

**GUJARAT ELECTRICITY REGULATORY COMMISSION  
(GERC)**



**Tariff Order**

Truing up for FY 2024-25

and

Determination of Revised ARR & Tariff for FY 2026-27

**For**

**Uttar Gujarat Vij Company Limited**

**(UGVCL)**

**Case No. 2584 of 2025**

**25<sup>th</sup> March, 2026**

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(GERC)**

**GANDHINAGAR**

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## ABBREVIATIONS

<b>A&amp;G</b>	Administration and General Expenses
<b>ABR</b>	Average Billing Rate
<b>AG</b>	Agriculture
<b>APTEL</b>	Appellate Tribunal for Electricity
<b>ARR</b>	Aggregate Revenue Requirement
<b>BST</b>	Bulk Supply Tariff
<b>CAPEX</b>	Capital Expenditure
<b>CSS</b>	Cross-Subsidy Surcharge
<b>PGVCL</b>	Dakshin Gujarat Vij Company Limited
<b>DISCOM</b>	Distribution Company
<b>DSM</b>	Deviation Settlement Mechanism
<b>EHV</b>	Extra High Voltage
<b>FPPPA</b>	Fuel and Power Purchase Price Adjustment
<b>FY</b>	Financial Year
<b>GEB</b>	Gujarat Electricity Board
<b>GERC</b>	Gujarat Electricity Regulatory Commission
<b>GETCO</b>	Gujarat Energy Transmission Corporation Limited
<b>GFA</b>	Gross Fixed Assets
<b>GLP</b>	General Lighting Purpose
<b>GoG</b>	Government of Gujarat
<b>GSECL</b>	Gujarat State Electricity Corporation Limited
<b>GUVNL</b>	Gujarat Urja Vikas Nigam Limited
<b>HT</b>	High Tension
<b>Ind-AS</b>	Indian Accounting Standards
<b>kV</b>	kilo Volt
<b>kVA</b>	kilo Volt Ampere
<b>kVARh</b>	kilo Volt Ampere Reactive Hour
<b>kWh</b>	kilo Watt Hour
<b>LT</b>	Low Tension
<b>MCLR</b>	Marginal Cost of Funds based Lending Rate
<b>MGVCL</b>	Madhya Gujarat Vij Company Limited
<b>MUs</b>	Million Units (Million kWh)



<b>MW</b>	Mega Watt
<b>MYT</b>	Multi Year Tariff
<b>O&amp;M</b>	Operation & Maintenance
<b>PF</b>	Power Factor
<b>PGCIL</b>	Power Grid Corporation of India Limited
<b>PGVCL</b>	Paschim Gujarat Vij Company Limited
<b>PPA</b>	Power Purchase Agreement
<b>PWW</b>	Public Water Works
<b>R&amp;M</b>	Repair and Maintenance
<b>RE</b>	Revised Estimate
<b>RGP</b>	Residential General Purpose
<b>RLDC</b>	Regional Load Despatch Centre
<b>RoE</b>	Return on Equity
<b>Rs.</b>	Rupees
<b>SBI</b>	State Bank of India
<b>SLDC</b>	State Load Despatch Centre
<b>UGVCL</b>	Uttar Gujarat Vij Company Limited
<b>WRLDC</b>	Western Regional Load Despatch Centre



**GUJARAT ELECTRICITY REGULATORY COMMISSION**

**GANDHINAGAR**

**Case No. 2584 of 2025**

**Date of the Order: 25/03/2026**

**CORAM**

**Pankaj Joshi, Chairman**

**Hiren Shah, Member**

**Jatin N. Thakkar, Member**

**ORDER**



## 1. Background and Brief History

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### 1.1 Background

Uttar Gujarat Vij Company Ltd., (hereinafter referred to as “UGVCL” or the “Petitioner”) has filed a petition under Section 62 of the Electricity Act, 2003, read with Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2016, for the Truing up of FY 2024-25 and read with Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2024 for Determination of Revised ARR & Tariff for FY 2026-27 on 28<sup>th</sup> November, 2025.

After technical validation, the petition was registered on 10<sup>th</sup> December, 2025 as Case No. 2584 of 2025 for UGVCL and as provided under Regulation 29.1 of the GERC (MYT) Regulations, 2016, and Regulation 26.1 of the GERC (MYT) Regulations, 2024, the Commission has proceeded with this Tariff Order.

### 1.2 Uttar Gujarat Vij Company Limited (UGVCL)

The Government of Gujarat unbundled and restructured the Gujarat Electricity Board with effect from 1st April, 2005. The Generation, Transmission and Distribution businesses of the erstwhile Gujarat Electricity Board were transferred to seven successor companies. The seven successor companies are listed below:

**Generation Company:** Gujarat State Electricity Corporation Limited (GSECL)

**Transmission Company:** Gujarat Energy Transmission Corporation Limited (GETCO)

**Distribution Companies:**

Sr. No.	Name of Company
1	Dakshin Gujarat Vij Company Limited (DGVCL)
2	Madhya Gujarat Vij Company Limited (MGVCL)
3	Uttar Gujarat Vij Company Limited (UGVCL)
4	Paschim Gujarat Vij Company Limited (PGVCL)

Gujarat Urja Vikas Nigam Limited (GUVNL), a holding company of the above named 6 subsidiary companies is responsible for bulk purchase of electricity from various sources and supply to Distribution Companies and also, other activities including trading of electricity.

Government of Gujarat, vide Notification dated 3<sup>rd</sup> October, 2006, notified the final opening balance sheets of the transferee companies as on 1<sup>st</sup> April, 2005. The value of assets and liabilities, which stand transferred from the erstwhile Gujarat Electricity Board to the transferee companies, include Uttar Gujarat



Vij Company Limited (UGVCL). Assets and liabilities (gross block, loans and equity), as on the date mentioned in the notification, have been considered by the Commission in line with the Financial Restructuring Plan (FRP), as approved by Government of Gujarat.

### **1.3 Commission's Order for Approval of True up for FY 2022-23 and Determination of Tariff for FY 2024-25**

The Petitioner filed a petition for Truing-Up of FY 2022-23 and determination of Tariff for FY 2024-25 on 12<sup>th</sup> January, 2024. The petition was registered on 24<sup>th</sup> January, 2024 (Case No. 2321 of 2024). The Commission approved the Truing-Up of FY 2022-23 and determined the Tariff for FY 2024-25 vide order dated 1<sup>st</sup> June, 2024.

### **1.4 Commission's Order for Approval of True up for FY 2023-24 and Determination of Aggregate Revenue Requirement (ARR) for the 4<sup>th</sup> Control Period (FY 2025-26 to FY 2029-30) and Tariff for FY 2025-26.**

The Petitioner submitted the petition for Truing-up of FY 2023-24 and Determination for Aggregate Revenue Requirement (ARR) for the 4<sup>th</sup> Control Period (FY 2025-26 to FY 2029-30) and Tariff for FY 2025-26 on 30<sup>th</sup> November, 2024. After technical validation of the petition, it was registered on 16<sup>th</sup> December, 2024 (Case No. 2421 of 2024). The Commission approved the Truing-Up of FY 2023-24 and Determination of Aggregate Revenue Requirement (ARR) for the 4<sup>th</sup> Control Period (FY 2025-26 to FY 2029-30) & Tariff for FY 2025-26 vide order dated 31<sup>st</sup> March, 2025.

### **1.5 Background of the Present Petition**

The Commission has notified the GERC (MYT) Regulations, 2016 for the Control Period of FY 2016-17 to FY 2020-21. Regulation 16.2(iii) of the GERC (MYT) Regulations, 2016 provides for the truing up of previous year's expenses and revenue based on audited accounts vis-à-vis the approved forecast and categorisation of variation in performance as those caused by factors within the control of applicant (controllable factors) and those caused by factors beyond the control of applicant (uncontrollable factors).

Thereafter, vide orders dated 24.09.2021, 20.10.2022 and 05.12.2023, in Suo Moto Petitions 1995 of 2021, 2140 of 2022 and 2264 of 2023 respectively, the Commission has extended the applicability of this Regulations up to FY 2024-25.

The Commission has notified GERC (MYT) Regulations, 2024 on 6<sup>th</sup> August, 2024 for the Control Period of FY 2025-26 to FY 2029-30. Regulation 16.3.3 of GERC (MYT) Regulations, 2024 provides for determination of Aggregate Revenue Requirement for Distribution Wires Business and Retail Supply Business for each year of the Control Period and tariff for the first year of the Control Period, at the beginning of the Control Period.



## 1.6 Registration of the Petition and Public Hearing Process

The Petitioner submitted the current petition for Truing-up of FY 2024-25 and Determination of Revised ARR & Tariff for FY 2026-27. After technical validation of the petition, it was registered on 10<sup>th</sup> December, 2025 (Case No. 2584 of 2025) and as provided under Regulation 29.1 of the GERC (MYT) Regulations, 2016, and Regulation 26.1 of the GERC (MYT) Regulations, 2024, the Commission has proceeded with this Tariff Order.

In accordance with Section 64 of the Electricity Act, 2003, the Commission directed UGVCL to publish its application in the abridged form to ensure public participation.

The Public Notice, inviting objections / suggestions from the stakeholders on the Truing up and tariff determination petition filed by UGVCL were published in the following newspapers.

**Table 1.1: List of Newspapers (Petitioner- UGVCL)**

Sr. No.	Name of the Newspaper	Language	Date of publication
1	The Indian Express	English	16.12.2025
2	Sandesh	Gujarati	16.12.2025

The Petitioners also placed the public notice and the petition on their website UGVCL ([www.ugvcl.com](http://www.ugvcl.com)), and also hosted on the website of GUVNL i.e. [www.guvnl.com](http://www.guvnl.com), which is holding company of the Four State Owned DISCOMs for inviting objections and suggestions on the petition. The interested parties/stakeholders were asked to file their objections / suggestions on the petition on or before 16<sup>th</sup> January, 2026.

The Commission also placed the petition on its website ([www.gercin.org](http://www.gercin.org)) for information and study of all the stakeholders. The Commission also issued a notice for public hearing in the following newspapers in order to solicit wider participation by the stockholder:

**Table 1.2: Notice for Public Hearing published in the Newspaper**

Sr. No.	Name of the Newspaper	Language	Date of publication
1	The Indian Express	English	12.02.2026
2	Divya Bhaskar	Gujarati	12.02.2026
3	Sandesh	Gujarati	12.02.2026

The Commission received objections/suggestions from the consumers/consumer organizations as shown in the Table below. The Commission examined the objections / suggestions received from the stakeholders and fixed the date for Public Hearing at the Commission's Office for these Petitions on 25<sup>th</sup> February, 2026 at 11:30 AM. The public hearing was conducted in the Commission's Office at Gandhinagar as

scheduled on the above date. The objectors participated in the public hearing and presented their objections.

The status of stakeholders who submitted their written suggestion / objections, those who remained present in public hearing, those who could not attend the public hearings and those who made oral submissions are given in the Table below:

**Table 1.3: List of Stakeholders**

Sr. No.	Name of Stakeholders	Written Submission	Oral Submission	Present on the day of Public hearing
1.	Gujarat Krushi Vij Grahak Surakhshya Sangha	Yes	No	No
2.	Shri Ramesh Bhai N Chaudhary	Yes	Yes	Yes
3.	Gujarat Rajya Udhavan Piyat Sahakari Sangha Ltd.	Yes	Yes	Yes
4.	Indus Towers Ltd.	Yes	Yes	Yes
5.	Yash Complex Co-Operative Housing Service Society Limited	Yes	No	No
6.	Power Foundation of India (PFI)	Yes	No	No
7.	Sachin Industrial Co-operative Society Ltd.	Yes	No	No
8.	All India Consumer Protection & Action Committee	Yes	No	No

A short note on the main issues raised by the objectors in their submissions on the petition, along with the response of UGVCL and the Commission's views on the response, are briefly given in Chapter 3.

### **1.7 Approach of this Order**

UGVCL has approached the Commission with the present petition for Truing up of FY 2024-25 and Determination of Revised ARR & retail supply Tariff for 2026-27.

The Commission has undertaken Truing up for FY 2024-25, including computation of gains and losses for FY 2024-25, based on the submissions of the Petitioner and audited Annual Accounts made available by the Petitioner.

While truing up of FY 2024-25, the Commission has been primarily guided by the following principles:

- Controllable parameters have been considered at the level approved as per the Tariff Order dated 1<sup>st</sup> June, 2024, unless the Commission considers that there are valid reasons for revision of the same.
- Uncontrollable parameters have been revised, based on the actual performance observed.

The Truing Up for FY 2024-25 has been considered, based on the GERC (MYT) Regulations, 2016 & Tariff Order dated 1<sup>st</sup> June, 2024 and Determination of Revised ARR & retail supply Tariff for FY 2026-27 has been done, based on the GERC (MYT) Regulations, 2024 & this Tariff Order.

### **1.8 Contents of this Order**

The Order is divided into **Ten chapters**, as under:

1. The **First Chapter** provides a background of the Petitioner, the petition and details of the public hearing process and approach adopted for this order.
2. The **Second Chapter** provides a summary of the petition.
3. The **Third Chapter** deals with the public hearing process including the Objections raised by Stakeholders, UGVCL's response and the Commission's views on the response.
4. The **Fourth Chapter** deals with the Truing up for FY 2024-25.
5. The **Fifth Chapter** deals with the approval of Revised ARR for FY 2026-27.
6. The **Sixth Chapter** deals with the Cumulative Revenue Surplus/(Gap) for FY 2026-27.
7. The **Seventh Chapter** deals with compliance of the Directives and issue of fresh directives for UGVCL.
8. The **Eighth Chapter** deals with fuel and power purchase adjustment.
9. The **Ninth Chapter** deals with wheeling and cross subsidy surcharges.
10. The **Tenth Chapter** deals with the Tariff philosophy and Determination of retail supply Tariff for FY 2026-27.



## 2. Summary of UGVCL's Petition

### 2.1 Introduction

This chapter deals with highlights of the petition as submitted by UGVCL for truing up of FY 2024-25 and Determination of Revised ARR and Tariff for FY 2026-27.

### 2.2 True-Up for FY 2024-25

UGVCL submitted the petition on 28<sup>th</sup> November, 2025, seeking approval of truing up of ARR for FY 2024-25. UGVCL has worked out its Aggregate Revenue Requirement (ARR) for FY 2024-25 as a part of the True Up for FY 2024-25. UGVCL has presented the actual cost components based on audited annual accounts for FY 2024-25. A summary of the proposed ARR for Truing-up of FY 2024-25 compared with the approved ARR for FY 2024-25 in the Tariff Order dated 1<sup>st</sup> June, 2024 is presented in the Table given below:

**Table 2.1: ARR proposed by UGVCL for FY 2024-25 True up (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Cost of Power Purchase	17,655.11	16,527.82	1,127.29
2	Operation & Maintenance Expenses	925.76	1,128.20	(202.44)
2.1	<i>Employee Cost</i>	<i>811.44</i>	<i>905.43</i>	<i>(93.99)</i>
2.2	<i>Repair &amp; Maintenance</i>	<i>108.47</i>	<i>115.63</i>	<i>(7.16)</i>
2.3	<i>Administration &amp; General Charges</i>	<i>131.63</i>	<i>156.19</i>	<i>(24.56)</i>
2.4	<i>RDSS Metering OPEX</i>	<i>-</i>	<i>54.03</i>	<i>(54.03)</i>
2.5	<i>Other Expenses Capitalised</i>	<i>(125.78)</i>	<i>(103.08)</i>	<i>(22.70)</i>
3	Depreciation	488.47	494.30	(5.83)
4	Interest & Finance Charges	175.24	224.91	(49.67)
5	Interest on Working Capital	-	-	-
6	Bad Debts Written Off	0.42	-	0.42
<b>7</b>	<b>Sub-Total (1 to 6)</b>	<b>19,245.00</b>	<b>18,375.24</b>	<b>869.76</b>
8	Return on Equity	314.95	326.21	(11.26)
9	Provision for Tax / Tax Paid	4.65	207.52	(202.87)
<b>10</b>	<b>Total Expenditure (7 to 9)</b>	<b>19,564.59</b>	<b>18,908.96</b>	<b>655.64</b>
11	Less: Non-Tariff Income	226.96	308.94	(81.98)
<b>12</b>	<b>Aggregate Revenue Requirement (10 - 11)</b>	<b>19,337.63</b>	<b>18,600.01</b>	<b>737.62</b>



### 2.3 Gain/(Loss) sharing in the True-Up for FY 2024-25

UGVCL has claimed the following gain/(loss) sharing in the truing up of FY 2024-25:

**Table 2.2: Summary of Controllable and Uncontrollable Factors for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	Cost of Power Purchase	17,655.11	16,527.82	130.93	996.37
2	Operation & Maintenance Expenses	925.76	1,128.20	(56.04)	(146.40)
2.1	Employee Cost	811.44	905.43	(24.32)	(69.67)
2.2	Repair & Maintenance	108.47	115.63	(7.16)	-
2.3	Administration & General Charges	131.63	156.19	(24.56)	-
2.4	RDSS Metering Opex	-	54.03	-	(54.03)
2.5	Other Expenses Capitalised	(125.78)	(103.08)	-	(22.70)
3	Depreciation	488.47	494.30	-	(5.83)
4	Interest & Finance Charges	175.24	224.91	-	(49.67)
5	Interest on Working Capital	-	-	-	-
6	Bad Debts Written Off	0.42	-	0.42	-
7	Return on Equity	314.95	326.21	-	(11.26)
8	Provision for Tax / Tax Paid	4.65	207.52	-	(202.87)
<b>9</b>	<b>ARR (1 to 8)</b>	<b>19,564.59</b>	<b>18,908.96</b>	<b>75.31</b>	<b>580.33</b>
10	Non - Tariff Income	226.96	308.94	-	(81.98)
<b>11</b>	<b>Total ARR (9-10)</b>	<b>19,337.63</b>	<b>18,600.01</b>	<b>75.31</b>	<b>662.32</b>

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

As shown in the Table below, UGVCL has claimed a Revenue surplus of Rs. 612.70 Crore in the Truing up after considering the gain/(loss) due to controllable/uncontrollable factors:

**Table 2.3: Revenue Surplus / (Gap) as claimed by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Amount
1	Aggregate Revenue Requirement originally approved for FY 2024-25	19,337.63
2	Less: Surplus/(Gap) of FY 2022-23	(389.78)
3	Less: Gain / (Loss) on account of Uncontrollable factor to be passed on to Consumer	662.32



Sr. No.	Particulars	Amount
4	Less: Gain / (Loss) on account of Controllable factor to be passed on to Consumer (1/3rd of Total Gain / Loss)	25.10
<b>5</b>	<b>Revised ARR for FY 2024-25 (1-2-3-4)</b>	<b>19,039.99</b>
6	Revenue from Sale of Power	18,746.82
7	Other Income (Consumer related)	339.24
8	Less Litigation Income	-
<b>9</b>	<b>Total Revenue excluding Subsidy (6+7)</b>	<b>19,086.05</b>
10	Agriculture Subsidy	530.50
11	GUVNL Profit / (Loss) Allocation	36.14
<b>12</b>	<b>Total Revenue including Subsidy (9+10+11)</b>	<b>19,652.69</b>
<b>13</b>	<b>Revised Surplus/(Gap) after treating gains/(losses) due to Controllable/ Uncontrollable factors (12-5)</b>	<b>612.70</b>

## 2.5 Aggregate Revenue Requirement for FY 2026-27

UGVCL, in the petition, sought approval of the Revised ARR & Tariff for FY 2026-27. A summary of the proposed ARR for FY 2026-27 is presented in the Table given below:

**Table 2.4: ARR proposed by UGVCL for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27 Projected
1	Total Cost of Power Purchase	17,994.69
2	Inter-State Transmission Charges	
3	Intra-State Transmission Charges	
4	Operation & Maintenance Expenses	1,414.75
4.a	<i>Employee Expense</i>	906.71
4.b	<i>A&amp;G Expense</i>	136.48
4.c	<i>R&amp;M Expense</i>	193.78
4.d	<i>RDSS Metering Opex</i>	332.52
4.e	<i>Other Expenses Capitalised</i>	(154.74)
5	Depreciation	654.36
6	Interest & Finance Charges	177.55
7	Interest on Working Capital	-
8	Bad debts written off	-
9	Contribution to contingency reserves	68.54
10	Total Revenue Expenditure	20,309.90
11	Return on Equity	376.77
12	Return on Capital Employed	296.32
13	Income Tax	-



Sr. No.	Particulars	FY 2026-27 Projected
14	Revised Aggregate Revenue Requirement	20,982.99
15	Add: DSM expenses	
16	Less: Non-Tariff Income	257.44
17	Less: Income from Other Business	-
18	Less: Income from Wheeling Charges payable by Distribution System Users other than the retail consumers getting electricity supply from the same Distribution Licensee	
<b>19</b>	<b>Revised Aggregate Revenue Requirement</b>	<b>20,725.55</b>

## 2.6 Summary of projected Revenue Surplus/(Gap) for FY 2026-27

The Table below summarises the Aggregate Revenue Requirement, the total revenue with the existing Tariff and the Revenue Surplus/(Gap) projected for FY 2026-27 by UGVCL:

**Table 2.5: Estimated Revenue Surplus/(Gap) for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	2026-27 (Projected)
1	Aggregate Revenue Requirement	20,725.55
2	Less: Revenue Surplus/(Gap) from True up of FY 2024-25	612.70
<b>3</b>	<b>Total Aggregate Revenue Requirement</b>	<b>20,112.84</b>
4	Revenue with Existing Tariff	12074.84
5	Revenue from FPPPA Charges	8,148.19
6	Other Income (Consumer related)	269.05
7	Agriculture Subsidy	526.76
<b>8</b>	<b>Total Revenue including subsidy (4 to 7)</b>	<b>21,018.84</b>
<b>9</b>	<b>Revenue Surplus/(Gap) (8 - 3)</b>	<b>906.00</b>

## 2.7 Proposed Changes in the Tariff Structure for FY 2026-27

UGVCL is proposing minor modification in the existing tariff structure.

### Tariff Proposal

#### (A) Proposed to include Homestay Units under RGP (Rural) and RGP Tariff category for FY 2026-27

- (i) The Petitioner submitted that Industries and Mines Department, Government of Gujarat has notified Draft Homestay Policy 2025 Gujarat Tourism. As per the “Scheme for Assistance to Homestay 2025” under the proposed “Draft Homestay Policy 2025”, Home Stay units are categorised as (i) Home Stay Units, (ii) Heritage Home Stay Units and (iii) Farm Stay Units which will be provided to tourist on payment for boarding and lodging services.



- (ii) In terms of the provisions of Homestay Registration Guideline 2025 under the Draft Homestay Policy 2025, it is provided that Home Stay registered under the guideline will be considered as a property with residential usage.
- (iii) Therewith, all utility bills (such as Property tax, electricity charges etc.,) that are based on building usage shall be considered under residential units accordingly. The unit is eligible to avail all benefits (such as electricity rate) provided by the State or Central Government to residential units as per Residential General-Purpose rates.
- (iv) In light of above, it is proposed to include Homestay Units fulfilling the criteria under the policy and registered with Commissioner of Tourism, Gujarat to be included under the RGP (Rural) and RGP tariff category.

## **2.8 Request of UGVCL**

1. To admit this Petition seeking True up of FY 2024-25, Revised Aggregate Revenue Requirement and Tariff Proposal for FY 2026-27.
2. To approve the True up for FY 2024-25 and allow sharing of gains/ (losses) with the Consumers as per sharing mechanism prescribed in the GERC (MYT) Regulations, 2016.
3. To allow recovery of Revenue Surplus/(Gap) of FY 2024-25 as part of Tariff determination for FY 2026-27.
4. To approve Revised Aggregate Revenue Requirement for FY 2026-27 as submitted by the Petitioner.
5. Pass suitable orders for implementation of Tariff Proposal for FY 2026-27 for making it applicable from 1<sup>st</sup> April, 2026 onwards.
6. To grant any other relief as the Commission may consider appropriate.
7. The Petitioner craves leave of the Commission to allow further submissions, addition and alteration to this Petition as may be necessary from time to time.
8. To continue quarterly FPPAS computation for FY 2026-27 and carry out the true-up of FPPAS along with the annual truing-up exercise.
9. Pass any other Order as the Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.



### **3. Brief outline of objections raised, response from UGVCL and Commission's View**

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#### **3.1 Public Response to the Petition**

In response to the Public Notice inviting objections/ suggestions on the Petitions filed by discoms for Truing up of FY 2024-25 and determination of Tariff and Revised ARR for FY 2026-27 from the stakeholders, a number of stakeholders filed their objections/suggestions in writing and also participated in the Public Hearing. Further, some of the objections are general in nature and some are specific to the proposals submitted by the Petitioner. It is also noted that many of the objections/suggestions are common to all the four discoms and some are specific to the concerned discom. The objections/suggestions connected with the current Petition are segregated into two groups, viz., common to all discoms and specific to the concerned discom. The Commission has addressed the objections/ suggestions issue-wise rather than objector-wise.

These objections/suggestions, the response from the Petitioner, and the views of the Commission are dealt with hereunder:

#### **3.2 Suggestions/ Objections common to all DISCOMs**

##### **Issue No. 1: Power Purchase Cost provisions**

The Objector has submitted that provisions should not be allowed in the Power Purchase Cost.

##### **Response of the Petitioner:**

The Petitioner submitted that the provisions created in the books of accounts are towards liabilities arising from matters that are sub-judice before various judicial and quasi-judicial forums and are subject to final adjudication. Such provisions are made purely as an accounting treatment in accordance with applicable accounting standards and are not claimed or considered as part of tariff determination. Moreover, the Commission approves only the actual power purchase cost incurred.

##### **Commission's Analysis:**

The Commission has noted the response of the Petitioner.

##### **Issue No. 2: Separate Tariff for LT and HT EV Charging Station**

The Objector has submitted that there should be Separate Tariff for LT and HT EV Charging Station.

**Response of the Petitioner:**

The Petitioner submitted that as regard to applicability of Tariff for EV charging Stations, the Commission has determined the separate tariff for LT-EVCS and HT-EVCS category which is already concessional tariff in comparison with corresponding other LT/HT consumer category.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 3: Increase in Grace period from 10 to 15 days for Senior citizen and Delayed Payment Charges**

The Objector has submitted to increase the Grace period from 10 to 15 days for Senior citizen and revision in Delayed Payment Charges.

**Response of the Petitioner:**

The Petitioner submitted that it is not possible for a Distribution Company to discriminate Grace Period for payment of billing related charges based on whether a consumer is senior citizen or not.

Delayed Payment Charges are levied if consumers do not pay the energy bills within given grace period provided, thus it will not be appropriate to revise the DPC.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 4: Reduction in years for Tatkal Category for conversion from Tatkal to Normal**

The Objector has submitted that there should be reduction in years for Tatkal Category for conversion from Tatkal to Normal

**Response of the Petitioner:**

The Petitioner submitted that such Agriculture consumers chose the Tatkal category, naturally he should pay such charges for significant time Therefore, it is not advisable to reduce the years for Tatkal category for conversion from Tatkal to Normal.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 5: Merging of FPPPA in tariff and limited increase of FPPPA**

The Objector has submitted for Merging of FPPPA in tariff and limited increase of FPPPA should be allowed.



**Response of the Petitioner:**

The Petitioner submitted that the basic nature of FPPPA is ‘adjustment’ related to power purchase cost i.e. Pass through of increase or decrease, as the case may be, in the power purchase cost over the base power purchase cost. The FPPPA charge is being levied on the consumer categories on account of the change in the cost of power purchase, which comprises almost 80 to 90% of the Distribution Licensee’s Aggregate Revenue Requirement. Any expense pertaining to the regulated business of the Distribution Licensee has to be recovered from all consumers in some manner; therefore, the FPPPA charges are recovered in the form of an incremental energy charge (Rs/kwh) recovered as per formulae approved by the Commission and as per the methodology approved by the Commission from time to time.

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 6: Rationalization of Tariff slabs for major consumer categories**

The Objector has submitted that there is requirement for Rationalization of Tariff slabs for major consumer categories.

**Response of the Petitioner:**

The Petitioner submitted that Tariff structure is designed keeping in mind the different social, economic, technical, and demographic and other relevant parameters the Commission has been time to time reviewing the Tariff structure and rationalizing the tariff. Moreover, the present Tariff structure has evolved and rationalized over a period of time.

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 7: FPPPA charges to be shown separately**

The Objector has submitted that FPPPA charges to be shown separately in electricity bills.

**Response of the Petitioner:**

The Petitioner submitted that the recovery of FPPPA / FPPAS is undertaken in a transparent and regulated manner. The applicable rate of FPPPA or FPPAS for the relevant billing period is explicitly specified in the consumer's electricity bill as a separate line item, distinctly indicating the surcharge rate and amount recovered. Further, in respect of agricultural consumers, the applicable FPPPA / FPPAS charges are not recovered from the consumers directly but are compensated to the DISCOMs by the State Government through subsidy support, in accordance with prevailing Government policy.



**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 8: Revenue Gap for FY2024-25**

The Objector has submitted that Petitioner has shown the Revenue Gap for FY 2024-25, which is not justified.

**Response of the Petitioner:**

The Petitioner submitted that based on methodology prescribed in GERC (MYT) Regulations 2024, Company has classified various heads of expenses as Controllable & Uncontrollable and accordingly are dealt with for arriving at Revenue Gap for FY 2024-25.

**Commission's Analysis:**

The Commission has noted the objection and the response of the petitioner. Appropriate view has been taken by the Commission in the relevant section of the Order.

**Issue No. 9: Time of use discount offered**

The Objector has submitted that Petitioner has not offered Time of use discount to all consumers.

**Response of the Petitioner:**

The Petitioner submitted that the Time of Use (ToU) discount during solar hours has been extended to pre-paid consumers in the LT category to encourage adoption of smart metering in pre-payment mode. The incentive in the form of ToU discount is intended to promote consumer participation in demand shifting and to accelerate the transition towards advanced metering infrastructure, which enables more efficient load management and improved system operations.

**Commission's Analysis**

The Commission has noted the objection and the response of the Petitioner. Appropriate view has been taken by the Commission in the relevant section of the Order.

**Issue No. 10: Allow usage of power to HTP-IV consumers during 11:00 to 15:00 Hours**

The Objector has submitted to allow usage of power to HTP-IV consumers during 11:00 to 15:00 Hours.

**Response of the Petitioner:**

The Petitioner submitted that allowing unrestricted or regular usage during the daytime period of 11:00 to 15:00 hours would defeat the very purpose of the HTP-IV tariff category and result in unjustified benefit to such consumers, who already enjoy substantially reduced tariff. Since the consumers have consciously

opted for a night-use-specific tariff with associated concessions, it is neither appropriate nor necessary to extend daytime supply beyond the limited relaxation already provided under the tariff.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 11: Prepaid Concession**

The Objector has submitted that Prepaid Concession of 2% should be increased.

**Response of the Petitioner:**

The Petitioner submitted that it was observed that a majority of States are offering rebates or discounts to prepaid consumers in the range of around 2% on energy charges. In line with these prevailing practices, the DISCOMs have proposed separate lower tariff equivalent to rebate of 2% as an incentive for prepaid consumers.

**Commission's Analysis:**

The Commission has noted the objection and the response of the Petitioner. Appropriate view has been taken by the Commission in the relevant section of the Order.

**Issue No. 12: Disallowed RDSS expenses**

The Objector has submitted that RDSS expenses should be Disallowed.

**Response of the Petitioner:**

The Petitioner submitted that the expenditure relates to the operation of pre-paid smart meters and associated infrastructure, which is essential for improving metering efficiency, reducing losses, and ensuring accurate billing. Such Opex is incurred in compliance with the RDSS framework and represents a prudent, directly attributable expense for the DISCOM.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 13: Introduce new non-subsidized category so that GOG's subsidy will be made available to the real, poor and needy farmers**

The Objector has submitted to introduce a new non-subsidized category amongst AG consumers so that GOG's subsidy will be made available to the real, poor and needy farmers.

**Response of the Petitioner:**

The Petitioner submitted that the present Tariff of agricultural is highly subsidized and hence further categorization is not appropriate.



**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 14: Special categories for senior citizens in residential category**

The Objector has submitted that Commission should introduce special categories for senior citizen's residential usage of electricity.

**Response of the Petitioner:**

The Petitioner submitted that it is not possible for a Distribution Company to discriminate Grace Period for payment of billing related charges based on whether a consumer is senior citizen or not. Moreover, it is not desirable to change at this juncture when, DISCOMs are moving from postpaid regime to Pre-payment regime.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 15: New Proposal to include Home Stay unit under RGP category**

The Objector has submitted that New Proposal to include Home Stay unit under RGP category should not be accepted.

**Response of the Petitioner:**

The Petitioner submitted that it is proposed to include only those Homestay Units fulfilling the criteria under the policy and registered with Commissioner of Tourism, Gujarat to be included under the RGP (Rural) and RGP tariff category.

**Commission's Analysis:**

The Commission has noted the objection and the response of the Petitioner. Appropriate view has been taken by the Commission in the relevant section of the Order.

**Issue No. 16: Full implementation of ToD tariff and Adjustment for past period charges**

The Objector has submitted to implement the ToD tariff in full and adjust for past period charges. It is further submitted that Peak hour surcharge is being levied on consumers, but corresponding rebate for consumption during non-peak hours is not being passed on. It is requested to direct the Discoms to implement TOD tariff fully covering both the peak hour surcharge and non-peak hour rebate, so consumer receive balanced and equitable price.

For previous FY, during which the peak hour surcharge was levied without granting the corresponding non-peak hour rebate, differential amount representing rebate that should have been calculated in consumer's bills.



**Response of the Petitioner:**

The Petitioner submitted that the main objective of TOD charges is to reflect the optimal utilization of available resources during peak periods and to ensure cost reflective recovery from consumers. Further, peak hours TOD charges indicate need for shifting consumers demand in such a manner that it aligns with generation profile of the DISCOMs. The Commission in its recent order, recognized that tariff design is a dynamic exercise and that ToD structures may evolve progressively based on data availability, system response, and demand patterns.

**Commission's Analysis:**

T The Commission has noted the objection and the response of the Petitioner. Appropriate view has been taken by the Commission in the relevant section of the Order.

**Issue No. 17: Power factor incentive benefits across all LT Consumer Category**

The Objector has submitted that existing tariff, penalties for poor power factor and rebates for maintaining power factor above 95% under certain HT categories is available. It is requested to extend this benefit uniformly across all LT and HT categories particularly to bulk consumers such as telecom towers. This will encourage consumer to maintain optimal power factor and will also support grid stability and contribute to overall efficiency in electrical distribution.

**Response of the Petitioner:**

The Petitioner submitted that LT consumers are very large in numbers and therefore, it would be very much difficult to manage “kVARh” consumption of all such consumers particularly when rebate or incentive is provided for better power factor.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 18: Open Access charges be determined for MYT control period (5yr)**

The Objector has submitted that Open Access charges be determined for MYT control period (5yr) including LT wheeling Charges and losses be determined under the MYT framework with clear visibility for entire control period.

**Response of the Petitioner:**

The Petitioner submitted that the Commission has been consistently determining Open Access charges through the respective Tariff Orders during each year of the MYT control period, ensuring transparency, regulatory oversight, and alignment with prevailing system conditions.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 19: Remove Variability in FPPPA charges**

The Objector has submitted that FPPPA charges in total energy charges, vary from quarter to quarter, so it is requested to remove the variability through FPPPA charges by releasing them annually.

**Response of the Petitioner:**

The Petitioner submitted that the FPPPA is an adjustment charge towards variation in power purchase cost due to various uncontrollable factors, it may increase or decrease based on variation in actual power purchase cost. As per the provisions of National Tariff Policy, any increase in the Power Purchase cost vis-à-vis power purchase cost approved by the Commission in the DISCOM's ARR/MYT Petition, is to be recovered from consumers through FPPPA charges.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 20: Re-categorisation of Telecom Industry category**

The Objector has submitted to create a specific tariff slab with lower energy charges than prevailing category. Such relaxation will increase the affordability of telecom services.

**Response of the Petitioner:**

The Petitioner submitted that the present tariff structure has evolved and rationalized over a period of time; therefore, no further categorization is required for limited class of consumers.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 21: All data and loss figures pertain to discoms for cost to serve report are prepared by GUVNL and not by respective discoms**

The Objector has submitted that all data and loss figures pertain to discoms for cost to serve report are prepared by GUVNL and not by respective Discoms. On behalf of all DISCOMs, GUVNL has hired an agency for cost to serve report.

Since 1987 to 2025 i.e. for 38 years unmetered consumers are assessed very high, it needs to be reviewed before issue of the tariff order. The Distribution losses for FY 2024-25 are less than theoretical losses in respect of DGVCL and UGVCL and commercial losses are -ve. This can only happen with assumed



unmetered consumption which is very high as compared to actual recorded consumption of agricultural feeders.

**Response of the Petitioner:**

The Petitioner submitted that GUVNL has engaged an independent agency for preparation of the Category-wise Cost to Serve Report on behalf of all DISCOMs in order to ensure uniformity and consistency, since around 80-90% of DISCOM expenses comprise power purchase, which is centrally procured by GUVNL. The data used for the Cost to serve study is furnished by the respective DISCOMs, and GUVNL's role is limited to coordination and consolidation. There is no interference or hidden intent, and the exercise has been carried out in a transparent and professional manner. With regard to agricultural consumption, it is submitted that consumption of metered and unmetered agricultural consumers cannot be directly compared due to inherent differences in financial incentives and consumer behaviour.

As regards technical/theoretical losses, it is submitted that such losses depend on multiple dynamic factors such as line length, configuration, loading pattern, diversity factor, and load factor, which vary year to year. Accordingly, technical losses have been assessed as per the methodology explained in the Cost to serve report and approved by the Commission in past orders.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 22: Cost of Power Purchase and consumption**

The Objector has made certain observations regarding the cost of Power Purchase and consumption by AG consumer category.

**Response of the Petitioner:**

The Petitioner submitted that the allocation of power purchase cost among the four DISCOMs is carried out strictly in accordance with the Bulk Supply Tariff (BST) framework approved by the Commission which was formulated after considering the differing socio-economic conditions, consumer mix, and geographic characteristics of each DISCOM. While socio-economic and geographic conditions differ across DISCOM areas, the approved BST mechanism ensures equitable and transparent allocation of power purchase costs.

Variations in metered and unmetered consumption across DISCOMs arise due to changes in demand pattern, agricultural usage, rainfall, cropping pattern etc. Further, normative consumption for unmetered agricultural consumers continues to be assessed as per scientifically derived norms approved by the Commission, and the same has been consistently followed.



**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 23: Accounting of dumped energy**

The Objector has submitted that inadvertent flow of energy is inevitable phenomena on account of the Open Access consumers and others energy suppliers which are deviating from the schedule of use of consumption. Such dumped energy on account of inadvertent flow is also one of the sources of power supply at zero cost, such energy is to be also accounted and cannot be consider for showing efficiency in reduction of loss.

**Response of the Petitioner:**

The Petitioner submitted that the overall distribution losses are computed as the difference between the energy input recorded at feeder level meters (system input) and the energy recorded at consumer meters, which includes all categories of energy transactions, including wheeling of power under Open Access.

The Commission has, from time to time, provided specific concessions in wheeling losses to eligible Open Access consumers through various orders. These concessions allow such consumers to avail set-offs against actual technical losses of the distribution system. The energy accounting for wheeled energy and treatment of surplus / unutilized energy is carried out in accordance with the applicable Regulations and Orders of the Commission.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 24: Different rate of recovery of FPPPA charges**

The Objector has submitted that different rate of FPPPA are being recovered across Discoms.

