....

*(f) Penalty for exceeding Contract Demand*

*5.4.44 In case, a consumer (availing Demand based Tariff) exceeds his Contract Demand, he will be billed at the appropriate Demand Charge rate for the Demand actually recorded and will be additionally charged at the rate of 150% of the applicable Demand Charges (only for the excess Demand over the Contract Demand).*

*5.4.45 Under these circumstances, the consumer shall not be liable for any other action under Section 126 of the EA, 2003, since the penal additional Demand Charge provides for the penalty that the consumer is liable to pay for exceeding his Contract Demand. In case a consumer exceeds his Contract Demand on more than three occasions in a calendar year, the action to be taken would be governed by the provisions of the Supply Code Regulations.*

*5.4.46 In case any consumer exceeds the Contract Demand on more than three occasions in a calendar year, the action taken in such cases would be governed by the Supply Code.”*

5.5.15 JNPA has proposed to continue with the same philosophy as approved by the Commission in the referred Tariff Order over the entire 5<sup>th</sup> Control Period i.e., from FY 2025-26 to FY 2029-30.

**(f) Discount for Digital Payment**

5.5.16 The MERC (MYT) Regulations, 2024 provides for discount to be given to LT category of consumers for payment of electricity bills through various modes of digital payment. The relevant extract is as follows:

*“36.3 A discount on the monthly bill (excluding taxes and duties) shall be provided to Low Tension category consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets, etc.:*

*Provided that the rate of such discount shall be stipulated by the Commission in the relevant Tariff Order”*

5.5.17 The 0.25% discount (capped at Rs. 500 per month) offered to LT category consumers for paying electricity bills through digital modes was initially introduced to encourage the transition from cash payments to digital transactions. In view of the significant success and widespread adoption of Digital India initiative, the digital payment methods including credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, and mobile wallets the provision of a digital payment discount has effectively served its purpose. However, digital payments have now become the standard practice among consumers, demonstrating a strong preference for such methods regardless of the discount and JNPA receives its 100% payment through digital modes of transactions.

5.5.18 JNPA has submitted that, the payment process has been streamlined and entirely digitised, while maintaining the same level of convenience for consumers who are already inclined towards digital payments. Therefore, JNPA has requested Commission to approve the withdrawal of the digital payment discount, considering the successful shift to digital payments and the enhanced efficiency it has brought towards the billing framework.

**(g) Tariff for EV Consumer Category**

5.5.19 The Commission vide its Tariff Order in Case No. 219 of 2022, dated 31 March 2023 had introduced the creation of separate consumer category for the Electric Vehicles (EV). Accordingly, JNPA has proposed the Tariff for the EV consumer category over the 5<sup>th</sup> Control Period.

**(h) Green Power Tariff**

5.5.20 JNPA has proposed to continue with the Green Tariff of Rs. 0.66/ kWh as approved by the Commission vide its Tariff Order in Case No. 219 of 2022, dated 31 March 2023 over the 5<sup>th</sup> Control Period i.e., from FY 2025-26 to FY 2029-30 along with the terms and conditions stipulated by the Commission in the referred Tariff Order. The relevant extract of the same is provided as under:

“ .....

*5.4.56 Besides, there have been several developments since introduction of concept including COVID pandemic situation, which also has bearing on renewable energy development in the country. Other market related developments such as introduction of GDAM/ GTAM and REC multiplier etc. are still evolving. Under the circumstance, the Commission is of the considered view that any change in mechanism of Green Tariff is not desirable at this stage and the same should continue for remaining period of the 4th Control Period. Thus, the Commission hereby approves*

*the Green Tariff of Rs. 0.66/ kWh to be applicable during remaining period of 4th Control Period (i.e., FY 2023-24 and FY 2024-25).*

*5.4.57 However, for ease of implementation and to comply with provisions of MoP Rules, the Commission stipulates following terms and conditions for levy of Green Power Tariff.*

*5.4.58 All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff.*

*5.4.59 The consumers who have opted for Open Access can also requisition for RE Power on payment of Green Power Tariff for balance power supplied by Distribution Licensee.*

*5.4.60 If the Obligated Entity wants to meet its RPO by requisitioning RE Power from the Distribution Licensee, then such entity shall pay additional Rs 0.50 /kWh for the Green Power Tariff i.e., the Obligated entity shall pay total Green Power Tariff of Rs 1.16/kWh. Since the obligated entity also has the option to meet RPO by purchasing REC and is currently being traded at Rs. 1/kWh, the green tariff is proposed with slight premium to REC Price.*

*5.4.61 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.*

*5.4.62 If the consumer is not an obligated entity under RPO Regulations, then that energy shall be counted towards RPO fulfilment of Distribution Licensee.*

*5.4.63 The Consumer will have option to select the quantum of green power to be purchased in steps of 25% and going up to 100% of the consumption.*

*5.4.64 Such an option will also be available for Open Access consumer for its balance consumption from the Distribution Licensee.*

*5.4.65 The Distribution Licensee will levy Green Power Tariff only for percentage of consumption opted by the Consumer.*

*5.4.66 Distribution Licensee shall issue Annual certificate to consumers stating percentage of power requirement of such consumer has been sourced through RE sources.*

*5.4.67 Any requisition for green energy from a distribution licensee shall be for a minimum period of one year.*

*5.4.68 Distribution Licensee shall process the request of Consumer for Green Power Tariff not later than 30 days from the receipt of the request or next billing cycle, whichever is earlier. Distribution Licensee shall provide the facility of requesting for Green Power Tariff through its Web Portal, Mobile App or any other digital mode for convenience of consumers.*

5.4.69 Temporary Consumers can also opt of Green Tariff as per methodology specified above and Distribution Licensee shall issue certificate specifying that power requirement has been sourced through RE sources after receipt of payment.

5.4.70 The Rules notified by MoP, GOI also specify that rating of the consumer based on the percent of green energy purchased by such consumer. The Commission notes that RPO specified for FY 2023-24 and FY 2024-25 is 22% and 25% respectively and is likely to be revised upwards going forward in next Control Period. As Distribution Licensee will already be meeting such consumption, it would not be correct to issue any certificate to individual consumer for RPO to be met by Distribution Licensee as a whole. The Commission has allowed the consumer the choice to opt for RE purchase in the steps of 25%. Accordingly, the Commission introduces the rating to be given by Distribution Licensee at the end of the financial year along with the electricity bill for the month of March specifying the percentage of power purchased from RE sources from his total consumption and rating as given below:”

<b>% of RE Purchase Opted</b>	<b>Rating</b>
>50% to 75%	Semi-Green
>75% to 100%	Green

5.5.21 Accordingly, JNPA has proposed to continue with the same terms and conditions as prescribed by the Commission, unless the same is modified by the Commission at the time of issuing the Tariff Order.

**(i) Advance Payment**

5.5.22 The Commission vide its Tariff Order in Case No. 219 of 2022 dated 31 March 2023 has proposed a mechanism for the advance payment/ pre-payment of the energy bills for the consumers. The relevant extract of the same is provided as under:

“ .....

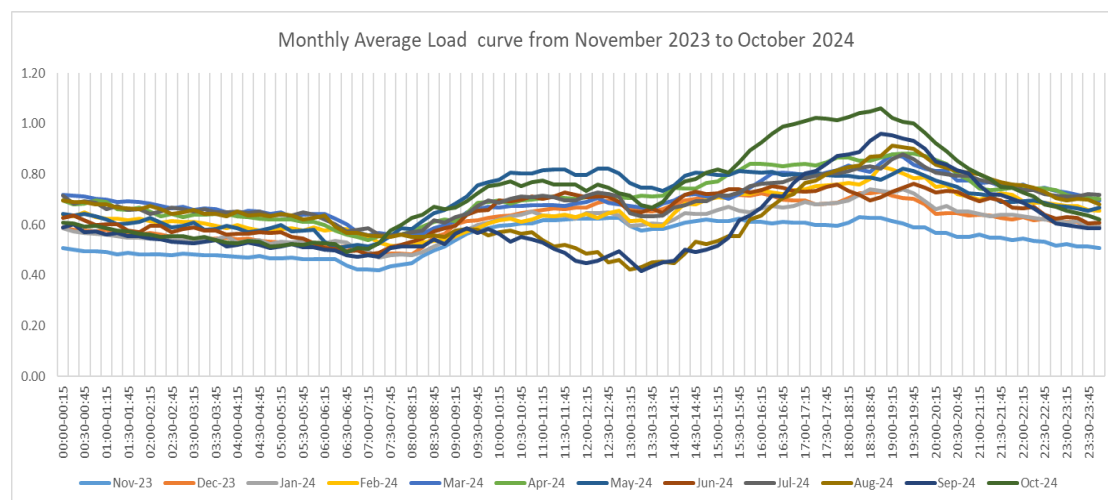
5.4.73 Thus, the Commission hereby allows the advance payment/pre-payment of the bills for consumers for amount not exceeding 12 times average monthly bill for the past twelve months. Such facility shall be available for eligible consumers only for non-defaulting consumers on record for at least past 12 months. Such consumers shall be eligible to avail discount in graded manner on their monthly bills, so long as they maintain advance payment amount in following manner:

.....”

**(j) Time of Day (ToD) Tariff**

5.5.23 JNPA has submitted that as per the present tariff schedule, Time of Day (ToD) Tariff is applicable for HT Industrial, HT-Commercial, LT Industrial and LT Commercial category

consumers having load above 20 kW in its license area. JNPA submitted that, most of the HT consumers in its license area have their consistent flat load on RTC basis leading to flattened variation between the Peak and Off-Peak Load.



**Figure 1: Load curve submitted by JNPA for November 2023 to October 2024**

5.5.24 In this context, JNPA has proposed not to continue with the mechanism of ToD tariff as it won't have any relevance and benefit to the consumers. JNPA has requested the Commission to discontinue the applicability of ToD based Tariff applicable to the consumers in its license area. JNPA has proposed that in case there happens the situation, where there is significant increase in the peak and off-peak load consumption, JNPA shall propose applicability of ToD based Tariff mechanism to the Commission.

### ***Commission's Analysis and Ruling***

#### **(a) Fixed/Demand Charges**

5.5.25 The Commission observed that JNPA has proposed to increase the Fixed/ Demand Charges from the existing level as they are resulting in lower recovery of the Fixed Cost. Further, it has proposed Fixed and Demand Charges keeping in view the consumption pattern of its consumers, such that there is no cross-subsidy and the ABR for all categories is nearly equal to the ACoS.

5.5.26 Accordingly, the Commission has approved Fixed Charges/ Demand Charges for 5<sup>th</sup> Control Period to enable recovery of around ~90% of its fixed expenses/ cost from Fixed/ Demand Charges from the Consumers. While doing so, the Commission has analysed the impact of the higher Fixed/ Demand Charges on low Load Factor and non- demand-based consumers and considered Fixed / Demand Charges such that their aggregate impact is minimal.

5.5.27 The category wise Fixed Charges/ Demand Charges approved for the Control Period have been mentioned in the Tariff Schedule in the following sections of this Order.

