

# GUJARAT ELECTRICITY REGULATORY COMMISSION



## **Tariff Order**

Truing up for FY 2023-24,  
Aggregate Revenue Requirement for FY 2025-26 to FY 2029-30  
and Determination of Tariff for FY 2025-26

**For**

**Torrent Power Limited – Generation  
Ahmedabad**

**Case No. 2425 of 2024  
29 March, 2025**

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## Table of Contents

CHAPTER 1: BACKGROUND AND BRIEF HISTORY.....	7
1.1 BACKGROUND.....	7
1.2 TORRENT POWER LIMITED (TPL).....	9
1.3 COMMISSION’S TARIFF ORDER FOR FY 2024-25.....	9
1.4 BACKGROUND OF THE PRESENT PETITION.....	10
1.5 REGISTRATION OF THE CURRENT PETITION AND THE PUBLIC HEARING PROCESS.....	10
1.6 APPROACH OF THIS ORDER.....	12
1.7 CONTENTS OF THIS ORDER.....	13
CHAPTER 2: SUMMARY OF TPL-GENERATION’S PETITION.....	14
2.1 ACTUAL FOR FY 2023-24 SUBMITTED BY TPL-G (APP).....	14
2.2 ARR FOR MYT CONTROL PERIOD FY 2025-26 TO FY 2029-30.....	14
2.3 PRAYERS OF TPL-G (APP)’S BEFORE THE COMMISSION.....	16
CHAPTER 3: BRIEF OUTLINE OF OBJECTIONS RAISED, RESPONSE FROM TPL-G AND THE COMMISSION’S VIEW.....	17
3.2 CAPEX WITH ENVIRONMENT NORMS.....	17
3.3 PROJECTION OF HIGHER O&M EXPENSES.....	18
CHAPTER 4: TRUING-UP FOR FY 2023-24.....	19
4.1 INTRODUCTION.....	19
4.2 GENERATING STATIONS OF TPL-G (APP).....	19
4.3 OPERATIONAL PERFORMANCE PARAMETERS.....	19
4.4 PLANT AVAILABILITY FACTOR (PAF).....	20
4.5 PLANT LOAD FACTOR (PLF).....	21
4.6 AUXILIARY CONSUMPTION.....	22
4.7 STATION HEAT RATE (SHR).....	23
4.8 SECONDARY FUEL OIL CONSUMPTION (SFC).....	23
4.9 TRANSIT LOSS.....	24
4.10 SUMMARY OF PERFORMANCE PARAMETERS APPROVED FOR FY 2023-24.....	25
4.11 GROSS AND NET GENERATION.....	25
4.12 COST PARAMETERS.....	26
4.13 MIX OF COAL.....	27
4.14 WT. AV. GROSS CALORIFIC VALUE (GCV) OF FUEL.....	27
4.15 WT. AV. PRICES OF FUEL.....	28
4.16 FUEL COSTS.....	29
4.17 VARIATION BETWEEN ACTUAL COSTS AND APPROVED COSTS.....	30
4.18 GAINS AND LOSSES IN FUEL COSTS DUE TO CONTROLLABLE FACTORS.....	30
4.19 GAINS AND LOSSES IN FUEL COSTS DUE TO UNCONTROLLABLE FACTORS.....	31
4.20 OPERATION & MAINTENANCE (O&M) EXPENSES.....	31
4.21 WATER CHARGES.....	33
4.22 CAPITAL EXPENDITURE, CAPITALISATION AND SOURCES OF FUNDING.....	34
4.23 DEPRECIATION.....	38

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

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4.24 INTEREST EXPENSES .....	39
4.25 INTEREST ON WORKING CAPITAL.....	42
4.26 RETURN ON EQUITY .....	45
4.27 INCOME TAX.....	46
4.28 NON-TARIFF INCOME.....	47
4.29 INCENTIVE.....	48
4.30 TRUING UP OF ARR FOR FY 2023-24 .....	49
4.31 SHARING OF GAINS/LOSSES FOR FY 2023-24 .....	50
<b>CHAPTER 5: ARR FOR THE MYT CONTROL PERIOD FY 2025-26 TO 2029-30 AND</b> <b>TARIFF DETERMINATION FOR FY 2025-26 .....</b>	<b>55</b>
5.1 INTRODUCTION .....	55
5.2 OPERATIONAL PERFORMANCE PARAMETERS.....	55
5.3 PLANT AVAILABILITY FACTOR (PAF).....	56
5.4 PLANT LOAD FACTOR (PLF).....	58
5.5 AUXILIARY CONSUMPTION.....	59
5.6 STATION HEAT RATE (SHR).....	60
5.7 SECONDARY FUEL OIL CONSUMPTION (SFC).....	61
5.8 TRANSIT LOSS .....	62
5.9 SUMMARY OF PERFORMANCE PARAMETERS APPROVED FOR FY 2025-26 TO FY 2029-30.....	63
5.10 GROSS AND NET GENERATION .....	63
5.11 COST PARAMETERS .....	65
5.12 FUEL COSTS.....	69
5.13 OPERATION & MAINTENANCE (O&M) EXPENSES.....	71
5.14 WATER CHARGES.....	74
5.15 CAPITAL EXPENDITURE .....	75
5.16 DEPRECIATION .....	80
5.17 INTEREST EXPENSES .....	82
5.18 INTEREST ON WORKING CAPITAL.....	84
5.19 RETURN ON EQUITY .....	86
5.20 RETURN ON CAPITAL EMPLOYED .....	89
5.21 NON-TARIFF INCOME.....	91
5.22 AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2025-26 TO FY 2029-30 .....	91
5.23 DETERMINATION OF FIXED CHARGES FOR FY 2025-26 TO FY 2029-30.....	92
5.24 DETERMINATION OF VARIABLE CHARGES FOR FY 2025-26 TO FY 2029-30.....	93
<b>CHAPTER 6: COMPLIANCE OF DIRECTIVES.....</b>	<b>94</b>
6.1 EARLIER DIRECTIVES.....	94
6.2 NEW DIRECTIVES.....	95



## **List of Tables**

Table 1-2-1 List of News Papers (Petitioner).....	11
Table 1-2-2 List of Newspapers (Commission) .....	11
Table 1-2-3 List of Stakeholders.....	12
Table 2-1 Actual claimed by TPL (G) APP for FY 2023-24 (Rs. Crore).....	14
Table 2-2 Trued-up ARR claimed by TPL (G) APP for FY 2023-24 (Rs. Crore) .....	14
Table 2-3 ARR of TPL (G) APP for FY 2025-26 to FY 2029-30 (Rs. Crore) .....	15
Table 4-1 Capacity, COD and age of TPL-G (APP) Stations as on 1 <sup>st</sup> April 2024.....	19
Table 4-2 Plant Availability Factor (PAF) of TPL-G (APP) in FY 2023-24 .....	20
Table 4-3 PAF of TPL-G (APP) approved for FY 2023-24 .....	21
Table 4-4 Plant Load Factor of TPL-G (APP) for FY 2023-24.....	21
Table 4-5 Plant Load Factor of TPL-G (APP) approved for FY 2023-24 .....	22
Table 4-6 Auxiliary consumption of TPL-G (APP) for FY 2023-24 .....	22
Table 4-7 Auxiliary Consumption of TPL-G (APP) approved for FY 2023-24 .....	23
Table 4-8 Station Heat Rate of TPL-G (APP) claimed for FY 2023-24 (kCal/kWh).....	23
Table 4-9 Station Heat Rate of TPL-G (APP) approved for FY 2023-24 (kCal/kWh) .....	23
Table 4-10 SFC of TPL-G (APP) claimed for FY 2023-24 (ml/kWh).....	24
Table 4-11 SFC of TPL – G (APP) approved for FY 2023-24 (ml/kWh).....	24
Table 4-12 Transit Loss of TPL-G (APP) claimed for FY 2023-24 .....	25
Table 4-13 Transit loss approved for FY 2023-24 .....	25
Table 4-14 Performance parameters of TPL-G stations approved for FY 2023-24.....	25
Table 4-15 Gross and Net Generation Approved for FY 2023-24 .....	26
Table 4-16 The mix of different type of Coal for FY 2023-24 .....	27
Table 4-17 The mix of different type of Coal for FY 2023-24 as approved by the Commission.....	27
Table 4-18 Wt. Av. Gross Calorific value (GCV) of Different Fuels for Coal--based Stations for FY 2023-24 ....	28
Table 4-19 Wt. Av. Price / unit of fuels for FY 2023-24 (Actual).....	28
Table 4-20 Av. Price / Unit of Fuels for FY 2023-24 (Actual) for Different Stations .....	28
Table 4-21: GCV of coal and oil for FY 2023-24 .....	29
Table 4-22: Price of coal and oil for FY 2023-24 .....	29
Table 4-23 Fuel Cost of TPL-G (APP) for Truing up for FY 2023-24 .....	30
Table 4-24 Total Fuel Cost approved for TPL-G (APP) for FY 2023-24 (Rs. Crore).....	30
Table 4-25 Approved Gains/(Losses) from Fuel Expenses (due to Controllable Factors) for FY 2023-24 (Rs. Crore) .....	31
Table 4-26 Approved Gains/(Losses) from Fuel Expenses (due to Uncontrollable Factors) for FY 2023-24 (Rs. Crore) .....	31
Table 4-27 O&M Expenses claimed by of TPL-G (APP) for FY 2023-24 (Rs. Crore).....	32
Table 4-28 O&M Expenses and Gains / (Losses) Approved for FY 2023-24 (Rs. Crore) .....	33
Table 4-29 Water Charges Claimed by TPL-G (APP) for FY 2023-24(Rs. Crore).....	34
Table 4-30 Gains / (Losses) Approved for FY 2023-24(Rs. Crore) .....	34
Table 4-31 Capital Expenditure Claimed by TPL-G (APP) For FY 2023-24 (Rs. Crore).....	35
Table 4-32 Capitalisation Claimed for FY 2023-24 (Rs. Crore).....	37
Table 4-33 Approved Capitalisation for FY 2023-24 (Rs. Crore) .....	38
Table 4-34 Depreciation claimed by TPL-G (APP) for FY 2023-24 (Rs. Crore).....	39
Table 4-35 Depreciation and Gains/Losses approved for FY 2023-24 (Rs. Crore) .....	39
Table 4-36 Interest and finance charges claimed for FY 2023-24 (Rs. Crore).....	40

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

Table 4-37 Interest Approved by the Commission for FY 2023-24 (Rs. Crore) .....	41
Table 4-38 Gains / (Losses) Approved for FY 2023-24 (Rs. Crore) .....	42
Table 4-39 Interest on Working Capital Claimed for FY 2023-24 (Rs. Crore) .....	42
Table 4-40 Interest on Working Capital approved for FY 2023-24 (Rs. Crore).....	44
Table 4-41 Gains/(Losses) in IoWC approved for FY 2023-24 (Rs. Crore) .....	44
Table 4-42 Return on Equity claimed by the TPL -G (APP) for FY 2023-24 (Rs. Crore).....	45
Table 4-43 Return on Equity approved for FY 2023-24 (Rs. Crore).....	45
Table 4-44 RoE and Gains/(Losses) approved for FY 2023-24 (Rs. Crore).....	46
Table 4-45 Income Tax Claimed for TPL-G (APP) for FY 2023-24 (Rs. Crore).....	46
Table 4-46 Gains / (Losses) due to Income Tax Approved for FY 2023-24 (Rs. Crore) .....	47
Table 4-47 Non-Tariff Income claimed for FY 2023-24 (Rs. Crore).....	48
Table 4-48 NTI and Gains/(losses) approved for FY 2023-24 (Rs. Crore) .....	48
Table 4-49 Incentive of TPL-G for FY 2023-24 (Rs. Crore).....	49
Table 4-50 Incentive of TPL-G for FY 2023-24 (Rs. Crore) .....	49
Table 4-51 ARR Approved in Truing up for FY 2023-24 (Rs. Crore) .....	50
Table 4-52 Sharing of Gains/(Losses) claimed by TPL-G for FY 2023-24 (Rs. Crore) .....	53
Table 4-53 Trued-up ARR claimed by TPL-G (APP) for FY 2023-24 (Rs. Crore).....	53
Table 4-54 Approved Trued-up ARR incl. Gains/(Losses) for FY 2023-24 (Rs. Crore) .....	53
Table 5-1 Annual Planned Maintenance of TPL-G (APP) for FY 2025-26 to FY 2029-30.....	57
Table 5-2 Projected Plant Availability Factor (PAF) for FY 2025-26 to FY 2029-30 (in %) .....	57
Table 5-3 Approved PAF for FY 2025-26 to FY 2029-30 (in %) .....	58
Table 5-4 Projected PLF for FY 2025-26 to FY 2029-30 (in %).....	58
Table 5-5 Approved PLF for FY 2025-26 to FY 2029-30 (in %).....	58
Table 5-6 Projected Auxiliary Consumption for FY 2025-26 to FY 2029-30 (in %) .....	59
Table 5-7 Approved Auxiliary consumption for FY 2025-26 to FY 2029-30 (in %).....	60
Table 5-8 Projected SHR for FY 2025-26 to FY 2029-30 (in kCal/kWh).....	61
Table 5-9 Approved SHR for FY 2025-26 to FY 2029-30 (in kCal/kWh).....	61
Table 5-10 Projected Secondary Fuel Oil Consumption for FY 2025-26 to FY 2029-30 (in gm/kWh) .....	61
Table 5-11 Approved Secondary Fuel Oil Consumption for FY 2025-26 to FY 2029-30 (in ml/kWh) .....	62
Table 5-12 Projected Transit Loss of coal for FY 2025-26 to FY 2029-30 (in %) .....	62
Table 5-13 Approved Transit Loss of coal for FY 2025-26 to FY 2029-30 (in %).....	63
Table 5-14 Performance parameters of TPL-G stations approved for FY 2025-26 to FY 2029-30.....	63
Table 5-15 Gross and Net Generation of TPL -G for FY 2025-26 to FY 2029-30.....	64
Table 5-16 Gross and Net Generation of TPL -G Approved for FY 2025-26 to FY 2029-30.....	65
Table 5-17 Gross Calorific Value of Fuel for FY 2025-26 to FY 2029-30.....	66
Table 5-18 Price of Fuel for FY 2025-26 to FY 2029-30 .....	66
Table 5-19 Approved GCV for FY 2025-26 to FY 2029-30 (kCal/Kg – kCal/L).....	67
Table 5-20 Fuel Utilisation Plan for FY 2025-26 to FY 2029-30 (%).....	68
Table 5-21 Total Fuel Utilisation for FY 2025-26 to FY 2029-30 (MT).....	68
Table 5-22 Fuel Cost of TPL-G (APP) for ARR of FY 2025-26 to FY 2029-30 .....	70
Table 5-23 Energy Charges of TPL-G (APP) for ARR of FY 2025-26 to FY 2029-30 .....	70
Table 5-24 Total Fuel Cost approved for FY 2025-26 to FY 2029-30(Rs. Crore).....	71
Table 5-25 O&M Expenses claimed by of TPL-G (APP) for FY 2025-26 to FY 2029-30 (Rs. Crore) .....	72
Table 5-26 Base O&M Expenses as on 31 <sup>st</sup> March, 2019 approved by the Commission (Rs. Crore) .....	73
Table 5-27 O&M Expenses approved by the Commission for FY 2025-26 to FY 2029-30 (Rs. Crore) .....	74
Table 5-28 Projected Water Charges for FY 2025-26 to FY 2029-30 (Rs. Crore).....	74



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

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<i>Table 5-29 Water Charges Approved by the Commission for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>75</i>
<i>Table 5-30 CAPEX Projected by TPL-G (APP) For FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>76</i>
<i>Table 5-31 Gross Fixed Assets approved for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>80</i>
<i>Table 5-32 Approved Capitalisation for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>80</i>
<i>Table 5-33 Projected Depreciation for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>81</i>
<i>Table 5-34 Depreciation approved for FY 2025-26 to FY 2029-30 (Existing Assets) (Rs. Crore) .....</i>	<i>82</i>
<i>Table 5-35 Depreciation approved for FY 2025-26 to FY 2029-30 (New Assets) (Rs. Crore) .....</i>	<i>82</i>
<i>Table 5-36 Depreciation approved for FY 2025-26 to FY 2029-30 (Total Assets) (Rs. Crore).....</i>	<i>82</i>
<i>Table 5-37 Interest on loans projected for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>83</i>
<i>Table 5-38 Interest on loan approved for FY 2025-26 to FY 2029-30 (Rs. Crore).....</i>	<i>84</i>
<i>Table 5-39 Interest on Working Capital claimed for FY 2025-26 – FY 2029-30 (Rs. Crore).....</i>	<i>85</i>
<i>Table 5-40 Interest on Working Capital approved for FY 2025-26 to FY 2029-30 (Rs. Crore).....</i>	<i>85</i>
<i>Table 5-41 Return on Equity projected for FY 2025-26 to FY 2029-30 (Rs. Crore).....</i>	<i>87</i>
<i>Table 5-42 Return on Equity approved for FY 2025-26 to FY 2029-30 (Rs. Crore).....</i>	<i>88</i>
<i>Table 5-43 Return on Capital Employed as per TPL-G (APP) for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>90</i>
<i>Table 5-44 Return on Capital Employed approved for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>91</i>
<i>Table 5-45 Non-Tariff Income projected for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>91</i>
<i>Table 5-46 Non-Tariff Income approved for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>91</i>
<i>Table 5-47 ARR of TPL-G (APP) for FY 2025-26 to FY 2029-30 (Rs. Crore).....</i>	<i>92</i>
<i>Table 5-48 ARR Approved for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>92</i>
<i>Table 5-49 Approved Fixed Charges for FY 2025-26 to FY 2029-30 (Rs. Crore) .....</i>	<i>93</i>
<i>Table 5-50 Approved Variable Charges for FY 2025-26 to FY 2029-30.....</i>	<i>93</i>



## List of ANNEXURES

<i>Annexure 1 Approved Fuel Costs for FY 2023-24 for True up of D,E &amp; F – Station.....</i>	<i>97</i>
<i>Annexure 2 Approved Fuel Costs for FY 2025-26 for D,E &amp; F – Station .....</i>	<i>98</i>
<i>Annexure 3 Approved Fuel Costs for FY 2026-27 for D,E &amp; F – Station .....</i>	<i>99</i>
<i>Annexure 4 Approved Fuel Costs for FY 2027-28 for D,E &amp; F – Station .....</i>	<i>100</i>
<i>Annexure 5 Approved Fuel Costs for FY 2028-29 for D,E &amp; F – Station .....</i>	<i>101</i>
<i>Annexure 6 Approved Fuel Costs for FY 2029-30 for D,E &amp; F – Station .....</i>	<i>102</i>



## **Before the Gujarat Electricity Regulatory Commission at Gandhinagar**

**Case No. 2425 of 2024**

**Date of Order: 29.03.2025**

### **CORAM**

Anil Mukim, Chairman  
Mehul M. Gandhi, Member  
S. R. Pandey, Member

### **ORDER**

## **Chapter 1: Background and Brief History**

### **1.1 Background**

Torrent Power Limited (hereinafter referred to as TPL or the Petitioner) has filed the present Petition under Section 62 of the Electricity Act' 2003, read in conjunction with Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations' 2016 and Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations' 2024 for Truing up of FY 2023-24, Determination of ARR for



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

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MYT Control Period FY 2025-26 to FY 2029-30, and Determination of Tariff for its generating business for FY 2025-26.

Gujarat Electricity Regulatory Commission (hereinafter referred as “the Commission”) notified the GERC (Multi-Year Tariff) Regulations, 2016 on 29<sup>th</sup> March, 2016 which is applicable for determination of tariff in all cases covered under the Regulations from 1<sup>st</sup> April, 2016 onwards. Regulations 17.2 (b) of the GERC (Multi-Year Tariff) Regulations, 2016 provides for submission of detailed application comprising of Truing up and ARR for Control Period i.e., 29<sup>th</sup> March, 2016 to 31<sup>st</sup> March, 2021 and revenue gap or revenue surplus thereof for the ensuing year for the determination of tariff to be carried out under the GERC (MYT) Regulations, 2016 and amendment thereof from time to time. As stated above, the GERC (MYT) Regulations, 2016 which has been notified on 29<sup>th</sup> March, 2016 were in force till 31<sup>st</sup> March, 2021. The Commission vide various Orders of Suo-Motu has extended the MYT Control period up to FY 2024-25, with applicable MYT Regulations, 2016 for the extended Control Period.

The Commission has vide its Order dated 01<sup>st</sup> June, 2024 in Case No. 2322 of 2024, has determined the tariff of FY 2024-25 and subsequently notified the GERC (MYT) Regulations, 2024 on 06<sup>th</sup> August 2024, which will be inforce till 31<sup>st</sup> March 2030 which is applicable for determination of tariff in all cases covered under the Regulations from 1<sup>st</sup> April, 2025 onwards. Also, Regulations 16.3.1 of the GERC (MYT Regulations, 2024 provides for submission of detailed application comprising of Truing up of FY 2023-24 and determination of ARR for Control Period i.e., 1<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2030 and revenue gap or revenue surplus thereof for the ensuing year for the determination of tariff to be carried out under the GERC (MYT) Regulations, 2024.

The Petitioner has filed the current Petition in the matter of Truing up for FY 2023-24, based on GERC (MYT) Regulations, 2016 and the MYT Petition for Approval of ARR for the 4<sup>th</sup> Control Period i.e. from FY 2025-26 to FY 2029-30 and



Determination of Tariff for FY 2025-26 in accordance with the GERC (MYT) Regulations, 2024 on 30<sup>th</sup> November, 2024.

After technical validation of the Petition, it was registered on 16<sup>th</sup> December, 2024 and as provided under Regulation 29.1 of GERC (MYT) Regulations, 2016 and Regulations 25.1 of GERC (MYT) Regulations 2024, the Commission has proceeded with this Tariff Order.

## **1.2 Torrent Power Limited (TPL)**

Torrent Power Limited (TPL), a company incorporated under the Companies Act, 1956 is carrying on the business of Generation and Distribution of Electricity in the cities of Ahmedabad, Gandhinagar and Surat. The present petition has been filed by TPL Generation (Ahmedabad) for its generation business in Ahmedabad.

TPL had assumed the business, consequent upon the amalgamation of Torrent Power Ahmedabad Limited (TPAL), Torrent Power Surat Limited (TPSL) and Torrent Power Generation Limited (TPGL) with Torrent Power Limited. Besides, TPL is also engaged in other businesses, which do not come under the regulatory purview of the Commission. TPL has existing generation facilities, with a total installed capacity of 362 MW, at Ahmedabad and has a Combined Cycle Power Plant (CCPP) of 1147.5 MW (SUGEN) and its extension UNOSUGEN (382.5MW) capacity near Surat out of which a share of 835 MW from SUGEN and 278 MW from UNOSUGEN are allocated for Gujarat (Ahmedabad, Gandhinagar and Surat).

## **1.3 Commission's Tariff Order for FY 2024-25**

The Petitioner filed its 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. 2322 of 2024). The Commission vide order dated 1<sup>st</sup> June 2024 approved Truing up of FY 2022-23 and determined of Tariff for FY 2024-25.

#### **1.4 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 and subsequently extended upto FY 2024-25 as mentioned herein above. 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 categorization of variation in performance as those caused by factors within the control of the applicant (controllable factors) and those caused by factors beyond the control of the applicant (uncontrollable factors).

Subsequently, the Commission has notified the GERC (MYT) Regulations, 2024 for the Control Period of FY 2025-26 to FY 2029-30. Regulation 16.3.1 of the GERC (MYT) Regulations, 2024 provides for Truing up of FY 2023-24, determination of ARR for the Control Period from FY 2025-26 to FY 2029-30 and determination of Tariff for FY 2025-26 based on the principles and methodology as provided in the GERC (MYT) Regulation, 2024.

#### **1.5 Registration of the Current Petition and the Public Hearing Process**

The Petitioner submitted the current Petition for Truing up of FY 2023-24, determination of ARR for MYT Control Period for FY 2025-26 to FY 2029-30 and determination of 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. 2425 of 2024) and as provided under Regulation 29.1 of the GERC (MYT) Regulations, 2016, and under Regulation 25.1 of the GERC (MYT) Regulations, 2024, the Commission has proceeded with this Tariff Order.

