BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR

Petition No. 2700 of 2026.

In the Matter of:

Petition in terms of Minutes of Meetings of the Government of Gujarat dated 17.06.2026 read with Sections 62 and 86 (1) (c) and (k) of Electricity Act, 2003 and National Tariff Policy, including determination of quantum of differential tariff to be paid by the Respondent No. 1 Urban Development and Urban Housing Department for 7.5 MW Refused Derived Fuel (RDF) based Waste-to-Energy Project situated at Jamnagar, Gujarat as per the agreed decision and directions of the Government of Gujarat recorded in the Minutes of Meeting dated 17.06.2026.

Petitioner	:	Goodwatts WTE Jamnagar Private Limited
Represented By	:	Ld. Adv. Tabrez Malawat alongwith Mr. Krutarth Oza, Mr. Vivek Rana, Mr. Aatray Pandya and Mr. Aditya Handa
		V/s.
Respondent No. 1	:	Urban Development & Urban Housing Department, Government of Gujarat
Represented by	:	Ms. Pushp Lata, IAS, The Mission Director for Swachh Bharat Mission Urban (SBM-U) with Ms. Ankita Sangada, Deputy Secretary.
Respondent No. 2	:	Gujarat Urja Vikas Nigam Limited
Represented by	:	Ld. Adv. Ms. Shrishti Khindaria with Ms. Girija Dave Mr. Rakesh Soni, Mr. Rahul Pareek
Respondent No. 3	:	Jamnagar Municipal Corporation
Represented by	:	Nobody was present.
Respondent No. 4	:	Energy and Petrochemicals Department Govt. of Gujarat

Represented by : Nobody was present.

CORAM:

Pankaj Joshi, Chairman
Hiren Shah, Member
Jatin N. Thakkar, Member

Date: 17/09/2026.

DAILY ORDER

1. The matter was listed for hearing on 08.09.2026 through hybrid mode.

2. Ld. Counsel, appearing on behalf of the Petitioner, submitted that the Petitioner has filed present Petition in terms of Minutes of Meeting of the Government of Gujarat dated 17.06.2026 read with Section 62 and 86 (1) (e) and (k) of the Electricity Act, 2003 and National Tariff Policy 2016 seeking determination of project specific tariff including determination of quantum of differential tariff to be paid by the Respondent No. 1 Urban Development and Urban Housing Department, Government of Gujarat for 7.5 MW Refuse Derived Fuel (RDF) based Waste–to–Energy Project situated at Jamnagar, Gujarat, as per the agreed decision and directions of the Government of Gujarat recorded in the Minutes of Meeting dated 17.06.2026.

2.1. It is submitted that the Petitioner has served a copy of the Petition to all the Respondents and filed proof of service vide affidavit dated 31.08.2026 in support thereof.

2.2. He referred to the Minutes of Meeting dated 17.06.2026 conveyed at Govt. of Gujarat level about the discussion on the issues in relation to Waste to Energy Projects located in Gujarat, to emphasize that the Waste to Energy projects are not only source of power generation but also play a critical role

in disposal of the garbage / solid waste generated within the State. With consideration of these vital aspects, it is stated in the said Minutes of Meeting that if the tariff is revised by the GERC for a specific project, such tariff enhancement shall not be borne by the consumers and the same shall be borne by the State Government and a confirmation to this effect shall be given by the State Government in consultation with the Finance Department. Accordingly, he submitted that the important role of the Municipal Solid Waste Projects is disposal of garbage/ solid waste and financial viability and operational issues faced by the Waste to Energy projects has been considered at the State Government level.

2.3. It is further submitted that according to the Minutes of Meeting, the Commission is required to determine specific tariff for the project without reopening the PPA with the Respondent GUVNL as the additional tariff, if any, decided by the Commission in the present Petition shall not be borne by the electricity consumers but the same shall be borne by the State Government.

2.4. It is submitted that the Petitioner has incurred capital cost of Rs. 118.41 Crore upto 30.09.2023 and the supporting documents for the same in terms of the Certificate issued by M/s Shah and Shah Associates, Chartered Accountant has been placed on record along with the Petition. He further referred to letter dated 21.10.2024 issued by Jamnagar Municipal Corporation conveying to the Petitioner that with the advent of the Swachh Bharat Mission Urban – 2.0 Operational Guidelines (SBM –U 2.0 Guidelines), the emphasis has been shifted to adopting more integrated approach towards Solid Waste Management, which requires the Waste to Energy Project to undertake various activities in addition to ongoing activity, viz., (i) set up material recovery facility to enable recovery of recyclable materials from the MSW received at the project, (ii) enhance the existing process at the project with new facilities to align with current industry trend, (iii) set up compost manufacturing plant to enable waste