**Table 160: Recovery of the Fixed cost as approved by the Commission for the 5<sup>th</sup> Control period from FY 2025-26 to FY 2029-30**

Particulars	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Fixed Costs of Retail Supply excluding Power Purchase cost	Rs. Lakh	135.03	151.05	157.43	162.29	187.56
Revenue from Fixed/Demand Charges - Existing Tariff	Rs. Lakh	90.36	101.00	112.97	126.25	141.38
Revenue from Fixed/Demand Charges - Proposed Tariff	Rs. Lakh	89.67	100.23	112.11	125.29	140.30
Recovery of Fixed Costs through Existing Tariff	%	66.92%	66.87%	71.76%	77.80%	75.38%
<b>Recovery of Fixed Costs through Proposed Tariff</b>	%	<b>66.41%</b>	<b>66.36%</b>	<b>71.21%</b>	<b>77.20%</b>	<b>74.80%</b>

*\*Fixed cost of Retail supply business excluding Power Purchase cost*

**(b) Reduction of Cross-Subsidy**

5.5.28 MYT Regulations, 2024 specify following regarding determination of tariff and cross subsidy:

*“111.3 The retail supply tariff for different consumer categories shall be determined on the basis of the Average Cost of Supply, computed as the ratio of the Aggregate Revenue Requirement of the Distribution Licensee for the Year determined in accordance with Regulation 100, and including unrecovered revenue gaps of previous years to the extent proposed to be recovered, to the total sales of the Distribution Licensee for the respective Year.*

*111.4 The Commission shall endeavour to gradually reduce the cross-subsidy between consumer categories with respect to the Average Cost of Supply in accordance with the provisions of the Act:*

***Provided that Average Cost of Supply of Retail Supply Business shall be considered for determining cross-subsidy of consumer category.***

*111.5 While determining the tariff, the Commission shall also keep in view the cost of supply at different voltage levels and the need to minimise tariff shock to consumers” (Emphasis added)*

5.5.29 The tariff design entails careful consideration of determination of Fixed Charge/ Demand Charge, Energy Charge and Wheeling Charge and assessment of the likely impact of such tariff components across consumer categories. The ABR for a consumer category and its cross-subsidy level would also depend upon the number of consumers, consumer mix, and consumption mix. Thus, while the tariff design exercise may strive to bring the ABR for each consumer category close to RCoS, some degree of cross-subsidy across consumer categories may not be avoidable.

5.5.30 In this background, the Commission notes that, considering the profile of JNPA's area and its consumers and its nature multiproduct and services SEZ, the extent of consumers requiring cross-subsidization is negligible. Hence, in the tariff design of JNPA for the 5<sup>th</sup> Control Period, the Commission has not introduced any element of cross-subsidy. The Commission could revisit this if the need arises in future, depending on the category-wise consumer profile and numbers. The detailed Tariffs are set out in the Tariff Schedule.

5.5.31 Based on the approved ARR for the 5th Control Period and the approach for tariff design stated earlier, the revised ABR and the category-wise tariff increase, or reduction is approved by the Commission for the 5th Control Period for the categories for which sales are projected are given in the Table below:

**Table 161: Category-wise ABR and Tariff increase/ decrease for the 5th Control Period approved by the Commission**

Consumer Category	Average Billing Rate (Rs./ kVAh)										
	Existing Tariff	Approved in this Order Tariff (Year on Year Increase in %)									
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30					
<b>HT Category</b>											
Industrial HT-I (A)	8.43	8.63	2.42%	8.62	-0.15%	8.60	-0.23%	8.59	-0.17%	8.58	-0.12%
Commercial HT-(II)	8.44	8.69	2.97%	8.69	-0.04%	8.68	-0.11%	8.67	-0.06%	8.67	-0.02%
<b>LT Category</b>											
Commercial LT-II (A)	0	8.85	0.00%	9.04	2.22%	9.25	2.28%	9.47	2.44%	9.73	2.66%
Commercial LT-II (B)	8.43	7.75	-8.06%	7.82	0.85%	7.88	0.80%	7.95	0.91%	8.03	1.01%
Commercial LT-II (C)	8.43	8.94	6.08%	9.13	2.04%	9.32	2.11%	9.53	2.27%	9.77	2.49%
Industrial LT-V (II)	8.43	7.25	14.01%	7.30	0.71%	7.35	0.65%	7.40	0.75%	7.46	0.83%
Public Service LT VII(B)(II)	8.42	8.48	0.74%	8.56	0.86%	8.63	0.84%	8.71	0.95%	8.80	1.06%

**Table 162: Cross Subsidy Trajectory for FY 2025-26 to FY 2029-30 approved by the Commission**

Consumer Category	Existing	Approved in this Order				
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>HT Category</b>						
Industrial HT-I (A)	100%	102%	102%	101%	101%	101%
Commercial HT-(II)	100%	103%	103%	103%	102%	102%
<b>LT Category</b>						
Commercial LT-II (A)	0%	105%	108%	111%	114%	117%
Commercial LT-II (B)	100%	89%	90%	91%	92%	93%



Consumer Category	Existing	Approved in this Order				
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Commercial LT-II (C)	100%	106%	109%	112%	115%	118%
Industrial LT-V (II)	100%	82%	83%	84%	84%	85%
Public Service LT VII(B)(II)	100%	100%	101%	102%	103%	104%

**(c) Power Factor Incentive/ Penalty**

5.5.32 JNPA has proposed kVAh tariff for all categories. Therefore, there is no relevance of continuing with the Power Factor Incentive/ Penalty mechanism. The Commission approves the proposal of JNPA and has not adopted Power Factor Incentive/ Penalty mechanism over the entire 5<sup>th</sup> Control Period i.e., from FY 2025-26 to FY 2029-30.

**(d) Load Factor Incentive/ Penalty**

5.5.33 JNPA has proposed to continue with the same philosophy of the Load Factor Incentive/ Penalty as approved by the Commission in the Tariff Order 219 of 2022 dated 31<sup>st</sup> March 2023 over the entire 5<sup>th</sup> Control Period i.e., from FY 2025-26 to FY 2029-30. The Commission has noted the submission made by the JNPA and approved Load Factor Incentive/Penalty in line with the Previous Tariff Order which will be applicable to JNPA license area as given in the following paragraphs.

5.5.34 In order to ensure secure operation of electricity grid, it is critical that every constituent of the system acts within its assigned boundaries. Intentional violation of Contract Demand limit by individual consumer for its own financial gain may lead to a system failure, which may affect other consumers. Hence, the Commission is constrained to restrict the Load Factor Incentive to only those consumers who do not exceed their Contract Demand during the month.

5.5.35 Consumers having a Load Factor above 75% and up to 85% will be entitled to an incentive in the form of a rebate of 0.75% on the Energy Charges for every percentage point increase in Load Factor from 75% to 85%. Consumers having a Load Factor above 85 % will be entitled to a rebate of 1% on the Energy Charges for every percentage point increase in Load Factor from 85%. The total rebate will be subject to a ceiling of 15% of the Energy Charges applicable to the consumer.

5.5.36 This incentive is applicable only to consumers in the tariff categories HT I: Industry and HT II: Commercial.

5.5.37 Accordingly, the Commission rules that Load Factor Incentive shall not be applicable for the month if the consumer exceeds its Contract Demand in that month. Consumers exceeding

Contract demand during the off-peak hours (2200 hrs. to 0600 hrs.) would also not be eligible for Load factor Incentive for that month.

- 5.5.38 The Load Factor incentive shall be available only if the consumer has no arrears with the Distribution Licensee, and payment is made within seven days from the date of the electricity bill. However, it will be available to consumers in whose case payment of arrears in instalments has been allowed by the Distribution Licensee, and such payment is being made as scheduled. The Distribution Licensee shall take a commercial decision on the schedule for such payments. The Load Factor is to be calculated as follows:

$$\text{Load Factor} = \frac{\text{Consumption during the month in MU}}{\text{Maximum Consumption Possible during the month in MU}}$$

**Maximum consumption possible** = Contract Demand (kVA) x Unity Power Factor x (Total no. of hours during the month, less actual interruptions hours recorded on meter for billing period)

In case the consumer exceeds its Contract Demand (including during the non-peak hours, i.e., 22:00 hrs to 06:00 hrs.) in any particular month, the Load Factor Incentive will not be payable to the consumer in that month.

**(e) Penalty for exceeding Contract Demand**

- 5.5.39 JNPA has proposed to continue with the same philosophy of the Penalty for exceeding Contract Demand as approved by the Commission in the Tariff Order 219 of 2022 dated 31st March 2023 over the entire 5<sup>th</sup> Control Period i.e., from FY 2025-26 to FY 2029-30. The Commission has noted the submission made by the JNPA and approves the Penalty for exceeding Contract Demand in line with the Previous Tariff Order which will be applicable to JNPA license area as given in the following paragraphs.

- 5.5.40 In case, a consumer (availing Demand based Tariff) exceeds his Contract Demand, he will be billed at the appropriate Demand Charge rate for the Demand actually recorded and will be additionally charged at the rate of 150% of the applicable Demand Charges (only for the excess Demand over the Contract Demand).

- 5.5.41 Under these circumstances, the consumer shall not be liable for any other action under Section 126 of the EA, 2003, since the penal additional Demand Charge provides for the penalty that the consumer is liable to pay for exceeding his Contract Demand. In case a consumer exceeds his Contract Demand on more than three occasions in a calendar year, the action to be taken would be governed by the provisions of the Supply Code Regulations.

5.5.42 In case any consumer exceeds the Contract Demand on more than three occasions in a calendar year, the action taken in such cases would be governed by the Supply Code.

**(f) Discount for Digital Payment**

5.5.43 JNPA has proposed to discontinue with the Discount for Digital payment citing that digital payments have now become the standard practice among consumers, demonstrating a strong preference for such methods regardless of the discount and JNPA receives its 100% payment through digital modes of transactions.

5.5.44 The Commission appreciates JNPA for streamlining the digital payment process and achieving 100% payment through digital mode, supporting the vision of the Government of India to increase digitization across various areas including monetary transactions. However, Commission is of the view that good behavior of the consumer should be rewarded and to support the initiatives of the Government, a discount of 0.25% of the monthly bill (excluding taxes and duties), subject to a cap of Rs. 500/- per month per bill, shall be provided to LT category consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets, etc.

**(g) Tariff for EV Consumer Category**

5.5.45 The Commission has noted the submission of JNPA regarding EV Consumer category and has approved the tariff for the 5<sup>th</sup> Control period in the Tariff Schedule in the following sections of this Order.

**(h) Green Power Tariff**

5.5.46 The Commission notes that JNPA has proposed to meet its RPO by way of purchase of REC's considering the small quantum of RE Purchase. The Commission has also approved the same and considered REC price of Rs 1/kWh. In reply to a query raised by the Commission regarding Green Power Tariff, JNPA has submitted that, it proposes to continue with existing Green Power Tariff of Rs. 0.66/ kWh which is approved by the Commission for FY 2023-24 and FY 2024-25.

5.5.47 The Commission determined Green Power Tariff for the consumers opting for meeting its 100% of power requirement through RE sources in the Case No. 134 of 2020 dated 22 March 2021, which is stipulated as Rs 0.66 per kWh as per the conditions and methodology specified under said Order.

5.5.48 On 6 June 2022, Ministry of Power, GoI has notified Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022. The said rules mandate the State

Commission to determine Green Power Tariff. The Commission has already determined the same vide its Order dated 22 March 2021 as mentioned above.

- 5.5.49 Such Green Power Tariff would be in addition to regular tariff approved in MYT Order. The Commission observes that the concept of Green Power Tariff has been well appreciated by many stakeholders across state as it provides opportunity for consumers willing to meet their power requirement through green energy sources, however, the concept is still at nascent stage with limited participation.
- 5.5.50 Besides, there have been several developments since introduction of concept including COVID pandemic situation, which also has bearing on renewable energy development in the country. Other market related developments such as introduction of GDAM/ GTAM and REC multiplier etc. are still evolving. Under the circumstance, the Commission is of the considered view that any change in mechanism of Green Power Tariff is not desirable at this stage and the same should continue for the 5<sup>th</sup> Control Period. Thus, the Commission hereby approves the Green Tariff of Rs. 0.25/ kWh to be applicable during the 5<sup>th</sup> Control Period (i.e., FY 2025-26 to FY 2029-30).
- 5.5.51 However, for ease of implementation and to comply with provisions of MoP Rules, the Commission stipulates following terms and conditions for levy of Green Power Tariff.
- 5.5.52 All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff.
- 5.5.53 The consumers who have opted for Open Access can also requisition for RE Power on payment of Green Power Tariff for balance power supplied by Distribution Licensee.
- 5.5.54 If the Obligated Entity wants to meet its RPO by requisitioning RE Power from the Distribution Licensee, then such entity shall pay additional Rs 0.50 /kWh for the Green Power Tariff i.e., the Obligated entity shall pay total Green Power Tariff of Rs 0.75/ kWh. Since the obligated entity also has the option to meet RPO by purchasing REC and is currently being traded at Rs. 1/kWh, the green power tariff is proposed with slight premium to REC Price.
- 5.5.55 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.
- 5.5.56 It is to be noted that the operational modalities of green tariff will be same as given by the Commission in MTR Order of Case No. 219 of 2022 with only change that Green attribute of electricity purchased by consumer by paying Green tariff shall remain with that consumer only and Distribution Licensee shall not count such energy while computing its RPO fulfilment.