In accordance with Section 64 of the Electricity Act, 2003, TPL(G) was directed to publish its application in the newspapers to ensure public participation.

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

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The Public Notice, inviting objections / suggestions from the stakeholders on the Truing up and tariff determination Petition filed by TPL, was published in the following newspapers:

**Table 1-1-1 List of News Papers (Petitioner)**

S. No.	Name of Newspaper	Language	Date of Publication
1	The Indian Express	English	23/12/2024
2	Navgujarat Samay (Ahmedabad Edition)	Gujarati	23/12/2024
3	Gujarat Guardian (Surat Edition)	Gujarati	23/12/2024

The Petitioner also placed the public notice and the petition on its website ([www.torrentpower.com](http://www.torrentpower.com)) 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 22<sup>nd</sup> January, 2025.

The Commission also placed the petition on its website ([www.gercin.org](http://www.gercin.org)) for information and study for all the stakeholders.

The Commission also issued a notice for public hearing in the following newspapers in order to solicit wider participation by the stakeholders:

**Table 1-1-2 List of Newspapers (Commission)**

S. No.	Name of Newspaper	Language	Date of Publication
1	The Indian Express	English	13/02/2025
2	Divya Bhaskar	Gujarati	13/02/2025
3	Gujarat Samachar	Gujarati	13/02/2025

The Commission received objections / suggestions from the consumers / consumer organizations as shown in Table below. The Commission examined the objections / suggestions received from the stakeholders and fixed the date for public hearing for the petition on 24<sup>th</sup> February, 2025 at 2:30 P.M.

Petitions	Date & Time	Venue
TPL-G, TPL-D(A), TPL-D(S), TPL-D(Dahej) and TPL-D(Dholera)	24 <sup>th</sup> February, 2025 at 2.30 P.M.	GERC Office, Gandhinagar



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 is given in the Table below:

**Table 1-1-3 List of Stakeholders**

S. No.	Name of Stakeholder	Written Submission	Oral Submission	Presence in Public Hearing
1	Consumer Protection and Action Committee	Yes	No	No

A short note on the main issues raised by the objectors in the submission in respect of the Petition, along with the response of TPL-G and the Commission’s views on the response, are given in Chapter 3.

### **1.6 Approach of this Order**

The GERC (MYT) Regulations, 2016 and GERC (MYT) Regulations, 2024 provides for “Truing up” of FY 2023-24 and GERC (MYT) Regulations, 2024 provides for determination of ARR for FY 2025-26 to FY 2029-30 and determination of Tariff for FY 2025-26.

TPL has approached the Commission with the present Petition for “Truing up” of the FY 2023-24, approval of ARR for FY 2025-26 to FY 2029-30 and determination of Tariff for FY 2025-26.

The Commission has undertaken the “Truing up” for FY 2023-24, based on the submissions of the Petitioner. The Commission has undertaken the computation of gains and losses for FY 2023-24, based on the Annual Accounts and final ARR for FY 2023-24 approved in the Tariff Order dated 31<sup>st</sup> March, 2023 in Case No. 2178/2023.

For Truing up of FY 2023-24, the Commission has been primarily guided by the following principles:

- Controllable parameters have been considered at the level approved under the MYT order, 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 the FY 2023-24 has been considered and carried out in accordance with the principles and methodologies laid down in the GERC (MYT) Regulations, 2016.

Determination of ARR for FY 2025-26 to FY2029-30 and Tariff for FY 2025-26 has been considered as per the methodology and principles adopted in the GERC (MYT) Regulations, 2024.

### **1.7 Contents of this Order**

The Order is divided into six chapters as detailed under;

1. The first chapter provides a brief background regarding the Petitioner, the Petition on hand and details of the public hearing process and approach adopted in this Order.
2. The second chapter outlines the summary of TPL's Petition.
3. The third chapter deals with the objections raised by various stakeholders, TPL's response and Commission's views on the response.
4. The fourth chapter focuses on the details of Truing up for FY 2023-24.
5. The fifth chapter deals with the approval of ARR for FY 2025-26 to FY 2029-30 and determination of Tariff for FY 2025-26.
6. The sixth chapter deals with compliance of directives and issue of fresh directives.

## Chapter 2: Summary of TPL-Generation’s Petition

### 2.1 Actual for FY 2023-24 submitted by TPL-G (APP)

2.1.1 TPL-G (APP) submitted the current petition seeking approval of True-Up for ARR of FY 2023-24. The details of expenses under various heads of ARR are given in Table below;

**Table 2-1 Actual claimed by TPL (G) APP for FY 2023-24 (Rs. Crore)**

Particulars	Order	Actual
Variable Cost	937.69	1,157.85
O&M Expenses	165.77	156.04
Water Charges	21.18	23.92
Depreciation	52.34	50.02
Interest on Loan	0.23	1.55
Interest on Working Capital	13.15	18.00
Return on Equity	63.76	61.74
Income Tax	13.76	21.49
Incentive	-	10.46
Less: Non-Tariff Income	15.10	22.07
<b>Net ARR</b>	<b>1,252.77</b>	<b>1,478.99</b>

2.1.2 The Trued-up ARR of TPL-G (APP) is shown in the table below;

**Table 2-2 Trued-up ARR claimed by TPL (G) APP for FY 2023-24 (Rs. Crore)**

Particulars	Unit	Claimed
ARR as per Order	(a)	<b>1,252.77</b>
Gains/(Losses) due to Uncontrollable Factors	(b)	(268.09)
Gains/(Losses) due to Controllable Factors	(c)	41.87
Pass through as Tariff	d= - (1/3(c)+b)	254.14
<b>ARR True-Up</b>	<b>e= a + d</b>	<b>1,506.91</b>

### 2.2 ARR for MYT Control Period FY 2025-26 to FY 2029-30

2.2.1 TPL-G (APP) has submitted the petition for approval of the Aggregate Revenue Requirement for the MYT Control Period FY 2025-26 to FY 2029-30 whereby the ARR is formulated as per the provisions of the MYT Regulations, 2024 and estimation is based on the following assumptions:

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

- a) The operational parameters, such as, SHR, auxiliary consumption, SFC, transit loss, and O&M expenses is taken as per the MYT Regulations, 2024.
- b) The price of fuel & calorific value is taken as per the estimates for the MYT Control Period.
- c) The PLF is dependent on the estimated energy drawl requirement from the TPL-G (APP) stations by TPL-D.
- d) The O&M expenses have been estimated as per the methodology specified in the GERC MYT Regulations, 2024.
- e) Capital expenditure has been planned for routine capital expenditure schemes at Sabarmati including critical plant equipment, safety & security, etc.
- f) Depreciation, Interest on loans, Interest on Working Capital, ROE, etc. have been computed as per the applicable Regulations.

2.2.2 Accordingly, TPL-G (APP) has furnished the ARR for MYT Control Period FY 2025-26 to FY 2029-30 as depicted in the table below:

**Table 2-3 ARR of TPL (G) APP for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Variable Cost	985.58	940.93	956.63	955.45	935.36
Water Charges	25.91	24.92	26.58	27.34	26.89
O&M Expenses	185.69	194.89	203.96	210.18	216.43
Depreciation	54.93	33.42	32.67	32.68	32.67
Interest & Finance Charges	1.09	1.62	1.29	0.14	-
Interest on Working Capital	12.22	10.25	11.43	11.51	11.57
Return on Equity including Income Tax	90.33	94.35	96.72	97.49	97.84
Return on Capital Employed	-	-	-	-	-
Less: Non-Tariff Income	19.05	18.09	19.40	19.56	18.42
<b>Net ARR</b>	<b>1,336.71</b>	<b>1,282.30</b>	<b>1,309.88</b>	<b>1,315.23</b>	<b>1,302.33</b>

### 2.3 Prayers of TPL-G (APP)'s before the Commission

2.3.1 While filing the Petition for Truing-Up of FY 2023-24, determination of Aggregate Revenue Requirement (ARR) for MYT Control Period FY 2025-26 to FY 2029-30, and determination of Tariff for FY 2025-26 for its generation facilities at Ahmedabad., TPL-G (APP) has submitted the following prayers before the Commission;

- a) Admit the petition for truing up of FY 2023-24, Aggregate Revenue Requirement for MYT Control Period FY 2025-26 to FY 2029-30, and determination of tariff for FY 2025-26.
- b) Approve the trued up ARR of FY 2023-24 as set out in the petition.
- c) Approve the sharing of gains/ losses as proposed by the Petitioner for FY 2023-24.
- d) Approve the Aggregate Revenue Requirement for MYT Control Period FY 2025-26 to FY 2029-30.
- e) Allow recovery of the costs as per the Judgments/ orders of the Hon'ble Tribunal/ Hon'ble Commission in the Appeals/ Review Petitions filed by the Petitioner.
- f) Allow additions/ alterations/ changes/ modifications to the petition at a future date.
- g) Permit the Petitioner to file all necessary pleadings and documents in the proceeding and documents from time to time for effective consideration of the proceeding.
- h) Allow any other relief, order or direction which the Hon'ble Commission deems fit to be issued.
- i) Condone any inadvertent omissions/ errors/ rounding off difference/ shortcomings.



## Chapter 3: Brief Outline of Objections raised, Response from TPL-G and the Commission's View

3.1.1 In response to the public notice inviting objections / suggestions from stakeholders on the Petition filed by TPL-G for Truing up of FY 2023-24, determination of Aggregate Revenue Requirement (ARR) for MYT Control Period FY 2025-26 to FY 2029-30, and determination of Tariff for FY 2025-26 for its generation facilities at Ahmedabad., a Consumer Organization filed their objections / suggestions in writing. The objections / suggestions by the consumers organizations, the response from the Petitioner and the views of the Commission are given below:

### 3.2 CAPEX with Environment Norms

3.2.1 The Objector has submitted that CAPEX for FGD will require substantial CAPEX which will be passed on to consumers of Ahmedabad. Hence, such expenditure to be incurred only after due diligence.

3.2.2 Further, it has stated that Ministry of Power (MoP) has directed not to retire any coal based plant till FY 2029-30. Accordingly, the Commission may direct TPL-G to approach the Ministry to grant them further exemption / extension from complying with the environmental norms.

**Petitioners Response:** The Petitioner submitted that the Ministry of Environment & Forests (MoEF) has revised the environmental norms for thermal power plants. In order to comply with these revised norms, the generating stations exceeding SO<sub>2</sub> Norms are required to incur capex inter alia for providing Flue Gas Desulphurisation (FGD) systems within stipulated time. Based on representations made, the MoEF has granted exemption to the generators to install FGD, in case, the plants are to be retired by December 2030, else additional cost is to be incurred. However, representations are being made before the MoEF to grant further relief, in this regard. Meanwhile, the Petitioner

has initiated tendering process but at present has not considered any capex towards modifications required for complying with the MoEF notification. The Petitioner craves leave of this Hon'ble Commission to approach the Hon'ble Commission at an appropriate stage.

**Commission's View:** The Commission has noted the suggestion made by the Objector and the response of the Petitioner.

### 3.3 Projection of Higher O&M Expenses

3.3.1 The Objector has submitted that TPL-G has projected higher O&M expenses for the MYT Control Period FY 2025-26 to FY 2029-30 as compared to the approved O&M expenses for FY 2024-25. The Commission is requested to verify the same before granting approval since actual expenses for FY 2023-24 is lower than approved.

**Petitioners Response:** The Petitioner submitted that the Regulation 54.1 of GERC (MYT) Regulations, 2024 provides that the O&M expense shall be derived on the basis of the average of the actual audited O&M expense for the past ten years ending 31 March, 2024. Further, it also provides that the average of ten year audited O&M expense shall be considered as O&M expense for 31 March, 2019 and shall be escalated at the respective escalation rate of FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24, to arrive at the O&M expense for the base year ending March, 2024.

Based on the above, the Petitioner has projected the O&M expenses for MYT Control Period, by escalating the base O&M Expense of FY 2023-24 as per the formula provided in GERC (MYT) Regulations, 2024. The Regulations are statutory in force and delegated legislation is binding on all stakeholders.

**Commission's View:** The Commission has approved the O&M expenses as per norms specified in the GERC (MYT) Regulations and has dealt in subsequent chapter.

## Chapter 4: Truing-Up for FY 2023-24

### 4.1 Introduction

4.1.1 This chapter deals with the Truing up of FY 2023-24 for TPL-G Ahmedabad Power Plant (APP). The Commission has studied and analysed each component of the ARR for FY 2023-24 in the following paragraphs.

### 4.2 Generating Stations of TPL-G (APP)

4.2.1 TPL-G (APP) has existing coal based thermal power generating facilities with total installed capacity of 362 MW at Sabarmati, Ahmedabad that consist of 3 units viz. D-Station (120 MW), E-Station (121 MW) and F-Station (121 MW).

4.2.2 The details of the stations existing as on 1<sup>st</sup> April, 2024 along with their capacities and dates of commission are given in the table below;

**Table 4-1 Capacity, COD and age of TPL-G (APP) Stations as on 1<sup>st</sup> April 2024**

Sabarmati Thermal Power Plant (Coal Based)			
Name of Station	Capacity in MW	Year of COD	Age/Years
D-Station	120	1978/2004* Upgrading Capacity	46
E-Station	121	1984	40
F-Station	121	1988	36

### 4.3 Operational Performance Parameters

4.3.1 The fuel cost of a generation station depends on (i) the performance parameters, such as Plant Load Factor (PLF), Station Heat Rate (SHR), Auxiliary Consumption, Secondary Fuel Oil Consumption and Transit Loss and (ii) cost parameters such as Gross Calorific Value of fuel, type of fuel and price of fuel etc.

4.3.2 TPL has submitted the actual operational performance on Plant Availability Factor (PAF), Plant Load Factor (PLF), Station Heat Rate (SHR), Auxiliary

Consumption and Specific Oil Consumption and coal transit loss for FY 2023-24 for individual stations. The Commission has taken up the Truing up of the annual performance parameters for FY 2023-24, as discussed in the following sections.

#### 4.4 Plant Availability Factor (PAF)

##### **Petitioner’s Submission:**

4.4.1 TPL-G (APP) has submitted that the actual PAF for its three stations for FY 2023-24 at the time of ARR has been computed considering annual shutdown of the unit without factoring the forced outages. TPL-G (APP) submitted that the reason for variation in actual and approved availability is due to deferment of major overhauling planned in D station mainly due to SLDC direction. E & F stations of the Petitioner has achieved higher availability.

**Table 4-2 Plant Availability Factor (PAF) of TPL-G (APP) in FY 2023-24**

Station	Order	Actual
D-Station	85.55%	95.43%
E-Station	94.30%	94.61%
F-Station	94.30%	95.71%

##### **Commission’s Analysis:**

4.4.2 As defined in Regulation 22.2 of the GERC (MYT) Regulations, 2016, PAF is a controllable parameter, therefore, the Commission considers the PAF for various stations as approved in Order dated 31<sup>th</sup> March, 2023.

4.4.3 However, for full recovery of annual fixed charges the Normative Plant Availability Factor shall be 85% as defined under Regulation 53.1 of the GERC (MYT) Regulations, 2016, and TPL-G (APP) has furnished the SLDC certificate verifying the consolidated Availability of 95.25% of all the Stations which is higher than that of normative. Accordingly, Commission approves the eligibility of TPL-G (APP) for full recovery of annual fixed charges based on normative PAF.

4.4.4 Hence, for Truing up for FY 2023-24, the PAF considered is as given the table below:

**Table 4-3 PAF of TPL-G (APP) approved for FY 2023-24**

Station	Order	Actual	Approved
D-Station	85.55%	95.43%	85.55%
E-Station	94.30%	94.61%	94.30%
F-Station	94.30%	95.71%	94.30%

#### 4.5 Plant Load Factor (PLF)

##### **Petitioner’s Submission:**

4.5.1 TPL-G (APP) has submitted that the actual PLF of TPL-G(APP) is better than the approved PLF due to higher offtake by TPL-D. It has further submitted that PLF is dependent on actual offtake which in turns depends on the drawl by the consumers of the licensee which is beyond the control of the Petitioner.

4.5.2 Therefore, TPL-G (APP) has considered the actual PLF for various stations for FY 2023-24 for Truing up purpose as an uncontrollable parameter, which are tabulated as below:

**Table 4-4 Plant Load Factor of TPL-G (APP) for FY 2023-24**

Station	Order	Actual
D-Station	81.44%	91.45%
E-Station	92.37%	88.24%
F-Station	92.09%	93.17%

##### **Commission’s Analysis:**

4.5.3 It is observed that actual PLF for Station-E of TPL-G (APP) is low as compared to approved PLF in the Tariff Order dated 31<sup>st</sup> March, 2023 because of variation in the offtake. Further, it has been observed that the actual PLF of TPL-G (APP) for FY 2023-24 is 90.95%.

4.5.4 Therefore, the Commission considers the actual PLF of FY 2023-24 for these stations for Truing up purpose as an uncontrollable parameter, which is as per

the proviso 53.2 of the GERC (MYT) Regulations, 2016.

**Table 4-5 Plant Load Factor of TPL-G (APP) approved for FY 2023-24**

Station	Order	Actual	Approved
D-Station	81.44%	91.45%	91.45%
E-Station	92.37%	88.24%	88.24%
F-Station	92.09%	93.17%	93.17%

#### 4.6 Auxiliary Consumption

##### **Petitioner's Submission:**

- 4.6.1 TPL-G(APP) has submitted that it has made continuous efforts to maintain the auxiliary consumption at below approved levels and in turn has achieved lower auxiliary consumption level for all the stations as compared to the approved values in Tariff Order dated 31<sup>st</sup> March, 2023.
- 4.6.2 It has also submitted that in the present Petition for the purpose of quantification of gains/loss, TPL-G (APP) has considered the variation in auxiliary consumption as controllable parameter.

**Table 4-6 Auxiliary consumption of TPL-G (APP) for FY 2023-24**

Station	Order	Actual
D-Station	9.00%	8.34%
E-Station	9.00%	8.02%
F-Station	9.00%	8.32%

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

- 4.6.3 It is noted that for all the Stations of TPL-G (APP), the actual auxiliary consumption is lower than that approved in Tariff Order dated 31<sup>st</sup> March, 2023.
- 4.6.4 As per GERC (MYT) Regulations, 2016, auxiliary consumption is a controllable parameter, therefore, the Commission approves the auxiliary consumption for various stations, as approved in the Tariff Order dated 31<sup>st</sup> March, 2023 for FY 2023-24 for Truing up purpose.

**Table 4-7 Auxiliary Consumption of TPL-G (APP) approved for FY 2023-24**

Station	Order	Actual	Approved
D-Station	9.00%	8.34%	9.00%
E-Station	9.00%	8.02%	9.00%
F-Station	9.00%	8.32%	9.00%

#### 4.7 Station Heat Rate (SHR)

##### **Petitioner’s Submission:**

4.7.1 TPL-G (APP) has submitted that during FY 2023-24, SHR of all the three stations was better than the approved. The variation in SHR is a controllable parameter within the operating range of PLF and the same should be considered for sharing of gains/losses.

**Table 4-8 Station Heat Rate of TPL-G (APP) claimed for FY 2023-24 (kCal/kWh)**

Station	Order	Actual
D-Station	2,450	2,437
E-Station	2,455	2,431
F-Station	2,455	2,399

##### **Commission’s Analysis:**

4.7.2 The Commission notes that the SHR achieved for all the three Stations of TPL-G (APP) is better than the approved levels. For the purpose of Truing up for FY 2023-24, the Commission approves the SHR as approved in Tariff Order dated 31<sup>st</sup> March, 2023, which is tabulated as below:

**Table 4-9 Station Heat Rate of TPL-G (APP) approved for FY 2023-24 (kCal/kWh)**

Station	Order	Actual	Approved
D-Station	2,450	2,437	2,450
E-Station	2,455	2,431	2,455
F-Station	2,455	2,399	2,455

#### 4.8 Secondary Fuel Oil Consumption (SFC)

##### **Petitioner’s Submission:**

4.8.1 TPL-G (APP) has submitted that during FY 2023-24, all three stations has

achieved the lower SFC owing to continuous efforts and better preventive maintenance. As SFC is a controllable parameter, it should be considered for sharing of gains/losses.

**Table 4-10 SFC of TPL-G (APP) claimed for FY 2023-24 (ml/kWh)**

Station	Order	Actual
D-Station	1.00	0.19
E-Station	1.00	0.10
F-Station	1.00	0.12

**Commission’s Analysis:**

4.8.2 The actual SFC for all the three stations is lower than the approved values.

4.8.3 Since, the SFC is a controllable parameter, the Commission approves the SFC on normative basis as approved in Tariff Order dated 31<sup>st</sup> March, 2023, for Truing up of FY 2023-24.

**Table 4-11 SFC of TPL – G (APP) approved for FY 2023-24 (ml/kWh)**

Station	Order	Actual	Approved
D-Station	1.00	0.19	1.00
E-Station	1.00	0.10	1.00
F-Station	1.00	0.12	1.00

## 4.9 Transit Loss

**Petitioner’s Submission:**

4.9.1 TPL-G (APP) has submitted that due to their continuous efforts it has achieved actual transit loss of 1.19 % during FY 2023-24 against the targeted loss transit level of 0.80%.

4.9.2 It has also submitted that, higher transit loss is due to various uncontrollable factors such as moisture loss during transit, windage and seepage loss, variation between loading & unloading end weighbridge.

**Table 4-12 Transit Loss of TPL-G (APP) claimed for FY 2023-24**

Stations	Order	Actual
All Coal Based	0.80%	1.19%

**Commission’s Analysis:**

In this regard, TPL-G (APP) has been asked the month-wise details of Transit losses for FY 2023-24, which has been submitted by them vide additional submission. It is noted that the percentage shortage on annul basis has been 1.19%.

4.9.3 As, the transit losses is a controllable parameter, thus, the Commission approves the transit loss on normative basis as approved in Tariff Order dated 31<sup>st</sup> March, 2023, for Truing up of FY 2023-24 as per the GERC (MYT) Regulations, 2016, as given in the table below:

**Table 4-13 Transit loss approved for FY 2023-24**

Stations	Order	Actual	Approved
All Coal Based	0.80%	1.19%	0.80%

**4.10 Summary of Performance Parameters approved for FY 2023-24**

4.10.1 Based on the analysis in the preceding paragraphs, the performance parameters approved for different power generation stations of TPL-G (APP) for FY 2023-24, for Truing up purpose are listed in the table below:

**Table 4-14 Performance parameters of TPL-G stations approved for FY 2023-24**

Station	PAF (%)	PLF (%)	Aux. Consumption (%)	Station Heat rate (kCal/kWh)	SFC (gm/kWh)	Transit Loss (%)
D-Station	85.55%	91.45%	9.00%	2,450	1.00	0.80%
E-Station	94.30%	88.24%	9.00%	2,455	1.00	0.80%
F-Station	94.30%	93.17%	9.00%	2,455	1.00	0.80%

**4.11 Gross and Net Generation**

4.11.1 The gross and net generation of power in different stations, as per actuals



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

submitted by TPL-G (APP) and as approved for Truing up purpose for the FY 2023-24 are given in the table below:

**Table 4-15 Gross and Net Generation Approved for FY 2023-24**

Particulars	Order	Actual	Approved
<b>D-Station</b>			
Capacity (MW)	120	120	120
PLF (%)	81.44%	91.45%	91.45%
Gross Generation (MU)	858.48	963.95	963.95
Auxiliary Consumption (%)	9.00%	8.34%	9.00%
Auxiliary Consumption (MU)	77.26	80.39	86.76
Net Generation (MU)	781.22	883.56	877.19
<b>E-Station</b>			
Capacity (MW)	121	121	121
PLF (%)	92.37%	88.24%	88.24%
Gross Generation (MU)	981.72	937.92	937.92
Auxiliary Consumption (%)	9.00%	8.02%	9.00%
Auxiliary Consumption (MU)	88.35	75.20	84.41
Net Generation (MU)	893.36	862.72	853.51
<b>F-Station</b>			
Capacity (MW)	121	121	121
PLF (%)	92.09%	93.17%	93.17%
Gross Generation (MU)	978.83	990.28	990.28
Auxiliary Consumption (%)	9.00%	8.32%	9.00%
Auxiliary Consumption (MU)	88.09	82.44	89.13
Net Generation (MU)	890.74	907.84	901.15
<b>TPL-G (APP)</b>			
Gross Generation (MU)	2,819.03	2,892.15	2,892.15
Auxiliary Consumption (MU)	253.71	238.03	260.29
Net Generation (MU)	2,565.32	2,654.12	2,631.85

## 4.12 Cost Parameters

4.12.1 The cost parameters include GCV of fuel, mix of fuel and price of fuel. The Sabarmati D, E & F Stations of TPL-G (APP) run on coal as the primary fuel. A mix of indigenous and imported coal is used in these stations. TPL submitted the details of actual Wt. Av. GCV of mix of coal and Wt. Av. price of fuel for different stations, as discussed below for FY 2023-24.

