



ASSAM ELECTRICITY REGULATORY COMMISSION

(AERC)

TARIFF ORDER

March 06, 2026

TRUE-UP for FY 2024-25,

APR for FY 2025-26,

ARR for FY 2026-27

and

Tariff for FY 2026-27

FOR

Assam Power Generation Corporation

Limited (APGCL)

Petition No. 19/2025

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List of Abbreviations

A&G	Administrative and General
ABITA	Assam Branch of Indian Tea Association
ADB	Asian Development Bank
AEGCL	Assam Electricity Grid Corporation Limited
AERC	Assam Electricity Regulatory Commission
AFC	Annual Fixed Charges
AGCL	Assam Gas Company Limited
APC	Auxiliary Power Consumption
APDCL	Assam Power Distribution Company Limited
APGCL	Assam Power Generation Corporation Limited
APM	Administered Pricing Mechanism
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ASEB	Assam State Electricity Board
CAG/C&AG	Comptroller and Auditor General
CC	Combined Cycle
CERC	Central Electricity Regulatory Commission
COD	Date of Commercial Operation
CPI	Consumer Price Index
DTR	Distribution Transformer
EPC	Engineering Procurement and Construction
ERP	Enterprise Resource Planning
FAR	Fixed Asset Register
FINER	Federation of Industry & Commerce of North Eastern Region
FPA	Fuel Price Adjustment
FY	Financial Year
GAIL	Gas Authority of India Limited
GCV	Gross Calorific Value
GFA	Gross Fixed Assets
GoA	Government of Assam

GSHR	Gross Station Heat Rate
GT	Gas Turbine
HRSG	Heat Recovery Steam Generator
IoWC/IWC	Interest on Working Capital
Kcal	kilo calorie
KLHEP	Karbi Langpi Hydro Electric Project
kW	kilo Watt
kWh	kilo Watt Hour
LED	Light Emitting Diode
LRPP	Lakwa Replacement Power Project
LTPS	Lakwa Thermal Power Station
MCLR	Marginal Cost of Funds based Lending Rate
MMBTU	Million Metric British Thermal Unit
MMSCMD	Million Metric Standard Cubic Meter per Day
MOPNG	Ministry of Petroleum and Natural Gas
MSHEP	Myntriang Small Hydro Electric Project
MU	Million Units
MW	Mega Watt
MYT	Multi Year Tariff
NAPAF	Normative Annual Plant Availability Factor
NRPP	Namrup Replacement Power Project
NTI	Non-Tariff Income
NTPS	Namrup Thermal Power Station
O&M	Operation and Maintenance
OC	Open Cycle
OEM	Original Equipment Manufacturer
OIL	M/s Oil India Limited
PAF	Plant Availability Factor
PGCIL	Power Grid Corporation of India Limited
PLF	Plant Load Factor
PoC	Point of Connection
R&M	Repairs and Maintenance
RoE	Return on Equity

SAC	State Advisory Committee
SBI	State Bank of India
SCM	Standard Cubic Meter
SHR	Station Heat Rate
SLDC	State Load Despatch Centre
TVS	Technical Validation Session
WHRU	Waste Heat Recovery Unit
WPI	Wholesale Price Index

ASSAM ELECTRICITY REGULATORY COMMISSION
Guwahati

Present

Lt. Gen. Rana Pratap Kalita (Retd.), **Chairperson**

Shri Upananda Kataki, **Member**

Petition No. 19/2025

Assam Power Generation Corporation Limited (APGCL) – **Petitioner**

ORDER

(Passed on 06th March 2026)

- (1) APGCL filed Petition for approval of True-Up for FY 2024-25, Annual Performance Review of FY 2025-26, ARR for FY 2026-27 and Determination of Tariff for FY 2026-27 for NTPS, LTPS, KLHEP LRPP and NRPP as per the AERC (Terms and Conditions for determination of Multi-Year Tariff) Regulations, 2021 (MYT Regulations, 2021) and AERC (Terms and Conditions for determination of Multi-Year Tariff) Regulations, 2024 (MYT Regulations, 2024) as applicable on November 30, 2025. The same was registered as Petition No. 19/2025.
- (2) The Commission held an Admissibility Hearing on December 12, 2025, and admitted the Petition (Petition No. 19/2025) vide Order dated December 15, 2025, subject to submission of additional information as sought for.
- (3) The Commission observed that there were a few inconsistencies in the Petition. The Commission sought additional data and clarifications on the Petitions vide AERC letter no. 1020/2025/492 dated December 12, 2025, and 1020/2025/497 dated January 9, 2026.

- (4) On admission of the Petition, in accordance with Section 64 of the Electricity Act, 2003, the Commission directed APGCL to publish a summary of the ARR and Tariff filings in local dailies to facilitate due public participation.
- (5) Accordingly, a Public Notice was issued by the APGCL inviting objections/suggestions from stakeholders to be submitted on or before January 12, 2026. The notice was published in six (6) leading newspapers of the State, as shown in the Table below:

Date	Name of Newspaper	Content Published
18.12.2025	The Assam Tribune	Public Notice in English
19.12.2025	Dainik Janambhumi	Public Notice in Assamese
19.12.2025	Dainik Jugasankha (Bangla)	Public Notice in English
19.12.2025	Purbanchal Prahari (Hindi)	Public Notice in English
19.12.2025	Bodosa (Bodo)	Public Notice in English
19.12.2025	Thekar (Karbi)	Public Notice in English

- (6) A short, small advertisement also published in six (6) newspapers stating that copy of the Petition is made available on the website, as shown in the Table below:

Date	Name of Newspaper	Content Published
22.12.2024	The Assam Tribune	Public Notice in English
22.12.2025	Niyomiya Barta	Public Notice in English
29.12.2024	Dainik Jugasankha (Bangla)	Public Notice in English
29.12.2024	Purbanchal Prahari (Hindi)	Public Notice in English
29.12.2024	Bodosa (Bodo)	Public Notice in English
29.12.2025	Thekar (KARBI)	Public Notice in English

- (7) A copy of the Petition and other relevant documents were also directed to be made available to the consumers and other interested Parties at the office of the Managing Director of APGCL. A copy of the Petition was also made available on the websites of the Commission and APGCL.
- (8) In response to the Commission's letter dated December 12, 2025, APGCL submitted their replies to data gaps on December 23, 2025, after scrutinizing the first set of replies, a Technical Validation Session (TVS) was conducted on January 07, 2026 at the conference hall of AERC.

The Commission sought more clarifications on the Petition from APGCL vide mail dated January 09, 2026. The replies to the second set of queries were submitted by APGCL on January 12, 2026.

- (9) The Petitions were also discussed in the 37th Meeting of the State Advisory Committee (SAC) (constituted under Section 87 of the Electricity Act, 2003) held on January 21, 2026, at Bidyut Niyamak Bhawan, Six Mile, Guwahati.

- (10) The Commission received suggestion/objections from three (3) stakeholders namely Federation of Industry & Commerce of Northeastern Region (FINER), Assam Branch Indian Tea Association (ABITA) and Consumer Advocacy Cell (CAC) on the Petitions filed by APGCL. The stakeholders were notified about the place, date and time of Hearing, to enable them to take part in the Hearing. A notice was also published in Newspapers inviting participation from the public as well as the Respondents.

- (11) The Hearing was held at Bidyut Niyamak Bhawan Six Mile, Guwahati on February 04, 2026, as scheduled. All stakeholders/respondents who participated in the Hearing were given the opportunity to express their views on the Petition. The details are discussed in the Chapters attached with this Order.

- (12) The Commission, now in exercise of its powers and functions vested under Sections 61, 62, 86 and 181 of the Electricity Act, 2003 and all other powers enabling it in this behalf and taking into consideration the submissions made by the Petitioner, objections and suggestions received from stakeholders and all other relevant materials on record, has approved the True-Up for FY 2024-25, Annual Performance Review of FY 2025-26, Aggregate Revenue Requirement for FY 2026-27 and determination of tariff for FY 2026-27 , as detailed in subsequent Chapters of this Order.

- (13) The Commission directs APGCL to publish a Public Notice intimating the revised Generation Tariff before the implementation of this Order, in English and Vernacular newspapers and on the website of APGCL.

- (14) The approved Generation Tariff shall be effective from April 01, 2026, and shall continue until replaced by any subsequent Order of the Commission.

(15) Accordingly, the Petition 19 of 2025 stands disposed of.

Sd/-
(Shri Upananda Kataki)
Member, AERC

Sd/-
(Lt. Gen. Rana Pratap Kalita (Retd.)),
Chairperson, AERC

1 INTRODUCTION

1.1 Constitution of the Commission

The Assam Electricity Regulatory Commission (hereinafter referred to as the AERC or the Commission) was established under the Electricity Regulatory Commissions Act, 1998 (14 of 1998) on February 28, 2001. The first proviso of Section 82(1) of the Electricity Act, 2003 (hereinafter referred as the Act or the EA, 2003) has ensured continuity of the Commission under the EA 2003.

The Commission is mandated to exercise its powers and functions vested under Sections 61, 62, 86 and 181 of the EA 2003 and all the other powers enabling it in this behalf, to determine the ARR and Tariff of Assam Power Generation Corporation Limited (APGCL).

1.2 Tariff related Functions of the Commission

Under Section 86 of the Act, the Commission has the following tariff related functions:

- a) To determine the tariff for electricity, wholesale, bulk or retail, as the case may be;
- b) To regulate power purchase and procurement process of the distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply in the State;
- c) To promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.

Under Section 61 of the Act in the determination of tariffs, the Commission is guided by the following:

- a) The principles and methodologies specified by the Central Commission for determination of the tariff applicable to generating companies and transmission licensees;
- b) That the electricity generation, transmission, distribution and supply are conducted on commercial principles;
- c) That factors which would encourage efficiency, economical use of the resources, good performance, optimum investments, and other matters which the State commission considers appropriate for the purpose of this Act;
- d) The interests of the consumers are safeguarded and at the same time, the consumers pay

- for the use of electricity in a reasonable manner based on their customer category cost of supply;
- e) That the tariff progressively reflects the cost of supply of electricity at an adequate and improving level of efficiency and also gradually reduces cross subsidies;
 - f) The National Electricity Plan formulated by the Central Government including the National Electricity Policy and Tariff Policy.

1.3 Background

APGCL is the successor corporate entity of erstwhile Assam State Electricity Board (ASEB) formed pursuant to the notification of the Government of Assam, notified under sub-sections (1), (2), (5), (6) and (7) of Section 131 and Section 133 of the EA 2003 (Central Act 36 of 2003), for the purpose of transfer and vesting of functions, properties, interests, rights, obligations and liabilities, along with the transfer of personnel of the Board to successor entities. APGCL is a Company incorporated with the main object of generation of electricity in the State of Assam and is a Generating Company under the various provisions of the Act.

APGCL owns and operates the generating stations previously owned by ASEB. APGCL started functioning as a separate entity from December 10, 2004.

1.4 Multi Year Tariff Regulations, 2021

The Commission, in exercise of the powers conferred under Section 61 read with Section 181(2) (zd) of the Act, notified the AERC (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2021 (herein after referred to as “MYT Regulations, 2021”) on September 18, 2021. These Regulations are applicable for determination of Tariff for Generation, Transmission, SLDC, Wheeling and Retail Supply for the Control Period of three financial years from April 1, 2022 onwards up to March 31, 2025.

Regulation 4.2 of the MYT Regulations, 2021, specifies the MYT framework for the Control Period from FY 2022-23 to FY 2024-25, as reproduced below:

“4.2 The Multi-Year Tariff framework shall be based on the following elements, for calculation of Aggregate Revenue Requirement and expected revenue from tariff and charges for Generating Companies, Transmission Licensee, SLDC, Distribution Wheeling Business and Retail Supply Business:

- (vi) Annual Performance review vis-à-vis the approved forecast and categorization of variation in performance as those caused by factors beyond the control of the applicant (uncontrollable

items) shall be undertaken by the Commission;

(vii) True up of the past years based on audited annual accounts of the licensees and the Generation companies.

(viii) The mechanism for pass-through of approved gains or losses on account of uncontrollable items as specified by the Commission in these Regulations;

(ix) The mechanism for sharing of approved gains or losses arising out of controllable items as specified by the Commission in these Regulations;

(x) Tariff determination for Generating Companies, SLDC, Transmission Licensee and Distribution Wheeling Business and Retail Supply Business, for each financial year within the Control period based on the approved forecast. The tariff shall be reviewed at the time of the true-up and annual performance review.

(xi) There will be no true-up of the controllable items except on account of Force Majeure events or on account of variations attributable to uncontrollable items. The variations in the controllable items, as defined in regulation 10, over and above the norms specified will be governed by incentive and penalty framework specified in these regulations.

(xii) The tariff determined by the Commission and the directions given in the MYT order shall be the quid pro quo and mutually inclusive. The tariff determined shall, within the time period specified in the order, be subject to the compliance of the directions by the generating company and the licensees to the satisfaction of the Commission. Non-compliance of directions given in the tariff order may also lead to invocation of the provisions of section 142 of the Act.

(xiii) The tariff determined by the Commission shall continue to operate till it is modified or revised by the Commission.”

1.5 Multi Year Tariff Regulations, 2024

The Commission, in exercise of the powers conferred under Section 61 read with Section 181(2) (zd) of the Act, notified the AERC (Terms and Conditions for determination of Multi Year Tariff) Regulations, 2024 (herein after referred as “MYT Regulations, 2024”) on November 05, 2024. These Regulations are applicable for determination of Tariff for Generation, Transmission, SLDC, Wheeling and Retail Supply for the Control Period of three financial years from April 1, 2025 onwards up to March 31, 2030. These Regulations are applicable to all existing and future Generating Companies, Transmission Licensees and Distribution Licensees within the State of Assam.

Regulation 4.2 of the MYT Regulations, 2024, specifies the MYT framework for the Control Period from FY 2025-26 to FY 2029-30, as reproduced below:

“4.2 The Multi-Year Tariff framework shall be based on the following elements, for calculation of Aggregate Revenue Requirement and expected revenue from tariff and charges for Generating Companies, Transmission Licensee, SLDC, Distribution Wheeling Business and Retail Supply Business:

(i) Submission of Multi-Year Tariff Petition by the Applicant at the beginning of the control period, comprising forecast of Aggregate Revenue Requirement for the entire Control Period and expected revenue from existing tariff and Charges, expected revenue gap or surplus, for each year of the Control Period, and proposed tariff and charges for ensuing year, i.e. first year of the Control Period.

Provided that the Distribution Licensees shall propose the category-wise tariff for the first year of the Control Period:

Provided also that Multi-Year Tariff Petition shall also include true-up for FY 2023-24 and the Annual Performance Review for FY 2024-25 to be carried out under Assam Electricity Regulatory Commission (Terms & Conditions of Multi-Year Tariff) Regulations, 2021.(ii) A detailed Capital Investment Plan for each year of the Control Period, shall be submitted by the applicant for the Commission's approval;

(iii) The applicant shall submit operating norms and trajectories of performance parameters for each year of the Control Period, for the Commission's approval.

(iv) The applicant shall submit the forecast of Aggregate Revenue Requirement and expected revenue from existing tariff for each year of the Control Period, and the Commission shall approve the tariff for Generating Companies, SLDC, Transmission Licensee, Distribution Wheeling Business and Retail Supply Business, for each year of the Control Period. The Tariff shall be reviewed at the time of the True-Up and annual performance review;

(v) In its tariff petition, a generating company shall submit information to support the determination of tariff for each generating station

(vi) Annual Performance review vis-à-vis the approved forecast and categorization of variation in performance as those caused by factors beyond the control of the applicant (uncontrollable items) shall be undertaken by the Commission;

(vii) True up of the past years based on audited annual accounts of the licensees and the

Generation companies shall also be undertaken;

(viii) The mechanism for pass-through of approved gains or losses on account of uncontrollable items as specified by the Commission in these Regulations;

(ix) The mechanism for sharing of approved gains or losses arising out of controllable items as specified by the Commission in these Regulations;

(xi) There will be no true-up of the controllable items except on account of Force Majeure events or on account of variations attributable to uncontrollable items. The variations in the controllable items, as defined in regulation 10, over and above the norms specified will be governed by incentive and penalty framework specified in these regulations.

(xii) The tariff determined by the Commission and the directions given in the MYT order shall be the quid pro quo and mutually inclusive. The tariff determined shall, within the time period specified in the order, be subject to the compliance of the directions by the generating company and the licensees to the satisfaction of the Commission. Non-compliance of directions given in the tariff order may also lead to invocation of the provisions of section 142 of the Act.

(xiii) The tariff determined by the Commission shall continue to operate till it is modified or revised by the Commission.”

1.6 Procedural History

As per Regulation 4.2(i) of the MYT Regulations, 2024, APGCL is required to file an application for true-up for previous year, i.e., FY 2024-25, APR for FY 2025-26, ARR for FY 2026-27, and tariff for FY 2026-27 on or before November 30, 2025.

APGCL is required to file the Petition for approval of Truing up for FY 2024-25, APR for FY 2025-26, ARR for FY 2026-27, and determination of Tariff for FY 2026-27 as per MYT Regulations, 2021 and MYT Regulations, 2024 as applicable, by November 30, 2025. APGCL filed the Petition for approval of Truing up for FY 2024-25, APR for FY 2025-26, ARR for FY 2026-27,, and determination of Tariff for FY 2026-27 as per MYT Regulations, 2021 and MYT Regulations, 2024, on November 30, 2025 The same was registered as Petition No. 19/2025.

The Commission held an Admissibility Hearing on December 12, 2025 and admitted the Petition (Petition No. 19/2025) vide Order dated December 15, 2025, subject to submission of additional information as sought for.

On admission of the Petition, in accordance with Section 64 of the Electricity Act,2003, the Commission directed APGCL to publish a summary of the ARR and Tariff filings in local dailies

to facilitate due public participation.

The Commission observed that there were a few inconsistencies in the Petition. The Commission sought additional data and clarifications on the Petitions vide letter no. 1020/2025/492 dated December 12, 2025, and 1020/2025/497 dated January 9, 2026.

Accordingly, a Public Notice was issued by the APGCL inviting objections/suggestions from stakeholders to be submitted on or before January 12, 2026. The notice was published in six (6) leading newspapers of the State, as shown in the Table below:

Date	Name of Newspaper	Content Published
18.12.2025	The Assam Tribune	Public Notice in English
19.12.2025	Dainik Janambhumi	Public Notice in Assamese
19.12.2025	Dainik Jugasankha (Bangla)	Public Notice in English
19.12.2025	Purbanchal Prahari (Hindi)	Public Notice in English
19.12.2025	Bodosa (Bodo)	Public Notice in English
19.12.2025	Thekar (Karbi)	Public Notice in English

A short, small advertisement also published in six (6) newspapers stating that copy of the Petition is made available on the website, as shown in the Table below:

Date	Name of Newspaper	Content Published
22.12.2024	The Assam Tribune	Public Notice in English
22.12.2025	Niyomiya Baqta	Public Notice in English
29.12.2024	Dainik Jugasankha (Bangla)	Public Notice in English
29.12.2024	Purbanchal Prahari (Hindi)	Public Notice in English
29.12.2024	Bodosa (Bodo)	Public Notice in English
29.12.2025	Thekar (KARBI)	Public Notice in English

A copy of the Petition and other relevant documents were also directed to be made available to the consumers and other interested Parties at the office of the Managing Director of APGCL. A copy of the Petition was also made available on the websites of the Commission and APGCL.