- 5.5.57 The Consumer will have option to select the quantum of green power to be purchased in steps of 25% and going up to 100% of the consumption.
- 5.5.58 Such an option will also be available for Open Access consumer for its balance consumption from the Distribution Licensee.
- 5.5.59 The Distribution Licensee will levy Green Power Tariff only for percentage of consumption opted by the Consumer.
- 5.5.60 Distribution Licensee shall issue Annual certificate to consumers stating percentage of power requirement of such consumer has been sourced through RE sources.
- 5.5.61 Any requisition for green energy from a distribution licensee shall be for a minimum period of one year.
- 5.5.62 Distribution Licensee shall process the request of Consumer for Green Power Tariff not later than 30 days from the receipt of the request or next billing cycle, whichever is earlier. Distribution Licensee shall provide the facility of requesting for Green Power Tariff through its Web Portal, Mobile App or any other digital mode for convenience of consumers.
- 5.5.63 Temporary Consumers can also opt for Green Power Tariff as per methodology specified above and Distribution Licensee shall issue certificate specifying that power requirement has been sourced through RE sources after receipt of payment.
- 5.5.64 The Rules notified by MoP, GOI also specify that rating of the consumer based on the percent of green energy purchased by such consumer. The Commission intends to continue with the rating it had introduced in the MTR Order to be given by Distribution Licensee at the end of the financial year along with the electricity bill for the month of March specifying the percentage of power purchased from RE sources from his total consumption and rating as given below:

% of RE Purchase Opted	Rating
>50% to 75%	Semi-Green
>75% to 100%	Green

**(i) Advance Payment**

- 5.5.65 The Commission has noted the submission made by JNPA regarding the Advance Payment. The Commission allows for Advance Payment in line with the Previous Tariff Order which will be applicable to JNPA license area as given in the following paragraphs.

5.5.66 Consumers to make advance payment, which will not only increase the collection of Distribution Licensee but also reduce the working capital requirement. Thus, the Commission, hereby deems it fit to invoke its Power to Relax under Regulation 30 of MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 to allow higher interest rate based on the amount of advance payment. The Commission hereby allows the advance payment/ pre-payment of the bills for consumers for amount not exceeding 12 times average monthly bill for the past twelve months. Such consumers shall be eligible to avail discount in graded manner on their monthly bills, so long as they maintain advance payment amount in following manner:

<b>Advance Payment Amount maintained with Utility as on date of monthly bill</b>	<b>Discount in monthly bill applicable at the rate of</b>	<b>Illustration discount* (%)</b>
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, <b>9 to 12 months</b> ]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + \mathbf{150 \text{ basis points}}$	$(1/12) \times 10.5\% = 0.875\%$ (monthly bill discount)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, <b>6 to 9 months</b> ]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + \mathbf{120 \text{ basis points}}$	$(1/12) \times 10.2\% = 0.850\%$ (monthly bill discount)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, <b>3 to 6 months</b> ]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + \mathbf{90 \text{ basis points}}$	$(1/12) \times 9.9\% = 0.825\%$ (monthly bill discount)
Advance Amount = Equiv. of (Avg. Monthly Bill for past 12 months) x [No. of months, <b>up to 3 months</b> ]	Percent Discount in monthly Bill Amount = $1/12 \times (\text{SBI 1-yr MCLR as on 1st Apr}) + \mathbf{60 \text{ basis points}}$	$(1/12) \times 9.6\% = 0.800\%$ (monthly bill discount)

*\*Note: Assumed SBI 1-year MCLR of 9% p.a.*

#### (j) Time-of-Day Tariff

5.5.67 The Commission raised a query, regarding Time-of-Day Tariff seeking detailed rationale of JNPA regarding its submission to not to continue with the ToD Tariff. In reply JNPA has responded that it has observed that there is no shift in load on account of ToD tariff and the peak of JNPA remains constant throughout the day. Further, JNPA submitted the load curves of last 12 month. On studying the load curve, it is evident that load remains flat throughout the months except the seasonal variation in load.

5.5.68 JNPA submitted that there is less load during 22:00 Hrs to 6:00 Hrs and the Higher load is recorded in other time blocks, irrespective of incentivising to flatten the load curve, the pattern remains same throughout the year. Further, JNPA is contracting for the power in accordance with its load curve and considering the present load curve of JNPA, it is evident that, there is no shift in load on account of ToD tariff.

5.5.69 The Commission has deliberated on the topic in the previous tariff order and based on the load curve submitted in previous tariff order applied ToD tariff for JNPA license area. However, ToD mechanism has not been effective and latest load curve submitted by JNPA for the last 12 months has shown load curve with less load during 22:00 Hrs to 6:00 Hrs and higher load for other time blocks. Rationale for which can be the nature of the business of the Companies operating in the JNPA license area for whom opportunity lost can be higher than incentives provided by the ToD tariff.

5.5.70 In light of this evidence the Commission decides to discontinue with ToD mechanism for the JNPA License area and directs JNPA to submit a comparative load curve study during the MTR Petition covering years from FY 2024-25 to FY 2026-27. The unknown variation in the tariff on account of FAC has adverse financial implications on all the categories especially Industrial and Commercial categories where the impact of FAC is generally higher. Variation in tariff is magnified when there is negative FAC leading to reduction in tariff during a particular month and positive FAC in the immediate next month thereby increasing the tariff.

5.5.71 Although the Commission is not approving any ToD tariff for FY 2025-26 to FY 2029-30, JNPA is directed to ensure that the consumption data must be recorded in following ToD slots

ToD Slot 1	ToD Slot 2	ToD Slot 3	ToD Slot 4
00:00 to 06:00 Hrs	06:00 to 09:00 Hrs	09:00 to 17:00 Hrs	17:00 to 00:00 Hrs

## 5.6 Revised Tariff for FY 2025-26 to FY 2029-30

### JNPA's submission:

5.6.1 JNPA has proposed following Tariff for its area of supply during the 5<sup>th</sup> Control Period from FY 2025-26 to FY 2029-30: :

**Table 163: JNPA Proposed Tariff Schedule for FY 2025-26**

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
<b>HIGH TENSION CATEGORIES</b>				
1	<b>HT I: HT- Industry</b>	Rs. 365 per kVA	1.44	5.62
2	<b>HT II: HT Commercial</b>	Rs. 330 per kVA	1.44	5.67
3	<b>HT III: HT Electric Vehicle Charging Stations</b>	Rs. 80 per kVA	1.44	5.60
<b>LOW TENSION CATEGORIES</b>				
4	<b>LT II: LT Commercial</b>			
(A) 0-20 kW		Rs. 200 per connection	1.44	5.10
(B) Above >20 and <=50 kW		Rs. 330 per kVA	1.44	5.10

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
	(C) Above 50 kW	Rs. 80 per kVA	1.44	3.00
5	<b>LT V(ii): LT Industry</b>	Rs. 395 per kVA	1.44	5.05
6	<b>LTVII (B) (ii): Public Service</b>	Rs. 395 per kVA	1.44	5.20
7	<b>LT Electric Vehicle Charging Station</b>	Rs. 80 per kVA	1.44	5.60

**Table 164: JNPA Proposed Tariff Schedule for FY 2026-27**

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
<b>HIGH TENSION CATEGORIES</b>				
1	<b>HT I: HT- Industry</b>	Rs. 360 per kVA	1.28	5.52
2	<b>HT II: HT Commercial</b>	Rs. 305 per kVA	1.28	5.60
3	<b>HT III: HT Electric Vehicle Charging Stations</b>	Rs. 80 per kVA	1.28	5.60
<b>LOW TENSION CATEGORIES</b>				
4	<b>LT II: LT Commercial</b>			
	(A) 0-20 kW	Rs. 200 per connection	1.28	4.50
	(B) Above >20 and <=50 kW	Rs. 330 per kVA	1.28	4.50
	(C) Above 50 kW	Rs. 70 per kVA	1.28	3.00
5	<b>LT V(ii): LT Industry</b>	Rs. 395 per kVA	1.28	4.45
6	<b>LTVII (B) (ii): Public Service</b>	Rs. 390 per kVA	1.28	4.75
7	<b>LT Electric Vehicle Charging Station</b>	Rs. 80 per kVA	1.28	5.60

**Table 165: JNPA Proposed Tariff Schedule for FY 2027-28**

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
<b>HIGH TENSION CATEGORIES</b>				
1	<b>HT I: HT- Industry</b>	Rs. 360 per kVA	1.13	5.52
2	<b>HT II: HT Commercial</b>	Rs. 305 per kVA	1.13	5.60
3	<b>HT III: HT Electric Vehicle Charging Stations</b>	Rs. 80 per kVA	1.13	5.60
<b>LOW TENSION CATEGORIES</b>				
4	<b>LT II: LT Commercial</b>			
	(A) 0-20 kW	Rs. 195 per connection	1.13	4.23
	(B) Above >20 and <=50 kW	Rs. 325 per kVA	1.13	4.23
	(C) Above 50 kW	Rs. 65 per kVA	1.13	3.00
5	<b>LT V(ii): LT Industry</b>	Rs. 395 per kVA	1.13	4.20
6	<b>LTVII (B) (ii): Public Service</b>	Rs. 390 per kVA	1.13	4.55
7	<b>LT Electric Vehicle</b>	Rs. 80 per kVA	1.13	5.60



Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
	Charging Station			

**Table 166: JNPA Proposed Tariff Schedule for FY 2028-29**

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
<b>HIGH TENSION CATEGORIES</b>				
1	<b>HT I: HT- Industry</b>	Rs. 360 per kVA	1.00	5.52
2	<b>HT II: HT Commercial</b>	Rs. 305 per kVA	1.00	5.60
3	<b>HT III: HT Electric Vehicle Charging Stations</b>	Rs. 80 per kVA	1.00	5.60
<b>LOW TENSION CATEGORIES</b>				
4	<b>LT II: LT Commercial</b>			
	(A) 0-20 kW	Rs. 195 per connection	1.00	4.13
	(B) Above >20 and <=50 kW	Rs. 325 per kVA	1.00	4.13
	(C) Above 50 kW	Rs. 60 per kVA	1.00	3.00
5	<b>LT V(ii): LT Industry</b>	Rs. 395 per kVA	1.00	4.08
6	<b>LTVII (B) (ii): Public Service</b>	Rs. 390 per kVA	1.00	4.20
7	<b>LT Electric Vehicle Charging Station</b>	Rs. 80 per kVA	1.00	5.60

**Table 167: JNPA Proposed Tariff Schedule for FY 2029-30**

Sr. No.	Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges (Rs. /kVAh)	Energy Charges (Rs/kVAh)
<b>HIGH TENSION CATEGORIES</b>				
1	<b>HT I: HT- Industry</b>	Rs. 360 per kVA	1.07	5.52
2	<b>HT II: HT Commercial</b>	Rs. 305 per kVA	1.07	5.60
3	<b>HT III: HT Electric Vehicle Charging Stations</b>	Rs. 80 per kVA	1.07	5.60
<b>LOW TENSION CATEGORIES</b>				
3	<b>LT II: LT Commercial</b>			
	(A) 0-20 kW	Rs. 195 per connection	1.07	3.73
	(B) Above >20 and <=50 kW	Rs. 335 per kVA	1.07	3.69
	(C) Above 50 kW	Rs. 55 per kVA	1.07	3.00
4	<b>LT V(ii): LT Industry</b>	Rs. 400 per kVA	1.07	3.69
5	<b>LTVII (B) (ii): Public Service</b>	Rs. 380 per kVA	1.07	3.95
6	<b>LT Electric Vehicle Charging Station</b>	Rs. 80 per kVA	1.07	5.60

**Commission's Analysis and rulings:**

5.6.2 In the light of the above discussions, the approved revised Tariffs for 5<sup>th</sup> Control Period are as set out in the tables below.