#### 4.13 Mix of Coal

##### Petitioner’s Submission:

4.13.1 TPL-G (APP) has furnished the details of actual percentages of the mix of indigenous and imported coal in its coal-based power stations during the FY 2023-24, as given in the table below:

**Table 4-16 The mix of different type of Coal for FY 2023-24**

Sr. No	Stations	Indigenous Coal (%)	Imported Coal (%)
1	D-Station	71.24%	28.76%
2	E-Station	81.93%	18.07%
3	F-Station	77.07%	22.93%

##### Commission’s Analysis:

4.13.2 The Commission, after due validation approves the percentage mix of coal as furnished by TPL- G (APP) as shown in table below for individual stations and has considered the same for Truing up purpose as this is an uncontrollable parameter.

**Table 4-17 The mix of different type of Coal for FY 2023-24 as approved by the Commission**

Sr. No	Stations	Indigenous Coal (%)	Imported Coal (%)
1	D-Station	71.24%	28.76%
2	E-Station	81.93%	18.07%
3	F-Station	77.07%	22.93%

#### 4.14 Wt. Av. Gross Calorific Value (GCV) of Fuel

##### Petitioner’s Submission:

4.14.1 TPL-G (APP) has furnished the actual Wt. Av. GCV of fuels for all the stations put together for FY 2023-24, as given in the table below:

**Table 4-18 Wt. Av. Gross Calorific value (GCV) of Different Fuels for Coal--based Stations for FY 2023-24**

Particulars	Approved in Order	Actuals
Indigenous Coal (kCal / kg)	4,193	4,197
Imported Coal (kCal / kg)	4,924	4,517
Secondary Fuel Oil (kCal / L)	10,106	10,085

**Commission’s Analysis:**

4.14.2 The Commission, after due validation approves the Wt. Av. GCV of fuels as furnished by TPL-G (APP) for all the stations together and considered the same for Truing up purpose as this is an uncontrollable parameter.

**4.15 Wt. Av. Prices of Fuel**

**Petitioner’s Submission:**

4.15.1 TPL-G (APP) has furnished the actual Wt. Av. Price per unit of different fuels for all the stations put together for FY 2023-24, as given in the table below:

**Table 4-19 Wt. Av. Price / unit of fuels for FY 2023-24 (Actual)**

Sr. No.	Station	Wt. Av. cost of Indigenous coal (Rs/MT)	Wt. Av. cost of Imported coal (Rs/MT)	Wt. Av. cost of Secondary Fuel Oil (Rs/kL)
1	All the Coal stations	5,777.55*	11,013.53*	57,681.30

*\*-including the cost of the other charges relates to respective coal*

4.15.2 TPL-G (APP) has also furnished the actual Wt. Av. cost / MT of different fuels for different stations for FY 2023-24, as given in the table below:

**Table 4-20 Av. Price / Unit of Fuels for FY 2023-24 (Actual) for Different Stations**

Sr. No.	Station	Av. Price of Indigenous coal (Rs./MT)	Av. Price of Imported coal (Rs./MT)	Av. Price of Secondary oil (Rs./kL)
1	D Station	5,775.46	11,056.44	56,639.83
2	E Station	5,774.25	11,130.98	57,816.53
3	F Station	5,767.04	10,729.06	59,134.28

**Commission’s Analysis:**

4.15.3 On a query from the Commission on blending ratio, TPL-G (APP) has stated that the consumption of imported coal and consequential blending ratio depends on various factors such as availability of domestic coal, quality of domestic coal, technical requirement and energy schedule provided by the beneficiaries. During FY 2023-24, it has made efforts to optimize the generation cost by using domestic coal to the extent possible.

4.15.4 Wt. Av. GCV of coal and oil for each station considered by TPL as per actuals are as given below:

**Table 4-21: GCV of coal and oil for FY 2023-24**

Particulars	D Station	E Station	F Station
GCV of Coal (kCal/Kg)	4,296	4,251	4,226
GCV of Oil (kCal / L)	10,143	10,080	10,001

4.15.5 Price of indigenous coal, imported coal and oil for each station considered by TPL as per actuals given below:

**Table 4-22: Price of coal and oil for FY 2023-24**

Particulars	D Station	E Station	F Station
Indigenous Coal (Rs / MT)	5,775.46	5,774.25	5,767.04
Imported Coal (Rs / MT)	11,056.44	11,130.98	10,729.06
Oil (Rs / kL)	56,639.83	57,816.53	59,134.28

4.15.6 The Commission, after due validation, approves the Wt. Av. GCV of fuels, percentage mix of coal and prices of fuels (actual), as furnished by TPL-G (APP) for individual stations and considered the same for Truing up purpose for FY 2023-24, as these are uncontrollable parameters.

**4.16 Fuel Costs**

4.16.1 Based on the performance and cost parameters, the normative fuel costs for each of the stations of TPL-G (APP) are as given below;

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Table 4-23 Fuel Cost of TPL-G (APP) for Truing up for FY 2023-24**

Station	As per Actual Submitted by TPL				As Approved by the Commission			
	Gross Gen. (MU)	Net Gen. (MU)	Fuel Cost (Rs. Crore)	Fuel Cost (Rs./kWh)	Gross Gen. (MU)	Net Gen. (MU)	Fuel Cost (Rs. Crore)	Fuel Cost (Rs./kWh)
D-Station	963.95	883.56	403.32	4.56	963.95	877.19	407.70	4.65
E-Station	937.92	862.72	365.95	4.24	937.92	853.51	372.07	4.36
F-Station	990.28	907.84	388.58	4.28	990.28	901.15	400.28	4.44
<b>Total</b>	<b>2,892.15</b>	<b>2,654.12</b>	<b>1,157.85</b>	<b>4.36</b>	<b>2,892.15</b>	<b>2,631.85</b>	<b>1,180.05</b>	<b>4.48</b>

#### 4.17 Variation between Actual Costs and Approved Costs

4.17.1 The Commission has verified the actual fuel cost submitted by TPL-G (APP) with the annual Audited Accounts of FY 2023-24. The Commission has computed the normative fuel cost for the purpose of computing the gains/losses, due to the controllable factors.

**Table 4-24 Total Fuel Cost approved for TPL-G (APP) for FY 2023-24 (Rs. Crore)**

Particulars	As per Actual Claimed	Approved
Total Fuel Cost	1,157.85	1,189.99*

\*-Normative Fuel cost calculated at actual Net generation.

4.17.2 The Commission has computed the normative fuel cost for the purpose of computing the gains/losses, due to the controllable factors.

#### 4.18 Gains and Losses in fuel costs due to Controllable Factors

4.18.1 The Commission has compared the fuel expenses, so derived by TPL-G (APP) with the fuel expenses, on the basis of the approved operational performance parameters for actual net generation for computation of gains / losses on account of variation in these parameters and approves the gains / losses station-wise, as given in the table below:

**Table 4-25 Approved Gains/(Losses) from Fuel Expenses (due to Controllable Factors) for FY 2023-24 (Rs. Crore)**

Station	Fuel cost arrived at with approved parameters for actual net generation for FY 2023-24	Actual fuel cost at actual parameters for FY 2023-24	Gains / (Losses) due to controllable factors
D-Station	410.66	403.32	7.34
E-Station	376.08	365.95	10.14
F-Station	403.25	388.58	14.67
<b>Total</b>	<b>1,189.99</b>	<b>1,157.85</b>	<b>32.15</b>

*\*Note: Detailed computation of the fuel cost for each of the stations, with approved parameters for actual net generation, has been given in Annexure-1.*

#### 4.19 Gains and Losses in fuel costs due to Uncontrollable Factors

4.19.1 The Commission has computed the fuel expenses, so derived by considering the fuel costs as approved in the Tariff Order dated 31<sup>st</sup> March, 2023, vis-à-vis the fuel costs as per actuals, on the basis of the approved operational performance parameters such as SHR, auxiliary consumption, SFC and transit loss of coal for actual net generation for computation of gains / losses on account of variation in the fuel costs and approves the gains / losses station-wise, which is uncontrollable, as given in the table below:

**Table 4-26 Approved Gains/(Losses) from Fuel Expenses (due to Uncontrollable Factors) for FY 2023-24 (Rs. Crore)**

Station	Fuel cost approved in Order	Actual fuel cost with Approved parameters for FY 2023-24	Gains / (Losses) due to uncontrollable factors
D-Station	298.02	410.66	(112.63)
E-Station	315.85	376.08	(60.23)
F-Station	323.82	403.25	(79.43)
<b>Total</b>	<b>937.70</b>	<b>1,189.99</b>	<b>(252.30)</b>

#### 4.20 Operation & Maintenance (O&M) Expenses

##### **Petitioner's Submission:**

4.20.1 TPL-G (APP) has submitted that the actual O&M expenses incurred during FY 2023-24 is largely in line with the approved O&M expenses in the Order and

the variation is to be considered as controllable, which is tabulated as below:

**Table 4-27 O&M Expenses claimed by of TPL-G (APP) for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Claimed by Petitioner
Operation & Maintenance Expenses	165.77	156.04

**Commission’s Analysis:**

4.20.2 Employee expenses as per Annual Accounts are Rs. 48.22 Crore net of expenses capitalized of Rs. 15.29 Crore. TPL-G (APP) has added commission to non-executive directors of Rs. 0.18 Crore (from A&G expense head) and added expense towards Re-measurement of Defined Benefit Plans of Rs. 2.03 Crore as appeared as loss in P & L Statement. Accordingly, the Employee expenses approved by the Commission are Rs. 50.43 Crore.

4.20.3 The Commission has raised a query with respect to the justification in the increase in A&G and R&M Expenses as compared to FY 2022-23 whereby TPL-G (APP) has submitted that with regard to A&G expenses there is a marginal increase due to consumption of stores, legal expenses and other general inflation and increase in R&M is due to repair work related to generator stator of D station.

4.20.1 Also, TPL-G (APP) has claimed the lease payment of Rs. 0.98 Crore claimed under A&G head but was not reflected under Audited Accounts. The Commission has addressed the Petitioner to furnish the details for the discrepancy against which the Petitioner has reported that INDAS 116 requires Right of Use Asset to be capitalised as mentioned in Note -5. The Indian railway revised the railway sliding rent and TPL-G (APP) is claiming actual rent paid instead of capitalizing the RoU assets in line with GERC (MYT) Regulations 2016.

4.20.2 A&G expense as per Annual Accounts are Rs. 47.97 Crore net of expenses capitalized of Rs. 19.17 Crore. APL-G (APP) has claimed A&G expenses after

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

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reduction on account of Commission to Non-Executive Directors (Rs. 0.18 Crore), Water Charges (Rs. 23.92 Crore), Advertisement Expenses (Rs. 0.02 Crore), Expenses relating to retired stations (Rs. 0.04 Crore), Provision carried forward (Rs. 0.25 Crore), insurance claim receipt (Rs. 1.50 Crore) and addition of Lease payments (Rs. 0.98 Crore). Since the Commission has considered Insurance Claim Receipt as a part of Non-Tariff Income, the same has not been reduced from A&G expenses. Accordingly, the Commission approves the A&G expense of Rs. 24.54 Crore.

4.20.3 R&M expenses as per Annual Accounts are Rs. 82.57 Crore and the same are claimed by the Petitioner. The Commission accordingly approves R & M expense of Rs. 82.57 Crore.

4.20.4 The Commission, accordingly, approves the O&M expenses of Rs. 157.54 Crore, for Truing up of FY 2023-24.

4.20.5 Further, as per Regulation 22 of the GERC (MYT) Regulations, 2016, the variation in O&M expenses is to be considered as controllable except for change in law and wage revision. Accordingly, as per the GERC (MYT) Regulations, 2016, Gains/(Losses) on account of O&M expenses for Truing up of FY 2023-24 is approved by the Commission as given in the table below:

**Table 4-28 O&M Expenses and Gains / (Losses) Approved for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Approved in Truing-Up	Deviation	Gains/(Losses) due to Controllable	Gains/(Losses) due to Uncontrollable
O&M Expenses	165.77	157.54	8.23	8.23	-

#### **4.21 Water Charges**

##### **Petitioner's Submission:**

4.21.1 TPL-G (APP) has claimed Rs. 23.92 Crore towards actual water charges in the Truing up of FY 2023-24, as against Rs. 21.18 Crore approved in the Tariff Order dated 31<sup>st</sup> March, 2023. It is submitted that the variation in water



charges for Frenchwell and Borewell is mainly due to water usage based on higher generation than estimated and revised rate of water charges. The existing Regulation provides that water charges are to be allowed as per actuals. The details are given in the table below:

**Table 4-29 Water Charges Claimed by TPL-G (APP) for FY 2023-24(Rs. Crore)**

Particulars	Approved in Order	Actual
Water Charges	21.18	23.92

**Commission’s Analysis:**

4.21.2 Regulation 54(b) of the GERC (MYT) Regulations, 2016 specify the water charges shall be allowed separately as per actuals.

4.21.3 The Commission has verified the water charges from the Annual Accounts and accordingly approves the water charges at Rs. 23.92 Crore for FY 2023-24. The deviation is considered as uncontrollable and the gains and losses are considered as detailed below;

**Table 4-30 Gains / (Losses) Approved for FY 2023-24(Rs. Crore)**

Particulars	Approved in Order	Approved in Truing-Up	Deviation	Gains/(Losses) due to Uncontrollable
Water Charges	21.18	23.92	(2.74)	(2.74)

**4.22 Capital Expenditure, Capitalisation and Sources of Funding**

**Petitioner’s Submission:**

4.22.1 TPL-G (APP) has claimed Rs. 35.14 Crore towards actual capital expenditure for FY 2023-24, as against Rs. 81.39 Crore approved in the Tariff Order dated 31<sup>st</sup> March, 2023. The summary of capital expenditure incurred during FY 2023-24 is tabulated as under;

**Table 4-31 Capital Expenditure Claimed by TPL-G (APP) For FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Actual
Normal Capital Expenditure		
Boiler works	6.79	4.84
Turbine works	13.00	11.02
Electrical works	12.85	4.58
C&I works	36.95	9.16
<b>CHP Works</b>	<b>6.25</b>	<b>3.00</b>
Civil works	2.00	1.10
Others	1.32	1.00
Miscellaneous	2.23	0.44
<b>Total Cost</b>	<b>81.39</b>	<b>35.14</b>

4.22.2 TPL-G (APP)\_ has submitted the main reasons for variation in the capital expenditure against the approved items are described below:

- a) Normal Capital Expenditure – TPL-G (APP) incurred the expenditure of Rs. 34.70 Crore against approval of Rs. 79.16 Crore. The details of actual expenditure are as under:
- *Boiler Works* – Expenditure under this head has been incurred primarily towards E & F station Cooling Tower Induced Draft , various safety valves, D station Low Temperature Super Heater Crusher, Hydrogen (H2) Gas Dew Point & Relative Humidity (RH) Analyzer for Generator of D, E and F station, HCL storage tank of E station Demineralization (DM) Plant, bowl mills, milling system, ash handling piping and pump system, and boiler ancillary system such as electromagnetic flow meters.
  - *Turbine Works* –During FY 2023-24 capex has been incurred mainly towards D Station Turbine overhauling, Pumps and related system for ash and effluent water, Cooling tower refurbishment & D Station Boiler Feed Pump Hydrocoupling.
  - *Electrical Works* – Major expenditure incurred under this head is towards replacement of 24 V Battery Banks of E and F station

Distribution Control System (DCS) & 24 V SCADA Battery Bank, Procurement and replacement of 132 kV & 66 kV Switchyard CT/PT/LA & Upgradation of Cross Belt Magnetic Separator (CBMS) and Metal Detection System, Electrical network revamping at ash pond etc. Major reason for deviation is due to deferment of Digital Automatic Voltage Regulator (DAVR) for D station due to direction of SLDC to defer shutdown whereas capex towards rewinding of E station Generating Transformer is in progress and will be completed in subsequent year.

- *C&I Works* –During FY 2023-24, expenditure incurred is mainly towards Electro Hydraulic Turbine Controller (EHTC) ABB DCS HMI Upgradation, and Upgradation of enviro-monitoring and combustion analysers and testing instruments. Major reason for deviation is deferment of D Station Alstom DCS Upgradation due to change in scope as suggested by OEM. Balance capex will be incurred in subsequent year.
- *CHP Works*- During FY 2023-24 major expenditure is towards ancillary systems like dozer.
- *Civil Works* – Expenditure has been mainly incurred towards refurbishment works of D, E, F Cooling Water (CW) pump house, replacement of cable trench covers and storm water network expansion.
- *Others* – Under this head, expenditure has been incurred towards Linear Heat Sensing Cable for fire protection, various refurbishment works of air and water-cooling system.

- b) Misc. Capital Expenditure – TPL G (APP) incurred an expenditure of Rs. 0.44 Crore towards IT network and plant security related items like CCTV.

4.22.3 TPL-G (APP) has claimed actual capitalisation of Rs. 14.10 Crore for FY 2023-24, as against Rs. 83.60 Crore approved in Order as shown in table below;

**Table 4-32 Capitalisation Claimed for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Claimed by Petitioner
Opening GFA	1,186.41	1,174.85
Addition to GFA	83.60	14.10
Deletion to GFA	-	3.92
Closing GFA	1,270.01	1,185.03

**Commission’s Analysis:**

- 4.22.4 TPL-G (APP) has claimed capex of Rs. 35.14 Crore for FY 2023-24 which is in line with the audited Annual Accounts.
- 4.22.5 TPL-G (APP) has furnished the details of project-wise breakup of actual capitalization of Rs. 14.10 Crore along with details of Opening CWIP as on 1<sup>st</sup> April, 2023, CAPEX during the year and Closing CWIP as on 31st March, 2024 in Form 4.3 of the Petition. The Petitioner has furnished the detailed project/scheme-wise explanation of the major capital expenditure incurred and capitalisation during FY 2023-24 as deliberated under Petitioner’s submission and not repeated here due to brevity.
- 4.22.6 Further, TPL-G (APP) in reply to the justification of the capital expenditure incurred during FY 2023-24 has submitted that it has carried out major overhauling of boiler-turbine generator as per the prevailing OEM guidelines. Also, considering the outcome of Residual Life Assessment (RLA) Studies and OEM recommendation, TPL-G (APP) has deferred the major overhauling and in turn incurred only need based capital expenditure to ensure smooth operations of the plant and ensure efficiency of parameters.
- 4.22.7 TPL-G (APP) has considered opening GFA for FY 2023-24 at Rs. 1,174.85 Crore based on the closing GFA approved in Truing up for FY 2022-23 and the same is being considered by the Commission.
- 4.22.8 TPL-G (APP) has de-capitalised assets to the extent of Rs. 3.92 Crore during FY 2023-24. However, it is observed that deductions from GFA is at Rs. 3.20 Crore

as per (Note 4.1) of the audited Annual Accounts for FY 2023-24. The Commission has addressed the Petitioner to furnish the details for the discrepancy against which TPL-G (APP) has submitted that the fixed asset shown in the Annual Accounts is on Net Fixed Assets (NFA) basis as per Ind AS and the same is shown on Gross Fixed Assets (GFA) basis in the Petition as per GERC (MYT) Regulations, 2016. Hence, the Commission considers de-capitalised assets at Rs. 3.92 Crore and accordingly adjustments made to GFA in Truing up for FY 2023-24.

4.22.9 The Commission accordingly approves the opening GFA, addition to GFA during the year and closing GFA for FY 2023-24 as tabulated below;

**Table 4-33 Approved Capitalisation for FY 2023-24 (Rs. Crore)**

Particulars	Claimed by Petitioner	Approved by Commission
Opening GFA	1,174.85	1,174.85
Addition to GFA	14.10	14.10
Deletion to GFA	3.92	3.92
Closing GFA	1,185.03	1,185.03
Capitalisation	14.10	14.10
Normative Debt @70%	9.87	9.87
Normative Equity @30%	4.23	4.23

### 4.23 Depreciation

#### **Petitioner's Submission:**

4.23.1 TPL-G (APP) has submitted that the depreciation rates, as per CERC (Terms and Conditions of Tariff) Regulations, 2004, are applied on the opening GFA of FY 2009-10 and for addition of assets from 1<sup>st</sup> April, 2009 onwards the depreciation has been computed at the rates specified in the GERC Regulations. TPL-G (APP) has claimed depreciation of Rs. 50.02 Crore for FY 2023-24, as against Rs. 52.34 Crore approved in the Order, as detailed in table below;

**Table 4-34 Depreciation claimed by TPL-G (APP) for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Actual
Depreciation	52.34	50.02

**Commission’s Analysis:**

4.23.2 The Commission has verified the depreciation from the Annual Accounts for FY 2023-24 and observed that depreciation as per Annual Accounts is Rs. 52.75 Crore (Note 4.1 and Note 7 of the Audited Accounts). However, TPL-G (APP) has claimed depreciation of Rs. 50.02 Crore in Truing up for FY 2023-24.

4.23.3 The Commission has addressed the Petitioner to furnish the details for the discrepancy against which the Petitioner has reported that depreciation has been claimed in accordance with the applicable regulations. The fixed assets schedule of Annual Accounts is on net fixed assets basis as per Ind. AS.

4.23.4 The Commission, accordingly, approves the depreciation of Rs. 50.02 Crore for FY 2023-24, the deviation in depreciation as compared to approved in Tariff Order dated 31<sup>st</sup> March, 2023, is considered as uncontrollable as the depreciation is dependent on capitalisation. The Commission, accordingly, approves the gains/(losses) on account of depreciation for FY 2023-24, as tabulated below;

**Table 4-35 Depreciation and Gains/Losses approved for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Approved in Truing-Up	Deviation	Gains/(Losses) due to Uncontrollable
Depreciation	52.34	50.02	2.32	2.32

**4.24 Interest Expenses**

**Petitioner’s Submission:**

4.24.1 TPL-G (APP) has claimed a sum of Rs. 1.55 Crore towards actual interest and finance expenses for FY 2023-24 on normative basis as per GERC (MYT)



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

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Regulations, 2016. TPL-G (APP) further submitted that the variation in interest expenses compared to approved is to be treated as uncontrollable as it depends on quantum of actual capitalization and variation in interest rates.

**Table 4-36 Interest and finance charges claimed for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Claimed by Petitioner
Opening Balance	-	-
Less: reduction of normative loan due to retirement	-	0.27
Addition of Loan	58.52	9.87
Repayment during year	52.34	50.02
Closing Balance	6.18	-
Average Loan	3.09	-
Weighted average rate of interest (%)	7.30%	8.49%
<b>Interest Expenses</b>	0.23	-
Other Borrowing Costs	-	1.55

**Commission’s Analysis:**

4.24.2 The Commission has considered opening loan balance as on 1<sup>st</sup> April, 2023 equal to the closing loan balance i.e. NIL as approved in Truing up of FY 2022-23. Addition to loan during the year is considered at 70% of net value of assets added during the year and repayment is considered equal to the depreciation for the year. Also, the Commission has considered the reduction of normative loan due to retirement of assets of Rs. 0.27 Crore.

4.24.3 Further, the Commission has allowed the finance charges of Rs. 1.55 Crore as reconciled with the Note 26 of the Audited Accounts of TPL-G (APP) and it majorly pertains to Letter of Credit charges.

4.24.4 As per first proviso of Regulation 38.5 of the GERC (MYT) Regulations, 2016, the Commission has verified the weighted average rate of interest on basis of actual loan portfolio during the year.