utilisation, and (iv) set up Bio-gas plant to add value addition to waste processing through utilization of wet waste. He further referred to the Solid Waste Management Rules, 2026 and Revised Draft Guidelines on Municipal Solid Waste – incineration based Waste to Energy Plant issued by the Central Pollution Control Board (CPCB Guidelines) and submitted that in order to meet the compliance requirement of Solid Waste Management Rules, 2026, read with CPCB Guidelines and letter dated 21.10.2024 issued by Jamnagar Municipal Corporation, the Petitioner is required to set up additional facilities at project site by incurring additional capital cost of around Rs. 68 Crores. He submitted that the Petitioner has placed on record various supporting documents in relation to incurring of additional capital cost of Rs. 68 Crores, which the Commission is required to consider the same while determining the project specific tariff in the present Petition.

2.5. He also submitted that the project consistently receives mixed municipal solid waste having a calorific value below 1500 kcal/kg, as against the requirement of 2200 kcal/kg, as per the project design, such waste having higher moisture, biodegradable and inert content cannot be directly fed into the boiler and therefore, requires extensive segregation, moisture reduction, processing and preparation of RDF etc. Consequently the project is required to incur higher operation and maintenance cost as compared to what has been allowed by the Commission in the generic Tariff Order, 2016. The Petitioner is incurring actual O&M Expenses of approximately Rs. 18–20 Crores p.a. towards RDF processing, employee cost, spares, consumables and other operating expenses. The increase is also attributable to additional Statutory and Environmental requirement under the applicable Waste Management framework.

3. The Commission has highlighted certain issues on the Petition and sought response from the Petitioner on the following aspects:

A. The Commission notes that the Petitioner has annexed voluminous documents with the Petition. However, consolidated statement listing out each of the annexed documents has not been provided with the Petition. Hence, the Petitioner is required to submit consolidated statement listing out each individual documents annexed with Petition in the following format:

Format-A

(Identification of documents annexed with the Petition)

Sr. No.	Brief details of document annexed with the Petition	Date annexed (As mentioned in the document, if any)	Purpose for which document is annexed	Page No.:... to .....

B. As per the Index statement of the Petition, Annexure 5 (Page No. 114-219) is marked as 'Detailed computation and supporting documents relating to the Capital cost'. While examining the Page No. 114-219, it is observed that Page No. 115-116 contains certificate issued by Shah and Shah Associates, Chartered Accountants regarding capital cost of Rs. 11841.00 Lakhs shown to be incurred up to 30th September 2023. Whereas, it appears that the documents annexed at Page No. 117-219 contains various estimates/budgetary offers etc recently received from various vendors/suppliers. Except this, no detailed computation and/or supporting documents relating to the Capital cost is found to be annexed at Annexure-5 of the Petition. Hence, the Petitioner is required to submit following:

(i) The Petitioner is required to place on record complete details of the project components and its cost break up (major heads and sub-heads thereunder) supported by documentary

evidences/information relating to capital cost of Rs. 11841.00 Lakhs claimed to be incurred as on 30.09.2023. This may include the complete list of;

(a) Plant And Machineries,

(b) Building and Civil works,

(c) Electrification (transmission line and substation)

(d) Balance of Plants,

(e) Other Capital items etc.

The supporting documents such as copy of bid documents for selection of particular suppliers/vendors, bid evaluation report, copy of work order/ purchase order, copy of invoices raised by suppliers/vendors and copy of payment advices/bank reconciliation statement as proof of payment of such invoices of the Suppliers/Vendors, may be placed on record. The aforesaid information needs to be submitted in the following format:

Format -B

(Supporting documents for capital cost incurred up to 30.09.2023)

Sr. No.	Particulars	Amount (Rs. In Lakhs)	Relevant supporting documents placed on record	Page No.:... to .....
1	Major Head – (A) Building and Civil Works	Rs. Xyz Lakhs		
(a)	Sub-Head (1)	Rs. Abc Lakhs	(i) Documents in support of selection of vendors/ suppliers- Copy of bid documents, bid evaluation report etc (ii) Copy of work orders/	

			purchase orders. (iii) Copy of invoices. (iv) Copy of Payment details of invoices.	
(b)	Sub-Head (2)			
Total under Head (A)				
2	Major Head (B)			
(a)				
(b)				
Total under Head (B)				
…..		……	…….	…….
Grand Total				

(ii) Certification issued by the MNRE registered Independent / Chartered Engineer listing out plant and machinery and other balance of plants which has been claimed as part of capital cost, is actually installed, commissioned and in operation as part of Waste to Energy Project of the Petitioner.