**Table 168: Revised Tariffs for FY 2025-26 (effective from 1 April 2025)**

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs. /kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	220.00	1.47	5.75
2	HT II: HT Commercial	Rs./ kVA/ month	220.00	1.47	5.90
3	HT EV Charging Station	-	-	1.47	7.03
LOW TENSION CATEGORY					
4	LT II: LT Commercial				
(A)	0-20 kW	Rs./ connection/ month	150.00	1.47	5.00
(B)	Above >20 and <=50 kW	Rs./ kVA/ month	200.00	1.47	5.38
(C)	Above 50 kW	Rs./ kVA/ month	200.00	1.47	5.40
5	LT V (II): LT Industry	Rs./ kVA/ month	180.00	1.47	4.99
6	LT VII (B) (II): Public Service	Rs./ kVA/ month	180.00	1.47	6.20
7	LT EV Charging Station	-	-	1.47	7.03

Note:

Fuel Adjustment Charge (FAC) computed as per provisions of MERC MYT Regulations, 2024 from time to time shall be applicable to all categories of consumers and will be charged over and above the base tariffs.

The detailed computation of category-wise revenue with revised tariffs for 5<sup>th</sup> Control Period for FY 2025-26 is set out at **Annexure I** of this Order.

**Table 169: Revised Tariffs for FY 2026-27 (effective from 1 April 2026)**

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs. /kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	220.00	1.47	5.75
2	HT II: HT Commercial	Rs./ kVA/ month	220.00	1.47	5.90
3	HT EV Charging Station	-	-	1.47	7.03
LOW TENSION CATEGORY					
4	LT II: LT Commercial				
(A)	0-20 kW	Rs./ connection/ month	150.00	1.47	5.00
(B)	Above >20 and <=50 kW	Rs./ kVA/ month	200.00	1.47	5.38
(C)	Above 50 kW	Rs./ kVA/ month	200.00	1.47	5.40
5	LT V (II): LT Industry	Rs./ kVA/ month	180.00	1.47	4.99
6	LT VII (B) (II): Public Service	Rs./ kVA/ month	180.00	1.47	6.20
7	LT EV Charging Station	-	-	1.47	7.03

Note:

Fuel Adjustment Charge (FAC) computed as per provisions of MERC MYT Regulations, 2024 from time to time shall be applicable to all categories of consumers and will be charged over and above the base tariffs.

The detailed computation of category-wise revenue with revised tariffs for 5<sup>th</sup> Control Period for FY 2026-27 is set out at **Annexure II** of this Order.

**Table 170: Revised Tariffs for FY 2027-28 (effective from 1 April 2027)**

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs. /kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	220.00	1.47	5.75
2	HT II: HT Commercial	Rs./ kVA/ month	220.00	1.47	5.90
3	HT EV Charging Station	-	-	1.47	7.03
LOW TENSION CATEGORY					
4	LT II: LT Commercial				
(A)	0-20 kW	Rs./ connection/ month	150.00	1.47	5.00
(B)	Above >20 and <=50 kW	Rs./ kVA/ month	200.00	1.47	5.38
(C)	Above 50 kW	Rs./ kVA/ month	200.00	1.47	5.40
5	LT V (II): LT Industry	Rs./ kVA/ month	180.00	1.47	4.99
6	LT VII (B) (II): Public Service	Rs./ kVA/ month	180.00	1.47	6.20
7	LT EV Charging Station	-	-	1.47	7.03

Note:

Fuel Adjustment Charge (FAC) computed as per provisions of MERC MYT Regulations, 2024 from time to time shall be applicable to all categories of consumers and will be charged over and above the base tariffs.

The detailed computation of category-wise revenue with revised tariffs for 5<sup>th</sup> Control Period for FY 2027-28 is set out at **Annexure III** of this Order.

**Table 171: Revised Tariffs for FY 2028-29 (effective from 1 April 2028)**

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs. /kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	220.00	1.47	5.75
2	HT II: HT Commercial	Rs./ kVA/ month	220.00	1.47	5.90

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs. /kVAh)
3	HT EV Charging Station	-	-	1.47	7.03
<b>LOW TENSION CATEGORY</b>					
4	LT II: LT Commercial				
(A)	0-20 kW	Rs./ connection/ month	150.00	1.47	5.00
(B)	Above >20 and <=50 kW	Rs./ kVA/ month	200.00	1.47	5.38
(C)	Above 50 kW	Rs./ kVA/ month	200.00	1.47	5.40
5	LT V (II): LT Industry	Rs./ kVA/ month	180.00	1.47	4.99
6	LT VII (B) (II): Public Service	Rs./ kVA/ month	180.00	1.47	6.20
7	LT EV Charging Station	-	-	1.47	7.03

Note:

Fuel Adjustment Charge (FAC) computed as per provisions of MERC MYT Regulations, 2024 from time to time shall be applicable to all categories of consumers and will be charged over and above the base tariffs.

The detailed computation of category-wise revenue with revised tariffs for 5<sup>th</sup> Control Period for FY 2028-29 is set out at **Annexure IV** of this Order.

**Table 172: Revised Tariffs for FY 2029-30 (effective from 1 April 2029)**

Sr. No.	Consumer Category	Fixed/ Demand Charge		Wheeling Charges	Energy Charges
				(Rs. /kVAh)	(Rs. /kVAh)
HIGH TENSION CATEGORY					
1	HT I: HT – Industry	Rs./ kVA/ month	220.00	1.47	5.75
2	HT II: HT Commercial	Rs./ kVA/ month	220.00	1.47	5.90
3	HT EV Charging Station	-	-	1.47	7.03
LOW TENSION CATEGORY					
4	LT II: LT Commercial				
(A)	0-20 kW	Rs./ connection/ month	150.00	1.47	5.00
(B)	Above >20 and <=50 kW	Rs./ kVA/ month	200.00	1.47	5.38
(C)	Above 50 kW	Rs./ kVA/ month	200.00	1.47	5.40
5	LT V (II): LT Industry	Rs./ kVA/ month	180.00	1.47	4.99
6	LT VII (B) (II): Public Service	Rs./ kVA/ month	180.00	1.47	6.20
7	LT EV Charging Station	-	-	1.47	7.03

Note:

Fuel Adjustment Charge (FAC) computed as per provisions of MERC MYT Regulations, 2024 from time to time shall be applicable to all categories of consumers and will be charged over and above the base tariffs.

The detailed computation of category-wise revenue with revised tariffs for 5<sup>th</sup> Control Period for FY 2029-30 is set out at **Annexure V** of this Order.

5.6.3 On this basis, the approved Tariff Schedule is appended as **Annexure VI** to this Order.

## **5.7 Determination of Cross-Subsidy Surcharge (CSS)**

### ***JNPA's Submission***

- 5.7.1 JNPA has submitted that, Section 2(47) of the EA 2003 defines 'Open Access', while Section 42 of the Act inter-alia mandates the Distribution Licensee to provide Open Access to eligible consumers, subject to payment of Cross-Subsidy Surcharge, Additional Surcharge, and other applicable charges.
- 5.7.2 Section 86(1) of the EA 2003 inter-alia mandates the Commission to determine Cross-Subsidy Surcharge (CSS), Additional Surcharge and other applicable charges payable by the consumers opting for Open Access.
- 5.7.3 CSS shall be calculated based on the Formula stipulated in the revised Tariff Policy notified by Ministry of Power on January 28, 2016, as reproduced below:

*“SERCs may calculate the cost of supply of electricity by the distribution licensee to consumers of the applicable class as aggregate of (a) per unit weighted average cost of power purchase including meeting the Renewable Purchase Obligation; (b) transmission and distribution losses applicable to the relevant voltage level and commercial losses allowed by the SERC; (c) transmission, distribution and wheeling charges up to the relevant voltage level; and (d) per unit cost of carrying regulatory assets, if applicable.*

*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 consumers seeking open access. ”*

5.7.4 JNPA has computed the category-wise CSS for HT I and HT II Category, i.e., the category eligible for Open Access in accordance with the above formula, for each year of the Control Period, as shown in the following Table:

**Table 173: JNPA Proposed Cross-subsidy for FY 2025-26 for HT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>HT Category</b>									
Industrial HT-I (A)	9.46	6.30	7.75%	3.27%	11.02%	7.08	2.73	-	-
Commercial HT-(II)	9.66	6.30	7.75%	3.27%	11.02%	7.08	2.73	-	-

**Table 174: JNPA Proposed Cross-subsidy for FY 2026-27 for HT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>HT Category</b>									
Industrial HT-I (A)	9.14	6.30	7.50%	3.27%	10.77%	7.06	2.49	-	-
Commercial HT-(II)	9.21	6.30	7.50%	3.27%	10.77%	7.06	2.49	-	-

**Table 175: JNPA Proposed Cross-subsidy for FY 2027-28 for HT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>HT Category</b>									
Industrial HT-I (A)	8.97	6.30	7.25%	3.27%	10.52%	7.04	2.26	-	-
Commercial HT-(II)	9.06	6.30	7.25%	3.27%	10.52%	7.04	2.26	-	-

**Table 176: JNPA Proposed Cross-subsidy for FY 2028-29 for HT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>HT Category</b>									
Industrial HT-I (A)	8.81	6.32	7.00%	3.27%	10.27%	7.04	2.06	-	-
Commercial HT-(II)	8.92	6.32	7.00%	3.27%	10.27%	7.04	2.06	-	-

**Table 177: JNPA Proposed Cross-subsidy for FY 2029-30 for HT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>HT Category</b>									
Industrial HT-I (A)	8.86	6.33	6.75%	3.27%	10.02%	7.04	2.07	-	-
Commercial HT-(II)	8.98	6.33	6.75%	3.27%	10.02%	7.04	2.07	-	-

5.7.5 JNPA has further submitted that in pursuant to the amendment in Maharashtra Electricity Regulatory Commission (Distribution Open Access) Regulations, 2016 and its amendment thereof., it has computed the category-wise CSS for LT II – A, LT II – B, LT II -C and LT V II, i.e., the category eligible for Open Access in accordance with the above formula, for each year of the 5th Control Period, as shown in the following Table

**Table 178: JNPA Proposed Cross-subsidy for FY 2025-26 for LT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>LT Category</b>									
<b>Commercial LT-II (A)</b>	9.73	6.30	7.75%	3.27%	11.02%	7.08	2.73	-	-
<b>Commercial LT-II (B)</b>	9.68	6.30	7.75%	3.27%	11.02%	7.08	2.73	-	-
<b>Commercial LT-II (C)</b>	9.75	6.30	7.75%	3.27%	11.02%	7.08	2.73	-	-
<b>Industrial LT-V (II)</b>	9.31	6.30	7.75%	3.27%	11.02%	7.08	2.73	-	-

**Table 179: JNPA Proposed Cross-subsidy for FY 2026-27 for LT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>LT Category</b>									
<b>Commercial</b>	9.23	6.30	7.50%	3.27%	10.77%	7.06	2.49	-	-

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
LT-II (A)									
Commercial LT-II (B)	9.13	6.30	7.50%	3.27%	10.77%	7.06	2.49	-	-
Commercial LT-II (C)	9.31	6.30	7.50%	3.27%	10.77%	7.06	2.49	-	-
Industrial LT-V (II)	8.72	6.30	7.50%	3.27%	10.77%	7.06	2.49	-	-

**Table 180: JNPA Proposed Cross-subsidy for FY 2027-28 for LT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
LT Category									
Commercial LT-II (A)	9.00	6.30	7.25%	3.27%	10.52%	7.04	2.26	-	-
Commercial LT-II (B)	8.88	6.30	7.25%	3.27%	10.52%	7.04	2.26	-	-
Commercial LT-II (C)	9.20	6.30	7.25%	3.27%	10.52%	7.04	2.26	-	-
Industrial LT-V (II)	8.50	6.30	7.25%	3.27%	10.52%	7.04	2.26	-	-

**Table 181: JNPA Proposed Cross-subsidy for FY 2028-29 for LT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
LT Category									
Commercial LT-II (A)	9.07	6.32	7.00%	3.27%	10.27%	7.04	2.06	-	-
Commercial LT-II (B)	8.88	6.32	7.00%	3.27%	10.27%	7.04	2.06	-	-
Commercial LT-II (C)	9.08	6.32	7.00%	3.27%	10.27%	7.04	2.06	-	-
Industrial LT-V (II)	8.43	6.32	7.00%	3.27%	10.27%	7.04	2.06	-	-

**Table 182: JNPA Proposed Cross-subsidy for FY 2029-30 for LT Category**

Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
LT Category									
Commercial LT-II (A)	9.07	6.33	6.75%	3.27%	10.02%	7.04	2.07	-	-
Commercial LT-II (B)	8.89	6.33	6.75%	3.27%	10.02%	7.04	2.07	-	-
Commercial	9.12	6.33	6.75%	3.27%	10.02%	7.04	2.07	-	-



Consumer Category	T (ABR)	C	WL	TL	L	C*(1+L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
LT-II (C)									
Industrial LT-V (II)	8.36	6.33	6.75%	3.27%	10.02%	7.04	2.07	-	-

### Commission's Analysis and Ruling

5.7.6 Section 2(47) of the EA, 2003, mandates a licensee to provide non-discriminatory Open Access to the consumers wishing to avail power from Open Access market. Section 86 (1) read with Section 42(2) allows the State Commission to introduce Open Access with determination of surcharge considering the factors such as Cross-subsidies and other operational constraints. Further second proviso of Section 42(2) specifically provides that, such 'surcharge' shall be utilized to meet the requirements of current level of cross subsidies within the area of supply of the licensee.