4.24.5 Accordingly, based on the actual capitalization achieved by TPL-G (APP) during FY 2023-24 and the approved normative borrowings considering the

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

interest rate of 8.49%, the Commission has computed the interest, as tabulated below;

**Table 4-37 Interest Approved by the Commission for FY 2023-24 (Rs. Crore)**

Particulars	Claimed by Petitioner	Approved in Truing-Up
Opening Balance	-	-
Less: Reduction of normative loan due to retirement	0.27	0.27
Addition of Loan	9.87	9.87
Repayment during year	50.02	50.02
Closing Balance	-	-
Average Loan	-	-
Weighted average rate of interest (%)	8.49%	8.49%
<b>Interest Expenses</b>	-	-
Other Borrowing Costs	1.55	1.55

4.24.6 With regard to computation of gains/losses, Regulation 22.2 of the GERC (MYT) Regulations, 2016 provides as under;

*“Regulation 22.2 of the GERC (MYT) Regulations, 2016 considers variations in capitalization on account of time and/or cost overruns/ efficiencies in the implementation of a capital expenditure project not attributable to an approved change in scope of such project, change in statutory levies or force majeure events, as a controllable factor. If the gain is on account of lesser capital expenditure and capitalization, it cannot be attributed to the efficiency of the utility to allow 2/3rd of the gain to the utility. Similarly, if the loss is on account of more capital expenditure and capitalization due to bonafide reasons, the utility cannot be penalized by allowing only 1/3rd of the loss in the ARR.*

4.24.1 The Commission, in terms of regulations, has considered variation in capitalization as uncontrollable and accordingly dependent components of ARR of interest on loan, depreciation and Return on Equity are also considered

as uncontrollable.

4.24.2 The Commission, accordingly, approves the gains/losses on account of interest and finance charges as uncontrollable for FY 2023-24, as tabulated below;

**Table 4-38 Gains / (Losses) Approved for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Approved in Truing-Up	Deviation	Gains/(Losses) due to Uncontrollable
Interest & Finance Charges	0.23	1.55	(1.32)	(1.32)

#### 4.25 Interest on Working Capital

##### **Petitioner's Submission:**

4.25.1 TPL-G (APP) has claimed Rs. 18.00 Crore towards interest on working capital for FY 2023-24, as against Rs. 13.15 Crore approved in Order as tabled below;

**Table 4-39 Interest on Working Capital Claimed for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Claimed by Petitioner
Cost of Coal for 1.5 Months	111.71	135.32
Secondary fuel oil for 2 months	1.08	2.60
O&M expenses for 1 month	13.81	13.00
Maintenance Spares @1% of GFA	11.86	11.75
Receivables for 1 month	-	-
<b>Working Capital Requirement</b>	<b>138.46</b>	<b>162.68</b>
Rate of Interest (%)	9.50%	11.07%
<b>Interest on Working Capital</b>	<b>13.15</b>	<b>18.00</b>

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

4.25.2 The Commission has examined the computation of normative working capital and interest thereon as per GERC (MYT) Regulations, 2016. Regulation 40.1 of GERC (MYT) Regulations, 2016 specify the norms for thermal generating stations for computation of working capital requirement and interest on working capital thereon. According to the Regulations, the working capital requirement comprises of 1 and ½ month of coal cost, 1 month cost of oil, 2

months' secondary fuel oil cost, 1-month O&M expenses, maintenance spares at 1% of historical cost of GFA and receivables equivalent to 1 month. Regulations specify that *in case of own generating stations, no amount shall be allowed towards receivables, to the extent of supply of power by the Generation Business to the Retail Supply Business, in the computation of working capital in accordance with these Regulations.* As such receivables equivalent to one month is not considered for working capital requirement.

4.25.3 With regard to rate of interest on working capital, the Commission vide Notification No. 7 of 2016 dated 2<sup>nd</sup> December, 2016 has amended its Regulation 40.1 (d) of the GERC (MYT) Regulations, 2016 as given under:

*“Interest on working capital shall be allowed at a rate equal to the State Bank Base Rate (SBBR) / 1 year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as may be applicable as on 1st April of the financial year in which the Petition is filed plus 250 basis points:*

*Provided that at the time of truing up for any year, interest on working capital shall be allowed at a rate equal to the weighted average State Bank Base Rate (SBBR) / 1 year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as may be applicable prevailing during the financial year plus 250 basis points.”*

4.25.4 In line with the above proviso to Regulation 40.1 (d) of GERC (MYT) Regulations, 2016, the Commission has considered the weighted average of 1 year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) of 8.57% prevailing during FY 2023-24 plus 250 basis points. Accordingly, the rate of interest on working capital has been worked out to be 11.07%.

4.25.5 Based on the O&M expenses and other expenses now approved in the Truing

up, the working capital and interest thereon calculated as detailed in the table below:

**Table 4-40 Interest on Working Capital approved for FY 2023-24 (Rs. Crore)**

Particulars	Claimed By Petitioner	Approved for Truing-Up
Cost of Coal for 1.5 Months	135.32	135.57
Secondary fuel oil for 2 months	2.60	2.61
O&M expenses for 1 month	13.00	13.13
Maintenance Spares @1% of GFA	11.75	11.75
Receivables for 1 month	-	-
<b>Working Capital Requirement</b>	<b>162.68</b>	<b>163.05</b>
Rate of Interest (%)	11.07%	11.07%
<b>Interest on Working Capital</b>	<b>18.00</b>	<b>18.04</b>

4.25.6 However, it was observed that while calculating the Cost of coal and secondary fuel on normative basis at 85% PLF, TPL-G (APP) has calculated the generation considering 365 days in a year whereas being a leap year, in FY 2023-24, the total number of days are 366 days resulting in higher working capital requirement than the amount claimed by TPL-G.

4.25.7 As indicated above, the Commission has analysed various components, controllable and uncontrollable, to arrive at the approved figure of working capital, based on which, the interest on working capital has been computed. After working out the interest on working capital, the Commission has treated the interest as an uncontrollable cost for purpose of estimating gains/(losses).

4.25.8 The Commission, accordingly, approves the gains/(losses) on account of interest on working capital for FY 2023-24 as tabulated below;

**Table 4-41 Gains/(Losses) in IoWC approved for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Approved in Truing-Up	Deviation	Gains/(Losses) due to Uncontrollable
Interest on Working Capital	13.15	18.04	(4.89)	(4.89)

## 4.26 Return on Equity

### Petitioner’s Submission:

4.26.1 TPL-G (APP) has claimed a sum of Rs. 61.74 Crore towards return on equity for FY 2023-24, as against Rs. 63.76 Crore approved in Order. TPL-G (APP) submitted that closing balance of equity has been arrived at considering additional equity of 30% of the capitalisation during the year, as tabled below;

**Table 4-42 Return on Equity claimed by the TPL -G (APP) for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Claimed by Petitioner
Opening Equity	442.91	439.44
Equity Addition	25.08	4.23
Reduction in equity on account of retirement	-	1.18
Closing Equity	467.99	442.50
<i>Return on Equity at beginning of year</i>	62.01	61.52
<i>Return on Equity addition during year</i>	1.76	0.21
<b>Total Return on Equity</b>	<b>63.76</b>	<b>61.74</b>

### Commission’s Analysis:

4.26.2 The Commission has considered opening equity as on 01<sup>st</sup> April.2023 equal to closing equity of FY 2022-23 as approved in Truing up and the additional equity is considered @30% of the value of net asset addition as approved above.

4.26.3 The Commission, accordingly, approves the return on equity for FY 2023-24 as detailed below;

**Table 4-43 Return on Equity approved for FY 2023-24 (Rs. Crore)**

Particulars	Claimed By Petitioner	Approved for Truing-Up
Opening Equity	439.44	439.44
Equity Addition	4.23	4.23
Reduction in equity on account of retirement	1.18	1.18
Closing Equity	442.50	442.50
<i>Return on Equity at beginning of year</i>	61.52	61.52

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

Particulars	Claimed By Petitioner	Approved for Truing-Up
<i>Return on Equity addition during year</i>	0.21	0.21
<b>Total Return on Equity</b>	<b>61.74</b>	<b>61.74</b>

4.26.4 The Commission, accordingly, approves the gains/(losses) on account of return on equity for FY 2023-24 as tabulated below;

**Table 4-44 RoE and Gains/(Losses) approved for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Approved in Truing-Up	Deviation	Gains/(Losses) due to Uncontrollable
Return on Equity	63.76	61.74	2.02	2.02

#### 4.27 Income Tax

##### **Petitioner’s Submission:**

4.27.1 TPL-G (APP) has submitted that it has claimed the income tax considering the total tax paid for TPL as a whole and the ratio of PBT of TPL-(G) (APP) and PBT of the company as a whole as per the Annual Accounts. TPL-G (APP) has claimed an amount of Rs. 21.49 Crore towards income tax for FY 2023-24, as against Rs. 13.76 Crore approved in Order as detailed below;

**Table 4-45 Income Tax Claimed for TPL-G (APP) for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Claimed by Petitioner
Income Tax	13.76	21.49

##### **Commission’s Analysis:**

4.27.2 The Commission had asked TPL to furnish the details of segregation of income tax paid by TPL in respect of TPL-G (APP) along with copies of challans of income tax paid. In its reply, TPL-G (APP) stated that being a single corporate entity, income tax is paid for the company as a whole and submitted copy of challans of income tax paid for the year. TPL-G (APP) has computed the income tax by applying the ratio of PBT and after adjustment of tax credit.



4.27.3 The Commission has verified the PBT figures from the Annual Accounts for FY 2023-24. The Petitioner has shown a PBT of Rs. 128.28 Crore including Remeasurement of Defined Benefit Plans of TPL-G (APP). The PBT as per standalone financial statement of TPL (including Remeasurement of Defined Benefit Plans) is Rs. 2,436.06 Crore and the total tax paid by the Company as a whole is Rs. 407.25 Crore. Accordingly, the effective tax rate works out to be 16.72% against the MAT rate of 17.47%, thus, applying the effective tax rate on PBT of TPL-G (APP), the income tax works out to be Rs. 21.45 Crore. Further, there is an income tax refund of Rs. 8.29 Crore related to FY 2012-13 and Rs. 0.03 Crore related to FY 2022-23 (as submitted by the Petitioner in their additional submission dtd. 13<sup>th</sup> February, 2025). It has been observed by the Commission that for FY 2012-13, TPL as a whole has declared Total Profit before Tax (PBT) of Rs. 622.74 Crore against which the tax paid was of Rs. 131.29 Crore against which TPL has received the refund of Rs. 8.29 Crore. For the same financial year TPL-G has declared the PBT of Rs. 92.50 Crore on which the Commission allowed the income tax of Rs. 18.51 Crore. Accordingly, the Commission has adjusted the refund of Rs. 8.29 Crore received against FY 2012-13 on pro-rata basis and has considered the refund of Rs. 1.17 Crore against the total income tax paid by TPL-G (APP).

4.27.4 The Commission, accordingly, approves the income tax at Rs. 20.28 Crore for Truing up of FY 2023-24. The Commission has treated the income tax as an uncontrollable expense and accordingly, approves the gains/(losses) on account of income tax for FY 2023-24 as tabulated below:

**Table 4-46 Gains / (Losses) due to Income Tax Approved for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Approved in Truing-Up	Deviation	Gains/(Losses) due to Uncontrollable
Income Tax	13.76	20.28	(6.52)	(6.52)

#### **4.28 Non-Tariff Income**

##### **Petitioner’s Submission:**



4.28.1 TPL-G (APP) has submitted that the actual Non-Tariff Income is at Rs. 22.07 Crore for FY 2023-24, as against of Rs. 15.10 Crore as approved in Order as shown in table below;

**Table 4-47 Non-Tariff Income claimed for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Actual
Non-Tariff Income	15.10	22.07

**Commission’s Analysis:**

4.28.2 As per the Annual Accounts for FY 2023-24, the non-tariff income of TPL-G (APP) is Rs. 23.57 Crore. TPL-G (APP) has excluded insurance claim receipt from of Rs. 1.50 Crore.

4.28.3 The Commission, accordingly, approves the Non-Tariff Income at Rs. 23.57 Crore for FY 2023-24 after considering the insurance claim receipt as per Form-8, the deviation of Rs. 8.47 Crore, which is considered as uncontrollable factor. The Commission, accordingly, approves gains/(losses) on account of non-tariff income for FY 2023-24 as tabulated below;

**Table 4-48 NTI and Gains/(losses) approved for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Approved in Truing-Up	Deviation	Gains/(Losses) due to Uncontrollable
Non-Tariff Income	15.10	23.57	(8.47)	(8.47)

**4.29 Incentive**

**Petitioner’s Submission:**

4.29.1 As per the GERC (MYT) Regulations, 2016, the incentive payable to a Thermal Generating Station shall be calculated in accordance with the PLF achieved against the normative PLF of 85%.

4.29.2 Accordingly, the incentive for the FY 2023-24 is Rs. 10.46 Crore. The working

of the same is summarized below:

**Table 4-49 Incentive of TPL-G for FY 2023-24 (Rs. Crore)**

Particulars	Claimed by Petitioner
Scheduled Generation (MU)	2,668.79
Net Generation at 85% PLF (MU)	2,459.58
Eligible generation for incentive (MU)	209.21
Incentive (Rs. Crore)	10.46

**Commission’s Analysis:**

4.29.3 The GERC (MYT) Regulations, 2016 provide for payment of incentive to a thermal generating station, the relevant clause is reproduced below:

*“60. Incentive to a thermal generating station or unit thereof shall be payable at a flat rate of 50 paise/kWh for ex-bus scheduled energy corresponding to scheduled generation in excess of ex-bus energy corresponding to Normative Annual Plant Load Factor (NAPLF) as specified in Regulation 53.2.”*

4.29.4 Since, TPL-G (APP) has achieved higher PLF than the normative PLF of 85% during FY 2023-24, the Commission has computed the incentive for Truing up for FY 2023-24 which is tabulated as under:

**Table 4-50 Incentive of TPL-G for FY 2023-24 (Rs. Crore)**

Particulars	Claimed by Petitioner	Approved by Commission
Scheduled Generation (MU)	2,668.79	2,668.79
Net Generation at 85% PLF (MU)	2,459.58	2,459.58
Eligible generation for incentive (MU)	209.21	209.21
Incentive (Rs. Crore)	10.46	10.46

**4.30 Truing up of ARR for FY 2023-24**

4.30.1 The Commission has reviewed the performance of TPL-G (APP) under



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

Regulation 22 of the GERC (MYT) Regulations, 2016, with reference to the Annual Accounts for FY 2023-24. Accordingly, the Commission has computed the sharing of gains and losses for FY 2023-24, based on the Truing up for each of the components discussed in the above paragraphs. The ARR approved in the Order, as claimed by TPL-G (APP) and as approved in Truing up for FY 2023-24 along with sharing of gains/(losses) computed in accordance with the GERC (MYT) Regulations, 2016, is given in the table below:

**Table 4-51 ARR Approved in Truing up for FY 2023-24 (Rs. Crore)**

Particulars	Approved in Order	Claimed By Petitioner	Approved in Truing-Up	Deviation	Gains/(Losses) due to Controllable	Gains/(Losses) due to Uncontrollable
Variable Cost	937.68	1,157.85	1,189.99	(220.17)	32.15	(252.31)
O&M Expenses	165.77	156.04	157.54	8.23	8.23	-
Water Charges	21.18	23.92	23.92	(2.74)		(2.74)
Depreciation	52.34	50.02	50.02	2.32	-	2.32
Interest & Finance Charges	0.23	1.55	1.55	(1.32)	-	(1.32)
Interest on Working Capital	13.15	18.00	18.04	(4.89)	-	(4.89)
Return on Equity	63.76	61.74	61.74	2.02	-	2.02
Income Tax	13.76	21.49	20.28	(6.52)		(6.52)
Incentive	-	10.46	10.46	(10.46)	-	(10.46)
Less: Non-Tariff Income	15.10	22.07	23.57	(8.47)	-	(8.47)
<b>Net ARR</b>	<b>1,252.79</b>	<b>1,478.99</b>	<b>1,509.96</b>	<b>(225.05)</b>	<b>40.38</b>	<b>(265.42)</b>

### 4.31 Sharing of Gains/Losses for FY 2023-24

4.31.1 The Commission has analysed the gains/(losses) on account of uncontrollable and controllable factors. The relevant regulations are extracted below;

***Regulation 23. Mechanism for pass-through of gains or losses, on account of uncontrollable factors***

*“23.1 The approved aggregate gain or loss to the Generating Company or Transmission Licensee or SLDC or Distribution Licensee on account of*



*uncontrollable factors shall be passed through as an adjustment in the tariff of the Generating Company or Transmission Licensee or SLDC or Distribution Licensee over such period as may be specified in the Order of the Commission passed under these Regulations.*

*23.2 The Generating Company or Transmission Licensee or SLDC or Distribution Licensee shall submit such details of the variation between expenses incurred and revenue earned and the figures approved by the Commission, in the prescribed format to the Commission, along with the detailed computations and supporting documents as may be required for verification by the Commission.*

*23.3 Nothing contained in this Regulation 23 shall apply in respect of any gain or loss arising out of variations in the price of fuel and power purchase, which shall be dealt with as specified by the Commission from time to time.”*

***Regulation 24. Mechanism for sharing of gains or losses on account of controllable factors***

*“24.1 The approved aggregate gain to the Generating Company or Transmission Licensee or SLDC or Distribution Licensee on account of controllable factors shall be dealt with in the following manner:*

*(a) One-third of the amount of such gain shall be passed on as a rebate in tariffs over such period as may be stipulated in the Order of the Commission under Regulation 21.6;*

*(b) The balance amount, which will amount to two-thirds of such gain, may be utilized at the discretion of the Generating Company or Transmission Licensee or SLDC or Distribution Licensee.*

*24.2 The approved aggregate loss to the Generating Company or Transmission Licensee or SLDC or Distribution Licensee on account of controllable factors shall be dealt with in the following manner:*

*(a) One-third of the amount of such loss may be passed on as an additional charge in tariffs over such period as may be stipulated in the Order of the Commission under Regulation 21.6; and*

*(b) The balance amount of loss, which will amount to two-thirds of such loss, shall be absorbed by the Generating Company or Transmission Licensee or SLDC or Distribution Licensee.”*

**Petitioner’s Submission:**

4.31.2 TPL-G (APP) has submitted that variation in variable cost is mainly on account of uncontrollable factors such as change in off-take, fuel price, mix and calorific value. It also includes the variation inefficiency parameters like secondary fuel consumption, auxiliary consumption, transit loss and station heat rate, which are controllable. The entire variation on account of efficiency parameters is attributed to the controllable factors for sharing of gains/losses as per the Regulations. The variation in fuel price, mix and calorific value along with off-take are uncontrollable and accordingly, the variation in variable cost due to these factors has been treated as uncontrollable.

4.31.3 TPL-G (APP) further submitted that the variation in O&M expenses has been considered as controllable, whereas variation in ROE, Interest expenses and depreciation on account of variation in capitalization and interest rates is to be treated as uncontrollable. Similarly, variation in income tax and non-tariff income is to be treated as uncontrollable.

4.31.4 Variation in the working capital requirement is mainly due to variation in the fuel cost, which is uncontrollable. Similarly, the variation in interest rate is also uncontrollable. Therefore, as per the GERC (MYT) Regulations, 2016, the variation in interest on working capital is to be treated as uncontrollable.

4.31.5 TPL-G (APP) further submitted that any variation on account of uncontrollable factor is a part of the (gap)/ surplus identified for the year and is passed on to the consumer through adjustment in tariff as per the Regulation 23 of the GERC (MYT) Regulations, 2016. In case of variation due to controllable factors, the gains and losses have to be dealt with as per Regulation 24 of the GERC (MYT) Regulations, 2016. Based on the above, the sharing of gains/(losses) due to



Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

controllable factors as submitted by TPL-G (APP) is summarised below;

**Table 4-52 Sharing of Gains/(Losses) claimed by TPL-G for FY 2023-24 (Rs. Crore)**

Particulars	Pass through by Adjustment in Tariff	To be retained/ absorbed	Total
Controllable	13.96	27.92	41.87
Uncontrollable	-	-	-
<b>Total</b>	<b>13.96</b>	<b>27.92</b>	<b>41.87</b>

4.31.6 The following is the summary of ARR recoverable by TPL-G (APP) from TPL-D towards supply of electricity to TPL-D.

**Table 4-53 Trued-up ARR claimed by TPL-G (APP) for FY 2023-24 (Rs. Crore)**

Particulars	Formula	Rs. Crore
ARR as per Order	(a)	1,252.77
Gains/(Losses) due to Uncontrollable Factors	(b)	(268.09)
Gains/(Losses) due to Controllable Factors	(c)	41.87
Pas through as Tariff	$d = -(c/3 + b)$	254.13
<b>ARR True-Up</b>	<b><math>e = a + b</math></b>	<b>1,506.91</b>

**Commission's Analysis:**

4.31.7 The Commission based on the detailed analysis in earlier paragraphs has considered the gains/(losses) due to variation in the costs approved in Truing up vis-à-vis costs approved for FY 2023-24 in the Tariff Order. The Commission, accordingly, has considered the gains and adjusted against the Truing up of ARR for FY 2023-24 to arrive at the revenue (gap)/surplus to be carried forward into the ARR of FY 2025-26.

**Table 4-54 Approved Trued-up ARR incl. Gains/(Losses) for FY 2023-24 (Rs. Crore)**

Particulars	Formula	Rs. Crore
ARR as per Tariff Order	(a)	1,252.79
Gains/(Losses) due to Uncontrollable Factors	(b)	(265.42)
Gains/(Losses) due to Controllable Factors	(c)	40.38
Pass through as Tariff	$d = -(c/3 + b)$	251.97
<b>ARR True-Up</b>	<b><math>e = a + b</math></b>	<b>1,504.76</b>

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

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4.31.8 The Commission approves the total ARR of Rs. 1,504.76 Crore of TPL-G (APP) for FY 2023-24 and the same is considered for working out the power purchased from TPL-G (APP) for FY 2023-24 in the ARR of TPL Distribution.



## **Chapter 5: ARR for the MYT Control Period FY 2025-26 to 2029-30 and Tariff Determination for FY 2025-26**

### **5.1 Introduction**

5.1.1 The GERC (MYT) Regulations, 2024 notified on 06th August 2024 will be in force till 31st March 2030 and is applicable for determination of tariff from 1st April, 2025 onwards. The Regulation 2 (22) of GERC (MYT) Regulations, 2024 defines Control Period as from 1st April 2025 to 31st March 2025. The Regulation 1.4 of the GERC (MYT) Regulations, 2024 provides that these Regulations shall remain in force till 31st March 2030, unless otherwise reviewed/extended.

5.1.2 Also, Regulation 16.3.1 of the GERC (MYT) Regulations, 2024 provides for submission of detailed application for determination of ARR for Control Period i.e., 1st April 2025 to 31st March 2030 and revenue gap or revenue surplus thereof for the ensuing year for the determination of Tariff to be carried out as per the GERC (MYT) Regulations, 2024.

5.1.3 Accordingly, the TPL-G (APP) has submitted the petition for approval of Aggregate Revenue Requirement (ARR) for generation for the MYT Control Period from FY 2025-26 to FY 2029-30. The Commission has studied and analyzed each component of the ARR in the following paragraphs.

### **5.2 Operational Performance Parameters**

5.2.1 The estimates of operational parameters and cost of generation is developed based on the GERC (MYT) Regulations 2024.

5.2.2 The fuel cost of a generation station depends on (i) the performance parameters, such as PLF, SHR, Auxiliary Consumption, SFC and Transit Loss and (ii) cost parameters such as GCV of fuel, type of fuel and price of fuel etc.

- 5.2.3 TPL-G submitted that, for estimation of the variable cost, it has considered the current trend of cost and the normative operational parameters i.e. SHR, auxiliary consumption, SFC. However, TPL-G (APP) requested the Hon'ble Commission for allowance of necessary adjustments in operating norms (SHR, Auxiliary Consumption, SFC, etc.) during the MYT Control Period from FY 2025-26 to FY 2029-30 on account of lower PLF due to factors not attributable to Petitioner. Further, it has stated that the operational parameters will get affected due to the Merit Order Despatch principles as well as the aging of the plant.
- 5.2.4 Accordingly, the projections of TPL -G (APP) for the control period and the analysis of the Commission are discussed below parameter-wise for MYT Control Period from FY 2025-26 to FY 2029-30.