(iii) Mapping statement listing out each cost elements supported by documentary evidences i.e. nature of documents under each major head with amount in Rs lakhs and Page Nos.

(iv) Statement listing out documents annexed at Page Nos. 117 to 219 in the following format:

Format-C

Sr. No.	Brief description of documents	Date (as mentioned on documents)	Amount Rs. Lakhs	Purpose for which documents is annexed	Whether expense incurred or yet to be	Page No.: … to …..

					incurred	
1.						
2.						
…..	……					
Sub-total of Major – I			Rs. ____ Lacs.			
…..	……					
…..	……					
Grand Total			Rs. ____ Lacs.			

(v) The Petitioner is required to submit clarification as to whether additional capital cost of Rs. 68 Crores is already incurred or yet to be incurred. If proposed to be incurred, the Petitioner is required to provide detailed statement and action plan along with timelines for expenses to be incurred.

(vi) The Petitioner is required to place on record the study, if any, carried out in relation to "at source segregation / waste characterization for further identification of best suitable / viable technology", as suggested by Jamnagar Municipal Corporation vide its letter dated 21.10.2024.

(vii) The Petitioner is required to clarify as to whether the Jamnagar Municipal Corporation or Urban Development Department has granted any in-principal approval, if any, relating to additional expenditure claimed by the Petitioner based on change of scope of the concession agreement with Jamnagar Municipal Corporation.

C. Complete details along with supporting documents in relation to availing debt finance and deployment of Equity for the project.

D. As per the Index statement, Annexure 6 (from page no. 220-10777) is marked as 'detailed computation and documentary evidence for the O & M Expenses'. It is observed that the Page No. 220-10777, mainly contains Miscellaneous Payment vouchers / invoices etc. However, computation of O &M expenses is not found in Annexure-6. Therefore, the Petitioner is required to submit statement listing out each documents annexed at Page No. 220-10777 in the following format:

Format D

(Supporting documents annexed with Petition in relation to O&M Expenses)

Sr. No	Brief Description of documents	Date as mentioned on the documents	Amount (Rs.)	Purpose for which documents is annexed	Sub-head of O& M cost	Page No.

E. Complete details of year wise O&M expenses (separately for each head of O & M expenses such as Employee cost, Repair and Maintenance cost, Administrative and General expenses etc.) incurred by the Petitioner since commissioning of the project.

F. Specific confirmation / statement as to whether the Petitioner is willing to forgo Return on Equity (RoE) fully or partly in lieu of compensatory tariff as may be provided in the present Petition.

G. Complete details along with supporting documents in relation to availing working capital finance for the project.

H. Complete details along with supporting documents in relation to claiming Income Tax / MAT, as applicable.

I. Present status of project operation along with month wise generation details since its commissioning, supported by the SLDC State Energy Account.

J. As per the Computation furnished at Page No. 10778, under the head "fuel cost" cost of RDF purchase, RDF transport and biomass has been considered. The Petitioner is required to clarify the same with documentary evidences along with details of month wise quantum purchased and / or transported, its GCV, price, etc.

K. The Petitioner is required to clarify as to whether Jamnagar Municipal Corporation has permitted the Petitioner for utilization of RDF and / or other biomass project, if so utilized, in generation of electricity.

L. The details/information in relation to monitoring mechanism established by the Petitioner supported by documentary evidence. In this regard, the Petitioner is also required to submit month wise information in relation to Municipal Solid Waste supplied by Jamnagar Municipal Corporation at the project site since the commissioning of the project, as under:-

(i) Opening Balance of MSW fuel, received from Jamnagar Municipal Corporation
(ii) Opening Balance of Calorific Value of MSW fuel,
(iii) Quantity of MSW received from the Jamnagar Municipal Corporation during the month
(iv) Calorific Value of MSW fuel received from the Jamnagar Municipal Corporation during the month, supported by approved laboratory testing report.
(v) Quantity of MSW utilised for generation of electricity during the month

(vi) Calorific Value of MSW fuel utilized for generation of electricity during the month.

(vii) Gross Electricity Generation during the month in kWh.

(viii) Actual Auxiliary consumption supported by documentary evidence.

(ix) Net Electricity Generation as per SEA of SLDC

(x) Closing Balance of Quantity of MSW fuel

(xi) Quantum of RDF and/ or other biomass product utilized for generation of electricity, if any.