5.7.7 In line with Regulation 3.3 and 14.7 of the MERC (Distribution Open Access) Regulations, 2016 and its amendments thereof, the Commission has computed the category-wise CSS for HT I, HT II, LT II (C) and LT V (II) i.e., the category eligible for Open Access in accordance with the formula stipulated in the revised Tariff Policy notified by Ministry of Power on January 28, 2016, for FY 2025-26 to FY 2029-30 as shown in the following table:

**Table 183: Cross Subsidy Surcharge for FY 2025-26 to FY 2029-30 as approved by the Commission**

Consumer Category	T (ABR)	C	WL	TL	L	C/(1-L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>HT Category - FY 2025-26</b>									
Industrial HT-I (A)	8.90	6.30	7.75%	3.28%	11.03%	7.08	1.99	-	-
Commercial HT-(II)	8.71	6.30	7.75%	3.28%	11.03%	7.08	1.99	-	-
<b>HT Category - FY 2026-27</b>									
Industrial HT-I (A)	8.89	6.30	7.50%	3.26%	10.76%	7.06	2.18	-	-
Commercial HT-(II)	8.71	6.30	7.50%	3.26%	10.76%	7.06	2.18	-	-
<b>HT Category - FY 2027-28</b>									
Industrial HT-I (A)	8.87	6.30	7.25%	3.24%	10.49%	7.04	2.19	-	-

Consumer Category	T (ABR)	C	WL	TL	L	C/(1-L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
Commercial HT-(II)	8.70	6.30	7.25%	3.24%	10.49%	7.04	2.19	-	-
<b>HT Category - FY 2028-29</b>									
Industrial HT-I (A)	8.85	6.32	7.00%	3.22%	10.22%	7.04	2.17	-	-
Commercial HT-(II)	8.70	6.32	7.00%	3.22%	10.22%	7.04	2.17	-	-
<b>HT Category - FY 2029-30</b>									
Industrial HT-I (A)	8.84	6.33	6.75%	3.20%	9.95%	7.03	2.15	-	-
Commercial HT-(II)	8.69	6.33	6.75%	3.20%	9.95%	7.03	2.15	-	-

Consumer Category	T (ABR)	C	WL	TL	L	C/(1-L%)	D	CSS	CSS
	Rs./kWh	Rs./kWh	%	%	%	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kVAh
<b>LT Category - FY 2025-26</b>									
Commercial LT-II (C)	10.08	6.30	7.75%	3.28%	11.03%	7.08	1.99	1.01	0.90
Industrial LT-V (II)	7.31	6.30	7.75%	3.28%	11.03%	7.08	1.99	-	-
<b>LT Category - FY 2026-27</b>									
Commercial LT-II (C)	10.29	6.30	7.50%	3.26%	10.76%	7.06	2.18	1.05	0.93
Industrial LT-V (II)	7.36	6.30	7.50%	3.26%	10.76%	7.06	2.18	-	-
<b>LT Category - FY 2027-28</b>									
Commercial LT-II (C)	10.50	6.30	7.25%	3.24%	10.49%	7.04	2.19	1.28	1.14
Industrial LT-V (II)	7.41	6.30	7.25%	3.24%	10.49%	7.04	2.19	-	-
<b>LT Category - FY 2028-29</b>									
Commercial LT-II (C)	10.74	6.32	7.00%	3.22%	10.22%	7.04	2.17	1.52	1.70
Industrial LT-V (II)	7.47	6.32	7.00%	3.22%	10.22%	7.04	2.17	-	-
<b>LT Category - FY 2029-30</b>									
Commercial LT-II (C)	11.01	6.33	6.75%	3.20%	9.95%	7.03	2.15	1.73	1.53
Industrial LT-V (II)	7.53	6.33	6.75%	3.20%	9.95%	7.03	2.15	-	-

## 6. SCHEDULE OF CHARGES

### 6.1 Schedule of Charges Components

#### *JNPA's Submission*

6.1.1 JNPA has been levying schedule of charges for the consumers which is approved by the Commission for MSEDCL in its Order dated 30 March 2020 in Case No. 322 of 2019. JNPA has submitted that being a SEZ it has developed the network in a manner that any new consumer is able to get the connection in plug and play manner and no incremental network is required to be laid by the Distribution Licensee to release supply to the consumer. Accordingly, JNPA has not proposed any Schedule of Charges for release of supply to consumer except for the following charges as given below:

- a) Administrative charges for dishonouring the cheque – Rs 750/- or Bank charges whichever is higher.
- b) Processing fees for Open Access – Rs 2500/- per application
- c) Operating charges for Open Access – Rs 2500/- per month.
- d) Reconnection charges pursuant to disconnection due to default in payment:
  - LT Connection – Rs 500/-
  - HT Connection – Rs 3000/-

#### *Commission's Analysis and Ruling*

##### **Administrative Charges for cheque bouncing**

6.1.2 When a cheque is dishonoured, it is considered to be a serious offence under Section 138 of the Negotiable Instruments Act. The Commission approves charges of Rs. 750/- per instance towards compensation for Administrative Charges (Bank Charges and other costs) for dishonouring of cheques, applicable to all consumer categories.

**Table 184: Administrative Charges for dishonouring of cheques approved by the Commission for the Control Period**

Particulars	Proposed Charges (Rs.)	Approved in this Order (Rs.)
Administrative charges for dishonouring of cheques	Rs 750/- or Bank charges whichever is higher	Rs. 750

##### **Processing Fees and Operating Charges for Open Access**

6.1.3 The Commission approves following processing fees and operating charges for Open Access:

**Table 185: Processing Fees and Operating Charges for Open Access approved by the**

**Commission for the Control Period**

Particulars	Proposed Charges(Rs.)	Approved in this Order(Rs.)
Processing Fees for Open Access	2,500/- per application	2,500/- per application
Operating charges for Open Access	2,500/- per month	2,500/- per month

**Reconnection charges**

6.1.4 JNPA has claimed reconnection Charges pursuant to disconnection due to default in payment for LT and HT connection. The Commission approves the following reconnection charges due to default in payment.

**Table 186: Reconnection Charges approved by the Commission for the Control period**

Particulars	Proposed Charges (Rs.)	Approved in this Order (Rs.)
Reconnection Charges – HT Connection	3000/-	500/-
Reconnection Charges – LT Connection	500/-	500/-

## **7. SUMMARY OF DIRECTIVES**

- 7.1.1 The approach taken by JNPA while claiming the O&M Expenses is considering the fact that, JNPA is in the process of ramping up its operations in the next few years. However, as JNPA achieves substantial loading and occupancy in its SEZ area it is expected that JNPA shall claim the actual incurred O&M Expenses. Hence it is directed that JNPA shall keep a record of actual employee expenses, actual A&G Expenses incurred for its regulated distribution business. Further, common expenses related to O&M shall be allocated amongst the JNPA's regulated distribution business and JNPA in a reasonable and justifiable manner.
- 7.1.2 Since JNPA is authorized to undertake its operations as Licensed Distribution Licensee only in its SEZ area, JNPA shall ensure that the assets (i.e., 220/ 33 kV Substation and other distribution assets) are not used for supply to the area outside the authorized Licence area.
- 7.1.3 JNPA is directed to segregate the Distribution Loss between the HT and LT levels and submit the break-up at the time of filing next petition.

## 8. APPLICABILITY OF ORDER


- 8.1.1 The Tariffs determined in this Order shall be applicable from 1 April 2025. Where the billing cycle of a consumer is different with respect to the date of applicability of the revised tariffs, they should be made applicable for the consumption on a pro rata basis. The bills for the respective periods as per the existing and revised tariffs shall be calculated based on the pro-rata consumption (units consumed during the respective periods, arrived at based on average unit consumption per day multiplied by the number of days in the respective periods covered in the billing cycle).
- 8.1.2 The Commission has determined the revenue from the proposed tariffs as if they were applicable for the entire year. Any shortfall or surplus in the actual revenue against the approved ARR will be trued-up at the Mid-Term Review.

The Petition of Jawaharlal Nehru Port Authority (JNPA) in Case No. 206 of 2024 stands disposed of accordingly.

**Sd/-**  
**(Surendra J. Biyani)**  
**Member**

**Sd/-**  
**(Anand M. Limaye)**  
**Member**

**Sd/-**  
**(Sanjay Kumar)**  
**Chairperson**

  
**(Dr. Rajendra G. Ambekar)**  
**Secretary**



## Annexure I: Category wise Revenue with revised Tariffs for FY 2025-26

	No. of consumers	Components of tariff						Relevant sales & load/demand data for revenue calculation			Full year revenue excluding Government subsidy (Rs. Lakh)								Government subsidy (Rs. Lakh)	Full year revenue (including subsidy) (Rs. Lakh)	Average Billing Rate (Rs/kWh)	Ratio of Average Billing Rate excluding revenue from wheeling charges to Retail Cost of Supply (%)	Ratio of Average Billing Rate to composite ACoS (%)
		Fixed Charges (specify part name and unit)	Demand Charges (specify part name and unit)	Energy Charges (specify part name and unit)	ToD Charges (specify part name and Unit)	Wheeling Charges (Specify Part name and Unit)	Fuel surcharge per unit, if any	Sanctioned Load in kW	Contract Demand in KVA/MVA	Sales in MVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from PF Penalty	Revenue from Prompt payment Discount	Total					
<b>HT Category</b>																							
Industrial HT-I (A)	6.00		220.00	5.75	-	1.47	-	2,136.29	1,772.60	3.11		46.80	179.10	-	45.76		(2.72)	268.94		268.94	8.63	101.94%	101.60%
Commercial HT-(II)	2.00		220.00	5.90	-	1.47	-	6,030.18	1,643.57	2.46		34.71	145.33	-	36.19		(2.16)	214.07		214.07	8.69	102.74%	102.26%
<b>Sub Total</b>	<b>8.00</b>									<b>5.58</b>	<b>-</b>	<b>81.51</b>	<b>324.43</b>	<b>-</b>	<b>81.95</b>		<b>(4.88)</b>	<b>483.01</b>		<b>483.01</b>	<b>8.66</b>	<b>102.29%</b>	
<b>LT Category</b>																							
Commercial LT-II (A)	5.00	150.00	-	5.00	-	1.47	-	75.70	75.70	0.06	1.36	-	2.76		0.81		(0.05)	4.89		4.89	8.85	104.94%	104.08%
Commercial LT-II (B)	4.00		200.00	5.38		1.47	-	166.29	139.75	0.17		1.68	9.21	-	2.51		(0.13)	13.27		13.27	7.75	89.36%	91.20%
Commercial LT-II (C)	4.00		200.00	5.40		1.47	-	296.83	156.52	0.04		0.94	2.34	-	0.64		(0.04)	3.88		3.88	8.94	106.32%	105.23%
Industrial LT-V (II)	3.00		180.00	4.99		1.47	-	222.43	222.43	0.36		3.12	18.05	-	5.32		(0.26)	26.23		26.23	7.25	82.23%	85.30%
Public Service LT VII(B)(II)	2.00		180.00	6.20		1.47	-	93.17	75.70	0.12		1.06	7.33	-	1.74		(0.10)	10.03		10.03	8.48	99.78%	99.82%
<b>Sub Total</b>	<b>18.00</b>									<b>0.75</b>	<b>1.36</b>	<b>6.80</b>	<b>39.70</b>	<b>-</b>	<b>11.02</b>		<b>(0.59)</b>	<b>58.29</b>		<b>58.29</b>	<b>7.77</b>	<b>89.69%</b>	
<b>Total</b>	<b>26.00</b>									<b>6.33</b>	<b>1.36</b>	<b>88.31</b>	<b>364.13</b>	<b>-</b>	<b>92.96</b>	<b>-</b>	<b>(5.47)</b>	<b>541.30</b>		<b>541.30</b>	<b>8.55</b>	<b>100.80%</b>	