**Response of the Petitioner:**

The Petitioner submitted that the stakeholder has considered actual energy sales (MUs) and compared the same with arbitrary FPPPA amount and on such basis has arrived at different recovery rates across DISCOMS. Further, the FPPPA is computed and levied in accordance with the methodology prescribed by the Commission from time to time and recovery of FPPPA is carried out at same rate across all GUVNL DISCOMs

Moreover, in respect of agricultural consumers, the applicable FPPPA / FPPAS charges are not recovered from the consumers directly but are compensated to the DISCOMs by the State Government through subsidy support, in accordance with prevailing Government policy. The same is accounted under



“Revenue from sale of Power” which includes recovery from consumers as well as subsidy from State Government.

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 25: Agriculture Subsidy and T&D loss**

The Objector has submitted that details of Agriculture Subsidy and T&D losses play very important roles in purchase of power for next year on the basis of previous trend of losses. In the absence of these details, the petition is liable for rejection.

**Response of the Petitioner:**

The Petitioner submitted that FPPPA Charges payable by agricultural consumers are not recovered directly from the consumers but are being compensated by the State Government as a subsidy support to agriculture consumers.

Revenue received from agriculture consumers is mentioned in the Annual Accounts of the Petitioner which is inclusive of FPPPA subsidy for tariff compensation from State Government. Similarly, subsidy received from the State Government towards Water Works connections is also mentioned in the Annual Accounts, which is inclusive of Water Works subsidy from State Government.

The FPPPA subsidy received from the State Government and subsidy for Water Works connections have been duly considered in the revenue from Sale of Power for respective category of consumers, both in Annual Accounts of the Company and also in the true up Petition.

With regard to reporting of T&D losses under RIMS/BEE and other reports, it is submitted that such reporting serves a different regulatory and monitoring purpose, wherein the “Overall Distribution losses” of distribution system are reported and considered. The “Overall Distribution loss” are worked out based on input energy recorded in the “Energy Meters” provided at “Feeder Level” (i.e. energy input/sent units in the distribution system and energy recorded in the “Consumers Meter” (i.e. energy output/sold units) during the given period of time. It includes all types of energy transactions including energy transactions due to wheeling of power under open access. The Book of Accounts of Company, provide the figures of the “Distribution Loss” considering the purchase and sale of Power for its retail business only i.e. excluding wheeled energy. Accordingly, in the Tariff Petition loss is considered based on quantum of energy purchased and sold at retail Tariff. Therefore, the losses reported in the any such reports and losses considered in the True up petition based on Books of Accounts, is for different purpose and cannot be compared.



Additionally, performance of all the Distribution Companies is monitored by the Commission and accordingly Distribution Loss is approved by the Commission and any variation in the losses is dealt in accordance with principles of GERC (MYT) Regulations notified by the Commission from time to time. Furthermore, Company takes various steps, narrated as under, for reduction of Distribution Loss. Company makes all efforts for reduction of Distribution losses and endeavours to achieve the Loss reduction trajectory as approved by the Commission.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 26: Uniform rate of DPC and refund**

The Objector has submitted that there should be Uniform rate of DPC and refund.

**Response of the Petitioner:**

The Petitioner submitted that Delayed Payment Charges (DPC) are levied when consumers fail to pay their energy bills within the stipulated due date and grace period and is levied as per the rates provided in the applicable tariff orders. In this regard, it has been consistently recognized that penalty charges are required to be higher than the normal rate of interest, as their objective is to discourage delayed payment and ensure payment discipline, and not merely recovery of financing cost.

Further, the payment of excess charges as defined in the Regulations is governed by statutory provisions under the Electricity Act, 2003 and the applicable Regulations of the Commission, which have a different legal intent and purpose. Such statutory interest provisions relate to refund or adjustment mechanisms and cannot be equated with Delayed Payment Charges, which are penal in nature.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 27: Unmetered Agriculture Sales**

The Objector has sought the details regarding specific consumption and conversion of Unmetered Agriculture Sales. One of the Objector opined that higher un-metered Ag sales is contributing to lower distribution loss.

**Response of the Petitioner:**

The Petitioner submitted that Dr. P.K. Mishra Committee has analysed consumption patterns and consumption parameters in detailed and recommended the assessment of 1700 per HP per Annum for unmetered agricultural connections in a scientific manner. Moreover, study was also undertaken by TERI for the assessing consumption of unmetered Agriculture consumers. It is further submitted that all new



agricultural connections are being provided with meters, and there has been a significant reduction in the number of unmetered agricultural consumers over the years.

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 28: Higher Power Purchase Cost**

The Objector has submitted that there is Higher Power Purchase Cost on account of DSM/UI.

**Response of the Petitioner:**

The Petitioner submitted that the rate of DSM / UI energy varies from time to time as it is linked to system frequency and deviation from schedule, as prescribed by the DSM Regulations. DSM charges are payable as well as receivable, depending on whether the Petitioner overdraw or under draw power from the grid vis-à-vis the scheduled quantum. Thus, DSM transactions are balancing transactions for real-time grid operation

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 29: Employee Expense – Contribution to PF Trusts**

The Objector has submitted that Contribution to PF Trust is part of the Employee expense which could potentially include penal interests that should be borne by the Discom and not allowed to pass through in the ARR.

**Response of the Petitioner:**

The Petitioner submitted Employee expenses form an integral part of the Operation and Maintenance (O&M) expenses as recognized under the applicable regulatory framework. Such employee-related costs are allowable and recoverable as part of O&M expenses in accordance with the relevant regulations.

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 30: Administrative and General Expense**

The Objector has sought the details of Administrative and General Expense.

**Response of the Petitioner:**

The Petitioner submitted that the expenses have been booked in accordance with applicable Accounting Standards and regulatory accounting practices, and are legitimate expenses incurred for carrying out the licensed distribution business.



**Commission's Analysis:**

The Commission has noted the suggestion and response of the Petitioner. Petitioner has provided the requisite details of A&G expenses. The Commission has dealt with the same in the relevant section of this Order.

**Issue No. 31: Non-Tariff Income**

The Objector has sought the treatment of Delayed Payment Charges in Non-Tariff Income.

**Response of the Petitioner:**

The Petitioner submitted that as per the provisions of the GERC Multi Year Tariff GERC (MYT) Regulations, 2016, the amount recovered towards Delayed Payment Charges is not considered as tariff income for the purpose of tariff determination.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 32: NFA approach for Return on Equity**

The Objector has submitted that NFA approach should be adopted for allowing Return on Equity

**Response of the Petitioner:**

The Petitioner submitted that GERC (MYT) Regulations, 2024 specify the applicable depreciation rates for various asset categories and total depreciation allowable on capital cost of asset. In accordance with the provisions of the Regulations, the Petitioners have considered the depreciation and Commission in the tariff order have approved the Depreciation in the MYT Tariff order.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 33: Huge over recovery by discoms resulting into unfair profit and tax claims**

The Objector has submitted that Profits of Discoms have increased sharply in FY 2024-25, Discoms have profits more than their ROE but they do not propose reduction in tariff.

**Response of the Petitioner:**

The Petitioner submitted that Regulation 41.1 of the GERC (MYT) Regulations, 2016 provides that the Commission, in the tariff Order for respective year, shall provisionally approve the income tax payable for each year based on the actual income tax paid as per the latest audited accounts available for the applicant, subject to prudence check. Accordingly, it is submitted that the Income Tax figures approved



in ARR for particular year are not relevant for direct comparison with the actual Income Tax paid in respective year.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 34: Reduction in Electricity Duty**

The Objector has submitted that the Electricity Duty should be reduced.

**Response of the Petitioner:**

The Petitioner submitted that Electricity Duty is being levied as per Provision of Electricity Duty Act and is out of jurisdiction of the tariff determination.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 35: Various details sought by the Objector**

The Objector has sought the various details of Bad Debt accounts, Statement of Creditors/ Debtors, Statement of Ag. Pending Applications, Status Report on unmetered DTC, GoG Rules, resolutions, Order, Notifications & Circulars, Progress of Kisan Suryoday Yojana, Statement of Dues to pay or recover, etc.

**Response of the Petitioner:**

The Petitioner has submitted the details of Bad Debt accounts, Statement of defaulter consumers, Statement of Ag. Pending Applications, Status Report on unmetered DTC, Progress of Kisan Suryoday Yojana, Statement of Dues to pay or recover, Statement of un-recoverable debts, Overload Feeders, New Substation, Claims and Compensation on accidents, Feeders having losses more than 7% to 15%, Status of Releasing of Connections, No. of Feeders having line length more than 5 km, Nos. of Sub-Stations with breakup, Statement of PDC Connections, Statement of applications pending with GGRC, Statement of faulty/ non-working meters, Statement of year-wise Ag. applications rejected/cancelled, Statement of Rural Electrification work in Rural, Statement of Category-wise Agriculture Connections, Statement of Ag connection related with brick, Statement of cases booked under section 126, CGRF Statements, Segregation of total loans, Statement of PDC-RC work, Statement of shifting work, Statement of Performance of PM KUSUM, Statement of FPPPA charges and calculation, Statement of other Various schemes, Statement of circle wise distribution losses, Statement of Specific categories of Ag. Connections, Statement of Billing Amount v/s Collection Efficiency, Statement of existing Nos. of connection animal husbandry, Statement of No of Consumers opted for Green Tariff as sought by the petitioner. Further, it is submitted by the Petitioner that GoG Rules, resolutions, Order, Notifications & Circulars are available on the website of the respective department of State Government.



**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 36: Concessional tariff to the micro-irrigation system**

The Objector has proposed to give Concessional tariff to the Ag consumers using micro-irrigation system.

**Response of the Petitioner:**

The Petitioner submitted that Micro / drip irrigation requires less energy consumption, so they are automatically benefited. Giving benefit to one class of consumer will result into increase in tariff of other class of consumers.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 37: To abolish Tatkal scheme**

The Objector has submitted to abolish Tatkal scheme.

**Response of the Petitioner:**

The Petitioner submitted that Petition was filed by the respondent in regard to above issues vide Petition no. 1087/2011. The Commission has issued the order and disposed of petition.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 38: HTP-V and LTP- Lift irrigation**

The Objector has submitted that for HTP-V and LTP- Lift irrigation category, fixed charge is required to be abolished and further suggested to add certain words for surface water facilities and lifting the water from lake, tank, ponds, houze, sump, cistern, underground tank etc. prepared in the own farm for water collection, check-dams etc.

**Response of the Petitioner:**

The Petitioner submitted that GoG vide GR dated 16.11.2023 has approved for inclusion of following sources namely, river, creek, canal, dam, lake, ravine, Narmada scheme pipeline tank for individual agriculture connection in agricultural land.

Further, as regards to matching the load for LT and HT voltage level, it is to submit that Electricity Supply Code provides for LT connections up to 150 KW and HT connection beyond 100 /150 KVA demand.



**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 39: Strong Objection on inclusion of animal husbandry category in RGP**

The Objector has submitted strong objection on inclusion of animal husbandry category in RGP categories and suggested to remove the condition about number of animals from the tariff schedule.

**Response of the Petitioner:**

The Petitioner submitted that Commission vide Order dated 15.02.2024 after considering the suggestions / comments from Stakeholders has decided the matter about the inclusion of animal husbandry in RGP category until reduction of number of animals.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 40: Transmission and Distribution loss**

The Objector has sought the details of Transmission and Distribution loss.

**Response of the Petitioner:**

The Petitioner submitted that for the year FY 2024-25, Distribution loss level was given as against approved. Distribution losses being controllable factor, the Company has given appropriate treatment to the deviation from approved loss level in the true up petition for FY 2024-25. Since Transmission losses are beyond the control of Distribution Company, the actual transmission losses are considered by the Company

**Commission's View:**

The Commission has noted the suggestion and response of the petitioner. Petitioner has provided the requisite details of T&D losses. The Commission has dealt with the same in the relevant section of this Order.

**Issue No. 41: Transformer failure detail**

The Objector has sought details of Transformer failure.

**Response of the Petitioner:**

The Petitioner submitted the Distribution Transformer failure rate for the Company for FY 2024-25.

**Commission's View:**

The Commission has noted the response of the Petitioner.



**Issue No. 42: Consumer Charter**

The Objector has sought that Consumer Charter to be published.

**Response of the Petitioner:**

The Petitioner submitted that Consumer Charter is prepared for all categories of consumers including agricultural consumers.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 43: Mobile van for bill collection in rural area**

The Objector suggested to start Mobile van facility for bill collection in rural area.

**Response of the Petitioner:**

The Petitioner submitted that besides bill collection at Sub-Division offices facilities for payment of bills in rural areas are available through E-gram, collection through bank and agencies, village cash collection and different modes for online collection.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 44: Interest on working capital is not grantable**

The Objector has submitted that Interest on working capital is not grantable when ROE is given.

**Response of the Petitioner**

The Petitioner submitted that in true up petition for FY 2024-25, Petitioner has not claimed any Interest on working capital. Further, as regard to Return on Equity, for FY 2024-25, RoE is worked out as per GERC (MYT) Regulations, 2016, whereas for FY 2026-27, the projection is made considering the provisions of GERC (MYT) Regulations, 2024.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 45: Projection of power purchase cost is too high**

The Objector has submitted that Projection of power purchase cost is too high.

**Response of the Petitioner:**

The Petitioner submitted that to optimize overall power purchase cost, purchase of power from various sources on real time basis is done following the merit order principle wherein power from various sources



is scheduled in the ascending order of variable cost i.e. power from cheaper sources is scheduled first and thereafter costlier power till the demand of consumers is met on real time basis. Petitioner has submitted necessary details of all power purchase sources in the petition and projection is done considering the principles/methodology laid down in the GERC (MYT) Regulations, 2024.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 46: Fixed charges on residential categories to be abolished**

The Objector has submitted that Fixed charges on residential categories needs to be abolished.

**Response of the Petitioner:**

The Petitioner submitted that these fixed costs include fixed charges paid to power plants, recurring costs of capital expenditure such as interest costs, depreciation and other O&M expenses etc. Further, only part of actual fixed cost paid is recovered through fixed charges. Therefore, it is not possible for DISCOMs to abolish fixed charges.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 47: GUVNL Trading Margin of Rs. 0.04 per unit**

The Objector has submitted that GUVNL Trading Margin of Rs. 0.04 per unit is to be reduced at Rs. 0.01 per unit.

**Response of the Petitioner**

The Petitioner submitted that though GUVNL is entitled to claim Rs. 0.04/Unit trading margin, GUVNL has instead of claiming any trading margin over and above power purchase cost incurred by it on behalf of subsidiary DISCOMs, GUVNL has allocated less power purchase cost to the DISCOMs. The power purchase cost for DISOCMs as per books of GUVNL is Rs. 71552 Crores against which cost allocated to DISCOMS for FY 2024-25 is Rs. 68376 Crores i.e. lesser amount instead of recovering any amount of trading margin from DISCOMs.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 48: Copy of all the policy decisions, guidelines**

The Objector has sought copy of all the policy decisions, guidelines, circulars issued by GUVNL related and affecting to the consumers for last three years.



**Response of the Petitioner:**

The Petitioner submitted that the copy of order/ regulations / code /standard published by the Commission are available in public domain. Similarly, any communications to field offices which impacts general consumers such as change in FPPPA rate etc., are also available on GUVNL / DISCOMs website.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 49: The effect of GoG's decision**

The Objector has submitted that the effect of GoG's decision to reduce partially the fixed charges on metered Agriculture connections are not included in the tariff proposal for FY 2026-27.

**Response of the Petitioner:**

The Petitioner submitted that recovery from consumers in subsidised categories is effected at a reduced or differential tariff rate and any subsidy support from State Government is accounted under "Revenue from sale of Power" which includes recovery from consumers as well as subsidy from State Government.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 50: Information related to Power Purchase Agreement**

The Objector has sought the information related to Power Purchase Agreement for Purchase of power from Different Sources under Short Term and Long-Term Power Purchase Agreement.

**Response of the Petitioner:**

The Petitioner submitted that Tariff for entire power purchased by DISCOM/GUVNL is determined/ approved by the appropriate Commission. In real time power procurement follows merit order dispatch principles. Thus, all relevant information related to power purchase agreement are made available in public domain from time to time as a part of tariff determination/tariff adoption proceedings before the GERC / CERC.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 51: More No. of Administrative offices are required to be created**

The Objector has submitted that more no. of Circle offices are required to be established. The Objector has further submitted that all the 34 districts must have a separate circle office other than Mahanagarpalika areas because populations and Nos. of connections are increased many folds.

**Response of the Petitioner:**

The Petitioner submitted that the matter does not pertain to tariff determination; However, it is to submit that administrative offices are created for convenience of administration for the Company as well as consumers. Accordingly, as per the requirements, Company shall undertake creation of new offices.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 52: Tariff for Piyat Sahkari Society**

The Objector has submitted that Piyat Sahkari Society tariff to be reduced to 50 paisa from current 80 paisa/unit.

**Response of the Petitioner:**

The Petitioner submitted that as per the National Tariff Policy, the electricity tariffs of any category of electricity consumers should be within +/-20% of the average cost of supply (i.e. within 80% to 120% of the average cost of supply). However, in case of Agricultural consumers the average realization is around 68% of the average cost of Supply including the subsidy support provided by the State Government to agricultural consumers. Thus, the realization from agricultural consumer is significantly lower and it is challenging to provide further relief in the agricultural tariff.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 53: Smart pre-paid meter billing and enabling of dashboard facility for bulk consumers with multiple connection & Disconnection process of Telecom sector**

The Objector has submitted that Smart pre-paid meter billing and enabling of dashboard facility for bulk consumers with multiple connection to be introduced for is of monitoring. The objector has further submitted that the Telecom sector, being an "essential service", any disconnection of supply should require prior approval from the Chief Engineer or an Equivalent Senior authority. This will ensure continuity of critical services and align with national priorities for digital infrastructure.

**Response of the Petitioner:**

The Petitioner has not submitted any response to the above suggestion.

**Commission's Analysis:**

The Commission has noted the suggestion and advise the Petitioner to look into the matter.

### **Issue No. 54: Complete ARR for FY 2026-27**

The Objector has submitted that DISCOM has not filed complete ARR for FY 2026-27. APTEL vide its judgement dated 11.11.2011 in OP No. 1 of 2011 has directed that ARR and Tariff determination should be conducted on annual basis.

#### **Response of the Petitioner:**

The Petitioner submitted the Commission, vide Tariff Order dated 31.03.2025, has approved the ARR for the Control Period FY 2025-26 to FY 2029-30 in accordance with the GERC (MYT) Regulations, 2024. As per the (MYT) Regulations, the Distribution Licensees are required to submit annual true-up and revised forecast of ARR for the ensuing year of the Control Period on the basis of audited accounts and updated projections.

#### **Commission's Analysis:**

The Commission has noted the response of the Petitioner.

### **3.3 Matters related to UGVCL**

#### **Issue No. 55: Day time power supply to farmers**

The Objector has submitted that Day time power supply to be provided to farmers for agricultural activities.

#### **Response of the Petitioner:**

The Petitioner submitted the details of number of Villages where day time power supply is being provided.

#### **Commission's View:**

The Commission has noted the response of the Petitioner.

#### **Issue No. 56: Quantum and quality of supply to Agriculture**

The Objector has submitted concern about Quantum and quality of supply provided to Agriculture category. It is stated that percentage of Ag supply units is decreased from 49.03% to 17% and the same for industry is increased to 63% and power supply hours also decreased in Ag from 16 to 8 hours.

#### **Response of the Petitioner:**

The Petitioner submitted that with regard to issue of quantum of energy as raised in the response, it is to clarify that large nos. of agriculture consumers are un-metered and energy consumed by such consumer is assessed on the basis of consumption criteria of 1700 Units/HP/Annum. Earlier the assessment for consumption by agriculture consumers were being made based on different methodology involving theoretical loss level of the feeders, and therefore it is not appropriate to compare with the quantum of



energy supplied to the agriculture consumers. However, as stated above average 8 hours power supply is given to the agriculture consumers and there is no curtailment in power supply to agricultural sector.

**Commission's View:**

The Commission has noted the response of the Petitioner.

**Issue No. 57: FPPPA to be allowed once in a year**

The Objector has submitted that FPPPA to be allowed once in a year.

**Response of the Petitioner:**

The Petitioner submitted that the FPPPA charges are towards adjustment due to increase or decrease in actual power purchase cost during the year vis-à-vis power purchase cost approved by the Commission. Since, FPPPA is an adjustment charge towards variation in power purchase cost due to various uncontrollable factors, it may increase or decrease based on variation in actual power purchase cost.

It is further to mention that Hon'ble GERC has approved the methodology for computation of FPPPA charges wherein GUVNL/DISCOMs is submitting computation as per the methodology and approved formula before Hon'ble GERC and are collecting FPPPA charges from consumers, after approval of commission. Moreover, in past periods wherein the worked out FPPPA was on higher side on account of steep rise in landed cost of generation, DISCOMs had levied FPPPA charge at lower rate as compare to the actual FPPPA worked out to avoid sudden tariff shock to consumers.

Moreover, in case of lower FPPPA, DISCOMs has appropriately reduced the FPPPA rate to be recovered from consumer to pass on the benefit of the same to consumer.

Additionally, to economize the overall power purchase cost, DISCOMs are procuring power from RE sources such as wind, solar etc. at cheaper rate and also procuring power from the power exchanges whenever available at cheaper rate as compared to higher marginal stations as per the prevailing demand supply scenario.

Accordingly, DISCOMs through various measures are trying to economize the overall power purchase cost in the interest of general body consumers and to provide quality power supply in the State.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 58: Regarding different types of electricity rates for agricultural consumers**

The Objector has submitted that there are different types of electricity rates for agricultural consumers:

**Response of the Petitioner:**

The Petitioner submitted that the Commission in terms of the Section 61 to 64 of the Electricity Act 2003 read with GERC (MYT) Regulations, determines the Tariff for Various Category of Consumers.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 59: Regarding the reduction of agricultural electricity tariffs & subsidy**

The Objector has submitted that there should be reduction of agricultural electricity tariffs & subsidy.

**Response of the Petitioner:**

The Petitioner submitted that as per the National Tariff Policy, the electricity tariffs of any category of electricity consumers should be within +/-20% of the average cost of supply (i.e. within 80% to 120% of the average cost of supply). However, in case of Agricultural consumers the average realization is around 68% of the average cost of Supply including the subsidy support provided by the State Government to agricultural consumers. Thus, the realization from agricultural consumer is significantly lower and it is challenging to provide further relief in the agricultural tariff.

**Commission Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 60: Transparency regarding solar export vs import units**

The Objector has submitted that there should be transparency regarding solar export vs import units. GUVNL pays very less tariff to the solar generators, whereas it collects higher charges from consumers.

**Response of the Petitioner:**

The Petitioner submitted that the tariff applicable to electricity consumed by the consumer from the DISCOM includes the entire cost of supply, comprising power purchase cost (including fixed and capacity charges), transmission and distribution network costs, operation and maintenance expenses etc. and regulations and tariff determined by the commission, the applicable charges/tariff are paid/recovered.

**Commission's Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 61: Fix charges, Fuel Charges and Electricity Duty should be removed**

The Objector has submitted that Fix charges, Fuel Charges and Electricity Duty should be removed.



**Response of the Petitioner:**

The Petitioner submitted that DISCOMs incurs substantial “fixed costs” in maintaining the power supply to consumers. These fixed costs include fixed charges paid to power plants, transmission charges, recurring costs of capital expenditure such as interest costs, depreciation and other O&M expenses etc.

Further FPPPA/FPPAS is ‘adjustment’ related to power purchase cost i.e. pass through of increase or decrease, as the case may be, in the power purchase cost over the base power purchase cost approved by the Commission in the tariff order. The FPPPA charge is being levied on the consumer categories on account of the change in the cost of power purchase and the power purchase cost comprises of almost 80 to 90% of the Distribution Licensee’s /Aggregate Revenue Requirement.

As regard to levy of electricity duty, it is submitted that the matter is not pertaining to determination of tariff and is a statutory charge levied by State Government.

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 62: Subsidy details from Government**

The Objector has sought the Subsidy details from Government.

**Response of the Petitioner:**

The Petitioner submitted that Subsidy received from the State Government for agricultural connections has already been provided in Tariff Petition and also in the annual accounts.

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner.

**Issue No. 63: Estimate charges for LT & HT connection for Piyat Sahkari Society**

The Objector has submitted to reduce the estimate charge in LT & HT connection sought by Piyat mandalis.

**Response of the Petitioner:**

The Petitioner submitted that this is not related to tariff

**Commission’s Analysis:**

The Commission has noted the response of the Petitioner. However, Petitioner is advised to look into the matter and compliance to be submitted within 30 days.



## 4. Truing up of FY 2024-25

This Chapter deals with the truing up of FY 2024-25.

UGVCL, in its submission for True-up of FY 2024-25, has furnished details of the actual energy sales, expenditure and revenue based on the audited Annual Accounts for FY 2024-25. The Licensee has stated that the truing up for FY 2024-25 is based on the comparison of the actual performance of FY 2024-25 with the ARR approved for FY 2024-25 in the Tariff Order dated 1<sup>st</sup> June, 2024 to arrive at the Gains/(Losses), as per the GERC (MYT) Regulations, 2016.

The Commission has analysed the components of the actual energy sales, expenses, revenue, and computed Gains/ (Losses) in the process of truing up for FY 2024-25.

### 4.1 Energy Sales

#### Petitioner's Submission

The Petitioner has submitted that the actual category wise sales for FY 2024-25 were 29877.19 MUs as against the approved sales of 29585.00 MUs. The actual sales for FY 2024-25 is more than the approved sales in the LT consumer category leading to overall increase in the sales in FY 2024-25 over the approved levels.

The Table below highlights the comparison of actual category wise sales of UGVCL against that approved by the Commission vide its Tariff Order:

**Table 4-1: Category-wise sales for FY 2024-25 as submitted by UGVCL (MUs)**

Sr. No.	Particulars	Sales	
		FY 2024-25 (Approved)	FY 2024-25 (Actual)
<b>A</b>	<b>LT Consumers</b>		
1	RGP	3,252.00	3,460.62
2	GLP	141	147.45
3	Non-RGP & LTMD	2,870.00	3,026.45
4	Public Water Works	1,080.00	1,143.12
5	Agriculture – Metered	4,435.00	4,090.76
6	Agriculture – Unmetered	6,584.00	6,808.65
7	EV	-	-
	<b>LT Total (A)</b>	<b>18,362.00</b>	<b>18,677.05</b>
<b>B</b>	<b>HT Consumers</b>		
8	Industrial HT	11,223.00	11,200.14



Sr. No.	Particulars	Sales	
		FY 2024-25 (Approved)	FY 2024-25 (Actual)
9	Railway Traction	-	-
10	EV	-	-
	<b>HT Total (B)</b>	<b>11,223.00</b>	<b>11,200.14</b>
	<b>Grand Total (A + B)</b>	<b>29,585.00</b>	<b>29,877.19</b>

### Commission's Analysis

The Commission, in the Tariff Order dated 1<sup>st</sup> June, 2024, had approved the energy sales of 29585 MUs for FY 2024-25 against which, UGVCL has submitted the actual sales of 29877.19 MUs, which has been verified by the Commission from the submissions of the Petitioner.

Further, the Commission has verified the audited accounts submitted by the Petitioner and found that the sales figure of FY 2024-25 as submitted is in line with the audited figures of FY 2024-25.

Overall, the actual energy sales of UGVCL are higher as compared to that approved in the Tariff Order dated 1<sup>st</sup> June, 2024. As energy sales are largely uncontrollable in nature, the Commission approves the actual energy sales as detailed in the Table below:

**Table 4-2: Energy sales approved in truing up for FY 2024-25 (MUs)**

Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed in Truing Up	Approved after Truing Up
<b>A</b>	<b>LT Consumers</b>			
1	RGP	3,252	3460.62	3460.62
3	Non-RGP & LTMD	2,870	3026.45	3026.45
4	Public Water Works	1,080	1143.12	1143.12
5	Agriculture- Metered	4,435	4090.76	4090.76
6	Agriculture- Unmetered	6,584	6808.65	6808.65
7	Electric Vehicle Charging		-	-
	<b>LT Total (A)</b>	<b>18,362</b>	<b>18677.05</b>	<b>18677.05</b>
<b>B</b>	<b>HT Consumers</b>			
8	Industrial HT	11,223	11200.14	11200.14
9	Railway Traction		-	-
10	Electric Vehicle Charging		-	-
	<b>HT Total (B)</b>	<b>11,223</b>	<b>11200.14</b>	<b>11200.14</b>
	<b>Grand Total (A+B)</b>	<b>29585</b>	<b>29877.19</b>	<b>29877.19</b>



## 4.2 Distribution Losses

### Petitioner's Submission

UGVCL has submitted that in FY 2024-25, the actual distribution losses were 6.23% as against the approved level of 7.00%.

The Table below highlights the comparison of actual distribution losses of UGVCL against that approved by the Commission vide its Tariff Order:

**Table 4.3: Distribution Loss for FY 2024-25 as submitted by UGVCL (%)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)
1	Distribution Losses	7.00%	6.23%

The GERC (MYT) Regulations, 2016 categorises the Distribution Losses as a controllable factor and accordingly any gain or loss on account of this would be shared with the consumers as per the provisions of the regulations.

UGVCL submitted that there has been a decrease in distribution losses during FY 2024-25. The Commission had approved the distribution loss levels for UGVCL at 7.00% for FY 2024-25 and the actual loss achieved were 6.23% for FY 2024-25. However, considering the consumer profile of UGVCL which is dominated by agriculture sector, the loss levels are significantly impacted by the monsoon and such other factors impacting agriculture sector and hence it is difficult to maintain the losses at lower levels consistently. UGVCL try to consistent endeavour to maintain losses at optimal level.

Since UGVCL has losses lower than those approved by the Commission, its impact has been discussed in the section relating to power purchase and the gains/(losses) have been accounted appropriately.

### Commission's Analysis

The Petitioner has submitted that the actual distribution losses are 6.23% against 7.00% approved in the Tariff Order dated 1<sup>st</sup> June, 2024. The Commission noted the justification submitted by UGVCL that the DISCOM is dominated by the agriculture sector and the loss levels are significantly impacted by the monsoon and such other factors impacting the agriculture sector. Considering the actual sales of 29,877.19 MUs, the Distribution Loss in FY 2024-25 works out to 6.23%.

The Commission considers Distribution Losses as controllable as per the GERC (MYT) Regulations, 2016. Accordingly, the Commission has considered the Distribution Losses of 6.23% as shown in the Table below for computation of Gain/(Loss) due to variance in Distribution Losses:

**Table 4.4: Distribution Losses approved for truing up for FY 2024-25 (%)**

Particulars	Approved in the Tariff Order	Actual Claimed	Approved in True Up
Distribution Losses (%)	7.00%	6.23%	6.23%

### 4.3 Energy Requirement and Energy Balance

#### Petitioner's Submission

UGVCL has submitted requirement of the company for FY 2024-25 based on actual sales and the actual distribution loss the gross energy in the Table below:

**Table 4.5: Energy Requirement and Energy Balance submitted by the UGVCL for FY 2024-25**

Sr. No.	Particulars	Unit	FY 2024-25 (Approved)	FY 2024-25 (Actual)
1	Energy Sales	MUs	29,585.33	29,877.19
2	Distribution Losses	MUs	2,226.85	1,983.38
		%	7.00%	6.23%
3	<b>Energy Requirement</b>	<b>MUs</b>	<b>31,812.18</b>	<b>31,860.57</b>
4	Less: Local Power Purchase by Discoms	MUs	600.03	593.16
5	<b>Power Purchase at T&amp;D periphery from GUVNL</b>	<b>MUs</b>	<b>31,212.15</b>	<b>31,267.41</b>
6	Transmission Losses	MUs	1,246.61	1,099.09
		%	3.84%	3.3958%
7	<b>Total Energy to be input to Transmission System</b>	<b>MUs</b>	<b>32,458.76</b>	<b>32,366.50</b>
8	Pooled Losses in PGCIL System	MUs	635.41	548.23
9	Add: Local Power Purchase by Discom	MUs	600	593.16
10	<b>Total Energy Requirement</b>	<b>MUs</b>	<b>33,694.20</b>	<b>33,507.89</b>

UGVCL has submitted that the gross energy requirement for sale to the consumers in FY 2024-25 was 33,507.89 MUs as compared to 33,694.20 MUs as approved by the Commission. The decrease in energy requirement is primarily on account of lower distribution loss as compared to approved.

#### Commission's Analysis

UGVCL has computed the energy requirement based on the actual Distribution Losses of 6.23%, actual energy sales of 29,877.19 MUs and Transmission Losses of 3.40%.



In reply to query on PGCIL system losses of 548.23 MU, UGVCL submitted that PGCIL system pooled losses are worked out as per the weekly Pooled Losses notified by WRLDC for the energy scheduled by WRLDC through CTU for FY 2024-25.

Further, for the calculation of Energy Requirement, the Commission has examined the audited accounts of the Petitioner and found out the sales figure during FY 2024-25 submitted in the Petition are in line with the audited figures. Accordingly, the Commission has considered the same for further calculations.

The Commission had approved the distribution losses of 7.00% and the transmission losses of 3.84% in the Tariff Order dated 1<sup>st</sup> June, 2024. The Commission has worked out the energy requirement of 33,507.89 MUs in truing up of FY 2024-25, considering the actual Distribution Loss of 6.23% and actual intra-State Transmission Loss of 3.40%, as shown in the Table below:

**Table 4.6: Energy Requirement approved by the Commission in truing up for FY 2024-25**

Sr. No.	Particulars	Unit	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing Up
1	Energy Sales	MU	29,585.33	29,877.19	29,877.19
2	Distribution Losses	MU	2,226.85	1,983.38	1,983.38
		%	7.00%	6.23%	6.23%
3	Energy Requirement	MU	31,812.18	31,860.57	31,860.57
4	Local Power Purchase by DISCOM	MU	600.03	593.16	593.16
5	Power Purchase at T&D periphery from GUVNL	MU	31,212.15	31,267.41	31,267.41
6	Transmission Losses	MU	1,246.61	1,099.09	1,099.09
		%	3.84%	3.3958%	3.40%
7	Total Energy to be input to Transmission System	MU	32,458.76	32,366.50	32,366.50
8	Pooled Losses in PGCIL System	MU	635.41	548.23	548.23
9	Add: Local Power Purchase by Discom	MU	600.03	593.16	593.16
<b>10</b>	<b>Total Energy Requirement</b>	MU	<b>33,694.20</b>	<b>33,507.89</b>	<b>33,507.89</b>

#### 4.4 Power Purchase Cost

##### Petitioner's Submission

UGVCL submitted that it has been currently allocated share of generation capacities as per the scheme worked out by GUVNL. In order to minimize power purchase cost, GUVNL adopts the Merit Order Despatch principles for despatching power from the generating stations based on the demand and accordingly power gets allocated to UGVCL.



The actual power purchase from GUVNL is different from allocation because the demand from UGVCL is not constant and it varies from time to time.

The total power purchase cost of UGVCL for FY 2024-25 consists of the basic power purchase cost, transmission charges payable to GETCO and PGCIL, SLDC charges and the DISCOM's share of GUVNL cost.

In the FY 2024-25, GUVNL has made new provisions of Rs. 1,793.86 Crore towards power purchase related liabilities towards various generators. There was no actual utilisation against such liabilities in FY 2024-25. Accordingly, the net amount of Rs. 1,793.86 crore will be allocated to each of the DISCOM in the ratio of their actual power purchase which is also in line with approach taken by Commission in the past.

The Petitioner has submitted the allocation of provisions to DISCOM as under:

**Table 4.7: Allocation of Provisions of Power Purchase Cost to DISCOMs for FY 2024-25 (Rs. Crore)**

Particulars	DGVCL	MGVCL	PGVCL	UGVCL	Total
Power Purchase	21,617.83	8,376.93	21,852.24	16,970.18	68,817.18
Allocation of provisions made in Power Purchase Cost	563.51	218.36	569.62	442.36	1,793.86

Based on the same, the comparison of the approved and the actual cost of power purchase are as shown below:

**Table 4.8: Net Power Purchase Cost as submitted by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)
<b>A</b>	<b>Cost</b>		
1	Power Purchased from GUVNL		16,974.21
2	Power purchase from Windfarm		4.75
3	Power Purchased from Solar		147.42
4	Purchase of power from Renewable Attribute		2.71
5	Purchase of power from Hybrid		0.65
6	SLDC Charges		5.66
7	DSM Income payable		(165.23)
	<b>Total Cost</b>		<b>16970.18</b>
<b>B</b>	<b>Less: Income</b>		
1	Allocation of provisions made in Power Purchase Cost		442.36
2	DSM Income Receivable		
	<b>Net Power Purchase Cost</b>	<b>17,655.11</b>	<b>16,527.82</b>



UGVCL submitted that the variation in the approved and the actual power purchase expenses is on account of various reasons including change in approved cost of power, change in quantum of power purchased, changes in the transmission charges payable, etc.

The quantum of power purchase depends upon the sales during the year as well as the losses in the system. The actual distribution losses in UGVCL distribution network have been lower than the approved level, however, the sales have been higher than the approved sales. Hence, the quantum of power purchased was lower than the approved quantum of power required.

As per the GERC (MYT) Regulations, 2016, the Commission has categorised the variation in the price of fuel and/or price of power purchase according to the FPPPA formula approved by the Commission as an uncontrollable factor. Further, the Commission has also identified the variation in the number or mix of consumers or quantity of electricity sold to consumers as an uncontrollable factor. Thus, the variation in the above factors affects the power purchase expenses and results into either a loss or gain. Accordingly, any gain or loss on this account is to be entirely passed on to the consumers as per the methodology approved by the Commission.

**Table 4.9: Gain/ (Loss) on account of Distribution Losses as submitted by UGVCL for FY 2024-25**

Sr. No.	Particulars	Unit	FY 2024-25 (with Approved Distribution Losses)	FY 2024-25 (with Actual Distribution Losses)
1	Energy Sales	MUs	29,877.19	29,877.19
2	Distribution Losses	MUs	2,248.82	1,983.38
		%	7.00%	6.23%
<b>3</b>	<b>Energy Requirement</b>	<b>MUs</b>	<b>32,126.01</b>	<b>31,860.57</b>
4	Saving due to Distribution Losses	MUs		265.44
5	Average Power Purchase Cost	Rs./Unit		4.93
6	Gain/(Loss) due to Dist. Losses	Rs. Crore		130.93

As can be seen from the above, the total gain on account of lower distribution losses as compared to approved is Rs. 130.93 Crore. This gain/(loss) is categorised as on account of controllable factors, and the appropriate treatment is given below:

**Table 4.10: Gains/(Loss) on account of Power Purchase Expenses for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Total Power Purchase Cost	17,655.11	16,527.82	130.93	996.37



UGVCL submitted that as can be seen from the above table, the power purchase gain/(loss) due to controllable & uncontrollable factors are Rs. 130.93 Crore and Rs. 996.37 Crore respectively which would have to be passed on to the consumers as per the methodology approved by the Commission.

### **Commission's Analysis**

The Commission has examined the power purchase cost during FY 2024-25 based on the audited Annual Accounts of UGVCL. Further, the Commission observed from the Annual Accounts of GUVNL, wherein it is stated that the power purchased from the Generators (State Owned, Independent Power Producers, Central Sector and others) is accounted as per the provisions of PPAs and / or Orders issued by the appropriate Commission. Further, total power purchase cost of UGVCL for FY 2024-25 consists of the basic power purchase cost, transmission charges payable to GETCO, PGCIL, SLDC and DSM Charges.