In response to the Commission's letter dated December 12, 2025, APGCL submitted their replies to data gaps on December 23, 2025. After scrutinizing the first set of replies, a Technical Validation Session (TVS) was conducted on January 07, 2026. The Commission sought more

clarifications on the Petition from APGCL vide email dated January 09,2026. The replies to the second set of queries were submitted by APGCL on January 12, 2026. The Petitions were also discussed in the 37th Meeting of the State Advisory Committee (SAC) (constituted under Section 87 of the Electricity Act, 2003) held on January 21, 2026, at Bidyut Niyamak Bhawan, Six Mile, Guwahati.

The Commission received suggestions/objections from three (3) stakeholders on the Petitions filed by APGCL. The stakeholders were notified about the place, date and time of Hearing, to enable them to take part in the Hearing. A notice was also published in Newspapers inviting participation from the general public as well as the Respondents. The Hearing was held at Bidyut Niyamak Bhawan Six Mile, Guwahati on February 04, 2026, as scheduled. All stakeholders/respondents who participated in the Hearing were given the opportunity to express their views on the Petition. The details are discussed in the Chapters attached with this Order.

All the written representations submitted to the Commission and oral submissions made before the Commission in the Hearing and the responses of APGCL have been carefully considered while issuing this Tariff Order. The major issues raised by different consumers and consumer groups along with the response of APGCL and views of the Commission are elaborated in **Chapter 3** of this Order.

1.7 State Advisory Committee Meeting

A meeting of the 37th SAC was convened on January 21, 2026, and members were briefed on the Tariff Petition of APGCL. The Minutes of the SAC meeting are appended to this Order as **Annexure 1**.

2 Summary of APGCL's Petition

2.1 Background

APGCL submitted the Petition on November 30, 2025, seeking approval for Truing up for FY 2024-25, APR for FY 2025-26, ARR for FY 2025-, and determination of Tariff for FY 2026-27 (Excluding Namrup Thermal Power Station) (Petition No. 19/2025). The Generation Tariff is to be recovered from the Assam Power Distribution Company Limited (APDCL), who is the sole buyer of power from APGCL.

2.2 True-up for FY 2024-25

APGCL submitted the True-up for NTPS, LTPS, KLHEP, LRPP and NRPP for FY 2024-25. APGCL submitted that the True-up for FY 2024-25 is based on the audited accounts and in line with the provisions on true-up of various costs as specified under Regulation 10 of the MYT Regulations, 2021. The summary of ARR and Revenue Gap/Surplus) claimed by APGCL for FY 2024-25 is shown in the following Table:

Table 1: True-up ARR for FY 2024-25 as submitted by APGCL (Rs. Cr.)

Sl. No.	Particulars (On effective Capacity)	NTPS	LTPS	KLHEP	LRPP	NRPP	TOTAL APGCL
I	Power Generation						
1	Gross Generation (MU)	118.404	470.19	412.30	462.43	778.26	2241.58
2	Net Generation (MU)	110.60	429.64	409.79	446.25	739.34	2135.62
3	Auxiliary Consumption (%)	6.59%	8.63%	0.61%	3.50%	5.00%	4.7%
II	Fixed Charges						
4	Operation & Maintenance Expenditure	14.14	49.53	41.72	34.20	42.99	182.58
5	Increase in AERC Tariff Filing Fees	0.10	0.10	0.00	0.00	0.00	0.30
6	Interest & Finance Charges	0.00	0.01	7.01	1.47	40.97	49.46
7	Interest on working Capital	1.48	10.38	2.90	11.12	11.72	37.60
8	Depreciation	0.38	13.36	23.61	4.84	34.03	76.21
9	Return on Equity	1.97	16.09	23.44	10.48	33.93	85.90
10	Income Tax	2.01	9.98	2.13	8.58	9.12	31.81
11	Special R&M	0.00	0.00	0.00	35.37	0.00	35.37
12	Less: Other Income	1.99	23.23	22.04	0.00	0.00	54.74
13	Total Fixed Charges	18.09	76.22	78.77	106.16	165.27	444.49

Sl. No.	Particulars (On effective Capacity)	NTPS	LTPS	KLHEP	LRPP	NRPP	TOTAL APGCL
II	Fuel Cost	72.58 84.95	328.98	0.00	256.47	230.96	888.99
III	Total Revenue Requirement	90.67	405.19	78.77	362.63	396.22	1333.48
IV	Incentive for generation for FY 2024-25	0.78	0.00	6.53	0.00	1.74	9.05
	Sharing of (Gains)/Losses	2.73	11.20	1.47	-1.38	-0.27	-11.60
	Reduction in Fixed Cost on account of PAF	0.00	0.00	0.00	0.00	0.00	0.00
V	Net ARR	94.18	394.00	83.83	361.25	397.69	1330.94
VI	Revenue from Sale of Power	83.18	412.79	88.16	354.72	377.17	1316.02
VII	Revenue Gap/(Surplus)	11.00	-18.79	-4.33	6.53	20.52	14.92
VIII	Per unit cost (Rs. /kWh)	8.52	9.17	2.05	8.10	5.38	6.23

APGCL has claimed Revenue Gap of Rs. 14.92 Cr. for FY 2024-25 in the true-up.

2.3 Annual Performance Review for FY 2025-26

APGCL has claimed the ARR after APR for FY 2025-26 based on its estimations, as detailed in the table below:

Table 2: ARR after APR for FY 2025-26 as submitted by APGCL (Rs. Cr.)

Sl. No.	Particulars	NTPS*	LTPS*	KLHEP	LRPP	NRPP	Total APGCL
I	Power Generation						
1	Gross Generation (MU)	54.73	376.88	378.97	500.47	730.59	2041.64
2	Net Generation (MU)	51.82	348.00	375.18	482.95	693.95	1951.91
3	Auxiliary Consumption (%)	5.33%	7.66%	1.0%	3.50%	5.02%	4.40%
II	Fixed Charges						
4	Operation & Maintenance Expenditure	8.76	52.59	44.29	36.31	45.64	187.59

Sl. No.	Particulars	NTPS*	LTPS*	KLHEP	LRPP	NRPP	Total APGCL
	Increase in AERC Tariff Filing Fees	0.00	0.00	0.00	0.00	0.00	0.00
5	Interest & Finance Charges	0.00	0.00	4.73	0.99	37.66	43.38
6	Interest on working Capital	0.64	6.88	2.53	7.96	8.73	26.74
7	Depreciation	0.23	13.52	23.69	4.78	34.11	76.32
8	Return on Equity	1.16	16.32	23.69	10.54	34.01	85.73
9	Income Tax	0.00	0.00	0.00	0	0	0.00
10	Special R&M	0.00	0.00	0.00	2.13	0.00	2.13
11	Less: Other Income	2.67	10.00	10.29	7.18	10.12	40.26
12	Total Fixed Charges	8.11	79.32	88.63	55.54	150.03	381.63
II	Fuel Cost	34.85	245.55	-	281.46	228.13	789.99
III	Total Revenue Requirement	42.96	324.87	88.63	337.00	378.16	1171.62
	Total Cost	42.96	324.87	88.63	337.00	378.16	1171.62
IV	Revenue from Sale of Power	41.07	309.90	98.95	332.39	373.55	1155.86
V	Revenue Gap/(Surplus)	1.89	14.97	-10.32	4.61	4.62	15.77
VI	Per unit tariff (Rs. /kWh)	8.29	9.34	2.36	6.98	5.45	6.00

APGCL submitted that it has not considered the Revenue Gap for FY 2025-26 in the tariff for FY 2026-27 since the figures for FY 2025-26 are estimated and subjected to True-up. APGCL further submitted that it shall consider the same at the time of True-up Petition for FY 2025-26.

2.4 Aggregate Revenue Requirement for FY 2026-27 and Tariff for FY 2026-27 for APGCL

APGCL has projected the ARR for FY 2026-27 for NTPS, LTPS, KLHEP, LRPP AND NRPP as detailed in the Table below:

Table 3: ARR for NTPS, LTPS, KLHEP, LRPP AND NRPP as projected by APGCL (Rs. Cr.)

Sl. No.	Particulars	LTPS*	KLHEP	LRPP	NRPP	Total APGCL
I	Power Generation					
1	Gross Generation (MU)	425.74	390.00	519.40	732.69	2067.82
2	Net Generation (MU)	402.32	386.10	501.22	696.05	1985.69
3	Auxiliary Consumption (%)	5.50%	1.0%	3.50%	5.0%	4.0%
II	Fixed Charges					
4	Operation & Maintenance Expenditure	53.33	43.72	34.80	49.81	181.66
5	Interest & Finance Charges*	0.00	3.33	0.98	35.05	39.35
6	Interest on working Capital*	7.81	2.90	8.83	9.01	28.55
7	Depreciation	13.73	24.35	5.20	34.72	78.00
8	Return on Equity	16.52	24.36	10.86	34.57	86.32
9	Special R&M	9.60	27.00	41.23	0.00	77.83
11	Less: Other Income	-10.00	-10.29	-7.18	-10.12	-37.59
II	Total Fixed Charges	91.00	115.36	94.72	153.05	454.12
III	Fuel Cost	303.20	0.00	299.90	230.61	833.72
IV	Total Revenue Requirement	394.19	115.36	394.62	383.66	1287.84
V	Per unit tariff (Rs./kWh)	9.80	2.99	7.87	5.51	6.49

Table 4: Tariff for FY 2026-27 as proposed by APGCL

Particulars	LTPS*	KLHEP	LRPP	NRPP
Annual Fixed Charges (Rs. Cr.)	91.00	57.68	94.72	153.05
Monthly Fixed Charges (Rs. Cr.)	7.58	4.81	7.89	12.75
Fixed Charge (Rs. / kWh)	2.26	1.49	1.89	2.20
Energy Charge Rate (Rs. /kWh)	7.54	1.49	5.98	3.31
Proposed Tariff (Rs. / kWh)	9.80	2.99	7.87	5.51

3 Summary of Objections raised, Response of APGCL and Commission's Comments

3.1 The Commission received objections/ suggestions from the following three (3) stakeholders on the Petitions filed by APGCL.

Table 5: List of Objectors

Sl. No.	Name of objector
1.	Federation of Industries and Commerce of Northeastern Region (FINER)
2.	Assam Branch of India Tea Association (ABITA)*
3.	Consumer Advocacy Cell (CAC)

APGCL submitted its responses to the objections/ suggestions received from the above objectors.

The Commission considered the objections /suggestions received and notified the objectors to take part in the Hearing process by presenting their views in person before the Commission, if they so desired.

The Commission held Hearing at the Conference Hall of Assam Bidyut Niyamak Bhawan Six Mile, Guwahati on **February 04, 2026**.

The objectors attended the Hearing and submitted their views/ suggestions. All the written representations submitted to the Commission and the oral submission made before the Commission in the Hearing and the responses of APGCL have been carefully considered while issuing this Tariff Order.

The objections/ suggestions made by the objectors and responses of the petitioner are briefly dealt with in this Chapter. The major issues raised by the objectors are discussed below along with the response of the Petitioner (APGCL) and views of the Commission.

While all the objections /suggestions have been given due consideration by the Commission, only, major responses/ objections received on the Petitions and also those raised during the course of Hearing have been grouped and addressed issue wise, in Order to avoid repetition.

Issue 1: Operational parameters

Stakeholder's Comments

All the Stakeholder's requested the Commission that the parameters which are controllable in nature shall be governed by the norms approved. The deviation on account of variation w.r.t. norms shall not be given effect to in the tariff. Stakeholders prayed that operational parameters for all five plants be considered as per the prescribed norms and allowed accordingly.

Response of APGCL

APGCL has submitted the True-up petition as per the Regulations only and prays to the Commission to approve its submission. APGCL has claimed all the operational parameter as per Regulations. APGCL has not claimed any relaxation on account of operational parameter beyond normative values.

Commission's View

The Commission has taken note of the submission made by APGCL. Commission has observed that APGCL has claimed any relaxation regarding the operating parameters. All the parameters have been calculated as per provisions of the MYT Regulations, 2021 and MYT Regulation, 2024 for truing-up of FY 2024-25, APR for FY 2025-26 and ARR for FY 2026-27 as applicable.

The performance of APGCL and analysis of the Commission are discussed in the subsequent Chapters of this Order.

Issue 2: Depreciation

Stakeholder's Comments

Stakeholders objected that APGCL has not associated its claims of CAPEX with the specific Regulation of the Tariff Regulations in their claims under True-up, APR and ARR and request for exclusion of additional capitalization in the True-up. Stakeholders requested for depreciation computation based on actual capitalization and Tariff Regulations. Also, proposed reduction in depreciation in line with the effective capacity.

Response of APGCL

APGCL submits its annual Capex plan with the Tariff petition for Commission approval and claims capitalization as per approval. APGCL has taken the closing GFA of FY 2024-25 as the opening GFA for FY 2025-26 and calculated depreciation as per MYT Regulations, 2021. Depreciation has been limited to 90% of the asset's original cost, computed asset-wise and year-wise. Detailed calculations have been submitted to the Commission for verification.

APGCL avoids claiming depreciation on decommissioned or retired units. Hence, APGCL's claimed depreciation aligns with effective capacity.

Commission's View

Commission notes the objections of stakeholders and depreciation for FY 2024-25 has been approved following prudence checks on Capex claims and in accordance with the MYT Regulations 2021. The GFA includes costs for decommissioned or retired units, depreciation is adjusted to reflect the effective capacity. For APR of FY 25-26 and ARR of FY 26-27, Depreciation is approved following prudence checks on Capex claims and in accordance with the MYT Regulations, 2024.

Issue 3: Return on Equity

Stakeholder's Comments

Stakeholders have raised concerns about additional capitalization post cut-off dates at NTPS, LTPS, KLHEP, and LRPP. It is submitted that APGCL has used the approved closing equity of FY 2025-26 as the opening equity for FY 2026-27 and based on earlier submissions, has calculated the allowable RoE for the four stations as Rs. 86.32 Cr.. Hence, requested for recalculation of RoE based on Tariff Regulations 2021. Query was raised about the nature of equity infusion and a request for a normative vs actual cost analysis.

Response of APGCL

APGCL submitted its CAPEX plan with each tariff petition, and the Commission approves it. Any additional urgent or regulatory CAPEX in FY 2024-25 is justified to the Commission for prudence check and then capitalized. Equity infused for such CAPEX is included in the equity base, and RoE is calculated using the same methodology as the March 2025 Tariff Order and AERC Regulations.

The RoE for FY 2025-26 has been computed using the same methodology applied in the March 2025 Tariff Order. Calculations are based on the corresponding equity base, and the detailed workings have been submitted to the Commission in Excel for verification.

Commission's View

Commission takes note of stakeholders' comments and submission of APGCL. Additional capitalization and Equity addition for FY 2024-25 are approved after prudence check in compliance with MYT Regulations, 2021. Pending grant converted to equity and capped at 30% of the power station's GFA as per methodology adopted by commission in past orders.

Opening equity for FY 2026-27 used for ARR of FY 2026-27 has been allowed after prudence check in accordance with MYT Regulations, 2024.

Issue 4: Capitalization (only for APR of FY 25-26)

Stakeholder's Comments

Stakeholders submitted that the funding of capitalization proposed for APR of FY 2025-26 is to be mainly through equity for all stations, and no additional grant or debt is proposed for funding.

Response of APGCL

APGCL submitted that the funding of capitalization is proposed to be mainly through equity for all stations, considering the current trend of the GoA and equity infusion by APGCL.

Commission's View

The Commission has scrutinized all the details of asset capitalized as per the norms of the regulations and duly approved.

Issue 5: O&M expenses

Stakeholder's Comments

Stakeholders submitted that there is discrepancy between audited O&M expenses and claimed amount. Suggested allowance of the lower value. Stakeholders claimed that it does not comply with prescribed escalation rates in the Regulations. Hence, requested review of actual O&M expenses for true up of FY 2024-25.

Response of APGCL

APGCL has claimed O&M expenses strictly as per Regulation 51 of the Tariff Regulations, 2021 and past tariff orders. It has additionally claimed Rs. 0.30 Cr. as the actual increase in fees paid to the Commission, as approved in the Tariff Order dated 19 June 2024.

All supporting calculations and documents for normative and actual O&M expenses have been submitted for the Commission's verification and prudence check. O&M expenses for FY 2026-27 are projected strictly as per Regulation 51 of the Tariff Regulations, 2024. Detailed calculations have been submitted for the Commission's verification, using an escalation rate of 6.17% as specified in the Tariff Order dated 29 March 2025.

Commission's View

Commission has taken note of the stakeholders' suggestions and submission made by APGCL. Commission has approved the claim after prudency check, in line with the MYT Regulation 2021. approved post-prudence check, in line with MYT Regulations, 2021. Normative O&M for all stations is approved as per MYT Regulations, 2021. For APR and ARR commission has allowed O&M expenses after necessary prudence check and in accordance with the MYT Regulations, 2024.

Issue 6: Special R&M

Stakeholder's Comments

Stakeholders suggested that R&M expenses should be within the approved figure by the Commission. For ARR of FY 2026-27, only the approved Special R&M cost of Rs. 62.83 Cr. should be allowed for FY 2026-27, and no additional amount should be granted to APGCL under this head.

Response of APGCL

For LRPP, Special R&M works cost ₹3,537 lakh. The higher claim is due to an increase in the Euro–INR exchange rate — approval was sought at ₹87.09/Euro, but payments were made at the actual rates on transaction dates.

All supporting documents have been submitted to the Commission for verification and prudence check.

Commission's View

Special R&M Expenses have been approved considering the past approvals and their importance. The Commission has evaluated the special R&M expense for 2026-27 and provisionally approved it in accordance with MYT Regulation 2024.

Issue 7: Fuel Cost

Stakeholder's Comments

Stakeholders commented that APGCL has projected higher costs due to heat rates and auxiliary consumption higher than norms should not be passed through in tariff. The allowable Fuel cost to be computed by deducting the Cost of fuel pertaining to the Generation loss due to high Auxiliary consumption and higher heat rate. Also, it is commented that the Fuel cost projections are not aligned with 2024 Tariff Order.

Response of APGCL

Fuel costs claimed as per Regulations and Government-notified gas prices. No relaxation claimed for costs beyond normative values. APGCL claims fuel costs based on Station Heat Rate (SHR) and regulations without seeking additional costs beyond SHR.

APGCL has submitted fuel costs considering average SHR (less than normative) for FY 2025-26 as a one-time measure to relieve consumers from high fuel costs due to gas price increases.

Commission's View

Fuel costs are allowed after a prudence check by the Commission and in accordance with the MYT Regulations, 2021 and for APR of FY 2025-26 it is in accordance with MYT Regulations, 2024. Losses due to higher auxiliary consumption are passed on, with one-third of the losses borne by the beneficiaries and two-third by APGCL.

Issue 8: Non-Tariff Income

Stakeholder's Comments

Stakeholders submitted that there is discrepancy between claimed and audited non-tariff income; concerns about negative adjustments reflecting operational inefficiencies. The concerns were raised on unaccounted delayed payment surcharge and Excess found MAT stock, requested prudence check.

Response of APGCL

APGCL submitted that their claims align with regulatory norms; detailed justifications provided for adjustments and provisions. For APR of FY 2025-26, the figures were based on March 2025 Tariff order; adjustments will be made during true-up.

For APR and ARR, APGCL has claimed provisionally approved non-tariff income for FY 2025-26 and FY 2026-27.

Commission's View

Commission has taken the note of Stakeholders' suggestions and Delayed Payment Surcharge (DPS) has been considered as non-tariff income. For APR and ARR, Commission has provisionally approved the non-tariff income for FY 2025-26 and FY 2026-27 same as approved in MYT Order of March 2025.