### 5.3 Plant Availability Factor (PAF)

#### **Petitioner's Submission:**

- 5.3.1 TPL-G (APP) has submitted that the plant availability factor for its three generating units for MYT Control Period from FY 2025-26 to FY 2029-30 has been computed considering annual planned shutdown without factoring forced outages factor. Considering the age and size of units, it will be difficult to maintain higher availability in future as the units will be vulnerable to faults and breakdowns. TPL-G (APP) has stated that that these units have been designed for base load operation and high variation in loading pattern would induce thermal stresses leading to deterioration of life of the equipment and operating performance.
- 5.3.2 Accordingly, the planned maintenance days for each unit, is tabulated below, which has been scheduled normally during November to February in order to carry out the maintenance works at a time when there is lower demand.

**Table 5-1 Annual Planned Maintenance of TPL-G (APP) for FY 2025-26 to FY 2029-30**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	21	21	36	21	21
2	E- Station	21	65	21	21	27
3	F- Station	68	21	21	27	21

5.3.3 Based on the above, TPL-G (APP) has projected PAF as tabulated below, which maybe undergo change due to planned shutdown of the unit factoring the forced outage.

**Table 5-2 Projected Plant Availability Factor (PAF) for FY 2025-26 to FY 2029-30 (in %)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	94.29%	94.29%	90.04%	94.29%	94.29%
2	E- Station	94.29%	82.29%	94.30%	94.29%	92.69%
3	F- Station	81.47%	94.29%	94.30 %	92.69 %	94.29 %

**Commission’s Analysis:**

5.3.4 On a query from the Commission , it has stated vide additional submission dtd 13/02/2025 that Plant Availability Factor (PAF) has been computed after considering the annual planned shut down of the unit factoring forced outage. Further, the major overhauling is scheduled for Unit F in FY 2025-26 and Unit E in FY 2026-27 which are based on OEM guidelines, aimed to prevent unplanned outages and restrict heat rate degradation at full load generation. To resolve existing issues faced in system like technology obsolescence, impact of high temperature and pressure on turbine generator, TPL-G (APP) has planned turbine and generator capital overhauling for F and E units.

5.3.5 The Commission has analysed the submission made by TPL-G(APP) keeping in view the vintage of the machines, past performance etc. The Commission approves the PAF of each station, as projected by TPL-G (APP) as given in the table below:

**Table 5-3 Approved PAF for FY 2025-26 to FY 2029-30 (in %)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	94.29%	94.29%	90.04%	94.29%	94.29%
2	E- Station	94.29%	82.29%	94.30%	94.29%	92.69%
3	F- Station	81.47%	94.29%	94.30 %	92.69 %	94.29 %

#### 5.4 Plant Load Factor (PLF)

##### **Petitioner’s Submission:**

5.4.1 TPL-G (APP) has submitted the projections of PLF based on PAF and other factors. It has further submitted that the same may undergo change depending upon the variation in demand. TPL-G (APP) has also submitted that it has not considered any incentive for MYT Control Period from FY 2025-26 to FY 2029-30 in this Petition, however, the same shall be claimed during True-up exercise based on actuals in accordance with the applicable Regulations. The projected PLF is tabulated as under;

**Table 5-4 Projected PLF for FY 2025-26 to FY 2029-30 (in %)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	86.91%	82.53%	78.73%	82.09%	79.80%
2	E- Station	86.57%	73.06%	82.63%	82.02%	78.12%
3	F- Station	76.88%	83.16%	83.56%	81.65%	80.36%

##### **Commission’s Analysis:**

5.4.2 The Commission has analysed the submission made by TPL-G (APP) with regards to projecting the PLF taking into account of PAF and variation in demand and accordingly approved PLF for different stations as projected, which is tabulated as below:

**Table 5-5 Approved PLF for FY 2025-26 to FY 2029-30 (in %)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	86.91%	82.53%	78.73%	82.09%	79.80%
2	E- Station	86.57%	73.06%	82.63%	82.02%	78.12%
3	F- Station	76.88%	83.16%	83.56%	81.65%	80.36%

## 5.5 Auxiliary Consumption

### Petitioner’s Submission:

- 5.5.1 TPL-G (APP) submitted that auxiliary consumption depends on the configuration, age and related technical parameters of the stations. The auxiliary consumption occurs due to the electrical equipment, such as, the boiler feed pumps, cooling water pumps, air fans, coal grinding mills, ash handling equipment etc. of the generating station.
- 5.5.2 It has also submitted that lower PLF impacts the performance parameters of the stations. Even though the stations operate at partial load, the auxiliary equipment needs to be operated near to its full capacity leading to higher auxiliary consumption in % terms. Therefore, the auxiliary consumption in MU is likely to remain same, even though the gross generation may reduce on account of lower PLFs. This will result in higher auxiliary consumption in % terms for the MYT Control Period.
- 5.5.3 TPL-G (APP) has projected the auxiliary consumption for all the stations for MYT Control Period from FY 2025-26 to FY 2029-30 based on the principle and methodology enunciated in GERC (MYT) Regulations, 2024 as given in table below;

**Table 5-6 Projected Auxiliary Consumption for FY 2025-26 to FY 2029-30 (in %)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	8.50%	8.50%	8.50%	8.50%	8.50%
2	E- Station	8.50%	8.50%	8.50%	8.50%	8.50%
3	F- Station	9.00%	9.00%	9.00%	9.00%	9.00%

### Commission’s Analysis:

- 5.5.4 The Commission has analysed the submission made by TPL-G (APP) on vintage of the machines, past performance etc. accordingly approves auxiliary consumption norms for different stations on the basis of the GERC (MYT) Regulations, 2024 as given in the table below:

**Table 5-7 Approved Auxiliary consumption for FY 2025-26 to FY 2029-30 (in %)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	8.50%	8.50%	8.50%	8.50%	8.50%
2	E- Station	8.50%	8.50%	8.50%	8.50%	8.50%
3	F- Station	9.00%	9.00%	9.00%	9.00%	9.00%

## 5.6 Station Heat Rate (SHR)

### **Petitioner’s Submission:**

5.6.1 TPL-G (APP) submitted that it has historically maintained the SHR, which is efficient in comparison to the other plants having similar category, age and size of generating units. This has been possible due to its efforts for maintaining higher level of efficiency in operation and following better maintenance practices.

5.6.2 However, SHR gets impacted on account of part load operation due to higher backing down and varying load conditions including the need for operating the plants at technical minimum. The units of TPL-G (APP) have been designed for base load operations. Frequent variations in loading pattern would also induce thermal stresses which in turn deteriorates life of the plant.

5.6.3 TPL-G (APP) has projected the SHR for all the stations for MYT Control Period from FY 2025-26 to FY 2029-30 based on the principle and methodology enunciated in GERC (MYT) Regulations, 2024 as given in table below and has stated that it shall approach the Commission for seeking appropriate adjustment in SHR based on the impact of lower PLF and other factors as described hereinabove.



**Table 5-8 Projected SHR for FY 2025-26 to FY 2029-30 (in kCal/kWh)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	2440	2440	2440	2440	2440
2	E- Station	2438	2438	2438	2438	2438
3	F- Station	2420	2420	2420	2420	2420

**Commission’s Analysis:**

5.6.4 The SHR proposed for all the Stations are in accordance as per Regulation 53.2.2 of GERC MYT Regulations, 2024, therefore, the Commission approves the same for MYT Control Period from FY 2025-26 to FY 2029-30.

**Table 5-9 Approved SHR for FY 2025-26 to FY 2029-30 (in kCal/kWh)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	2440	2440	2440	2440	2440
2	E- Station	2438	2438	2438	2438	2438
3	F- Station	2420	2420	2420	2420	2420

**5.7 Secondary Fuel Oil Consumption (SFC)**

**Petitioner’s Submission:**

5.7.1 TPL-G (APP) has projected SFC at the levels specified by the Commission in the GERC (MYT) Regulations, 2024 as shown in the table below for each station:

**Table 5-10 Projected Secondary Fuel Oil Consumption for FY 2025-26 to FY 2029-30 (in gm/kWh)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	1.00	1.00	1.00	1.00	1.00
2	E- Station	1.00	1.00	1.00	1.00	1.00
3	F- Station	1.00	1.00	1.00	1.00	1.00

5.7.2 TPL –G (APP) further submitted that at times oil support is required at low load conditions and the oil consumption depends upon oil support required and number of start/ stop operations. Hence, TPL-G(APP) would approach the Commission for appropriate adjustments in SFC based on the impact of varying load conditions on their respective SFC.



**Commission’s Analysis:**

5.7.3 The SFC proposed for all the Stations are in accordance as per Regulation 53.3.2 of GERC (MYT) Regulations, 2024. Therefore, the Commission approves the same for MYT Control Period from FY 2025-26 to FY 2029-30.

**Table 5-11 Approved Secondary Fuel Oil Consumption for FY 2025-26 to FY 2029-30 (in ml/kWh)**

Sr. No.	Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	D- Station	1.00	1.00	1.00	1.00	1.00
2	E- Station	1.00	1.00	1.00	1.00	1.00
3	F- Station	1.00	1.00	1.00	1.00	1.00

## 5.8 Transit Loss

**Petitioner’s Submission:**

5.8.1 TPL-G (APP) submitted that there are various uncontrollable factors such as issue of accuracy of weighbridge at loading end, moisture loss, windage and seepage losses due to which transit loss exists. However, TPL-G(APP) has been making continuous efforts to contain the transit losses.

5.8.2 TPL-G (APP) has projected transit loss of coal for MYT Control Period from FY 2025-26 to FY 2029-30 based on the principle and the methodology enunciated in the GERC (MYT) Regulation, 2024 as given in the table below:

**Table 5-12 Projected Transit Loss of coal for FY 2025-26 to FY 2029-30 (in %)**

Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
All Stations	0.80%	0.80%	0.80%	0.80%	0.80%

**Commission’s Analysis:**

5.8.3 Presently, TPL-G (APP) has proposed transit loss for all the stations at the levels approved by the Commission in the GERC (MYT) Regulations, 2024 and accordingly, the Commission approves the same.

**Table 5-13 Approved Transit Loss of coal for FY 2025-26 to FY 2029-30 (in %)**

Station	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
All Stations	0.80%	0.80%	0.80%	0.80%	0.80%

## 5.9 Summary of Performance Parameters approved for FY 2025-26 to FY 2029-30

5.9.1 Based on the decisions in the earlier paragraphs, the performance parameters approved by the Commission for MYT Control Period from FY 2025-26 to FY 2029-30 for different stations are summarized as tabulated below;

**Table 5-14 Performance parameters of TPL-G stations approved for FY 2025-26 to FY 2029-30**

Station	PAF (%)					PLF (%)				
	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
D Station	94.29%	94.29%	90.04%	94.29%	94.29%	86.91%	82.53%	78.73%	82.09%	79.80%
E Station	94.29%	82.29%	94.30%	94.29%	92.69%	86.57%	73.06%	82.63%	82.02%	78.12%
F Station	81.47%	94.29%	94.30%	92.69%	94.29%	76.88%	83.16%	83.56%	81.65%	80.36%

Station	Aux. Consumption (%)	SHR (kCal/kWh)	SFC (ml/kWh)	Transit Loss (%)
	FY 2025-26 to FY 2029-30			
D-Station	8.50%	2440	1	0.80%
E-Station	8.50%	2438	1	0.80%
F-Station	9.00%	2420	1	0.80%

## 5.10 Gross and Net Generation

### Petitioner's Submission:

5.10.1 The gross and net generation for MYT Control Period from FY 2025-26 to FY 2029-30 have been computed based on the proposed PLF and auxiliary consumption. The proposed generation of energy from the TPL-G (APP) is shown in the table below:

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Table 5-15 Gross and Net Generation of TPL -G for FY 2025-26 to FY 2029-30**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>D-Station</b>					
Capacity (MW)	120	120	120	120	120
PLF (%)	86.91%	82.53%	78.73%	82.09%	79.80%
Gross Generation (MU)	913.64	867.59	829.89	862.97	838.82
Auxiliary Consumption (%)	8.50%	8.50%	8.50%	8.50%	8.50%
Auxiliary Consumption (MU)	77.66	73.75	70.54	73.35	71.30
<b>Net Generation (MU)</b>	<b>835.98</b>	<b>793.84</b>	<b>759.34</b>	<b>789.62</b>	<b>767.52</b>
<b>E-Station</b>					
Capacity (MW)	121	121	121	121	121
PLF (%)	86.57%	73.06%	82.63%	82.02%	78.12%
Gross Generation (MU)	917.62	774.45	878.24	869.37	828.00
Auxiliary Consumption (%)	8.50%	8.50%	8.50%	8.50%	8.50%
Auxiliary Consumption (MU)	78.00	65.83	74.65	73.90	70.38
<b>Net Generation (MU)</b>	<b>839.63</b>	<b>708.62</b>	<b>803.59</b>	<b>795.47</b>	<b>757.62</b>
<b>F-Station</b>					
Capacity (MW)	121	121	121	121	121
PLF (%)	76.88%	83.16%	83.56%	81.65%	80.36%
Gross Generation (MU)	814.90	881.48	888.08	865.49	851.82
Auxiliary Consumption (%)	9.00%	9.00%	9.00%	9.00%	9.00%
Auxiliary Consumption (MU)	73.34	79.33	79.93	77.89	76.66
<b>Net Generation (MU)</b>	<b>741.56</b>	<b>802.15</b>	<b>808.16</b>	<b>787.60</b>	<b>775.15</b>
<b>TPL-G (APP)</b>					
<b>Gross Generation (MU)</b>	<b>2,646.16</b>	<b>2,523.52</b>	<b>2,596.20</b>	<b>2,597.84</b>	<b>2,518.63</b>
Auxiliary Consumption (MU)	229.00	218.91	225.12	225.14	218.34
<b>Net Generation (MU)</b>	<b>2,417.17</b>	<b>2,304.61</b>	<b>2,371.09</b>	<b>2,372.69</b>	<b>2,300.29</b>

**Commission's Analysis:**

5.10.2 The gross and net generation for different power stations of TPL-G (APP) as projected and approved based on the permissible parameters as discussed in the earlier paragraphs are as given in table below:

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Table 5-16 Gross and Net Generation of TPL -G Approved for FY 2025-26 to FY 2029-30**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>D-Station</b>					
Capacity (MW)	120	120	120	120	120
PLF (%)	86.91%	82.53%	78.73%	82.09%	79.80%
Gross Generation (MU)	913.64	867.59	829.89	862.97	838.82
Auxiliary Consumption (%)	8.50%	8.50%	8.50%	8.50%	8.50%
Auxiliary Consumption (MU)	77.66	73.75	70.54	73.35	71.30
<b>Net Generation (MU)</b>	<b>835.98</b>	<b>793.84</b>	<b>759.34</b>	<b>789.62</b>	<b>767.52</b>
<b>E-Station</b>					
Capacity (MW)	121	121	121	121	121
PLF (%)	86.57%	73.06%	82.63%	82.02%	78.12%
Gross Generation (MU)	917.62	774.45	878.24	869.37	828.00
Auxiliary Consumption (%)	8.50%	8.50%	8.50%	8.50%	8.50%
Auxiliary Consumption (MU)	78.00	65.83	74.65	73.90	70.38
<b>Net Generation (MU)</b>	<b>839.63</b>	<b>708.62</b>	<b>803.59</b>	<b>795.47</b>	<b>757.62</b>
<b>F-Station</b>					
Capacity (MW)	121	121	121	121	121
PLF (%)	76.88%	83.16%	83.56%	81.65%	80.36%
Gross Generation (MU)	814.90	881.48	888.08	865.49	851.82
Auxiliary Consumption (%)	9.00%	9.00%	9.00%	9.00%	9.00%
Auxiliary Consumption (MU)	73.34	79.33	79.93	77.89	76.66
<b>Net Generation (MU)</b>	<b>741.56</b>	<b>802.15</b>	<b>808.16</b>	<b>787.60</b>	<b>775.15</b>
<b>TPL-G (APP)</b>					
Gross Generation (MU)	2,646.16	2,523.52	2,596.20	2,597.84	2,518.63
Auxiliary Consumption (MU)	229.00	218.91	225.12	225.14	218.34
<b>Net Generation (MU)</b>	<b>2,417.17</b>	<b>2,304.61</b>	<b>2,371.09</b>	<b>2,372.69</b>	<b>2,300.29</b>

### 5.11 Cost Parameters

#### Petitioner's Submission:

5.11.1 TPL-G (APP) has submitted that GERC (MYT) Regulations, 2024 specifies that the TPL-G have to prepare and submit the Fuel Utilisation Plan for each year of the MYT Control Period. In this regards, TPL-G (APP) submitted as under:

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

- a) TPL-G (APP) utilizes domestic coal from long term linkage and imported coal for balance/ technical requirement.
- b) TPL-G (APP) has arrived at the variable cost based on the proposed operational parameters for the MYT Control Period, wherein price of fuel & calorific value is taken as per the estimates for MYT Control Period.
- c) The calorific value of primary & secondary fuel is shown in the table below for the approval of the Hon’ble Commission:

**Table 5-17 Gross Calorific Value of Fuel for FY 2025-26 to FY 2029-30**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Indigenous Coal (kCal/Kg)	4,132	4,132	4,132	4,132	4,132
Imported Coal (kCal/Kg)	4,750	4,750	4,750	4,750	4,750
Secondary Fuel Oil (kCal/L)	10,139	10,139	10,139	10,139	10,139

5.11.2 The price of primary and secondary fuel considered for FY 2025-26 to FY 2029-30 is as under:

**Table 5-18 Price of Fuel for FY 2025-26 to FY 2029-30**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Indigenous Coal (Rs./Tonne)	5,706	5,701	5,709	5,711	5,710
Imported Coal (Rs./Tonne)	9,081	9,104	9,116	9,128	9,142
Secondary Fuel Oil (Rs./K.Litre)	58,384	58,384	58,384	58,384	58,384

**Commission’s Analysis:**

5.11.3 The Commission has analysed the submission of TPL-G (APP) in respect to Wt. Av. GCV of fuels, percentage mix of coal and price of fuels for individual stations. The Commission has considered GCV and price of fuel based on the following observations:



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

**Gross Calorific Value (GCV)**

5.11.4 The Commission has computed Wt. Av. GCV of coal by considering the GCV of fuels as per actuals of FY 2023-24 for each station for FY 2025-26 to FY 2029-30 as per the blending ratio.

**Table 5-19 Approved GCV for FY 2025-26 to FY 2029-30 (kCal/Kg – kCal/L)**

Station	Fuel Source	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
		Petitioner					Approved				
D Station	Indigenous	4,132	4,132	4,132	4,132	4,132	4,197	4,197	4,197	4,197	4,197
	Imported	4,750	4,750	4,750	4,750	4,750	4,517	4,517	4,517	4,517	4,517
	Wt. Avg	4,257	4,259	4,242	4,236	4,253	4,265	4,254	4,261	4,261	4,253
	Oil	10,139	10,139	10,139	10,139	10,139	10,143	10,143	10,143	10,143	10,143
E Station	Indigenous	4,132	4,132	4,132	4,132	4,132	4,197	4,197	4,197	4,197	4,197
	Imported	4,750	4,750	4,750	4,750	4,750	4,517	4,517	4,517	4,517	4,517
	Wt. Avg	4,255	4,274	4,242	4,237	4,254	4,265	4,253	4,260	4,261	4,253
	Oil	10,139	10,139	10,139	10,139	10,139	10,080	10,080	10,080	10,080	10,080
F Station	Indigenous	4,132	4,132	4,132	4,132	4,132	4,197	4,197	4,197	4,197	4,197
	Imported	4,750	4,750	4,750	4,750	4,750	4,517	4,517	4,517	4,517	4,517
	Wt. Avg	4,273	4,258	4,241	4,238	4,251	4,263	4,252	4,259	4,259	4,251
	Oil	10,139	10,139	10,139	10,139	10,139	10,001	10,001	10,001	10,001	10,001

**Blending of Fuel**

5.11.5 It has been observed that under the fuel utilization plan, TPL-G (APP) has projected the usage of indigenous coal linked to 90% of the Annual Contracted quantity (ACQ) under FSA with SECL. However, the estimated availability of the indigenous coal varies for each year of the Control Period resulting in the usage of coal ranging from 85% to 94%. Against the query raised by the Commission, TPL-G (APP) submitted that it has considered the receipt of Indian coal at 90% of ACQ (trigger level) to meet with coal requirement by optimizing the use of Indian coal and balance with imported coal throughout the year. However, the usage varies based on the used/carried forward quantity of the indigenous coal in subsequent year after fulfilling the coal requirement to achieve the estimated generation. Thus, there is a minor variation in the year-on-year projection of coal consumption.



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

5.11.6 The Commission has considered the utilization of 90% of the ACQ under FSA with SECL for projection purpose and the balance to be utilized through imported coal and accordingly the blending ratio has been computed. The Commission is of the view that in case of priority in utilization of the indigenous coal to the extent of 90% of ACQ, it may result in NIL stock to be carried forward.

5.11.7 Further as per Regulations 47.3 of GERC (MYT) Regulations, 2024, TPL-G (APP) was required to submit the Fuel utilisation plan on a monthly basis, however, the same was provided on the annual basis. Hence, it is directed to submit the fuel utilisation plan on a monthly basis in future tariff submission.

5.11.8 Accordingly, the Commission approves the following fuel utilisation plan with blending ratio of indigenous and imported coal for MYT Control Period.

**Table 5-20 Fuel Utilisation Plan for FY 2025-26 to FY 2029-30 (%)**

Station	Fuel Source	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
		Petitioner					Approved				
D Station	Indigenous	79.77%	79.48%	82.24%	83.20%	80.50%	78.71%	82.31%	80.14%	80.09%	82.46%
	Imported	20.23%	20.52%	17.76%	16.80%	19.50%	21.29%	17.69%	19.86%	19.91%	17.54%
E Station	Indigenous	80.16%	76.98%	82.27%	82.93%	80.22%	78.77%	82.38%	80.20%	80.15%	82.53%
	Imported	19.84%	23.02%	17.73%	17.07%	19.78%	21.23%	17.63%	19.80%	19.85%	17.48%
F Station	Indigenous	77.16%	79.65%	82.41%	82.79%	80.67%	79.32%	82.95%	80.76%	80.72%	83.10%
	Imported	22.84%	20.35%	17.59%	17.21%	19.33%	20.68%	17.05%	19.24%	19.29%	16.90%

\*-Above fuel utilisation plan is computed considering 90% of 13.29 MT indigenous coal i.e. 11.961 MT utilised within the year.

**Table 5-21 Total Fuel Utilisation for FY 2025-26 to FY 2029-30 (MT)**

Source of Fuel	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	
		Petitioner					Approved				
Indigenous Coal	12.00	11.39	12.30	12.42	11.64	11.96	11.96	11.96	11.96	11.96	
Imported Coal	3.14	3.04	2.62	2.53	2.80	3.17	2.51	2.90	2.91	2.48	

### **Fuel Price**

5.11.9 The approach adopted by the Commission for consideration of the fuel price is outlined as below:



- a) **Indigenous Coal** - The Commission has considered fuel wise and station wise fuel purchase price of indigenous coal of FY 2023-24 for the purpose of calculating fuel cost for FY 2025-26 to FY 2029-30.
- b) **Imported Coal** - With respect to imported coal, the Commission notes that in FY 2023-24, the cost of imported coal was on a higher side which has reduced significantly in FY 2024-25. Accordingly, the fuel price of imported coal has been considered on the landed price as projected by TPL-G (APP).
- c) **Secondary Fuel** - The Commission has considered fuel wise and station wise fuel purchase price of secondary fuel oil of FY 2023-24 for the purpose of calculating fuel cost for FY 2025-26 to FY 2029-30.
- d) **Other Cost** - The Commission has addressed TPL-G (APP) to furnish the details for the other cost discrepancy against which TPL-G (APP) has submitted that the other charges include Credit Note for grade slippage, underloading charges, escorting, sampling and supervision charges for indigenous coal and coal quality settlement, tarpaulin charges and sampling charges under imported coal. The Commission has considered the average of the five year cost as projected by TPL-G (APP) for projection purpose.
- e) **Escalation on Fuel Cost** - Further, considering that the ARR determination has been carried out for 5-year period i.e. FY 2025-26 to FY 2029-30, the Commission has allowed an escalation of 3% on indigenous coal, imported coal and secondary fuel price.