Furthermore, the Commission had asked UGVCL to provide details of allocation of Rs. 442.36 Cr out of the total provision of Rs. 1793.86 Cr made by GUVNL towards power purchase cost related liabilities towards various generators by GUVNL.

UGVCL replied that, considering different matters pending in various forums and estimated as per the orders of competent courts/best estimation basis, total provision made during FY 2024-25 was Rs. 1851.34 Crore. Further, out of provision made during earlier years, amount of Rs. 57.48 Crore were utilized/reversed during FY 2024-25. Accordingly, net provision in books of accounts during FY 2024-25 was Rs.1793.86 Crore.

Further, the above provisions made during FY 2024-25 were not claimed or considered during computation of FPPPA, However, the amount utilized from provision have been claimed in FPPPA for FY 2024-25. The detailed re-reconciliation of amount of power purchase cost claimed in FPPPA vis-à-vis total power purchase cost as per books of account is provided in the data gaps.

Accordingly, provisions of Rs. 442.36 Cr had been allocated to UGVCL on account of aforesaid reasons for FY 2024-25.

The net impact of Rs. 16,527.82 Crore (i.e. Rs. 16,970.18 Crore – Rs. 442.36 Crore) had been apportioned as a part of power purchase expense and the same is part of GUVNL's Annual Accounts.

In response to the query about reconciliation of power purchase cost with FPPPA submissions and additional surcharge submission, the Petitioner submitted that FPPPA submission is based on the payment made during respective quarter which do not include un-discharged liability /provisions etc. but includes amount paid during quarter for which liability is accrued and booked in previous year. Moreover, annual accounts are prepared on the basis of Indian Accounting Standards (IND-AS) which includes undischarged liabilities, provisions etc. on account of matters pending in various forums and estimated as



per the orders of competent courts/ best estimation basis. Additionally, deviation in FPPPA submission and books of accounts is on account of various other reasons such as (i) amount claimed / credited in FPPPA on account of actual payment but part of pervious year books, (ii) Increase/decrease in final bill amount paid and booked in annual accounts after FPPPA submission of respective quarter. The reconciliation of power purchase cost claimed in the FPPPA submissions vis-à-vis Books of FY 2024-25 is as under:

**Table 4.11: Reconciliation of power purchase cost between FPPPA submissions & Books (Rs. Crore)**

Particulars	Amount (Rs. Crore)
Power Purchase Cost as per FPPPA	69,420.26
Less: GUVNL cost & SLDC charges (being not part of Book cost)	550.66
Add: Provisions made in Books	1,851.34
Add: Power Purchase from DISCOMs for sale through Exchange	287.41
Add: Add: Provision towards Banking arrangement pertaining to FY 2024-25	82.07
Add: Increase/decrease in final bill amount paid and booked in annual accounts after FPPPA submission of respective quarter	461.63
<b>Power Purchase cost as per Books</b>	<b>71,552.06</b>

As regard to fixed power purchase cost as per Additional Surcharge submission vis-à-vis books, the Petitioner has clarified that, the variation in cost claimed in Additional surcharge with respect to books is on account of increase /decrease in final bill amount after Additional Surcharge submission, exclusion of transmission charges/cost in Additional Surcharge, consideration of undischarged liabilities, provisions etc. in Books of Accounts. The reconciliation of power purchase cost (fixed cost) as per books viz-a-vis additional surcharge submission is as under:

**Table 4.12: Reconciliation of power purchase cost (fixed cost) between additional surcharge submissions & Books (Rs. Crore)**

Particulars	Amount (Rs. Crore)
Fixed cost as per Additional Surcharge Submission	14,596
Add: Transmission cost provided in Books (not part of AS submission)	8,679
Add: Net Adjustment towards increase / decrease in final bill amount after AS submission	371
Sub-Total	23,646
Add: Provisions made during FY 2024-25	1,851
Total Fixed Cost	25,497
Fixed cost as per Petition	25,497



The Petitioner in response to query about treatment of rebate submitted that the rebate received on account of prompt payment to various GENCOs and TRANSCO is recognized as income in the Standalone Financial Statements of GUVNL, and the same is reflected under Revenue from Operations and is passed on to DISCOMs through reduced power purchase cost.

In the Consolidated Financial Statements, rebates received from group entities (i.e., GENCOs/TRANSCO within the GUVNL group) are eliminated as inter-company transactions, in accordance with applicable accounting standards. Consequently, only rebates received from non-group entities remain reflected in the Consolidated Accounts, resulting in a lower figure of Rs. 714.98 Crore as compared to Rs. 1,079.27 Crore in the Standalone Accounts.

Accordingly, the difference between Standalone and Consolidated figures is solely on account of inter-group elimination during consolidation, with no impact on DISCOMs as same is already reduced from the total power purchase cost recovered from DISCOMs.

**Table 4.13: Statement of Rebate earned during FY 2024-25 ( Rs. Crore)**

Particulars	Amount
Power Purchase Cost of GUVNL as per books	71,552.06
Less: Sale of Power on Exchange	378.37
Less: Rebate	1,079.27
Less: FDR Interest income	1,624.78
Less: CDM income	1.32
Less: LD recovery	137.15
Less: other income	278.92
Add: GUVNL's margin	323.42
<b>Net Power Purchase Cost to be allocated to DISCOMs</b>	<b>68,375.67</b>

Further, in response to query about treatment of sale of power through exchanges & bilateral agreements in GUVNL standalone and Consolidated Audited Accounts, the Petitioner submitted that GUVNL sells power through various power exchanges in the market on real time. This sale is reflected in standalone financials of GUVNL. Further, in the consolidated financials, the figure mainly includes amount of Rs. 391 Crore of power sold by GSECL from their power plants in accordance with the Ministry of Power Notification dated 12.04.2024 under Section 11 of the Electricity Act, 2003. Further, amount of Rs.10.21 Crore towards sale of power by GSECL to SECI.

Sale of Power through Exchange and Bilateral includes sale on behalf of DISCOMs. The Sale of Power through exchange from DISCOMs is listed under Note no 44 (b) of GUVNL accounts and same is reflected in Books of respective DISCOMs under head 'Sale of Power to GUVNL' in Note 'Revenue from Operations'. The reconciliation of amount of Rs. 378.37 Crore in books of GUVNL is as under:



**Table 4.14: Sale of Power through Exchange and Bilateral Agreement for FY 2024-25 (Rs. Crore)**

Particulars	Amount
DGVCL	71.73
MGVCL	64.56
UGVCL	60.92
PGVCL	90.21
<b>Sub Total</b>	<b>287.41</b>
Reversion of provision towards Banked Energy	89.79
GUVNL Trading Margin	1.17
<b>Total</b>	<b>378.37</b>

From the responses of UGVCL, the Commission noted that DISCOMs have not considered the amount of Rs. 1793.86 Crore in the Books and in the petition as power purchase cost in line with approach adopted in previous Tariff Orders. Accordingly, the Commission has reduced the amount of Rs. 1,793.86 Crore from power purchase cost for each DISCOM in the same ratio considered by DISCOMs as shown in the Table below:

**Table 4.15: Allocation of Additional Provisions considered by the Commission in Power Purchase Cost (Rs. Crore)**

Particulars	DGVCL	MGVCL	PGVCL	UGVCL	Total
Power Purchase	21,617.83	8,376.93	21,852.24	16,970.18	68,817.18
Allocation of provisions made in Power Purchase Cost	563.51	218.36	569.62	442.36	1,793.86

The net Power Purchase Cost after truing up for UGVCL for FY 2024-25 works out to Rs. 16,527.82 Crore, as shown in the Table below:

**Table 4.16: Power Purchase Cost approved in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing up
<b>A</b>	<b>Cost</b>			
1	Power Purchased from GUVNL		16,974.21	16,974.21
2	Power purchase from Windfarm		4.75	4.75
3	Power Purchased from Solar		147.42	147.42
4	Purchase of power from Renewable Attribute		2.71	2.71
5	Purchase of power from Hybrid		0.65	0.65



Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing up
6	SLDC Charges		5.66	5.66
7	DSM Income Payable		(165.23)	(165.23)
	<b>Total Cost</b>		<b>16,970.18</b>	<b>16,970.18</b>
B	<b>Less: Income</b>			
1	Allocation of provisions made in Power Purchase Cost		442.36	442.36
	<b>Net Power Purchase Cost</b>	<b>17,655.11</b>	<b>16,527.82</b>	<b>16,527.82</b>

The Commission had approved Distribution Losses at 7.00% for FY 2024-25 in the Tariff Order dated 1<sup>st</sup> June, 2024, against which UGVCL has achieved Distribution Losses of 6.23%. As stated earlier, the actual Distribution Losses in UGVCL distribution network have been lower than the approved level. The variation in power purchase quantum and cost due to variation in Distribution Loss is a controllable factor, which would result in gain/(loss) under the GERC (MYT) Regulations, 2016.

The calculation of the gain/(loss) on account of the controllable factor of Distribution Losses, as approved by the Commission in the Truing up for FY 2024-25, is shown in the Table below:

**Table 4.17: Approved Gain/ (Loss) on account of Distribution Losses for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Unit	With Approved Distribution Losses	Actual Claimed in Truing up	Approved in truing up
1	Energy Sales	MU	29,877.19	29,877.19	29,877.19
2	Distribution Losses	MU	2,248.82	1,983.38	1,983.38
		%	7.00%	6.23%	6.23%
3	<b>Energy Requirement</b>	<b>MU</b>	<b>32,126.01</b>	<b>31,860.57</b>	<b>31,860.57</b>
4	Gain/(Loss) due to Distribution Losses	MU		265.44	265.44
5	Average Power Purchase Cost	Rs./kWh		4.93	4.93
6	<b>Gain/(Loss) due to Distribution Losses</b>	<b>(Rs. Crore)</b>		<b>130.93</b>	<b>130.93</b>

While computing the Gain/ (Loss) due to change in Distribution Losses, the Commission has considered the Distribution Losses at 6.23% of actual energy sales to arrive at change in energy requirement at the distribution periphery and has not considered the Transmission Losses to factor the efficiency of distribution activities only.



The Commission has considered change in power purchase cost attributable to the variation in cost and quantum of power due to variation in sales and transmission losses as uncontrollable.

Accordingly, the total Gain/(Loss) computed on account of power purchase is shown in the Table below:

**Table 4.18: Approved gain / (loss) in power purchase expenses in truing up for FY 2024-25 (Rs. Crore)**

Particulars	Approved in the Tariff Order	Approved in Truing up	Deviation + (-)	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
Total Power Purchase Cost	17,655.11	16,527.82	1,127.29	130.93	996.37

#### 4.5 Fixed Cost for FY 2024-25

The fixed cost of UGVCL for FY 2024-25 has been determined in accordance with the GERC (MYT) Regulations, 2016. As outlined under the regulations, the fixed cost for UGVCL has been determined under the following major heads:

- Operation and Maintenance Expenses
- Depreciation
- Interest and Finance Charges
- Interest on Working Capital
- Income Tax
- Return on Equity

Net Annual Revenue Requirement of UGVCL has been computed after netting off expenses capitalized and Non-Tariff Income.

For True-Up, all the heads mentioned above have been categorized into Controllable or Uncontrollable expenses in line with provisions of GERC (MYT) Regulations, 2016. A head wise comparison of cost has been made between the values approved by the Commission vide Tariff Order dated 1<sup>st</sup> June, 2024 and the actual expenses of UGVCL in FY 2024-25.

#### 4.6 Operation and Maintenance Expenses (O&M Expenses)

##### Petitioner' Submission

UGVCL has submitted that for FY 2024-25, UGVCL's actual O&M expenses were Rs. 1,128.20 Crore which is inclusive of Employee cost of Rs. 905.43 Crore, Repair & Maintenance Charges of Rs. 115.63 Crore, Administration & General Expenses of Rs. 156.19 Crore and RDSS Metering Expenses OPEX of



Rs. 54.03 Crore. Actual other expense capitalized is Rs. 03.08Crore for FY 2024-25 which is reduced from actual O&M expenses.

**Table 4.19: Operation & Maintenance Expenses as submitted by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Employee Expenses	811.44	905.43	(93.99)
2	Repair & Maintenance Cost	108.47	115.63	(7.16)
3	Administration & General Charges	131.63	156.19	(24.56)
4	RDSS Metering Expense	-	54.03	(54.03)
5	Other Expenses Capitalised	(125.78)	(103.08)	(22.70)
<b>6</b>	<b>Total O&amp;M Expenses</b>	<b>925.76</b>	<b>1,128.20</b>	<b>(202.44)</b>

Comparison of actual O&M charges during FY 2024-25 with the value approved by the Commission reflects net loss of Rs. 56.04 Crore on account of controllable factors and loss of Rs. 146.40 Crore on account of uncontrollable factors to UGVCL.

**Table 4.20: Actual O&M Expenses incurred by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Employee Expenses	811.44	905.43	(24.32)	(69.67)
2	Repair & Maintenance Cost	108.47	115.63	(7.16)	-
3	Administration & General Charges	131.63	156.19	(24.56)	-
4	RDSS Metering Expense	-	54.03	-	(54.03)
5	Other Expenses Capitalised	(125.78)	(103.08)	-	(22.70)
<b>6</b>	<b>Total O&amp;M Expenses</b>	<b>925.76</b>	<b>1,128.20</b>	<b>(56.04)</b>	<b>(146.40)</b>

#### 4.6.1 Employee Cost

UGVCL has claimed employee cost of Rs. 905.43 Crore in the truing up for FY 2024-25. The employee cost approved for FY 2024-25 of Rs. 811.44 Crore in the Tariff Order dated 1<sup>st</sup> June, 2024 and claimed by UGVCL in the truing up are given in the Table below:

**Table 4.21: Employee Cost for FY 2024-25 as submitted by UGVCL (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Employee Cost	811.44	905.43	(24.32)	(69.67)



### **Petitioner's Submission**

UGVCL submitted that Employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses.

The employee cost incurred by the company is purely on the basis of the guidelines issued by competent authorities like the State Government. The employee expenses as per Profit & Loss Account for FY 2024-25 amounts to Rs. 864.24 Crore, UGVCL has claimed other comprehensive income of Rs. (61.62) Crore, and the net employee expenses claimed by UGVCL for FY 2024-25 are Rs. 905.43 Crore.

Employee expenses are considered as controllable expenses under the provisions of the GERC (MYT) Regulations, 2016. However, UGVCL has identified certain expenses which are uncontrollable in their nature, and these includes the following.

### **Impact of implementation of 7<sup>th</sup> Pay Commission on Salary and Dearness Allowance: Rs 42.87 Crore**

It is submitted that the Commission in the Tariff Order dated 31.03.2021 had adopted the following methodology for approving the O&M expenses for FY 2021-22 as under:

*“Accordingly, GERC has computed the O&M Expenses for FY 2021-22 on the basis of the average of the actual approved O&M Expenses for the three (3) years ending 31st March, 2020 i.e. from FY 2017-18 to FY 2019-20. The average of such O&M Expenses has been considered as O&M Expenses for the financial year ended with 31st March, 2019 as a base year (FY 2018-19). Further, the y-o-y escalation @ 5.72% p.a. is applied O&M Expenses on the base year for computing the O&M Expenses viz, Employee Cost, Repairs and Maintenance Expenses, Administration and General Expenses for FY 2021-22.”*

It may be noted that the 7<sup>th</sup> Pay Commission was implemented from August 2017 under DISCOMs but the actual payment of salaries as per 7<sup>th</sup> Pay Commission was initiated from FY 2019-20 onwards and the payment towards revised allowances (excluding HRA and CLA) and incentives upon settlement was made in FY 2020-21 and onwards. Similarly, the settlement towards HRA and CLA benefits has been finalised and paid from FY 2022-23 and onwards.

Accordingly, for ARR of FY 2024-25, the Commission has made FY 2018-19 as base year by averaging actual O&M expense paid during FY 2017-18 to FY 2019-20 and then escalated with 5.72% p.a. Further, DISCOMs started payment as per 7<sup>th</sup> Pay salary revision from FY 2019-20 onwards and thus the employee cost approved under employee expenses captures partial impact (2/3rd) of salary revision.



Thus, employee expenses approved by the Commission for ARR FY 2024-25 has not captured in 1/3rd increase in employee cost on account of salary revision. It is therefore proposed to claim 1/3rd remaining impact amount towards salary revision as uncontrollable expense while working out sharing of gains and losses.

Considering the above following is proposed in this petition of Truing up of FY 2024-25:

While finalisation of ARR for FY 2024-25, the Commission has derived approved O&M expense based on the O&M expenses approved for FY 2023-24 and escalated at 5.72% p.a. Thus, the O&M expenses approved for ARR of FY 2024-25 does not capture in the impact of salary revision for 1/3rd year of base year.

Thus, UGVCL has computed salary revision difference between 7<sup>th</sup> pay and 6<sup>th</sup> pay amounting to Rs. 128.60 Crore (i.e. Rs. 621.58 Crore – Rs 492.98 Crore). Accordingly, the 1/3rd amount of Rs. 128.60 Crore being Rs. 42.87 Crore has been considered as uncontrollable employee expenses.

Further, the impact of implementation of 7<sup>th</sup> Pay Commission related to HRA and CLA, allowance and incentive for FY 2024-25 amounts to Rs 26.80 Crore.

Hence, the total impact of implementation of 7<sup>th</sup> Pay Revision amounts to Rs. 69.67 Crore (i.e. Rs 42.87 Crore + Rs 26.80 Crore) has been considered uncontrollable expenses

The summary of the comparison of the actual employee expenses for FY 2024-25 vis-à-vis the expenses approved by the Commission.

### **Commission's Analysis**

UGVCL has claimed actual employee cost of Rs. 905.43 Crore for FY 2024-25 as against Rs. 811.44 Crore approved in the Tariff Order dated 1<sup>st</sup> June, 2024. The Commission has verified the actual employee expenses from the audited Annual Accounts of UGVCL of Rs 967.05 crore which is inclusive of Rs. 69.67 Crore towards impact of 7<sup>th</sup> Pay revision and reduction of other comprehensive income of Rs. (61.62) Crore works out to be Rs. 905.43 crore. Further, the Petitioner has requested to consider Rs 69.67 Crore pertaining to 7<sup>th</sup> Pay Commission-related expenses for FY 2024-25 under uncontrollable head.

It is noted that UGVCL has computed salary revision difference between 7<sup>th</sup> pay and 6<sup>th</sup> pay amounting to Rs. 128.60 Crore, (i.e. Rs. 621.58 Crore – Rs 492.98 Crore). Accordingly, the 1/3rd amount of Rs. 128.60 Crore, being Rs. 42.87 Crore has been considered as uncontrollable employee expenses.

Further, the impact of the implementation of the 7<sup>th</sup> Pay Commission related to HRA and CLA, allowance and incentive for FY 2024-25 amounts to Rs 26.80 Crore.



Hence, the total impact of implementation of 7<sup>th</sup> Pay Revision amounts to Rs. 69.67 Crore (i.e. Rs 42.87 Crore + Rs 26.80 Crore) has been considered uncontrollable expenses.

The Commission considers the employee cost as a controllable expense, in accordance with the GERC (MYT) Regulations, 2016 except impact of Rs. 69.67 Crore (Rs. 42.87 crore +Rs. 26.80 crore) in respect to impact of 7<sup>th</sup> Pay Commission Order.

The Commission has verified the Employee Expenses of UGVCL from the Annual Accounts of FY 2024-25 and accordingly, approves the employee cost at Rs. 905.43 Crore in the truing up for FY 2024-25, with the sharing of Gains/(Losses) as shown in the Table below:

**Table 4.22: Employee Cost approved in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in Tariff Order	Approved in Truing Up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	Employee Cost	811.44	905.43	(24.32)	(69.67)

#### 4.6.2 Repairs & Maintenance (R&M) Expenses

UGVCL has claimed R&M expenses of Rs. 115.63 Crore in the truing up for FY 2024-25. The R&M expenses approved for FY 2024-25 in the Tariff Order dated 1<sup>st</sup> June, 2024 and claimed by UGVCL in the truing up are as given in the Table below:

**Table 4.23: R&M Expenses as submitted by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Repair & Maintenance Cost	108.47	115.63	(7.16)	-

#### Petitioner's Submission

UGVCL submitted that Repairs and Maintenance expenses are incurred towards the day-to-day upkeep of the distribution network and form an integral part of the efforts towards reliable and quality power supply as also in the reduction of losses in the distribution system.

Repair and Maintenance expenditure is dependent on various factors. The assets of UGVCL are old and require regular maintenance to ensure uninterrupted operations. UGVCL has been trying its best to ensure uninterrupted operations of the system and accordingly has been undertaking necessary expenditure for R&M activities. The GERC (MYT) Regulations, 2016 provides for R&M expenditure as a controllable expenditure. The actual R&M cost for FY 2024-25 is Rs. 115.63 Crore.



Accordingly, on the basis of comparison of actual R&M expenditure of Rs. 115.63 Crore of UGVCL as against expense of Rs 108.47 Crore approved by the Commission, there is a deviation of Rs. 7.16 Crore which is being claimed under controllable factor.

### Commission's Analysis

The actual R&M expenses incurred during FY 2024-25 are Rs. 115.63 Crore, as per the audited Annual Accounts. The actual R&M expenses incurred by UGVCL are higher than the amount approved in the Tariff Order dated 1<sup>st</sup> June, 2024. The R&M expenses are generally a controllable item of expenditure under the GERC (MYT) Regulations, 2016. Accordingly, the Commission has trued up the R&M expenses and the sharing of Gains/(Losses) due to controllable and uncontrollable factors, as shown in the Table below:

**Table 4.24: R&M Expenses approved for the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in Tariff Order	Approved in Truing Up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	R&M Expenses	108.47	115.63	(7.16)	-

### 4.6.3 Administration & General (A&G) Expenses

UGVCL has claimed A&G expenses of Rs. 156.19 Crore in the truing up for FY 2024-25. The A&G expenses approved for FY 2024-25 in the Tariff Order dated 1<sup>st</sup> June, 2024 and claimed by UGVCL in the truing up are given in the Table below:

**Table 4.25: Administration & General Expenses submitted by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Administration & General Charges	131.63	156.19	(24.56)	-

### Petitioner's Submission

UGVCL submitted that Administration & General expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances, etc.

The actual A&G expenses for FY 2024-25 were Rs. 156.19 Crore. As per the provisions of the GERC (MYT) Regulations, 2016, A&G expenses are categorised as controllable expenses. The value approved by the Commission with the actual A&G expenses of UGVCL shows a controllable loss of Rs. (24.56) Crore.



### Commission's Analysis

The A&G expenses incurred during FY 2024-25 are Rs. 156.19 Crore, as per the audited Annual Accounts. The Commission asked UGVCL to submit details and justification for expenses booked under "Other A&G" expenses, Assets Written off and Miscellaneous Loss & Write-offs . The details and justification for expenses booked under "Other A&G" expenses, Assets Written off and Miscellaneous Loss & Write-offs as shown below.

**Table 4.26: Other A&G Expenses as submitted by UGVCL (Rs. Crore)**

Sr. No.	Description	Amount
A	Other Expenses	
1	Testing Charges	1.64
2	Telephones And Trunk calls	0.37
3	Postage And Telegrams	0.60
4	Courier Charges	0.02
5	Fax Charges	0.00
6	Mobile Phone Expenses	1.28
7	Consultancy Fees And Expenses	0.59
8	Other Prof Fees And Expenses	9.46
9	Honorarium	0.00
10	Expenditure For Paper Setting & Checking	0.23
11	Expenditure Under Surya Urja Rooftop Yojna (Surya Gujarat)	0.00
12	Expenditure Under PM-KUSUM Awareness Campaign	0.00
13	Other Fees & Subscriptions	0.48
14	Books And Periodical	0.01
15	Printing & Stationery	3.76
16	Expenditure On Computer Billing & Edp Charges.	3.67
17	Zerox Copy Charges	0.52
18	Water Charges	1.02
19	Maintenance To Tree Plantation	0.00
20	Guest House Expenses	0.14
21	Upkeep Of Office/Board-S Premises.	3.04
22	Expenditure Incurred On Consumer Billing & Coll. C	0.88
23	Security Measures For Safety And Protection	13.69
24	Gardening & Horticultural Expenses	0.07
25	Conference/Meeting Expenses	0.13
26	Bill Collection Charges Paid To Various Agencies	2.68
27	Bill Collection Charges Paid To E-Gram Panchayat	0.67
28	Hospitality Expenses	0.02



Sr. No.	Description	Amount
29	Vehicle Expenses For Motor Car	0.01
30	Expenses For Use Of Sports Club Or Similar Facility	0.12
31	Expenses For Gift To Employees	0.09
32	Expenses For Lok Adalat	0.10
33	Expenses For Celebration Of events/Festival/Etc	0.48
34	Miscellaneous Expenses	2.16
35	Expenditure Relating To Consumer Care Centre (CCC)	1.10
36	Exp for Trucks-Delivery Van Petrol & Oil	2.92
37	Commission For Scrap Sales	0.20
38	Incidental Stores Expenses	18.40
39	Fabrication Charges	3.52
40	Fabrication Charges Absorbed In Cost Of Fabrication-CR	-3.43
41	Revenue Stamps On Receipts Issued By Board	0.07
42	Expenditure On Training for Staff.	2.26
43	Miscellaneous Expenses Under SKY Scheme	0.00
<b>TOTAL</b>		<b>72.97</b>

**Table 4.27: Assets Written Off as submitted by UGVCL (Rs. Crore)**

Sr. No.	Description	Amount
<b>Miscellaneous losses and write-offs</b>		
1	Loss On Obsolescence Of Fixed Assets	8.80
<b>Total</b>		<b>8.80</b>

**Table 4.28: Details of amount Booked under Miscellaneous Losses & write- as submitted by UGVCL (Rs. Crore)**

Sr. No.	Description	Amount
1	Provision No Longer Required-Obsolete	(0.07)
2	Compensation For Injuries, Deaths-Staff	0.00
3	Comp For Injury Death Damage-Outsiders	1.82
4	Loss On Obsolescence Of Stores	0.80
5	Loss On Sale Of Scrap	0.00
6	Other Losses And Write-Off	0.01
<b>Total</b>		<b>2.56</b>



It is observed that petitioner has shown loss on obsolescence of fixed assets. The Commission is of the view that the amount booked against Compensation for provision no longer required Obsolete Injuries, Deaths- Staff & Outsiders, loss on obsolescence of the stores, loss on sale of scrap and other losses and write-offs has to be borne by UGVCL. Accordingly, the Commission has disallowed total of Rs 2.56 crore.

Further, UGVCL informed that out of aforesaid assets written off Rs. 8.80 Crore, loss on sale of old meter (replaced under RDSS) is Rs. 8.32 Crore, the Commission has not considered such loss on sale of old meter of Rs. 8.32 Crore in current true up for FY 2024-25. Accordingly, the Commission allows A&G Expenses for truing up of FY 2024-25 as Rs. 145.31 (i.e. 156.19 Crore – 8.32 Crore – 2.56 Crore).

The actual A&G expenses incurred by UGVCL, considering the above disallowance, are higher than the amount approved in the Tariff Order dated 1<sup>st</sup> June, 2024. The A&G expenses are a controllable item of expenditure under the GERC (MYT) Regulations, 2016.

Accordingly, the Commission has trued up the A&G expenses and the sharing of Gains/(Losses) due to controllable factors, as shown in the Table below:

**Table 4.29: A&G Expenses approved in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in Tariff Order	Approved in Truing Up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	Administration & General Charges	131.63	145.31	(13.68)	-

#### 4.6.4 RDSS Metering Operation Expenses

##### Petitioner Submission

UGVCL submitted that the RDSS Metering expenses are dependent on the approval that is received from the Government hence they are beyond the control of UGVCL. Further, the Commission vide order dated 01.06.2024 decided to consider any RDSS metering Opex at the time of truing up of FY 2024-25. Accordingly, the amount of expense of Rs 54.03 Crore is claimed and considered as uncontrollable as shown in the Table below:

**Table 4.30: RDSS Metering Expenses for FY 2024-25 as submitted by UGVCL (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	RDSS Metering Expenses	-	54.03		(54.03)



### Commission Analysis

The Commission has observed that there is against RDSS metering OPEX as claimed by the Petitioner in annual accounts of FY 2024-25.

In response to query about justification of its claim towards RDSS expenses the Petitioner submitted the following:

**Table 4.31 RDSS Related Expenses**

Sr. No.	AC CODE	Descriptions	3/31/2025
1	76310	PMPM Service Charge for Smart Meters Under RDSS	1,29,02,171.66
2	76311	Lumpsum Charges for Smart Meters under RDSS	13,09,99,179.76
3	76312	Project Implementing Fees(PIA) for Smart Meters Under RDSS	38,08,19,252.01
4	76313	PMA Fees for Smart Meters under RDSS	1,56,20,204.08
<b>TOTAL</b>			<b>54,03,40,807.51</b>

The Commission accordingly approved of Rs. 54.03 Crore expenses for RDSS Metering OPEX and allows Rs. 54.03 Crore as loss due to uncontrollable factors as shown in below table:

**Table 4.32: RDSS Metering Expenses as approved by the Commission in True up of FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in Tariff Order	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	RDSS Metering OPEX	-	54.03	-	(54.03)

### 4.6.5 Other Expenses Capitalized

Petitioner's Submission

UGVCL submitted that actual expense capitalised at Rs. 103.08 crore in the truing up for FY 2024-25 as against Rs. 125.88 crore approved in Tariff order dated 1<sup>st</sup> June, 2024 as shown in the Table below:

**Table 4.33: Other Expenses Capitalized (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Other Expenses Capitalised	(125.78)	(103.08)	-	(22.70)



The other expenses including expenses capitalised, etc. are beyond the control of UGVCL and therefore are considered as uncontrollable.

### Commission's Analysis

The Commission has observed that other expenses capitalised represent the capitalisation of Employee Expenses and A&G Expenses. The actual other expenses capitalised is Rs. 103.08 Crore comprising of employee expenses capitalization of Rs. 102.82 Crore and for A&G expenses capitalized of Rs. 0.26 Crore as per the audited annual accounts for FY 2024-25.

The Commission, accordingly, approves the Other Expenses Capitalised at Rs. 103.08 Crore against Rs. 125.78 Crore approved in the Tariff Order dated 1<sup>st</sup> June, 2024. The Commission allows Rs. 22.70 Crore as loss due to uncontrollable factors as shown in the Table below:

**Table 4.34: Other Expenses Capitalised as approved in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in Tariff Order	Approved in Truing Up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	Other Expenses Capitalised	(125.78)	(103.08)	-	(22.70)

In view of the foregoing, the total O&M expenses approved in the truing up for FY 2024-25 and the Gain / (Loss) due to controllable and uncontrollable factors are detailed in the Table below:

**Table 4.35: Approved O&M expenses and Gain / (Loss) in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in Tariff Order	Actual Claimed in Truing up	Approved in truing up	Gain/ (Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	Employee Cost	811.44	905.43	905.43	(24.32)	(69.67)
2	R&M Expenses	108.47	115.63	115.63	(7.16)	-
3	A&G Expenses	131.63	156.19	145.31	(13.68)	-
4	RDSS Metering Expenses	-	54.03	54.03	-	(54.03)
5	Other Expenses Capitalised	(125.78)	(103.08)	(103.08)	-	(22.70)
<b>6</b>	<b>O&amp;M Expenses</b>	<b>925.77</b>	<b>1,128.20</b>	<b>1,117.32</b>	<b>(45.15)</b>	<b>(146.40)</b>

## 4.7 Capital Expenditure

Capital expenditure incurred by UGVCL in FY 2024-25 was Rs. 2663.20 Crore. The actual capital expenditure by UGVCL during the FY 2024-25 is higher than that approved by the Commission. The scheme-wise capital expenditure incurred in FY 2024-25 against the expenditure approved by the Commission is as shown below:



**Table 4.36: Capital Expenditure claimed by UGVCL for FY 2024-25 (Rs Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
<b>A</b>	<b>Distribution Schemes</b>			
	Normal Development Scheme	240.00	424.79	(184.79)
	System Improvement Scheme	346.75	71.13	275.62
	Robust	-	1,110.50	(1,110.50)
	Vanbandhu	-	2.04	(2.04)
	Others	-	-	-
	<b>Total</b>	<b>586.75</b>	<b>1,608.46</b>	<b>(1,021.71)</b>
<b>B</b>	<b>Rural Electrification Schemes-Plan</b>			
	TASP (Wells) & Petapara	23.00	35.58	(12.58)
	Scheduled Caste Sub Plan(lightning)	1.70	2.03	(0.33)
	Scheduled Caste Sub Plan(Well)	6.00	4.77	1.23
	Electrification of Hutments	5.00	2.51	2.49
	Sardar Krushi Jyoti Yojna (SKJY)	26.28	20.62	5.66
	Kutir Jyoti Scheme	1.50	1.17	0.33
	AG-Dark Zone	170.00	163.81	6.19
	Sagarkhedu	1.00	-	1.00
	RE (Tatkal)	0.10	0.07	0.03
	AG Normal (SPA)	50.00	76.02	(26.02)
	HVDS	4.00	3.24	0.76
	DISS	15.00	11.05	3.95
	SKY (excluding panels)	6.63	-	6.63
	AG Well(Feeder Bifurcation)	-	2.05	(2.05)
	KSY (Kisan suryoday yojana)	-	1.30	(1.30)
	<b>Total</b>	<b>310.21</b>	<b>324.21</b>	<b>(14.00)</b>
<b>C</b>	<b>GoI Scheme</b>			
	RDSS-DISTRIBUTION INFRA WORK	137.57	696.00	(558.43)
	RDSS-SCADA	-	23.42	(23.42)
	<b>Total</b>	<b>137.57</b>	<b>719.42</b>	<b>(581.85)</b>
<b>D</b>	<b>Other New Schemes</b>			
	Automation and Computerization	12.00	0.70	11.30
	Land / New Building	-	7.60	(7.60)
	Furniture and Fixtures	1.65	2.58	(0.93)



Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
	Vehicles	0.60	0.22	0.38
	Solar Pump (PM KUSUM-B OFF GRID)	1.93	-	1.93
	<b>Total</b>	<b>16.18</b>	<b>11.10</b>	<b>5.08</b>
E	<b>Capital Expenditure Total</b>	<b>1,050.71</b>	<b>2,663.20</b>	<b>(1,612.49)</b>

### Petitioner's Submission

UGVCL submitted that capital expenditure incurred by UGVCL in FY 2024-25 was Rs. 2663.20 Crore. The actual capital expenditure by UGVCL during the FY 2024-25 is higher than that approved by the Commission.

Scheme wise deviation in capital expenditure is explained as under:

- **Normal Development Scheme:**

Under the head Normal Development Scheme, generally expenses are incurred to meet with the Supply Obligation. During FY 2024-25, growth of the Company in terms of number of consumers and load have exceeded, therefore, company had to incur Rs. 424.79 Crore against approved CAPEX of Rs. 240 Crore. Ahmedabad peripheral underground network with RMU network is increased and consumer demand is also increased results Infrastructure works increased. Various Line shifting works, particular Road Widening works under ND scheme are carried out.

- **System Improvement Scheme/ Robust:**

The system improvement scheme i.e. S.I. scheme incorporate the various activities such as bifurcation of feeders, overhead to underground cable conversion, new substation link line work, H.T. Aerial bunch conductor, replacement of deteriorated conductor, L.T. Aerial bunch conductor and distribution transformer review etc. The S.I. scheme is required for providing quality and reliable power supply to our esteemed consumers. Looking to the Exigency to go for power reliability and upgradation of network & insisted on focusing towards improving power reliability & consumer satisfaction, more particularly in the outskirts areas of the Municipalities/Nagarpalikas which were not covered under RDSS, it was decided for upgradation of existing network by converting bare overhead network into underground system or with Medium Voltage Covered Conductor (MVCC) with Approx. cost of Rs. 6520.77 Crore in Robust under SI Scheme to improve power reliability and consumer satisfaction. So, UGVCL floated the tenders for the works in Robust. After due process, the orders for the said tenders have been issued in March'24. Considering above, UGVCL has incurred Rs. 1181.63 Crore in system improvement for activities related to S.I. scheme/Robust for FY 2024-25 against the approved cost for system improvement scheme / Robust is 346.75 Crore It



is also to mention that GERC in Tariff order dated 01.06.2024 had approved 50% of SI CAPEX that is 346.75 Crore out of 693.50 Crore and approval of remaining during True-up of FY 2024-25 after a prudence check.

- **Sardar Krushi Jyoti Scheme (SKJY):**

This is Government of Gujarat granted scheme launched in 2017-18. In this scheme, replacement of old/ deteriorated poles, insulators, feeder bifurcation work is also included. UGVCL had incurred Rs. 20.62 Crore against approved CAPEX of Rs. 26.28 Crore For said schemes maintenance part, replacement of conductor is considered while feeder bifurcation work was carried out under AG well scheme therefore actual expenditure is less than approved.

- **Distribution infrastructure shifting scheme (DISS):**

This is Government of Gujarat granted scheme launched in 2015-16. In this scheme, shifting of HT /LT line and Transformers obstacle to Public road/Place under Mahanagarpalica/ Nagarpalika and Gram panchayat etc. is included. Company had incurred Rs. 11.05 Crore against approved Rs. 15 Crore since then continuously shifting work had been carried out on year-to-year, hence lesser quantum of work booked under the scheme.

- **Vanbandhu:**

This scheme for providing reliable and quality power supply with good voltage profile in tribal areas as per the policy and annual target received from Government of Gujarat for FY 2024-25. Thus, The CAPEX of Rs. 2.04 Crore was incurred against approved 'Nil' CAPEX for FY 2024-25 because capex booked separately in place of TASP scheme. Accordingly, it is requested that the Commission may approve the deviation under the stated scheme.

- **AG Wells Electrification schemes (TASP (Wells & Petapara), Scheduled Caste Sub Plan (Wells) AG Normal (SPA), AG-Dark Zone, RE (Tatkal):**

The new Agriculture connections under these schemes are given to farmers as per the policy and annual target received from Government of Gujarat. As these schemes are of continuous and on-going nature considering the pendency, flow of new applications and based on received target from Government of Gujarat. It is also to state that initially the CAPEX is estimated based on average cost of line and flow of new applications. However, CAPEX is booked based on expenditure incurred in actual line erection work which may increase/decrease depending upon the geographical area, ROW constraints.

Thus, CAPEX booked Rs.35.58 Crore against approved Rs. 23.00 Crore under TASP (Wells & Petapara), Rs. 4.77 Crore against approved Rs. 6.00 Crore under Scheduled Caste Sub Plan (Wells), Rs.76.02 Crore against approved Rs.50.00 Crore under AG Normal (SPA), Rs.163.81 Crore against approved Rs.170.00 Crore under AG-Dark Zone scheme and Rs.0.07 Crore against approved Rs.0.10 Crore under RE (Tatkal) scheme. Accordingly, it is requested that the Commission may approve the deviation under the above stated schemes.



- **Households Electrification schemes:**

Scheduled Caste Sub plan (Lighting), Electrification of Hutments, Kutir Jyoti Scheme: - These schemes for electrification of households as per the policy and annual target received from Government of Gujarat. As these schemes are of continuous and on-going nature considering flow of new applications and based on received target from Government of Gujarat. It is also to state that initially the CAPEX is estimated based on average cost of line and flow of new applications. However, CAPEX is booked based on expenditure incurred in actual line erection work which may increase/decrease depending upon the geographical area, ROW constraints.