Issue 9: Interest on Working Capital

Stakeholder's Comments

Stakeholders commented that APGCL has claimed fuel costs for LTPS, LRPP, and NRPP for FY 2026-27, and has reduced LTPS GSHR to 2950 kcal/kWh as a one-time measure to lower tariffs, despite providing no justification for these figures. It is submitted that fuel costs should be allowed only after thorough due diligence and prudence check. APGCL has proposed interest on working capital of Rs. 47.73 Cr. as against Rs. 46.02 Cr. approved in the 2025 Order.

Response of APGCL

APGCL submitted that it has claimed fuel cost as per Regulations and present natural gas price trend only. All the relevant documents and calculations for fuel cost have already been submitted to the Commission.

Commission's View

Commission takes note of stakeholder's comments. Interest in working capital allowed after prudence checks, compliant with MYT Regulations, 2021 and with 2024 Regulations for APR and ARR.

Issue 10: Interest and Finance Charges

Stakeholder's Comments

Stakeholders requested alignment of Interest and Finance Charges with the Commission's methodology from previous Tariff Orders.

Response of APGCL

APGCL submitted that the Interest rates are aligned with regulatory norms. Detailed computations provided for Commission's verification. The proposed charges for APR and ARR of FY 25-26 and FY 26-27 are based on MYT Regulations.

Commission's View

Commission takes note of stakeholder's comments and submission made by APGCL. Cost has been allowed after prudence checks and in accordance with MYT Regulations, 2021 and with MYT Regulations of 2024.

Issue 11: Annual Fixed Cost

Stakeholder's Comments

Stakeholders commented that there are increases in fixed charges for most plants, attributing them to various cost elements.

Response of APGCL

APGCL submitted that the costs have been calculated as per AERC norms with a 6.40% escalation rate. Depreciation, interest, and RoE has been computed based on approved CAPEX. Special R&M expenses aligned with Commission approvals.

Commission's View

Commission takes the note of stakeholder's suggestion and submission made by the APGCL. Commission has reviewed the fixed costs components in accordance with the regulatory guidelines.

Issue 12: Installed Effective Capacity

Stakeholder's Comments

Stakeholders expressed concerns about APGCL's effective capacity utilization being only 73.86%, which meets just 14.5% of APDCL's peak demand.

Response of APGCL

APGCL explained that the capacity is calculated based on AERC's methodology, considering factors like gas linkage and operational constraints.

Commission's View

Commission has verified the Capacity claimed from the certificate provided by SLDC and approved accordingly within the norms.

Issue 13: Non-Compliance with Past Directions

Stakeholder's comments

APGCL has not complied with key directions of the Tariff Order dated 25.03.2025. For Directives 5 and 6, it has only said "noted" without submitting board approvals for Special R&M/Capital Works or providing the required plan for clean power generation from waste for

FY 2025–26. APGCL should be directed to submit these pending documents immediately and comply within a fixed timeline.

Response of APGCL

APGCL has submitted the necessary documents of approvals received from relevant competent authorities to the Commission.

Regarding plan for generating clean power from waste in FY 2025-26; a letter was sent to Principal Secretary regarding waste to energy project in Guwahati. No response has been received so far. However, with the available information at a first glance, it is seen that such a project may not be viable.

Commission's View

The response given by the petitioner has been noted and the Commission hereby directs APGCL for this as a compliance of directive.

Issue 14: Revenue from Operations

Stakeholders commented that Auditor reports that APGCL is not following Ind AS for recognizing regulatory deferral balances, leading to understated revenue and equity by Rs. 34.08 Cr.. APGCL should be asked to explain this, and the amount should be considered in the current tariff proceedings.

Response of APGCL

CAG has repeatedly asked for provision of AFC refundable to APDCL for low PAF, so APGCL has now booked a regulatory liability and reduced FY 2024-25 SOP revenue by Rs. 34.08 Cr. for unspent Special R&M. APGCL states that all future true-up related gaps/surpluses will be disclosed in the Significant Accounting Policies, and the Special R&M shortfall is already disclosed in Note-54.

Commission's View

The Commission has sought clarification from APGCL on this and directed to maintain proper accounting of liabilities and assets to avoid any discrepancy.

Issue 15: Cash flow statement

Stakeholders commented that the Auditor has given multiple reasons due to which the cash flow statement fails to give true and fair view. It is concluded that such discrepancies are highly concerning. Even last year, the Auditor had pointed out multiple issues with the case flow statement.

Response of APGCL

APGCL in its reply has stated that due care is being taken in preparing cash flow statement to avoid such instances from now.

Commission's View

The Commission directs the petitioner to strictly follow accounting principles to avoid any discrepancy.

4 True up of ARR for FY 2024-25

4.1 Methodology for Truing Up

The Commission approved the ARR for existing Generating Stations, viz., NTPS, LTPS, KLHEP, LRPP and NRPP for FY 2024-25 vide Order dated March 25, 2025, and Review Order dated October 10, 2025.

APGCL has submitted Truing-up Petition for FY 2024-25 based on audited Annual Accounts and provisions of MYT Regulations, 2021. APGCL has sought true-up for FY 2024-25, with the Revenue Gap/(Surplus) to be recovered from APDCL during FY 2026-27.

The Commission approves the cost parameters through approval of the ARR at the beginning of the year, keeping in view the data available at that point of time. The cost approvals for each of the items are based on projection of expenses and revenue before beginning of the year and the provisions of MYT Regulations, 2021. The projections might vary over the course of the year.

The actual cost/values for certain elements/parameters may vary as against the approved cost during the year due to various controllable and uncontrollable factors. The Generating Company may end up with higher or lower expenditure, as the case may be, at the end of the year as against the approved cost.

The Commission analyses the actual expenditure for the previous year/years based on the audited Annual Accounts of the Generating Company and allows/disallows the recovery of the actual expenditure through the ensuing year's tariff, subject to prudence check.

In the present Chapter, the Commission has carried out Truing up for FY 2024-25 for existing Generating Stations, i.e., NTPS, LTPS, KLHEP, LRPP and NRPP, based on the submissions of APGCL, audited Annual Accounts for FY 2024-25 and provisions of the MYT Regulations, 2021. Apart from the audited Accounts, APGCL, in its additional submission, submitted Station-wise reconciliation of expenses claimed in the Petition with audited Accounts for FY 2024-25 and the same has been considered for Truing up purposes.

In this Chapter, the Commission has analysed all the elements of actual expenditure and revenue of APGCL for FY 2024-25 and undertaken the truing-up of expenses and revenue in accordance with Regulation 9.1 of the MYT Regulations, 2021. The Commission has approved the sharing of gains and losses on account of controllable factors between APGCL and its sole beneficiary, viz., APDCL, in accordance with Regulation 12 of the MYT Regulations, 2021.

4.2 Installed and Effective Capacity of FY 2024-25

APGCL submitted the following installed and effective capacity for FY 2024-25.

Table 6: Installed and Effective Capacity for FY 2024-25 (MW)

Station	Installed Capacity	No. of Units	Units Available for Generation & Capacity	Effective Capacity
NTPS	119.50	2	GTU 2 (17MW) & STU#6 (9 MW)	26.00
LTPS	142.20	4	GTU 5,6,7(20 MW Each), STU 8 (37.20 MW-WHRU)	97.20
KLHEP	100.00	2	U 1 & 2 (50 MW each)	100.00
LRPP	69.75	7	GE 1-7 (9.965 MW each)	69.76
NRPP	98.400	2	GTU 1(62.25 MW), STU 2(36.15)	98.40

Commission's Analysis

The Commission has considered the effective capacity for FY 2024-25 as submitted by APGCL in the above Table. The Commission has accordingly reduced the fixed cost derived after Truing-up of FY 2024-25 to the extent of effective capacity with respect to the installed capacity of each of the above Stations, in subsequent section of this Chapter.

4.3 Plant Availability Factor (PAF)/Capacity Index

The PAF/Capacity Index for NTPS, LTPS, KLHEP, LRPP and NRPP for FY 2024-25, as submitted by APGCL are shown in the Table below:

Table 7: PAF/Capacity Index as submitted by APGCL

Station	APGCL's Submission
NTPS	50.00%
LTPS	50.00%
KLHEP	89.10%
LRPP	85.00%
NRPP	85.00%

Plant Availability Factor for NTPS - APGCL has claimed It has achieved the normative value as approved in Regulation 48.1 of the MYT Regulations, 2021. APGCL has claimed normative PAF of 50.00% for NTPS.

Plant Availability Factor for LTPS - As per Regulation 48.1 of the MYT Regulations, 2021 the Normative Plant Availability factor for recovery of full fixed charges, is 50%.

APGCL has claimed normative PAF of 50.00% for LTPS.

Plant Availability Factor for KLHEP – APGCL submits that, it has achieved higher availability than the NAPAF. Regulation 50 of the MYT Regulations, 2021 specifies normative PAF for KLHEP as 85%, and APGCL has claimed PAF of 89.10% for KLHEP.

Plant Availability Factor for LRPP – APGCL claimed that it has achieved the normative PAF for recovery of full fixed charges as stated in Regulation 48.1(b) of the Tariff Regulations, 2021. The normative PAF and APGCL has claimed for PAF is 85%.

Plant Availability Factor for NRPP – APGCL has submitted that as per Regulation 48.1 of the Tariff Regulations, 2021 the Normative Plant Availability factor for recovery of full fixed charges, is 85%. APGCL claimed that it has achieved the actual availability higher than the normative value.

Commission’s Analysis

In accordance with Regulations 48.1 and 50.1 of the MYT Regulations, 2021, the Target PAF/Capacity Index for recovery of full Fixed Charges is 50% for NTPS and LTPS, and 85% for KLHEP. For LRPP and NRPP, the regulation specifies a normative availability of 85%.

The Commission has considered the PAF/Capacity Index as per the SLDC Certificate for the purpose of Truing up. The Commission notes the actual availability for NTPS, LTPS, LRPP, NRPP, and KLHEP as 59.95%, 55.84%, 86.80%, 93.40% and 89.10% respectively. Commission notes that, actual PAF of NTPS, LTPS, LRPP, NRPP and KLHEP is higher than the normative plant availability factor of APGCL.

Based on the above submission, the Commission has considered the actual availability of all the stations as certified by SLDC for FY 2024-25. The Commission has approved the actual PAF/Capacity Index for FY 2024-25 as shown in the following table:

Table 8 : PAF/Capacity Index as approved by the Commission for FY 2024-25

Station	Target Availability/Capacity Index (NAPAF) (%)	Approved (%)
NTPS	50%	59.95%
LTPS	50%	55.84%
KLHEP	85%	89.10%

Station	Target Availability/Capacity Index (NAPAF) (%)	Approved (%)
LRPP	85%	86.80%
NRPP	85%	93.40%

4.4 Plant Load Factor (PLF)

The Actual PLF Index for NTPS, LTPS, KLHEP, LRPP and NRPP for FY 2024-25, as submitted by APGCL are shown in the Table below:

Table 9: Actual PLF as submitted by APGCL

Station	Actual
NTPS	50.85%
LTPS	53.39%
KLHEP	47.01%
LRPP	76.32%
NRPP	90.34%

NAPLF for NTPS – APGCL submitted that, as per Regulation 48.2 of the MYT Regulations, 2021 the Normative Plant Load factor, is 50% for NTPS. It achieved more than the normative value in FY 2024-25.

NAPLF for LTPS – APGCL submitted that, as per Regulation 48.2 of the MYT Regulations, 2021 the Normative Plant Load factor was 66% for LTPS. It has achieved the actual PLF lower than the normative value.

NAPLF for KLHEP - APGCL has submitted that, Regulation 50 of the MYT Regulations, 2021 specifies normative PLF for KLHEP as 44.5% for FY 2024-25. It has achieved higher PLF of 47.01% than the normative one.

NAPLF for LRPP – APGCL submitted that, as per Regulation 48.2 of the Tariff Regulations, 2021 the Normative Plant Load factor, is 90%. It has achieved actual PLF lower the normative value in FY 2024-25.

NAPLF for NRPP – APGCL submitted that, as per Regulation 48.2 of the Tariff Regulations, 2021 the Normative Plant Load Factor is 85%. It has achieved higher PLF than normative value of 90.34%.

Commission's Analysis

The Commission has observed that the Plant Load Factor (PLF) for LTPS and LRPP is below the Normative Average PLF (NAPLF) as specified in the MYT Regulations 2021. In response to the Commission's ask for justification, APGCL provided explanations similar to those given for the Plant Availability Factor (PAF) in the previous section.

APGCL replied that it has faced frequent load restriction from APDCL/SLDC for LRPP which affects the plant load factor of the power plant. For LRPP APGCL has lost 52.02 MU due to SLDC's load restriction in FY 2024-25. If this generation could be realised, the deemed PLF of LRPP had been around 81.94%. For LTPS, GT unit 7 was under shutdown condition throughout the FY 2024-25 due to rotor damage on 17/10/2023 leading to lower PLF than normative. The PO for restoration of GT unit 7 of LTPS has already been placed and is expected to be completed by Feb'2026. The Commission has computed the actual PLF for each of the stations of APGCL considering the gross generation as certified by SLDC and the effective capacity of APGCL during FY 2024-25.

The Commission, therefore, after prudency check, approves the actual PLF of 50.85% for NTPS, 53.39% for LTPS, 47.01% for KLHEP, 76.32% for LRPP and 90.34% for NRPP for FY 2024-25.

As per Regulation 48.2(i) of the MYT Regulations 2021, the target PLF for eligibility of incentive is 50% for NTPS. As per Regulation 48.2 (ii) of the MYT Regulations 2021, the target PLF for eligibility of incentive is 85% for NRPP and as per Regulation 50.1 of the MYT Regulation 2021, target PLF for eligibility of incentive for KLHEP is 44.50%.

The Commission notes that actual PLF/design energy for LTPS, LRPP, for FY 2024-25 is lower than normative; hence, they are not eligible for generation incentive.

The generation of NTPS, KLHEP and NRPP exceeds the Normative PLF; therefore, only this is eligible for an incentive.

4.5 Auxiliary Consumption

APGCL submitted the Auxiliary Consumption for FY 2024-25 and Auxiliary Consumption approved by the Commission in the Tariff Order of **June 2024** as shown in the following Table:

Table 10: Auxiliary Consumption for FY 2024-25 as submitted by APGCL

Sl. No.	Station	Approved as per order of June 2024	Claim for FY 2024-25
1	NTPS	4.50%	6.59%

Sl. No.	Station	Approved as per order of June 2024	Claim for FY 2024-25
2	LTPS	5.50%	8.63%
3	KLHEP	0.50%	0.61%
4	LRPP	3.50%	3.50%
5	NRPP	5.00%	5.00%

Commission's Analysis

The Commission notes that actual Auxiliary Consumption for NTPS, LTPS and KLHEP are higher than the approved norms. Commission sought justification for higher Auxiliary Consumption for NTPS, LTPS and KLHEP. APGCL, in its response, submitted that the reason for higher auxiliary consumption of KLHEP was on account of the transformation loss & the matter was highlighted in draft MYT regulation 2024 After prudency check, the Commission has approved the Auxiliary Consumption for FY 2024-25 at the same level as approved in the Tariff Order dated March 25, 2025.

As Auxiliary Consumption is a controllable parameter, the sharing of gains/losses on account of Auxiliary Consumption has been undertaken in subsequent Section in this Chapter.

The Auxiliary Consumption approved by the Commission for the Truing Up of FY 2024-25 is shown in the Table below:

Table 11: Auxiliary Consumption (%) as approved by the Commission in the truing up for FY 2024-25

Sl. No.	Station	Tariff Order dated March 29, 2023	Approved for FY 2024-25 (%)
1	NTPS	4.50%	4.50%
2	LTPS	5.50%	5.50%
3	KLHEP	0.50%	0.50%
4	LRPP	3.50%	3.50%
5	NRPP	5.00%	5.00%

4.6 Gross Generation and Net Generation

The actual Gross Generation and Net Generation submitted by APGCL for FY 2024-25 is shown in the following Table:

Table 12: Actual Gross and Net Generation for FY 2024-25 as submitted by APGCL (MU)

Sl. No.	Station	Actual Gross Generation	Actual Net Generation
1	NTPS	118.404	110.60
2	LTPS	470.19	429.64
3	LRPP	462.43	446.25
4	NRPP	778.26	739.34
	Total Thermal	1829.284	1725.83
5	KLHEP	412.30	409.79
	Total APGCL	2241.584	2135.62

Commission's Analysis

The Commission notes that actual Gross Generation and Net Generation submitted by APGCL for FY 2024-25 corresponds to the Gross and Net Generation as certified by SLDC.

For truing up purpose, the Commission has approved the actual Gross Generation as per SLDC Certificate. The Net Generation has been approved after applying the Auxiliary Consumption approved for FY 2024-25.

The Gross Generation and Net Generation approved by the Commission for FY 2024-25 is shown in the following Table:

Table 13: Gross and Net Generation for FY 2024-25 as approved by the Commission

Sl. No.	Station	Gross Generation (MU)	Approved Net Generation (MU)
1	NTPS	118.40	113.08
2	LTPS	470.19	444.33
3	LRPP	462.43	446.25
4	NRPP	778.26	739.34
	Total Thermal	1829.28	1743.00
5	KLHEP	412.30	410.24
	Total APGCL	2241.58	2153.23

4.7 Station Heat Rate (SHR)

APGCL submitted the Gross Station Heat Rate (SHR) claimed by them in comparison to the SHR as approved by the Commission in the Tariff Order of June 2024 as shown in the following Table

Table 14: Station Heat Rate (kcal/kWh) for FY 2024-25 submitted by APGCL

Sl. No.	Station	Approved as per order of June 2024	Claim for FY 2024-25
1	NTPS	3900 (CC) 4300(OC)	3927.40
2	LTPS	3200 (CC) 3900(OC)	3200
3	LRPP	2150	2150
4	NRPP	2927 (OC) 1951 (CC)	1951

SHR for NTPS – APGCL submitted that, as per Regulation 48.4 of the MYT Regulations, 2021 the Normative Station Heat Rate, is 3900 kCal/kWh for FY 2024-25 for NTPS in combined cycle and 4300 kCal/kWh in open cycle modes of operation. It has submitted that the actual SHR of NTPS is 4278.97 kCal/Kwh, which is higher than the approved SHR in FY 2024-25 due to part loading of units resulting due to SLDC load restrictions and old plant equipment and machinery. APGCL has claimed the normative SHR for FY 2024-25 as 3927.40.

Table 15: Computation of actual weighted normative submitted by APGCL for NTPS

FY 2024-25	GSHR	Running Hours in Open Cycle Mode	Normative weighted average SHR
Open Cycle Mode	4300	600.00	3927.40
Combined Cycle Mode	3900	8160.00	
Total		8760.00	

SHR for LTPS - APGCL has submitted that as per Regulation 48.4 of the MYT Regulations, 2021 the Normative Station Heat Rate for FY 2024-25 of LTPS, is 3200 kCal/kWh in combined cycle mode and 3900 Kcal/KWh in open cycle modes of operation. APGCL has claimed the normative SHR for FY 2024-25 as 3200 at Open Cycle mode only.

SHR for LRPP - The Commission had approved the Gross Station Heat Rate for LRPP at 2,150 kCal/kWh in the Tariff Order dated June 2024 for LRPP. APGCL has claimed the normative SHR for FY 2024-25.

SHR for NRPP – As per Regulation 48.4 of the MYT Regulations, 2021 the Normative Station Heat Rate for FY 2024-25 of NRPP, is 1951 kCal/kWh in combined and 2927 Kcal/KWh in open cycle modes of operation. The details are given below.