5.11.10 Based on the above analysis, the Commission has approved the GCV and Fuel Cost for MYT Control Period for FY 2025-26 to FY 2029-30.

## 5.12 Fuel Costs

5.12.1 Based on the performance and cost parameters, the normative fuel costs for each of the stations of TPL-G (APP) are as given below:

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Table 5-22 Fuel Cost of TPL-G (APP) for ARR of FY 2025-26 to FY 2029-30**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	<b>Submitted by TPL</b>					<b>Approved by Commission</b>				
<b>Indigenous Coal</b>										
Rate (Rs./Tonne)	5,975.81	5,975.81	5,975.81	5,975.81	5,975.81	5,774.25	5,947.48	6,125.91	6,309.68	6,498.97
Cost (Rs. Crore)	717.08	680.38	735.18	742.37	695.41	690.66	711.38	732.72	754.70	777.34
<b>Imported Coal</b>										
Rate (Rs./Tonne)	8,894.00	8,903.00	8,913.00	8,922.00	8,932.00	8,894.00	9,160.82	9,435.64	9,718.71	10,010.28
Cost (Rs. Crore)	279.57	270.97	233.83	225.63	250.33	281.96	229.77	273.49	282.64	248.55
<b>SFC</b>										
Rate (Rs./kl)	58,384.13	58,384.13	58,384.13	58,384.13	58,384.13	57,816.06	59,608.45	61,416.73	63,230.28	65,133.54
Cost (Rs. Crore)	15.45	14.73	15.16	15.17	14.70	15.30	15.04	15.95	16.43	16.40
<b>Other Charges</b>										
Other Cost - Rs. Crore	-26.51	-25.16	-27.54	-27.72	-25.09	-25.74	-27.07	-26.29	-26.27	-27.13
Total Coal Cost (Rs. Crore)	970.13	926.19	941.47	940.28	920.65	946.88	914.07	979.92	1,011.08	998.77
Total SFC (Rs. Crore)	15.45	14.73	15.16	15.17	14.70	15.30	15.04	15.95	16.43	16.40
<b>Total Fuel Cost (Rs. Crore)</b>	<b>985.58</b>	<b>940.93</b>	<b>956.63</b>	<b>955.45</b>	<b>935.36</b>	<b>962.18</b>	<b>929.11</b>	<b>995.86</b>	<b>1,027.50</b>	<b>1,015.17</b>

5.12.2 Based on the above fuel cost, the Energy Charges as determined considering the generation from the said station of TPL-G (APP) is as outlined below:

**Table 5-23 Energy Charges of TPL-G (APP) for ARR of FY 2025-26 to FY 2029-30**

Station	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Submitted by TPL</b>						<b>Approved by Commission</b>					
<b>D Station</b>											
Gross Generation	MU	913.64	867.59	829.89	862.97	838.82	913.64	867.59	829.89	862.97	838.82
Net Generation	MU	835.98	793.84	759.34	789.62	767.52	835.98	793.84	759.34	789.62	767.52
Fuel Cost	Rs. Cr	340.55	323.65	306.37	318.10	312.44	333.35	320.67	319.54	342.59	339.38
<b>Fuel Cost</b>	<b>Rs./kWh</b>	<b>4.07</b>	<b>4.08</b>	<b>4.03</b>	<b>4.03</b>	<b>4.07</b>	<b>3.99</b>	<b>4.04</b>	<b>4.21</b>	<b>4.34</b>	<b>4.42</b>
<b>E Station</b>											
Gross Generation	MU	917.62	774.45	878.24	869.37	828.00	917.62	774.45	878.24	869.37	828.00
Net Generation	MU	839.63	708.62	803.59	795.47	757.62	839.63	708.62	803.59	795.47	757.62
Fuel Cost	Rs. Cr	341.36	291.21	324.56	320.55	308.31	334.55	286.03	337.90	344.87	334.75



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

Station	Units	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
		2025-26	2026-27	2027-28	2028-29	2029-30	2025-26	2026-27	2027-28	2028-29	2029-30
<b>Submitted by TPL</b>						<b>Approved by Commission</b>					
<b>Fuel Cost</b>	<b>Rs./kWh</b>	<b>4.07</b>	<b>4.11</b>	<b>4.04</b>	<b>4.03</b>	<b>4.07</b>	<b>3.98</b>	<b>4.04</b>	<b>4.20</b>	<b>4.34</b>	<b>4.42</b>
<b>F Station</b>											
Gross Generation	MU	814.90	881.48	888.08	865.49	851.82	814.90	881.48	888.08	865.49	851.82
Net Generation	MU	741.56	802.15	808.16	787.60	775.15	741.56	802.15	808.16	787.60	775.15
Fuel Cost	Rs. Cr	303.67	326.07	325.70	316.81	314.60	294.27	322.41	338.42	340.05	341.05
<b>Fuel Cost</b>	<b>Rs./kWh</b>	<b>4.10</b>	<b>4.06</b>	<b>4.03</b>	<b>4.02</b>	<b>4.06</b>	<b>3.97</b>	<b>4.02</b>	<b>4.19</b>	<b>4.32</b>	<b>4.40</b>
<b>Total</b>											
Gross Generation	MU	2,646.16	2,523.52	2,596.20	2,597.84	2,518.63	2,646.16	2,523.52	2,596.20	2,597.84	2,518.63
Net Generation	MU	2,417.17	2,304.61	2,371.09	2,372.69	2,300.29	2,417.17	2,304.61	2,371.09	2,372.69	2,300.29
Fuel Cost	Rs. Cr	985.58	940.93	956.63	955.45	935.36	962.18	929.11	995.86	1,027.50	1,015.17
<b>Fuel Cost</b>	<b>Rs./kWh</b>	<b>4.08</b>	<b>4.08</b>	<b>4.03</b>	<b>4.03</b>	<b>4.07</b>	<b>3.98</b>	<b>4.03</b>	<b>4.20</b>	<b>4.33</b>	<b>4.41</b>

5.12.3 Any difference in fuel cost during the financial year due to variation in cost parameters is to be passed on to the consumers as per approved FPPPA formula as per GERC (MYT) Regulations, 2024.

**Table 5-24 Total Fuel Cost approved for FY 2025-26 to FY 2029-30(Rs. Crore)**

Fuel Cost	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>As per Claimed</b>	985.58	940.93	956.63	955.45	935.36
<b>Approved</b>	962.18	929.11	995.86	1,027.50	1,015.17

### 5.13 Operation & Maintenance (O&M) Expenses

#### Petitioner's Submission:

5.13.1 TPL-G (APP) has submitted that the O&M Expenses are mainly driven by inflation, standards of performance, conditions of existing assets necessitating better maintenance, & safety norms.

5.13.2 TPL-G (APP) has derived O&M expenses on the basis of the average of the actual audited O&M expense for the past ten years ending March 31, 2024 in line with Regulation 54.1 of GERC (MYT) Regulations, 2024. Also, as per the said Regulations, the average of ten-year audited O&M expense shall be considered as O&M expense for 31<sup>st</sup> March, 2019 and shall be escalated at the



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

---

respective escalation rate of FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24 to arrive at the O&M expense for the base year ending March, 2024.

5.13.3 Therefore, TPL-G has projected the O&M expenses for MYT Control Period by escalating the base year O&M Expense of FY 2023-24 as per the formula provided in GERC (MYT) Regulations, 2024. Accordingly, the O&M expenses arrived through this methodology for TPL-G(APP) is shown in the table below:

**Table 5-25 O&M Expenses claimed by of TPL-G (APP) for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Operation & Maintenance Expenses	185.69	194.89	203.96	210.18	216.43

5.13.4 Further, TPL-G (APP) has submitted that the variation in O&M expenses does not consider the uncontrollable expenses such as the wage revision, change in law, etc. and requested these components of uncontrollable factors and any such expenses on account of these factors are to be allowed over and above the normal allowable components.

**Commission’s Analysis:**

5.13.5 As per Regulation 54.1 of GERC (MYT) Regulations, 2024 for projecting O&M expenses for FY 2025-26 to FY 2029-30, the Commission has considered the average of the actual audited O&M expense for the past ten years ending 31<sup>st</sup> March, 2024 as per MYT Regulation, 2024.

5.13.6 However, it was observed that the approach of TPL-G (APP) while considering the past ten years average has deviated on two aspects, i.e., O&M expenses considered with the adjustment of insurance claim receipt and A&G as well as R&M Expenses are bifurcated into Manpower and Non-Manpower related cost which are later on linked with CPI and WPI respectively. The Commission in its earlier approach has considered the insurance claim receipt in Non-Tariff Income and has also considered the same in A&G expenses under the head of



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

---

O&M expenses. Further, the GERC (MYT) Regulations, 2024 Clause 52.2 (i) has also specified the same. Therefore, the similar treatment has been provided to last ten year O&M expenses while determining the base O&M expenses as on 31<sup>st</sup> March, 2019. Further, in relation to segregation of A&G and R&M Expenses into Man-power and Non-Manpower related cost, the Commission is of the view that any expenses, if subcontracted or expenses like security expenses, technical services, labour cost, etc cannot be considered as an employee expenses to be linked to CPI Index and the said expenses are being undertaken on a commercial business principle adopted by TPL-G (APP) and the same cannot be segregated accordingly. Therefore, the A&G and R&M expenses as approved by the Commission in past Truing up Order has been considered with WPI weightage. Also, while considering the O&M expenses for past ten years, the Commission has not considered any uncontrollable cost such as Gratuity revision, Leave encashment, etc which has been approved in the relevant year of the tariff Order,

5.13.7 Based on the above principle adopted by the Commission, the base O&M as on 31<sup>st</sup> March, 2019 is outlined as below:

**Table 5-26 Base O&M Expenses as on 31<sup>st</sup> March, 2019 approved by the Commission (Rs. Crore)**

Particulars	Petitioner	Approved
<b>Employee Expenses</b>	<b>59.51</b>	<b>58.80</b>
A&G Expenses - Manpower Related	2.41	
A&G Expenses	16.99	
<b>A&amp;G Expenses - Total</b>	<b>19.40</b>	<b>20.78</b>
R&M Expenses	45.11	
R&M Expenses - Manpower Related	18.33	
<b>R&amp;M Expenses - Total</b>	<b>63.44</b>	<b>63.44</b>
<b>O&amp;M for FY 2018-19</b>	<b>142.34</b>	<b>143.02</b>

5.13.8 With respect to R&M expenses, K factor of 5.56% has been derived based on last ten years average of R&M Expenses with Gross Fixed Assets and the same is considered to project the R&M Expenses for FY 2025-26 to FY 2029-30.

5.13.9 The O&M Expenses arrived as on 31<sup>st</sup> March, 2019 are escalated based on WPI:



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

CPI Rate of the respective year with the weightage of the expenses as derived above whereby Employee is linked to CPI and A&G as well as R&M is linked to WPI to compute O&M expenses for FY 2023-24 which is later on escalated @ 4.04% (against TPL-G (APP) proposal of 4.38%) year-on-year to arrive at O&M Expenses for FY 2024-25 to FY 2029-30.

5.13.10 The Commission, accordingly, approves the O&M expenses for FY 2025-26 to FY 2029-30 as given hereunder;

**Table 5-27 O&M Expenses approved by the Commission for FY 2025-26 to FY 2029-30**  
**(Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	<b>Petitioner</b>					<b>Approved</b>				
Employee Expenses	84.22	87.91	91.76	95.77	99.96	82.05	85.36	88.80	92.39	96.12
A&G Expenses	27.46	28.66	29.91	31.22	32.59	28.99	30.16	31.38	32.65	33.97
R&M Expenses	74.01	78.32	82.29	83.19	83.88	74.81	78.55	81.99	82.77	83.37
O&M Expenses	<b>185.69</b>	<b>194.89</b>	<b>203.96</b>	<b>210.18</b>	<b>216.43</b>	<b>185.85</b>	<b>194.08</b>	<b>202.18</b>	<b>207.80</b>	<b>213.45</b>

## 5.14 Water Charges

### Petitioner's Submission:

5.14.1 TPL-G (APP) has projected towards water charges for FY 2025-26 to FY 2029-30.

**Table 5-28 Projected Water Charges for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Water Charges	25.91	24.92	26.58	27.34	26.89

### Commission's Analysis:

5.14.2 Regulation 54.1.3(b) of the GERC (MYT) Regulations, 2024 specifies the water charges shall be allowed separately as per actuals, based on water consumption depending upon type of plant, type of cooling water system etc.,

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

subject to prudence check. Also, it states that the Commission may provisionally approve the water charges as per latest Audited Accounts.

5.14.3 However, the Commission has observed that while projecting the Water Charges, no details has been provided by the Petitioner for projecting the quantum of the water requirement. Also, in reply to the query raised by the Commission, TPL-G (APP) has considered 3% escalation every year on the price of French well Water which is also specified in the notification of the Government of Gujarat.

5.14.4 The Commission notes that the generation as projected by TPL-G (APP) and approved by the Commission is lower than the actual generation in FY 2023-24 and hence there is a need to project the water consumption in proportion to the generation approved for the MYT Control Period. Accordingly, the Commission has provisionally considered the water charges for FY 2025-26 to FY 2029-30 in proportion to the generation approved for FY 2023-24 and has considered 3% escalation on the Rate of water in Rs./Cub.Mtr of FY 2023-24.

**Table 5-29 Water Charges Approved by the Commission for FY 2025-26 to FY 2029-30**  
**(Rs. Crore)**

Particulars	FY 2025-	FY 2026-	FY 2027-	FY 2028-	FY 2029-	FY 2025-	FY 2026-	FY 2027-	FY 2028-	FY 2029-
	26	27	28	29	30	26	27	28	29	30
	<b>Petitioner</b>					<b>Approved</b>				
Water Charges	25.91	24.92	26.58	27.34	26.89	23.22	22.81	24.17	24.91	24.87

## 5.15 Capital Expenditure

### Petitioner's Submission:

5.15.1 TPL-G (APP) submitted that, it endeavors to operate the generating plants efficiently to meet the normative operational parameters. This has been possible on account of periodical up-gradations / modernization of the plants. For MYT Control Period, as per guidance and requirement specified by MOP/CEA, the TPL-G (APP) has proposed to utilize the AMGEN Plant till FY 2029-30.



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

5.15.2 TPL-G (APP) submitted that to ensure smooth and consistent operations with higher level of efficiency periodical capex is needed on account of upgradation and modernisation of the plants particularly for major overhauling of D station Turbine.

5.15.3 TPL-G (APP) has projected capital expenditure for FY 2025-26 to FY 2029-30, as per the details given in table below:

**Table 5-30 CAPEX Projected by TPL-G (APP) For FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>Normal Capital Expenditure</b>					
Boiler works	16.80	16.80	11.05	9.75	-
Turbine works	30.70	28.00	-	-	-
Electrical works	12.07	12.20	1.55	-	-
C&I works	3.20	1.85	0.20	0.20	-
Civil works	2.00	2.00	1.00	-	-
CHP works	4.00	4.00	0.50	0.50	-
Others	1.88	1.50	0.25	0.40	-
<b>Sub Total</b>	<b>70.65</b>	<b>66.35</b>	<b>14.55</b>	<b>10.84</b>	<b>-</b>
Miscellaneous	3.75	2.07	0.87	1.08	0.47
<b>Grand Total</b>	<b>74.40</b>	<b>68.42</b>	<b>15.42</b>	<b>11.93</b>	<b>0.47</b>

5.15.4 TPL-G (APP) has furnished the details of major capital expenditure as given below;

- i. Normal Capital Expenditure: The capital expenditure is proposed towards overhauling, renovation & replacement of important parts/ system in light of the ageing effect on the equipment and wear and tear during the normal operations.
  - o *Boiler Works*: It is proposed to incur capex in a phased manner towards (i) BTG pressure parts replacement as they are subjected to high temperature and pressure in boiler area (ii) ESP overhauling & replacement (iii) Pumps & related system components, (iv) Overhauling of Boiler and Air heaters, and (iv) other expenditure towards testing instruments, Ash Handling System.
  - o *Turbine Works*: During MYT Control Period, TPL-G (APP) proposed to



incur the capital expenditure towards F station turbine and generator overhauling along with ancillary system refurbishment of plant and to prevent any unwanted plant outages. Additionally, capex is also proposed to be incurred towards refurbishment of cooling tower, pumps & Turbine main oil cooler.

- *Electrical Works:* During MYT Control Period, expenditure is planned towards rewinding of E station Generator Transformer (GT), E station Interconnecting Transformer (ICT) -1 Refurbishment, Supply & replacement of MCC for station transformer & conveyor belt, Procurement and replacement of ABT Meters and associated communication parts, Procurement and installation related to Conveyor belt, and other critical parts.
  - *Control & Instrumentation Works:* Major Capex is incurred towards D station ABB DCS HMI Upgradation. Capex has also been estimated towards Replacement/upgradation of UPS along with its battery bank at Coal Handling Plant and UPS Battery Bank at Unit D, Upgradation of enviro monitoring & combustion analyzers, and amongst others.
  - *CHP Works:* Expenditure is proposed towards CHP and its ancillary systems like dozer, loco and mobile vacuum plant.
  - Capital Expenditure has also been planned towards installation of HVAC & water distribution and cooling system, upgradation of store, Procurement of Analytical Laboratory Instruments and Fire detection Equipment etc.
- ii. Miscellaneous: Other items include expenditure towards Security Strengthening equipment, office equipment and facility work and IT assets, TPL-G (APP) submitted that the capital expenditure described hereinabove is necessary for ensuring the smooth operations of the generating station. TPL-G (APP) therefore requested the Commission to approve the same.

5.15.5 TPL-G (APP) further submitted that the Ministry of Environment & Forests

(MoEF) has revised the environmental norms for thermal power plants vide its notification dated 07.12.2015 and subsequently given extension to plants to comply with the requirements till 31.12.2027. Accordingly, TPL-G (APP) has not considered any capex towards compliance with MoEF notification in the present petition and shall approach the Commission at appropriate stage.

**Commission’s Analysis:**

5.15.6 TPL-G (APP) has projected capex for FY 2025-26 to FY 2029-30 as detailed in Table 5-30 above along with justification for the capex projected for FY 2025-26 to FY 2029-30.

5.15.7 Regulations 29 and 30 of GERC (MYT) Regulations, 2024 provides for admission of the capital cost and capitalisation to be incurred for the Control Period to form the basis for determination of Tariff. Further, Regulations 29.8 of GERC (MYT) Regulations, 2024 states that the Commission has specified the Guidelines for approval of Capital Investment Schemes as provided in Annexure III to the Regulations, whereby TPL-G (APP) is required to make an application to the Commission for obtaining prior approval for schemes involving major investments as per criteria specified in these Guidelines. The DPR as submitted by TPL-G (APP) will be basis for approval of the CAPEX and Capitalisation during the Truing up of the respective year of the Control Period. Accordingly, TPL-G (APP) has submitted the application related to DPR of CAPEX / Capitalisation alongwith the scheme details, justification for the work, capitalization schedule, capital structure and cost benefit analysis (wherever applicable). The Commission will evaluate the same as per relevant provisions of the GERC (MYT) Regulations, 2024 and such approval of schemes will form the basis for approval of capitalisation at the time of Truing up subject to prudence check.

5.15.8 However, the Commission is of the view that in order to operate the generating plants efficiently to meet the normative operational parameters and to ensure smooth and consistent operations with higher level of efficiency, the Capex

planned by TPL-G (APP) is required and accordingly the Commission approves the Capex as submitted by TPL-G (APP) for the 1<sup>st</sup> year of the Control Period i.e., FY 2025-26. Further, the schemes proposed by TPL-G (APP) in FY 2025-26 and commenced in the same year are deemed approved even if the phasing of completion of said schemes as per DPR extends beyond FY 2025-26. However, from FY 2026-27 onwards, the schemes approved by Commission will be allowed to be capitalized. subject to approval of DPRs submitted by TPL-G (APP).

5.15.9 The Commission observed that during previous five years i.e., FY 2019-20 to FY 2023-24, TPL-G (APP) has capitalized close to 86.94% amount to capital expenditure approved for the respective financial years. Thus, for MYT Control Period, the Commission, accordingly, approves the capitalisation of 86.94% of the total capital expenditure approved for the MYT Control Period.

5.15.10 As per first proviso to Regulation 32.1 of GERC (MYT) Regulations, 2024, in case of any assets which has completed its useful life as on or after 01<sup>st</sup> April, 2025, the excess of accumulated depreciation net of cumulative repayment of normative loan attributable to such asset, shall be utilized for reduction of the equity over the period of next five financial years in equal tranches. TPL-G (APP), based on the query raised by the Commission, has submitted that as on 31<sup>st</sup> March, 2024, assets of Rs. 18.09 Crore has completed the useful life or the accumulated depreciation claimed is 90%. Therefore, in line with the GERC (MYT) Regulations 2024, the 20% of the equity (Accumulated depreciation of 90% - 70% of the Loan amount) has been reduced in five financial years of the MYT Control Period in equal tranches. However, for intangible assets, considering the accumulated depreciation to be 100%, 30% of the equity is reduced in five equal tranches.

5.15.11 It is also noted that the accumulated depreciation of Rs. 129.64 Crore (up to FY 2023-24) has not been adjusted against normative debt and remains unaccounted for in the equity structure. It is necessary to ensure a prudent

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

financial treatment of such accumulated depreciation.

5.15.12 Based on the above approach, the Commission has approved closing GFA of Rs. 1,185.03 Crore in Truing up of FY 2023-24 and the same is considered as opening GFA for FY 2024-25. Further, the Commission has considered capitalisation of Rs. 109.12 Crore as approved in Tariff Order for FY 2024-25 and arrived at closing GFA for FY 2024-25 at Rs. 1,294.15 Crore and the same is considered as opening GFA for FY 2025-26.

5.15.13 The Commission, as deliberated above has considered the opening GFA, additions during the year and closing GFA for FY 2025-26 to FY 2029-30 as given in table below:

**Table 5-31 Gross Fixed Assets approved for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Sr.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Opening GFA	1,294.15	1,358.83	1,418.32	1,431.73	1,442.10
2	Assets additions during year	64.68	59.49	13.41	10.37	0.41
3	Deletion from GFA	-	-	-	-	-
4	Closing GFA	1,358.83	1,418.32	1,431.73	1,442.10	1,442.51

5.15.14 The Commission in terms of GERC (MYT) Regulations, 2024 has approved the funding of capitalisation considering normative debt-equity as tabulated under:

**Table 5-32 Approved Capitalisation for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Capitalisation	64.68	59.49	13.41	10.37	0.41
Normative Debt @70%	45.28	41.64	9.39	7.26	0.29
Normative Equity @30%	19.41	17.85	4.02	3.11	0.12

## 5.16 Depreciation

### Petitioner's Submission:

5.16.1 TPL-G (APP) submitted that the depreciation rates as per the CERC (Terms & Conditions of Tariff) Regulations, 2004 is applied on the opening GFA of FY



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

---

2009-10 and for addition of assets from 1st April 2009 onwards depreciation has been computed at the rates specified in the GERC Regulations

5.16.2 The total depreciation arrived at after the computation described above is shown in the table below. TPL-G (APP) requested to the Commission to approve the depreciation as proposed.

**Table 5-33 Projected Depreciation for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Depreciation	54.93	33.42	32.67	32.68	32.67

**Commission’s Analysis:**

5.16.3 The Commission has considered closing GFA of Rs. 1,294.15 Crore in FY 2024-25 based on the capitalisation of Rs. 109.12 Crore as approved in Tariff Order for FY 2024-25 and therefore the same is considered as opening GFA for FY 2025-26. Further, the Commission has considered capitalisation over MYT Control Period and arrived at closing GFA for FY 2029-30 at Rs. 1,442.51 Crore and the addition of GFA is considered based on the capitalisation approved for MYT Control Period.