Thus, CAPEX booked Rs. 2.03 crore against approved Rs. 1.70 Crore under Scheduled Caste Sub plan (Lighting), Rs. 2.51 Crore against approved Rs. 5.00 Crore under Electrification of Hutments, Rs. 1.17 Crore against approved Rs. 1.50 Crore under Kutir Jyoti Scheme. Accordingly, it is requested that the Commission may approve the deviation under the above stated schemes.

- **Sagarkhedu:**

This scheme for Distribution system strengthening work in the coastal area as per the policy and annual target received from Government of Gujarat. Due to non-allocation of annual target for FY 2024-25 under Sagarkhedu scheme considering no scope of work during FY 2024-25 'Nil' CAPEX booked against approved CAPEX of Rs. 1.00 Crore. Accordingly, it is requested that the Commission may approve the deviation under the stated scheme.

- **HVDS:**

To eliminate low voltage problem and to have better voltage profile as well as for reduction in losses, company has proposed to shift over on High Voltage Distribution System as per the policy of Government of Gujarat. Hence, the CAPEX of Rs. 3.24 Crore was incurred against approved CAPEX of Rs. 4.00 Crore during FY 2024-25. Accordingly, it is requested that the Commission may approve the deviation under the stated scheme.

- **KSY (Kisan Suryodaya Yojana):**

This scheme for providing MVCC / HT ABC in agriculture feeder as per the policy and annual target received from Government of Gujarat for FY 2024-25. Thus, The CAPEX of Rs. 1.30 Crore was incurred against approved 'Nil' CAPEX during FY 2024-25. Accordingly, it is requested that the Commission may approve the deviation under the stated scheme.

- **RDSS – Distribution Infrastructure Works and SCADA:**

Under the head Revamped Distribution Sector Scheme – Infrastructure Works, generally expenses are incurred to meet up-gradation of the Distribution Infrastructure like feeder bifurcation, overhead to underground cable network with Ring Main Unit, Installation of New Transformer, Replacement and augmentation of overage transformer, crossing removal and aerial bunch cable network etc. RDSS is for Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.



For F.Y. 2024-25, the approved cost for Revamped Distribution Sector Scheme is 137.57 Crore, UGVCL had incurred Rs. 696.00 Crore in this scheme. Considering the central government timeline to complete the work by March'25 so as to grant the fund of 60% from Central Government, the planning was done accordingly & expenditure has been booked. The said scheme is financially assisted by GoI and GoG and hence, completion of work within timeline was prime important.

For RDSS-SCADA, PO was issued to M/s Rajesh Power Services Limited on Dtd. 23.11.2023 for implementation of SCADA/DMS project in UGVCL. The time limit to complete the project is 24 months. Previously, RDSS-SCADA expenditure consolidated in RDSS-Distribution infra work.

Further, Ministry of power has asked to test RTU/FRTU for cyber security for IEC 62351-3 & IEC 62443-4-2 at CPRI, Bangalore. M/s CPRI has taken more than 9 months to test the same.

Due to which vendor has delayed the supply for FRTU so nil CAPEX was proposed for 2024-25. However, M/s RPSL has supplied the other control center related hardware and software and installed as per the PO conditions and 23.42 Crore was paid to the vendor against the supplied control center hardware and software.

Among the incurred expenditure; UGVCL has received financial assistance for an amount of Rs. 308.90 Cr from Government of India and Rs. 244.95 Cr from Government of Gujarat i.e. Rs. 553.85 Cr is financially assisted by GoI and GoG. Rest of expenditure is incurred through own fund which will be settled after financial assistance received from GoI and GoG in due course of time.

It is also to mention that GERC in Tariff order dated 01.06.2024 had approved 50% of RDSS CAPEX that is 137.57 Crore out of 275.14 Crore and approval of remaining during True-up of FY 2024-25 after a prudence check.

• **Land/New building:**

Expenses incurred due to compulsion of renovation of old buildings and proposed new civil works, hence UGVCL had incurred Rs. 7.60 Crore expenses towards land/ new buildings. The project wise detail description is as under:

- Renovation of Idar Division, town & Rural S/dn office and Construction of New Store office at 132KV S/S Campus, Idar.
- Renovation & Extension of GKEC training centre at Motipura under circle office Himatnagar.
- Construction of building for HI-TECH lab, computer lab, library & space for additional R&C office staff and other surrounding infrastructure, underground water tank at UGVCL Mehsana Campus.
- Construction of Mini Guest House at Sabarmati Circle office campus, Ahmedabad.

Hence, it is to mention that GERC in Tariff order dated 01.06.2024 after a prudence check, CAPEX of Land/New Building will be approved. So, requested to approve incurred CAPEX.

• **SKY (excluding panels):**

All Expenditure provided from GoG Grant; hence expense not booked in CAPEX.



- **Automation and Computerization:**

Against the approved budget of Rs.12 Crore for FY 2024–25, the actual expenditure incurred stands at Rs. 70 lakhs. The variance is attributable to the following:

As per the electronics lifecycle policy, UGVCL had planned to procure 1,600 desktop computers along with 500 Microsoft Office licenses during the financial year. However, GUVNL subsequently decided to undertake centralized procurement for all its subsidiary companies to ensure uniformity and cost efficiency. Accordingly, UGVCL placed the order on 20<sup>th</sup> February,2025 for 1301 desktop.

Since the procurement was initiated towards the end of the financial year and the invoicing and delivery are scheduled post March, 2025, the associated expenditure has not been accounted for in FY 2024–25. The budgeted amount will be utilized in the subsequent financial year upon completion of the procurement process.

### **Commission Analysis**

The capital expenditure (CAPEX) approved for FY 2024-25 in the Tariff Order dated 1<sup>st</sup> June, 2024 was Rs. 1,050.71 Crore. The actual capital expenditure incurred is Rs. 2,663.20 Crore, which is higher by Rs. 1,612.49 Crore than the CAPEX approved in the Tariff Order.

The Commission observed that there is higher Capital Expenditure of Rs. 184.79 Crore and Rs. 834.88 Crore during FY 2024-25 compared to that approved in Tariff Order for Normal Development Scheme and System Improvement Scheme/ Robust respectively.

The Commission observed that deviation in capital expenditure under Normal Development Scheme, Rural Electrification Schemes-Plan, GoI Scheme and Other New Schemes during FY 2024-25 and other Schemes and enquired the justification of the same from UGVCL.

UGVCL in its reply submitted that justification for deviation in capital expenditure under Normal Development Scheme, Rural Electrification Schemes-Plan, GoI Scheme and Other New Schemes, and all other schemes during FY 2024-25 have already been submitted in Petition.

Hence it is observed that there is a deviation in CAPEX between approved and actual for which justification has been provided by UGVCL.

The Commission observes that most of the CAPEX Schemes by the DISCOMs are of continuous and on-going nature. These are based on yearly targets set for meeting the supply obligation, providing quality and reliable power to the consumers, reduction in losses, release of agriculture connections, etc. Nevertheless, the Licensee should be more realistic in projecting the CAPEX.

The Commission has verified the audited annual accounts of UGVCL and has observed that UGVCL has incurred actual CAPEX of Rs. 2,663.20 Crore and net capitalisation of Rs. 1,968.35 Crore. The



Commission, therefore, approves the actual CAPEX of Rs. 2,663.20 Crore and net capitalisation of Rs. 1,968.35 Crore in the truing up for FY 2024-25.

#### 4.7.1 Funding of Capitalisation

##### Petitioner's Submission

UGVCL submitted that the funding of actual capitalisation is done through various sources categorised under four headings namely: Consumer Contribution, Grants, Equity and Debt. The detailed breakup of funding of capitalised asset during FY 2024-25 is mentioned in the Table below:

**Table 4.37: Funding of Capitalization submitted by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Capitalization	1,050.71	2,025.20	(974.49)
2	Less: Consumer Contribution	82.84	290.35	(207.51)
3	Less: Grants	117.92	446.70	(328.78)
<b>4</b>	<b>Balance Capitalization</b>	<b>849.94</b>	<b>1,288.14</b>	<b>(438.20)</b>
5	Debt @ 70%	594.96	901.70	(306.74)
6	Equity @ 30%	254.98	386.44	(131.46)

##### Commission's Analysis

The Commission noted that UGVCL has considered gross capitalisation instead of net capitalisation (net of assets decommissioned) for working out the eligible debt and equity amount for FY 2024-25. The Commission in accordance with the GERC (MYT) Regulations, 2016 and the approach adopted by the Commission in previous Order on the equity and debt related to the assets decommissioned has considered net capitalisation for working out the eligible debt and equity amount for FY 2024-25.

It is observed that UGVCL has claimed the funding of Capitalisation, net of Consumer Contribution and Government Grant, in the normative Debt: Equity ratio of 70:30, as specified in the GERC (MYT) Regulations, 2016.

The Commission has verified the amount considered by UGVCL against Government Grants and Consumer Contribution from the audited Annual Accounts for FY 2024-25. The Commission has accordingly considered the funding of capitalisation in FY 2024-25 through Consumer Contribution and Grants as Rs. 290.35 Crore and Rs. 446.70 Crore, respectively, in the truing up for FY 2024-25.

The Commission, therefore, approves the funding of Capitalization in the truing up of FY 2024-25 as given in the Table below:



**Table 4.38: Approved Capitalisation and sources of funding in the truing up for FY 2024-25 (Rs. Crore)**

Particulars	Approved in Tariff Order	Claimed in truing up	Approved in Truing Up
<b>Capitalization</b>	1,050.71	2,025.20	1,968.35
Consumer Contribution	82.84	290.35	290.35
Grants	117.92	446.70	446.70
<b>Balance CAPEX for the Year</b>	<b>849.94</b>	<b>1,288.14</b>	<b>1,231.29</b>
Debt (70%)	594.96	901.70	861.90
Equity (30%)	254.98	386.44	369.39

#### 4.8 Depreciation

UGVCL has claimed Depreciation of Rs. 494.30 Crore in the truing up for FY 2024-25 against the Depreciation of Rs. 488.47 Crore approved in the Tariff Order dated 01<sup>st</sup> June, 2024.

##### Petitioner's Submission

UGVCL had been charging depreciation on fixed assets of the company on the useful life of the assets at the rate prescribed under Schedule XIV of the Companies Act, 1956. UGVCL further submitted that being engaged in the electricity business, they are covered under the Electricity Act, 2003, and provisions of the Electricity Act 2003 supersede the provisions of the Companies Act, 2013.

With regards to Depreciation, the GERC (MYT) Regulations, 2016 provides that-

*“Depreciation shall be computed annually based on the straight-line method at the rates specified in the Annexure I to these Regulations:*

*Provided that the remaining depreciable value as on 31st March of the year closing after a period of 12 years from date of commercial operation shall be spread over the balance useful life of the assets:*

*Provided further that for a Generating Company or a Transmission Licensee or SLDC or a Distribution Licensee formed as a result of a Transfer Scheme, the depreciation on assets transferred under the Transfer Scheme shall be charged as per rates specified in these Regulations for a period of 12 years from the date of Transfer Scheme, and thereafter depreciation will be spread over the balance useful life of the assets”*

Accordingly, UGVCL has calculated the Depreciation for FY 2024-25 in accordance with the provisions of the GERC (MYT) Regulations, 2016 and the aforementioned directives of the Commission.



The approved vs actual depreciation claimed for FY 2024-25 is as shown below:

**Table 4.39: Fixed Asset and Depreciation computed by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Gross Block in Beginning of the year	10,505.25	10,743.33	
2	Additions during the Year (Net)	1,050.71	1,968.35	
3	Closing GFA	11,555.96	12,711.68	
4	Average GFA	11,030.61	11,727.51	
5	<b>Depreciation for the Year</b>	<b>488.47</b>	<b>494.30</b>	<b>(5.83)</b>
6	<b>Average Rate of Depreciation</b>	<b>4.43%</b>	<b>4.21%</b>	

The actual depreciation for FY 2024-25 as against the value approved by the Commission results into an uncontrollable gain/(loss) of Rs. (5.83) Crore as indicated below:

**Table 4.40: : Depreciation claimed by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Depreciation	488.47	494.30	-	(5.83)

### Commission's Analysis

The Commission has considered the Closing GFA of FY 2023-24 approved in Order dated 31<sup>st</sup> March, 2025 as Opening GFA of FY 2024-25. The net addition during the year of Rs. 1968.35 Crore has been verified from the audited Annual Accounts for FY 2024-25. The depreciation as per audited Annual Accounts for FY 2024-25 is Rs. 494.30 Crore.

The Commission, accordingly, approves Depreciation at Rs. 494.30 Crore in the truing up for FY 2024-25, as shown in the Table below:

**Table 4.41: Approved Fixed Assets & Depreciation for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in Tariff Order	Actual Claimed in Truing up	Approved in Truing Up
1	Gross Block in Beginning of the year	10,505.25	10,743.33	10,743.33
2	Additions during the Year (Net)	1,050.71	1,968.35	1,968.35
3	Gross Block at the end of the year	11,555.96	12,711.68	12,711.68
4	Average GFA	11,030.61	11,727.51	11,727.51
5	<b>Depreciation for the Year</b>	<b>488.47</b>	<b>494.30</b>	<b>494.30</b>
6	<b>Average Rate of Depreciation</b>	<b>4.43%</b>	<b>4.21%</b>	<b>4.21%</b>



The amount of depreciation is dependent on the quantum of capitalisation, rate of depreciation, etc. The Commission has, therefore, considered the parameters impacting depreciation as uncontrollable.

The Commission, accordingly, approves the Gain /(Loss) on account of depreciation in the truing up for FY 2024-25, as detailed in the Table below:

**Table 4.42: Gain/(Loss) due to Depreciation approved in truing up for FY 2024-25 (Rs. Crore)**

Particulars	Approved in Tariff Order	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
Depreciation	488.47	494.30	-	(5.83)

#### 4.9 Interest and Finance charges

UGVCL has claimed Interest & Finance Charges of Rs. 224.91 Crore in the truing up for FY 2024-25 against of Rs. 175.24 Crore approved in the Tariff Order dated 1<sup>st</sup> June, 2024 as shown in Table below:

**Table 4.43: Interest & Finance Charges as claimed by UGVCL in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Total Interest & Financial Charges	175.24	224.91	(49.67)

#### Petitioner's Submission

UGVCL submitted that For assessing actual Interest charges on Loans in FY 2024-25, it has considered the opening balance of loans for FY 2024-25 same as the closing loan approved by the Commission for FY 2023-24 in the True up Order dated 31<sup>st</sup> March, 2025. The loan addition in FY 2024-25 is computed at Rs. 901.70 Crore which consists of loans for funding the capitalization.

In line with the approach adopted by the Commission and as prescribed by GERC (MYT) Regulations, 2016 repayment during the year has been considered equal to the depreciation for the financial year.

UGVCL has also considered the interest on security deposits of Rs. 168.69 Crore as per the provisions of the GERC (MYT) Regulations, 2016.

The total Interest & Financial charges for FY 2024-25 computed by UGVCL as against that approved by the Commission is as shown below:



**Table 4.44: Interest & Finance Charges as claimed by UGVCL in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Opening Loans	188.02	238.75	
2	Loan Additions during the Year	594.96	901.7	
3	Repayment during the Year	488.47	494.30	
4	Closing Loans	294.52	646.15	
<b>5</b>	<b>Average Loans</b>	<b>241.27</b>	<b>442.45</b>	
6	Interest on Loan	23.35	54.64	
7	Interest on Security Deposit	149.83	168.69	
8	Other Bank Charges	2.05	1.59	
<b>9</b>	<b>Total Interest &amp; Financial Charges</b>	<b>175.24</b>	<b>224.91</b>	<b>(49.67)</b>
10	Weighted Average Rate of Interest	<b>9.68%</b>	<b>12.35%</b>	

UGVCL further submitted that the GERC (MYT) Regulations, 2016 categorise the interest and finance charges as uncontrollable expenses. Any changes on account of changes in applicable interest rates should be considered as uncontrollable. Accordingly, UGVCL has considered deviation in the actual vis-à-vis the approved expenses towards interest and finance charges as uncontrollable. The same has been provided in the table given below:

**Table 4.45: Treatment of Interest & Finance Charges as submitted by UGVCL (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Interest & Finance Charges	175.24	224.91		(49.67)

### Commission's Analysis

The Commission has considered the Closing Balance of Loans approved in the true up Order for FY 2023-24, as the Opening Balance of Loans for FY 2024-25. The normative addition of loans during FY 2024-25 has been considered as Rs. 861.90 Crore, as approved in the relevant section of this Order. The repayment of loan has been considered equal to the depreciation amount net of depreciation corresponding to the Grant and Consumer Contribution approved in this Order and the same works out to be Rs. 463.24 Crore (Rs. 494.30 Crore – Rs. 31.07 Crore).

The Commission had directed the Petitioner to submit a detailed computation of the weighted average interest rate on the actual loan portfolio for FY 2024-25, along with the supporting loan documents for each loan portfolio, along with the date of repayments of the loan.



The Petitioner in its reply submitted that during FY 2024-25, there was only a normative loan. Hence, the interest rate that is considered same as approved interest rate for the true up FY 2023-24.

In terms of provision to Regulation 38.5 of GERC (MYT) Regulations, 2016, which provides that “if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest for the actual loan shall be considered”. In view of above Regulation, the Commission has considered the Petitioner’s claim of rate of interest of 12.35% as per last true up order dated 31<sup>st</sup> March, 2025.

Accordingly, the Commission considers the interest rate on Long Term loans as 12.35% for FY 2024-25. The interest on security deposits of Rs. 168.69 Crore has been verified from the audited Annual Accounts for FY 2024-25. The Other Bank charges of Rs.1.59 Crore have been considered as per the audited Annual Accounts for FY 2024-25.

Taking all these factors into consideration, the interest and finance charges approved in the truing up for FY 2024-25 is detailed in the Table below:

**Table 4.46: Interest and Finance Charges approved by the Commission in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing up
1	Opening Loans	188.02	238.75	238.75
2	Loan Additions during the Year	594.96	901.70	861.90
3	Repayment during the Year	488.47	494.30	463.24
4	Closing Loans	294.52	646.15	637.42
<b>5</b>	<b>Average Loans</b>	<b>241.27</b>	<b>442.45</b>	<b>438.08</b>
6	Interest on Loan	23.35	54.64	54.10
7	Interest on Consumers’ Security Deposit	149.83	168.69	168.69
8	Other Bank Charges	2.05	1.59	1.59
<b>9</b>	<b>Total Interest &amp; Financial Charges</b>	<b>175.24</b>	<b>224.91</b>	<b>224.38</b>
10	Weighted Average Rate of Interest	9.68%	12.35%	12.35%

The Commission, accordingly, approves the interest and finance charges at Rs. 224.38 Crore in the truing up for FY 2024-25.

As per the GERC (MYT) Regulations, 2016, the parameters that impact interest and finance charges are uncontrollable. The Commission, accordingly, approves the Gain / (Loss) on account of interest and finance charges in the truing up for FY 2024-25, as detailed in the Table below:



**Table 4.47: Gain / (Loss) approved in the truing up for FY 2024-25 (Rs. Crore)**

Particulars	Approved in Tariff Order	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
Interest and Finance Charges	175.24	224.38	-	(49.14)

#### 4.10 Interest on Working Capital

UGVCL has not claimed any interest on working capital in the truing up for FY 2024-25, against Nil provision approved in the Tariff Order dated 1<sup>st</sup> June, 2024 as detailed in the Table below:

**Table 4.48: Interest on Working Capital claimed by UGVCL in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Total Working Capital	Nil	Nil	-

#### Petitioner's Submission

UGVCL submitted that the interest on working capital has been calculated on the basis of the provisions of the GERC (MYT) Regulations, 2016.

In line with the First Amendment to the GERC (MYT) Regulations, 2016 dated 2<sup>nd</sup> December, 2016, the rate of interest considered is the weighted average of the 1-year MCLR of the State Bank of India during the year plus 250 basis points. This rate works out to 11.38%. Also, as per these Regulations, one month of receivables are to be considered for the calculation of interest on working capital. Further, the amount held as security deposit from consumers under clause (a) and clause (b) of sub-section (1) of Section 47 of the Electricity Act 2003 except the security deposit held in the form of Bank Guarantees is to be deducted from it. Since the interest on working capital for FY 2024-25 incurred by UGVCL is Nil, UGVCL has not claimed interest on working capital for FY 2024-25 as shown below:

**Table 4.49: Interest on Working Capital claimed by UGVCL in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	O & M expenses	77.15	94.02	
2	Maintenance Spares	105.05	107.43	
3	Receivables	1,644.06	1,634.71	
4	Amount held as security deposit from consumers	2,219.76	2,703.91	
5	<b>Total Working Capital</b>	<b>(393.50)</b>	<b>(867.75)</b>	



Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
6	Rate of Interest on Working Capital	11.00%	11.38%	
7	<b>Interest on Working Capital</b>	<b>Nil</b>	<b>Nil</b>	<b>-</b>

### Commission's Analysis

The Commission has examined the computation of normative working capital under the GERC (MYT) Regulations, 2016. The working capital requirement works out to be negative during FY 2024-25. As the working capital requirement works out to be negative, there cannot be any interest on working capital. Accordingly, neither any interest has been claimed by UGVCL nor any interest is approved by the Commission.

The detailed computation of Working Capital requirement and interest thereon is given in the Table below:

**Table 4.50: Interest on working capital approved in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing up
1	O&M expenses	77.15	94.02	93.11
2	Maintenance Spares	105.05	107.43	107.43
3	Receivables	1,644.06	1634.71	1,634.71
4	Amount held as security deposit from consumers	2,219.76	2703.91	2,703.91
5	<b>Total Working Capital</b>	<b>(393.50)</b>	<b>(867.75)</b>	<b>(868.66)</b>
6	Rate of Interest on Working Capital	11.00%	11.38%	11.38%
7	<b>Interest on Working Capital</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

The Commission, accordingly, approves the interest on working capital as Nil in the truing up for FY 2024-25.

### 4.11 Bad Debts Written Off

UGVCL has claimed bad debts written off in the truing up for FY 2024-25 as Rs. 0.00 Crore, as against Rs. 0.42 Crore approved in the Tariff dated 1<sup>st</sup> June, 2024, as given in the Table below:

**Table 4.51: Bad Debts claimed by UGVCL in truing up for FY 2024-25 (Rs. Crore)**

Sr. No	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Bad and Doubtful Debts	0.42	0.00	0.42



### Petitioner's Submission

UGVCL submitted that a comparison of the actual value with the figure approved by the Commission for FY 2024-25 which shows a gain/(loss) of Rs. 0.42 Crore on account of controllable factors as shown in the Table below:

**Table 4.52: Gain/ (Loss) due to Bad Debts submitted in the Truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Bad and Doubtful Debts	0.42	0.00	0.42	

### Commission's Analysis

As per Regulation 94.9.1 of the GERC (MYT) Regulations, 2016, the bad debts written off in the ARR are to be passed through based on the actual write off of bad debts during the year. Based on the submissions, the Commission has considered Rs 0.00 Crore as actual bad debt as under:

**Table 4.53: Gain/ (Loss) due to Bad Debts approved in the Truing up for FY 2024-25 (Rs. Crore)**

Particulars	Approved in Tariff Order	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
Bad Debts Written Off	0.42	0.00	0.42	

### 4.12 Return on Equity

UGVCL has claimed Rs. 326.21 Crore towards Return on Equity (RoE) in the truing up for FY 2024-25 as against Rs. 314.95 Crore approved in the Tariff Order dated 1<sup>st</sup> June, 2024, as given in the Table below:

**Table 4.54: Return on Equity claimed by UGVCL in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Return on Equity	314.95	326.21	(11.26)

### Petitioner's Submission

UGVCL has submitted that as per the GERC (MYT) Regulations, 2016, a return @ 14% on the equity base is considered as reasonable and allowed by the Commission. Accordingly, UGVCL has computed the Return on Equity considering a rate of return at 14%.



For assessing actual return on equity for FY 2024-25, UGVCL has considered the opening balance of equity of FY 2024-25 as the closing balance of equity of FY 2023-24 approved by the Commission in the True up Order dated 31<sup>st</sup> March, 2025 and additions during the year as already discussed in the above paragraphs have been considered. The return on equity for FY 2024-25 is as shown below:

**Table 4.55: Return on Equity claimed by UGVCL in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Opening Equity Capital	2,122.15	2,136.84	(14.69)
2	Equity Additions during the Year	254.98	386.44	(131.46)
3	Closing Equity	2,377.14	2,523.28	(146.14)
4	Average Equity	2,249.64	2,330.06	(80.43)
5	Rate of Return on the Equity	14%	14%	-
6	<b>Return on Equity</b>	<b>314.95</b>	<b>326.21</b>	<b>(11.26)</b>

A comparison of the actual Return on Equity for FY 2024-25 with the amount approved by the Commission shows a net uncontrollable gain/ (loss) as indicated below:

**Table 4.56: Gain /(Loss) due to RoE claimed by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Return on Equity	314.95	326.21		(11.26)

### Commission's Analysis

The Commission has considered the Closing Balance of equity as approved in the truing up of FY 2023-24, as the Opening Balance of equity for FY 2024-25. The Commission has approved the normative Equity addition as Rs. 369.39 Crore taking into account the capitalisation and decapitalisation for the FY 2024-25.

The Commission has computed the RoE in the truing up for FY 2024-25 considering the rate of 14.00% specified in the GERC (MYT) Regulations, 2016 as detailed in the Table below:

**Table 4.57: Return on Equity approved in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing up
1	Opening Equity Capital	2,122.15	2,136.84	2,136.84
2	Equity Additions during the Year	254.98	386.44	369.39
3	Closing Equity	2,377.14	2,523.28	2,506.23



Sr. No.	Particulars	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing up
4	Average Equity	2,249.64	2,330.06	2,321.53
5	Rate of Return on the Equity	14%	14%	14%
<b>6</b>	<b>Return on Equity</b>	<b>314.95</b>	<b>326.21</b>	<b>325.01</b>

The Commission approves the Return on Equity at Rs. 325.01 Crore in the truing up for FY 2024-25. Deviation in RoE is due to uncontrollable factors as RoE is being allowed on a normative basis and the quantum of equity addition in the year depends upon the capital expenditure and the capitalization achieved during the year.

The Commission, accordingly, approves the Gain/(Loss), on account of RoE, in the Truing up for FY 2024-25 as uncontrollable, as detailed in the Table below:

**Table 4.58: Approved Gain / Loss due to Return on Equity in the truing up for FY 2024-25 (Rs. Crore)**

Particulars	Approved in Tariff Order	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
Return on Equity	314.95	325.01	-	(10.06)

### 4.13 Income Tax

UGVCL has claimed Rs. 207.52 Crore towards Income Tax for FY 2024-25, as against Rs. 4.65 Crore approved in the Tariff Order dated 1<sup>st</sup> June, 2024, as given in the Table below:

**Table 4.59: Income Tax Expenses submitted by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Deviation
1	Income Tax	4.65	207.52	(202.87)

### Petitioner's Submission

UGVCL submitted that Income Tax being a statutory expense, any variation on this account is uncontrollable. Accordingly, UGVCL requests the Commission to consider the same as an uncontrollable loss and allow the entire expenditure towards income tax without any deduction.

A comparison of actual taxes for FY 2024-25 with the amount approved by the Commission shows an uncontrollable loss of Rs. 202.87 Crore as indicated in the Table below:



**Table 4.60: Gain / (Loss) claimed by UGVCL due to Income Tax in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Income tax	4.65	207.52		(202.87)

### Commission's Analysis

The Commission has verified the amount of Income Tax payable from the Income tax Return of UGVCL i.e. Rs. 346.4 Crore. Further, the Commission also observed that the MAT credit utilized during FY 2024-25 is Rs. 138.92 as per income tax return. Accordingly, the Commission, approves the Income Tax of Rs. 207.52 Crore after adjusting the said amount of MAT credit in the truing up for FY 2024-25.

Variation in Income Tax is uncontrollable, hence, the Commission approves the Gain/(Loss) on account of Income Tax in the truing up for FY 2024-25, as detailed in the Table below:

**Table 4.61: Approved Gain / (Loss) due to Income Tax in the truing up for FY 2024-25 (Rs. Crore)**

Particulars	Approved in Tariff Order	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
Income Tax	4.65	207.52	-	(202.87)

### 4.14 Non-Tariff Income for FY 2024-25

UGVCL has claimed the actual Non-Tariff Income (NTI) as Rs. 308.94 Crore in the truing up for FY 2024-25, as against Rs. 226.96 Crore approved in the Tariff Order dated 1<sup>st</sup> June, 2024, as detailed in the Table below:

**Table 4.62: Non-Tariff Income claimed by UGVCL in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Total Non-Tariff Income	226.96	308.94		(81.98)

### Petitioner's Submission

UGVCL submitted that Non-Tariff Income is considered for FY 2024-25 is Rs. 308.94 Crore as against Rs. 226.96 Crore approved by the Commission results in an uncontrollable loss of Rs. 81.98 Crore as shown in the Table below:



**Table 4.63: Gain/(Loss) claimed due to Non-Tariff Income for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)	Gain/(Loss) due to Controllable Factor	Gain/(Loss) due to Uncontrollable Factor
1	Total Non-Tariff Income	226.96	308.94		(81.98)

### Commission's Analysis

The Commission, based on the information submitted by the Petitioner, observed that the Petitioner has claimed Non-Tariff Income of Rs 308.94 Crore without considering the interest on Staff advances of Rs. 1.47 Crore, Delayed Payment Charges of Rs. 58.66 Crore, Grant Under RDSS of Rs. 8.74 Crore, and Sale of Material to Related Parties of Rs. 3.72 Crore and included of Rs. 0.58 crore on account of rebate for prompt payment from the Total Non-Tariff Income. However, in the data gap reply the Petitioner offered to add Grant Under RDSS of Rs. 8.74 Crore in the Non-Tariff Income. The Commission decided to add the same while calculating NTI, as per the practice adopted in earlier Tariff Order.

In view of the forgoing para, The Commission approves the net NTI as Rs. 317.68 Crore in the truing up for FY 2024-25. The deviation in Non-Tariff Income is considered as uncontrollable. The Commission, accordingly, approves the Gains/(Losses) on account of Non-Tariff Income in the truing up for FY 2024-25, as detailed in the Table below:

**Table 4.64: Approved Gains/(Losses) due to Non-Tariff Income in the truing up for FY 2024-25 (Rs. Crore)**

Particulars	Approved in Tariff Order	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
Non-Tariff Income	226.96	317.68	-	(90.72)

### 4.15 Aggregate Revenue Requirement approved for FY 2024-25

The ARR approved in the Tariff Order dated 1<sup>st</sup> June, 2024, actual claimed in truing up, approved in the truing up and Gain/(Loss) computed in accordance with the GERC (MYT) Regulations, 2016, are given in the Table below:

**Table 4.65: ARR approved in truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Annual Revenue Requirement	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	Cost of Power Purchase	17,655.11	16,527.82	16,527.82	130.93	996.37



Sr. No.	Annual Revenue Requirement	Approved in the Tariff Order	Actual Claimed in Truing up	Approved in Truing up	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
2	O&M Expenses	925.77	1,128.20	1,117.32	(45.15)	(146.40)
2.1	Employee Cost	811.44	905.43	905.43	(24.32)	(69.67)
2.2	R&M Expenses	108.47	115.63	115.63	(7.16)	-
2.3	A&G Expenses	131.63	156.19	145.31	(13.68)	-
2.5	RDSS Metering Opex	-	54.03	54.03	-	(54.03)
2.5	Other Expenses Capitalised	(125.78)	(103.08)	(103.08)	-	(22.70)
3	Depreciation	488.47	494.30	494.30	-	(5.83)
4	Interest & Finance Charges	175.24	224.91	224.38	-	(49.14)
5	Interest on Working Capital	-	-	-	-	-
6	Bad Debts written off	0.42	-	-	0.42	-
7	Return on Equity	314.95	326.21	325.01	-	(10.06)
8	Income Tax	4.65	207.52	207.52	-	(202.87)
<b>9</b>	<b>ARR (1 to 8)</b>	<b>19,564.60</b>	<b>18,908.96</b>	<b>18,896.34</b>	<b>86.19</b>	<b>582.07</b>
10	Non-Tariff Income	226.96	308.94	317.68	-	(90.72)
<b>11</b>	<b>Total ARR (9-10)</b>	<b>19,337.64</b>	<b>18,600.01</b>	<b>18,578.66</b>	<b>86.19</b>	<b>672.79</b>

#### 4.16 Revenue for FY 2024-25

During the FY 2024-25, UGVCL's actual revenue amounted to Rs. 19,616.56 Crore. The break-up is as follows:

**Table 4.66: Revenue for FY 2024-25 as claimed by the Petitioner (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Approved)	FY 2024-25 (Actual)
1	Revenue from Sale of Power	10,800.63	18,746.82
2	Revenue from FPPPA	8,195.14	
3	Other Income (Consumer related)	192.09	339.24
4	Less Litigation Income		
<b>5</b>	<b>Total Revenue excluding subsidy (1 + 2 + 3)</b>	<b>19,187.86</b>	<b>19,086.05</b>
6	Agriculture Subsidy	540.88	530.50
<b>7</b>	<b>Total Revenue including subsidy (4 + 5)</b>	<b>19,728.73</b>	<b>19,616.56</b>



### Commission's Analysis

The Commission has verified the total category-wise revenue for FY 2024-25 from the audited Annual Accounts. The revenue from category-wise sales, as per audited Annual Accounts, is Rs. 18,746.82 Crore, including the component of Rs 60.92 Crore, corresponding to sale of power to GUVNL. Accordingly, the Commission considers revenue from sale of power for the Petitioner for truing up of FY 2024-25 as Rs. 18,746.82 Crore. There is a component of Income (Consumer Related) amounting to Rs. 339.24 Crore Further, the Commission has considered the actual Agriculture Subsidy of Rs. 530.50 Crore separately as per the GERC (MYT) Regulations, 2016.

The Revenue approved in the truing up for UGVCL for FY 2024-25 is shown in the Table below:

**Table 4.67: Revenue approved in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Approved in Tariff Order	Actual Claimed in Truing up	Approved in Truing up
1	Revenue from Sale of Power	10,800.63	18,746.82	18746.82
2	Revenue from FPPPA	8,195.14		
3	Other Income (Consumer related)	192.09	339.24	339.24
<b>4</b>	<b>Total Revenue excluding subsidy (1+2+3)</b>	<b>19,187.86</b>	<b>19,086.05</b>	<b>19,086.05</b>
5	Agriculture Subsidy	540.88	530.50	530.50
<b>6</b>	<b>Total Revenue (4+5)</b>	<b>19,728.73</b>	<b>19,616.56</b>	<b>19,616.56</b>

In response to the query about reconciliation of subsidy received from GUVNL and subsidy claimed by UGVCL in their audited account for FY 2024-25, UGVCL provided reconciliation vide additional replies as under:

**Table 4.68: Subsidy received vs Subsidy claimed in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Subsidy Name	Amount Claimed	Amount Received
1	HP Based Subsidy	530.50	530.50
2	GERC Tariff Compensation	790.07	790.07
3	Water Works	338.76	338.76
4	FPPPA	2,851.16	2,851.16
	<b>Total</b>	<b>4,510.49</b>	<b>4,510.49</b>



In view of the above, the Commission, approves the revenue of Rs. 18,746.82 Crore, (including of revenue from FPPPA, subsidies received from Government i.e. GERC Tariff Compensation subsidy, Water Works subsidy and FPPPA subsidy), Agriculture Subsidy of Rs. 530.50 Crore and other income (Consumer related) of Rs. 339.24 crore, in the truing up for FY 2024-25, total amounting to Rs. 19,616.56 Crore.

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

##### Petitioner's Submission

UGVCL submitted that the Commission in its Tariff Order dated 1<sup>st</sup> June, 2024 has approved Aggregate Revenue Requirement of Rs. 19,337.63 Crore for FY 2024-25. The Commission had also worked out the Revenue Gap of Rs. 389.78 Crore due to Truing up of FY 2022-23 in the Aggregate Revenue Requirement.

As per the mechanism specified in the GERC (MYT) Regulation 2016, UGVCL proposes to pass on a sum of 1/3<sup>rd</sup> of total gain/(loss) on account of controllable factors i.e. Rs. 25.10 Crore and total gain/(loss) on account of uncontrollable factor i.e. Rs. 662.32 Crore to the consumers. Adjusting these to the net Aggregate Revenue Requirement, UGVCL has arrived at the Revised Aggregate Revenue Requirement for FY 2024-25 at Rs. 19,039.99 Crore.

This revised Aggregate Revenue Requirement is compared against the revised income under various heads including Revenue from sale of power of Rs. 18,746.82 Crore, other consumer related Income of Rs. 339.24 Crore, agriculture subsidies of Rs. 530.50 Crore and GUVNL profit allocation of Rs. 36.14 Crore summing up to a Total Revenue of Rs. 19,652.69 Crore. Accordingly, total Revenue Surplus/(Gap) of UGVCL for FY 2024-25 after treatment of gain/(loss) due to controllable / uncontrollable factors is computed at Rs. 612.70 Crore, as shown in the Table below:

**Table 4.69: Revenue Surplus/(Gap) submitted by UGVCL for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	FY 2024-25 (Actual)
1	Aggregate Revenue Requirement originally approved for FY 2024-25	19,337.63
2	Less: Surplus/(Gap) of FY 2022-23	(389.78)
3	Less: Gain / (Loss) on account of Uncontrollable factor to be passed on to Consumer	662.32
4	Less: Gain / (Loss) on account of Controllable factor to be passed on to Consumer (1/3rd of Total Gain / Loss)	25.10
5	<b>Revised ARR for FY 2024-25 (1 - 2 - 3 - 4)</b>	<b>19,039.99</b>
6	Revenue from Sale of Power	18,746.82
7	Other Income (Consumer related)	339.24
8	Less Litigation Income	-



Sr. No.	Particulars	FY 2024-25 (Actual)
9	<b>Total Revenue excluding Subsidy (6 + 7)</b>	<b>19,086.05</b>
10	Agriculture Subsidy	530.5
11	GUVNL Profit / (Loss) Allocation	36.14
12	<b>Total Revenue including Subsidy (9 + 10 + 11)</b>	<b>19,652.69</b>
13	<b>Revenue Surplus/(Gap) after treating gains/(losses) due to Controllable/ Uncontrollable factors (12 - 5)</b>	<b>612.70</b>

UGVCL through this Petition intends to adjust the surplus worked on truing up of FY 2024-25 through the trued up ARR for FY 2026-27.