Table 16: Computation of actual weighted normative submitted by APGCL for NRPP

FY 2024-25	GSHR	Normative weighted average SHR
Open Cycle Mode	2927	1951
Combined Cycle Mode	1951	

Commission’s Analysis

The Commission notes that as per SLDC certificate the actual SHRs for NTPS is higher than the approved norms for FY 2024-25. APGCL submitted that it has considered 25 days open cycle and 340 days combined cycle operation as approved by AERC in its earlier Orders, the latest of which was the Order dated 27th Jun’24 at para 4.7.5. Though the actual heat rate was 4567 kcal/kWh, APGCL has considered normative station heat rate for NTPS 3900 Kcal/kWh for combined cycle operation and 4300 Kcal/kwh for open cycle operation as per earlier approvals of the Commission at normative value. For LTPS, LRPP and NRPP, APGCL has submitted that it has claimed Station Heat Rate on normative basis. For LTPS 3200 Kcal/kwh, For LRPP 2150 Kcal/kwh and for NRPP 1951 kcal/kwh which is already approved by AERC. APGCL has not claimed SHR at open cycle mode for LTPS and NRPP. For LRPP the units run in open cycle mode only and heat rate is claimed on open cycle mode. This is as per MYT regulations 2024 (regulation 48: norms of operation for thermal power plant) heat rate of gas engine is defined for open cycle only.

Regulation 48.4 provides for weighted average SHR for NTPS, LTPS, LRPP and NRPP based on its operation in Open Cycle (OC) and Closed Cycle (CC) mode.

As regards major overhauling and planned shutdown, the Commission in Section 4.6.3 of the MYT Order dated March 01, 2019 had ruled as under:

“The Commission is of the view that the planned shutdown for Major Overhaul should not take more than 25 days as per industry practice. APGCL has also considered outage of 25 days for Major Overhaul in its proposal for FY 2019-20. Accordingly, impact of the same is passed through, by revising the normative SHR to 3248 kcal/kwh, by considering 25 days of operation under Open Cycle and 340 days of operation under Closed Cycle”

In line with the above ruling, the Commission has considered the planned shutdown of 25 days for NTPS during FY 2024-25 and has accordingly computed the SHR considering its operation in OC mode in line with the Regulations. The commission also notes that APGCL's submission is also as per the same methodology as discussed above.

Considering the above submission, the Commission has considered the SHR for NTPS, LTPS, LRPP and NRPP same as submitted by APGCL. Being a controllable factor, the sharing of gains/losses has been computed in a subsequent Section of this Chapter. The SHR approved by the Commission for NTPS, LTPS, LRPP and NRPP in the truing up for FY 2024-25 is shown in the following Table.

Table 17: Station Heat Rate (kcal/kWh) for FY 2024-25 as approved by the Commission

Sl. No.	Station	Tariff Order dated March 25, 2025	Actual certified by SLDC	Approved for FY 2024-25
1	NTPS	3900 (CC) 4300(OC)	4278.97	3927.40
2	LTPS	3200	2740.87	3200.00
3	LRPP	2150	2133.55	2150.00
4	NRPP	2927 (OC) 1951 (CC)	1945.07	1951.00

4.8 Fuel Cost

APGCL has submitted the copies of month-wise fuel bills raised by APGCL's suppliers for FY 2024-25 in its quarterly FPA reports. APGCL in its petition has submitted fuel cost in comparison to the approved as per TO of 27 June 2024 as –

Table 18: Fuel cost claimed by APGCL for FY 2024-25 (Rs. Cr.)

Total cost of Gas	Approved as per TO of 27 June 2024	Claim for FY 2024-25
NTPS	66.43	72.58
LTPS	274.38	328.98
LRPP	276.24	256.47
NRPP	213.81	230.96

Commission's Analysis

The Commission has verified the actual fuel price and GCV of fuels from the actual fuel bills submitted by APGCL. Based on the detailed scrutiny of the fuel bills, the Commission has

considered the actual price of fuel and GCV for NTPS, LTPS, NRPP and LRPP.

The Commission has computed the weighted average price of gas and weighted average GCV of gas for NTPS, LTPS, LRPP and NRPP based on actual month-wise quantity of gas received, month-wise GCV of gas received and month-wise fuel cost.

The Commission observed that there is no change in the weighted average GCV of LTPS, LRPP, NTPS and NRPP as compared to the average GCV submitted by APGCL in its Petition. The gas prices are also in line with the gas prices submitted by APGCL for FY 2024-25 for NTPS, LTPS, LRPP and NRPP.

The actual weighted average GCV and actual landed price of gas considered by the Commission for truing up of fuel cost is shown in the Table below:

Table 19: Actual Weighted Average GCV and Landed Price of Gas for FY 2024-25 considered by the Commission

Station	Wt. Avg. Gross Calorific Value of Gas (kcal/SCM)		Wt. Avg. Landed Price of Gas (Rs. /1000 SCM)	
	As submitted by APGCL	As considered by Commission	As submitted by APGCL	As considered by Commission
NTPS	9,203.21	9,203.21	14,364.37	14,364.37
LTPS	9,370.87	9,370.87	20,489.04	20,489.04
LRPP	9,189.06	9,189.06	23,704.41	23,704.41
NRPP	9,189.41	9,189.41	13,977.78	13,977.78

The Commission has trued up the Fuel Cost based on the approved performance parameters and actual fuel price and GCV for FY 2024-25. The Commission has approved the Gross Generation for NTPS, LTPS, LRPP and NRPP as discussed in earlier Section of this Chapter. The fuel cost for different thermal stations corresponding to approved generation has been computed based on the approved performance parameters as shown in the following Table:

Table 20: Normative Fuel Cost for FY 2024-25 as computed by the Commission

Sr. No.	Particulars	Derivation	Unit	NTPS	LTPS	LRPP	NRPP
1	Gross Generation	A	MU	118.40	470.19	462.43	778.26

Sr. No.	Particulars	Derivation	Unit	NTPS	LTPS	LRPP	NRPP
2	Heat Rate	B	kcal/kWh	3,927.40	3,200.00	2,150.00	1,951.00
3	GCV of gas	C	kcal/SCM	9,203.21	9,370.87	9,189.06	9,189.41
4	Overall Heat	D=AxB	G. cal.	465,020.70	1,504,614.40	994,228.37	1,518,376.50
5	Gas consumption	E=D/C	M. SCM	50.53	160.56	108.20	165.23
6	Price of Gas	F	Rs./1000 SCM	14,364.37	20,489.04	23,704.41	13,977.78
7	Total cost of Gas	G=ExF/100	Rs. Cr.	72.58	328.98	256.47	230.96
8	Auxiliary Consumption	H	%	4.50%	5.50%	3.50%	5.00%
9	Net Generation	I = A*(1-H)	MU	113.08	444.33	446.25	739.34
10	Energy Charges	G=/I*10	Rs./kWh	6.42	7.40	5.75	3.12

Commission observed that, APGCL calculated fuel charges based on **Normative Net Generation** (i.e., after applying normative auxiliary consumption) multiplied by the **ECR computed using normative operational parameters**. However, as per **Regulation 52.2 of the AERC Tariff Regulations, 2021**, fuel cost must be computed as: *“Energy (Ex-bus) corresponding to actual generation (i.e., actual net generation) × ECR computed considering normative operational parameters.”*

Based on the above methodology, the approved Fuel Cost for FY 2024-25 for different thermal stations corresponding to actual gross generation are given in the Table below:

Table 21: Fuel Cost approved by the Commission in truing up for FY 2024-25 (Rs. Cr.)

Station	Actual Fuel Cost submitted by APGCL	Fuel Cost approved by Commission
NTPS	72.58	70.99
LTPS	328.98	318.10
LRPP	256.47	258.66
NRPP	230.96	231.09

The sharing of efficiency gains and losses on account of fuel cost has been discussed in a

subsequent Section of this Chapter.

4.9 Incentive for Generation

APGCL has claimed incentive for NTPS and NRPP for achieving higher PLF than the normative and has claimed incentive for KLHEP for higher availability than the normative.

The incentive claim of NTPS is submitted by APGCL as : As per regulation 53 of the Tariff Regulations 2021, incentive is payable at a flat rate of 50.0 paisa/kWh for actual energy generation in excess of ex-bus energy corresponding to target PLF. Provided that the actual generation shall also consider the generation loss on account of any backing down instruction from Assam State Load Dispatch Centre.

The target PLF of NTPS was 50% for claiming incentive as per the Tariff Regulations 2021. Actual PLF achieved considering effective installed capacity of 26 MW was 50.85% for FY 2024-25. In view of the above, the Petitioner claims the incentive of Rs. 0.785 Cr. at a rate of 50 paise for NTPS.

APGCL has claimed incentive for NRPP as - As per regulation 53 of the Tariff Regulations 2021, incentive is payable at a flat rate of 50.0 paisa/kWh for actual energy generation in excess of ex-bus energy corresponding to target PLF. Provided that the actual generation shall also consider the generation loss on account of any backing down instruction from Assam State Load Dispatch Centre.

The target PLF of NRPP was 85% for claiming incentive as per the Tariff Regulations 2021. Actual PLF achieved considering effective installed capacity of 98.40 MW was 90.34% for FY 2024-25. In view of the above, the Petitioner claims the incentive of Rs. 1.741 Cr. at a rate of 50 paise for NRPP.

APGCL has claimed incentive for KLHEP on achieving higher PAF and higher saleable energy as - As regulation 54.2 of the Tariff Regulations 2021, incentive payable to hydro power plants for achieving higher availability than normative availability is inclusive of the Annual fixed cost. APGCL claimed Rs. 1.97 Cr. incentive payable on higher PAF for KLHEP.

APGCL submits that the net generation of KLHEP in FY 2024-25 was higher than the design energy and hence Secondary Charge Incentive has been claimed for KLHEP.

As per regulation 54.6 of the Tariff Regulations 2021, for a hydro power station if the actual saleable energy in a year exceeds Design energy the Energy Charge for such energy is billed equal

to the lowest variable charges of the central sector thermal power generating stations in the northeast region.

Hence, APGCL has claimed Rs. 4.56 Cr. as incentive for secondary energy charge for KLHEP in FY 2024-25.

Commission's Analysis

As per regulation 53 of the MYT Regulations 2021, incentive is payable for actual energy generation in excess of ex-bus energy corresponding to target PLF. The target PLF of NTPS is 50% for claiming incentive as per the MYT Regulations 2021. Actual PLF achieved considering effective installed capacity of 26 MW was 50.85% for FY 2024-25. The commission also notes that APGCL claimed an additional incentive for the generation loss due to SLDC load restriction. An incentive for the generation loss of 14.823 MU due to SLDC load restriction has been allowed after verifying the SLDC certificate and conducting a prudence check. Therefore, Commission approves Rs 0.785 Cr. as incentive for overachieving w.r.t. the normative PLF for NTPS.

The target PLF for NRPP is 85% for claiming incentive as per the MYT Regulations 2021. The Actual PLF achieved considering effective capacity of 98.40 MW was 90.34 % for FY 2024-25. Commission also notes that APGCL claimed an additional incentive for the generation loss due to SLDC load restriction. An incentive for the generation loss due to 4.186 MU due to SLDC load restriction has been allowed after verifying the SLDC certificate and conducting a prudence check. After prudence check the Commission approves Rs. Rs. 2.38 Cr. as incentive for overachieving w.r.t to the normative PLF of NRPP.

The target PAF for KLHEP is 85% for claiming incentive as per the MYT Regulation 2021. The actual PAF achieved by KLHEP during FY 2024-25 was 89.10%. Hence, Commission after prudency check allows Rs.1.97 Cr. as incentive for overachieving higher PAF than the normative.

Commission has observed that the KLHEP has claimed higher sealable energy than the design energy for the months of January 2025, February 2025 and March 2025 in FY 2024-25. APGCL submitted that the lowest variable charges of the central sector thermal power generating stations in the northeast region for the month of **January 2024 is Rs 2.105/unit for OTPC(Palatana).**

Considering the above submission, Commission after prudency check has allowed Rs. 4.56 Cr. as incentive on Secondary energy Charge for KLHEP in FY 2024-25. The detailed computation of incentives for NTPS, NRPP and KLHEP plants are mentioned in the table below –

Table 22: Incentive for Generation Approved by the Commission for NTPS and NRPP for FY 2024-25

Station	Installed Capacity	PLF (%)		Gross Generation (MU)		Auxiliary Consumption (%)		Net Generation (MU)		Ex-bus energy eligible for incentive (MU)	Incentive (Rs. Cr.)
		Target for Incentive	Actual	At target PLF	Actual	Normative	Actual	At target PLF	Actual		
NTPS	26.00	50.00%	50.85%	113.88	133.23	4.50%	6.59%	108.76	124.44	15.69	0.78
NRPP	98.40	85.00%	90.34%	732.69	782.44	5.00%	4.94%	696.05	743.75	47.70	2.38

Table 23: Incentive for KLHEP on Secondary Energy for FY 2024-25

Station	Design Energy	Aux	Net Design Energy	Actual Energy	Energy for Incentive	Rate	Incentive (A)
	MU	%	MU	MU	MU	Rs. /kWh	(Rs Cr.)
KLHEP	390.00	0.50%	388.05	409.79	21.74	2.10	4.56

Table 24: Incentive for KLHEP on PAF for FY 2024-25 (Rs Cr.)

KLHEP	Capacity Charges approved by AERC for FY2024-25	Capacity Charges as per actual PAF	Incentive (B)
Incentive for PAF%	40.89	42.86	1.97

4.10 Operation & Maintenance Expenses

APGCL claimed the Operations and Maintenance (O&M) expenses for the FY 2024-25 on a normative basis, as specified in Regulation 51.1 of the MYT Regulations, 2021. APGCL has considered the normative O&M expenses for FY 2024-25 by escalating the base O&M Expense of FY 2022-23 with average of last 3 years CPI and WPI inflation considered in the ratio of 60:40 for existing old stations of NTPS, LTPS and KLHEP. For LRPP, O&M Norms fixed in MYT

Regulations, 2021 has been used to work out Normative O&M Expense for FY 2024-25. APGCL has claimed the actual O&M cost of Rs. 42.99 Cr. (as compared to Rs. 48.23 Cr. approved in FY 2023-24) with respect to NRPP for FY 2024-25. Normative O&M Expenses for NTPS, LTPS and KLHEP have been computed by escalating Base O&M Expenses of FY 2022-23 by escalation factor of 5.25 %. Base O&M Expenses for FY 2022 23 have been determined by computing averages of actual O&M Expenses approved for FY 2020 21 to FY 2022-23. For LRPP, approved O&M in APR for FY 2024-25 in Tariff Order March 2025 is considered and for NRPP actual audited O&M amount is considered.

Table 25: O&M expenses for FY 2024-25 as claimed by APGCL (Rs. Cr.)

Station	Approved TO June 2024 (Full Capacity)	Approved TO June 2024 (Effective Capacity)	Normative O&M for FY 24-25 at full capacity	Normative O&M capacity for True Up at effective capacity	Claim for True up
NTPS	61.88	13.46	64.98	14.14	14.14
LTPS	70.68	48.31	72.46	49.53	49.53
KLHEP	37.74	37.74	41.72	41.72	41.72
LRPP	34.17	34.17	34.20	34.20	34.20
NRPP	25.85	25.85	42.99	42.99	42.99
Total	230.32	159.54	256.35	182.58	182.58

The Station-wise details of head-wise actual O&M expenses excluding O&M expense of MSHEP of Rs. 5.68 Cr. and excluding special R&M of **Rs. 35.37 Cr.**) claimed for FY 2024-25 by APGCL is given in the Table below:

Table 26: Details of O&M expenses claimed by APGCL for FY 2024-25 (Rs. Cr.)

Station	Employee Cost	A&G	R&M	Total
NTPS	9.61	2.74	2.05	14.40
LTPS	25.97	10.95	15.81	52.73
KLHEP	27.84	6.76	3.53	38.13
LRPP	13.74	6.90	14.15	70.16
NRPP	31.16	8.05	4.64	43.85
Total	108.32	35.4	40.18	219.27

Commission's Analysis

In the Tariff Order dated June 27, 2024, the Commission approved the Operations and Maintenance (O&M) expenses for the fiscal year 2024-25 on a normative basis, as specified in

Regulation 51.1 of the MYT Regulations, 2021.

APGCL in its petition stated that the Commission vide Order No. 03/2022 dated 20th August 2022 had given their judgement for NRPP as reproduced below:

“7. After scrutinizing the Petition and related information submitted by APGCL, the Commission noted that the figures submitted by APGCL are estimated only. The Commission is of the view that in the absence of actual O & M cost (Audited), it may not be prudent to revise the norms only on the basis of submissions of APGCL.

8. However, APGCL is at liberty to place their claim at the time of true up with proper documentary evidence during the control period from FY 2022-23 to FY 2024-25 based on the audited data of O&M expenses and the Commission shall decide on the basis of the actual audited data. “

APGCL has now submitted the actual O&M Cost of NRPP for true up purposes and requested the Commission to consider its actual O&M Cost as normative O&M cost for FY 2024-25, i.e., allow the actual O&M cost for NRPP without any sharing of efficiency gains/losses. APGCL further stated that based on the above Order of the Commission, APGCL had already submitted the actual O&M cost in the True-up of FY 2021-22 and FY 2023-24 for NRPP for approval and accordingly the Commission approved the same after prudence check. APGCL is now submitting the actual O&M Cost of NRPP for approval for FY 2024-25 in the True-up and prays to the Commission to approve the same in continuation above judgement.

The Commission notes that the actual O&M Cost of NRPP is considerably higher than the normative O&M Cost. The Commission considers submission of APGCL and allows the entire actual O&M Cost of NRPP to be passed through to the consumer for FY 2024-25. However, APGCL is directed to continue to practice thrift and minimise its O&M Cost in all its plants. Also, from next year onwards O&M expenses shall be calculated as per Regulations.

In the Petition, APGCL submitted the reconciliation statement of O&M expenses claimed in the Petition with respect to the expenses reflecting in its Audited Accounts. APGCL has claimed O&M expenses of Rs. 180.49 Cr. after excluding O&M expenses of MSHEP of Rs. 5.68 Cr., CSR donation of 3.41 Cr. and special R&M of Rs. 35.37 Cr., which are included in the Audited Accounts of FY 2024-25. APGCL has claimed Special R&M under separate head in the Petition.

APGCL further submitted that the O&M expenses claimed in each of the Stations is on the basis of actual expenses booked in Trial Balance of each individual station. Further, the common Employee Expenses, A&G Expenses, and R&M Expenses are allocated between stations on the

basis of installed capacity.

The Commission, after scrutiny of the O&M expenses, approves the actual O&M expenses in the True-up Petition as shown in the Table below:

Table 27: Actual O&M Expenses approved for FY 2024-25 (Rs. Cr.)

Station	Approved TO June 2024	Actual amount claimed by APGCL for True up	Actual approved by the Commission for Sharing of (Gains) /Losses on account of controllable factors
NTPS	61.88	14.18	14.18
LTPS	70.68	51.88	51.88
KLHEP	37.74	37.26	37.26
LRPP	34.17	34.18	34.18
NRPP	25.85	42.99	42.99
Total	230.32	180.49	180.49

The Commission has considered the normative O&M expenses for FY 2024-25 by escalating the base O&M Expense of FY 2021-22 with average of last 3 years CPI and WPI inflation considered in the ratio of 60:40 for existing old stations of NTPS, LTPS and KLHEP. For LRPP, O&M Norms fixed in MYT Regulations, 2021 has been used to work out Normative O&M Expense for FY 2024-25.