5.16.4 With respect to computation of the depreciation, Regulation 37.6 of GERC (MYT) Regulations, 2024, states that depreciation computation needs to be separately computed for assets added up to 31<sup>st</sup> March, 2025 and assets added on or after 01<sup>st</sup> April, 2025.

5.16.5 Accordingly, the rate of depreciation on assets for assets added upto 31<sup>st</sup> March, 2025 is considered as per the rate as provided by TPL-G (APP) and for new asset addition post 1<sup>st</sup> April, 2025, the depreciation rate is considered as per Annexure I of GERC (MYT) Regulations, 2025, which is tabulated as below:



Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Table 5-34 Depreciation approved for FY 2025-26 to FY 2029-30 (Existing Assets) (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	1,294.15	1,294.15	1,294.15	1,294.15	1,294.15
Addition to GFA	-	-	-	-	-
Deletion from GFA	-	-	-	-	-
Closing GFA	1,294.15	1,294.15	1,294.15	1,294.15	1,294.15
Average GFA	1,294.15	1,294.15	1,294.15	1,294.15	1,294.15
Depreciation	54.98	29.51	25.52	24.72	24.15
Depreciation Rate	4.25%	2.28%	1.97%	1.91%	1.87%

**Table 5-35 Depreciation approved for FY 2025-26 to FY 2029-30 (New Assets) (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening GFA	-	64.68	124.17	137.58	147.95
Addition to GFA	64.68	59.49	13.41	10.37	0.41
Deletion from GFA	-	-	-	-	-
Closing GFA	64.68	124.17	137.58	147.95	148.36
Average GFA	32.34	94.43	130.88	142.77	148.16
Depreciation	1.69	4.94	6.85	7.47	7.75
Depreciation Rate	5.23%	5.23%	5.23%	5.23%	5.23%

**Table 5-36 Depreciation approved for FY 2025-26 to FY 2029-30 (Total Assets) (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening value of depreciable GFA	1,294.15	1,358.83	1,418.32	1,431.73	1,442.10
Addition during year	64.68	59.49	13.41	10.37	0.41
Deletion from GFA	-	-	-	-	-
Closing GFA	1,358.83	1,418.32	1,431.73	1,442.10	1,442.51
Average depreciable assets	1,326.49	1,388.58	1,425.03	1,436.92	1,442.31
Depreciation allowed in ARR	56.67	34.45	32.37	32.19	31.90
<b>Average Depreciation Rate</b>	<b>4.27%</b>	<b>2.48%</b>	<b>2.27%</b>	<b>2.24%</b>	<b>2.21%</b>

## 5.17 Interest Expenses

### Petitioner's Submission:

5.17.1 TPL-G (APP) has submitted that capital expenditure for the MYT Control

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

Period will be funded through a debt: equity ratio of 70:30 as per the GERC (MYT) Regulations, 2024.

5.17.2 Further, the Regulation 33.2 of GERC (MYT) Regulations, 2024 provides for the calculation of interest expenses on normative basis considering the amount of depreciation of assets as the amount of repayment. TPL-G (APP) has considered the interest expenses as per the GERC (MYT) Regulations, 2024 on normative loans. It has considered rate of Interest of 1 Year MCLR + 0.5% while repayment has been considered equal to the depreciation of the assets for the year.

5.17.3 The interest expense, thus, proposed by TPL-G (APP) is shown in the table below:

**Table 5-37 Interest on loans projected for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance of Loans	13.37	10.52	24.99	3.11	-
Loan addition during the year	52.08	47.89	10.79	8.35	0.33
Deletion	-	-	-	-	-
Repayments during the year	54.93	33.42	32.67	32.68	32.67
Closing Balance of Loans	10.52	24.99	3.11	-	-
<b>Average Loans</b>	11.94	17.75	14.05	1.56	
Rate of Interest on actual Loans (%)	9.15%	9.15%	9.15%	9.15%	9.15%
<b>Interest Expense</b>	1.09	1.62	1.29	0.14	-

**Commission's Analysis:**

5.17.4 The Commission has considered the normative closing loan balance as Rs. 19.94 Crore for FY 2024-25 for calculation of interest on existing loan as per Regulation 33.1 of GERC (MYT) Regulations, 2024. Further, the repayment of the loan is considered equivalent to the depreciation amount computed for the existing assets put to use prior to 01<sup>st</sup> April, 2025 as per Regulation 33.3 of GERC (MYT) Regulations, 2024. Also, in line with Regulation 33.5 of GERC (MYT) Regulations, 2024, rate of interest considered is weighted average rate of interest calculated on the actual loan portfolio as on 1<sup>st</sup> April, 2024 which is equivalent to 8.55% p.a.



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

5.17.5 As specified in para 5.15.10 assets of Rs. 18.09 Crore has completed the useful life or the accumulated depreciation claimed is 90%. Therefore, in line with first proviso to Regulation 32.1 of GERC (MYT) Regulations, 2024, the 20% of the equity (Accumulated depreciation of 90% - 70% of the Loan amount) has been reduced in five financial year of the MYT Control Period in equal tranches. However, for intangible assets, considering the accumulated depreciation to be 100%, 30% of the equity is reduced in five equal tranches. Accordingly, the Commission has also reduced equivalent amount from the loan repayment in view of the fact that the said amount was adjusted in the loan repayment equivalent to the depreciation amount in previous years.

5.17.6 With respect to new asset capitalized during MYT Control Period, Return on Capital Employed is calculated as per Regulation 36 of GERC (MYT) Regulations, 2024.

5.17.7 The Commission, accordingly, approves interest on loan on existing assets capitalised before 1<sup>st</sup> April 2025 for MYT Control Period of FY 2025-26 to FY 2029-30.

**Table 5-38 Interest on loan approved for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Balance of Loans	19.94	-	-	-	-
Loan addition during the year	-	-	-	-	-
Deletion	-	-	-	-	-
Repayments during the year	54.11	28.63	24.65	23.85	23.27
Closing Balance of Loans	-	-	-	-	-
<b>Average Loans</b>	<b>9.97</b>	-	-	-	-
Rate of Interest on actual Loans (%)	8.55%	8.55%	8.55%	8.55%	8.55%
<b>Interest Expense</b>	<b>0.85</b>	-	-	-	-

## 5.18 Interest on Working Capital

### Petitioner's Submission:

5.18.1 TPL-G (APP) has submitted that interest on working capital is computed as per the GERC (MYT) Regulations, 2024 and the interest rate of 10.65%, being the



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

SBI MCLR rate on 1<sup>st</sup> April 2024 plus 200 basis points, is applied on the working capital requirement arrived at in accordance with the Regulations. TPL-G (APP) has computed the working capital requirement and interest thereon as shown in table below;

**Table 5-39 Interest on Working Capital claimed for FY 2025-26 – FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cost of Coal for 1.5 Months	84.00	65.03	74.40	74.40	74.40
Secondary fuel oil for 2 months	2.52	1.42	1.78	1.77	1.77
O&M expenses for 1 month	15.47	16.24	17.00	17.51	18.04
Maintenance Spares @1% of GFA	12.76	13.50	14.19	14.34	14.46
<b>Working Capital Requirement</b>	<b>114.75</b>	<b>96.20</b>	<b>107.36</b>	<b>108.03</b>	<b>108.67</b>
Rate of Interest (%)	10.65%	10.65%	10.65%	10.65%	10.65%
<b>Interest on Working Capital</b>	<b>12.22</b>	<b>10.25</b>	<b>11.43</b>	<b>11.51</b>	<b>11.57</b>

**Commission’s Analysis:**

5.18.2 The Regulation 38.1.1 of GERC (MYT) Regulations, 2024 specify the norms for thermal generating stations for computation of working capital requirement and interest on working capital thereon. According to the Regulations, the working capital requirement comprises of 1 month of coal cost, 2 months’ secondary fuel oil cost, 1-month O&M expenses, maintenance spares at 1% of historical cost of GFA and receivables equivalent to 1 month. However, as the entire generation from TPL-G (APP) is for TPL’s own distribution i.e. Retail supply business, the receivable are not considered for working capital requirement.

5.18.3 In line with proviso to Regulation 38.6.1 of GERC (MYT) Regulations, 2024, the Commission has considered rate of interest at 10.65% being the 1-year SBI MCLR as on 1<sup>st</sup> April 2024 (8.65%) including 200 basis points.

5.18.4 The working capital and interest thereon calculated for FY 2025-26 to FY 2029-30 is tabulated as under:

**Table 5-40 Interest on Working Capital approved for FY 2025-26 to FY 2029-30 (Rs.**



Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

*Crore)*

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Cost of Coal for 1 Months	82.54	83.78	87.30	89.69	91.50
Secondary fuel oil for 2 months	1.30	1.34	1.38	1.42	1.46
O&M expenses for 1 month	15.49	16.17	16.85	17.32	17.79
Maintenance Spares @1% of GFA	12.94	13.59	14.18	14.32	14.42
<b>Working Capital Requirement</b>	<b>112.27</b>	<b>114.88</b>	<b>119.72</b>	<b>122.75</b>	<b>125.178</b>
Rate of Interest (%)	10.65%	10.65%	10.65%	10.65%	10.65%
<b>Interest on Working Capital</b>	<b>11.96</b>	<b>12.24</b>	<b>12.75</b>	<b>13.07</b>	<b>13.33</b>

### 5.19 Return on Equity

#### Petitioner's Submission:

5.19.1 TPL-G submitted that, as per GERC (MYT) Regulations 2024, the Commission has provided for computation of return on equity for existing assets capitalised upto 31st March, 2025 and return on capital employed for assets capitalised w.e.f. 1st April, 2025 grossed up for applicable income tax. Further, TPL-G (APP) has filed a Petition seeking necessary clarification/rectification to make the same consistent with MOP Rules.

5.19.2 TPL-G (APP) further submitted that, it has computed the return on equity at 15.50% for assets commissioned upto 01<sup>st</sup> April 2025 and for new assets commissioned after 01<sup>st</sup> April 2025 based on the Electricity (Second Amendment) Rules, 2023 dated 26<sup>th</sup> July, 2023 issued by MoP, GOI subject to the outcome of the Petition No. 2404/2024. Further, the rate of return on equity has been grossed up with MAT rate and applied on average of opening and closing balance of the equity arrived at by considering the estimated capitalisation in MYT Control Period.

5.19.3 The return on equity estimated by the TPL-G (APP) is shown in the table



Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

below:

**Table 5-41 Return on Equity projected for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Equity	469.80	492.12	512.64	517.27	520.85
Equity Addition	22.32	20.53	4.63	3.58	0.14
Closing Equity	492.12	512.64	517.27	520.85	520.99
<b>Return on Equity including income tax</b>	<b>90.33</b>	<b>94.35</b>	<b>96.72</b>	<b>97.49</b>	<b>97.84</b>

**Commission’s Analysis:**

5.19.4 The Commission has approved the closing equity at Rs. 442.50 Crore in Truing up of FY 2023-24 and the same is considered as opening equity for FY 2024-25. The addition to equity is further updated based on 30% of the capitalisation as approved in tariff order of FY 2024-25. Further, as specified in para 5.15.10 assets of Rs. 18.09 Crore has completed the useful life or the accumulated depreciation claimed is 90%. Therefore, in line with first proviso to Regulation 32.1 of GERC (MYT) Regulations, 2024, the 20% of the equity (Accumulated depreciation of 90% - 70% of the Loan amount) has been reduced in five financial year of the MYT Control Period in equal tranches. However, for intangible assets, considering the accumulated depreciation to be 100%, 30% of the equity is reduced in five equal tranches.

5.19.5 It is also noted that the accumulated depreciation of Rs. 129.64 Crore (up to FY 2023-24) has not been adjusted against normative debt and remains unaccounted for in the equity structure. It is necessary to ensure a prudent financial treatment of such accumulated depreciation.

5.19.6 Also, as per Regulation 35.2 of GERC (MYT) Regulations, 2024, Base Return on Equity of 13% p.a. is to be allowed and Regulation 35.1 of GERC (MYT) Regulations 2024 specifies that Additional Return on Equity shall be Trued up for respective year based on actual performance substantiated by documentary evidence, after prudence check by the Commission. Accordingly, the Base RoE of 13% has been grossed up with the income tax rate of 16.72%



**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

on the basis of actual tax paid on the book profit of FY 2023-24 as per Regulations 39.2 and 39.3 of GERC (MYT) Regulations, 2024.

5.19.7 With respect to the new asset approved to be capitalised during MYT Control Period of FY 2025-26 to FY 2029-30, Return on Capital Employed is calculated as per Regulation 36 of GERC (MYT) Regulations, 2024.

5.19.8 The Commission has observed that TPL-G (APP) has filed the Petition No. 2404/2024 related to computation of RoE based on the Electricity (Second Amendment) Rules, 2023 dated 26<sup>th</sup> July 2024 and the matter is subjudice. Therefore, the Commission has adopted the approach as specified in GERC (MYT) Regulations, 2024 for computation of Interest, Return on Equity and Return on Capital Employed.

5.19.9 The Commission, accordingly, computed the Return on Equity for FY 2025-26 to FY 2029-30 as detailed below;

**Table 5-42 Return on Equity approved for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening Equity	475.23	474.36	473.49	472.61	471.74
Equity Addition					
Equity reduced due to completion of Useful Life	0.87	0.87	0.87	0.87	0.87
Closing Equity	<b>474.36</b>	<b>473.49</b>	<b>472.61</b>	<b>471.74</b>	<b>470.87</b>
Return on Equity at beginning of year	74.18	74.05	73.91	73.77	73.64
Return on Equity addition during year	(0.07)	(0.07)	(0.07)	(0.07)	(0.07)
<b>Return on Equity with effective tax rate</b>	<b>74.11</b>	<b>73.98</b>	<b>73.84</b>	<b>73.70</b>	<b>73.57</b>
<b>Grossed up RoE (%)</b>	<b>15.61%</b>	<b>15.61%</b>	<b>15.61%</b>	<b>15.61%</b>	<b>15.61%</b>

5.19.10 As per Regulation 35.6 of GERC (MYT) Regulations, 2024, the additional rate of Return on Equity shall be trued-up subject to the following:

(a) an additional rate of Return on Equity shall be allowed as per the following schedule:

- (i) 0.50% for Unit that achieves Mean Time Between Failure (MTBF) of at least 45 days;
- (ii) 0.75% for Unit that achieves Mean Time Between Failure (MTBF) of at least 90 days;
- (iii) 1.00% for Unit that achieves Mean Time Between Failure (MTBF) of at least 120 days:

Provided that the Mean Time Between Failure (MTBF) shall be computed as provided in of GERC (MYT), Regulations, 2024:

Provided further that the equity base for the respective unit shall be considered in proportion to the installed capacity of the generation station, in case the tariff is determined for the generation station as a whole;

(b) an additional rate of Return on Equity of 1.50% shall be allowed for higher than 90% availability during peak hours (except during scheduled maintenance decided at the start of the FY)

(c) an additional rate of Return on Equity of 0.125% shall be allowed for every incremental ramp rate of 0.50% per minute achieved over and above the ramp rate specified by Central Electricity Authority (CEA), subject to the ceiling of additional rate of return on equity of 1.00%.

## **5.20 Return on Capital Employed**

5.20.1 As stated above, the Petitioner has not computed Return on Capital Employed and has computed Return on Equity for the entire assets capitalized before and after 1<sup>st</sup> April, 2025 by relying based on the Electricity (Second Amendment) Rules, 2023 dated 26<sup>th</sup> July, 2024 and referring the matter is sub-judice.

5.20.2 The Commission has asked TPL-G (APP) to submit the computation of RoCE for FY 2025-26 to FY 2029-30 based on GERC (MYT) Regulations, 2024. In

**Torrent Power Limited – Generation**  
**Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of**  
**Tariff for FY 2025-26**

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compliance to this, it has submitted the detailed calculations of RoCE for the assets capitalized on or after 1<sup>st</sup> April, 2025 as outlined below:

**Table 5-43 Return on Capital Employed as per TPL-G (APP) for FY 2025-26 to FY 2029-30**  
**(Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening RRB	-	73.80	137.79	145.54	149.01
Closing RRB	73.80	137.79	145.54	149.01	140.49
Average RRB	36.90	106.10	144.18	153.63	155.33
RoCE	4.44	12.77	17.36	18.50	18.70

5.20.3 The Commission has relied upon Regulation 36 of the GERC (MYT) Regulations, 2024 and decided to adopt the Return on Capital Employed method for FY 2025-26 to FY 2029-30 for TPL-G (APP) for the assets capitalized on or after 1st April, 2025, as the Return on Capital Employed (RoCE) is the determining factor for the return to the Generating Company. The approved expenses cover all financing costs, excluding expenses incurred for availing loans, without providing a separate allowance for interest on loans.

5.20.4 In line with the provisions of Regulation 36 of the GERC (MYT) Regulations, 2024, the Commission has determined the Regulated Rate Base (RRB) to calculate the total capital employed which shall include the Original Cost of Fixed Assets (OCFA) capitalized on or after 01<sup>st</sup> April, 2025.

5.20.5 Based on the Return on Equity of 15.61% and Interest rate of 8.55%, the Weighted Average Cost of Capital (WACC) approved is 10.67% which is applied on RRB to compute Return on Capital Employed. The Commission based on the formula as specified in GERC (MYT) Regulations, 2024 allows the RoCE as outlined below:

**Table 5-44 Return on Capital Employed approved for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Opening RRB	-	62.99	117.54	124.11	127.01
Closing RRB	62.99	117.54	124.11	127.01	119.67
Average RRB	31.50	91.11	124.14	132.29	133.81
RoCE	3.36	9.72	13.24	14.11	14.27

## 5.21 Non-Tariff Income

### Petitioner's Submission:

- 5.21.1 TPL-G (APP) has projected Non-Tariff Income for FY 2025-26 to FY 2029-30 based on existing trend of revenue earned mainly through sale of fly ash.
- 5.21.2 TPL-G (APP) requested the Commission to approve the Non-Tariff Income as estimated. The variation in actual non-tariff income except bad debt recovery will be considered as uncontrollable during the Truing up exercise

**Table 5-45 Non-Tariff Income projected for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Non-Tariff Income	19.05	18.09	19.40	19.56	18.42

### Commission's Analysis:

- 5.21.3 The Commission has considered the Non-Tariff Income of Rs. 22.06 Crore as per actuals of FY 2023-24 as approved in this Truing up exercise and projected the same for the 4<sup>th</sup> Control Period i.e. FY 2025-26 to FY 2029-30 , which is tabulated as below:

**Table 5-46 Non-Tariff Income approved for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Non-Tariff Income	22.06	22.06	22.06	22.06	22.06

## 5.22 Aggregate Revenue Requirement (ARR) for FY 2025-26 to FY 2029-30

### Petitioner's Submission:

- 5.22.1 TPL-G (APP) has projected net ARR for FY 2025-26 to FY 2029-30 as shown in

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

table below:

**Table 5-47 ARR of TPL-G (APP) for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Variable Cost	985.58	940.93	956.63	955.45	935.36
Water Charges	25.91	24.92	26.58	27.34	26.89
O&M Expenses	185.69	194.89	203.96	210.18	216.43
Depreciation	54.93	33.42	32.67	32.68	32.67
Interest & Finance Charges	1.09	1.62	1.29	0.14	-
Interest on Working Capital	12.22	10.25	11.43	11.51	11.57
Return on Equity including Income Tax	90.33	94.35	96.72	97.49	97.84
Return on Capital Employed	-	-	-	-	-
Less: Non-Tariff Income	19.05	18.09	19.40	19.56	18.42
<b>Net ARR</b>	<b>1,336.71</b>	<b>1,282.30</b>	<b>1,309.88</b>	<b>1,315.23</b>	<b>1,302.33</b>

**Commission's Analysis:**

5.22.2 The Commission based on the costs/expenses approved in the preceding paragraphs has computed the ARR as given in table below;

**Table 5-48 ARR Approved for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Variable Cost	962.18	929.11	995.86	1,027.50	1,015.17
O&M Expenses	185.85	194.08	202.18	207.80	213.45
Water Charges	23.22	22.81	24.17	24.91	24.87
Depreciation	56.67	34.45	32.37	32.19	31.90
Interest & Finance Charges	0.85	-	-	-	-
Interest on Working Capital	11.96	12.24	12.75	13.07	13.33
Return on Equity including Income Tax	74.11	73.98	73.84	73.70	73.57
Return on Capital Employed	3.36	9.72	13.24	14.11	14.27
Less: Non-Tariff Income	22.06	22.06	22.06	22.06	22.06
<b>Net ARR</b>	<b>1,296.14</b>	<b>1,254.32</b>	<b>1,332.34</b>	<b>1,371.23</b>	<b>1,364.50</b>

**5.23 Determination of Fixed Charges for FY 2025-26 to FY 2029-30**

5.23.1 The Commission has approved total fixed charges for FY 2025-26 to FY 2029-30 as tabulated below:

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Table 5-49 Approved Fixed Charges for FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Fixed Charges	333.97	325.20	336.48	343.73	349.33

## 5.24 Determination of Variable Charges for FY 2025-26 to FY 2029-30

5.24.1 The table given below gives the station wise energy charges for FY 2025-26 to FY 2029-30.

**Table 5-50 Approved Variable Charges for FY 2025-26 to FY 2029-30**

Station	Units	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>D Station</b>						
Net Generation	MU	835.98	793.84	759.34	789.62	767.52
Fuel Cost	Rs. Cr	333.35	320.67	319.54	342.59	339.38
Fuel Cost – Gross	Rs.kWh	3.65	3.70	3.85	3.97	4.05
<b>Fuel Cost - Net</b>	<b>Rs./kWh</b>	<b>3.99</b>	<b>4.04</b>	<b>4.21</b>	<b>4.34</b>	<b>4.42</b>
<b>E Station</b>						
Net Generation	MU	839.63	708.62	803.59	795.47	757.62
Fuel Cost	Rs. Cr	334.55	286.03	337.90	344.87	334.75
Fuel Cost – Gross	Rs.kWh	3.65	3.69	3.85	3.97	4.04
<b>Fuel Cost - Net</b>	<b>Rs./kWh</b>	<b>3.98</b>	<b>4.04</b>	<b>4.20</b>	<b>4.34</b>	<b>4.42</b>
<b>F Station</b>						
Net Generation	MU	741.56	802.15	808.16	787.60	775.15
Fuel Cost	Rs. Cr	294.27	322.41	338.42	340.05	341.05
Fuel Cost – Gross	Rs.kWh	3.61	3.66	3.81	3.93	4.00
<b>Fuel Cost - Net</b>	<b>Rs./kWh</b>	<b>3.97</b>	<b>4.02</b>	<b>4.19</b>	<b>4.32</b>	<b>4.40</b>
<b>Total</b>						
Net Generation	MU	2,417.17	2,304.61	2,371.09	2,372.69	2,300.29
Fuel Cost	Rs. Cr	962.18	929.11	995.86	1,027.50	1,015.17
Fuel Cost – Gross	Rs.kWh	3.64	3.68	3.84	3.96	4.03
<b>Fuel Cost - Net</b>	<b>Rs./kWh</b>	<b>3.98</b>	<b>4.03</b>	<b>4.20</b>	<b>4.33</b>	<b>4.41</b>

## Chapter 6: Compliance of Directives

### 6.1 Earlier Directives

#### **Directive No. 1 Phasing out plan for generating units**

The Commission has directed TPL-G (APP) to submit final plan for phasing out, if any, for its generating units and explore cost effective option for replacing such capacity.

#### **Petitioner's Compliance:**

TPL-G (APP) has submitted that it will review the overall situation and keep the Commission apprised on the same.

#### **Commission's Comment:**

The Commission has noted the submission of TPL-G (APP).

#### **Directive No. 2 Submission of final proposal with respect to Capex requirement for meeting environment norms**

The Commission has directed TPL-G (APP) to submit a consolidated plan for Capex for FGD along with cost benefit analysis with respect to consumers.

#### **Petitioner's Compliance:**

TPL-G (APP) has submitted that due to small size of projects and Covid-19 situation, no response has been received from the vendors. Further, as per the revised notification of MOEF dated 05.09.2022, exemption is given till 31.12.2027 from SOX emission norms. Considering these aspects, TPL-G (APP) shall assess the requirement and approach the Commission in due course.