(xii) Quantum of Fly ash, if any, generated after the production of electricity.

(xiii) Quantum of Disposal of waste from the plant.

(xiv) Additional information as suggested in Gujarat Solid Waste Policy 2022.

M. The Petitioner is required to clarify as to whether the Jamnagar Municipal Corporation was notified about shortfall in Municipal Solid Waste Supply/ Municipal Solid Waste with low calorific value, if any.

N. The computation furnished at Page No. 10778, contains single year tariff computation. The Petitioner is required to furnish tariff computation levelized for entire terms of PPA along with financial and operational parameters considered for each year of the PPA terms. The Petitioner is also required to submit tariff filing formats showing all the financial and operational parameters considered for computation of tariff along with supporting documents.

O. With reference to computation at Page No. 10778, the Petitioner is required to submit the details in the following format:

Format E
(Tariff computation)

Sr. No.	Tariff Component	Nature of supporting documents with description	Date as mentioned on the documents	Amount in Rs	Page No.... to....
1	Capital Cost				
a	Plant & Machineries				
b	……..				
2	O & M cost				
a	Pre-processing				
b	Employee cost				
c	Inter-disposal cost				
d	Labour Charges				
	Material handling cost				
	Store and spares				
	Other cost				

P. Confirmation that the Petitioner will enter into separate agreement with the Urban Development Department/Jamnagar Municipal Corporation, as the case may be, for directly raising claim of additional tariff, if any, and direct payment of such additional tariff, if any, by Urban Development Department/Jamnagar Municipal Corporation to the Petitioner and confirmation that the PPA tariff including other terms will not be altered.

Q. Confirmation/information as to whether the Petitioner has availed any financial assistance/subsidy/financial incentive/financial support of any nature, from the State/Central Government and/or its instrumentalities.

4. In response to the above, the Ld. Counsel for the Petitioner, while seeking adjournment, has agreed to place on record such details/ information supported by documentary evidences by way of filing additional submissions on affidavit in the matter for which three weeks' time has been sought, which is not objected by the Respondents.

5. Ms. Pushp Lata, IAS, appearing on behalf of the Respondent No. 1 Urban Development Department, Government of Gujarat, has submitted that the Urban Development Department has recently received a copy of the hearing notice issued by the Commission, however, the copy of the Petition filed by the Petitioner is yet not received by them. Accordingly, she requested the Commission to direct the Petitioner to provide a copy of the Petition along with additional submissions as may be filed by the Petitioner to the Urban Development Department, Government of Gujarat so as to enable them to file their reply on the Petition.

6. The Commission has sought specific response from the Respondent Urban Development Department, Government of Gujarat on the following aspects, once they receive the copy of the Petition along with additional submissions as may be filed by the Petitioner: -

   a) Specific averment that the Urban Development Department is agreeing to determination of project specific tariff by the Commission after prudent check, as a special case, to support MSW project and thereby support scientific disposal of MSW.

   b) The Urban Development Department, Government of Gujarat, is expected to exercise prudent check on each cost items and operational norms claimed by the Petitioner and submit a detailed analysis to the Commission on affidavit with specific averment regarding agreeing / disagreeing with the cost items and operational norms as being claimed by the petitioner.

c) Specific averment with respect to agreeing / denying the claim of petitioner, whenever such claim is made by the Petitioner giving reference to direction / suggestions / guidelines / norms / compliance requirement of environmental norms, issued by Jamnagar Municipal Corporation / Urban Development Department, Government of Gujarat and /or other Govt authorities.

d) Confirmation that Urban Development Department / Jamnagar Municipal Corporation, as the case may be, will enter into separate agreement with the Petitioner for directly raising claim of additional tariff, if any, and direct payment of additional tariff by Urban Development Department / Jamnagar Municipal Corporation to the Petitioner and confirmation that the PPA tariff including other terms will remain intact.

e) Submission on the operational norms and cost claimed by the petitioner, with specific averment regarding reasonability / prudency of norms and costs and views on its admissibility and / or non-admissibility.

f) Confirmation / information in relation to any financial assistance / subsidy / financial incentive / financial support of any nature, from the State / Central Government and / or its instrumentalities, if any, provided to the Petitioner.

g) Information/ clarification as to whether Urban Development Department has granted any in-principle approval / consent for incurring additional expenditure of approximately Rs. 68 Crores as claimed by the Petitioner.

7. In response to the above, the representative appearing on behalf of the Respondent No. 1 Urban Development Department has agreed to file reply on the Petition and specific response to the aforesaid aspects on

affidavit, for which three weeks has been sought for, after the Respondent receive the copy of the Petition and additional submissions filed by the Petitioner.