For NRPP, the actual O&M expenses have been considered, as explained above. The following Table shows the normative O&M expenses approved for FY 2024-25:

Table 28: Normative O&M expenses approved for True Up FY 2024-25

Station	Normative O&M Expenses approved in True-up	Normative O&M Expenses approved for effective capacity
NTPS	61.93	13.47
LTPS	71.14	48.63
KLHEP	37.77	37.77
LRPP	34.20	34.20
NRPP	42.99	42.99
Total	177.05	177.05

The Commission has considered the above actual O&M expenses (excluding Special R&M) and Normative O&M expenses for effective capacity for computation of sharing of (Gains)/Losses on

account of O&M expenses, which is a controllable factor as specified in the Regulations.

4.11 Capitalisation

The following Table shows the Capitalisation as claimed by APGCL for FY 2024-25 in its True-up Petition:

Table 29: Capitalisation claimed for FY 2024-25 (Rs. Cr.)

Station	Capitalization approved by Commission in TO July 2024	Capitalisation claimed by APGCL
NTPS	0.77	1.06
LTPS	8.78	6.07
KLHEP	26.09	1.23
LRPP	1.49	0.85
NRPP	0	1.78
Total	37.13	10.99

Commission's Analysis

The Commission has closely examined the capitalisation amounts claimed by APGCL for each of its stations. Commission observed that, various asset has been capitalised without the approval of Commission. In response to additional query from the Commission, APGCL was unable to adequately substantiate its claims. The Commission observed that APGCL included various items that were not previously approved. However, seeing the urgent nature of work, commission has allowed necessary expenses for FY 2024-25. Further Commission directs the Petitioner to take prior approval from the Commission for any capital expenditure or any cost escalation in accordance with the Tariff Regulation 2024. Consequently, the Commission approves the following capitalisation for FY 2024-25.

Table 30: Capitalisation approved for FY 2024-25 (Rs. Cr.)

Station	Capitalisation claimed by APGCL	Capitalisation approved by Commission
NTPS	1.06	0.80
LTPS	6.07	5.26
KLHEP	1.23	1.23
LRPP	0.85	0.68
NRPP	1.78	1.66

Station	Capitalisation claimed by APGCL	Capitalisation approved by Commission
Total	10.99	9.64

4.12 Funding of Capitalisation

APGCL submitted that the capitalisation for FY 2024-25 of NTPS, LTPS, KLHEP, LRPP and NRPP under Loan, Equity and Grant as shown in the table below -

Table 31: Funding of Capitalisation claimed for FY 2024-25 (Rs. Cr.)

Station	Capitalisation claimed	Loan	Equity	Grant
NTPS	1.06	0.74	0.32	0.00
LTPS	6.07	3.71	1.59	0.77
KLHEP	1.23	0.31	0.13	0.79
LRPP	0.85	0.21	0.09	0.55
NRPP	1.78	0.70	0.30	0.78
Total	10.99	5.67	2.43	2.89

Commission's Analysis

Commission has considered the funding for 'ERP implementation and consultancy' related capitalisation from grants, as outlined in the Tariff Order at the time of approval. The total additional capitalisation claimed by APGCL, excluding ERP (which the Commission considers as a grant), is approved after a prudence check, with 30% of this approved amount considered as funding through equity. The remainder of the additional capitalisation, except for these, is funded through loans. The table below shows the approved funding of capitalisation for FY 2024-25:

Table 32: Funding of Capitalisation approved for FY 2024-25 (Rs. Cr.)

Station	Capitalisation approved for FY 2024-25	Loan	Equity	Grant
NTPS	0.80	0.56	0.24	0.00
LTPS	5.26	3.15	1.35	0.77
KLHEP	1.23	0.31	0.13	0.79

Station	Capitalisation approved for FY 2024-25	Loan	Equity	Grant
LRPP	0.68	0.09	0.04	0.55
NRPP	1.66	0.62	0.26	0.78
Total	9.64	4.72	2.02	2.89

4.13 Depreciation

APGCL submitted that it has computed the Depreciation as per MYT Regulations, 2021 and considering Capital Cost of the asset admitted by the Commission with 10% salvage value. APGCL has considered the approved Station wise closing GFA of FY 2023-24 as the opening GFA for FY 2024-25. APGCL has considered the actual Capitalization for NTPS, LTPS, KLHEP LRPP and NRPP based on the Capitalization claimed for FY 2024-25. The depreciation on grants has been subtracted. The Table below summarizes the plant-wise Depreciation claimed by APGCL in the True-up for FY 2024-25:

Table 33: Details of Depreciation claimed by APGCL for FY 2024-25 (Rs. Cr.)

Station	Particulars	Approved as per TO of June 2024	Claim for True Up
NTPS	Depreciation	1.68	1.75
	Less: Depreciation on assets funded by Grants	0.13	0.03
	Net Depreciation	1.54	1.73
	Net Depreciation for Effective Capacity	0.34	0.38
LTPS	Depreciation	17.21	20.12
	Less: Depreciation on assets funded by Grants	2.28	0.58
	Net Depreciation	14.93	19.54
	Net Depreciation for Effective Capacity	10.21	13.36
KLHEP	Depreciation	24.29	24.20
	Less: Depreciation on assets funded by Grants	1.26	0.59
	Net Depreciation	23.03	23.61
LRPP	Depreciation	13.76	14.32
	Less: Depreciation on assets funded by Grants	9.07	9.48
	Net Depreciation	4.68	4.84
NRPP	Depreciation	34.01	34.05
	Less: Depreciation on assets funded by Grants	0.00	0.02
	Net Depreciation	34.01	34.03
	Total	78.19	83.75
	Total for Effective Capacity	72.26	76.21

Commission's Analysis

For the purpose of True up, the Commission has considered the approved Station-wise closing GFA of FY 2023-24 as the opening GFA for FY 2024-25. The Commission has considered the actual capitalisation for NTPS, LTPS, KLHEP LRPP and NRPP based on the Capitalisation approved for FY 2024-25.

The Commission has computed depreciation as per scheduled rates specified in the MYT Regulations, 2021. As per Regulation 33 of the MYT Regulations, 2021, the total depreciation during the life of the asset shall not exceed 90% of the original cost of asset. The Commission has computed the depreciation separately for assets added under each asset head in each year. The Commission has disallowed the depreciation more than 90% of the original cost of asset under different asset heads.

In line with the approach adopted in the previous Orders and as specified in Regulation 33 of the MYT Regulations, 2021, the Commission has not considered the depreciation on assets funded

through grants or capital subsidy, for FY 2024-25.

The station-wise depreciation approved by the Commission in the True-up for FY 2024-25 is shown in the following table:

Table 34: Depreciation approved for FY 2024-25 (Rs. Cr.)

Station	Particulars	Approved as per TO of March 2023	Claim for True Up	Approved after True up
NTPS	Depreciation	1.68	1.75	1.79
	Less: Depreciation on assets funded by Grants	0.13	0.03	0.15
	Net Depreciation	1.54	1.73	1.63
	Net Depreciation for Effective Capacity	0.34	0.38	0.35
LTPS	Depreciation	17.21	20.12	16.77
	Less: Depreciation on assets funded by Grants	2.28	0.58	2.23
	Net Depreciation	14.93	19.54	14.54
	Net Depreciation for Effective Capacity	10.21	13.36	9.94
KLHEP	Depreciation	24.29	24.20	24.70
	Less: Depreciation on assets funded by Grants	1.26	0.59	1.30
	Net Depreciation	23.03	23.61	23.40
LRPP	Depreciation	13.76	14.32	14.22
	Less: Depreciation on assets funded by Grants	9.07	9.48	9.39
	Net Depreciation	4.68	4.84	4.82
NRPP	Depreciation	34.01	34.05	34.09
	Less: Depreciation on assets funded by Grants	0.00	0.02	0.02
	Net Depreciation	34.01	34.03	34.08
	Total	78.19	83.75	73.53

The detailed Station-wise computation of depreciation for NTPS, LTPS, LRPP, KLHEP and NRPP has been provided in **Annexure 2**.

4.14 Interest on Loan Capital

APGCL has claimed the Station-wise Interest on loan capital by considering the Station-wise normative loan. The Petitioner has considered normative loan outstanding for FY 2024-25 has been considered equal to closing normative loan approved in the true-up for FY 2023-24. The loan addition has been considered equal to debt portion of capitalized works as claimed by the APGCL in this Petition. The loan repayment has been considered equivalent to depreciation claimed for the True up FY 2024-25. The interest rate has been considered as the weighted average rate of actual interest rate applicable to APGCL at the beginning of FY 2024-25.

Accordingly, APGCL has claimed interest on loan and finance charges considered for all its stations (at effective capacity for NTPS and LTPS) FY 2024-25 as shown in the table below -

Table 35: Interest Charges as submitted by APGCL for FY 2024-25 (Rs. Cr.)

Station	Particulars	Approved as per TO of June 2024	Claim for True Up
NTPS	Net Normative Opening Loan	0.63	0.00
	Addition of normative loan during the year	0.12	0.74
	Normative Repayment during the year	1.54	0.74
	Net Normative Closing Loan	0.00	0.00
	Avg. Normative Loan	0.32	0.00
	Interest Rate	10.35%	10.07%
	Interest on Loan Capital	0.03	0.00
	Add: Bank Charges	0.00	0.00
	Net Interest on Loan Capital	0.03	0.00
	Net Interest on Loan Capital for Effective Capacity	0.01	0.00
LTPS	Net Normative Opening Loan	0.00	0.00
	Addition of normative loan during the year	7.33	3.71
	Normative Repayment during the year	14.34	3.71
	Net Normative Closing Loan	0.00	0.00
	Avg. Normative Loan	0.00	0.00
	Interest Rate	10.35%	10.07%

Station	Particulars	Approved as per TO of June 2024	Claim for True Up
	Interest on Loan Capital	0.00	0.00
	Add: Bank Charges	0.00	0.01
	Net Interest on Loan Capital	0.00	0.01
	Net Interest on Loan Capital for Effective Capacity	0.00	0.01
KLHEP	Net Normative Opening Loan	84.20	81.16
	Addition of normative loan during the year	24.60	0.31
	Normative Repayment during the year	23.03	23.61
	Net Normative Closing Loan	85.77	57.86
	Avg. Normative Loan	84.99	69.51
	Interest Rate	10.35%	10.07%
	Interest on Loan Capital	8.80	7.00
	Add: Bank Charges	0.00	0.01
	Net Interest on Loan Capital	8.80	7.01
LRPP	Net Normative Opening Loan	17.01	16.89
	Addition of normative loan during the year	0.45	0.21
	Normative Repayment during the year	4.68	4.84
	Net Normative Closing Loan	12.78	12.26
	Avg. Normative Loan	14.90	14.57
	Interest Rate	10.35%	10.07%
	Interest on Loan Capital	1.54	1.47
	Add: Bank Charges	0.00	0.00
	Net Interest on Loan Capital	1.54	1.47
NRPP	Net Normative Opening Loan	423.51	423.58
	Addition of normative loan during the year	0.00	0.70
	Normative Repayment during the year	34.01	34.03
	Net Normative Closing Loan	389.50	390.25
	Avg. Normative Loan	406.51	406.91
	Interest Rate	10.35%	10.07%
	Interest on Loan Capital	42.07	40.96
	Add: Bank Charges	0.00	0.01
		Net Interest on Loan Capital	42.07
	Total	52.44	49.47
	Total for Effective Capacity	52.42	49.46

Commission's Analysis

In the Tariff Order dated June 27, 2024, the Commission approved the Interest on Loan Capital on normative basis as per Regulation 35 of the MYT Regulations, 2021. In the said Order, the Commission has approved the Station-wise Interest on loan capital by considering the Station-wise normative loan.

The normative loan outstanding for FY 2024-25 has been considered equal to closing normative loan approved in the true-up for FY 2023-24. The loan addition has been considered equal to debt portion of capitalized works as approved by the Commission in this Order. The loan repayment has been considered equivalent to depreciation approved in this Order.

The Commission has scrutinised the actual loan details and actual interest amount as submitted by APGCL. The Commission has considered weighted average rate of interest of 10.07% for the purpose of truing up.

The interest on loan capital approved by the Commission after true-up for FY 2024-25 is shown in the following Table:

Table 36: Interest on Loan Capital for FY 2024-25 as approved by the Commission (Rs. Cr.)

Station	Particulars	Approved as per TO of June 2024	Claim for True Up	Approved for FY 2024-25
NTPS	Net Normative Opening Loan	0.63	0.00	0.00
	Addition of normative loan during the year	0.12	0.74	0.56
	Normative Repayment during the year	1.54	0.74	0.56
	Net Normative Closing Loan	0.00	0.00	0.00
	Avg. Normative Loan	0.32	0.00	0.28
	Interest Rate	10.35%	10.07%	10.07%
	Interest on Loan Capital	0.03	0.00	0.00
	Add: Bank Charges	0.00	0.00	0.00
	Net Interest on Loan Capital	0.03	0.00	0.00
	Net Interest on Loan Capital for Effective Capacity	0.01	0.00	0.00
LTPS	Net Normative Opening Loan	0.00	0.00	0.00
	Addition of normative loan during the year	7.33	3.71	3.15
	Normative Repayment during the year	14.34	3.71	3.15
	Net Normative Closing Loan	0.00	0.00	0.00
	Avg. Normative Loan	0.00	0.00	0.00

Station	Particulars	Approved as per TO of June 2024	Claim for True Up	Approved for FY 2024-25
	Interest Rate	10.35%	10.07%	10.07%
	Interest on Loan Capital	0.00	0.00	0.00
	Add: Bank Charges	0.00	0.01	0.01
	Net Interest on Loan Capital	0.00	0.01	0.01
	Net Interest on Loan Capital for Effective Capacity	0.00	0.01	0.01
KLHEP	Net Normative Opening Loan	84.20	81.16	81.16
	Addition of normative loan during the year	24.60	0.31	0.31
	Normative Repayment during the year	23.03	23.61	23.40
	Net Normative Closing Loan	85.77	57.86	58.07
	Avg. Normative Loan	84.99	69.51	69.61
	Interest Rate	10.35%	10.07%	10.07%
	Interest on Loan Capital	8.80	7.00	7.01
	Net Interest on Loan Capital	8.80	7.01	7.02
LRPP	Net Normative Opening Loan	17.01	16.89	16.89
	Addition of normative loan during the year	0.45	0.21	0.09
	Normative Repayment during the year	4.68	4.84	4.82
	Net Normative Closing Loan	12.78	12.26	12.16
	Avg. Normative Loan	14.90	14.57	14.53
	Interest Rate	10.35%	10.07%	10.07%
	Interest on Loan Capital	1.54	1.47	1.46
	Net Interest on Loan Capital	1.54	1.47	1.46
NRPP	Net Normative Opening Loan	423.51	423.58	423.58
	Addition of normative loan during the year	0.00	0.70	0.62
	Normative Repayment during the year	34.01	34.03	34.08
	Net Normative Closing Loan	389.50	390.25	390.12
	Avg. Normative Loan	406.51	406.91	0.00
	Interest Rate	10.35%	10.07%	10.07%
	Interest on Loan Capital	42.07	40.96	40.95
	Add: Bank Charges	0.00	0.01	0.01

Station	Particulars	Approved as per TO of June 2024	Claim for True Up	Approved for FY 2024-25
	Net Interest on Loan Capital	42.07	40.97	40.97
	Total	52.44	49.47	49.47
	Total for Effective Capacity	52.42	49.46	49.47

4.15 Return on Equity (RoE)

APGCL submitted that it has calculated the Return on Equity in accordance with Regulation 34.2 of the MYT Regulations, 2021. The addition to Equity and the conversion of grants which are yet to be converted to equity subject to the normative ceiling of 30% of GFA, has been computed in line with the methodology adopted in the above Tariff Order of March 2025. It has considered the pre-tax return on equity at 15.50% of equity capital. The Plant wise Return in Equity has been shown below:

Table 37: Return on Equity submitted by APGCL for FY 2024-25 (Rs. Cr.)

Station	Particulars	Approved as per TO of June 2024	Claim for True Up
NTPS	Opening Equity	57.57	57.60
	Additional during Year	1.37	1.37
	Closing Equity	58.94	58.97
	Rate of Return	15.50%	15.50%
	Return on Equity	9.03	9.03
	Return on Equity for Effective Capacity	1.96	1.97
LTPS	Opening Equity	147.50	150.32
	Addition during Year	4.45	3.11
	Closing Equity	151.95	153.43
	Rate of Return	15.50%	15.50%
	Return on Equity	23.21	23.54
	Return on Equity for Effective Capacity	15.86	16.09
KLHEP	Opening Equity	149.78	150.00
	Addition during Year	3.55	2.40

Station	Particulars	Approved as per TO of June 2024	Claim for True Up
	Closing Equity	153.33	152.40
	Rate of Return	15.50%	15.50%
	Return on Equity	23.49	23.44
LRPP	Opening Equity	67.23	67.22
	Addition during Year	1.12	0.80
	Closing Equity	68.35	68.02
	Rate of Return	15.50%	15.50%
	Return on Equity	10.51	10.48
NRPP	Opening Equity	218.69	218.73
	Addition	0.00	0.30
	Closing Equity	218.69	219.03
	Rate of Return	15.50%	15.50%
	Return on Equity	33.90	33.93
	Total	100.13	100.42
	Total for Effective Capacity	85.72	85.90

Commission's Analysis

The Commission has approved the RoE in accordance with Regulation 34 of the MYT Regulations, 2021.

The Commission has considered the opening Equity for each Station equal to the closing Equity approved in the Truing-up of FY 2023-24. The addition to Equity has been considered same as the equity approved in funding of capitalisation, as elaborated in this Chapter.

The Commission notes that it has pending grant to be converted to Equity subject to the ceiling of equity being 30% of GFA of the power station. The Commission has computed the addition to equity due to conversion of Grant as provided in **Annexure 4A**.

The Commission has considered the rate of Return on Equity at 15.5% as specified in Regulation 34 of the MYT Regulations, 2021.

Table 38: Return on Equity approved by the Commission for FY 2024-25 (Rs. Cr.)

Station	Particulars	Approved as per TO of June 2024	Claim for True Up	Approved for FY 2024-25
NTPS	Opening Equity	57.57	57.60	57.60
	Additional during Year	1.37	1.37	1.28

Station	Particulars	Approved as per TO of June 2024	Claim for True Up	Approved for FY 2024-25
	Closing Equity	58.94	58.97	58.88
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	9.03	9.03	9.03
	Return on Equity for Effective Capacity	1.96	1.97	1.96
LTPS	Opening Equity	147.50	150.32	150.32
	Addition during Year	4.45	3.11	2.87
	Closing Equity	151.95	153.43	153.18
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	23.21	23.54	23.52
	Return on Equity for Effective Capacity	15.86	16.09	16.08
KLHEP	Opening Equity	149.78	150.00	150.00
	Addition during Year	3.55	2.40	2.40
	Closing Equity	153.33	152.40	152.40
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	23.49	23.44	23.44
LRPP	Opening Equity	67.23	67.22	67.22
	Addition during Year	1.12	0.80	0.74
	Closing Equity	68.35	68.02	67.97
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	10.51	10.48	10.48
NRPP	Opening Equity	218.69	218.73	218.73
	Addition	0.00	0.30	0.26
	Closing Equity	218.69	219.03	218.99
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	33.90	33.93	33.92
	Total	100.13	100.42	100.39
	Total for Effective Capacity	85.72	85.90	85.88

4.16 Interest on Working Capital (IoWC)

APGCL submitted that the Petitioner has claimed normative interest on working capital. However, as APGCL does not have liquid fuel stock facility, it has not considered working capital on storage of liquid fuel. For computation of working capital requirement, APGCL has considered the normative fuel cost and normative O&M Expenses. The rate of interest has been considered as interest rate equivalent to the normative interest rate of three hundred (300) basis points

above the average State Bank of India MCLR (One Year Tenor) prevalent during the last available six months i.e., 8.88% + 3.00 % = 11.88%.