#### **Commission's Comment:**

The Commission has noted the submission of TPL-G (APP).

## 6.2 New Directives

- 6.2.1 As per Regulation 47.3 of GERC (MYT) Regulations, 2024, TPL-G (APP) was required to submit the Fuel Utilisation Plan on a monthly basis, however, the same was provided on the annual basis. Hence, TPL-G (APP) is directed to submit the Fuel Utilisation Plan on a monthly basis in future tariff submission.
- 6.2.2 TPL-G (APP) is directed to provide the detail asset register at the time of truing up of the respective year of the control period with the impact of reduction in the equity for all the assets whose useful life is completed as per first proviso of Regulation 32.1 of GERC (MYT) Regulations 2024.
- 6.2.3 TPL-G (APP) is directed to recover the change in fuel cost from its beneficiaries on monthly basis by raising invoices for the quantum of power supplied for the said period.



## COMMISSION'S ORDER

The Commission approves the Aggregate Revenue Requirement for TPL-G (APP) for FY 2025-26 to FY 2029-30, as shown in the Table below:

**Approved ARR for TPL-G (APP) for MYT Control Period - FY 2025-26 to FY 2029-30 (Rs. Crore)**

Particulars	FY 2025-26	FY 2026-24	FY 2027-28	FY 2028-29	FY 2029-30
Variable Cost	962.18	929.11	995.86	1,027.50	1,015.17
O&M Expenses	185.85	194.08	202.18	207.80	213.45
Water Charges	23.22	22.81	24.17	24.91	24.87
Depreciation	56.67	34.45	32.37	32.19	31.90
Interest & Finance Charges	0.85	-	-	-	-
Interest on Working Capital	11.96	12.24	12.75	13.07	13.33
Return on Equity	74.11	73.98	73.84	73.70	73.57
Return on Capital Employed	3.36	9.72	13.24	14.11	14.27
Less: Non-Tariff Income	22.06	22.06	22.06	22.06	22.06
<b>Net ARR</b>	<b>1,296.14</b>	<b>1,254.32</b>	<b>1,332.34</b>	<b>1,371.23</b>	<b>1,364.50</b>

This Order shall come into force with effect from 1<sup>st</sup> April, 2025.

-Sd-  
**S.R. Pandey**  
Member

-Sd-  
**Mehul M. Gandhi**  
Member

-Sd-  
**ANIL MUKIM**  
Chairman

Place: Gandhinagar

Date: 29.03.2025



Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Annexure 1 Approved Fuel Costs for FY 2023-24 for True up of D,E & F – Station**

Item	Derivation	Unit	D-Station	E-Station	F-Station
<b>Total Capacity</b>	A1	MW	120	121	121
<b>Actual PLF</b>	A2	%	91.45%	88.24%	93.17%
<b>Gross Generation</b>	<b>A</b>	<b>MUs</b>	<b>963.95</b>	<b>937.92</b>	<b>990.28</b>
Auxiliary Consumption	C	%	9.00%	9.00%	9.00%
Auxiliary Consumption	B	MUs	86.76	84.41	89.13
<b>Net Generation</b>	<b>Y=A - B</b>	<b>MUs</b>	<b>877.19</b>	<b>853.51</b>	<b>901.15</b>
Station Heat Rate	D	KCal/KWH.	2,450	2,455	2,455
Sp. Oil Consumption	E	ml/kWh	1	1	1
Gross Calorific Value of Coal	F	kcal/kg	4,296	4,251	4,266
Calorific value of Oil	G	kcal/I	10,143	10,080	10,001
Overall Heat	H=A x D	G Cal	23,61,674	23,02,593	24,31,137
Heat from Oil	I=(A x E x G)/1000	G Cal	9,777	9,454	9,904
Heat from Coal	J=H-I	G Cal	23,51,897	22,93,139	24,21,233
Transit losses	K	%	0.80%	0.80%	0.80%
<b>Coal Blend</b>					
A) Indigenous Coal	X1	%	71.24%	81.93%	77.07%
C) Imported Coal	X3	%	28.76%	18.07%	22.93%
Actual Oil Consumption	L=A x E	MT	964	938	990
Actual Coal Consumption	M=(J X 1000)/F	MT	5,47,478	5,39,435	5,67,512
A) Indigenous Coal	Q1=M* x X1/(1-K)	MT	3,93,182	4,45,502	4,40,925
C) Imported Coal	Q3=M* X X3	MT	1,57,441	97,497	1,30,114
Price of Coal					
A) Indigenous Coal	P1	Rs/MT	5,775	5,774	5,767
C) Imported Coal	P3	Rs/MT	11,056	11,131	10,729
Price of Oil	P4	Rs/KL	56,640	57,817	59,134
<b>Coal cost</b>					
A) Indigenous Coal	N1=Q1 X P1	Rs Lakh	22,708	25,724	25,428
B) Imported Coal	N3=Q3 X P3	Rs Lakh	17,407	10,852	13,960
Total Coal Cost	N4=N1+N3	Rs Lakh	40,115	36,577	39,388
Oil Cost	N5=P4 x L/10^5	Rs Lakh	546	542	586
Other Charges		Rs Lakh	108	88	54
<b>Total Fuel Cost</b>	<b>O=N4 + N5</b>	<b>Rs Lakh</b>	<b>40,770</b>	<b>37,207</b>	<b>40,028</b>
Fuel Cost/Unit Gross	P=O/(A*10)	Rs/kWh	4.23	3.97	4.04
Fuel Cost/Unit Net	Q=O/(Y*10)	Rs/kWh	4.65	4.36	4.44
Cost of fuel/KCal	R=(O/H)*10^5	Rs/Gcal	1,726	1,616	1,646
<b>Actual Net Generation</b>	<b>Y</b>	<b>MUs</b>	<b>883.56</b>	<b>862.72</b>	<b>907.84</b>
Gross Gen at 85 % PLF			895.97	903.43	903.43
Net Generation			815.33	822.13	822.13
Coal Cost			37,286	35,232	35,934
Oil Cost			507.47	522.33	534.24
Nor. Fuel Cost for act. Gen	S=Q*Y/10	Rs. Crore	410.66	376.08	403.25

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Annexure 2 Approved Fuel Costs for FY 2025-26 for D,E & F – Station**

Item	Derivation	Unit	D-Station	E-Station	F-Station
Total Capacity	A1	MW	120	121	121
PLF	A2	%	86.91%	86.57%	76.88%
<b>Gross Generation</b>	<b>A</b>	<b>MUs</b>	<b>913.64</b>	<b>917.62</b>	<b>814.90</b>
Auxiliary Consumption	C	%	8.50%	8.50%	9.00%
Auxiliary Consumption	B	MUs	77.66	78.00	73.34
<b>Net Generation</b>	<b>Y=A - B</b>	<b>MUs</b>	<b>835.98</b>	<b>839.63</b>	<b>741.56</b>
Station Heat Rate	D	KCal/KWH.	2440	2438	2420
Sp. Oil Consumption	E	ml/kWh	1	1	1
Gross Calorific Value of Coal	F	kcal/kg	4,265	4,265	4,263
Calorific value of Oil	G	kcal/l	10,143	10,080	10,001
Overall Heat	H=A x D	G Cal	22,29,290	22,37,167	19,72,051
Heat from Oil	I=(A x E x G)/1000	G Cal	9,267	9,250	8,150
Heat from Coal	J=H-I	G Cal	22,20,023	22,27,917	19,63,901
Transit losses	K	%	0.80%	0.80%	0.80%
<b>Coal Blend</b>					
A) Indigenous Coal	X1	%	78.71%	78.77%	79.32%
C) Imported Coal	X3	%	21.29%	21.23%	20.68%
Oil Consumption	L=A x E	MT	914	918	815
Coal Consumption	M=(J X 1000)/F	MT	5,20,506	5,22,380	4,60,668
A) Indigenous Coal	Q1=M* x X1/(1-K)	MT	4,12,978	4,14,778	3,68,344
C) Imported Coal	Q3=M* X X3	MT	1,10,832	1,10,921	95,270
Price of Coal					
A) Indigenous Coal	P1	Rs/MT	5,774	5,774	5,774
C) Imported Coal	P3	Rs/MT	8,894	8,894	8,894
Price of Oil	P4	Rs/KL	56,640	57,817	59,134
<b>Coal cost</b>					
A) Indigenous Coal	N1=Q1 X P1	Rs Lakh	23,846	23,950	21,269
B) Imported Coal	N3=Q3 X P3	Rs Lakh	9,857	9,865	8,473
Total Coal Cost	N4=N1+N3	Rs Lakh	33,704	33,816	29,742
Oil Cost	N5=P4 x L/10^5	Rs Lakh	517	531	482
Other Charges		Rs Lakh	(886)	(891)	(797)
<b>Total Fuel Cost</b>	<b>O=N4 + N5</b>	<b>Rs Lakh</b>	<b>33,335</b>	<b>33,455</b>	<b>29,427</b>
Fuel Cost/Unit Gross	P=O/(A*10)	Rs/kWh	3.65	3.65	3.61
Fuel Cost/Unit Net	Q=O/(Y*10)	Rs/kWh	3.99	3.98	3.97
Cost of fuel/Kcal	R=(O/H)*10^5	Rs/Gcal	1,495	1,495	1,492
<b>Net Generation</b>	<b>Y</b>	<b>MUs</b>	<b>817.57</b>	<b>824.38</b>	<b>819.88</b>
Gross Gen at 85 % PLF			893.52	900.97	900.97
Net Generation			817.57	824.38	819.88
Coal Cost			32,961	33,202	32,884
Oil Cost			506.09	520.91	532.78
Nor. Fuel Cost for Generation	S=Q*Y/10	Rs. Crore	326.01	328.48	325.35

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Annexure 3 Approved Fuel Costs for FY 2026-27 for D,E & F - Station**

Item	Derivation	Unit	D-Station	E-Station	F-Station
Total Capacity	A1	MW	120	121	121
PLF	A2	%	82.53%	73.06%	83.16%
<b>Gross Generation</b>	<b>A</b>	<b>MUs</b>	<b>867.59</b>	<b>774.45</b>	<b>881.48</b>
Auxiliary Consumption	C	%	8.50%	8.50%	9.00%
Auxiliary Consumption	B	MUs	73.75	65.83	79.33
<b>Net Generation</b>	<b>Y=A - B</b>	<b>MUs</b>	<b>793.84</b>	<b>708.62</b>	<b>802.15</b>
Station Heat Rate	D	KCal/KWH.	2,440	2,438	2,420
Sp. Oil Consumption	E	ml/kWh	1	1	1
Gross Calorific Value of Coal	F	kcal/kg	4,254	4,253	4,252
Calorific value of Oil	G	kcal/l	10,143	10,080	10,001
Overall Heat	H=A x D	G Cal	21,16,915	18,88,103	21,33,191
Heat from Oil	I=(A x E x G)/1000	G Cal	8,800	7,806	8,816
Heat from Coal	J=H-I	G Cal	21,08,116	18,80,297	21,24,375
Transit losses	K	%	0.80%	0.80%	0.80%
<b>Coal Blend</b>					
A) Indigenous Coal	X1	%	82.31%	82.38%	82.95%
C) Imported Coal	X3	%	17.69%	17.63%	17.05%
Oil Consumption	L=A x E	MT	868	774	881
Coal Consumption	M=(J X 1000)/F	MT	4,95,608	4,42,069	4,99,671
A) Indigenous Coal	Q1=M* x X1/(1-K)	MT	4,11,220	3,67,073	4,17,806
C) Imported Coal	Q3=M* X X3	MT	87,678	77,933	85,207
Price of Coal					
A) Indigenous Coal	P1	Rs/MT	5,947	5,947	5,947
C) Imported Coal	P3	Rs/MT	9,161	9,161	9,161
Price of Oil	P4	Rs/KL	58,339	59,551	60,908
<b>Coal cost</b>					
A) Indigenous Coal	N1=Q1 X P1	Rs Lakh	24,457	21,832	24,849
B) Imported Coal	N3=Q3 X P3	Rs Lakh	8,032	7,139	7,806
Total Coal Cost	N4=N1+N3	Rs Lakh	32,489	28,971	32,655
Oil Cost	N5=P4 x L/10 <sup>5</sup>	Rs Lakh	506	461	537
Other Charges		Rs Lakh	-928	-829	-951
<b>Total Fuel Cost</b>	<b>O=N4 + N5</b>	<b>Rs Lakh</b>	<b>32,067</b>	<b>28,603</b>	<b>32,241</b>
Fuel Cost/Unit Gross	P=O/(A*10)	Rs/kWh	3.70	3.69	3.66
Fuel Cost/Unit Net	Q=O/(Y*10)	Rs/kWh	4.04	4.04	4.02
Cost of fuel/Kcal	R=(O/H)*10 <sup>5</sup>	Rs/Gcal	1,515	1,515	1,511
<b>Net Generation</b>	<b>Y</b>	<b>MUs</b>	<b>817.57</b>	<b>824.38</b>	<b>819.88</b>
Gross Gen at 85 % PLF			893.52	900.97	900.97
Net Generation			817.57	824.38	819.88
Coal Cost			33,460.32	33,703.76	33,376.30
Oil Cost			521.27	536.53	548.76
Nor. Fuel Cost for Generation	S=Q*Y/10	Rs. Crore	330.26	332.76	329.53

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Annexure 4 Approved Fuel Costs for FY 2027-28 for D,E & F – Station**

Item	Derivation	Unit	D-Station	E-Station	F-Station
Total Capacity	A1	MW	120	121	121
PLF	A2	%	78.73%	82.63%	83.56%
<b>Gross Generation</b>	<b>A</b>	<b>MUs</b>	<b>829.89</b>	<b>878.24</b>	<b>888.08</b>
Auxiliary Consumption	C	%	8.50%	8.50%	9.00%
Auxiliary Consumption	B	MUs	70.54	74.65	79.93
<b>Net Generation</b>	<b>Y=A - B</b>	<b>MUs</b>	<b>759.34</b>	<b>803.59</b>	<b>808.16</b>
Station Heat Rate	D	KCal/KWH.	2,440	2,438	2,420
Sp. Oil Consumption	E	ml/kWh	1	1	1
Gross Calorific Value of Coal	F	kcal/kg	4,261	4,260	4,259
Calorific value of Oil	G	kcal/l	10,143	10,080	10,001
Overall Heat	H=A x D	G Cal	20,24,920	21,41,140	21,49,161
Heat from Oil	I=(A x E x G)/1000	G Cal	8,417	8,853	8,882
Heat from Coal	J=H-I	G Cal	20,16,503	21,32,287	21,40,279
Transit losses	K	%	0.80%	0.80%	0.80%
<b>Coal Blend</b>					
A) Indigenous Coal	X1	%	80.14%	80.20%	80.76%
C) Imported Coal	X3	%	19.86%	19.80%	19.24%
Oil Consumption	L=A x E	MT	830	878	888
Coal Consumption	M=(J X 1000)/F	MT	4,73,296	5,00,495	5,02,583
A) Indigenous Coal	Q1=M* x X1/(1-K)	MT	3,82,337	4,04,613	4,09,150
C) Imported Coal	Q3=M* X X3	MT	94,018	99,119	96,707
Price of Coal					
A) Indigenous Coal	P1	Rs/MT	6,126	6,126	6,126
C) Imported Coal	P3	Rs/MT	9,436	9,436	9,436
Price of Oil	P4	Rs/KL	60,089	61,338	62,736
<b>Coal cost</b>					
A) Indigenous Coal	N1=Q1 X P1	Rs Lakh	23,422	24,786	25,064
B) Imported Coal	N3=Q3 X P3	Rs Lakh	8,871	9,352	9,125
Total Coal Cost	N4=N1+N3	Rs Lakh	32,293	34,139	34,189
Oil Cost	N5=P4 x L/10^5	Rs Lakh	499	539	557
Other Charges		Rs Lakh	-838	-887	-904
<b>Total Fuel Cost</b>	<b>O=N4 + N5</b>	<b>Rs Lakh</b>	<b>31,954</b>	<b>33,790</b>	<b>33,842</b>
Fuel Cost/Unit Gross	P=O/(A*10)	Rs/kWh	3.85	3.85	3.81
Fuel Cost/Unit Net	Q=O/(Y*10)	Rs/kWh	4.21	4.20	4.19
Cost of fuel/Kcal	R=(O/H)*10^5	Rs/Gcal	1,578	1,578	1,575
<b>Net Generation</b>	<b>Y</b>	<b>MUs</b>	<b>819.81</b>	<b>826.64</b>	<b>822.13</b>
Gross Gen at 85 % PLF			895.97	903.43	903.43
Net Generation			819.81	826.64	822.13
Coal Cost			34,864.24	35,118.22	34,780.01
Oil Cost			538.38	554.14	566.77
Nor. Fuel Cost for Generation	S=Q*Y/10	Rs. Crore	344.98	347.60	344.27



Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Annexure 5 Approved Fuel Costs for FY 2028-29 for D,E & F - Station**

Item	Derivation	Unit	D-Station	E-Station	F-Station
Total Capacity	A1	MW	120	121	121
PLF	A2	%	82.09%	82.02%	81.65%
<b>Gross Generation</b>	<b>A</b>	<b>MUs</b>	<b>862.97</b>	<b>869.37</b>	<b>865.49</b>
Auxiliary Consumption	C	%	8.50%	8.50%	9.00%
Auxiliary Consumption	B	MUs	73.35	73.90	77.89
<b>Net Generation</b>	<b>Y=A - B</b>	<b>MUs</b>	<b>789.62</b>	<b>795.47</b>	<b>787.60</b>
Station Heat Rate	D	KCal/KWH.	2,440	2,438	2,420
Sp. Oil Consumption	E	ml/kWh	1	1	1
Gross Calorific Value of Coal	F	kcal/kg	4,261	4,261	4,259
Calorific value of Oil	G	kcal/l	10,143	10,080	10,001
Overall Heat	H=A x D	G Cal	21,05,658	21,19,524	20,94,488
Heat from Oil	I=(A x E x G)/1000	G Cal	8,753	8,763	8,656
Heat from Coal	J=H-I	G Cal	20,96,905	21,10,761	20,85,832
Transit losses	K	%	0.80%	0.80%	0.80%
<b>Coal Blend</b>					
A) Indigenous Coal	X1	%	80.09%	80.15%	80.72%
C) Imported Coal	X3	%	19.91%	19.85%	19.29%
Oil Consumption	L=A x E	MT	863	869	865
Coal Consumption	M=(J X 1000)/F	MT	4,92,150	4,95,425	4,89,780
A) Indigenous Coal	Q1=M* x X1/(1-K)	MT	3,97,332	4,00,277	3,98,491
C) Imported Coal	Q3=M* X X3	MT	97,996	98,350	94,477
Price of Coal					
A) Indigenous Coal	P1	Rs/MT	6,310	6,310	6,310
C) Imported Coal	P3	Rs/MT	9,719	9,719	9,719
Price of Oil	P4	Rs/KL	61,892	63,178	64,618
<b>Coal cost</b>					
A) Indigenous Coal	N1=Q1 X P1	Rs Lakh	25,070	25,256	25,144
B) Imported Coal	N3=Q3 X P3	Rs Lakh	9,524	9,558	9,182
Total Coal Cost	N4=N1+N3	Rs Lakh	34,594	34,815	34,325
Oil Cost	N5=P4 x L/10^5	Rs Lakh	534	549	559
Other Charges		Rs Lakh	-870	-877	-880
<b>Total Fuel Cost</b>	<b>O=N4 + N5</b>	<b>Rs Lakh</b>	<b>34,259</b>	<b>34,487</b>	<b>34,005</b>
Fuel Cost/Unit Gross	P=O/(A*10)	Rs/kWh	3.97	3.97	3.93
Fuel Cost/Unit Net	Q=O/(Y*10)	Rs/kWh	4.34	4.34	4.32
Cost of fuel/Kcal	R=(O/H)*10^5	Rs/Gcal	1,627	1,627	1,624
<b>Net Generation</b>	<b>Y</b>	<b>MUs</b>	<b>817.57</b>	<b>824.38</b>	<b>819.88</b>
Gross Gen at 85 % PLF			893.52	900.97	900.97
Net Generation			817.57	824.38	819.88
Coal Cost			35,818.90	36,079.83	35,732.43
Oil Cost			553.02	569.21	582.18
Nor. Fuel Cost for Generation	S=Q*Y/10	Rs. Crore	354.71	357.40	353.98

Torrent Power Limited – Generation  
Truing up for FY 2023-24, ARR for FY 2025-26 to FY 2029-30 and Determination of  
Tariff for FY 2025-26

**Annexure 6 Approved Fuel Costs for FY 2029-30 for D,E & F - Station**

Item	Derivation	Unit	D-Station	E-Station	F-Station
Total Capacity	A1	MW	120	121	121
PLF	A2	%	79.80%	78.12%	80.36%
<b>Gross Generation</b>	<b>A</b>	<b>MUs</b>	<b>838.82</b>	<b>828.00</b>	<b>851.82</b>
Auxiliary Consumption	C	%	8.50%	8.50%	9.00%
Auxiliary Consumption	B	MUs	71.30	70.38	76.66
<b>Net Generation</b>	<b>Y=A - B</b>	<b>MUs</b>	<b>767.52</b>	<b>757.62</b>	<b>775.15</b>
Station Heat Rate	D	KCal/KWH.	2,440	2,438	2,420
Sp. Oil Consumption	E	ml/kWh	1	1	1
Gross Calorific Value of Coal	F	kcal/kg	4,253	4,253	4,251
Calorific value of Oil	G	kcal/l	10,143	10,080	10,001
Overall Heat	H=A x D	G Cal	20,46,716	20,18,665	20,61,393
Heat from Oil	$I=(A \times E \times G)/1000$	G Cal	8,508	8,346	8,519
Heat from Coal	J=H-I	G Cal	20,38,208	20,10,319	20,52,874
Transit losses	K	%	0.80%	0.80%	0.80%
<b>Coal Blend</b>					
A) Indigenous Coal	X1	%	82.46%	82.53%	83.10%
C) Imported Coal	X3	%	17.54%	17.48%	16.90%
Oil Consumption	L=A x E	MT	839	828	852
Coal Consumption	$M=(J \times 1000)/F$	MT	4,79,227	4,72,692	4,82,908
A) Indigenous Coal	$Q1=M^* \times X1/(1-K)$	MT	3,98,355	3,93,218	4,04,527
C) Imported Coal	$Q3=M^* \times X3$	MT	84,059	82,620	81,617
Price of Coal					
A) Indigenous Coal	P1	Rs/MT	6,499	6,499	6,499
C) Imported Coal	P3	Rs/MT	10,010	10,010	10,010
Price of Oil	P4	Rs/KL	63,749	65,073	66,556
<b>Coal cost</b>					
A) Indigenous Coal	$N1=Q1 \times P1$	Rs Lakh	25,889	25,555	26,290
B) Imported Coal	$N3=Q3 \times P3$	Rs Lakh	8,415	8,270	8,170
Total Coal Cost	$N4=N1+N3$	Rs Lakh	34,304	33,826	34,460
Oil Cost	$N5=P4 \times L/10^5$	Rs Lakh	535	539	567
Other Charges		Rs Lakh	-901	-890	-922
<b>Total Fuel Cost</b>	<b>O=N4 + N5</b>	<b>Rs Lakh</b>	<b>33,938</b>	<b>33,475</b>	<b>34,105</b>
Fuel Cost/Unit Gross	$P=O/(A*10)$	Rs/kWh	4.05	4.04	4.00
Fuel Cost/Unit Net	$Q=O/(Y*10)$	Rs/kWh	4.42	4.42	4.40
Cost of fuel/Kcal	$R=(O/H)*10^5$	Rs/Gcal	1,658	1,658	1,654
<b>Net Generation</b>	<b>Y</b>	<b>MUs</b>	<b>817.57</b>	<b>824.38</b>	<b>819.88</b>
Gross Gen at 85 % PLF			893.52	900.97	900.97
Net Generation			817.57	824.38	819.88
Coal Cost			36,540.59	36,806.41	36,448.58
Oil Cost			569.61	586.29	599.65
Nor. Fuel Cost for Generation	$S=Q*Y/10$	Rs. Crore	361.51	364.25	360.73