### Commission's Analysis

It is observed that the Petitioner has shown the GUVNL profit allocation of Rs.36.14 crore, whereas all 4 DISCOMS in totality have shown the total profit allocation of Rs. 145.58 crore. While examining the Annual Accounts of GUVNL and the additional submissions made by the DISCOM, the Commission observed that there is a total GUVNL profit of Rs 2001.80 Crore ( GUVNL Profit ) to be shared among the 4 DISCOMS. In view of this, the Commission has decided to allocate the same to the 4 DISCOMS in proportionate to their respective power purchase cost from GUVNL, as shown in the Table below, while calculating the trued-up Surplus/(Gap) for FY 2024-25:

**Table 4.70: Total GUVNL profit for State DISCOMs for FY 2024-25 (Rs. Crore)**

Sr. No.	DISCOM	Amount
1	DGVCL	629.20
2	MGVCL	242.13
3	PGVCL	633.53
4	UGVCL	496.94
5	<b>Total</b>	<b>2,001.80</b>

The Revenue Surplus/(Gap) approved by the Commission after truing up for FY 2024-25, is summarised in the Table below:

**Table 4.71: Revenue Surplus/(Gap) approved in the truing up for FY 2024-25 (Rs. Crore)**

Sr. No.	Particulars	Actual Claimed	Approved after truing up
1	Aggregate Revenue Requirement originally approved for FY 2024-25	19,337.63	19,337.63
2	Less: Surplus/(Gap) of FY 2022-23	(389.78)	(389.78)



Sr. No.	Particulars	Actual Claimed	Approved after truing up
3	Less: Gain / (Loss) on account of Uncontrollable factor to be passed on to Consumer	662.32	672.79
4	Less: Gain / (Loss) on account of Controllable factor to be passed on to Consumer (1/3rd of Total Gain / Loss)	25.10	28.73
5	<b>Revised ARR for FY 2024-25 (1 - 2 - 3 - 4)</b>	<b>19,039.99</b>	<b>19,025.89</b>
6	Revenue from Sale of Power	18,746.82	18,746.82
7	Other Income (Consumer related)	339.24	339.24
8	<b>Total Revenue excluding Subsidy (6 + 7)</b>	<b>19,086.05</b>	<b>19,086.05</b>
9	Agriculture Subsidy	530.50	530.50
10	GUVNL Profit / (Loss) Allocation	36.14	496.94
11	<b>Total Revenue including Subsidy (8 + 9 + 10)</b>	<b>19,652.69</b>	<b>20,113.50</b>
12	<b>Revenue Surplus/(Gap) after treating gains/(losses) due to Controllable/ Uncontrollable factors (11 - 5)</b>	<b>612.70</b>	<b>1,087.61</b>

The Revenue Surplus/(Gap) approved by the Commission after truing up for FY 2024-25, has been considered for computing the cumulative Revenue Surplus/(Gap) for FY 2026-27, as elaborated in subsequent Chapters of this Order.



## 5. ARR for FY 2026-27

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### 5.1 ARR for FY 2026-27

In terms of Regulations 16.3.3 of the GERC (MYT) Regulations, 2024, the Commission shall determine Aggregate Revenue Requirement for Distribution Wires Business and Retail Supply Business for each year of the Control Period and tariff for the first year of the Control Period, at the beginning of the Control Period.

This section covers outline the Revised ARR and Determination of Tariff for FY 2026-27

### 5.2 Submission of UGVCL

UGVCL submitted that it has considered all the expenses and incomes except Power Purchase Cost as per the approved ARR as per the order dated 31<sup>st</sup> March, 2025.

### 5.3 Estimation of ARR for FY 2026-27

In view of Petitioner's submission that all the expense and incomes except Power Purchase Cost have been kept as per the approved ARR order dated 31<sup>st</sup> March, 2025, the Commission has also not revised the elements of ARR except power purchase for FY 2026-27.

The Commission has analysed the power purchase as discussed, the same hereunder

### 5.4 Power Purchase Cost for FY 2026-27

#### 5.4.1 Power Purchase from Local Sources

UGVCL submitted that State Government has notified policy for Development of Small Scale Distributed Solar Projects (SSDSP) vide GR dated 6<sup>th</sup> March, 2019 referred to allowing any individuals, company or body corporate or association or body of individuals, cooperative society of individual / farmers or artificial juridical persons for setting up of solar plant of 0.5 MW to 4 MW capacity for sale of energy to the DISCOMs.

DISCOM has signed PPAs under Small-scale Distributed Solar Projects (SSDSP) and power generation will be available at Distribution level. Based on the quantum of PPA signed, expected CoD and CUF, power generation from SSDSP and cost of total power purchase from local sources is worked out as under.

**Table 5-1: Local Power Purchase for FY 2026-27**

Sr. No.	Particulars	Unit	DGVCL	MGVCL	PGVCL	UGVCL	Total
1	Local Purchase (MW)	MW	61.50	90.50	535.00	195.00	<b>882.00</b>
2	Expected CUF	%	20.00%	20.00%	20.00%	20.00%	



Sr. No.	Particulars	Unit	DGVCL	MGVCL	PGVCL	UGVCL	Total
3	Expected Generation from SSDSP	MUs	107.75	158.56	937.32	341.64	<b>1,545.27</b>
4	Power Purchase Rate	Rs. /kWh	3.00	3.00	3.00	3.00	
5	Power Purchase Cost	Rs. Crore	79.96	121.43	464.55	222.55	<b>888.48</b>
6	Other Local Purchase	MUs	196.51	298.42	1,498.22	693.35	<b>2,686.50</b>
7	<b>Total Local Purchase</b>	MUs	<b>304.26</b>	<b>456.98</b>	<b>2,435.54</b>	<b>1,034.99</b>	<b>4,231.77</b>

#### 5.4.2 Power Purchase Sources of GUVNL

UGVCL submitted that the various sources of power purchase by GUVNL on behalf of four Distribution Companies consists of (i) Generating Plants of GSECL (ii) Central Sector Power Plants- NTPC, NPC and SSNNL, (iii) Renewable sources of power – Solar, Wind, Other RE Sources (iv) IPP's and (v) Power tied up through competitive bidding etc. The power purchase sources have been differentiated into existing capacity and additional capacity envisaged during the control period.

##### (I) Existing capacity with GUVNL

The contracted capacity tied up by GUVNL for FY 2026-27 is 49,815 MW. Given below are the names of the existing power plants, their operational parameters, capacity allocated to GUVNL, their fixed cost along with the variable cost of generation per unit as approved by the Commission for FY 2026-27 along with the anticipated capacity addition to be commissioned during FY 2026-27:

**Table 5-2: Capacity Allocation with GUVNL**

Sr. No.	Name of the Station	Capacity allocated to GUVNL (MW)	Auxiliary Consumption (%)	PLF (%)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kWh)
<b>GSECL</b>						
1	GSECL Gandhinagar – 5	210	9.50%	64.04%	111.00	4.28
2	GSECL Wanakbori - 7	210	9.50%	71.45%	111.00	4.72
3	GSECL Utran Expan	375	3.00%	5.75%	258.00	9.97
4	GSECL Dhuvaran - 7	107	4.00%	3.23%	61.00	10.61
5	GSECL Dhuvaran - 8	112	3.00%	2.73%	122.00	11.52
6	GSECL Ukai	610	9.00%	50.70%	606.00	4.10
7	GSECL Ukai Expan	500	6.00%	56.64%	337.00	3.69
8	GSECL Gandhinagar 1-4 (3-4)	420	9.50%	57.03%	466.00	4.31
9	GSECL Wanakbori 1-6	1,260	9.00%	49.59%	820.00	4.76
10	GSECL Sikka Expansion	500	9.00%	25.09%	546.00	5.71
11	GSECL Kutch Lignite (1-3)	75	12.00%	56.85%	220.00	4.30



Sr. No.	Name of the Station	Capacity allocated to GUVNL (MW)	Auxiliary Consumption (%)	PLF (%)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kWh)
12	GSECL Kutch Lignite Exp unit 4	75	12.00%	20.24%	79.00	4.10
13	GSECL Ukai Hydro	305	0.60%	27.54%	42.00	-
14	GSECL Kadana Hydro	242	1.00%	13.03%	77.00	-
15	GSECL Dhuvaran CCPP III	376	3.00%	4.01%	239.00	9.97
16	GSECL BLTPS	500	11.00%	33.97%	511.00	3.78
17	GSECL Wanakbori - 8	800	5.25%	65.02%	702.00	4.04
<b>Sub Total</b>		<b>6,677</b>			<b>5,308</b>	
<b>IPP's</b>						
1	Gujarat State Energy Generation	156	2.90%	0.00%	0	
2	Gujarat State Energy Generation Expansion	351	3.00%	1.00%	138.00	8.69
3	Gujarat Industries Power Co Ltd (SLPP)	250	10.00%	64.30%	138.00	2.69
4	Gujarat Mineral Development Corporation	250	11.00%	17.08%	26.00	3.78
5	Gujarat Industries Power Co Ltd (145 MW)	28	2.90%	0.00%	10.00	8.91
6	Gujarat Industries Power Co Ltd (SLPP - Exp)	250	10.00%	71.43%	217.00	2.73
7	GPPC Pipavav	702	3.00%	4.25%	239.00	9.91
<b>Sub Total</b>		<b>1,987</b>			<b>768</b>	
<b>Central Sector</b>						
1	NPC-Tarapur (1 & 2)	160	9.00%	85.00%	-	3.42
2	NPC-Tarapur (3 & 4)	274	9.00%	85.00%	-	3.42
3	NPC-Kakrapar	601	8.00%	85.00%	-	4.08
4	NTPC-Vindhyachal - I	248	9.00%	85.98%	170.00	1.68
5	NTPC-Vindhyachal - II	253	7.05%	90.04%	156.00	1.61
6	NTPC-Vindhyachal - III	280	6.25%	95.26%	250.00	1.60
7	NTPC-Korba	356	7.04%	89.43%	156.00	1.60
8	NTPC-Korba -II	130	6.25%	96.79%	122.00	1.57
9	NTPC-Kawas	187	2.75%	1.04%	124.00	11.45
10	NTPC-Jhanor	237	2.75%	1.21%	207.00	11.61
11	NTPC-Sipat-I	577	6.25%	82.91%	601.00	1.55
12	NTPC-Sipat - II	286	6.25%	91.00%	264.00	1.61
13	NTPC-Kahlagaon	128	9.00%	93.45%	-	2.87
14	NTPC-Vindhyachal - IV	259	6.25%	86.99%	407.00	1.53
15	NTPC-Mauda	244	6.25%	88.70%	309.00	3.50
16	NTPC-Vindhyachal - V	103	7.25%	86.50%	176.00	1.63
17	NTPC-Mauda II	318	6.25%	76.88%	379.00	3.56



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Sr. No.	Name of the Station	Capacity allocated to GUVNL (MW)	Auxiliary Consumption (%)	PLF (%)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kWh)
18	NTPC-Solapur	25	6.25%	61.40%	127.00	4.82
19	NTPC-Gadarwara	334	6.25%	78.65%	536.00	3.75
20	NTPC-LARA	186	6.25%	84.56%	274.00	3.82
21	NTPC - Khargone	270	6.25%	73.02%	495.00	4.06
22	NTPC-Farakka - 3	33	6.25%	73.54%	36.00	3.28
23	NTPC-Kahalgaoon 1	141	6.25%	93.45%	112.00	3.16
24	NTPC-Farakka – 1 & 2	11	6.78%	96.79%	78.00	3.43
25	NTPC-Farakka – 1 & 2 – DE	218	6.78%	96.79%		3.43
26	NTPC-Unchahar – 1	27	9.00%	49.18%	14.00	4.69
27	NTPC-Barah	164	6.25%	64.28%	184.00	3.20
28	NTPC-Dadri	577	8.50%	59.52%	289.00	4.82
29	SSNNL	232	0.70%	17.50%	-	2.05
30	NTPC-NSTPS	50	6.25%	85.25%	213.00	2.65
31	NHPC Subansiri	162	1.00%	42.00%		6.51
32	NHPC Rangit-IV	24	1.00%	48.00%		4.97
33	NHPC Pakaldul	85	1.00%	38.00%		4.38
34	NHPC Kiru	80	1.00%	42.00%		4.74
35	NTPC Talcher III	154	6.50%	85.00%	19.00	1.48
36	NHPC Ratle	46	1.00%	42.00%		4.02
<b>Sub Total</b>		<b>7,458</b>			<b>5,698</b>	<b>-</b>
<b>Others</b>						
1	Captive Power	0	0.00%	0.00%	-	6.61
<b>Renewable</b>						
1	Wind Farms	4,571	0.00%	19.85%	-	3.50
2	Solar	6,693	0.00%	20.99%	-	2.96
3	Small/Mini Hydel	21.60	0.00%	36.47%	-	3.69
4	Biomass	30.00	0.00%	70.00%	-	1.98
5	Waste to Energy	7.50	0.00%	45.66%	-	3.67
6	Waste to Energy (New)	60.00	-	45.66%	-	6.31
7	Wind (New)	1,099	0.00%	36.15%	-	3.03
8	Solar (New)	12,419	0.00%	28.39%	-	2.63
9	Hybrid	1,032.00	0.00%	32.95%	-	3.20
10	Bagasse	41.82	0.00%	60.00%	-	7.61
11	DREBP	964.81	-	19.00%	-	2.76
12	HPO	-	0.00%	0.00%	-	-
<b>Competitive Bidding</b>						
1	Adani Power Mundra Ltd (Bid 1)	1,200	0.00%	41.86%	662	4.37



Sr. No.	Name of the Station	Capacity allocated to GUVNL (MW)	Auxiliary Consumption (%)	PLF (%)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kWh)
2	Adani Power Mundra Ltd (Bid 2)	1,234	0.00%	51.15%	741	4.11
3	Essar Power Gujarat Ltd	1,122	0.00%	38.16%	299	4.71
4	ACB India Ltd	200	0.00%	67.22%	129	0.66
5	Tata Power Company Ltd	1,805	0.00%	64.49%	985	4.02
6	DB Power	293	0.00%	90.00%	597	1.67
7	Power Exchange	-	0.00%	0.00%	-	6.02
8	Short term power purchase	-	0.00%	0.00%	-	6.63
9	Battery Storage	715	0.00%	85.00%	-	3.82
10	Pump Storage	184.08	0.00%	25.00%	-	5.02
<b>Sub Total</b>		<b>33,693</b>			<b>3,413</b>	-
<b>TOTAL</b>		<b>49,815</b>			<b>15,187</b>	-

## (II) Capacity Addition

The bifurcation of capacity addition envisaged during FY 2025-26 and FY 2026-27 and availability of plant for power generation in FY 2026-27 is approximately 16,229 MW. The operational parameters, annual fixed costs, and variable costs per unit for these plants are outlined below. The Annual Fixed Cost and the availability from the envisaged capacity during FY 2026-27 have been considered factoring in the month of commissioning for each project. Key plants include renewable energy projects, including solar, wind, and hybrid technologies, as well as additions from conventional sources such as coal and hydro, as shown in Table below:

**Table 5-3: Bifurcation of Capacity envisaged for FY 2026-27**

Sr. No.	Name of the Station	Ownership	Fuel Type	Rated Capacity allocated to GUVNL (MW)	Date of Commissioning	PLF (%)
1	Shri Chalthan khand Udhog	Private	Bagasse	5	Sep-25	60%
2	Shree Narmada Khand Udyog Pvt Ltd	Private	Bagasse	15	Sep-26	60%
3	NTPC Talcher III	Central	Coal	154	Mar-27	85%
4	KPI Green energy Ltd	Private	Hybrid	25	Aug-25	37%
5	KPI Green energy Ltd	Private	Hybrid	25	Jul-26	37%
6	Juniper Green energy ltd.	Private	Hybrid	150	Jul-26	30%
7	KPI Green energy Ltd	Private	Hybrid	370	Oct-26	37%
8	Juniper Green energy ltd.	Private	Hybrid	120	Oct-26	30%
9	Hinduja Renwables Pvt Ltd.	Private	Hybrid	150	Oct-26	30%



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Sr. No.	Name of the Station	Ownership	Fuel Type	Rated Capacity allocated to GUVNL (MW)	Date of Commissioning	PLF (%)
10	JSW Neo energy Ltd.	Private	Hybrid	192	Oct-26	30%
11	NHPC Subansiri	Central	Hydro	162	Jun-26	42%
12	NHPC Rangit-IV	Central	Hydro	24	May-25	48%
13	NHPC Pakaldul	Central	Hydro	85	Sep-26	38%
14	NHPC Kiru	Central	Hydro	80	Sep-26	42%
15	NHPC Ratle	Central	Hydro	46	Dec-26	42%
16	Enren Energy Private Limited	Private	Solar	294	Dec-25	32%
17	HR Sabarmati Private Limited	Private	Solar	187	Mar-26	27%
18	NTPC Renewable Energy Ltd.	Central	Solar	150	Apr-25	28%
19	Gujarat Industries Power Company Ltd	State	Solar	600	Mar-26	28%
20	NHPC Limited	Central	Solar	200	May-25	27%
21	SJVN Green Energy Limited	Central	Solar	200	Mar-27	29%
22	NTPC Renewable Energy Limited	Central	Solar	200	Mar-26	30%
23	NTPC Renewable Energy Ltd.	Central	Solar	200	Mar-27	28%
24	SJVN Ltd.	Central	Solar	70	Mar-26	29%
25	SJVN Limited	Central	Solar	100	Dec-26	28%
26	SJVN Limited	Central	Solar	260	Sep-25	29%
27	Sprng Green Power Private Limited	Private	Solar	300	Mar-26	27%
28	Annecey Solar private Limited	Private	Solar	200	Apr-25	27%
29	KPI Green Energy Ltd	Private	Solar	200	Dec-25	23%
30	SAEL Industries Limited	Private	Solar	400	Dec-25	30%
31	SAEL Industries Limited	Private	Solar	400	Dec-25	30%
32	ReNew Solar (Shakti Three) Private Limited	Private	Solar	300	Dec-25	28%
33	ReNew Samir Shakti Private Limited	Private	Solar	100	Dec-25	28%
34	SECI	Central	Solar	600	Dec-25	30%
35	Mahindra Susten Private Limited	Private	Solar	200	Jul-25	26%
36	Coal India Ltd.	Central	Solar	100	Mar-26	28%
37	NTPC	Central	Solar	500	Nov-26	30%
38	NLC India Limited	Private	Solar	600	Dec-25	31%
39	SolairedirectEnergy India Private Limited	Private	Solar	200	Nov-26	30%
40	NHPC LIMITED	Central	Solar	200	Nov-26	27%



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Sr. No.	Name of the Station	Ownership	Fuel Type	Rated Capacity allocated to GUVNL (MW)	Date of Commissioning	PLF (%)
41	JSW Neo Energy Limited	Private	Solar	300	Nov-26	28%
42	SJVN GREEN ENERGY LIMITED	Central	Solar	200	Nov-26	29%
43	NTPC Renewable Energy Limited	Central	Solar	225	Nov-26	30%
44	SJVN Green Energy Limited	Central	Solar	200	Apr-26	29%
45	Hinduja Renewables Energy Pvt Ltd	Private	Solar	280	Apr-26	27%
46	Avaada Energy Private Limited	Private	Solar	200	Apr-26	27%
47	Solarcraft Power India 5 Pvt Ltd	Private	Solar	100	Apr-26	29%
48	TEQ Green Power Private Limited	Private	Solar	200	Jun-26	27%
49	SECI	Central	Solar	700	Dec-26	22%
50	KPI Green Energy Limited	Private	Solar	250	Oct-26	17%
51	Solarcraft Power India 5 Private Limited	Private	Solar	80	Oct-26	27%
52	Avaada Energy Private Limited	Private	Solar	400	Oct-26	30%
53	NRC Industries Limited	Private	Solar	10	Oct-26	29%
54	Hinduja Renewables Energy Private Limited	Private	Solar	260	Oct-26	26%
55	SJVN Green Energy Limited	Central	Solar	500	Nov-26	29%
56	SAEL Industries Limited	Private	Solar	400	Nov-26	30%
57	Coal India Limited	Central	Solar	300	Nov-26	28%
58	GIPCL	State	Solar	500	Nov-26	28%
59	DREBP	Private	SSDSP	193	Sep-26	19%
60	DREBP	Private	SSDSP	90	Oct-26	19%
61	DREBP	Private	SSDSP	114	Nov-26	19%
62	DREBP	Private	SSDSP	45	Dec-26	19%
63	DREBP	Private	SSDSP	143	Jan-27	19%
64	DREBP	Private	SSDSP	321	Feb-27	19%
65	DREBP	Private	SSDSP	59	Mar-27	19%
66	Rajpur Renewables	Private	Wind	30	May-25	29%
67	Solarcraft Power India 3	Private	Wind	198	Dec-25	38%
68	Project Twelve Renewable	Private	Wind	142	Jun-25	40%
69	ACME Pokhran Solar	Private	Wind	50	Jun-25	39%
70	Juniper Green Energy Pvt Ltd	Private	Wind	50	Feb-26	37%



Sr. No.	Name of the Station	Ownership	Fuel Type	Rated Capacity allocated to GUVNL (MW)	Date of Commissioning	PLF (%)
71	Solarcraft Power India 14 Pvt Ltd	Private	Wind	50	Apr-26	38%
72	WYN Renewables	Private	Wind	100	Sep-26	32%
73	ACME Eco Clean Pvt Ltd	Private	Wind	100	Aug-25	37%
74	Juniper Green Energy Pvt Ltd	Private	Wind	70	Feb-26	37%
75	SJVN Green Energy Limited	Private	Wind	100	Feb-26	28%
76	SOLARCRAFT POWER INDIA 14 PRIVATE LIMITED	Private	Wind	40	Feb-26	39%
77	Green Praire Energy II Pvt Ltd	Private	Wind	30	Oct-26	31%
78	Alfanar Power Limited	Private	Wind	50	Jul-26	39%
79	Juniper Green Kite Pvt Ltd SPV of Juniper Green Energy Pvt Ltd	Central	Wind	90	Jun-26	31%
80	Jindal Urban Waste Management (Ahmedabad) Ltd	Private	WTE	15	Sep-25	65%/80 %
81	Battery Storage	Private	Battery	180	Jan-26	98%
82	Battery Storage	Private	Battery	500	May-26	98%
<b>TOTAL</b>				<b>16229</b>		

### (III) Decapitalisation of Existing Plants

During FY 2026-27, several wind and thermal power plants have been identified for decapitalization due to factors such as the completion of their useful life or reduction in capacity on account of exhaustion of allocation. Details of capacities getting decapitalised are given below. With the decapitalization the total generation capacity will be reduced, directly affecting the availability of firm power from these decommissioned assets. Accordingly, necessary adjustments is being done in projected power purchase for FY 2026-27.

**Table 5-4: Decapitalisation schedule of existing plants**

Sr. No.	Name of the Station	Rated Capacity allocated to GUVNL (MW)	Fuel Type	Month/Year
1	NTPC-Mauda	212	Coal	Mar-26
2	NTPC-Mauda II	212	Coal	Mar-26
3	NTPC-Korba	25	Coal	Mar-26
4	NTPC-Kahlagaon I	13	Coal	Mar-26
5	NTPC KhTPS-2	5	Coal	Mar-26



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Sr. No.	Name of the Station	Rated Capacity allocated to GUVNL (MW)	Fuel Type	Month/Year
6	NTPC FSTS- I&II	26	Coal	Mar-26
7	NTPC FSTS-III	25	Coal	Mar-26
8	NTPC TSTPS-I	24	Coal	Mar-26
9	NTPC Darlipali-I	14	Coal	Mar-26
10	NTPC Unchar-I	36	Coal	Mar-26
11	NTPC Tanda-II	44	Coal	Mar-26
12	NTPC KhTPS-1	128	Coal	Sep-26
13	NTPC FSTS- I&II	218	Coal	Sep-26
14	NTPC Barh-1	139.33	Coal	Mar-27
15	NTPC FSTS- I&II	11	Coal	Mar-27
16	NTPC FSTS-III	32.5	Coal	Mar-27
17	NTPC Unchar-I	27	Coal	Mar-27
18	NTPC NPGCL	46.66	Coal	Mar-27
19	NTPC Dadri-I	577	Coal	Mar-27
21	H D ENTERPRISE	0.75	Wind	Sep-26
22	MAKSON PHARMACEUTICAL (I) PRIVATE LIMITED	1.25	Wind	Oct-26
23	ZAVERI & CO PRIVATE LIMITED	1.25	Wind	Feb-26
24	RADHE RENEWABLE ENERGY DEVELOPMENT PRIVATE LIMITED	0.35	Wind	Nov-26
25	PBM POLYTEX LIMITED	0.6	Wind	Feb-27
26	PBM POLYTEX LIMITED	0.8	Wind	Feb-27
27	TARAK CHEMICALS LIMITED	0.8	Wind	Mar-27
28	HINDUSTAN ZINC LIMITED	38.4	Wind	Mar-27
29	AMAR BUILDERS	0.8	Wind	Mar-27
30	D.P. WIRES LTD	0.8	Wind	Mar-27
31	GHODAWAT REALTY PRIVATE LIMITED	4	Wind	Mar-27
32	GHODAWAT REALTY PRIVATE LIMITED	1.6	Wind	Mar-27
33	RATLAM WIRES PRIVATE LIMITED	0.8	Wind	Feb-27
34	STAR FLEXI PACK INDUSTRIES	0.8	Wind	Mar-27
35	SANJAY D GHODAWAT	1.6	Wind	Mar-27
36	KATARIA WIRES PRIVATE LIMITED	0.8	Wind	Jan-27
37	ASHIT SHIPPING SERVICES PRIVATE LIMITED	0.6	Wind	Feb-27
38	BANSPANI IRON LIMITED	4.8	Wind	Mar-27
39	MAHANAGAR DEVELOPERS	1.6	Wind	Mar-27
40	PATNAIK MINERALS PRIVATE LIMITED	15.2	Wind	Mar-27
41	ZAVERI & CO PRIVATE LIMITED	0.8	Wind	Jan-27
42	D.P. WIRES LTD	0.8	Wind	Jan-27
43	D P POWER	0.8	Wind	Feb-27
44	ROHAN BUILDERS (INDIA) PRIVATE LIMITED	2.4	Wind	Mar-27
45	INDIA POWER CORPORATION LIMITED	24.8	Wind	Mar-27



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Sr. No.	Name of the Station	Rated Capacity allocated to GUVNL (MW)	Fuel Type	Month/Year
46	USHDEV INTERNATIONAL LIMITED	1.6	Wind	Mar-27
47	MODERN IMPEX	0.6	Wind	Mar-27
48	MIRAJ PRODUCTS PRIVATE LIMITED	1.5	Wind	Mar-27
49	FLSMIDTH PRIVATE LIMITED	1.5	Wind	Mar-27
50	MATRIX CLOTHING (P) LIMITED	1.2	Wind	Mar-27
51	GAUTAM FREIGHT PRIVATE LIMITED	1.5	Wind	Mar-27
52	NIDHI MINING PRIVATE LIMITED	7.5	Wind	Mar-27
53	FRIENDS SALT WORKS & ALLIED INDUSTRIES	3	Wind	Mar-27
54	RUGBY RENERGY PRIVATE LIMITED	4.5	Wind	Mar-27
55	V3S INFRATECH LIMITED	1.5	Wind	Mar-27
56	GSS PIZZA CIRCLE PRIVATE LIMITED	3	Wind	Mar-27
57	AVICHAL EMBROIDERY PRIVATE LIMITED	0.6	Wind	Mar-27
58	SIDDHIVINAYAK VASTU NIRMITI LIMITED	7.5	Wind	Mar-27
59	KING METAL WORKS	0.6	Wind	Mar-27
60	RISHIKIRAN LOGISTICS PRIVATE LIMITED	1.25	Wind	Mar-27
61	NEHA SHARMA	0.6	Wind	Mar-27
62	ATUL SHARMA	0.6	Wind	Mar-27
63	WEST INN LIMITED	0.6	Wind	Mar-27
64	RASHI WEARS PRIVATE LIMITED	0.6	Wind	Mar-27
65	ADITYA MARINE LIMITED	0.75	Wind	Mar-27
66	SWAMINARAYAN VIJAY CARRY TRADE PRIVATE LIMITED	0.6	Wind	Feb-27
67	PEETHAMBRA GRANITES PRIVATE LIMITED	1.2	Wind	Mar-27
68	K L RATHI STEELS LIMITED	1.5	Wind	Mar-27
69	K S OILS LIMITED	6	Wind	Mar-27
70	INTERNATIONAL CONVEYORS LIMITED	1.65	Wind	Mar-27
71	ZAVERI & CO PRIVATE LIMITED	0.6	Wind	Mar-27
72	RATNAMANI METALS & TUBES LIMITED	10.5	Wind	Mar-27
73	RAJMAL LAKHICHAND & SONS	0.6	Wind	Mar-27
74	RAJMAL LAKHICHAND	0.6	Wind	Mar-27
75	NAGNATH GANGADHARRAO PALDEWAR	0.6	Wind	Mar-27
76	TOSHVIN ANALYTICAL PRIVATE LIMITED	0.6	Wind	Mar-27
77	SANGHI BROTHERS (INDORE) PRIVATE LIMITED	0.6	Wind	Mar-27
78	M R DIAGLOBE	0.6	Wind	Mar-27
79	SREI EQUIPMENT FINANCE LIMITED	5	Wind	Mar-27
80	RAJMAL LAKHICHAND JEWELLERS PRIVATE LIMITED	0.6	Wind	Mar-27
81	NVR POWER PRIVATE LIMITED	1.5	Wind	Mar-27



**(IV) Renewable Purchase Obligation (RPO)**

In accordance with the provisions of the Energy Conservation Act, 2001 (52 of 2001) and the notification dated 20<sup>th</sup> October, 2023 issued by the Ministry of Power in consultation with the Bureau of Energy Efficiency, the Renewable Purchase Obligation (RPO) trajectories have been prescribed for obligated entities, including Distribution Licensees. The notification under S.O. 4617(E) specifies category-wise RPO percentages for Wind, Hydro, Distributed Renewable Energy (DRE) and Other Renewable Energy, and further states that the obligated entity shall comply with the RPO trajectory as specified for each category for the respective year. These trajectories form the basis for planning and assessment of renewable energy procurement for the ensuing year.

The applicable RPO targets for FY 2026-27 as notified under S.O. 4617(E) are reproduced below:

**Table 5-5: Renewable Purchase Obligation (RPO) as notified by Ministry of Power under S.O. 4617(E)**

Year	Wind Renewable Energy (%)	Hydro Renewable Energy (%)	Distributed Renewable Energy (%)	Other Renewable Energy (%)	Total Renewable Energy (%)
FY 2026-27	1.97%	1.34%	2.70%	29.94%	35.95%

Further, the Commission has notified the GERC (Procurement of Energy from Renewable Sources) Regulations, 2025, which align the State-level RPO framework with the national trajectory. The Regulations provide that the Distribution Licensee shall fulfil the RPO targets from existing tied-up renewable energy sources or through additional procurement to meet any shortfall and that compliance shall be monitored category-wise.

In accordance with the above RPO trajectory applicable for FY 2026-27, GUVNL/DISCOMs. Propose to procure renewable power up to the extent of the tied-up renewable energy capacity available under approved Power Purchase Agreements (PPAs). The renewable energy purchase plan has been prepared based on actual generation from existing renewable projects and the anticipated availability from tied-up sources expected to contribute during FY 2026-27.

Based on the purchase from various RE sources for the FY 2026-27, status of meeting Renewable Purchase Obligation is as under:

**Table 5-6: Procurement from RE for meeting projected RPO for FY 2026-27 (MUs)**

Category	Others	Wind	DRE	HPO	Total
Total Requirement (A)	1,35,371	1,35,371	1,35,371	1,35,371	1,35,371
RPO Target (B)	29.94%	1.97%	2.70%	1.34%	3-5.95%



Category	Others	Wind	DRE	HPO	Total
RPO Target (C)	40,530	2,667	3,655	1,814	48,666
RE Purchase from Existing Capacity (D)	12,722	7,947	2,687	-	23,355
RE Purchase from New Capacity (E)	23,701	3,198	2,059	985	29,943
Total RE Purchase (F= D+E)	36,423	11,146	4,745	985	53,299
Unmet RPO (C - F)	<b>4,108</b>	-	-	<b>829</b>	<b>(4,936)</b>

Balance of RPO will be met through wheeling by consumers for captive/ third party consumption who are not claiming RE attributes and consumption of rooftop consumers as per the Regulation/ Order of the Commission.

### 5.4.3 Methodology for Forecasting Power Purchase Cost of GUVNL

UGVCL submitted that in order to optimise the power purchase cost, comprehensive Merit Order Dispatch (MOD) has been worked out to determine the dispatch required from tied up generating capacities. The dispatch from individual generating stations is worked out based on the merit order of the variable cost of each generating unit as follows:

- The NPC power plants, renewable and hydro plants have been considered as must run power plants.
- During merit order despatch, at least 7% availability of each plant has been considered to take care of the peak loads and peak season requirements.
- Availability of Thermal Stations has been considered at 85% / 80% as defined in regulations (CERC/GERC) and performance in previous years.
- The Fixed & Variable Cost for existing GSECL, IPP, renewable and central sector plants is taken as per actuals of FY 2024-25 for arriving at base power purchase cost.

For the additional capacity addition projected during the year, the cost specified in the Power Purchase Agreements (PPA) or, in the case of central hydro stations, the cost conveyed by Generator in terms of CERC Regulations is being considered for projection purposes.

### 5.4.4 Power Purchase and Cost of GUVNL

The plant-wise dispatchable energy and costs of purchase by GUVNL from various plants of GSECL, Central Generating Stations, IPPs and other sources consists of fixed and variable cost. The dispatched MUs based on merit order stacking consists of power for supplying to the DISCOMs as well as for the purpose of trading.



**Table 5-7: Projected Power Purchase Cost for FY 2026-27**

Sr. No.	Name of the Station	Available (MU)	Dispatch (MU)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kwh)	Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)
<b>GSECL</b>							
1	GSECL Gandhinagar - 5	1,066	117	111	4.28	50	161
2	GSECL Wanakbori - 7	1,190	117	111	4.72	55	166
3	GSECL Utran Expan	183	183	258	9.97	183	441
4	GSECL Dhuvaran - 7	29	29	61	10.61	31	92
5	GSECL Dhuvaran - 8	26	26	122	11.52	30	152
6	GSECL Ukai	2,465	2,465	606	4.10	1,011	1,617
7	GSECL Ukai Expan	2,332	2,332	337	3.69	861	1,198
8	GSECL Gandhinagar 3-4	1,899	233	466	4.31	100	566
9	GSECL Wanakbori 1-6	4,981	703	820	4.76	335	1,155
10	GSECL Sikka Expansion	1,000	279	546	5.71	159	705
11	GSECL Kutch Lignite	329	40	220	4.30	17	237
12	GSECL Kutch Lignite Exp unit 4	117	117	79	4.10	48	127
13	GSECL Ukai Hydro	731	731	42	-	-	42
14	GSECL Kadana Hydro	274	274	77	-	-	77
15	GSECL Dhuvaran CCPP III	128	128	239	9.97	128	367
16	GSECL BLTPS	1,324	1,324	511	3.78	501	1,012
17	GSECL Wanakbori - 8	4,318	4,318	702	4.04	1,744	2,446
18	GSECL Ukai 7	-	-	-	-	-	-
19	GSECL Gandhinagar	-	-	-	-	-	-
20	GSECL Sikka	-	-	-	-	-	-
21	GSECL Ukai	-	-	-	-	-	-
<b>Sub Total</b>		<b>22,392</b>	<b>13,416</b>	<b>5,308</b>		<b>5,252</b>	<b>10,560</b>
<b>IPP's</b>							
1	Gujarat State Energy Generation	363	93	-	8.69	81	81
2	Gujarat State Energy Generation Expansion	808	209	138	8.69	181	319
3	Gujarat Industries Power Co Ltd (165 MW)	-	-	-	-	-	-
4	Gujarat Industries Power Co Ltd (SLPP)	1,222	1,222	138	2.69	329	467
5	Gujarat Mineral Development Corp.	484	484	26	3.78	183	209
6	Gujarat Industries Power Co Ltd (145 MW)	18	17	10	8.91	15	25
7	Gujarat Industries Power Co Ltd (SLPP - Exp)	1,436	1,436	217	2.73	392	609
8	GPPC Pipavav	815	418	239	9.91	414	653
1	Adani Power Ltd Bid 1	8,935	736	662	4.37	322	984
2	Adani Power Ltd Bid 2	9,188	4,403	741	4.11	1,810	2,551



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Sr. No.	Name of the Station	Available (MU)	Dispatch (MU)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kwh)	Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)
3	Essar Power Gujarat Ltd	8,354	688	299	4.71	324	623
4	ACB India Ltd	1,489	1,489	129	0.66	98	227
5	Coastal Gujarat Power Co Ltd	13,440	13,440	985	4.02	5,403	6,388
6	DB Power	2,310	2,310	597	1.67	386	983
7	MTOA	-	-	-	1.79	-	-
8	Pump Storage	101	101	-	5.02	51	51
9	Battery Storage	962	962	-	3.82	368	368
10	Power Exchange	-	7,046	-	6.02	4,242	4,242
11	Short term power purchase	-	609	-	6.63	404	404
	<b>Sub Total</b>	<b>49,925</b>	<b>35,661</b>	<b>4,181</b>		<b>15,000</b>	<b>19,181</b>
<b>Central Sector</b>							
1	NPC-Tarapur 1 & 2	1,084	1,084	-	3.42	371	371
2	NPC-Tarapur 3 & 4	1,857	1,857	-	3.42	635	635
3	NPC-Kakrapar	4,116	4,116	-	4.08	1,679	1,679
4	NTPC-Vindhyachal - I	1,698	1,698	170	1.68	285	455
5	NTPC-Vindhyachal - II	1,852	1,852	156	1.61	298	454
6	NTPC-Vindhyachal - III	2,188	2,188	250	1.60	350	600
7	NTPC-Korba	2,591	2,591	156	1.60	415	571
8	NTPC-Korba -II	1,036	1,036	122	1.57	163	285
9	NTPC-Kawas	17	17	124	11.45	19	143
10	NTPC-Jhanor	24	24	207	11.61	28	235
11	NTPC-Sipat-I	3,929	3,929	601	1.55	609	1,210
12	NTPC-Sipat - II	2,138	2,138	264	1.61	344	608
13	NTPC-Kahlagaon	397	397	-	2.87	114	114
14	NTPC-Kahlagaon I	1,082	1,082	112	3.16	342	454
15	NTPC-Vindhyachal - IV	1,847	1,847	407	1.53	283	690
16	NTPC-Mauda	1,775	1,775	309	3.50	621	930
17	NTPC-Vindhyachal - V	722	722	176	1.63	118	294
18	NTPC-Mauda II	2,009	2,009	379	3.56	715	1,094
19	NTPC-Solapur	124	14	127	4.82	7	134
20	NTPC-Gadarwara	2,156	2,156	536	3.75	809	1,345
21	NTPC-LARA	1,295	1,295	274	3.82	495	769
22	NTPC-Khargone	1,619	1,619	495	4.06	657	1,152
23	NTPC-Farakka - 3	180	180	36	3.28	59	95
24	NTPC-Farakka - 1 & 2	80	80	78	3.43	27	105
25	NTPC-Farakka - 1 & 2 - DE	718	718		3.43	246	246
26	NTPC-Unchahar - 1	97	14	14	4.69	6	20
27	NTPC-Barah - 1	793	793	184	3.20	254	438
28	NTPC-Dadri - 1	2,523	297	289	4.82	143	432
29	Sardar Sarovar Narmada Nigam Ltd	353	353	-	2.05	72	72



Sr. No.	Name of the Station	Available (MU)	Dispatch (MU)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kwh)	Variable Cost (Rs. Crore)	Total Cost (Rs. Crore)
30	Nabinagar Power Generating Co Ltd	324	324	213	2.65	86	299
31	NHPC Subansiri	492	492	-	6.51	320	320
32	NHPC Rangit-IV	100	100	-	4.97	50	50
33	NHPC Pakaldul	163	163	-	4.38	72	72
34	NHPC Kiru	170	170	-	4.74	81	81
35	NTPC Talcher III	89	89	19	1.48	13	32
36	NHPC Ratle	56	56	-	4.02	22	22
<b>Sub Total</b>		<b>41,695</b>	<b>39,275</b>	<b>5,698</b>		<b>10,808</b>	<b>16,506</b>
<b>Others</b>							
1	Captive Power	-	-	-	6.61	-	-
<b>Renewable</b>							
1	Wind Farms	7,947	7,947	-	3.50	2,782	2,782
2	Solar	12,305	12,305	-	2.96	3,642	3,642
3	Wind (New)	3,198	3,198	-	3.03	969	969
4	Solar (New)	22,068	21,005	-	2.63	5,522	5,522
5	Hybrid	1,633	1,633	-	3.20	523	523
6	Small/Mini Hydal	69	69	-	3.69	25	25
7	Biomass	184	184	-	1.98	36	36
8	Bagasse	134	134	-	7.61	102	102
9	Waste to Energy	30	30	-	3.67	11	11
10	DREBP	514	514	-	2.76	142	142
11	HPO	-	-	-	-	-	-
12	Solar (Exchange)	-	-	-	-	-	-
13	Wind (Exchange)	-	-	-	-	-	-
14	Others (Exchange)	-	-	-	-	-	-
15	HPO (Exchange)	-	-	-	-	-	-
<b>Sub Total</b>		<b>48,082</b>	<b>47,019</b>	<b>-</b>		<b>13,754</b>	<b>13,754</b>
<b>TOTAL</b>		<b>162,094</b>	<b>135,371</b>	<b>15,187</b>	<b>-</b>	<b>44,815</b>	<b>60,002</b>

Regulation 17.4 provides that, Distribution licensee shall project power purchase requirement taking into consideration, the resource adequacy guidelines issued by Ministry of Power, Government of India and Long Term DISCOM resource adequacy plan vetted by Central Electricity Authority, Merit order dispatch principles of all Generating Stations etc.