8. Ld. Adv. Ms. Shrishti Khindaria, appearing on behalf of the Respondent No. 2 GUVNL, has submitted that with consideration of the specific prayer of the Petitioner that the additional tariff, if any, decided by the Commission in the present Petition shall be borne by the State Government and shall not be passed on to the electricity consumers, the Respondent GUVNL has limited role to play in the present matter. She requested the Commission to grant three weeks to file reply on the Petition as well as additional submissions as may be filed by the Petitioner and the response as may be filed by the other Respondents.

9. Heard the parties. We note that when the matter was called out for hearing, the Respondents No. 3 Jamnagar Municipal Corporation and Respondent No. 4 Energy and Petrochemicals Department, Government of Gujarat have neither remained present nor conveyed any communication regarding their inability to attend the hearing although the notice of hearing was issued to them. The Commission has taken serious note of their absence in the present hearing and direct them to invariably remain present in the next hearing.

9.1. We note that the Petitioner has sought time to file additional submissions in response to the queries of the Commission as stated at para 3 above. Hence, let the same be filed on or before 01.10.2026, with a copy to all the Respondents. Further, the Petitioner is directed to ensure serving a copy of the Petition to the Respondent No. 1 Urban Development Department, Government of Gujarat. All the Respondents are directed to file their respective reply on the Petition as well as additional submissions as may be filed by the Petitioner within three weeks after the receipt of additional submissions filed by the Petitioner, with a copy to the Petitioner as well as

other Respondents. The Urban Development Department, Government of Gujarat is also directed to file its response with regard to the queries of the Commission as stated at para 6 above with copy to the Petitioner as well as other Respondents.

9.2. The Respondent No. 3 Jamnagar Municipal Corporation is directed to file its response on the following aspects, with a copy to the Petitioner as well as other Respondents, within three weeks from the receipt of additional submissions as may be filed by the Petitioner: -

a) Specific averment that the Jamnagar Municipal Corporation is agreeing to determination of project specific tariff by the Commission after prudent check, as a special case, to support MSW project and thereby support scientific disposal of MSW.

b) Confirmation that Urban Development Department/Jamnagar Municipal Corporation, as the case may be, will enter into separate agreement with the Petitioner for directly raising claim of additional tariff, if any, and direct payment of additional tariff by Urban Development Department/Jamnagar Municipal Corporation to the Petitioner and confirmation that the PPA tariff including other terms will remain intact.

c) Specific averment on the Municipal Solid Waste based fuel related issues claimed by the Petitioner.

d) Clarification on the aspect of adequacy of Municipal Solid Waste and its quality supplied by the Corporation to the Project.

e) Whether the Petitioner has intimated any issues with respect to quality and quantum of the Municipal Solid Waste required for the generation of electricity for the project.

f) Whether Jamnagar Municipal Corporation has granted any approval/consent, if any, for utilization of RDF/other biomass fuels procured by the Petitioner from the independent sources and as to whether such utilization is permissible under the concession agreement executed between the Jamnagar Municipal Corporation and the Petitioner.

g) The Jamnagar Municipal Corporation is expected to exercise prudent check on each cost items and operational norms claimed by the Petitioner and submit a detailed analysis to the Commission on affidavit with specific averment regarding agreeing/disagreeing with the cost items and operational norms as being claimed by the Petitioner.

h) Specific averment with respect to agreeing/denying the claim of petitioner, whenever such claim is made by the Petitioner giving reference to direction/suggestions/guidelines/ norms/compliance requirement of environmental norms, issued by Jamnagar Municipal Corporation/Urban Development Department, Government of Gujarat and/or other Govt authorities.

i) Submission on the operational norms and cost claimed by the petitioner, with specific averment regarding reasonability/prudency of norms and costs and views on its admissibility and/or non-admissibility.

j) Confirmation/information in relation to any financial assistance/subsidy/financial incentive/financial support of any nature, from the State/Central Government and/or its instrumentalities, if any, provided to the Petitioner.

10. Considering the request for adjournment by the Petitioner on the ground of placing on record such details/ information supported by documentary evidences by way of filing additional submissions on affidavit and the Respondents having no objection to the same, the matter stands adjourned.

11. Next date of hearing will be intimated separately.

12. Order accordingly.

Sd/-	**Sd/-**	**Sd/-**
[Jatin N. Thakkar]	**[Hiren Shah]**	**[Pankaj Joshi]**
Member	**Member**	**Chairman**

Place: Gandhinagar.

Date: 17/09/2026.