APGCL has claimed IoWC of Rs. 1.48 Cr. for NTPS, Rs. 10.38 Cr. for LTPS, Rs. 2.90 Cr. for KLHEP, Rs 11.12 Cr. for LRPP, and Rs 11.72 Cr. for NRPP.

Commission's Analysis

The Commission has computed IoWC in accordance with Regulation 37 of the MYT Regulations, 2021. For computation of working capital requirement, the Commission has considered the normative fuel cost and normative O&M Expenses.

Regulation 37.1 (d) specifies the rate of IoWC to be considered equivalent to normative interest rate of three hundred (300) basis points above the average State Bank of India (SBI) Marginal Cost of Lending Rate (MCLR) (One-Year Tenor) prevalent during the last available six months for the determination of tariff.

The average SBI MCLR for FY 2024-25 was 8.88%. Hence, the Commission has accordingly considered the interest rate of 11.58% (8.88% +3.00%) for computation of IoWC. The IoWC approved by the Commission after true-up for FY 2024-25 is shown in the following Table:

Table 39: IoWC as approved by the Commission for FY 2024-25 (Rs. Cr.)

Station	Particulars	Approved as per TO of June 2024	Claim for FY 2024-25	Approved for FY 2024-25
NTPS	Fuel Cost for one month	5.54	6.05	5.82
	O&M Expenses for one month	5.16	5.41	5.16
	Maintenance Spares-30% of O&M	18.56	19.49	18.58
	Receivables for two months	23.46	26.46	24.72
	Total Working Capital Requirement	52.71	57.42	54.27
	Rate of interest	11.53%	11.88%	11.88%
	Interest on Working capital	6.08	6.82	6.45
	Interest on Working capital on effective Capacity	1.32	1.48	1.40
LTPS	Fuel Cost for one month	22.86	27.41	24.82
	O&M Expenses for one month	5.89	6.04	5.93
	Maintenance Spares-30% of O&M	21.20	21.74	21.34
	Receivables for two months	67.95	72.56	66.71
	Total Working Capital Requirement	117.91	127.75	118.80

Station	Particulars	Approved as per TO of June 2024	Claim for FY 2024-25	Approved for FY 2024-25
	Rate of interest	11.53%	11.88%	11.88%
	Interest on Working capital	13.60	15.18	14.12
	Interest on Working capital on effective Capacity	9.29	10.38	9.65
KLHEP	O&M Expenses for one month	3.14	3.48	3.15
	Maintenance Spares-15% of O&M	5.66	6.26	5.66
	Receivables for two months	13.63	14.69	11.11
	Total Working Capital Requirement	22.43	24.43	19.92
	Rate of interest	11.53%	11.88%	11.88%
	Interest on Working capital	2.59	2.90	2.37
LRPP	Fuel Cost for one month	23.02	21.37	24.01
	O&M Expenses for one month	2.85	2.85	2.85
	Maintenance Spares-30% of O&M	10.25	10.26	10.26
	Receivables for two months	62.05	59.12	65.89
	Total Working Capital Requirement	98.17	93.60	103.00
	Rate of interest	11.53%	11.88%	11.88%
	Interest on Working capital	11.32	11.12	12.24
NRPP	Fuel Cost for one month	17.82	19.25	18.12
	O&M Expenses for one month	2.15	3.58	3.58
	Maintenance Spares-30% of O&M	7.75	12.90	12.90
	Receivables for two months	59.96	62.86	63.36
	Total Working Capital Requirement	87.68	98.59	97.96
	Rate of interest	11.53%	11.88%	11.88%
	Interest on Working capital	10.11	11.72	11.64
	Total	37.61	47.75	46.81
	Total for Effective Capacity	34.63	37.60	37.30

4.17 Impact of AERC (Payment of Fees etc.) Regulation, 2020

APGCL submitted that, in accordance to the AERC (Payment of Fees etc.) Regulations, 2020 there is substantial increase in the Filing Fees of APGCL payable to AERC.

APGCL has claimed increase in Tariff filing fees of Rs. 0.10 Cr. for NTPS, LTPS and LRPP each.

Commission's Analysis

The Commission allows the increase in Tariff Filing fees of Rs 0.10 Cr. for NTPS, LTPS and LRPP, respectively, consequential to notification of the AERC (Payment of Fees etc.) Regulations, 2020, as approved in the MYT Order.

4.18 Actual Tax Claim

APGCL has claimed Income Tax of Rs. 31.81 Cr. for FY 2024-25 as per Audited Accounts. APGCL submitted that it has determined the annual tax claim to be payable to Income Tax Department at Rs. 31.81 Cr. However, the final tax payment will be done based on the amount determined under the tax audit.

Commission's Analysis

Regulation 36 of the MYT Regulations, 2021 provides for reimbursement of actual Income Tax paid based on documentary evidence submitted at the time of truing up for each year of the Control Period.

The Commission has verified the actual Income Tax paid with Income Tax Return Acknowledgement (ITR-6) submitted by APGCL. The Commission allows the income tax of Rs 31.81 Cr. for FY 2024-25 as per the MYT Regulations, 2021.

4.19 Special R&M Expenses

APGCL submitted that Special R&M works were undertaken in FY 2024-25 as shown in the Table below:

Table 40: Special R&M Expenses incurred by APGCL in FY 2024-25 (Rs. Cr.)

SL NO	Description of Works	APGCL's claim for True up (in Lakhs)	APGCL Remarks
I. Special R&M for NTPS			
1	Overhauling of Steam Turbine Unit 6 (Execution Part) excluding procurement of spares.	0	Since NTPS units are very old and already completed its useful life, as a preventive measure to avoid any major incident, NTPS units are kept under shutdown and matter is under review. Any further progress on the matter shall be intimated to AERC in due course of time. 'GT Unit-6 was initially taken up for overhauling based on an OEM offer. Subsequently, in the 116th Board Meeting, the APGCL Board of Directors directed that the work be processed through an open tender. The tender process required substantial time, with bid submission extended six times due to single-bidder participation. The purchase
2	Overhauling of Gas Turbine Unit 2 (Execution part) excluding procurement of spares	0	

SL NO	Description of Works	APGCL's claim for True up (in Lakhs)	APGCL Remarks
3	Procurement of spares for Major inspection of Gas Turbine unit # 6	0	order has been issued on 25th November 2025 of total work value ₹27.58 Cr. This creates a liability for the overhauling of Unit-6 of LTPS in FY 2025-26. The work is expected to be completed in FY 2026-27, and APGCL will claim the actual expenditure at the time of true up, supported by all relevant documents and approvals from the competent authorities. Accordingly, APGCL requests the Commission to grant in principle approval for execution of the work for FY 2026-27.
II. Special R&M for KLHEP		0	
III. Special R&M for LRPP			
	16,000 and 48,000 Running Hours Maintenance	35.37	All the work has been completed with the total amount of Rs. 3537 Lakhs. The Claimed amount is escalated due to change in currency exchange rate. Earlier currency exchange rate was considered INR 87.09/Euro at the time of submitting for approval. However, Payment was done as per actual currency conversion.

Commission's Analysis

Commission observes that, the claimed amount exceeds the approved amount by the Commission. Commission takes the note of the submission made by the petitioner on the currency exchange rate variation. Considering the same, Commission approves the Special R&M of APGCL for FY 2024-25 is shown in table below -

Table 41: Special R&M approved by the Commission for FY 2024-25 (Rs. Cr.)

SL NO	Description of Works	Approved for FY 2024-25
	Special R&M for LRPP	
1	16,000 and 48,000 Running Hours Maintenance	35.37

4.20 Non-Tariff Income

The Station-wise Non-Tariff Income submitted by APGCL for FY 2024-25 is shown in the following Table:

Table 42: Non-Tariff Income as claimed by APCGL for True-up for FY 2024-25 (Rs. Cr.)

Station	Approved as per order of June 2024	Actual claim for FY 2024-25
NTPS	5.96	1.99
LTPS	14.61	23.23
KLHEP	13.86	22.04
LRPP	0.00	0.00
NRPP	0.00	7.49
Total	34.43	54.74

Commission's Analysis

In the audited accounts for FY 2023-24, APGCL reported total Other Income of Rs. 79.76 Cr. However, in its petition, it claimed only Rs. 54.74 Cr. APGCL explained that the audited accounts included Rs. 6.59 Cr. from "Excess Provision for depreciation in prior periods" and Rs. 18.43 Cr. from "Sundry credit balances written back."

APGCL submitted that, the excess provision for depreciation in prior period of Rs. 6.59 Cr. is prior period adjustments/error in computing depreciation in the Annual Accounts of FY 2024-25. AERC allows Depreciation based on its own computation of depreciation after consideration of GFA addition corresponding to approved Capex and reduction of depreciation on Grant etc. Thus, the commission do not allow the depreciation charged in Profit and Loss A/C and so the depreciation appearing on Profit and Loss A/c of APGCL differs from the depreciation approved in Tariff Orders differs.

APGCL further submitted that, the written back amount of Rs. 18.43 Cr. relates to Legacy balance of APGCL prior to unbundling of ASEB i.e. Prior to FY 2003 04. The old, untraced receivables and liabilities towards Railways appearing in the accounts of APGCL since bifurcation of the erstwhile ASEB. Disclosure of the same is made in Note 49 of the IND AS Financial Statements for the FY 2024-25. Commission sought documentary evidence for the same. APGCL provided correspondence between APGCL and railway on settlement of outstanding liability and

receivables of APGCL with Railways. To which the railway remained unanswered. Further APGCL submitted the resolution of Board Meeting on write off all the outstanding liabilities towards railways lying in the books of APGCL. Commission hereby observes that, APGCL did not written off the said amount in its account, instead it was considered it as non-tariff income.

Commission thoroughly reviewed the submission of the petitioner. After careful consideration commission considers this amount as non-tariff income of APGCL.

Based on the above analysis and after a prudence check, the Commission considers the Rs. 18.43 Cr. as part of Non-Tariff Income of APGCL. Hence, Commission approved the Non-Tariff Income of Rs 73.17 Cr. for FY 2024-25. The Commission has allocated this amount to all generating stations in the proportion same as claimed by APGCL.

Table 43: Non-Tariff Income approved by Commission for FY 2024-25 (Rs. Lakhs)

Particulars	For the year ended 31 March 2024	APGCL Claim for True Up	Approved for True Up
	Rs. In Lakh	Rs. In Lakh	Rs. In Lakh
Rebate for timely payment	0.00	0.00	0.00
Misc. Receipts	139.13	130.70	130.70
Delayed Payment charges from Customers	2852.63	0.00	0.00
Insurance claim	1690.36	352.30	352.30
Excess Provision for depreciation in prior periods	38.59	0.00	0.00
PM Surya Ghar Muft Bijli Yojna receipts	6.10	51.96	51.96
Excess found on physical verification of Mat Stock	252.99	0.00	0.00
Interest income for prior period	0.00	0.00	0.00
Rentals from staff quarters	0.00	1.66	1.66
Other Income from trading	3500.66	0.00	0.00
Lease Rent & development charge	0.74	141.19	141.19
Sale of scrap	87.55	149.27	149.27
Sundry credit balances written back (Refer Note 49)	1,842.61	0.00	1,842.61
Interest on Investment (Fixed Deposit)	4,572.18	4,572.18	4,572.18
Interest from Banks (other than interest on fixed deposits)	2.18	2.18	2.18
Rebate received for timely payment of dues	72.84	72.84	72.84
Total	7,976.25	5,474.29	7,316.90

4.21 Sharing of Gains and Losses

Regulation 10.2 of the MYT Regulations, 2021 specifies the controllable factors for Generating Stations and Regulation 12 specifies the treatment of sharing of gain or loss on account of such controllable factors. The Commission has discussed the treatment of each controllable factor as under:

O&M Expenses

Regulation 10.2 of the MYT Regulations, 2021 specifies O&M Expenses as a controllable factor. The sharing of (Gains)/Losses on account of O&M Expenses as submitted by APGCL is shown in the following Table:

Table 44: Sharing of Gains/(Losses) for O&M Expenses submitted by APGCL for FY 2024-25 (Rs. Cr.)

Particulars	Revised Normative	Actual Claim	Gains/(Losses)	Increase in Terminal Benefits	Sharing of Gains/(Losses)
NTPS	14.14	14.18	(0.04)	0.00	(0.01)
LTPS	49.53	51.88	(2.35)	0.00	(0.78)
KLHEP	41.72	37.26	4.46	0.00	1.49
LRPP	34.20	34.18	0.02	0.00	0.01
NRPP	42.99	42.99	0.00	0.00	0.00
Total	182.58	180.49	2.09	0.00	0.70

The sharing of (Gains)/Losses approved by the Commission on account of O&M Expenses is shown in the following Table:

Table 45: Sharing of (Gains)/Losses for O&M Expenses approved by the Commission for FY 2024-25 (Rs. Cr.)

Particulars	Revised Normative at Full capacity	Revised Normative at effective capacity	Actual	(Gains)/Losses	Sharing of (Gains)/Losses
NTPS	61.93	13.47	14.18	0.71	0.24
LTPS	71.14	48.63	51.88	3.25	1.08
KLHEP	37.77	37.77	37.26	(0.51)	(0.17)
LRPP	34.20	34.20	34.18	(0.02)	(0.01)
NRPP	42.99	42.99	42.99	-	-
Total	177.05	177.05	180.49	3.44	1.15

Fuel Cost

Sharing of (gains)/losses on account of performance parameters and Fuel Cost in the True-up for FY 2024-25 is shown in the Table below:

Table 46: Sharing of (Gains)/Loss on account of Fuel Parameters as Submitted by the APGCL in the True-up for FY 2024-25 (Rs. Cr.)

Station	Normative Cost	Actual Cost	Gains/(Losses)	Sharing of Gains/(Losses)
NTPS	72.58	79.08	(6.50)	(2.17)
LTPS	328.98	281.78	47.20	15.73
LRPP	256.47	254.51	1.96	0.65
NRPP	230.96	230.25	0.70	0.23
Total	888.99	845.62	43.37	14.44

Sharing of (gains)/losses approved by the Commission on account of performance parameters and Fuel Cost in the True-up for FY 2024-25 is shown in the Table below:

Table 47: Sharing of (Gains)/Loss on account of Fuel Parameters as approved by the Commission in the True-up for FY 2024-25 (Rs. Cr.)

Station	Normative Cost	Actual Cost	(Gains)/ Losses	Sharing of (Gains)/ Losses	Net Entitlement
NTPS	70.99	79.08	8.09	2.70	73.69
LTPS	318.10	281.78	(36.32)	(12.11)	305.99
LRPP	258.66	254.51	(4.15)	(1.38)	257.28
NRPP	231.09	230.25	(0.84)	(0.28)	230.81
Total	878.84	845.62	(33.21)	(11.07)	867.76

Auxiliary Consumption

As per MYT Regulations, 2021, Auxiliary Consumption is considered as a controllable parameter. Sharing of (gains)/losses on account of Auxiliary Consumption in the True-up for FY 2024-25 is shown in the Table below:

Table 48: Sharing of Gain/(Loss) on account of Auxiliary Consumption as submitted in the True-up for FY 2024-25

Station	Net Normative Generation (MU)	Net Actual Generation (MU)	ECR (Rs./kWh)	Gains/ (Losses) (MU)	Gains/ (Losses) (Rs. Cr.)	Sharing of Gains/ (Losses)
NTPS	113.08	110.60	6.56	(2.48)	(1.63)	(0.54)
LTPS	444.33	429.64	7.66	(14.70)	(11.25)	(3.75)
LRPP	446.25	450.05	5.75	(3.80)	2.18	0.73
NRPP	739.34	739.77	3.12	(0.43)	0.13	0.04
KLHEP	410.24	409.79	1.05	(0.45)	(0.05)	(0.02)
Total	2,153.23	2,139.84	23.81	(13.39)	(10.61)	(3.54)

The sharing of (gains)/losses on account of Auxiliary Consumption approved in the True-up for FY 2024-25 is shown in the Table below:

Table 49: Sharing of (Gain)/Loss on account of Auxiliary Consumption as approved by the Commission in the True-up for FY 2024-25

Station	Net Normative Generation (MU)	Net Actual Generation (MU)	ECR (Rs./kWh)	(Gains)/ Losses (MU)	(Gains)/ Losses (Rs. Cr.)	Sharing of (Gains)/ Losses
NTPS	113.08	110.60	6.42	2.48	1.59	0.53
LTPS	444.33	429.64	7.40	14.70	10.88	3.63
KLHEP	410.24	409.79	1.12	0.45	0.05	0.02
LRPP	446.25	450.05	5.75	(3.80)	(2.18)	(0.73)
NRPP	739.34	739.77	3.12	(0.43)	(0.13)	(0.04)
Total	2,153.23	2,139.84	23.81	13.39	10.20	3.40

The total sharing of Gains and Losses for FY 2024-25 has been summarised in the following Table:

Table 50: Total Sharing of (Gain)/Loss approved by the Commission in the True-up for FY 2024-25 (Rs. Cr.)

Particulars	NTPS	LTPS	KLHEP	LRPP	NRPP
(Gains)/ Losses passed to beneficiary for O&M Expenses	0.24	1.08	(0.17)	(0.01)	-

Particulars	NTPS	LTPS	KLHEP	LRPP	NRPP
(Gains)/ Losses passed to beneficiary for Fuel Cost	2.70	(12.11)	0.00	(1.38)	(0.28)
(Gains)/Losses passed to beneficiary for Auxiliary Consumption	0.53	3.63	0.02	(0.73)	(0.04)
Grand Total	3.46	(7.40)	(0.15)	(2.12)	(0.32)

4.22 Reduction in Annual Fixed Charges

As discussed earlier, the actual PAF for all stations of APGCL is higher than or equal to the normative PAF. Hence, there is no reduction in Annual Fixed Charge.

4.23 Summary of True-up for FY 2024-25

The Summary of true-up for FY 2024-25 is shown in the following Table:

Table 51: True-up ARR for NTPS, LTPS and KLHEP for FY 2024-25 as approved by the Commission (Rs. Cr.)

Sr. No.	Particulars	NTPS			LTPS			KLHEP		
		Approved as per order of June 2024	APGCL's Petition	Approved after Truing up	Approved as per order of June 2024	APGCL's Petition	Approved after Truing up	Approved as per order of June 2024	APGCL's Petition	Approved after Truing up
A	Annual Fixed Charges									
1	O&M expenses	61.88	14.14	61.93	70.68	49.53	71.14	37.74	41.72	37.77
2	Special R&M Expenses	1.60	0.00	0.00	26.00	0.00	0.00	0.00	0.00	0.00
3	Increase in AERC Tariff Filing Fees	0.10	0.00	0.10	0.10	0.10	0.10	0.00	0.00	0.00
4	Depreciation	1.54	0.10	1.63	14.34	13.36	14.54	23.03	23.61	23.40
5	Interest on Loans	0.03	0.38	0.00	0.00	0.01	0.01	8.80	7.01	7.02
6	Return on Equity	9.03	0.00	9.03	23.21	16.09	23.52	23.49	23.44	23.44
7	Interest on WC	6.08	1.97	6.45	13.60	10.38	14.12	2.57	2.90	2.37
8	Income Tax	0.00	1.48	2.01	0.00	9.98	9.98	0.00	2.13	2.13
9	Less: Non-Tariff Income	5.96	1.99	2.66	14.61	23.23	31.05	13.86	22.04	29.45
10	Fixed Cost	74.30	18.09	78.49	133.32	76.22	102.37	81.77	78.77	66.67
B	Fuel Cost	66.43	72.58	70.99	274.38	328.98	318.10		0.00	0.00
C	Total ARR	140.73	90.67	149.48	407.70	405.19	420.46	81.77	78.77	66.67
D	Incentive for Generation		0.78	0.78	0.00	0.00	0.00	0.00	6.53	6.53
E	Sharing of (Gains)/ Losses		2.73	3.46	0.00	-11.20	-7.40	0.00	-1.47	-0.15
F	Net ARR	140.73	94.18	153.73	407.70	394.00	413.07	81.77	83.83	73.05

Table 52: True-up ARR for LRPP and NRPP for FY 2024-25 as approved by the Commission (Rs. Cr.)