Accordingly, in terms of the directions, GUVNL/DISCOMs have align its Power Purchase for FY 2026-27. Hence, there are modification in Power Purchase from various sources which can be observed in above table.



#### 5.4.5 Transmission and other costs

The total power purchase cost for the company during FY 2026-27 also includes Transmission Charges, GUVNL charges, and SLDC Fees & Charges in addition to the aforementioned fixed and variable costs. The details of such charges are as under:

##### A. Transmission Charges

Based on the transmission costs of PGCIL, GETCO & SLDC, approved by the Commission in order dated 31<sup>st</sup> March, 2025, the total transmission costs to be included in the overall power purchase costs has been shown as below:

**Table 5-8: Projected Transmission Charges for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	PGCIL Charges (Rs. Crore/annum)	3,664
2	NLDC/RLDC Charges	10
3	Annual Transmission charges of GETCO (Rs. Crore)	5,785
4	SLDC Charges (Rs. Crore)	47

##### B. GUVNL Cost

UGVCL has submit that GUVNL is entrusted with the function of Bulk Power Purchase on behalf of four Distribution Companies and Bulk Supply to Distribution Companies for onwards retail supply to consumers, trading of surplus power on behalf of Distribution Companies and activities related to overall coordination between its subsidiary companies. GUVNL is procuring power on behalf of all DISCOMs to have an economical and optimised power purchase cost. It also undertakes the function of raising and managing the overall loan portfolio of GUVNL and its subsidiaries. GUVNL is charging Rs. 0.04 for every unit transacted. The total cost has been arrived upon after considering the total dispatchable units required to be served to all the four DISCOMs during FY 2026-27 is as under.

**Table 5-9: GUVNL Cost for FY 2026-27 (Rs. Crore)**

Particulars	FY 2026-27
GUVNL Cost @ 4 Paisa per Unit	541

#### 5.4.6 Total Power Purchase Cost

##### Fixed Cost

The Table below shows the total fixed cost projected for FY 2026-27:



**Table 5-10: Projected Fixed Cost for DISCOMs for 2026-27 (Rs. Crore)**

Year	Fixed cost	GETCO Cost	PGCIL Charges	NLDC/RLDC Charges	SLDC Charges
FY 2026-27	15,187	5,785	3,664	10.34	47

### Variable Cost

The Table below shows the total variable cost projected for FY 2026-27:

**Table 5-11: Projected Variable Cost for DISCOMs for FY 2026-27**

Year	Variable cost (Rs. Crore)	GUVNL Cost (Rs. Crore)	Total variable Cost (Rs. Crore)	Despatched (MUs)	Variable Cost per Unit (Rs./kWh)	DISCOM (MUs)	Variable Cost (Rs. Crore)
FY 2026-27	44,815	541	45,356	1,35,371	3.35	1,35,371	45,356

### 5.4.7 Net Power Purchase Cost

The net power purchase cost for FY 2026-27 is shown below:

**Table 5-12: Projected Net Power Purchase Cost for FY 2026-27 (Rs. Crore)**

Year	DISCOMs Fixed cost	DISCOMs Variable Cost	Total Power purchase cost
FY 2026-27	24,694	45,356	70,050

### 5.4.8 Bulk Supply Tariff (BST)

The objective of the differentiation of the BST between DISCOMs is due to the fact that the revenues from tariff for each DISCOM are different due to different consumer mix and therefore, it is necessary to build a mechanism in the projections to bring them to a level playing field. The basic objective of Bulk Supply Tariff is that:

- GUVNL shall purchase power from various sources in bulk and supply power in DISCOMs for onward retail supply.
- To ensure uniform retail consumer tariffs in the four DISCOMs.
- Since each of the DISCOM was incorporated on the basis of earlier zonal system, the consumer mix and consumption mix is different for each DISCOM. Consequently, the revenue earning capability of each DISCOM is different.
- It is necessary to build a mechanism to bring them to a level playing field in their paying capacity



for power purchase and it is proposed to be achieved by different Bulk Supply Tariff (BST) to each of the DISCOMs.

By undertaking the BST method, it would be possible to ensure uniform retail consumer tariffs in the four DISCOMs.

It is submitted that when the erstwhile GEB was unbundled into seven entities, it was decided by the State Government that GUVNL shall purchase the entire power requirement from GSECL, Central Generating Companies, Traders, MPPs, IPPs and any other source available to meet the demand of the DISCOMs and shall perform the activity of bulk supplier of power to all the four Distribution Companies at Bulk supply Tariff. In accordance with this arrangement related to power procurement, the Distribution Licensee has entered into bulk supply arrangement / agreement with GUVNL to meet its supply obligations.

The State Government has envisaged uniform retail supply tariff in the four DISCOMs (of the unbundled GEB), so that the consumers belonging to the similar categories within the State could have a similar tariff and there may not be any discrimination between the consumers which is also the objective of the Electricity Act 2003.

It is submitted that since more than 80% of the total cost incurred by DISCOM is towards Power Purchase, the same plays a major role in determining the Annual Revenue Requirement as well as Revenue Surplus/(Gap) for the DISCOM for a particular year. Since, the consumer profile and consumption profiles are different in the four Distribution Companies, the revenue earning capabilities of each of the DISCOM differs resulting in different Annual Revenue Requirement. Therefore, it is necessary to build a mechanism in the projections to bring them to a level playing field. This is proposed to be achieved by differential Bulk Supply tariff (BST) to each of the DISCOMs which was already adopted by the Hon'ble Commission in the previous Tariff Orders. In this way, it would be possible to ensure uniform retail consumer tariffs in the four DISCOMs.

#### **5.4.9 Allocation of Power Purchase Cost under BST mechanism**

The Net Power Purchase cost calculated in the above section has been allocated for FY 2026-27 based on the methodology adopted by the Hon'ble Commission. According to this methodology, the amount available to DISCOM for power purchase is determined by deducting other expenses (excluding power purchase expenses) from the total revenue of the DISCOM, which includes revenue from the sale of power to consumers, non-tariff income, agricultural subsidy, and FPPAS.

**Table 5-13: Allocation of Power Purchase Cost for FY 2026-27**

Sr. No.	Particulars	DGVCL	MGVCL	PGVCL	UGVCL
1	Sales (MUs)	35,225.00	14,725.08	41,586.00	32,334.11
2	Revenue from Existing Tariff	17,581.90	6,942.21	17,437.07	12,074.84
3	Revenue from FPPAS @ Rs. 2.52/ unit	8,876.70	3,710.72	10,479.67	8,148.19
4	Other Income (Consumer Related)	684.06	154.85	380.87	269.05
5	Agricultural Subsidy	53.60	70.89	448.75	526.76
<b>6</b>	<b>Total</b>	<b>27,196.26</b>	<b>10,878.66</b>	<b>28,746.36</b>	<b>21,018.84</b>
7	Expense other than Power Purchase	3,025.65	2,475.62	5,435.96	2,118.15
8	Local Power Purchase Cost	79.95	121.43	714.73	302.44
<b>9</b>	<b>Amount Available with Discom for Power purchase from GUVNL</b>	<b>24,090.66</b>	<b>8,281.62</b>	<b>22,595.67</b>	<b>18,598.25</b>

**Table 5-14: Total Revenue Surplus/(Gap) (Rs. Crore) for FY 2026-27**

Sr. No.	Particulars	2026-27
1	Power Purchase Cost of GUVNL	70,050
2	Aggregate Amount available for power purchase from GUVNL	73,566
<b>3</b>	<b>Revenue Surplus/(Gap)</b>	<b>3,516</b>

**Table 5-15: Bulk Supply Tariff for FY 2026-27**

Sr. No.	Particulars	2026-27			
		DGVCL	MGVCL	PGVCL	UGVCL
<b>1</b>	<b>Revenue Surplus/(Gap) (Rs. Crore)</b>	<b>3516</b>			
2	Ratio of allocation of Revenue Surplus/(Gap)	27.52%	11.77%	34.94%	25.77%
3	Revenue (Surplus/(Gap) allocation (Rs. Crore)	967.64	413.97	1,228.55	906.00
4	Amount Available with Discom for Power purchase from GUVNL (Rs. Crore)	24,090.66	8,281.62	22,595.67	18,598.25
<b>5</b>	<b>Power purchase cost of GUVNL (Rs. Crore)</b>	<b>23,123.02</b>	<b>7,867.64</b>	<b>21,367.12</b>	<b>17,692.25</b>
<b>6</b>	<b>Local Power Purchase Cost (Rs. Crore)</b>	<b>79.95</b>	<b>121.43</b>	<b>714.73</b>	<b>302.44</b>
<b>7</b>	<b>Power purchase cost of DISCOM (Rs. Crore)</b>	<b>23,202.97</b>	<b>7,989.07</b>	<b>22,081.85</b>	<b>17,994.69</b>
8	Energy Purchase in DISCOM (MU)	37,558.17	16,394.79	49,734.40	35,915.69
<b>9</b>	<b>Bulk Supply Tariff (Rs. /kWh)</b>	<b>6.18</b>	<b>4.87</b>	<b>4.44</b>	<b>5.01</b>



## 5.5 Power Purchase Cost for FY 2026-27 - Commission's Analysis

### 5.5.1 Power Purchase from SSDSP

UGVCL has submitted that that it has considered the notification of the State Government for the development of SSDSP. Therefore, Discoms have signed PPAs under SSDSP, and power generation will be available at the distribution level. Discoms have worked out power generation from SSDSP based on the quantum of PPA signed, expected COD and CUF. The Commission has gone through the submissions regarding power purchased from SSDSP and finds it prudent to allow the same. Accordingly, the Commission has approved the power purchase from SSDSP as projected by DGVCL which is in line with figures approved in MYT order as shown in the Table below:

**Table 5-16: Approved Power Purchase under SSDSP for FY 2026-27**

Sr. No.	Particulars	Unit	DGVCL	MGVCL	PGVCL	UGVCL	Total
1	MW Capacity tied up under SSDSP	MW	61.50	90.50	535	195	882
2	Expected CUF	%	20%	20%	20%	20%	
3	Expected Generation from SSDSP	MU	107.75	158.56	937.32	341.64	1,545.26
4	Existing Local Purchase	MU	196.51	298.42	1,498.22	693.35	2,686.51
5	Power Purchase Rate	Rs./kWh	3.00	3.00	3.00	3.00	
6	New Purchase in FY26-27	Rs. Crore	32.32	47.57	281.20	102.49	463.58
7	Existing Local Purchase	Rs. Crore	47.63	73.86	433.54	199.95	754.98
<b>8</b>	<b>Power Purchase Cost</b>	<b>Rs. Crore</b>	<b>79.95</b>	<b>121.43</b>	<b>714.73</b>	<b>302.44</b>	<b>1,218.56</b>

### 5.5.2 Power Purchase Sources

As mentioned earlier, UGVCL has submitted that GUVNL has entered into contracts for the existing capacity with GSECL, Central Generating Companies, IPPs, Renewable energy sources - Hydro, Solar, Wind, Other RE Sources, IPPs and Power tied up through competitive bidding, etc. GUVNL has also entered into contracts for additional capacity likely to be commissioned during the FY 2025-26 & FY 2026-27.

The capacity projected by the Petitioner from each of the sources is summarised in the Table below:

**Table 5-17: Capacity Contracted Source-Wise by GUVNL as submitted by UGVCL (MW)**

Sr. No	Particulars	Capacity
1	GSECL	6,677
2	IPPs	1,987



Sr. No	Particulars	Capacity
3	Central Generating Stations	7,458
4	Renewable	26,940
5	Competitive Bidding & PX	6,753
6	Other- CPP	0
<b>Total</b>		<b>49,815</b>

### Capacity Addition

The capacity addition envisaged during FY 2025-26 and FY 2026-27 and availability of plant for power generation in FY 2026-27 is approximately 16229 MW. The operational parameters, annual fixed costs, and variable costs per unit for these plants are outlined by the Petitioner. The Annual Fixed Cost and the availability from the envisaged capacity during FY 2026-27 have been considered factoring in the month of commissioning for each project. Key plants include renewable energy projects, including solar, wind, and hybrid technologies, as well as additions from conventional sources such as coal and hydro, as shown in Table below:

**Table 5-18: Source wise additional capacity envisaged for FY 2026-27 (MW)**

Sr. No.	Energy Source	Capacity
1	Solar	11,867
2	Coal	154
3	Wind	1,099
4	Hybrid	1,032
5	Hydro	397
6	Battery	680
7	WTE	15
8	SSDSP	965
9	Bagasse	20
<b>Total</b>		<b>16,229</b>

### Decapitalisation of Existing Plants

Discoms have submitted several wind and thermal power plants have been identified for decapitalised during FY 2026-27. An energy source wise summary of the capacity to be decapitalised is given below.

**Table 5-19: Decapitalisation envisaged for FY 2026-27 (MW)**

Sr. No.	Energy Source	Capacity
1	Coal	1,815



Sr. No.	Energy Source	Capacity
2	Wind	799
<b>Total</b>		<b>2,614</b>

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

The Petitioner has submitted the details for RPO compliance for FY 2026-27 as discussed in earlier in relevant section. The Commission has approved the total energy requirement of 1,35,371 MUs for all the four DISCOMs for FY 2026-27 based on the energy balance and energy requirement approved for the respective DISCOMs.

The Commission has notified draft GERC (Procurement of Energy from Renewable Sources) Regulations, 2024 in which the RPO targets for FY 2026-27 have been specified. Also, while computing the RE capacity for FY 2026-27, the Petitioner has considered existing tied up sources along with new RE plants expected to be commissioned during 2026-27. The list of new plants expected to be operational in FY 2026-27 are shown in the Table below:

**Table 5-20: New RE Plants coming up during the FY 2026-27**

Particular	Solar	Wind	Others	HPO	Total
Additional Power Purchase (MW)	13,384	1,099	1,886	397	16,766
Additional Power Purchase (MU)	22,581	3,198	3,907	981	30,667
Power Purchase Cost (Rs./kwh)	2.63	3.03	3.28	5.55	2.85
<b>Power Purchase Cost (Rs. Crore)</b>	5,944	969	1,281	544	8,738

The Commission has considered existing tied up sources and capacity of new plants expected to be operational during FY 2026-27. Further, the Commission has also considered the local purchase and SSDSP purchase of 4232 MUs while computing the RPO targets.

Accordingly, the Commission has approved the procurement of RE power for meeting RPO target for FY 2026-27, as detailed in the Table below:

**Table 5-21: Procurement from RE for meeting projected RPO for FY 2026-27 (MUs)**

Particulars	FY 2026-27
Total Power Purchase (A)	139603
RPO Target (%) (B)	35.95%
RPO Target (C)	50,187
RE Purchase (D)	53,299
Unmet RPO (C-D)	-



In case the RPO could not be met during FY 2026-27 from aforesaid sources RPO can be met through wheeling by consumers for captive/ third party consumption who won't claim RE attributes and consumption of Roof Top consumers as per the relevant Regulations / Orders of the Commission.

### 5.5.3 Merit Order despatch and Total Energy requirement

As discussed in relevant sections, in order to optimize the Power Purchase Cost, Discoms/GUVNL has worked out a comprehensive merit order despatch (MOD).

For the purpose of energy requirement, the sales and energy requirement of each DISCOM has been considered by the Commission as per MYT order.

The energy requirement approved for each DISCOM by the Commission are summarised below:

**Table 5-22: Energy Requirement and Despatch for FY 2026-27 (MUs)**

DISCOM	FY 2026-27 Approved
DGVCL	37,254
MGVCL	15,938
PGVCL	47,299
UGVCL	34,881
<b>Total Requirement</b>	<b>1,35,371</b>
<b>Total Despatch</b>	<b>1,35,371</b>

### 5.5.4 Methodology for Forecasting Power Purchase Cost of GUVNL

In order to optimise the power purchase cost, the Commission has worked out comprehensive MOD. The dispatch from individual generating stations has been worked out by the Commission based on the merit order of the variable cost of each generating unit as follows:

- The nuclear power plants, renewable and hydro plants have been considered as must run power plants.
- During merit order despatch, at least 7% availability of each plant has been considered to take care of the peak loads and peak season requirements.
- Availability of Thermal Stations has been considered at 85% / 80% as defined in Regulations (CERC/GERC) and performance in previous years.
- The Fixed Cost, Variable Cost and PLF for existing GSECL Stations have been considered as approved in corresponding MYT order for GSECL.
- The Fixed Cost, Variable Cost and PLF for IPP, renewable and central sector plants have been considered as projected by the Petitioner.



- For Private IPPs, FC and VC have been considered based on likely cost as per PPAs.

### 5.5.5 Power Purchase Cost

The power purchase costs for FY 2026-27 are shown in the tables hereafter. These include the energy available from each station, as estimated by the Commission, and energy dispatchable, based on merit order as discussed above.

The source-wise power purchase cost for FY 2026-27 as approved by the Commission is shown in the Table below

**Table 5-23: Approved Power Purchase Cost for FY 2026-27**

Sr. No.	Name of the Station	Available (MU)	Dispatch (MU)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kwh)	Variable Cost (Rs.Crore)	Total Cost (Rs. Crore)
<b>GSECL</b>							
1	GSECL Gandhinagar - 5	1066	117	111	4.28	50	161
2	GSECL Wanakbori - 7	1190	117	111	4.72	55	166
3	GSECL Utran Expan	183	183	258	9.97	183	441
4	GSECL Dhuvaran - 7	29	29	61	10.61	31	92
5	GSECL Dhuvaran - 8	26	26	122	11.52	30	152
6	GSECL Ukai	2465	2465	606	4.10	1011	1617
7	GSECL Ukai Expan	2332	2332	337	3.69	861	1198
8	GSECL Gandhinagar 3-4	1899	233	466	4.31	100	566
9	GSECL Wanakbori 1-6	4981	703	820	4.76	335	1155
10	GSECL Sikka Expansion	1000	279	546	5.71	159	705
11	GSECL Kutch Lignite	329	40	220	4.30	17	237
12	GSECL Kutch Lignite Exp unit 4	117	117	79	4.10	48	127
13	GSECL Ukai Hydro	731	731	42	0.00	0	42
14	GSECL Kadana Hydro	274	274	77	0.00	0	77
15	GSECL Dhuvaran CCPP III	128	128	239	9.97	128	367
16	GSECL BLTPS	1324	1324	511	3.78	501	1012
17	GSECL Wanakbori - 8	4318	4318	702	4.04	1744	2446
18	GSECL Ukai 7	0	0	0	0.00	0	0
19	GSECL Gandhinagar	0	0	0	0.00	0	0
20	GSECL Sikka	0	0	0	0.00	0	0
21	GSECL Ukai	0	0	0	0.00	0	0
<b>Sub Total</b>		<b>22392</b>	<b>13416</b>	<b>5308</b>		<b>5252</b>	<b>10560</b>
<b>IPP's</b>							
		0	0	0	0.00	0	0
1	Gujarat State Energy Generation	363	93	0	8.69	81	81
2	Gujarat State Energy Generation Expansion	808	209	138	8.69	181	319



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Sr. No.	Name of the Station	Available (MU)	Dispatch (MU)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kwh)	Variable Cost (Rs.Crore)	Total Cost (Rs. Crore)
3	Gujarat Industries Power Co Ltd (165 MW)	0	0	0	0.00	0	0
4	Gujarat Industries Power Co Ltd (SLPP)	1222	1222	138	2.69	329	467
5	Gujarat Mineral Development Corp.	484	484	26	3.78	183	209
6	Gujarat Industries Power Co Ltd (145 MW)	18	17	10	8.91	15	25
7	Gujarat Industries Power Co Ltd (SLPP - Exp)	1436	1436	217	2.73	392	609
8	GPPC Pipavav	815	418	239	9.91	414	653
		0	0	0	0.00	0	0
1	Adani Power Ltd Bid 1	8935	736	662	4.37	322	984
2	Adani Power Ltd Bid 2	9188	4403	741	4.11	1810	2551
3	Essar Power Gujarat Ltd	8354	688	299	4.71	324	623
4	ACB India Ltd	1489	1489	129	0.66	98	227
5	Coastal Gujarat Power Co Ltd	13440	13440	985	4.02	5403	6388
6	DB Power	2310	2310	597	1.67	386	983
7	MTOA	0	0	0	1.79	0	0
8	Pump Storage	101	101	0	5.02	51	51
9	Battery Storage	962	962	0	3.82	368	368
10	Power Exchange	0	7046	0	6.02	4242	4242
11	Short term power purchase	0	609	0	6.63	404	404
	<b>Sub Total</b>	<b>49925</b>	<b>35661</b>	<b>4181</b>		<b>15000</b>	<b>19181</b>
	<b>Central Sector</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>
1	NPC-Tarapur 1 & 2	1084	1084	0	3.42	371	371
2	NPC-Tarapur 3 & 4	1857	1857	0	3.42	635	635
3	NPC-Kakrapar	4116	4116	0	4.08	1679	1679
4	NTPC-Vindhyachal - I	1698	1698	170	1.68	285	455
5	NTPC-Vindhyachal - II	1852	1852	156	1.61	298	454
6	NTPC-Vindhyachal - III	2188	2188	250	1.60	350	600
7	NTPC-Korba	2591	2591	156	1.60	415	571
8	NTPC-Korba -II	1036	1036	122	1.57	163	285
9	NTPC-Kawas	17	17	124	11.45	19	143
10	NTPC-Jhanor	24	24	207	11.61	28	235
11	NTPC-Sipat-I	3929	3929	601	1.55	609	1210
12	NTPC-Sipat – II	2138	2138	264	1.61	344	608
13	NTPC-Kahlagaon	397	397	0	2.87	114	114
14	NTPC-Kahlagaon I	1082	1082	112	3.16	342	454
15	NTPC-Vindhyachal - IV	1847	1847	407	1.53	283	690
16	NTPC-Mauda	1775	1775	309	3.50	621	930
17	NTPC-Vindhyachal - V	722	722	176	1.63	118	294
18	NTPC-Mauda II	2009	2009	379	3.56	715	1094



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Sr. No.	Name of the Station	Available (MU)	Dispatch (MU)	Fixed Cost (Rs. Crore)	Variable Cost (Rs./kwh)	Variable Cost (Rs.Crore)	Total Cost (Rs. Crore)
19	NTPC-Solapur	124	14	127	4.82	7	134
20	NTPC-Gadarwara	2156	2156	536	3.75	809	1345
21	NTPC-LARA	1295	1295	274	3.82	495	769
22	NTPC-Khargone	1619	1619	495	4.06	657	1152
23	NTPC-Farakka – 3	180	180	36	3.28	59	95
24	NTPC-Farakka - 1 & 2	80	80	78	3.43	27	105
25	NTPC-Farakka - 1 & 2 -DE	718	718	0	3.43	246	246
26	NTPC-Unchahar - 1	97	14	14	4.69	6	20
27	NTPC-Barah – 1	793	793	184	3.20	254	438
28	NTPC-Dadri – 1	2523	297	289	4.82	143	432
29	Sardar Sarovar Narmada Nigam Ltd	353	353	0	2.05	72	72
30	Nabinagar Power Generating Co Ltd	324	324	213	2.65	86	299
31	NHPC Subansiri	492	492	0	6.51	320	320
32	NHPC Rangit-IV	100	100	0	4.97	50	50
33	NHPC Pakaldul	163	163	0	4.38	72	72
34	NHPC Kiru	170	170	0	4.74	81	81
35	NTPC Talcher III	89	89	19	1.48	13	32
36	NHPC Ratle	56	56	0	4.02	22	22
<b>Sub Total</b>		<b>41695</b>	<b>39275</b>	<b>5698</b>		<b>10808</b>	<b>16506</b>
Others		0	0	0	0.00	0	0
captive Power		0	0	0	4.45	0	0
<b>Renewable</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>
1	Wind Farms	7947	7947	0	3.50	2782	2782
2	Solar	12305	12305	0	2.96	3642	3642
3	Wind (New)	3198	3198	0	3.03	969	969
4	Solar (New)	22068	21005	0	2.63	5522	5522
5	Hybrid	1633	1633	0	3.20	523	523
6	Small/Mini Hydal	69	69	0	3.69	25	25
7	Biomass	184	184	0	1.98	36	36
8	Bagasse	134	134	0	7.61	102	102
9	Waste to Energy	30	30	0	3.67	11	11
10	Waste to Energy (New)	0	0	0	6.31	0	0
11	DREBP	514	514	0	2.76	142	142
12	HPO	0	0	0	0.00	0	0
13	Solar (Exchange)	0	0	0	0.00	0	0
14	Wind (Exchange)	0	0	0	0.00	0	0
15	Others (Exchange)	0	0	0	0.00	0	0
16	HPO (Exchange)	0	0	0	0.00	0	0
<b>Sub Total</b>		<b>48,082</b>	<b>47,019</b>	<b>0</b>		<b>13,754</b>	<b>13,754</b>
<b>TOTAL</b>		<b>16,2094</b>	<b>13,5371</b>	<b>15,187</b>		<b>44,815</b>	<b>60,002</b>



The Commission has considered the dispatchable and available energy from the sources considered by the Petitioner to arrive at projection of Power Purchase Cost for FY 2026-27, however, the Petitioner shall follow the Merit Order Principles and prudent practices while availing power from different sources.

### **5.5.6 Transmission and other costs**

The total power purchase cost projected for Discoms for FY 2026-27 also consists of Transmission Charges, GUVNL charges and RLDC/SLDC Fees and Charges in addition to the above-mentioned fixed cost and variable charges. The details of such charges are as under:

#### **Transmission Charges**

The transmission charges of GETCO, PGCIL charges, RLDC charges, SLDC Fees and Charges have been considered as per projection of Petitioner which are also consist with the figures approved in MYT order.

Based on the transmission costs of PGCIL, GETCO, RLDC and SLDC, the total transmission costs to be included in the overall power purchase costs is shown in the Table below:

**Table 5-24: Approved Transmission Charges for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	PGCIL Charges	3,663.74
2	NLDC/RLDC Charges	10.34
3	Annual Transmission Charges of GETCO	5,785.28
4	SLDC Charges	47.35

#### **GUVNL Cost**

Discoms have submitted that GUVNL is charging Rs. 0.04 for every transaction of one unit of energy for providing the services of procuring the power from various sources and supplying to DISCOMs, trading of surplus power on behalf of DISCOMs, the overall coordination between the subsidiary companies and also undertaking the function of raising and managing the overall loan portfolio of GUVNL and its subsidiaries.

The Commission considers the charges of Rs.0.04/unit to handle power procurement and supply, etc., as reasonable and approves the GUVNL costs, as given below, based on the energy projected to be handled during FY 2026-27:

**Table 5-25: Approved GUVNL Cost for FY 2026-27**

Particulars	FY 2026-27
Energy handled (MUs)	13,5371
GUVNL Cost @ 4 Paisa/unit (Rs. Crore)	541.48

### 5.5.7 Summary of Power Purchase Cost

#### Fixed Cost

The fixed costs, due to the capacity contracted by GUVNL, are passed on to DISCOMs, as detailed in the Table below:

**Table 5-26: Approved Fixed Cost for FY 2026-27 (Rs. Crore)**

Year	Fixed cost	GETCO Cost	PGCIL Charges	NLDC/RLDC Charges	SLDC Charges	Total Fixed Cost
FY 2026-27	15,187.00	5,785.28	3,663.74	10.34	47.35	24,693.71

#### Variable Cost

The Commission has approved variable cost for DISCOMs FY 2026-27, as detailed in the Table below:

**Table 5-27: Approved Variable Cost for FY 2026-27 (Rs. Crore)**

Year	Variable cost Rs. Crore	GUVNL Cost Rs. Crore	Total variable Cost Rs. Crore	Despatched MUs	Variable Cost per Unit Rs./kWh
FY 2026-27	44,814.83	541.48	45,356.32	1,35,371	3.35

### 5.5.8 Total Power Purchase Cost

Based on the approved Fixed Cost and Variable Cost as shown above, the Commission has approved Total Power Purchase Cost for FY 2026-27, as detailed in the Table below:

**Table 5-28: Approved Total Power Purchase Cost for FY 2026-27 (Rs. Crore)**

Year	Fixed cost	Variable Cost	Total Power Purchase Cost
FY 2026-27	24,693.71	45,356.32	70,050.03

### 5.5.9 Allocation of Power Purchase Cost under BST mechanism

Power Purchase cost worked out as above for FY 2026-27 is allocated amongst the four DISCOMs based on the methodology adopted by the Commission in the previous Tariff Orders by working out revenue available for purchase of power by excluding Non-Tariff Income, Agricultural Subsidy and expenses other than power purchase cost, as detailed in the tables below:

**Table 5-29: Approved Allocation of Power Purchase Cost for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	DGVCL	MGVCL	PGVCL	UGVCL
1	Sales (MUs)	35,225	14,725	41,586	32,334
2	Revenue from Existing Tariff	17,575.74	6,933.95	17,422.63	12,055.53
3	Revenue from FPPAS @ Rs. 252/unit	8,876.70	3,710.72	10,479.67	8,148.19
4	Other Income (Consumer Related)	684.06	154.85	380.87	269.05
5	Agricultural Subsidy	53.60	70.89	448.75	526.76
<b>6</b>	<b>Total Revenue (2 to 5)</b>	<b>27,190.10</b>	<b>10,870.41</b>	<b>28,731.92</b>	<b>20,999.54</b>
7	Expense other than Power Purchase	2,442.30	2,193.94	4,791.09	1,643.24
8	Power Purchase Cost of Local purchase	79.95	121.43	714.73	302.44
<b>9</b>	<b>Amount Available with Discom for Power purchase from GUVNL (6 - 7 - 8)</b>	<b>24,667.85</b>	<b>8,555.04</b>	<b>23,226.10</b>	<b>19,053.85</b>
<b>10</b>	<b>Amount Available with Discoms for Power purchase from GUVNL for all Discoms put together</b>		<b>75,502.84</b>		

**Table 5-30: Approved Total Revenue Surplus/(Gap) for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Power Purchase Cost of GUVNL	70,050.03
2	Aggregate Amount available for power purchase from GUVNL	75,502.84
<b>3</b>	<b>Revenue Surplus/(Gap)</b>	<b>5,452.82</b>

**Table 5-31: Approved Bulk Supply Tariff for FY 2026-27 (Rs. Crore)**

Sr. No.	Details	FY 2026-27			
		DGVCL	MGVCL	PGVCL	UGVCL
<b>1</b>	<b>Revenue Surplus/(Gap)</b>	<b>5,452.82</b>			
2	Ratio of allocation of Revenue	27.52%	11.77%	34.94%	25.77%
3	Revenue Surplus/(Gap) allocation	1,500.60	641.98	1,905.22	1,405.01
4	Amount Available with Discom for Power purchase from GUVNL	24,667.85	8,555.04	23,226.10	19,053.85
5	Power purchase cost of GUVNL	23,167.24	7,913.06	21,320.88	17,648.84
6	Power purchase cost of Local purchase	79.95	121.43	714.73	302.44



Sr. No.	Details	FY 2026-27			
		DGVCL	MGVCL	PGVCL	UGVCL
7	<b>Power purchase cost of DISCOM</b>	<b>23,247.20</b>	<b>8,034.49</b>	<b>22,035.61</b>	<b>17,951.29</b>
8	Energy Purchase in DISCOM (MU)	37,558	16,395	49,734	35,916
9	<b>Bulk Supply Tariff (Rs./kWh)</b>	<b>6.19</b>	<b>4.90</b>	<b>4.43</b>	<b>5.00</b>

## 5.6 ARR for FY 2026-27

### Petitioner's submission

The ARR projected by UGVCL for FY 2026-27 is detailed in the Table below:

**Table 5-32: Projected ARR for FY 2026-27 (Rs. Crore)**

Particulars	UGVCL FY 2026-27 Projected
<b>Total Cost of Power Purchase</b>	
Inter-State Transmission Charges	17994.69
Intra-State Transmission Charges	
Operation & Maintenance Expenses	1,414.75
<i>Employee Expense</i>	906.71
<i>A&amp;G Expense</i>	136.48
<i>R&amp;M Expense</i>	193.78
<i>RDSS Metering Opex</i>	332.52
<i>Other Expenses Capitalised</i>	(154.74)
Depreciation	654.36
Interest & Finance Charges	177.55
Interest on Working Capital	0.00
Bad Debts written off	0.00
Contribution to contingency reserves	68.54
<b>Total Revenue Expenditure</b>	<b>20,309.89</b>
Return on Equity	376.77
Return on Capital Employed	296.32
Income Tax	
<b>Revised Aggregate Revenue Requirement</b>	<b>20,982.98</b>
Add: DSM expenses	
Less: Non-Tariff Income	257.44
Less: Income from Other Business	-
Less: Income from Wheeling Charges payable by Distribution System Users other than the retail consumers getting electricity supply from the same Distribution Licensee	

Particulars	UGVCL FY 2026-27 Projected
<b>Revised Aggregate Revenue Requirement</b>	<b>20,725.54</b>

### Commission's Analysis

The Commission has analysed the power purchase cost submitted by the Petitioner in the forgoing paragraph. Rest of the elements of ARR are kept as per approved ARR & as per MYT order dated 31<sup>st</sup> March, 2025, as proposed by the Petitioner. Accordingly, the approved ARR For FY 2026-27 is as summarised in the Table below:

**Table 5-33: Approved ARR for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Cost of Power Purchase	17,951.29
2	Operation & Maintenance Expenses	1,414.76
2 a	<i>Employee Cost</i>	906.71
2 b	<i>Administration &amp; General Charges</i>	136.48
2 c	<i>Repair &amp; Maintenance</i>	193.78
2 d	<i>RDSS Metering Opex</i>	332.52
2 e	<i>Other Expenses Capitalised</i>	(154.74)
3 a	Depreciation (On assets capitalised prior to 01.04.2025)	516.89
3 b	Depreciation (On assets capitalised w.e.f. 01.04.2025)	137.46
3	Total Depreciation	654.36
4 a	Interest on Loans (On assets capitalised prior to 01.04.2025)	-
4 b	Interest on Security Deposit	176.00
4 c	Other Finance Charges	1.54
4	Interest & Finance Charges	177.55
5	Interest on Working Capital	-
6	Provision for Bad Debts	-
7	Contribution to Contingency Reserve	68.54
<b>8</b>	<b>Total Revenue Expenditure [1 to 7]</b>	<b>20,266.50</b>
9	Return on Equity (On assets capitalised prior to 01.04.2025)	376.77
10	Return on Capital Employed (On assets capitalised w.e.f. 01.04.2025)	296.32
<b>11</b>	<b>Total Expenditure (8 to 10)</b>	<b>20,939.59</b>
12	Less: Non-Tariff Income	257.44
<b>13</b>	<b>Aggregate Revenue Requirement (11 - 12)</b>	<b>20,682.15</b>



## 6. Revenue Surplus/(Gap) for FY 2026-27

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### 6.1 Revenue for FY 2026-27 with Existing Tariff

UGVCL has projected the category-wise revenue from existing Tariff for FY 2026-27, as shown in the Table below:

**Table 6.1: Revenue at Existing Tariff for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	Revenue excluding FPPPA
<b>LOW TENSION</b>		
1	RGP	1,610.39
2	GLP	65.86
3	Non-RGP & LTMD	1,988.59
4	Public Water Works	473.99
5	Agriculture-Unmetered	960.36
6	Agriculture-Metered	415.20
7	Electric Vehicle Charging	1.20
<b>Sub-Total</b>		<b>5,515.59</b>
<b>HIGH TENSION</b>		
1	Industrial HT	6,559.18
2	Railway Traction	-
3	Electric Vehicle Charging	0.07
<b>Sub Total</b>		<b>6,559.26</b>
<b>TOTAL</b>		<b>12,074.84</b>

#### Petitioner's submission

UGVCL has projected revenue from existing Tariff for FY 2026-27 by considering projected sales and existing Tariff, as Rs. 12,074.84 Crore.