## Annexure II: Category wise Revenue with revised Tariffs for FY 2026-27

	No. of consumers	Components of tariff						Relevant sales & load/demand data for revenue calculation			Full year revenue excluding Government subsidy (Rs. Lakh)								Government subsidy (Rs. Lakh)	Full year revenue (including subsidy) (Rs. Lakh)	Average Billing Rate (Rs/kWh)	Ratio of Average Billing Rate excluding revenue from wheeling charges to Retail Cost of Supply (%)	Ratio of Average Billing Rate to composite ACoS (%)
		Fixed Charges (specify part name and unit)	Demand Charges (specify part name and unit)	Energy Charges (specify part name and unit)	ToD Charges (specify part name and Unit)	Wheeling Charges (Specify Part name and Unit)	Fuel surcharge per unit, if any	Sanctioned Load in kW	Contract Demand in KVA/MVA	Sales in MkVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from PF Penalty	Revenue from Prompt payment Discount	Total					
<b>HT Category</b>																							
Industrial HT-I (A)	7.00		220.00	5.75	-	1.47	-	2,387.82	1,981.31	3.52		52.31	202.42	-	51.83		-3.07	303.50		303.50	8.62	101.71%	101.42%
Commercial HT-(II)	3.00		220.00	5.90	-	1.47	-	6,740.18	1,837.08	2.77		38.80	163.23	-	40.74		-2.43	240.34		240.34	8.69	102.65%	102.19%
<b>Sub Total</b>	<b>10.00</b>				-					6.29		<b>91.11</b>	<b>365.66</b>	-	<b>92.57</b>		<b>-5.49</b>	<b>543.84</b>		<b>543.84</b>	<b>8.65</b>	<b>102.13%</b>	
<b>LT Category</b>					-																		
Commercial LT-II (A)	5.00	150.00		5.00	-	1.47	-	84.61	84.61	0.06	1.52	-	2.86		0.84		-0.05	5.18		5.18	9.04	107.69%	106.36%
Commercial LT-II (B)	4.00		200.00	5.38	-	1.47	-	185.87	156.20	0.18		1.87	9.67	-	2.65		-0.14	14.05		14.05	7.82	90.26%	91.94%
Commercial LT-II (C)	4.00		200.00	5.40	-	1.47	-	331.78	174.95	0.04		1.05	2.42	-	0.66		-0.04	4.08		4.08	9.13	108.88%	107.35%
Industrial LT-V (II)	3.00		180.00	4.99	-	1.47	-	248.62	248.62	0.38		3.49	19.10	-	5.64		-0.28	27.95		27.95	7.30	82.92%	85.88%
Public Service LT VII(B)(II)	2.00		180.00	6.20	-	1.47	-	104.14	84.61	0.12		1.19	7.60	-	1.80		-0.11	10.48		10.48	8.56	100.78%	100.64%
<b>Sub Total</b>	<b>18.00</b>									<b>0.79</b>	<b>1.52</b>	<b>7.60</b>	<b>41.65</b>	-	<b>11.59</b>		<b>-0.62</b>	<b>61.74</b>		<b>61.74</b>	<b>7.84</b>	<b>90.65%</b>	
<b>Total</b>	<b>28.00</b>									<b>7.07</b>	<b>1.52</b>	<b>98.71</b>	<b>407.31</b>	-	<b>104.16</b>	-	<b>-6.12</b>	<b>605.59</b>		<b>605.59</b>	<b>8.56</b>	<b>100.85%</b>	



### Annexure III: Category wise Revenue with revised Tariffs for FY 2027-28

	No. of consumers	Components of tariff						Relevant sales & load/demand data for revenue calculation			Full year revenue excluding Government subsidy (Rs. Lakh)								Government subsidy (Rs. Lakh)	Full year revenue (including subsidy) (Rs. Lakh)	Average Billing Rate (Rs/kWh)	Ratio of Average Billing Rate excluding revenue from wheeling charges to Retail Cost of Supply (%)	Ratio of Average Billing Rate to composite ACoS (%)
		Fixed Charges (specify part name and unit)	Demand Charges (specify part name and unit)	Energy Charges (specify part name and unit)	ToD Charges (specify part name and unit)	Wheeling Charges (Specify Part name and Unit)	Fuel surcharge per unit, if any	Sanctioned Load in kW	Contract Demand in KVA/MVA	Sales in MVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from PF Penalty	Revenue from Prompt payment Discount	Total					
<b>HT Category</b>																							
Industrial HT-I (A)	7.00		220.00	5.75	-	1.47	-	2,670.75	2,216.07	3.98		58.50	228.79	-	58.42		-3.46	342.25		342.25	8.60	101.44%	1.01
Commercial HT-(II)	3.00		220.00	5.90	-	1.47	-	7,538.82	2,054.76	3.11		43.40	183.34	-	45.62		-2.72	269.64		269.64	8.68	102.51%	1.02
<b>Sub Total</b>	<b>10.00</b>				-					<b>7.09</b>	<b>-</b>	<b>101.90</b>	<b>412.13</b>	<b>-</b>	<b>104.04</b>		<b>-6.18</b>	<b>611.89</b>		<b>611.89</b>			
<b>LT Category</b>																							
Commercial LT-II (A)	6.00	150.00	-	5.00	-	1.47	-	94.64	94.64	0.06	1.70	-	2.96		0.87		-0.06	5.48		5.48	9.25	110.62%	1.09
Commercial LT-II (B)	5.00		200.00	5.38	-	1.47	-	207.89	174.71	0.19		2.10	10.16	-	2.77		-0.15	14.88		14.88	7.88	91.16%	0.93
Commercial LT-II (C)	4.00		200.00	5.40	-	1.47	-	371.10	195.68	0.05		1.17	2.49	-	0.68		-0.04	4.30		4.30	9.32	111.61%	1.10
Industrial LT-V (II)	4.00		180.00	4.99	-	1.47	-	278.08	278.08	0.41		3.90	20.21	-	5.95		-0.30	29.76		29.76	7.35	83.61%	0.86
Public Service LT VII(B)(II)	2.00		180.00	6.20	-	1.47	-	116.47	94.64	0.13		1.33	7.87	-	1.86		-0.11	10.96		10.96	8.63	101.80%	1.01
<b>Sub Total</b>	<b>21.00</b>									<b>0.83</b>	<b>1.70</b>	<b>8.50</b>	<b>43.70</b>	<b>-</b>	<b>12.13</b>		<b>-0.66</b>	<b>65.38</b>		<b>65.38</b>	7.91	91.63%	
<b>Total</b>	<b>31.00</b>									<b>7.91</b>	<b>1.70</b>	<b>110.40</b>	<b>455.83</b>	<b>-</b>	<b>116.17</b>	<b>-</b>	<b>-6.84</b>	<b>677.27</b>		<b>677.27</b>	8.56	100.83%	

## Annexure IV: Category wise Revenue with revised Tariffs for FY 2028-29

	No. of consumers	Components of tariff						Relevant sales & load/demand data for revenue calculation			Full year revenue excluding Government subsidy (Rs. Lakh)								Government subsidy (Rs. Lakh)	Full year revenue (including subsidy) (Rs. Lakh)	Average Billing Rate (Rs/kWh)	Ratio of Average Billing Rate excluding revenue from wheeling charges to Retail Cost of Supply (%)	Ratio of Average Billing Rate to composite ACoS (%)
		Fixed Charges (specify part name and unit)	Demand Charges (specify part name and unit)	Energy Charges (specify part name and unit)	ToD Charges (specify part name and Unit)	Wheeling Charges (Specify Part name and Unit)	Fuel surcharge per unit, if any	Sanctioned Load in kW	Contract Demand in KVA/MVA	Sales in MkVAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from PF Penalty	Revenue from Prompt payment Discount	Total					
<b>HT Category</b>																							
Industrial HT-I (A)	7.00		220.00	5.75	-	1.47	-	2,984.77	2,476.64	4.50		65.38	258.58	-	66.08		-3.90	386.15		386.15	8.59	101.25%	1.01
Commercial HT-(II)	3.00		220.00	5.90	-	1.47	-	8,425.22	2,296.35	3.49		48.50	205.92	-	51.29		-3.06	302.65		302.65	8.67	102.45%	1.02
<b>Sub Total</b>	<b>10.00</b>				-					<b>7.99</b>	-	<b>113.88</b>	<b>464.51</b>	-	<b>117.37</b>		<b>-6.96</b>	<b>688.80</b>		<b>688.80</b>	<b>8.62</b>	<b>101.77%</b>	
<b>LT Category</b>					-																		
Commercial LT-II (A)	7.00	150.00	-	5.00	-	1.47	-	105.76	105.76	0.06	1.90	-	3.07		0.90		-0.06	5.82		5.82	9.47	113.86%	1.11
Commercial LT-II (B)	6.00		200.00	5.38	-	1.47	-	232.34	195.25	0.20		2.34	10.67	-	2.91		-0.16	15.77		15.77	7.95	92.20%	0.94
Commercial LT-II (C)	4.00		200.00	5.40	-	1.47	-	414.73	218.68	0.05		1.31	2.57	-	0.70		-0.05	4.54		4.54	9.53	114.66%	1.12
Industrial LT-V (II)	5.00		180.00	4.99	-	1.47	-	310.78	310.78	0.43		4.36	21.39	-	6.30		-0.32	31.73		31.73	7.40	84.41%	0.87
Public Service LT VII(B)(II)	2.00		180.00	6.20	-	1.47	-	130.17	105.76	0.13		1.48	8.16	-	1.93		-0.12	11.47		11.47	8.71	102.99%	1.02
<b>Sub Total</b>	<b>24.00</b>									<b>0.87</b>	<b>1.90</b>	<b>9.50</b>	<b>45.86</b>	-	<b>12.75</b>		<b>-0.70</b>	<b>69.32</b>		<b>69.32</b>	<b>7.99</b>	<b>92.75%</b>	
<b>Total</b>	<b>34.00</b>									<b>8.85</b>	<b>1.90</b>	<b>123.39</b>	<b>510.37</b>	-	<b>130.12</b>	-	<b>-7.66</b>	<b>758.12</b>		<b>758.12</b>	<b>8.56</b>	<b>100.89%</b>	

## Annexure V: Category wise Revenue with revised Tariffs for FY 2029-30

	No. of consumers	Components of tariff						Relevant sales & load/demand data for revenue calculation			Full year revenue excluding Government subsidy (Rs. Lakh)							Government subsidy (Rs. Lakh)	Full year revenue (including subsidy) (Rs. Lakh)	Average Billing Rate (Rs/kWh)	Ratio of Average Billing Rate excluding revenue from wheeling charges to Retail Cost of Supply (%)	Ratio of Average Billing Rate to composite ACoS (%)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
		Fixed Charges (specify part name and unit)	Demand Charges (specify part name and unit)	Energy Charges (specify part name and unit)	ToD Charges (specify part name and Unit)	Wheeling Charges (Specify Part name and Unit)	Fuel surcharge per unit, if any	Sanctioned Load in kW	Contract Demand in KVA/MVA	Sales in MkvAh	Revenue from Fixed Charges	Revenue from Demand Charges	Revenue from Energy Charges	Revenue from ToD Charges	Revenue from Wheeling Charges	Revenue from PF Penalty	Revenue from Prompt payment Discount						Total																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
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## **Annexure VI: Tariff Schedule**

### **JAWAHARLAL NEHRU PORT AUTHORITY ('JNPA') SCHEDULE OF ELECTRICITY TARIFFS (Effective from 1 April 2025)**

The Maharashtra Electricity Regulatory Commission, in exercise of the powers vested in it under Sections 61 and 62 of the Electricity Act, 2003 and all other powers enabling it in this behalf, has determined, by its Multi Year Tariff Order dated **28 March 2025 in Case No. 206 of 2024**, the tariffs for supply of electricity by the Distribution Licensee, Jawaharlal Nehru Port Authority (JNPA) to various categories of consumers as applicable from **1 April 2025 to 31 March 2030**.