Sr. No.	Particulars	LRPP			NRPP		
		Approved as per order of June 2024	APGCL's Petition	Approved after Truing up	Approved as per order of June 2024	APGCL's Petition	Approved after Truing up
A	Annual Fixed Charges						
1	O&M expenses	34.17	34.20	34.20	25.85	42.99	42.99
2	Special R&M Expenses	33.75	35.37	35.37	0.00	0.00	0.00
3	Increase in AERC Tariff Filing Fees	0.10	0.10	0.10	0.00	0.00	0.00
4	Depreciation	4.68	4.84	4.82	34.01	34.03	34.08
5	Interest on Loans	1.54	1.47	1.46	42.07	40.97	40.97
6	Return on Equity	10.51	10.48	10.48	33.90	33.93	33.92
7	Interest on WC	11.32	11.12	12.24	10.11	11.72	11.64
8	Income Tax	0.00	8.58	8.58	0.00	9.12	9.12
9	Less: Non-Tariff Income	0.00	0.00	0.00	0.00	7.49	10.01
19	Fixed Cost	96.07	106.16	107.25	145.94	165.27	162.71
B	Fuel Cost	276.24	256.47	258.66	213.81	230.96	231.09
C	Total ARR	372.31	362.63	365.90	359.75	396.22	393.80
D	Incentive for Generation	0.00	0.00	0.00	0.00	1.74	2.38
E	Sharing of (Gains)/ Losses	0.00	-1.38	-2.12	0.00	-0.27	-0.32
G	Net ARR	372.31	361.25	363.79	359.75	397.69	395.86

4.24 Net ARR for Effective Capacity

Table 53: True-up ARR for Existing Generating Stations for FY 2024-25 as approved by the Commission at Effective Capacity (Rs. Cr.)

Particulars	NTPS	LTPS
Total Fixed Cost Approved on Installed Capacity	79.03	123.34
Reduction of Fixed cost due to Decommissioning	61.84	39.03
Total Fixed Cost approved at effective Capacity	17.20	84.31
Add: AERC Filing Fees	0.10	0.10
Add: Special R&M	0.00	0.00
Add: Income Tax	2.01	9.98
Less: Non-Tariff Income	2.66	31.05
Total Fixed Cost approved for effective capacity	16.65	63.34
Add: Fuel Cost	70.99	318.10
Add: Incentive for generation	0.78	0.00
Add: Sharing of (gains)/loss	3.46	-7.40
Add: Reduction in Fixed Cost on Account of PAF	0.00	0.00
Net ARR approved for effective capacity	91.89	374.04

4.25 Revenue from Sale of Power

APGCL submitted the Station-wise revenue from sale of power for FY 2024-25 in reply to the additional query of the Commission as shown in the Table below, as per Audited Accounts.

Table 54: Revenue from Sale of Power for FY 2024-25 as claimed by APGCL (Rs. Cr.)

Particulars	Approved as per TO of June 2024			As per audited Financial Statements for FY 2024-25				Claimed in True up FY 2024-25
	Fixed/ Capacity charges	Approved Energy charges (Rs./kwh)	Net Approved ARR	Fixed/ Capacity charges	Energy Charge	Incentive / Secondary	Total Revenue	
	(Rs. In Cr.)		(Rs. In Cr.)	(Rs. In Cr)	(Rs. In Cr)	(Rs. In Cr)	(Rs. In Cr)	(Rs. In Cr)
	A	B		D	E= B*C/10	F	H= D+G	I
NTPS	12.83	66.43	79.26	12.84	70.34		83.18	83.18
LTPS	95.48	274.38	369.86	94.80	317.99		412.79	412.79
KLHEP	40.89	40.89	81.78	42.86	40.75	4.56	88.16	88.16
LRPP	96.08	276.24	372.32	96.12	258.60		354.72	354.72
NRPP	145.93	213.81	359.73	145.92	231.25		377.17	377.17
MSHEP*					32.84		32.84	0
Revenue surplus True up 2023-24 as per tariff order dated 28/10/24 for FY 2022-23							-32.49	00
HQ provisional estimated adjustments**							-0.73	0
Total	391.21	871.75	1262.96	392.54	951.76	4.56	1315.63	1316.02

Commission's Analysis

The Commission observed that the total revenue reported in APGCL's annual audited accounts amounts to Rs. 1315.64 Cr., and the same is not getting reconciled with the claimed amount as provided above, as well as the approved tariff of APGCL for FY 2024-25. However, APGCL claimed a revenue of Rs. 1316.02 Cr., excluding the MSHEP revenue of Rs. 32.84 Cr., a Revenue surplus True up 2023-24 as per tariff order dated 28/10/24 for FY 2022-23, amounting to Rs. -32.49 Cr., as well as a negative HQ adjustment of Rs. -0.73 Cr.. Since the claimed amount does not reconcile with the audited accounts, the Commission recalculated the recoverable fixed cost based on the approved fixed costs in the Tariff Order of June 27, 2024, considering plant availability and recoverable energy charges. For the calculation of recoverable energy charges for NTPS, LTPS, LRPP, and NRPP, the normative fuel cost was used, while for KLHEP, the approved Energy Charge Rate (ECR) from the March 2025 tariff order and actual net generation were used. Detailed calculation is shown in the table below:

Table 55: Reconciliation of Revenue for FY 2024-25 from sale of power with the approved tariff (Rs. Cr.)

Particulars	Fixed Cost approved as per TO March 2024	PAF as per norms	PAF for FY 2024-25 as per SLDC	Recoverable Fixed Cost as per PAF	Recoverable Energy charge	Total Revenue
NTPS	12.83	50.00%	59.95%	12.83	70.99	83.82
LTPS	95.48	50.00%	55.84%	95.48	318.10	413.58
KLHEP	40.89	85.00%	89.10%	42.86	45.45	88.31
LRPP	96.08	85.00%	86.80%	96.08	258.66	354.74
NRPP	145.93	85.00%	93.40%	145.93	231.09	377.02
TOTAL	391.21			393.18	924.28	1317.47

Consequently, the Commission has approved the calculated revenue from the sale of power to be **Rs. 1317.47 Cr.** (excluding MSHEP revenue and past revenue surplus) for the purpose of calculating the gap/surplus.

5 Annual Performance Review for FY 2025-26

5.1 Methodology for Annual Performance Review

The Commission had approved the revised ARR for FY 2025-26 for existing Generating Stations in the Tariff Order dated March 25, 2025.

Regulation 8.3 of the MYT Regulations, 2024 specifies that the Commission shall undertake the APR and True-up for the respective years of the Control Period from FY 2025-26 to FY 2029-30, as reproduced below:

“8.3 The scope of **the annual review** and True up shall be a comparison of the actual performance of the Generating Company or Transmission Licensee or SLDC or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise the following:

Annual Performance Review: a comparison of the performance targets estimated to be achieved for the current financial year (based on 6 months actual data) with the approved forecast for that financial year including adjusting trajectories of uncontrollable if needed....” (Emphasis Added)

APGCL submitted the APR Petition for FY 2025-26, supported by actual information available till September 2025 and estimated values for the next six months.

From the above said Regulation, the main objective of the APR is to compare the performance targets for FY 2025-26 vis-à-vis forecast approved in the Tariff Order for FY 2025-26. The Revenue Gap/(Surplus) arising out of APR for FY 2025-26 shall not be passed on to the beneficiaries, and the same shall be considered at the time of Truing-up only.

In the present Chapter, the Commission has analysed the revised submission of all the elements of ARR vis-à-vis values approved in the Tariff Order for FY 2025-26. The Commission has computed the Revenue Gap/(Surplus) as an indication of the performance in FY 2025-26. No sharing of (gains)/losses has been undertaken at this stage and the same shall be considered at the time of Truing up for FY 2025-26.

5.2 Installed and Effective Capacity of FY 2025-26

APGCL submitted the following installed and effective capacity for FY 2025-26.

Table 56: Installed and Effective Capacity for FY 2025-26

Station	Installed Capacity (MW)	Effective Capacity	No. of Units	Units Available for Generation & Capacity in MW
NTPS	119.5	26.00	2	GT U#2 (17MW)/ GT U#3 (15 MW) & WHRU U#6 (9 MW)
LTPS	142.2	97.20	4	GTU 5,6,7(20 MW Each),8 (37.20 MW-WHRU)
KLHEP	100	100.00	2	U 1 & 2 (50 MW each)
LRPP	69.76	69.76	7	GE 1-7 (9.965 MW each)
NRPP	98.4	98.40	2	GTU 1(62.25 MW), STU 2(36.15)

Commission's Analysis

The Commission has considered the effective capacity for FY 2025-26 as submitted by APGCL in the above Table. The Commission has accordingly reduced the fixed cost derived for APR of FY 2025-26 to the extent of effective capacity with respect to the installed capacity of each of the above Stations, in subsequent section of this Chapter.

5.3 Plant Availability Factor (PAF)/Capacity Index

Normative Annual Plant Availability Factor (NAPAF) for NTPS - APGCL submitted that as per Regulation 48.1 of the MYT Regulations, 2024 the Normative Plant Availability factor for recovery of full fixed charges is 50% for NTPS. However, all units of NTPS have been under shutdown since August 6, 2025, due to aging-related issues with the generator transformer, the effective Plant Availability Factor for FY 2025–26 is expected to decline to 32.55%.

Normative Annual Plant Availability Factor (NAPAF) for LTPS - APGCL submitted that as per Regulation 48.1 of the MYT Regulations, 2024 the Normative Plant Availability factor for recovery of full fixed charges is 50% for LTPS. It is expected that LTPS will have lower plant availability factor than normative based on 6 months actual number.

Normative Annual Plant Availability Factor (NAPAF) for KLHEP - APGCL submitted that as per Regulation 50 of MYT Regulations 2024 specifies normative PAF for KLHEP as 85% for recovery of full fixed charges for KLHEP. It is expected that KLHEP will be able to achieve the normative plant availability factor based on 6 months actual number.

Normative Annual Plant Availability Factor (NAPAF) for LRPP - APGCL submitted that The Commission had approved NAPAF of 85% for LRPP for 2025-26 in its order of March 2025. It is expected that LRPP will be able to achieve the normative plant availability factor based on 6 months' actual number.

Normative Annual Plant Availability Factor (NAPAF) for NRPP - APGCL submitted that The Commission had approved NAPAF of 85% for NRPP for FY 2025-26 in its order of March 2025. It is expected that NRPP will achieve the normative plant availability factor based on 6 months actual number. APGCL requested the Commission to approve the revised estimated Availability for FY 2025-26 as shown in the Table below:

Table 57: Availability as submitted by APGCL for FY 2025-26

Station	Approved as per Order of March 2025	April - Sep (actual)	Oct - March (estimated)	Claim for FY 2025-26
NTPS	50.00%	65.10%	50.00%	32.55%
LTPS	50.00%	43.34%	50.00%	46.67%
KLHEP	85.00%	85.83%	85.00%	85.42%
LRPP	85.00%	81.93%	85.00%	83.47%
NRPP	85.00%	86.93%	85.00%	85.00%

Commission's Analysis

In accordance with the MYT Regulations, 2024, APGCL shall be eligible to recover full fixed charges if NAPAF is achieved as specified in MYT Regulations, 2024. Accordingly, the Commission approves NAPAF for FY 2025-26 as per MYT Regulations, 2024, as shown in the following Table:

Table 58: Target PAF/Capacity Index for recovery of full fixed Charges

Station	Target Availability/Capacity Index (%)
NTPS	50.00%
LTPS	50.00%
KLHEP	85.00%
LRPP	85.00%
NRPP	85.00%

5.4 Plant Load Factor (PLF)

Normative Annual Plant Load Factor (NAPLF) for NTPS - APGCL submitted that as per Regulation 48.2 of the Tariff Regulations, 2024 the Normative Plant Load factor for NTPS is 50%. The Commission had approved the same for NTPS in its order dated March 2025. However, with all units anticipated to be shut down due to ageing infrastructure since 6th Aug'2025, the effective Plant Load Factor for FY 2025–26 is expected to decline to 23.82%.

Normative Annual Plant Load Factor (NAPLF) for LTPS - APGCL submitted that as per Regulation 48.2 of the Tariff Regulations, 2024 the Normative Plant Load factor for LTPS is 66%. The Commission had approved the same of LTPS in its order dated March 2025. It is expected that LTPS will not be able to achieve the normative plant load factor based on 6 months actual number. The approved and estimated numbers are shown in the table below.

Normative Annual Plant Load Factor (NAPLF) for KLHEP - APGCL submitted that as per Regulation 50.1 of the Tariff Regulations, 2024, normative PLF for KLHEP as 44.5%. The Commission had approved the same for FY 2025-26 in its order dated March 2025. It is expected that KLHEP will achieve the normative plant load factor based on 6 months actual number. The approved and estimated numbers are shown in the table below.

Normative Annual Plant Load Factor (NAPLF) for LRPP - APGCL submitted that the Commission had approved 90% as PLF for incentive for LRPP for 2025-26 in its order dated March 2025. It is expected that LRPP will not be able to achieve the normative plant load factor based on 6 months actual number.

Normative Annual Plant Load Factor (NAPLF) for NRPP - APGCL submitted that as per regulation 48.2 of tariff regulation 2024, the normative plant load factor for incentive of gas based generating station is 85% for FY 2025-26. It is expected that NRPP will not be able to achieve normative PLF based on 6 months actual number.

APGCL requested the Commission to approve the revised estimated PLF for FY 2025-26 as shown in the Table below:

Table 59: Plant Load Factor submitted by APGCL for FY 2025-26

Station	Approved as per Order of March 2025	April - Sep (actual)	Oct - March (estimated)	Claim for FY 2025-26
NTPS	50.00%	47.52%	0.00%	23.82%
LTPS	66.00%	36.40%	66.00%	43.25%
KLHEP	44.50%	63.08%	44.50%	44.50%
LRPP	90.00%	79.69%	90.00%	82.45%
NRPP	85.00%	84.26%	85.00%	84.74%

Commission's Analysis

APGCL shall be eligible for incentive only if actual PLF is higher than NAPLF specified in the MYT Regulations, 2024. For APR, the Commission has considered Gross Generation and PLF for FY 2025-26 as submitted by APGCL. However, the incentive shall be allowed with respect to NAPLF specified in the MYT Regulations, 2024.

5.5 Auxiliary Consumption

Auxiliary Energy Consumption for NTPS - APGCL submitted that as per Regulation 48.3 of the Tariff Regulations, 2024 the Normative Auxiliary energy consumption is 4.50% for 2025-26 for NTPS. However, all units of NTPS have been under shutdown since August 6, 2025, due to aging-related issues with the generator transformer. We submit that the auxiliary consumption of NTPS is estimated to be higher than the approved auxiliary consumption in FY 2025-26 old nature of plant and machinery.

Auxiliary Energy Consumption for LTPS - APGCL submitted that, as per Regulation 48.3 of the Tariff Regulations, 2024 the Normative Auxiliary energy consumption is 5.50% for LTPS. The same has been approved by the Commission in its order dated March 2025. It is expected that LTPS will achieve the auxiliary consumption higher than normative value.

Auxiliary Energy Consumption for KLHEP - APGCL submitted that, as per Regulation 50.1 of the Tariff Regulations, 2024 the Normative Auxiliary energy consumption is 1.0% for KLHEP. The same has been approved by the Commission in its order dated March 2025.

Auxiliary Energy Consumption for LRPP - APGCL submitted that, the Commission

had approved Auxiliary Consumption of 3.5% for LRPP for FY 2025-26 in its order dated March 2025. It is expected that LRPP will achieve auxiliary consumption at normative value.

Auxiliary Energy Consumption for NRPP - APGCL submitted that, The Commission had approved Auxiliary Consumption of 5% for NRPP for FY 2025 26 in its order dated March 2025. It is expected that NRPP will not be able to achieve the auxiliary consumption at normative value.

Table 60: Auxiliary energy consumption as claimed by APGCL for FY 2025-26

Station	Approved as per Order of March 2025	April - Sep (actual)	Oct - March (estimated)	Claim for FY 2025-26
NTPS	4.50%	5.33%	0.00%	5.33%
LTPS	5.50%	7.70%	5.50%	7.66%
KLHEP	1.0%	0.61%	1.00%	1.00%
LRPP	3.50%	2.85%	3.50%	3.50%
NRPP	5.00%	5.03%	5%	5.02%

Commission's Analysis

The Commission notes that there is a variation in Auxiliary Consumption estimated by APGCL based on actual performance of H1 of FY 2024-25 vis-à-vis Auxiliary Consumption approved in the Tariff Order dated March 25, 2025, for FY 2025-26. The Commission is of the view that the availability of gas in the required quantity and at desired pressure is the responsibility of APGCL only, and no relaxation can be given on account of lower gas availability or lower gas pressure.

The Commission considers the Auxiliary Consumption for existing Generating Stations as per MYT Regulations, 2024, for the purpose of APR, as shown in the following Table:

Table 61: Auxiliary Consumption considered by the Commission for FY 2025-26

Sl. No.	Station	Approved as per Order of March 2025	Estimated by APGCL	Approved for APR
1	NTPS	4.50%	5.33%	4.50%
2	LTPS	5.50%	7.66%	5.50%
3	KLHEP	1.0%	1.00%	1.00%
4	LRPP	3.50%	3.50%	3.50%

Sl. No.	Station	Approved as per Order of March 2025	Estimated by APGCL	Approved for APR
5	NRPP	5.00%	5.02%	5.00%

5.6 Gross Generation and Net Generation

The Gross Generation and Net Generation estimated by APGCL for FY 2025-26 is shown in the following Table:

Table 62: Gross and Net Generation as submitted by APGCL for FY 2025-26

Sl. No.	Station	Gross Generation (MU)	Net Generation (MU)
1	NTPS	54.73	51.82
2	LTPS	376.88	348.00
3	KLHEP	378.97	375.18
4	LRPP	500.47	482.95
5	NRPP	730.59	693.95

Commission's Analysis

For APR, the Commission has considered the gross generation for FY 2025-26 as submitted by APGCL. The Commission has also considered the Net Generation after considering the approved auxiliary consumption of the respective plants in the APR of FY 2025-26.

The Commission has computed the Net Generation based on above estimated Gross Generation and approved Auxiliary Consumption for FY 2025-26. The Gross Generation and Net Generation approved by the Commission in the APR for FY 2025-26 are shown in the following Table:

Table 63: Gross Generation and Net Generation considered by the Commission in the APR for FY 2025-26

Sl. No.	Station	Gross Generation (MU)	Net Generation (MU)
1	NTPS	54.73	52.27
2	LTPS	376.88	356.15
3	LRPP	500.47	482.95
4	NRPP	730.59	694.06
	Total Thermal	1662.68	1585.44
5	KLHEP	378.97	375.18
	Total APGCL	2041.64	1960.62

5.7 Station Heat Rate

Gross Station Heat Rate (SHR) for NTPS – APGCL submitted that, as per Regulation 48.4, of the Tariff Regulations, 2024 the Normative Station Heat Rate is 3900 kCal/kWh for NTPS in combined cycle mode of operation.