#### Commission's Analysis

The Commission has approved the category-wise sales for FY 2026-27, as discussed in the preceding section. Considering the existing retail tariff, the Commission has computed the revenue from sale of power as filed by the Petitioner in the revised submission for FY 2026-27, as shown in the Table below:

**Table 6.2: Approved Revenue at Existing Tariff for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	Revenue excluding FPPA
<b>LOW TENSION</b>		
1	RGP	1,610.39
2	GLP	65.86
3	Non-RGP & LTMD	1,988.59
4	Public Water Works	454.68
5	Agriculture-Unmetered	960.36
6	Agriculture-Metered	415.20
7	Electric Vehicle Charging	1.20
<b>Sub-Total</b>		<b>5,496.28</b>
<b>HIGH TENSION</b>		
1	Industrial HT	6,559.18
2	Railway Traction	0.00
3	Electric Vehicle Charging	0.07
<b>Sub Total</b>		<b>6,559.26</b>
<b>TOTAL</b>		<b>12,055.53</b>

## 6.2 Revenue from FPPAS Charges

The Petitioner has estimated revenue from FPPAS charges for FY 2026-27, as detailed in the Table below:

**Table 6.3: Revenue from FPPAS Charges for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Projected Sales (MUs )	32,334
2	FPPAS Rate (Rs./kWh)	2.52
<b>3</b>	<b>Revenue from FPPAS (Rs. Crore)</b>	<b>8,148.19</b>

### Petitioner's submission

UGVCL submitted that in the Order for True up for FY 2023-24 and Determination of Tariff for FY 2025-26 dated 31<sup>st</sup> March, 2025, the Commission approved a base power purchase cost at Rs. 5.26/unit and base FPPAS at Rs. 2.69/unit. As per the approved FPPAS formula, any increase in power purchase cost during the year, over and above the base power purchase cost is to be recovered through FPPAS, in addition to the base charge of Rs. 2.69/unit on a quarterly basis. Based on the projections for FY 2026-27, the weighted average power purchase cost and corresponding FPPAS charges have been computed as under:



**Table 6.4: FPPAS Computation for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Fixed Cost (Rs. Crore)	15,187.00
2	Variable Cost (Rs. Crore)	46,033.39
3	GETCO Cost (Rs. Crore)	5,785.28
4	GUVNL Cost (Rs. Crore)	541.49
5	PGCIL Charges (Rs. Crore)	3,663.74
6	NLDC/RLDC Charges (Rs. Crore)	10.34
7	SLDC Charges (Rs. Crore)	47.35
<b>8</b>	<b>Total Power Purchase Cost (Rs. Crore)</b>	<b>71,269</b>
9	Total Energy Requirement (MU)	1,39,603
<b>10</b>	<b>Power Purchase Cost (Rs./kWh)</b>	<b>5.11</b>
11	Increase in Power Purchase Cost (Rs./kWh)	(0.15)
12	Additional FPPPA Charges (Grossed up by Distribution Loss) (Rs./kWh)	(0.17)
13	Existing FPPPA Charges (Rs./kWh)	2.69
<b>14</b>	<b>Revised FPPPA Charges (Rs./kWh)</b>	<b>2.52</b>

### Commission's Analysis

The approved base power purchase cost for FY 2025-26 was Rs. 5.26/kWh. The Commission approves the base power purchase cost for FY 2026-27 as Rs. 5.11/kWh as per Table below. Thus, there is a reduction of Rs. 0.15/kWh in the base power purchase cost of DISCOMs for FY 2026-27 over that of FY 2025-26. After grossing up with approved overall loss, the reduction comes out to be Rs. 0.17/ kWh. The revised Base FPPAS charge for FY 2026-27 is shown in the Table below:

**Table 6.5: Approved Base FPPAS for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Fixed Cost (Rs. Crore)	15,187.00
2	Variable Cost (Rs. Crore)	46,033.39
3	GETCO Cost (Rs. Crore)	5,785.28
4	GUVNL Cost (Rs. Crore)	541.48
5	PGCIL Charges (Rs. Crore)	3,663.74
6	NLDC/RLDC Charges (Rs. Crore)	10.34
7	SLDC Charges (Rs. Crore)	47.35
<b>8</b>	<b>Total Power Purchase Cost (Rs. Crore)</b>	<b>71,268.58</b>
9	Total Energy Requirement (MU)	1,39,603.05
<b>10</b>	<b>Power Purchase Cost (Rs./kWh)</b>	<b>5.11</b>
11	Increase in Power Purchase Cost (Rs./kWh)	(0.15)

Sr. No.	Particulars	FY 2026-27
12	Additional FPPA Charges (Grossed up by Distribution Loss) (Rs./kWh)	(0.17)
13	Existing FPPA Charges (Rs./kWh)	2.69
<b>14</b>	<b>Revised FPPAS Charges (Rs./kWh)</b>	<b>2.52</b>

Accordingly, the base FPPAS for FY 2026-27 works out to be Rs. 2.52/kWh.

Accordingly, the Commission allows Base FPPAS charges and revenue therefrom on the approved sales of 32,334 MUs for FY 2026-27 at Rs. 2.52/kWh as shown in the Table below:

**Table 6.6: Approved revenue from FPPAS charges for FY 2026-27**

Sr. No.	Particulars	FY 2026-27
1	Projected Sales (MUs)	32,334
2	Base FPPAS Rate (Rs./kWh)	2.52
<b>3</b>	<b>Revenue from Base FPPAS (Rs. Crore)</b>	<b>8,148.19</b>

### 6.3 Other consumer related Income

UGVCL has projected the other consumer related income as Rs. 269.05 Crore for FY 2026-27, as shown in the Table below:

**Table 6.7: Other Consumer related income for FY 2026-27 (Rs Crore)**

Sr. No.	Particulars	FY 2026-27
1	Other Consumer related income	269.05

#### Petitioner's submission

UGVCL has filed the other consumer related income as per MYT order which comprises of revenue on account of charges other than the basic charges applicable to the Consumers. These include income on account of wheeling charges, inspection charges and miscellaneous charges.

#### Commission's Analysis

The Commission observes that DGVCL has filed the other consumer related income as per MYT order. The Commission, accordingly, approves the other consumer-related income at Rs. 269.05 Crore for FY 2026-27, as shown in the Table below:

**Table 6.8: Approved Other Consumer related income for FY 2026-27 (Rs Crore)**

Sr. No.	Particulars	FY 2026-27
1	Other Consumer related income	269.05



## 6.4 Agriculture Subsidy

UGVCL has projected Agriculture Subsidy as Rs. 526.76 Crore for FY 2026-27 as shown in the Table below:

**Table 6.9: Agriculture Subsidy for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Agriculture Subsidy	526.76

### Petitioner's submission

UGVCL submitted the agricultural subsidy that was received by the erstwhile GEB from the State Government will continue to be received by the four DISCOMs i.e. Rs. 1,100.00 Crore. The share of agricultural subsidy for FY 2026-27 is considered on pro-rata basis of agriculture consumption.

### Commission's Analysis

The Commission has considered the Agriculture Subsidy as projected by the Petitioner, and accordingly, approves Agricultural Subsidy as Rs. 526.76 Crore for FY 2026-27, as shown in the Table below:

**Table 6.10: Agriculture Subsidy for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Agriculture Subsidy	526.76

## 6.5 Total Expected Revenue for FY 2026-27

UGVCL has projected total revenue of Rs. 21,018.84 Crore for FY 2026-27, as shown in the Table below:

**Table 6.11: Total projected revenue for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Revenue with Existing Tariff	12,074.84
2	FPPPA Charges @ Rs. 2.52/ unit	8,148.19
3	Other Income (Consumer related)	269.05
4	Agriculture Subsidy	526.76
5	<b>Total Revenue including subsidy (1 to 4)</b>	<b>21,018.84</b>

### Petitioner's submission

UGVCL submitted that based on the projections, the total revenue of the company comprises of revenue from sale of power at existing tariff, FPPPA charges, other consumer related income and Agriculture Subsidy.

## Commission's Analysis

The Commission has approved the total revenue for FY 2026-27, as shown in the Table below:

**Table 6.12: Approved Total Revenue for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Revenue with Existing Tariff	12,055.53
2	Base FPPAS Charges @ Rs. 2.52/ unit	8,148.19
3	Other Income (Consumer related)	269.05
4	Agriculture Subsidy	526.76
<b>5</b>	<b>Total Revenue including subsidy (1 to 4)</b>	<b>20,999.54</b>

## 6.6 Revenue Surplus/(Gap) for FY 2026-27

### Petitioner's submission

UGVCL has estimated the cumulative Revenue Surplus/(Gap) for FY 2026-27 as shown in the Table below:

**Table 6.13: Estimated Revenue Surplus/(Gap) for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Aggregate Revenue Requirement	20,725.55
2	Less: Revenue Surplus/(Gap) from True up of FY 2024-25	612.70
<b>3</b>	<b>Total Aggregate Revenue Requirement</b>	<b>20,112.84</b>
4	Revenue with Existing Tariff	12,074.84
5	FPPPA Charges @ Rs.2.52/ unit	8,148.19
6	Other Income (Consumer related)	269.05
7	Agriculture Subsidy	526.76
<b>8</b>	<b>Total Revenue including subsidy (4 to 7)</b>	<b>21,018.84</b>
<b>9</b>	<b>Revenue Surplus/(Gap) (8 - 3)</b>	<b>906.00</b>

The above estimated surplus for FY 2026-27 has been computed based on the projected power purchase cost and associated assumptions for the year. These projections are subject to change depending on actual power purchase mix, variations in market prices, system demand and change in commissioning schedules of renewable energy projects, which may impact the overall cost of procurement.

In the view of the above, UGVCL has requested to approve the above-mentioned Revenue Surplus for FY 2026-27, along with its treatment, may kindly be made subject to truing-up based on the actual audited figures, in accordance with the provisions of GERC (MYT) Regulations, 2024.

### Commission's Analysis

The Commission has estimated the total Revenue Surplus/(Gap) for FY 2026-27 at the existing Tariff, as shown in the Table below:

**Table 6.14: Approved Revenue Surplus/(Gap) for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	FY 2026-27
1	Aggregate Revenue Requirement	20,682.15
2	Less: Revenue Surplus/(Gap) from True up of FY 2024-25	1,087.61
3	<b>Total Aggregate Revenue Requirement</b>	<b>19,594.54</b>
4	Revenue with Existing Tariff	12,055.53
5	Base FPPAS Charges @ Rs. 2.52/ unit	8,148.19
6	Other Income (Consumer related)	269.05
7	Agriculture Subsidy	526.76
8	<b>Total Revenue including subsidy (4 to 7)</b>	<b>20,999.54</b>
9	<b>Revenue Surplus/(Gap) (8 - 3)</b>	<b>1,405.00</b>

## 6.7 Consolidated Revenue Surplus/(Gap) of the State-Owned DISCOMs

### Petitioner's submission

UGVCL submitted that the consolidated resultant Revenue Surplus/(Gap) for all four distribution companies is Rs. 3,516 Crore.

**Table 6.15: Estimated Consolidated Surplus for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	All DISCOM Projected
1	Revised Aggregate Revenue Requirement	83,558
2	Less: Revenue Surplus/(Gap) from True up	(766)
3	<b>Total Revised Aggregate Revenue Requirement</b>	<b>84,324</b>
4	Revenue with Existing Tariff	54,036
5	Revenue from FPPAS (Rs. Crore)	31,215
6	Other Income (Consumer related)	1,489



Sr. No.	Particulars	All DISCOM Projected
7	Agriculture Subsidy	1,100
8	<b>Total Revenue including subsidy (4 to 7)</b>	<b>87,840</b>
9	<b>Revenue Surplus/(Gap) (8 - 3)</b>	<b>3,516</b>

### Commission's Analysis

Since, the uniform Tariff for State-owned DISCOMs has been envisaged in FY 2026-27, it is necessary to consider the consolidated Surplus/(Gap) of FY 2026-27 for all the State-owned DISCOMs, while determining the Tariff for FY 2026-27.

The consolidated Revenue Surplus approved by the Commission for FY 2026-27 as shown in the Table below, is Rs. 5,453 Crore, as compared to Revenue Surplus of Rs. 3,516 Crore estimated by the State-owned DISCOMs. The computations are shown in the Table below:

**Table 6.16: Consolidated Surplus computed for FY 2026-27 (Rs. Crore)**

Sr. No.	Particulars	Projected by DISCOMs	Approved
1	ARR for FY 2026-27	83,558	83,558
2	Revenue Surplus/(Gap) for FY 2024-25	(766)	1,219
3	<b>Net ARR for FY 2026-27</b>	<b>84,324</b>	<b>82,339</b>
4	Revenue with existing Tariff	54,036	53,988
5	FPPAS Revenue	31,215	31,215
6	Other Income (Consumer Related)	1,489	1,489
7	Agriculture Subsidy	1,100	1,100
8	<b>Total Revenue</b>	<b>87,840</b>	<b>87,792</b>
9	<b>Surplus/(Gap) for FY 2026-27</b>	<b>3,516</b>	<b>5,453</b>

Accordingly, there is a Cumulative Revenue Surplus of Rs. 5,453 Crore (Consolidated for all DISCOMs) while determining the ARR for FY 2026-27.

As shown in the above table there is a consolidated Trued-up surplus for all the four DISCOMs put together is Rs. 1,219 Crore. The base FPPAS works out to be Rs. 2.52/kWh. In the normal circumstances this base FPPAS is required to be billed to the consumer for FY 2026-27. However, looking to the Trued-up Surplus, it is directed to the DISCOMs to charge Rs. 2.45/kWh as base FPPAS instead of Rs. 2.52/kWh for the energy consumption during entire FY 2026-27. Thus, base FPPAS for FY 2026-27 for the



consumers of all the four State Owned DISCOMs is frozen at Rs. 2.45/kWh so as to pass on the benefit of Trued-up Surplus to the extent of Rs. 867 Crore.

Further, as shown in the above table, there is a projected surplus of Rs. 4,234 Crore (Projected surplus of Rs. 5,453 Crore - Trued up surplus of Rs. 1,219 Crore). As deliberated in the Tariff Philosophy Chapter of this Order, the Commission has made certain changes in the Tariff Schedule which are beneficial to all the categories of consumers that shall result into the reduction of revenue of the four State Owned DISCOMs. Moreover, the projected Surplus of Rs. 4,234 Crore is on account of projections only and actual expenses as well as revenue shall vary on account of various factors. In view of this, the Commission does not find it appropriate to make any further change in the Tariff Schedule at this stage other than the changes made in the existing Tariff Schedule as narrated in the Tariff Philosophy chapter.



## 7. Directives

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### 7.1 Compliance to Directives issued by the Commission

The Commission has provided certain directives to UGVCL. UGVCL has submitted report on compliance of the Directives issued by the Commission. The comments of the Commission on the submission/compliance of UGVCL are given below:

#### Directive 1: Tariff Rationalization

The Commission directed the DISCOM to propose rationalization in the existing tariff structure based on the study of Tariff slabs of major consumer categories in other leading / neighbouring states. DISCOM were also directed to explore the possibility of providing separate tariff structure to the consumer with pre-paid Smart Meter.

#### Petitioner Submission:

In compliance to earlier directives, DISCOMs have proposed rationalisation of LTMD Night and NRGPNight tariff category from the existing tariff structure and the same was approved by the Commission in Order dated 1<sup>st</sup> June, 2024.

The Commission has noted the submission and vide tariff order date 31<sup>st</sup> March, 2025, directed to submit the detailed compliance in next filing.

In compliance to above directives, tariff schedule of neighbouring/leading States were analysed in terms of the number of tariff categories (including sub-categories) in LT and HT Category outlined as under:

State	LT Categories	HT Categories
Gujarat	12	7
Maharashtra	12	11
Karnataka	12	10
Madhya Pradesh	11	12
Rajasthan	8	7
Uttar Pradesh	18	8
Andhra Pradesh	16	16
<b>Tamil Nadu</b>	<b>16</b>	<b>6</b>

In terms of above, it is submitted that the number of tariff categories for LT and HT consumers in Gujarat is relatively lower compared to most/neighbouring leading states.

Further, as per the specific directive from the Commission, GUVNL DISCOMs may undertake an exercise to assess and implement further rationalization or simplification of the tariff categories.

**Commission Analysis:**

The Commission has noted the submission of UGVCL in this regard. UGVCL is directed to submit the detailed compliance of above directions in next filing.

**Directive 2: ESG Disclosure**

The Commission directs the Petitioner to get ESG disclosure done within FY 2025-26 and submit the report.

**Petitioner Submission:**

In compliance to the Commission's directive, it is submitted that GUVNL, through GETRI, has engaged M/s WRI India for the preparation of the ESG report for all GUVNL subsidiaries.

Since, the preparation of report for ESG disclosure involves gathering data from various cross-functional departments and requires significant volume of information. As a result, the report is still under preparation.

Accordingly, DISCOM shall submit report to the Commission once the necessary data has been compiled and the report is finalized.

**Commission Analysis:**

The Commission has noted the submission of UGVCL in this regard. UGVCL is directed to submit the detailed compliance of above directions in next filing.

**7.2 New Directive issued by the Commission**

**Directive 1: ToU Study Report**

The Petitioner is directed to submit the Study Report on morning and evening peak hours by 30.06.2026.

**Directive 2: Demand Response Study**

The Petitioner is directed to conduct a study, on set of consumers where Smart Meters are installed, to understand the response of various categories of consumers on demand response measures that can be taken up by the licensees to mitigate strains on grid and achieve optimization in power purchase cost on real time basis. The Petitioner is also directed to submit its views on various demand response measures that can be taken up. The Petitioner is required to submit this report by 30.06.2026.

## 8. Fuel and Power Purchase Price Adjustment Surcharge (FPPAS)

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### 8.1 Fuel and Power Purchase Adjustment Surcharge (FPPAS)

In connection with the ‘Fuel and Power Purchase Adjustment Surcharge’, the GERC (Multi-Year Tariff) Regulations, 2024 provides that-

*“115.1 Computation of FPPAS:*

*(a) For these Regulations “Fuel and Power Purchase Adjustment Surcharge” (FPPAS) means the increase in cost of power, supplied to consumers, due to change in Fuel cost, power purchase cost and transmission charges with reference to cost of supply approved by the Commission.*

*(b) FPPAS shall be calculated and billed to consumers, automatically, without going through regulatory approval process, on a monthly basis, according to the formula, prescribed by the Commission in these Regulations, subject to true up, on an annual basis:*

*Provided that the automatic pass through shall be adjusted for monthly billing in accordance with these Regulations;*

*Provided further that the Distribution Licensee shall make quarterly submissions of the detailed FPPAS computations, duly supported by the documentary evidences, justifying such computations, along with details its charging and recovery from the consumers.*

*(c) FPPAS shall be computed and charged by the Distribution Licensee, in (n+2)th month, on the basis of actual variation, in cost of fuel and power purchase and Interstate Transmission Charges for the power procured during the nth month. For example, the FPPAS on account of changes in tariff for power supplied during the month of April of any financial year shall be computed and billed in the month of June of the same financial year:*

*Provided that in case the Distribution Licensee fails to compute and charge FPPAS within this time line, except in case of any force majeure condition, its right for recovery of costs on account of FPPAS shall be forfeited and in such cases, the right to recover the FPPAS determined during true-up shall also be forfeited.*

*(d) The Distribution Licensee may decide, FPPAS or a part thereof, to be carried forward to the subsequent month in order to avoid any tariff shock to consumers, but the carry forward of FPPAS shall not exceed a maximum duration of two months and such carry forward shall only be applicable, if the total FPPAS for a Billing Month, including any carry forward of FPPAS over the previous month exceeds twenty per cent of variable component*



*of approved tariff.*

- (e) *The carry forward shall be recovered within one year or before the next tariff cycle whichever is earlier and the money recovered through FPPAS shall first be accounted towards the oldest carry forward portion of the FPPAS followed by the subsequent month.*
- (f) *In case of carry forward of FPPAS, the carrying cost calculated on simple interest basis at the rate of one-year SBI MCLR or any replacement thereof by SBI from time to time being in effect applicable for 1 year period, as applicable prevailing during the relevant year shall be allowed till the same is recovered through tariff and this carrying cost shall be trued up in the year under consideration.*
- (g) *Depending upon quantum of FPPAS, the automatic pass through shall be adjusted in such a manner that,*
- i. *If FPPAS  $\leq$  5%, 100% cost recoverable of FPPAS by Distribution Licensee shall be levied automatically using the formula.*
- ii. *If FPPAS > 5%, 5% FPPAS shall be recoverable automatically as per item (i) of subparagraph (g) above. 90% of the balance FPPAS shall be recoverable automatically using the formula and the differential claim shall be recoverable after approval by the Commission during true up.*
- (h) *The revenue recovered on account of pass through FPPAS by the Distribution Licensee, shall be trued up later for the year under consideration and the true up for any financial Year shall be completed by 30th June of the next financial year.*
- (i) *In case of excess revenue recovered for the year against the FPPAS, the same shall be recovered from the Distribution Licensee at the time of true up along with its carrying cost to be charged at 1.20 times of the carrying cost rate approved by the Commission and the under recovery of FPPAS shall be allowed during true up, to be billed along with the automatic FPPAS amount.*

***Explanation:-*** *For example in the month of July, the automatic pass through component for the power supplied in May and FPPAS, if any, recoverable after true up for the month of April in the previous financial year, shall be billed.*

- (j) *The Distribution Licensee shall submit such details, in the stipulated formats, of the variation between expenses incurred and FPPAS recovered, and the detailed computations and supporting documents, as required by the Commission, during true up of the normal tariff.*

- (k) To ensure smooth implementation of the FPPAS mechanism and its recovery, the Distribution Licensee shall ensure that its billing system is updated to take this into account and a unified billing system shall be implemented to ensure that there is a uniform billing system irrespective of the billing and metering vendor through interoperability or use of open source software as available.
- (l) The Distribution Licensee shall publish all details including the FPPAS formula, calculation of monthly FPPAS and recovery of FPPAS (separately for automatic and approved portions) on its website and archive the same through a dedicated web address.
- (m) Formula for Computation of FPPAS:

$$\begin{aligned} & \text{Monthly FPPAS for Nth Month (\%)} \\ & = \frac{(A - B) * C + (D - E)}{\{Z * (1 - \text{Distribution losses in\%/100})\} * ABR} \end{aligned}$$

Where,

Nth month means the month in which billing of FPPAS component is done. This FPPAS is due to changes in tariff for the power supplied in (n-2)th month

A is Total units procured in (n-2)th Month (in kWh) from all Sources including Long-term, Medium-term and Short-term Power purchases (To be taken from the bills issued to Distribution Licensees)

B is bulk sale of power from all Sources in (n-2)th Month. (in kWh) = (to be taken from provisional accounts to be issued by State Load Dispatch Centre by the 10th day of each month).

C is incremental Average Power Purchase Cost (including the change of fuel cost) = Actual average Power Purchase Cost (PPC) from all Sources in (n-2) month (Rs./ kWh) ( computed) - Projected average Power Purchase Cost (PPC) from all Sources (Rs./ kWh)- (from tariff order)

D = Actual inter-state and Intra-State Transmission Charges in the (n-2)th Month, (From the bills by Transcos to Discom) (in Rs)

E = Base Cost of Transmission Charges for (n-2)th Month. = (Approved Transmission Charges/12) (in Rs)

Z = [Actual Power purchased from all the sources outside the State in (n-2) th Month. (in kWh)\* (1 - Interstate transmission losses in % /100 ) + Power purchased from all the sources within the State(in kWh)]\*(1 - Intra-State losses in %) - B]/100 in kWh

ABR = Average Billing Rate for the year as approved by the Commission (in Rs/kWh)

*Distribution Losses (in %) = Target Distribution Losses as approved by the Commission*

*Inter-state transmission Losses (in %) as approved by the Commission*

**Note:**

*The Power Purchase Cost shall exclude any charges on account of Deviation Settlement Mechanism.*

*Other charges which include Ancillary Services and Security Constrained Economic Despatch shall not be included in Fuel and Power Purchase Adjustment Surcharge and adjusted through the true-up approved by the Commission.”*

## **8.2 Computation of FPPAS for the FY 2026-27:**

It is required to compute and bill monthly FPPAS in accordance with the above formula. Further, for the computation of monthly FPPAS during FY 2026-27, it is required to consider -

Particulars	Units	Details
Projected Energy Requirement (MUs)	MUs	1,39,603
Approved Power Purchase Cost (Excluding Transmission Charges)	Rs. Crore	61,761.87
Projected average Power Purchase Cost (PPC)	Rs./kWh	4.42
Base Cost of Transmission Charges (Monthly)	Rs. Crore	792.23
Distribution Losses	%	6.71%
Average Billing Rate for the Year	Rs./kWh	6.77
Inter-State and Intra-State Transmission Losses	-	As actual

Monthly FPPAS computed in %, in accordance with the MYT Regulations shall be applicable to Energy Charge + Base FPPAS and Fixed/ Demand Charge (Not on Excess Demand Charges, ToU Charges or other rebate/penalties).

## 9. Wheeling Charges and Cross-Subsidy Surcharge

### 9.1 Allocation Matrix

Regulations 98 and 99 of the GERC (MYT) Regulations, 2024 specify that the Commission shall determine the Wheeling Charges and Wheeling Losses respectively of Distribution Wires Business of the Distribution Licensees in the ARR and Tariff Order.

The Commission, in order to compute the Wheeling Charges and Cross-Subsidy Surcharge, has considered the allocation matrix between the Wheeling and Retail Supply Business as specified in Regulations 94.1 of the GERC (MYT) Regulations, 2024.

However, the Commission would like to state that as per Regulations 94.1 of the GERC (MYT) Regulations, 2024, the wheeling charges is required to be segregated on the basis of segregated accounts of Distribution Wires Business and Retail Supply Business. Accordingly, the Petitioner is directed to maintain separate books of accounts for the Distribution Wire Business and Retail Supply Business from the second year of Control Period and the failure to which will result in penalty as per Regulation 35.13 of GERC (MYT) Regulations, 2024. Further, the Guidelines as specified in Annexure V of GERC (MYT) Regulations, 2024 needs to be followed for the segregation of Wire and Supply business.

The Commission has considered the allocation matrix for the purpose of segregation of wire and supply ARR as provided in the GERC (MYT) Regulation, 2024 and has approved the ARR for Wires and Retail Supply Business for FY 2026-27 is shown in the Table below:

**Table 9.1: Allocation matrix and segregation of wheeling and retail supply business of Distribution Licensees**

Sr. No.	Particulars	Total ARR of Distribution in Rs. Crore	Allocation in %		Segregated ARR in Rs. Crore	
			Wires Business	Retail Business	Wires Business	Retail Business
1	Total Cost of Power Purchase					
2	Intra-State Transmission Charges	71,268.58	0%	100%	-	71,268.58
3	SLDC Fees and Charges					
4	Employee Expense	3,883.07	60%	40%	2,329.84	1,553.23
5	A&G Expense	657.32	50%	50%	328.66	328.66
6	R&M Expense	818.91	90%	10%	737.02	81.89
7	RDSS Metering Opex	1,231.03	100%	0%	1,231.03	-
8	Other Expenses Capitalised	(772.22)	55%	45%	(424.72)	(347.50)



Sr. No.	Particulars	Total ARR of Distribution in Rs. Crore	Allocation in %		Segregated ARR in Rs. Crore	
			Wires Business	Retail Business	Wires Business	Retail Business
9	Depreciation	3,350.22	90%	10%	3,015.20	335.02
10	Interest on Long-term Loan Capital	2.27	90%	10%	2.04	0.23
11	Interest on Working Capital and on consumer security deposits	675.16	10%	90%	67.52	607.64
12	Bad Debts written off	1.16	0%	100%	-	1.16
13	Contribution to contingency reserves	344.91	100%	0%	344.91	-
14	Return on Equity	1,771.94	90%	10%	1,594.75	177.19
15	Return on Capital Employed	1,440.43	90%	10%	1,296.39	144.04
16	Less: Non-Tariff Income	1,114.72	10%	90%	111.47	1,003.25
<b>17</b>	<b>Revised Aggregate Revenue Requirement</b>	<b>83,558.06</b>			<b>10,411.16</b>	<b>73,146.90</b>

## 9.2 Wheeling charges

The Wheeling Charges for the four Distribution Companies, viz., DGVCL, MGVCL, PGVCL and UGVCL for FY 2026-27, as given below are applicable for use of the distribution system of a Distribution Licensee by other Licenses or Generating Companies or captive power plants or consumers/users who are permitted Open Access under Section 42 (2) of the Electricity Act, 2003.

**Table 9.2: Wheeling charges for FY 2026-27**

Sr. No.	Particulars	Units	Amount
1	Distribution costs of the four DISCOMs	Rs. Crore	10,411.16
2	Distribution cost of the four DISCOMs at 11 kV, 22 kV & 33 kV level (30% of total distribution cost)	Rs. Crore	3,123.35
3	Distribution cost of the four DISCOMs at LT level (70% of total distribution cost)	Rs. Crore	7,287.81
4	Energy input at 11 kV, 22 kV & 33 kV	MUs	1,32,775
<b>5</b>	<b>Wheeling charges at 11 kV, 22 kV &amp; 33 kV</b>	<b>Ps./kWh</b>	<b>23.52</b>
6	Energy Input at 400 V (LT)	MUs	65,627.12
<b>7</b>	<b>Wheeling charges at 400 V (LT)</b>	<b>Ps./kWh</b>	<b>111.05</b>

Accordingly, the Commission approves Wheeling Charges for HT network (11 kV system) at 23.52 Paise per kWh and Wheeling Charges for LT network (400 V system) at 111.05 Paise per kWh.

### 9.3 Distribution losses:

The distribution losses applicable for Open Access during FY 2026-27 are as given below:

Sr. No.	Particulars	Point of Energy Delivered	
		11 kV, 22 kV & 33 kV	400 Volts
1	11 kV, 22 kV and 33 kV	6.50%	6.71%
2	400 Volts		0.42%

The losses in HT and LT network are 6.71% and 0.42% respectively, with respect to energy input to the segment of the system. In case injection at 11 kV levels and drawl at LT level envisages use of both the networks, i.e., 11 kV and LT, in that case, the combined loss works out to 6.71% of the energy injection at 11 kV network.

The above Wheeling Charges payable shall be uniform in all the four Distribution Licensees, viz., DGVCL, MGVCL, PGVCL and UGVCL.

### 9.4 Cross-Subsidy Surcharge

The Cross-Subsidy Surcharge (CSS) is based on the formula given in the Tariff Policy as below:

$$S = T - [C/(1-L/100) + D + R]$$

Where,

- 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

The CSS based on the above formula is worked out as shown in the Table below:

**Table 9.3: Cross Subsidy Surcharge for FY 2026-27**

Sr. No.	Particulars	Units	HT Industry
1	T	Rs./ kWh	7.87
2	C	Rs./ kWh	5.11
3	D	Paise/ kWh	23.52
4	L	%	6.50%
5	S (Cross Subsidy Surcharge)	Rs./kWh	2.52

$$S = 7.87 - [5.11/(1-6.50\%/100)+23.52/100+0] = \text{Rs. } 2.52/\text{kWh}$$

Thus, CSS as per Tariff Policy, 2016 works out to Rs. 2.52/kWh for the four State owned Distribution companies viz. DGVCL, MGVCL, PGVCL and UGVCL.

However, the Tariff Policy, 2016 provides that the CSS shall not exceed 20% of the Tariff applicable to the category of the consumers seeking Open Access. Accordingly, the leviable CSS from the consumers of the four State Owned Distribution Companies seeking Open Access, for FY 2026-27 works out to Rs. 1.33/kWh.

Accordingly, CSS for HT Category = Rs. 1.33/kWh for FY 2026-27.

Further, vide Order dated 30.08.2022 in Petition No. 1747 of 2018 and 1771 of 2018 about deciding the methodology for working of Additional Surcharge applicable to Open Access consumers, it is decided by the Commission that for every year the percentage of network cost built into the demand charge for the consumers of contract demand in excess of 1000 kVA in each Tariff order will be specified by the Commission in the Tariff Order of respective financial year. Accordingly, for FY 2026-27, 9.87% portion of demand charge proposed to be recovered from the consumers of contracted demand in excess of 1000 kVA (i.e. from the consumers eligible for open access) attributes to network related fixed cost of the distribution licensees.

## 10. Tariff Philosophy and Tariff Proposals

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### 10.1 Introduction

The Commission is guided by the provisions of the Electricity Act, 2003, the National Electricity Policy (NEP), the Tariff Policy, the Regulations on Terms and Conditions of Tariff issued by the Central Electricity Regulatory Commission (CERC) and GERC (MYT) Regulations, 2024 notified by the Commission.

Section 61 of the Act lays down the broad principles, and guidelines for determination of retail supply Tariff. The basic principle is to ensure that the Tariff should progressively reflect the cost of supply of electricity and reduce the cross subsidies amongst categories within a period to be specified by the Commission.

### 10.2 Green Tariff

#### Commission's view

The Commission observed that DISCOMs have not proposed any tariff for Green Energy in their petitions. However, as mandated under the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 notified by the Ministry of Power, Government of India, the Commission is required to determine Green Energy Tariff comprising of the average pooled power purchase cost of the renewable energy, cross-subsidy charges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy. In view of this, it is noted by the Commission that difference between; (i) Green Tariff worked out considering various cost elements as per ARR of the four DISCOMs and (ii) the average realisation envisaged for FY 2026-27 for HT and LT (NRGP and LTMD) categories, works out around Rs. 0.75 / kWh. Accordingly, in order to comply the MoP Rules, the Commission has decided to set the rate of Green Tariff as Rs. 0.75 / kWh which will be over and above the normal tariff applicable to the respective category as per Tariff Order. Green Tariff is optional and available for consumers who want to avail green power for meeting their requirement by payment of Green Power Tariff over and above the normal tariff applicable to the respective category as per Tariff Order.

- Green Power Tariff of Rs. 0.75 / kWh, which is over and above the normal Tariff of the respective category as per Tariff Order, be levied to the consumers opting for meeting their demand of green energy.
- All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff.

- This option can be exercised by consumer giving one month notice to the Distribution Licensee in writing before commencement of billing period.

### 10.3 Time of Day (ToD) Charges and Time of Use (ToU) Discount

#### Commission's view

During the course of hearing in the present matter, the Commission has received representations from various consumers / consumer organizations regarding Time of Day (ToD) Charges and Time of Use (ToU) Discount. In this regard, the Commission decides to make following changes in the Tariff Schedule.

#### A. Modification in ToU Discount hours for Consumer Categories as shown in Table below:

**Table 10-1: Existing & Modified ToU Discount Details**

Existing description	Modified description
<b>RATE: 1. RGP   2. RGP (RURAL)   3. GLP</b>	
<p><b>TIME OF USE DISCOUNT</b> Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1500 Hrs. for the Consumers with Smart Pre-paid Meter.</p>	<p><b>TIME OF USE DISCOUNT</b> Concession of 60 Paise per Unit shall be applicable for the consumption of energy during <b>1100 Hrs. to 1700 Hrs.</b> for the Consumers with <b>Smart Meter.</b></p>
<b>RATE: 4. NON-RGP</b>	
<p><b>4.4. TIME OF USE DISCOUNT</b> Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1500 Hrs. for the Consumers with Smart Pre-paid Meter.</p>	<p><b>4.4. TIME OF USE DISCOUNT</b> Concession of 60 Paise per Unit shall be applicable for the consumption of energy during <b>1100 Hrs. to 1700 Hrs. for the Consumers having contract demand up to and including 10 kW with Smart Meter and for the Consumers having contract demand above 10 kW with meters having ToD recording facility / Smart Meter.</b></p>
<b>RATE: 5. LTMD</b>	
<p><b>5.5. TIME OF USE DISCOUNT</b> Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1500 Hrs. for the Consumers with Smart Pre-paid Meter.</p>	<p><b>5.5. TIME OF USE DISCOUNT</b> Concession of 60 Paise per Unit shall be applicable for the consumption of energy during <b>1100 Hrs. to 1700 Hrs. for Consumers with meters having ToD recording facility / Smart Meter.</b></p>



Existing description	Modified description				
<b>RATE: 7. WWSP</b>					
<p>7.4. TIME OF USE DISCOUNT: Applicable to all the water works consumers having connected load of 50 HP and above for the energy consumption during the Off-Peak Load Hours of the Day.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">For energy consumption during the off-peak period, viz, 1100 Hrs. to 1800 Hrs</td> <td style="text-align: center; padding: 5px;">40 Paise per Unit</td> </tr> </table>	For energy consumption during the off-peak period, viz, 1100 Hrs. to 1800 Hrs	40 Paise per Unit	<p>7.4. TIME OF USE DISCOUNT: Applicable to all the water works <b>Consumers with meters having ToD recording facility / Smart Meter.</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">For energy consumption during the off-peak period, viz, 1100 Hrs. to 1800 Hrs</td> <td style="text-align: center; padding: 5px;">40 Paise per Unit</td> </tr> </table>	For energy consumption during the off-peak period, viz, 1100 Hrs. to 1800 Hrs	40 Paise per Unit
For energy consumption during the off-peak period, viz, 1100 Hrs. to 1800 Hrs	40 Paise per Unit				
For energy consumption during the off-peak period, viz, 1100 Hrs. to 1800 Hrs	40 Paise per Unit				
<b>RATE: 10. LT EV CHARGING STATIONS</b>					
<p>10.4. TIME OF USE DISCOUNT Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1500 Hrs. for the Consumers with Smart Pre-paid Meter.</p>	<p>10.4. TIME OF USE DISCOUNT Concession of 60 Paise per Unit shall be applicable for the consumption of energy during <b>1100 Hrs. to 1700 Hrs. for the Consumers having contract demand up to and including 10 kW with Smart Meter and for the Consumers having contract demand above 10 kW with meters having ToD recording facility / Smart Meter.</b></p>				
<b>RATE: 11. HTP-I   12. HTP-II</b>					
<p>TIME OF USE DISCOUNT Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1500 Hrs.</p>	<p>TIME OF USE DISCOUNT Concession of 60 Paise per Unit shall be applicable for the consumption of energy during <b>1100 Hrs. to 1700 Hrs.</b></p>				
<b>RATE: 17. HT EV CHARGING STATIONS</b>					
<p>17.4. TIME OF USE DISCOUNT Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 11:00 Hrs. to 15:00 Hrs.</p>	<p>17.4. TIME OF USE DISCOUNT Concession of 60 Paise per Unit shall be applicable for the consumption of energy during <b>1100 Hrs. to 1700 Hrs.</b></p>				

**B.** The General Condition No. 15 is incorporated in the Tariff Schedule stipulating that the specified Time of Use (ToU) Charges shall be levied only if meter with ToD recording facility is provided at consumer's installation.

The Commission has modified the Tariff Schedule so as to ensure that while levying ToU Charges, the consumers shall get ToU Discount also.



Necessary modifications are carried out in the approved Tariff Schedule attached with this Order.

#### **10.4 Separate Tariff for Smart Pre-Paid Meter Consumers (RDSS scheme)**

##### **Commission's view**

The Government of India has approved Reformed based and Result Linked, Revamped Distribution Sector Scheme (RDSS). The key objective of the scheme involves installation of prepaid smart metering for consumers along with the associated Advanced Metering Infrastructure.

The DISCOMs are in the process of implementation of the RDSS scheme in the State and the replacement of all the existing consumer meters with smart pre-paid meters will be executed by the DISCOMs in a phased manner.

The Commission, vide Tariff Order dated 31.03.2025, had accepted the proposal of the Petitioner to offer 2% rebate on the Energy Charges to the consumers of LT categories (except AG consumers) covered under RDSS Scheme maintaining positive balance.

Keeping in view the objective of Government of India regarding installation of prepaid smart metering and to incentive the consumers who opt for pre-paid smart meters, the Commission decides to increase the rebate on the Energy Charges to the consumers of LT categories (except AG consumers) covered under RDSS Scheme maintaining positive balance, from 2% to 3%.

Necessary modification is carried out in the approved Tariff Schedule attached with this Order.

#### **10.5 Tariff Proposals**

##### **Proposal for Inclusion of Home Stay units under Residential Tariff**

###### **Petitioner Submission**

Industries and Mines Department, Government of Gujarat has notified Draft Homestay Policy 2025 Gujarat Tourism. As per the "Scheme for Assistance to Homestay 2025" under the proposed "Draft Homestay Policy 2025", Home Stay units are categorised as (i) Home Stay Units, (ii) Heritage Home Stay Units and (iii) Farm Stay Units which will be provided to tourist on payment for boarding and lodging services.

In terms of the provisions of Homestay Registration Guideline 2025 under the Draft Homestay Policy 2025, it is provided that Home Stay registered under the guideline will be considered as a property with residential usage. Therewith, all utility bills (such as Property tax, electricity charges etc.,) that are based on building usage shall be considered under residential units accordingly. The unit is eligible to avail all

benefits (such as electricity rate) provided by the State or Central Government to residential units as per Residential General-Purpose rates.

In light of above, the Discoms have proposed to include Homestay Units fulfilling the criteria under the policy and registered with Commissioner of Tourism, Gujarat under the RGP (Rural) and RGP tariff category.

**Commission's view**

The Commission notes that the Government of Gujarat has notified "Draft Homestay Policy 2025 Gujarat Tourism". The final policy is not yet issued by the Government of Gujarat. Hence, the request of Discoms to include Homestay Units fulfilling the criteria under the policy and registered with Commissioner of Tourism, Gujarat under the RGP (Rural) and RGP tariff category, is not accepted by the Commission.