#### **GENERAL:**

1. These tariffs supersede all tariffs so far in force.
2. The tariffs are subject to revision and/or surcharge that may be levied by the Distribution Licensee from time to time as per the directives of the Commission.
3. The tariffs are exclusive of the separate Electricity Duty, Tax on Sale of Electricity and other levies by the Government or other competent authorities, which will be payable by consumers over and above the tariffs.
4. The tariffs are applicable for supply at one point only.
5. The Distribution Licensee may measure the Maximum Demand for any period shorter than 15/30 minutes of maximum use, subject to conformity with the Commission's Electricity Supply Code Regulations, where it considers that there are considerable load fluctuations in operation.
6. The tariffs are subject to the provisions of the applicable Regulations and any directions that may be issued by the Commission from time to time.
7. Unless specifically stated to the contrary, the figures of Energy Charge and Wheeling Charge are denominated in Rupees per unit (kVAh) for the energy consumed during the month.
8. Fuel Adjustment Charge (FAC) computed in accordance with provisions of MYT Regulations, 2024 and Commission's directions in this regard from time to time shall be applicable to all categories of consumers and will be charged over and above the base tariff.

## HIGH TENSION (HT) – TARIFF

### HT I: HT - Industry

#### Applicability:

This tariff category is applicable for electricity for Industrial use at High Voltage for purposes of manufacturing and processing, including electricity used within such premises for general lighting, heating/cooling, etc.

It is also applicable for use of electricity / power supply for Hotels/ Motels/ Youth Clubs/ Resorts/ Cottages/ Service Apartments/Tourist Villas/ Tourist Apartments.

It is also applicable for use of electricity / power supply for District Cooling Solution (DCS) for providing air conditioning services to a cluster of buildings in a centralised manner.

It is also applicable for use of electricity / power supply for Administrative Offices / Canteen, Recreation Hall / Sports Club or facilities / Health Club or facilities/ Gymnasium / Swimming Pool exclusively meant for employees of the industry; water pumps, fire-fighting pumps and equipment, street, and common area lighting; Research and Development units, Telecommunications Tower etc. -

Provided that all such facilities are situated within the same industrial premises and supplied power from the same point of supply.

This tariff category shall be applicable for use of electricity / power supply by an Information Technology (IT), or IT-enabled Services (ITeS) Unit as defined in the applicable IT/ITes Policy of Government of Maharashtra.

It is also applicable for use of electricity / power supply for common facilities in the IT Park/ SEZ (such as lobbies, central air conditioning, lifts, escalators, Effluent Treatment Plant/ Sewage Treatment Plant, wash rooms etc.) which are used by the Units, excluding support services areas, after the registration is granted to the IT Park by the Directorate of Industries and Development Commissioner of the SEZ for an IT SEZ, as per the IT and ITeS Policy of the Government of Maharashtra as applicable from time to time. (In case the Government of Maharashtra revisits the present dispensation given under the IT and ITeS Policy, 2015, such use will be billed under the Commercial tariff category unless otherwise stipulated in the revised Policy.)

#### Rate Schedule

#### **Tariff w.e.f. 1 April 2025 to 31 March 2026**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial HT-I (A)	220.00	1.47	5.75

#### **Tariff w.e.f. 1 April 2026 to 31 March 2027**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial HT-I (A)	220.00	1.47	5.75

**Tariff w.e.f. 1 April 2027 to 31 March 2028**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial HT-I (A)	220.00	1.47	5.75

**Tariff w.e.f. 1 April 2028 to 31 March 2029**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial HT-I (A)	220.00	1.47	5.75

**Tariff w.e.f. 1 April 2029 to 31 March 2030**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial HT-I (A)	220.00	1.47	5.75

**HT-II – HT Commercial**

Applicability:

This tariff category is applicable for electricity used at High Voltage in non-residential, non-industrial and/ or commercial premises for commercial consumption meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, and washing/cleaning, entertainment/ leisure and water pumping in, but not limited to, the following premises:

- Non-Residential, Commercial and Business premises;
- Combined lighting and power services for facilities relating to Entertainment;
- Offices, including Commercial Establishments;
- Restaurants, Ice-cream parlours, Coffee Shops , Internet / Cyber Cafes, Telephone Booths, and Fax / Photocopy shops;
- Automobile and all other types of repairs, servicing, and maintenance centres (unless specifically covered under another tariff category); Retail Gas Filling Stations, Petrol Pumps & Service Stations, including Garages;
- Banks and ATM centres, Telephone Exchanges, TV Stations, Radio Stations;
- Sewage Treatment Plant/ Effluent Treatment Plant and common facilities like Water Pumping / Lifts / Fire-Fighting Pumps and other equipment / Street and other common

area Lighting for Commercial Complexes, and not covered under the HT I – Industry category;

h) Construction of all types of structures/ infrastructure for any purposes;

i) Stand-alone Research and Development units not covered under any other category;

Any other class of consumers not defined under HT I and HT III consumer category of this tariff order.

### **Rate Schedule**

#### **Tariff w.e.f. 1 April 2025 to 31 March 2026**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
Commercial HT-(II)	220.00	1.47	5.90

#### **Tariff w.e.f. 1 April 2026 to 31 March 2027**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
Commercial HT-(II)	220.00	1.47	5.90

#### **Tariff w.e.f. 1 April 2027 to 31 March 2028**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
Commercial HT-(II)	220.00	1.47	5.90

#### **Tariff w.e.f. 1 April 2028 to 31 March 2029**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
Commercial HT-(II)	220.00	1.47	5.90

#### **Tariff w.e.f. 1 April 2029 to 31 March 2030**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
Commercial HT-(II)	220.00	1.47	5.90

### **HT III: HT Electric Vehicle Charging Stations**

#### **Applicability**

This Tariff category is applicable for Electric Vehicle Charging Station including battery swapping stations for Electric Vehicle.

In case the consumer uses the electricity supply for charging his own electric vehicle at his premises,

the tariff applicable shall be as per the category of such premises.

Electricity consumption for other facilities at Charging Station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to Commercial Category.

### **Rate Schedule**

#### **Tariff w.e.f. 1 April 2025 to 31 March 2026**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
HT Electric Vehicle Charging Station	-	1.47	7.03

#### **Tariff w.e.f. 1 April 2026 to 31 March 2027**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
HT Electric Vehicle Charging Station	-	1.47	7.03

#### **Tariff w.e.f. 1 April 2027 to 31 March 2028**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
HT Electric Vehicle Charging Station	-	1.47	7.03

#### **Tariff w.e.f. 1 April 2028 to 31 March 2029**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
HT Electric Vehicle Charging Station	-	1.47	7.03

#### **Tariff w.e.f. 1 April 2029 to 31 March 2030**

<b>Consumer Category</b>	<b>Demand Charge (Rs./ kVA/ month)</b>	<b>Wheeling Charge (Rs./ kVAh)</b>	<b>Energy Charge (Rs./ kVAh)</b>
HT Electric Vehicle Charging Station	-	1.47	7.03

### **LOW TENSION (LT) – TARIFF**

#### **LT II – LT Commercial**

**LT II (A): LT- Commercial (0-20 kW)**

**LT II (B): LT- Commercial (Above 20 kW and <=50 kW)**



## LT II (C) - LT Commercial above 50 kW Load

### Applicability

This tariff category is applicable for electricity used at Low/Medium Voltage in non-residential, non- industrial and/or commercial premises for commercial consumption meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, and washing/cleaning, entertainment/ leisure and water pumping in, but not limited to, the following premises:

- Non-Residential, Commercial and Business premises;
- Combined lighting and power supply for facilities relating to Entertainment;
- Offices, including Commercial Establishments;
- Restaurants, Ice-cream parlours, Coffee Shops, Internet / Cyber Cafes, Telephone Booths, and Fax / Photocopy shops;
- Automobile and all other types of repairs, servicing, and maintenance centres (unless specifically covered under another tariff category); Retail Gas Filling Stations, Petrol Pumps and Service Stations, including Garages;
- Banks and ATM centres, Telephone Exchanges, TV Stations, Radio Stations, Telecommunications Towers;
- Construction of all types of structures/ infrastructure for any purposes;
- Sewage Treatment Plant/ Effluent Treatment Plant and common facilities like Water Pumping / Lifts / Fire-Fighting Pumps and other equipment / Street and other common area Lighting for Commercial /Complexes and not covered under the LT III – Industry category;
- Stand-alone Research and Development Units not covered under any other category.
- Any other class of consumers not defined under any other consumer category of this tariff order.

### Rate Schedule

#### Tariff w.e.f. 1 April 2025 to 31 March 2026

Consumer Category	Fixed Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ connection/ month)		
Commercial LT - II (A)	150.00	1.47	5.00
Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Commercial LT - II (B)	200.00	1.47	5.38
Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Commercial LT - II (C)	200.00	1.47	5.40

**Tariff w.e.f. 1 April 2026 to 31 March 2027**

Consumer Category	Fixed Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ connection/ month)		
Commercial LT - II (A)	150.00	1.47	5.00
Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Commercial LT - II (B)	200.00	1.47	5.38
Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Commercial LT - II (C)	200.00	1.47	5.40

**Tariff w.e.f. 1 April 2027 to 31 March 2028**

Consumer Category	Fixed Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ connection/ month)		
Commercial LT - II (A)	150.00	1.47	5.00
Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Commercial LT - II (B)	200.00	1.47	5.38
Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Commercial LT - II (C)	200.00	1.47	5.40

**Tariff w.e.f. 1 April 2028 to 31 March 2029**

Consumer Category	Fixed Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ connection/ month)		
Commercial LT - II (A)	150.00	1.47	5.00
Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Commercial LT - II (B)	200.00	1.47	5.38
Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Commercial LT - II (C)	200.00	1.47	5.40

**Tariff w.e.f. 1 April 2029 to 31 March 2030**

Consumer Category	Fixed Charge (Rs./ connection/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
Commercial LT - II (A)	150.00	1.47	5.00
Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
Commercial LT - II (B)	200.00	1.47	5.38
Consumer Category	Demand Charge (Rs./ kVA/ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
Commercial LT - II (C)	200.00	1.47	5.40

### **LT V - LT Industrial**

#### **LT V (II) – LT Industrial .**

##### Applicability

This tariff category is applicable for electricity for Industrial use, at Low/Medium Voltage, for purposes of manufacturing and processing, including electricity used within such premises for general lighting, heating/cooling, etc.

It is also applicable for use of electricity / power supply for Hotels/ Motels/ Youth Clubs/ Resorts/ Cottages/ Service Apartments/Tourist Villas/ Tourist Apartments.