However, the Discoms may approach the Commission for suitable changes in the Tariff Schedule once the Final Homestay Policy as may be issued by the Government of Gujarat.



## COMMISSION'S ORDER

The Commission approves the Aggregate Revenue Requirement (ARR) for UGVCL for FY 2026-27 , as shown in the Table below:

### ARR approved for FY 2026-27 (Rs. Crore)

Sr. No.	Particulars	UGVCL FY 2026-27
1	Cost of Power Purchase	17,951.29
2	Operation & Maintenance Expenses	1,414.76
2 a	<i>Employee Cost</i>	<i>906.71</i>
2 b	<i>Administration &amp; General Charges</i>	<i>136.48</i>
2 c	<i>Repair &amp; Maintenance</i>	<i>193.78</i>
2 d	<i>RDSS Metering Opex</i>	<i>332.52</i>
2 e	<i>Other Expenses Capitalised</i>	<i>(154.74)</i>
3 a	Depreciation (On assets capitalised prior to 01.04.2025)	516.89
3 b	Depreciation (On assets capitalised w.e.f. 01.04.2025)	137.46
3	Total Depreciation	654.36
4 a	Interest on Loans (On assets capitalised prior to 01.04.2025)	-
4 b	Interest on Security Deposit	176.00
4 c	Other Finance Charges	1.54
4	Interest & Finance Charges	177.55
5	Interest on Working Capital	-
6	Provision for Bad Debts	-
7	Contribution to Contingency Reserve	68.54
<b>8</b>	<b>Total Revenue Expenditure [1 to 7]</b>	<b>20,266.50</b>
9	Return on Equity (On assets capitalised prior to 01.04.2025)	376.77
10	Return on Capital Employed (On assets capitalised w.e.f. 01.04.2025)	296.32
<b>11</b>	<b>Total Expenditure (8 to 10)</b>	<b>20,939.59</b>
12	Less: Non-Tariff Income	257.44
<b>13</b>	<b>Aggregate Revenue Requirement (11 - 12)</b>	<b>20,682.15</b>

The retail supply Tariffs for UGVCL distribution area determined by the Commission are annexed to this Order and shall come into force with effect from 1<sup>st</sup> April, 2026. The revised rate shall be applicable for the electricity consumption from 1<sup>st</sup> April, 2026 onwards.

Sd/-  
**JATIN N. THAKKAR**  
Member

Sd/-  
**HIREN SHAH**  
Member

Sd/-  
**PANKAJ JOSHI**  
Chairman

Place: Gandhinagar

Date: 25/03/2026



## **ANNEXURE: TARIFF SCHEDULE**

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### **TARIFF FOR SUPPLY OF ELECTRICITY AT LOW TENSION, HIGH TENSION, AND EXTRA HIGH TENSION**

**Effective from 1<sup>st</sup> April, 2026**

#### **GENERAL**

1. The tariff figures indicated in this tariff schedule are the tariff rates payable by the consumers of Distribution Licensees viz. DGVCL, MGVCL, PGVCL and UGVCL.
2. These tariffs are exclusive of Electricity Duty, tax on sale of electricity, taxes and other charges levied by the Government or other competent authorities from time to time which are payable by the consumers, in addition to the charges levied as per the tariff.
3. All these tariffs for power supply are applicable to only one point of supply.
4. The charges specified are on monthly basis. Distribution Licensee may decide the period of billing and adjust the tariff rate accordingly.
5. Except in cases where the supply is used for purposes for which a lower tariff is provided in the tariff schedule, the power supplied to any consumer shall be utilized only for the purpose for which supply is taken and as provided for in the tariff.
6. The various provisions of the GERC (licensee's power to recover expenditure incurred in providing supply and other miscellaneous charges) Regulations, except Meter Charges, will continue to apply.
7. Conversion of Ratings of electrical appliances and equipment from kilowatt to B.H.P. or vice versa will be done, when necessary, at the rate of 0.746 kilowatt equal to 1 B.H.P.
8. The billing of fixed charges based on contracted load or maximum demand shall be done in multiples of 0.5 (one half) Horse Power, kilo watt or kilo volt ampere (HP, kW, kVA) as the case may be. The fraction of less than 0.5 shall be rounded off to next 0.5. The billing of energy charges will be done on complete one kilo-watt-hour (kWh).
9. The Connected Load for the purpose of billing will be taken as the maximum load during the billing period.
10. The Fixed charges, minimum charges, demand charges, and the slabs of consumption of energy for energy charges mentioned shall not be subject to any adjustment on account of existence of any broken period within billing period arising from consumer supply being connected or disconnected any time within the duration of billing period for any reason.
11. Contract Demand shall mean the maximum kW / kVA for the supply of which licensee undertakes to provide facilities to the consumer from time to time.



12. Fuel and Power Purchase Adjustment Surcharge (FPPAS) shall be applicable in accordance with the Formula approved by the Gujarat Electricity Regulatory Commission from time to time.
13. Payment of penal charges for usage in excess of contract demand / load for any billing period does not entitle the consumer to draw in excess of contract demand / load as a matter of right.
14. The payment of power factor penalty does not exempt the consumer from taking steps to improve the power factor to the levels specified in the Regulations notified under the Electricity Act, 2003 and licensee shall be entitled to take any other action deemed necessary and authorized under the Act.
15. The Time of Use (ToU) Charges stipulated in the Tariff Schedule shall be levied only if meter with ToD recording facility is provided at consumer's installation.
16. Delayed payment charges for all consumers:
  - No delayed payment charges shall be levied if the bill is paid within ten days from the date of billing (excluding date of billing).
  - Delayed payment charges will be levied at the rate of 15% per annum in case of all consumers except Agricultural category for the period from the due date till the date of payment if the bill is paid after due date. Delayed payment charges will be levied at the rate of 12% per annum for the consumer governed under Rate AG from the due date till the date of payment if the bill is paid after due date.
  - For Government dues, the delayed payment charges will be levied at the rate provided under the relevant Electricity Duty Act.
17. Energy charges for smart pre-paid meter consumers are applicable only when a positive balance is maintained. Any deviation from this leads the consumer to follow the post-paid meter tariff for the respective billing month.
18. Green Power Tariff
  - Green Power Tariff of Rs. 0.75 / kWh, which is over and above the normal tariff of the respective category as per Tariff Order, be levied to the consumers opting for meeting their demand of green energy.
  - All consumers (Extra High Voltage, High Voltage and Low Voltage) shall be eligible for opting RE power on payment of Green Power Tariff.
  - This option can be exercised by consumer giving one month notice to the Distribution Licensee in writing before commencement of billing period.



**PART - I**

**TARIFF FOR SUPPLY OF ELECTRICITY AT LOW AND MEDIUM VOLTAGE**

The following tariffs are available for supply at low and medium voltage for contract demand up to 150 kVA.

**1. RATE: RGP**

This tariff is applicable to all services in the residential premises which are not covered under 'Rate: RGP (Rural)' Category.

- Single Phase Supply – Aggregate load up to 6 kW
- Three Phase Supply – Aggregate load above 6 kW

Provided that the small-scale animal husbandry activities having electricity connection with contract demand up to 10 kW and involving not more than 30 milking animals shall be covered under this Tariff Category.

**1.1. FIXED CHARGES / MONTH:**

Range of Connected Load: (Other than BPL Consumers)

(a)	Up to and including 2 kW	Rs. 15/- per month
(b)	Above 2 to 4 kW	Rs. 25/- per month
(c)	Above 4 to 6 kW	Rs. 45/- per month
(d)	Above 6 kW	Rs. 70/- per month

For BPL Household Consumers

(a)	Fixed Charges	Rs. 5/- per Month
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**PLUS**

**1.2. ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION: (OTHER THAN BPL CONSUMERS)**

		<b>Post-Paid Energy Charge</b>	<b>Pre-paid Energy Charge</b>
(a)	First 50 units	305 Paise per Unit	296 Paise per Unit
(b)	Next 50 Units	350 Paise per Unit	340 Paise per Unit
(c)	Next 150 Units	415 Paise per Unit	403 Paise per Unit
(d)	Above 250 Units	520 Paise per Unit	504 Paise per Unit



**1.3. ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION: FOR THE CONSUMERS BELOW POVERTY LINE (BPL) \*\***

		<b>Post-Paid Energy Charge</b>	<b>Pre-paid Energy Charge</b>
(a)	First 50 units	150 Paise per Unit	146 Paise per Unit
(b)	For the remaining units	Rate as per RGP	Rate as per RGP for Smart Pre-paid Meter

\*\*The consumer who wants to avail the benefit of the above tariff has to produce a copy of the Card issued by the authority concerned at the sub-division office of the Distribution Licensee. The concessional tariff is only for 50 units per month.

**1.4. TIME OF USE DISCOUNT**

Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1700 Hrs. for the Consumers with Smart Meter.

**1.5. MINIMUM BILL**

Payment of fixed charges as specified in 1.1 above.

**2. RATE: RGP (RURAL)**

This tariff will be applicable to all services for residential premises located in areas within Gram Panchayat as defined in the Gujarat Panchayats Act.

- Single Phase Supply – Aggregate load up to 6 kW
- Three Phase Supply – Aggregate load above 6 kW

Provided that the small-scale animal husbandry activities having electricity connection with contract demand up to 10 kW and involving not more than 30 milking animals shall be covered under this Tariff category.

**2.1. FIXED CHARGES**

Range of Connected Load: (Other than BPL Consumers)

(a)	Up to and including 2 kW	Rs. 15/- per month
(b)	Above 2 to 4 kW	Rs. 25/- per month
(c)	Above 4 to 6 kW	Rs. 45/- per month
(d)	Above 6 kW	Rs. 70/- per month



For BPL Household Consumers

Fixed Charges	Rs. 5/- per month
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**PLUS**

**2.2. ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION: (OTHER THAN BPL CONSUMERS)**

		Post-Paid Energy Charge	Pre-paid Energy Charge
(a)	First 50 units	265 Paise per Unit	257 Paise per Unit
(b)	Next 50 Units	310 Paise per Unit	301 Paise per Unit
(c)	Next 150 units	375 Paise per Unit	364 Paise per Unit
(d)	Above 250 units	490 Paise per Unit	475 Paise per Unit

**2.3. ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION: FOR THE CONSUMER BELOW POVERTY LINE (BPL) \*\***

		Post-Paid Energy Charge	Pre-paid Energy Charge
(a)	First 50 units	150 Paise per Unit	146 Paise per Unit
(b)	For remaining units	Rate as per RGP (Rural)	Rate as per RGP(Rural) for Smart Pre-paid Meter

\*\*The consumer who wants to avail the benefit of the above tariff has to produce a copy of the Card issued by the authority concerned at the sub-division office of the Distribution Licensee. The concessional tariff is only for 50 units per month.

**2.4. TIME OF USE DISCOUNT**

Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1700 Hrs. for the Consumers with Smart Meter.

**2.5. MINIMUM BILL**

Payment of fixed charges as specified in 2.1 above.

*Note: If the part of the residential premises is used for non-residential (commercial) purposes by the consumers located within 'Gram Panchayat' as defined in Gujarat Panchayat Act, entire consumption will be charged under this tariff.*



### 3. **RATE: GLP**

This tariff is applicable to:

- (i) the educational institutes and other institutions registered with the Charity Commissioner or similarly placed authority designated by the Government of India for such intended purpose;
- (ii) research and development laboratories;
- (iii) Street Light\*

		<b>Post-Paid Charges</b>	<b>Pre-paid Charges</b>
(a)	Fixed charges	Rs. 70/- per Installation per Month	
(b)	Energy charges	390 Paise per Unit	378 Paise per Unit

\* Maintenance of street lighting conductor provided on the pole to connect the street light is to be carried out by Distribution Licensee. The consumer utilising electricity for street lighting purpose shall arrange for renewal, maintenance and replacement of lamp, associated Fixture, connecting wire, disconnecting device, switch including time switch etc. at his cost by person authorised by him in this behalf under Rule-3 of the Indian Electricity Rules, 1956/ Rules issued by CEA under the Electricity Act, 2003.

#### 3.1. **TIME OF USE DISCOUNT**

Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1700 Hrs. for the Consumers with Smart Meter.

### 4. **RATE: NON-RGP**

This tariff is applicable to the services for the premises those are not covered in any other tariff categories and having aggregate load up to and including 40 kW.

Consumer under this category may opt to be charged as per category – ‘RATE: LTMD’

#### 4.1. **FIXED CHARGES PER MONTH**

(a)	First 10 kW of connected load	Rs. 50/- per kW
(b)	For next 30 kW of connected load	Rs. 85/- per kW

**PLUS**



#### 4.2. ENERGY CHARGES:

		<b>Post-Paid Charge</b>	<b>Pre-paid Charge</b>
(a)	For installation having contracted load up to and including 10 kW: for entire consumption during the month	435 Paise per Unit	422 Paise per Unit
(b)	For installation having contracted load exceeding 10 kW: for entire consumption during the month	465 Paise per Unit	451 Paise per Unit

**PLUS**

#### 4.3. TIME OF USE CHARGES FOR CONSUMERS HAVING CONTRACT DEMAND ABOVE 10 KW:

Additional Charge for energy consumption during two peak periods, viz. 0700 Hrs. to 1100 Hrs. and 1800 Hrs. to 2200 Hrs.	45 Paise per Unit
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#### 4.4. TIME OF USE DISCOUNT

Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1700 Hrs. for the Consumers having contract demand up to and including 10 kW with Smart Meter and for the Consumers having contract demand above 10 kW with meters having ToD recording facility / Smart Meter.

#### 4.5. MINIMUM BILL PER INSTALLATION FOR SEASONAL CONSUMERS

- 4.5.1.** “Seasonal Consumers”, shall mean a consumer who takes and uses power supply for ice factory, ice candy machines, ginning and pressing factory, oil mill, rice mill, huller, salt industry, sugar factory, khandsari, cold storage plants (including such plants in fisheries industry), tapioca industries manufacturing starch, vegetable dehydration industries.
- 4.5.2.** Any consumer, who desires to be billed for the minimum charges on annual basis shall intimate to that effect in writing at least one month before commencement of billing period about the off-season during which energy consumption, if any, shall be mainly for overhauling of the plant and machinery. The off-season period at any time shall be a full calendar month/months. The total period of the off-season so declared and observed shall be not less than three calendar months in a calendar year.
- 4.5.3.** The total minimum amount under the head “Fixed and Energy Charges” payable by the seasonal consumer satisfying the eligibility criteria under sub-clause 4.5.1 above and complying with the



provision stipulated under sub-clause 4.5.2 above shall be Rs. 1800 per annum per kW of the contracted load/ sanctioned load.

- 4.5.4.** The units consumed during the off-season period shall be charged for at a flat rate of 480 Paise per unit.
- 4.5.5.** The electricity bills related to the off-season period shall not be taken into account towards the amount payable against the annual minimum bill. The amount paid by the consumer towards the electricity bills related to the seasonal period only under the heads “Fixed Charges” and “Energy Charges”, shall be taken into account while determining the amount of short-fall payable towards the annual minimum bill as specified under sub-clause 4.5.3 above.
- 4.5.6.** Seasonal consumer is required to submit to the Distribution Licensee an irrevocable Bank Guarantee from a Nationalised or Scheduled Commercial Bank equal to the difference of amount/ Bank Guarantee lying with the Distribution Licensee as Security Deposit and minimum bill calculated at the rate shown in para 4.5.3 with the Contracted Load/ Sanctioned Load of such consumer. If the Contracted Load/ Sanctioned Load is revised upward during the calendar year, the consumer shall submit a revised Bank Guarantee or additional Bank Guarantee as calculated above to the Licensee. The cost of such Bank Guarantee/s shall be borne by the consumer. It shall be the responsibility of the consumer to keep the bank guarantee/s valid at all times and to renew the bank guarantee/s at least 1 month prior to its expiry.

## **5. RATE: LTMD**

This tariff is applicable to the services for the premises those are not covered in any other tariff categories and having aggregate load above 40 kW.

This tariff shall also be applicable to consumer covered in category- ‘Rate: Non-RGP’ so opts to be charged in place of ‘Rate: Non-RGP’ tariff.

### **5.1. DEMAND CHARGE:**

	For billing demand up to the Contract demand	
(a)	(i) For first 40 kW of billing demand	Rs. 90/-per kW per month
	(ii) Next 20 kW of billing demand	Rs. 130/-per kW per month
	(iii) Above 60 kW of billing demand	Rs. 195/- per kW per month
(b)	For billing demand in excess of the contract demand	Rs. 265/- per kW

**PLUS**



**5.2. ENERGY CHARGE:**

	<b>Post-Paid Energy Charge</b>	<b>Pre-paid Energy Charge</b>
For the entire consumption during the month	460 Paise per Unit	446 Paise per Unit

**PLUS**

**5.3. TIME OF USE CHARGES:**

Additional Charge for energy consumption during two peak periods, viz. 0700 Hrs. to 1100 Hrs. and 1800 Hrs. to 2200 Hrs.	45 Paise per Unit
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**PLUS**

**5.4. REACTIVE ENERGY CHARGES:**

For all the reactive units (kVARh) during the month	10 Paise per kVARh
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**5.5. TIME OF USE DISCOUNT**

Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1700 Hrs. for Consumers with meters having ToD recording facility / Smart Meter.

**5.6. BILLING DEMAND**

The billing demand shall be highest of the following:

- a) Eighty-five percent of the contract demand
- b) Actual maximum demand registered during the month
- c) 6 kW

**5.7. MINIMUM BILL**

Payment of demand charges every month based on the billing demand.

**5.8. SEASONAL CONSUMERS TAKING LTMD SUPPLY:**

**5.8.1.** The expression, “Seasonal Consumer”, shall mean a consumer who takes and uses power supply for ice factory, ice-candy machines, ginning and pressing factory, oil mill, rice mill, salt industry, sugar factory, khandsari, cold storage plants (including such plants in fishery industry), tapioca industries manufacturing starch, pumping load or irrigation, white coal manufacturers, vegetable dehydration industries.

**5.8.2.** Any consumer, who desires to be billed for the minimum charges on annual basis shall intimate to that effect in writing at least one month before commencement of billing period about the



off-season during which energy consumption, if any, shall be mainly for overhauling of the plant and machinery. The off-season period at any time shall be a full calendar month/months. The total period of the off-season so declared and observed shall be not less than three calendar months in a calendar year.

- 5.8.3.** The total minimum amount under the head “Demand and Energy Charges” payable by a seasonal consumer satisfying the eligibility criteria under sub-clause 5.8.1 above and complying with provisions stipulated under sub-clause 5.8.2 above shall be Rs. 2970 per annum per kW of the billing demand.
- 5.8.4.** The billing demand shall be the highest of the following:
- a) The highest of the actual maximum demand registered during the calendar year.
  - b) Eighty-five percent of the arithmetic average of contract demand during the year.
  - c) 6 kW
- 5.8.5.** Units consumed during the off-season period shall be charged for at the flat rate of 470 Paise per unit.
- 5.8.6.** Seasonal consumer is required to submit to the Distribution Licensee an irrevocable Bank Guarantee from a Nationalised or Scheduled Commercial Bank equal to the difference of amount/ Bank Guarantee lying with the Licensee as Security Deposit and minimum bill calculated at the rate shown in para 5.8.3 for the higher of Contract Demand or Billing Demand. If the Contract Demand is revised upward during the calendar year, the consumer shall submit a revised Bank Guarantee or additional Bank Guarantee as calculated above to the Licensee. The cost of such Bank Guarantee/s shall be borne by the consumer. It shall be the responsibility of the consumer to keep the bank guarantee/s valid at all times and to renew the bank guarantee/s at least 1 month prior to its expiry.

**6. RATE: LTP- LIFT IRRIGATION**

Applicable for supply of electricity to Low Tension Agricultural consumers contracting load up to 180 HP requiring continuous (twenty-four hours) power supply for lifting water from surface water sources such as canal, river, & dam and supplying water directly to the fields of farmers for agricultural irrigation only.

(a)	Fixed charges per month	Rs. 20/- per HP
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**PLUS**

(b)	Energy charges per month: For entire consumption during the month	80 Paise per Unit
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**7. RATE: WWSP**

This tariff shall be applicable to services used for water works and sewerage pumping purposes.

**7.1. Type I - Water works and sewerage pumps operated by other than local authority**

		<b>Post-Paid Energy Charge</b>	<b>Pre-paid Energy Charge</b>
(a)	Fixed charges per month	Rs. 25/- per HP	
(b)	Energy charges per month: For entire consumption during the month	430 Paise per Unit	417 Paise per Unit

**7.2. Type II - Water Works and sewerage pumps operated by local authority such as Municipal Corporation, Gujarat Water Supply & Sewerage Board located outside Gram Panchayat Area will also attract this tariff:**

		<b>Post-Paid Energy Charge</b>	<b>Pre-paid Energy Charge</b>
(a)	Fixed charges per month	Rs. 20/- per HP	
(b)	Energy charges per month: For entire consumption during the month	410 Paise per Unit	398 Paise per Unit

**7.3. Type III - Water Works and sewerage pumps operated by Municipalities, Nagarpalikas, Gram Panchayats and Gujarat Water Supply & Sewerage Board for its installations located in Gram Panchayats:**

		<b>Post-Paid Energy Charge</b>	<b>Pre-paid Energy Charge</b>
	Energy charges per month: For entire consumption during the month	320 Paise per Unit	310 Paise per Unit

**7.4. TIME OF USE DISCOUNT:**

Applicable to all the water works Consumers with meters having ToD recording facility / Smart Meter.

For energy consumption during the off-peak period, viz. 1100 Hrs. to 1800 Hrs	40 Paise per Unit
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**8. RATE: AG**

This tariff is applicable to services used for irrigation purposes only excluding installations covered under LTP- Lift Irrigation category.

8.1. The rates for following group are as under:

**8.1.1. HP BASED TARIFF**

For entire contracted load	Rs. 200 per HP per month
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**ALTERNATIVELY**

**8.1.2. METERED TARIFF**

Fixed Charges	Rs. 20 per HP per month
Energy Charges: For entire consumption during the month	60 Paise per Unit

**8.1.3. TATKAL SCHEME**

Fixed Charges	Rs. 20 per HP per month
Energy Charges: For entire consumption during the month	80 Paise per Unit

*NOTE: The consumers under Tatkal scheme shall be eligible for normal metered tariff as above, on completion of five years period from the date of commencement of supply.*

8.2. No machinery other than pump water for irrigation (and a single bulb or CFL up to 40 watts) will be permitted under this tariff. Any other machinery connected in the installation governed under this tariff shall be charged separately at appropriate tariff for which consumers shall have to take separate connection.

8.3. Agricultural consumers who desire to supply water to brick manufacturing units shall have to pay Rs. 100/HP per annum subject to minimum of Rs. 2000/- per year for each brick Mfg. Unit to which water is supplied in addition to existing rate of HP based / metered agricultural tariff.

8.4. Such Agricultural consumers shall have to pay the above charges for a full financial year irrespective of whether they supply water to the brick manufacturing unit for full or part of the Financial Year.

Agricultural consumers shall have to declare their intention for supply of the water to such brick manufacturing units in advance and pay charges accordingly before commencement of the financial year (i.e. in March every year).



**9. RATE: TMP**

This tariff is applicable to services of electricity supply for temporary period at the low voltage. A consumer not taking supply on regular basis under a proper agreement shall be deemed to be taking supply for temporary period.

**9.1. FIXED CHARGE**

Fixed Charge per Installation	Rs. 15 per kW per Day
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**9.2. ENERGY CHARGE**

A flat rate of	465 Paise per Unit
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*Note: Payment of bills is to be made within seven days from the date of issue of the bill. Supply would be disconnected for non-payment of dues on 24 hours' notice.*

**10. RATE: LT ELECTRIC VEHICLE (EV) CHARGING STATIONS**

This tariff is applicable to consumers who use electricity **exclusively** for Electric Vehicle Charging installations.

Other consumers can use their regular electricity supply for charging electric vehicle under same regular category i.e. RGP, RGP (RURAL), GLP, LTMD, etc. as the case may be.

**10.1. FIXED CHARGES**

Fixed Charge	Rs. 25 per Installation per Month
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**PLUS**

**10.2. ENERGY CHARGES: FOR THE ENTIRE MONTHLY CONSUMPTION**

	<b>Post-Paid Energy Charge</b>	<b>Pre-paid Energy Charge</b>
Energy Charge	410 Paise per Unit	398 Paise per Unit

**PLUS**



**10.3. TIME OF USE CHARGES FOR CONSUMERS HAVING CONTRACT DEMAND ABOVE 10 KW:**

Additional Charge for energy consumption during two peak periods, viz. 0700 Hrs. to 1100 Hrs. and 1800 Hrs. to 2200 Hrs.	45 Paise per Unit
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**10.4. TIME OF USE DISCOUNT**

Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1700 Hrs. for the Consumers having contract demand up to and including 10 kW with Smart Meter and for the Consumers having contract demand above 10 kW with meters having ToD recording facility / Smart Meter.



**PART - II**

**TARIFFS FOR SUPPLY OF ELECTRICITY AT HIGH TENSION**

**(3.3 KV AND ABOVE, 3-PHASE 50 HERTZ), AND EXTRA HIGH TENSION**

The following tariffs are available for supply at high tension for contract demand not less than 100 kVA.

**11. RATE: HTP-1**

This tariff will be applicable for supply of electricity to HT consumers contracted for 100 kVA and above for regular power supply and requiring the power supply for the purposes not specified in any other HT Categories.

**11.1. DEMAND CHARGES:**

**11.1.1. For billing demand up to contract demand**

(a)	For the first 500 kVA of billing demand	Rs. 150/- per kVA per month
(b)	For next 500 kVA of billing demand	Rs. 260/- per kVA per month
(c)	For billing demand in excess of 1000 kVA	Rs. 475/- per kVA per month

**11.1.2. For billing Demand in Excess of Contract Demand**

For billing demand in excess over the contract demand	Rs. 555 per kVA per month
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**PLUS**

**11.2. ENERGY CHARGES**

<b>For entire consumption during the month</b>		
(a)	Up to 500 kVA of billing demand	400 Paise per unit
(b)	For billing demand above 500 kVA and up to 2500 kVA	420 Paise per Unit
(c)	For billing demand above 2500 kVA	430 Paise per Unit

**PLUS**

**11.3. TIME OF USE CHARGES**

For energy consumption during the two peak periods, viz. 0700 Hrs. to 1100 Hrs. and 1800 Hrs. to 2200 Hrs.		
(a)	For Billing Demand up to 500 kVA	45 Paise per unit
(b)	For billing demand above 500 kVA	85 Paise per Unit



#### **11.4. BILLING DEMAND**

The billing demand shall be the highest of the following:

- a) Actual maximum demand established during the month
- b) Eighty-five percent of the contract demand
- c) One hundred kVA

#### **11.5. MINIMUM BILLS:**

Payment of “demand charges” based on kVA of billing demand.

#### **11.6. POWER FACTOR ADJUSTMENT CHARGES:**

##### **11.6.1. Penalty for poor Power Factor:**

- a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff as per para 11.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.
- b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 11.2 of this schedule, will be charged.

##### **11.6.2. Power Factor Rebate**

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 11.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

#### **11.7. MAXIMUM DEMAND AND ITS MEASUREMENT:**

The maximum demand in kW or kVA, as the case may be, shall mean an average kW/kVA supplied during consecutive 30/15 minutes or if consumer is having parallel operation with the grid and has opted for 3 minutes, period of maximum use where such meter with the features of reading the maximum demand in kW/kVA directly, have been provided.

### 11.8. CONTRACT DEMAND:

The contract demand shall mean the maximum kW/kVA for the supply, of which the supplier undertakes to provide facilities from time to time.

### 11.9. REBATE FOR SUPPLY AT HV and EHV:

<b>On ENERGY CHARGES:</b>		<b>Rebate @</b>
(a)	If supply is availed at 11 kV/ 22 kV (HV)	1%
(b)	If supply is availed at 33 kV/ 66 kV (EHV)	1.5%
(c)	If supply is availed at 132 kV and above (EHV)	2%

### 11.10. TIME OF USE DISCOUNT

Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1700 Hrs.

### 11.11. SEASONAL CONSUMERS TAKING HT SUPPLY:

**11.11.1.** The expression, “Seasonal Consumer”, shall mean a consumer who takes and uses power supply for ice factory, ice-candy machines, ginning and pressing factory, oil mill, rice mill, salt industry, sugar factory, khandsari, cold storage plants (including such plants in fishery industry), tapioca industries manufacturing starch, pumping load or irrigation, white coal manufacturers, vegetable dehydration industries.

**11.11.2.** Any consumer, who desires to be billed for the minimum charges on annual basis shall intimate to that effect in writing at least one month before commencement of billing period about the off-season during which energy consumption, if any, shall be mainly for overhauling of the plant and machinery. The off-season period at any time shall be a full calendar month/months. The total period of the off-season so declared and observed shall be not less than three calendar months in a calendar year.

**11.11.3.** The total minimum amount under the head “Demand and Energy Charges” payable by a seasonal consumer satisfying the eligibility criteria under sub-clause 11.11.1 above and complying with provisions stipulated under sub-clause 11.11.2 above shall be Rs. 4550 per annum per kVA of the billing demand.

**11.11.4.** The billing demand shall be the highest of the following:

- a) The highest of the actual maximum demand registered during the calendar year.
- b) Eighty-five percent of the arithmetic average of contract demand during the year.
- c) One hundred kVA



- 11.11.5.** Units consumed during the off-season period shall be charged for at the flat rate of 430 Paise per unit.
- 11.11.6.** Electricity Bills paid during off-season period shall not be taken into account towards the amount payable against the annual minimum bill. The amount paid by the consumer towards the electricity bills for seasonal period only under the heads “Demand Charges” and “Energy Charges” shall be taken into account while determining the amount payable towards the annual minimum bill.
- 11.11.7.** Seasonal consumer is required to submit to the Distribution Licensee an irrevocable Bank Guarantee from a Nationalised or Scheduled Commercial Bank equal to the difference of amount/ Bank Guarantee lying with the Licensee as Security Deposit and minimum bill calculated at the rate shown in para 11.11.3 for the higher of Contract Demand or Billing Demand. If the Contract Demand is revised upward during the calendar year, the consumer shall submit a revised Bank Guarantee or additional Bank Guarantee as calculated above to the Licensee. The cost of such Bank Guarantee/s shall be borne by the consumer. It shall be the responsibility of the consumer to keep the bank guarantee/s valid at all times and to renew the bank guarantee/s at least 1 months prior to its expiry.

**12. RATE: HTP-II**

This tariff shall be applicable for supply of energy to HT consumers contracting for 100 kVA and above, requiring power supply for Water Works and Sewerage pumping stations run by Local Authorities and Gujarat Water Supply & Sewerage Board and GIDC Water Works.

**12.1. DEMAND CHARGES:**

**12.1.1.** For billing demand up to contract demand

(a)	For the first 500 kVA of billing demand	Rs. 115/- per kVA per month
(b)	For next 500 kVA of billing demand	Rs. 225/- per kVA per month
(c)	For billing demand in excess of 1000 kVA	Rs. 290/- per kVA per month

**12.1.2.** For billing demand in excess of contract demand

For billing demand in excess of contract demand	Rs. 360 per kVA per month
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**PLUS**



**12.2. ENERGY CHARGES:**

For entire consumption during the month		
(a)	Up to 500 kVA of billing demand	435 Paise per unit
(b)	For billing demand above 500 kVA and up to 2500 kVA	455 Paise per Unit
(c)	For billing demand above 2500 kVA	465 Paise per Unit

**PLUS**

**12.3. TIME OF USE CHARGES:**

For energy consumption during the two peak periods, viz. 0700 Hrs. to 1100 Hrs. and 1800 Hrs. to 2200 Hrs.		
(a)	For Billing Demand up to 500 kVA	45 Paise per unit
(b)	For billing demand above 500 kVA	85 Paise per Unit

12.4. Billing Demand

12.5. Minimum Bill

12.6. Maximum demand and its measurement

12.7. Contract Demand

12.8. Rebate for supply at HV and EHV

12.9. Time of Use Discount



Same as HTP-I Tariff

**12.10. POWER FACTOR ADJUSTMENT CHARGES**

**12.10.1. Penalty for poor Power Factor:**

- a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff as per para 12.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.
- b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 12.2 of this schedule, will be charged.

**12.10.2. Power Factor Rebate:**

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on



the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 12.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

### **13. RATE: HTP-III**

This tariff shall be applicable to a consumer taking supply of electricity at high voltage, contracting for not less than 100 kVA for temporary period. A consumer not taking supply on regular basis under a proper agreement shall be deemed to be taking supply for temporary period.

#### **13.1. DEMAND CHARGES:**

For billing demand up to contract demand	Rs. 18/- per kVA per day
For billing demand in excess of contract demand	Rs. 20/- per kVA per day

#### **13.2. ENERGY CHARGES:**

For all units consumed during the month	660 Paise/Unit
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**PLUS**

#### **13.3. TIME OF USE CHARGES:**

Additional charge for energy consumption during two peak periods, viz. 0700 Hrs. to 1100 Hrs. and 1800 Hrs. to 2200 Hrs.	85 Paise per Unit
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13.4. Billing Demand

13.5. Minimum bill

13.6. Maximum demand and its measurement

13.7. Contract Demand

13.8. Rebate for supply at HV and EHV



Same as HTP-I Tariff

#### **13.9. POWER FACTOR ADJUSTMENT CHARGES**

##### **13.9.1. Penalty for poor Power Factor:**

- a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff as per para 13.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.



- b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 13.2 of this schedule, will be charged.

**13.9.2. Power Factor Rebate:**

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 13.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

**14. RATE: HTP-IV**

This tariff shall be applicable for supply of electricity to HT consumers opting to use electricity exclusively during night hours from 10:00 PM to 06:00 AM next day and contracted for regular power supply of 100 kVA and above.

**14.1. DEMAND CHARGES:**

1/3 <sup>rd</sup> of the Fixed Charges specified in Rate HTP-I above
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**PLUS**

**14.2. ENERGY CHARGES:**

For all units consumed during the month	225 Paise per unit
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14.3. Billing Demand

14.4. Minimum Bill

14.5. Maximum demand and its measurement

14.6. Contract Demand

14.7. Rebate for supply at HV and EHV



Same as HTP-I Tariff

**14.8. POWER FACTOR ADJUSTMENT CHARGES:**

**14.8.1. Penalty for poor Power Factor:**

- a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff



as per para 14.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.

- b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 14.2 of this schedule, will be charged.

#### **14.8.2. Power Factor Rebate:**

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 14.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

#### **NOTE:**

1. 15% of the contracted demand can be availed beyond the night hours prescribed as per para 14 above.
2. 10% of total units consumed during the billing period can be availed beyond the night hours prescribed as per para 14 above.
3. In case the consumer failed to observe condition no. 1 above during any of the billing month, then demand charge during the relevant billing month shall be billed as per HTP-I category demand charge rates given in para 11.1 of this schedule.
4. In case the consumer failed to observe condition no. 2 above during any of the billing month, then entire energy consumption during the relevant billing month shall be billed as per HTP-I category energy charge rates given in para 11.2 of this schedule.
5. In case the consumer failed to observe above condition no. 1 and 2 both during any of the billing month, then demand charge and entire energy consumption during the relevant billing month shall be billed as per HTP-I category demand charge and energy charge rates given in para 11.1 and 11.2 respectively, of this schedule.
6. This tariff shall be applicable if the consumer so opts to be charged in place of HTP-I tariff by using electricity exclusively during night hours as above.
7. This option can be exercised to shift from HTP-I tariff category to HTP-IV tariff or from HTP-IV tariff category to HTP-I tariff four times in a calendar year by giving not less than 15 days’ advance notice in writing before commencement of billing period.



**15. RATE: HTP-V**

**HT - Agricultural (for HT Lift Irrigation scheme only)**

This tariff shall be applicable for supply of electricity to High Tension Agricultural consumers contracting for 100 kVA and above, requiring power supply for lifting water from surface water sources such as canal, river and dam, and supplying water directly to the fields of farmers for agricultural irrigation only.

**15.1. DEMAND CHARGES:**

Demand Charges Rs. 25 per kVA per month
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**PLUS**

**15.2. ENERGY CHARGES:**

For all units consumed during the month	80 Paise/Unit
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15.3. Billing Demand

15.4. Minimum bill

15.5. Maximum demand and its measurement

15.6. Contract Demand

15.7. Rebate for supply at HV and EHV



Same as per HTP-I Tariff

**15.8. POWER FACTOR ADJUSTMENT CHARGES**

**15.8.1. Penalty for poor power factor**

- a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff as per para 15.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.
- b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 15.2 of this schedule, will be charged

**15.8.2. Power Factor Rebate**

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at



using tariff as per para 15.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

## **16. RATE: RAILWAY TRACTION**

This tariff is applicable for power supply to Railway Traction at 132 kV/66 kV.

### **16.1. DEMAND CHARGES:**

(a)	For billing demand up to the contract demand	Rs. 180 per kVA per month
(b)	For billing demand in excess of contract demand	Rs. 425 per kVA per month

*NOTE: In case of the load transfer for traction supply due to non-availability of power supply at preceding or succeeding point of supply or maintenance at DISCOM's level, excess demand over the contract demand shall be charged at normal rate at appropriate point of supply.*

Normal Demand Charges will also apply in case of bunching of trains. However, DISCOMs shall charge excess demand charges while raising the bills and Railways have to give convincing details and documentary proof of bunching of trains if they want to be charged at the normal demand charges. If satisfactory proof of bunching of trains is provided, DISCOM shall consider that occasion for normal demand charges, otherwise excess demand charges will be applicable specified as above at 16.1 (b).

**PLUS**

### **16.2. ENERGY CHARGES:**

For all the units consumed during the month	500 Paise per Unit
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**16.3. Billing Demand:**

**16.4. Minimum Bill**

**16.5. Maximum demand and its measurement**

**16.6. Contract Demand**

**16.7. Rebate for supply at HV and EHV**

} Same as HTP-I Tariff

## **16.8. POWER FACTOR ADJUSTMENT CHARGES**

### **16.8.1. Penalty for poor Power Factor:**

- a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head "Energy Charges", arrived at using tariff



as per para 16.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.

- b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 16.2 of this schedule, will be charged.

**16.8.2. Power Factor Rebate:**

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 16.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

**17. RATE: HT ELECTRIC VEHICLE (EV) CHARGING STATIONS**

This tariff is applicable to consumers who use electricity **exclusively** for Electric Vehicle Charging installations.

Other consumers can use their regular electricity supply for charging electric vehicle under same regular category i.e. HTP-I, HTP-II, HTP-III, HTP-IV, HTP-V, RAILWAY TRACTION as the case may be.

**17.1. DEMAND CHARGES:**

(a)	For billing demand up to the contract demand	Rs. 25/- per kVA per month
(b)	For billing demand in excess of contract demand	Rs. 50/- per kVA per month

**PLUS**

**17.2. ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION**

Energy Charge	400 Paise per Unit
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**PLUS**

**17.3. TIME OF USE CHARGES:**

Additional Charge for energy consumption during two peak periods, viz. 0700 Hrs. to 1100 Hrs. and 1800 Hrs. to 2200 Hrs.	45 Paise per Unit
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**17.4. TIME OF USE DISCOUNT**

Concession of 60 Paise per Unit shall be applicable for the consumption of energy during 1100 Hrs. to 1700 Hrs.

**17.5. Billing Demand:**

**17.6. Minimum Bill**

**17.7. Maximum demand and its measurement**

**17.8. Contract Demand**

**17.9. Rebate for supply at HV and EHV**



Same as HTP-I Tariff