It is also applicable for use of electricity / power supply for District Cooling Solution (DCS) for providing air conditioning services to a cluster of buildings in a centralised manner.

It is also applicable for use of electricity / power supply for Administrative Offices / Canteens, Recreation Hall / Sports Club or facilities / Health Club or facilities/ Gymnasium / Swimming Pool exclusively meant for employees of the industry; Research and Development units, Telecommunications Tower etc.

Provided that all such facilities are situated within the same industrial premises and supplied power from the same point of supply;

This tariff category shall also be applicable for use of electricity / power supply by an Information Technology (IT), or IT-enabled Services (ITeS) Unit as defined in the applicable IT and ITeS Policy of Government of Maharashtra.

It is also applicable for use of electricity / power supply for common facilities in the IT Park/SEZ (such as lobbies, central air conditioning, lifts, escalators, Effluent Treatment Plant/Sewage Treatment Plant, wash rooms etc.) which are used by the Units, excluding support services areas, after the registration is granted to the IT Park by the Directorate of Industries and Development Commissioner of the SEZ for an IT SEZ, as per the IT and ITeS Policy of the Government of Maharashtra as applicable from time to time.

### **Rate Schedule**

#### **Tariff w.e.f. 1 April 2025 to 31 March 2026**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial LT - V (II)	180.00	1.47	4.99

**Tariff w.e.f. 1 April 2026 to 31 March 2027**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial LT - V (II)	180.00	1.47	4.99

**Tariff w.e.f. 1 April 2027 to 31 March 2028**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial LT - V (II)	180.00	1.47	4.99

**Tariff w.e.f. 1 April 2028 to 31 March 2029**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial LT - V (II)	180.00	1.47	4.99

**Tariff w.e.f. 1 April 2029 to 31 March 2030**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Industrial LT - V (II)	180.00	1.47	4.99

**LT VIII (B)– LT – Public Services (Others)**

Applicability:

This tariff category is applicable for electricity supply at Low/Medium Voltage for:

- Educational Institutions, such as Schools and Colleges; Health Care facilities, such as Hospitals, Dispensaries, Clinics, Primary Health Care Centres, Diagnostic Centres, Blood Banks, Laboratories; Libraries and public reading rooms - other than those of the State or Central Government or Local Self-Government bodies such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats, etc.
- Sports Clubs and facilities / Health Clubs and facilities / Gymnasium / Swimming Pools attached to such Educational Institutions /Health Care facilities, provided that they are situated in the same premises and are meant primarily for their students / faculty/ employees/ patients;

- c. all offices of Government and Municipal/ Local Authorities/ Local Self-Government bodies, such as Municipalities, Zilla Parishads, Panchayat Samitis, Gram Panchayats; Police Stations and Police Chowkies; Post Offices; Armed Forces/Defence and Para-Military establishments;
- d. Service-oriented Spiritual Organisations;
- e. State or Municipal/Local Authority Transport establishments, including their Workshops
- f. Fire Service Stations; Jails, Prisons; Courts;
- g. Airports;
- h. Ports and Jetties;
- i. Railway/Metro/Monorail Stations, including Shops, Workshops, Yards, etc, if the supply is at Low/ Medium Voltage.
- j. Waste processing units not covered under LT PWW category
- k. All Students Hostels affiliated to Educational Institutions not covered under LT Public Service - Government;
- l. All other Students' or Working Men/Women's Hostels;
- m. Other types of Homes/Hostels, such as (i) Homes/Hostels for Destitute, Disabled Persons (physically or mentally handicapped persons, etc.) and mentally ill persons (ii) Remand Homes (iii) Dharmshalas, (iv) Rescue Homes, (v) Orphanages - subject to verification and confirmation by the Distribution Licensee's concerned Zonal Chief Engineer or equivalent.

### **Rate Schedule**

#### **Tariff w.e.f. 1 April 2025 to 31 March 2026**

Consumer Category	Demand Charge	Wheeling Charge	Energy Charge
	(Rs./ kVA/ month)		(Rs./ kVAh)
Public Services LT VII (B) (II)	180.00	1.47	6.20

#### **Tariff w.e.f. 1 April 2026 to 31 March 2027**

Consumer Category	Demand Charge	Wheeling Charge	Energy Charge
	(Rs./ kVA/ month)		(Rs./ kVAh)
Public Services LT VII (B) (II)	180.00	1.47	6.20

#### **Tariff w.e.f. 1 April 2027 to 31 March 2028**

Consumer Category	Demand Charge	Wheeling Charge	Energy Charge
	(Rs./ kVA/ month)		(Rs./ kVAh)
Public Services LT VII (B) (II)	180.00	1.47	6.20

**Tariff w.e.f. 1 April 2028 to 31 March 2029**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Public Services LT VII (B) (II)	180.00	1.47	6.20

**Tariff w.e.f. 1 April 2029 to 31 March 2030**

Consumer Category	Demand Charge	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
	(Rs./ kVA/ month)		
Public Services LT VII (B) (II)	180.00	1.47	6.20

**LT VIII: LT – Electric Vehicle (EV) Charging Stations**

Applicability:

This Tariff category is applicable for Electric Vehicle Charging Station including battery swapping station for electric vehicle.

In case the consumer uses the electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.

Electricity consumption for other facilities at Charging Station such as restaurant, rest rooms, convenience stores, etc., shall be charged at tariff applicable to Commercial Category.

**Rate Schedule**

**Tariff w.e.f. 1 April 2025 to 31 March 2026**

Consumer Category	Fixed Charge (Rs./ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT Electric Vehicle Charging Station	-	1.47	7.03

**Tariff w.e.f. 1 April 2026 to 31 March 2027**

Consumer Category	Fixed Charge (Rs./ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT Electric Vehicle Charging Station	-	1.47	7.03

**Tariff w.e.f. 1 April 2027 to 31 March 2028**

Consumer Category	Fixed Charge (Rs./ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT Electric Vehicle Charging Station	-	1.47	7.03

**Tariff w.e.f. 1 April 2028 to 31 March 2029**

Consumer Category	Fixed Charge (Rs./ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT Electric Vehicle Charging Station	-	1.47	7.03

**Tariff w.e.f. 1 April 2029 to 31 March 2030**

Consumer Category	Fixed Charge (Rs./ month)	Wheeling Charge (Rs./ kVAh)	Energy Charge (Rs./ kVAh)
LT Electric Vehicle Charging Station	-	1.47	7.03

**MISCELLANEOUS AND GENERAL CHARGES**

**Fuel Adjustment Charge (FAC) Component of Z-factor Charge**

The Fuel Adjustment Charge (FAC) component of the Z-factor Charge will be determined in accordance with the formula specified in the relevant Multi Year Tariff Regulations and any directions that may be given by the Commission from time to time and will be applicable to all consumer categories for their entire consumption.

In case of any variation in the fuel prices and power purchase prices, the Distribution Licensee shall pass on the adjustments through the FAC component of the Z-factor Charge accordingly. The details of applicable ZFAC for each month shall be available on the Distribution Licensee's website <https://www.jnport.gov.in/>

**Electricity Duty and Tax on Sale of Electricity**

Electricity Duty and Tax on Sale of Electricity shall be levied in addition to the tariffs approved by the Commission, and in accordance with the Government of Maharashtra stipulations from time to time. The rate and the reference number of the Government Resolution/ Order under which the Electricity Duty and Tax on Sale of Electricity are applied shall be stated in the consumers' energy bills. A copy of such Resolution / Order shall be provided on the Distribution Licensee's website <https://www.jnport.gov.in/>

**Prompt Payment Discount**

A prompt payment discount of one percent of the monthly bill (excluding Taxes and Duties) shall be provided to consumers for payment of electricity bills within 7 days from the date of their issue.

**Delayed Payment Charge**

In case the electricity bill is not paid within the due date mentioned on the bill, a Delayed Payment Charge of 1.25 percent shall be levied on the total amount of the electricity bill (including Taxes and Duties).

**Rate of Interest on Arrears**

The rate of interest chargeable on the arrears of payment of billed dues shall be as given below:



Sr. No.	Delay in Payment (months)	Interest Rate per annum (%)
1	Payment made after 60 days and before 90 days from the date of billing	12%
2	Payment made after 90 days from the date of billing	15%

### Consumers' Security Deposit

As specified under Regulations 13 of the MERC (Supply Code Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021, Consumer shall pay Security Deposit and will be entitle for interest on such Security Deposit.

### Definitions

#### Maximum Demand

Maximum Demand in kilowatts or kilo-Volt Amperes, in relation to any period shall, unless otherwise provided in any general or specific Order of the Commission, mean twice the highest number of kilo-watt-hours or kilo-Volt Ampere hours supplied and taken during any consecutive thirty-minute blocks in that period.

#### Contract Demand

Contract Demand means the demand in kilowatt (kW) or kilo–Volt Amperes (kVA), mutually agreed between the Distribution Licensee and the consumer as entered into in the agreement or agreed through other written communication. (For conversion of kW into kVA, the Power Factor of 0.80 shall be applied.)

#### Sanctioned Load

Sanctioned Load means the load in kW mutually agreed between the Distribution Licensee and the consumer.

#### Billing Demand - LT tariff categories

Monthly Billing Demand will be the higher of the following:

- 65% of the actual Maximum Demand recorded in the month during 0600 hours to 2200 hours;
- 40% of the Contract Demand.

#### Note:

- Only the Demand registered during the period 0600 to 2200 Hrs. will be considered for determination of the Billing Demand.
- In case of a change in Contract Demand, the above period will be reckoned from the month following the month in which the change in Contract Demand is affected.

#### Billing Demand - HT tariff categories

Monthly Billing Demand will be the higher of the following:

- a) Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours;



- b) 75% of the highest Billing Demand recorded during the preceding eleven months, subject to the limit of Contract Demand;
- c) 75% of the Contract Demand.

Note:

- Only the Demand registered during the period 0600 to 2200 Hrs. will be considered for determination of the Billing Demand.
- In case of a change in Contract Demand, the above period will be reckoned from the month following the month in which the change of Contract Demand is affected.

### **Annexure VII: Approved Schedule of Charges**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Proposed Charges</b>	<b>Approved in this Order</b>
1	Service Connection Charges	Nil	Nil
2	Cost of meter and meter box	Nil	Nil
3	Installation testing fees	Nil	Nil
4	Reconnection charges- HT connection	Rs. 3000/-	Rs. 500/-
4A	Reconnection charges-LT connection	Rs. 500/-	Rs. 500/-
5	Changing location of the meters within the same premise at consumer's request	Nil	Nil
6	Testing of meters	Nil	Nil
7	Administrative charges for cheque bouncing	Rs. 750/- or bank charges whichever is higher	Rs. 750/-
8	Application registration and processing charges	Nil	Nil
9	Processing Fees for Open Access	Rs. 2500 per application	Rs. 2500 per application
10	Operating charges for Open Access	Rs. 2500 per month	Rs. 2500 per month

## **Appendix I**

### **List of Persons at the Technical Validation Session held on 18 December 2024**

<b>Sr. No.</b>	<b>Name</b>	<b>Organisation</b>
1	Anil Chopade	JNPA
2	Milind Aiglikar	JNPA
3	Suhas Ambade	JNPA
4	Ghansham Thakkar	Energy Optimaa Consultant Private Limited
5	Swapnil Kolwadkar	Energy Optimaa Consultant Private Limited
6	Kunal Mudalwar	Energy Optimaa Consultant Private Limited
7	Tushar Kothavale	PricewaterhouseCoopers Private Limited
8	Apurwa Karse	PricewaterhouseCoopers Private Limited

## **Appendix II**

### **List of Persons at the e-Public Hearing on 21 January 2025**

<b>Sr. No.</b>	<b>Name</b>	<b>Organisation</b>
1	Anil Chopade	JNPA
2	Milind Aiglikar	JNPA
3	Suhas Ambade	JNPA
4	Ghansham Thakkar	Energy Optimaa Consultant Private Limited
5	Swapnil Kolwadkar	Energy Optimaa Consultant Private Limited