Gross Station Heat Rate (SHR) for LTPS – APGCL submitted that, as per Regulation 48.4, of the Tariff Regulations, 2024 the Normative Station Heat Rate is 3200 kCal/kWh for LTPS in combined cycle mode of operation. Operating GSHR of LTPS is presently less than the normative GSHR as a result of the efficient maintenance of the plant. As the plant receives APM gas without subsidy and due to exorbitant rise in gas price, the energy charge rate of the plant is high. In view of this, to provide relief to the consumers, APGCL has considered the actual GSHR 2926 Kcal/kwh of LTPS in the present trend instead of normative GSHR for the FY 2025-26 as a one-time measure only to calculate fuel cost so that Tariff of LTPS can be reduced. APGCL has considered the SHR at actuals for the first 6 months and normative for rest of the year.

Gross Station Heat Rate (SHR) for LRPP – APGCL submitted that the Commission had approved SHR of 2,150 kCal/kWh for LRPP for FY 2025-26 in its order dated March 2025.

Gross Station Heat Rate (SHR) for NRPP – APGCL submitted that as per the Tariff Order dated March 2025, the normative GSHR of NRPP is 1951 kcal/kWh to calculate fuel

cost.

Table 64: Station Heat Rate as submitted by APGCL for FY 2025-26

Station	Approved as per Order of March 2025	April - Sep (actual)	Oct -March (estimated)	Claim for FY 2025-26
NTPS	3900	4196	0	3927.40
LTPS	2800	2926	2800	2926
LRPP	2150	2139	2150	2150
NRPP	1951	2069	1951	1951

Commission's Analysis

The Commission observed that the SHR claimed for NTPS and LTPS is higher than the approved by the Commission in MYT Order dated 25th March 2025. For APR, the Commission has considered the SHR of all the stations as approved in its previous MYT Order dated 25th March 2025.

The Commission shall compute the sharing of losses/(gains) on account of higher/lower SHR with respect to the normative at the time of Truing-up of FY 2025-26.

The following Table shows the SHR approved by the Commission for APR of FY 2025-26:

Table 65: Gross Station Heat Rate (kcal/kWh) considered in APR for FY 2025-26

Sl. No.	Station	APGCL's submission	Approved in APR
1	NTPS	3927.40	3900
2	LTPS	2926	2800
3	LRPP	2150	2150
4	NRPP	1951	1951

5.8 Fuel Cost

APGCL submitted that as per Regulation 10.2 of the MYT Regulations, 2024, Fuel Price and GCV are uncontrollable items. The actual Fuel Price and GCV are shown in the table below:

Table 66: Actual Plant-wise GCV and Price as submitted by APGCL for FY 2025-26

Station	Wt. Avg. Gross Calorific Value of Gas (kcal/SCM)	Wt. Avg. Price of Gas (Rs. /1000 SCM) April - Sept	Wt. Avg. Price of Gas (Rs. /1000 SCM) Oct -March	Wt. Avg. Price of Gas (Rs. /1000 SCM)
		(Actual)	(Estimated)	
NTPS	9262.62	15015.56	15015.56	15015.56
LTPS	9378.98	20882.34	20882.34	20882.34
LRPP	9272.85	24255.76	24255.76	24255.76
NRPP	9262.62	14824.65	14824.65	14824.65

APGCL submitted that the average price of fuel and GSHR for April to September has been considered for the month of October – March. Accordingly, APGCL estimated the fuel cost of NTPS, LTPS, LRPP and NRPP as shown in following tables:

Table 67: Total Fuel Cost for NTPS for FY 2025-26 as submitted by APGCL (Rs. Cr.)

Particulars	Unit	Approved as per order of March 2025	April - Sep (actual)	Oct -March (estimated)	Claim for FY 2025-26
Gross Generation	MU	113.88	54.73	-	54.73
Heat Rate	kcal/kWh	3900	4,195.93	-	3,927.40
GCV of gas	kcal/SCM	9213	9,262.62	9,262.62	9,262.62
Overall Heat	G. cal.	444132	229,663.96	-	214,965.87
Gas consumption	M. SCM	48.21	24.79	-	23.21
Price of Gas	Rs./1000 SCM	14473.00	15,015.56	15,015.56	15,015.56
Total cost of Gas	Rs. Cr.	69.77	37.23	-	34.85

Table 68: Total Fuel Cost for LTPS for FY 2025-26 as submitted by APGCL (Rs. Cr.)

Particulars	Unit	Approved as per order of June 2024	April - Sep (actual)	Oct -March (estimated)	Claim for FY 2024-25
Gross Generation	MU	425.74	164.01	212.87	376.88
Heat Rate	kcal/kWh	2800	2,926.33	2,800.00	2,926.33
GCV of gas	kcal/SCM	9364	9,378.98	9,378.98	9,378.98

Particulars	Unit	Approved as per order of June 2024	April - Sep (actual)	Oct - March (estimated)	Claim for FY 2024-25
Overall Heat	G. cal.	1192072	479,947.59	596,030.40	1,102,869.88
Gas consumption	M. SCM	127.30	51.17	63.55	117.59
Price of Gas	Rs./1000 SCM	21960.00	20,882.34	20,882.34	20,882.34
Total cost of Gas	Rs. Cr.	279.56	106.86	132.71	245.55

Table 69: Total Fuel Cost for LRPP for FY 2025-26 as submitted by APGCL (Rs. Cr.)

Particulars	Unit	Approved as per order of June 2024	April - Sep (actual)	Oct - March (estimated)	Claim for FY 2024-25
Gross Generation	MU	519.40	240.77	259.70	500.47
Heat Rate	kcal/kWh	2150	2,139.01	2,150.00	2,150.00
GCV of gas	kcal/SCM	9208	9,272.85	9,272.85	9,272.85
Overall Heat	G. cal.	1116710	515,010.19	558,350.41	1,076,007.41
Gas consumption	M. SCM	121.28	55.54	60.21	116.04
Price of Gas	Rs. /1000 SCM	23945.00	24,255.76	24,255.76	24,255.76
Total cost of Gas	Rs. Cr.	290.40	134.72	146.05	281.46

Table 70: Total Fuel Cost for NRPP for FY 2025-26 as submitted by APGCL (Rs. Cr.)

Particulars	Unit	Approved as per order of June 2024	April - Sep (actual)	Oct - March (estimated)	Claim for FY 2024-25
Gross Generation	MU	732.69	364.25	366.34	730.59
Heat Rate	kcal/kWh	1951	2,069.29	1,951.00	1,951.00
GCV of gas	kcal/SCM	9213	9,262.62	9,262.62	9,262.62
Overall Heat	G. cal.	1429478.19	753,741.12	714,735.58	1,425,388.00
Gas consumption	M. SCM	155.16	81.37	77.16	153.89

Particulars	Unit	Approved as per order of June 2024	April - Sep (actual)	Oct - March (estimated)	Claim for FY 2024-25
Price of Gas	Rs. /1000 SCM	14473.00	14,824.65	14,824.65	14,824.65
Total cost of Gas	Rs. Cr.	224.56	120.63	114.39	228.13

Commission's Analysis

The Commission, in the MYT Order dated March 25, 2025, had approved the Fuel Cost for NTPS, LTPS, LRPP and NRPP for FY 2025-26 based on approved performance parameters and latest GCV and price of Fuels available at that time.

For APR, the Commission has adopted the same approach and approves the Fuel Cost based on approved performance parameters in this Order and latest fuel price and GCV.

The Commission has verified the weighted average GCV and price of gas as per fuel bills submitted by APGCL for the period from April 2025 to September 2025. The Commission observed that the GCV and fuel price is in line with the submission of APGCL for H1 of FY 2025-26. Accordingly, the Commission has considered the GCV, and fuel prices as submitted by APGCL for estimation of fuel cost in APR of FY 2024-25.

The GCV and landed price of gas considered by the Commission for projection of fuel cost is shown in the following Table:

Table 71: GCV and Landed Price of Gas for FY 2025-26 considered by the Commission

Station	Particulars	Approved for APR 2025-26
NTPS	GCV of Gas (kcal/SCM)	9,262.62
	Price of Gas (Rs. /1000SCM)	15,015.56
LTPS	GCV of Gas (kcal/SCM)	9,378.98
	Price of Gas (Rs. /1000SCM)	20,882.34
	GCV of Gas (kcal/SCM)	9,272.85

Station	Particulars	Approved for APR 2025-26
LRPP	Price of Gas (Rs. /1000SCM)	24,255.76
NRPP	GCV of Gas (kcal/SCM)	9,262.62
	Price of Gas (Rs. /1000SCM)	14,824.65

The fuel cost provisionally approved by the Commission for NTPS, LTPS, LRPP and NRPP for FY 2025-26 for APR purposes is shown in the following Table:

Table 72: Fuel Cost considered by the Commission in APR for FY 2025-26

Sl. No.	Particulars	Unit	NTPS	LTPS	LRPP	NRPP
1	Gross Generation	MU	54.73	376.878	500.47	730.59
2	Heat Rate	kcal/kWh	3,900.00	2800.00	2150.00	1951.05
3	GCV of gas	kcal/SCM	9,262.62	9,378.98	9,272.85	9,262.62
4	Overall Heat	Giga cal.	213,466.13	1,055,258.40	1,076,007.41	1,425,422.33
5	Gas consumption	M. SCM	23.05	112.51	116.04	153.89
6	Price of Gas	Rs./1000 SCM	15,015.56	20,882.34	24,255.76	14,824.65
7	Total Cost of Gas	Rs. Cr.	34.60	234.95	281.46	228.14

5.9 O&M Expenses

APGCL submitted that in the APR for FY 2025-26 has computed the normative O&M Expenses in accordance with Regulation 51 of the MYT Regulations, 2024. The normative O&M expenses claimed in the True-up of FY 2024-25 have been escalated by 6.17% (last 3-year average of CPI and WPI in the ratio of 60:40) to compute the normative O&M expenses for FY 2025-26.

Table 73: Normative O&M Cost submitted by APGCL for FY 2025-26

Station	Approved in order of March 2025	Approved considering Effective Installed Capacity in order of March 2025	Normative O&M claimed for True up FY 24-25) at Full Capacity	O&M calculated for APR of FY 2025-26 at Full Capacity	O&M Claimed for APR of FY 2025-26 at Effective Capacity
A	B	C	E	F= E *(1+6.17%)	G
NTPS	67.48	14.68	64.98	68.99	8.76
LTPS	74.05	50.62	72.46	76.93	52.59
KLHEP	37.83	37.83	41.72	44.29	44.29
LRPP	31.61	31.61	34.20	36.31	36.31
NRPP	45.00	45.00	42.99	45.64	45.64
Total	255.97	179.74	256.35	272.16	187.59

Commission's Analysis

The Commission in the MYT Order dated March 25, 2025, has computed O&M expenses on normative basis as per MYT Regulations, 2024 for FY 2025-26. The Commission had considered an escalation of 6.17% over the approved values of FY 2024-25.

The Commission in the APR for FY 2025-26 has computed the normative O&M Expenses in accordance with Regulation 51.1 of the MYT Regulations, 2024. The normative O&M expenses approved in the True-up of FY 2024-25 have been escalated by 4.38% (last 3-year average of CPI and WPI in the ratio of 60:40) to compute the normative O&M expenses for FY 2025-26 as shown in the table below:

Table 74: Normative O&M expenses for FY 2025-26 considered in APR (Rs. Cr.)

Station	Approved in order of March 2025	APGCL's Submission (Effective capacity)	Approved Normative O&M (Full capacity)
NTPS	67.48	8.76	69.01
LTPS	74.05	52.59	75.40
KLHEP	37.83	44.29	37.99
LRPP	31.61	36.31	32.61
NRPP	45.00	45.64	42.31
Total	255.97	187.59	257.32

5.10 Capital Expenditure and Capitalisation

APGCL has submitted revised Capital Expenditure Plan for its Existing Plants for FY 2025-26 as below:

Table 75: Capital Expenditure and Capitalisation as submitted by APGCL for FY 2025-26 (Rs. Cr.)

Station	Capex and Capitalization approved by Commission in Order March 2025	Capex claimed in this petition
NTPS	0.00	1.9735
LTPS	0.00	4.3527
KLHEP	11.55	2.8280
LRPP	0.54	0
NRPP	3.11	2.6503
Total	15.2	11.8045

Commission's Analysis

The Commission in the MYT Order dated March 25, 2025, had approved the capital expenditure and capitalisation for the existing generating stations for FY 2025-26. The Commission has analysed the revised Capex plan submitted by APGCL in its Petition. For the APR, the Commission has provisionally considered the Capital Expenditure and Capitalisation for NTPS, LTPS, KLHEP, LRPP and NRPP. The Work-wise approval for the revised capital expenditure plan is provided in **Annexure 3A**. However, petitioner is directed to submit the actual capital expenditure and capitalisation details with proper justification and necessary documentary evidence to establish their claim at the time of True Up of FY 2025-26. Non-Compliance to the directions of the Commission will attract disallowances at the time of True up.

Table 76: Capital Expenditure and Capitalisation as considered by the Commission for FY 2025-26 (Rs. Cr.)

Particulars	NTPS	LTPS	KLHEP	LRPP	NRPP
Capital Expenditure	1.81	3.14	0.99	-	2.14
Capitalisation	1.81	3.14	0.99	-	2.14

Commission observed that, the funding of capitalization for NTPS, LTPS, KLHEP, LRPP, and NRPP has been considered through equity.

However, for the purpose of APR, the Commission has considered the funding patten on the same approach i.e. @70:30 ratio for the approved capex and capitalisation by the Commission for FY 2025-26 The following table shows the funding of the above capitalisation as considered by the Commission:

Table 77: Funding of Capitalisation as considered by the Commission for FY 2025-26 (Rs. Cr.)

Particulars	NTPS	LTPS	KLHEP	LRPP	NRPP
Grant/Consumer Contribution	0.00	0.00	0.00	0.00	0.00
Equity	0.54	0.94	0.30	0.00	0.64
Debt	1.26	2.20	0.69	0.00	1.50
Total Capitalisation	1.81	3.14	0.99	0.00	2.14

5.11 Depreciation

APGCL has submitted that it has considered the opening GFA for FY 2025-26 equivalent to the closing GFA for FY 2024-25 as claimed in this petition and computed depreciation as per scheduled rates specified in the MYT Regulations, 2024. As per Regulation 33 of the MYT Regulations, 2024, the total depreciation during the life of the asset shall not exceed 90% of the original cost of Asset. The depreciation is calculated separately for assets added under each asset head in each year and excluded the depreciation in excess of 90% of the original cost of asset under different asset heads. The table below summarizes the plant wise Depreciation considered for Annual Performance Review of FY 2025-26. For NTPS, the estimation is computed for 7 months.

Table 78: Summary of Depreciation claimed for FY 2025-26

Station	Approved as per Order of March 2025	Claim for FY 2025-26
NTPS	0.37	0.23
LTPS	3.91	13.52

Station	Approved as per Order of March 2025	Claim for FY 2025-26
KLHEP	24.64	23.69
LRPP	4.93	4.78
NRPP	34.38	34.11

Commission's Analysis

The Commission has considered the opening GFA for FY 2025-26 equivalent to the closing GFA for FY 2024-25 as approved in this Order. The Commission has computed depreciation as per scheduled rates specified in the MYT Regulations, 2024.

As per Regulation 33 of the MYT Regulations, 2024, the total depreciation during the life of the asset shall not exceed 90% of the original cost of Asset. The Commission has computed the depreciation separately for assets added under each asset head in each year. The Commission has disallowed the depreciation more than 90% of the original cost of asset under different asset heads.

Further, in accordance with Regulation 33 of the MYT Regulations, 2024, the Commission has not considered the depreciation on assets funded through grants or capital subsidy for FY 2025-26. The depreciation provisionally approved in the APR for FY 2025-26 is given in the Table below:

Table 79: Station-wise depreciation considered for APR for FY 2025-26 (Rs. Cr.)

Station	Particulars	Approved as per Order of March 2025	Claim for FY 2025-26	Approved for APR FY 2025-26
NTPS	Depreciation	1.87	1.83	1.84
	Less: Depreciation on assets funded by Grants	0.15	0.03	0.15
	Net Depreciation	1.71	1.80	1.69
	Net Depreciation for Effective Capacity	0.37	0.23	0.37
LTPS	Depreciation	6.60	20.38	6.08

Station	Particulars	Approved as per Order of March 2025	Claim for FY 2025-26	Approved for APR FY 2025-26
	Less: Depreciation on assets funded by Grants	0.88	0.59	0.79
	Net Depreciation	5.72	19.79	5.28
	Net Depreciation for Effective Capacity	3.91	13.52	3.61
KLHEP	Depreciation	26.00	24.29	24.79
	Less: Depreciation on assets funded by Grants	1.36	0.61	1.26
	Net Depreciation	24.64	23.69	23.53
	Net Depreciation for Effective Capacity	24.64	23.69	23.53
LRPP	Depreciation	14.50	14.34	14.26
	Less: Depreciation on assets funded by Grants	9.57	9.57	9.40
	Net Depreciation	4.93	4.78	4.86
	Net Depreciation for Effective Capacity	4.93	4.78	4.86
NRPP	Depreciation	34.51	34.14	34.21
	Less: Depreciation on assets funded by Grants	0.14	0.04	0.03
	Net Depreciation	34.38	34.11	34.18
	Net Depreciation for Effective Capacity	34.38	34.11	34.18
	Total	77.60	84.16	69.55
	Total for Effective Capacity	71.86	76.32	66.55

5.12 Interest on Loan Capital

APGCL has claimed Petitioner has computed the Interest on long term Loan on normative basis for FY 2025-26. The normative loan outstanding for FY 2025-26 has been considered equal to closing normative loan claimed in the True-Up for FY 2024-25. The loan addition has been considered equal to debt portion of capitalized works as claimed by the APGCL in this Petition. The loan repayment has been considered equivalent to depreciation claimed for the APR of FY 2025-26. The interest rate has been considered as the weighted

average rate of actual interest rate applicable to APGCL at the beginning of FY 2025-26 i.e. 10.07%. For NTPS, the estimation is considered for 7 months.

Commission's Analysis

In the MYT Order dated March 25, 2025, the Commission has approved Interest and finance charges on normative basis for FY 2025-26 as per MYT Regulations, 2024. For the APR, the Commission has considered the same approach and provisionally approved the Interest and finance charges on normative basis.

The closing net normative loan for FY 2024-25 as approved in this Order has been considered as opening net normative loan for FY 2025-26. The addition of loan has been considered equal to debt portion of capitalised works as approved in this Order. The loan repayment has been considered equivalent to Depreciation approved in this Order. For APR of the Commission has provisionally considered the 10.07% as Rate of Interest as computed for FY 2024-25 in this Order.

The Interest on loan capital provisionally approved by the Commission for FY 2025-26 is shown in the following Table:

Table 80: Interest on Loan Capital considered for APR for FY 2025-26 (Rs. Cr.)

Station	Particulars	Approved as per Order of March 2025	Claim for FY 2025-26	Approved in APR for FY 2025-26
NTPS	Net Normative Opening Loan	0.00	0.00	0.00
	Addition of normative loan during the year	0.00	1.38	1.26
	Normative Repayment during the year	0.00	1.38	1.26
	Net Normative Closing Loan	0.00	0.00	0.00
	Avg. Normative Loan	0.00	0.00	0.00
	Interest Rate	10.05%	10.07%	10.07%
	Interest on Loan Capital	0.00	0.00	0.00
	Add: Bank Charges	0.00	0.00	0.00
	Net Interest on Loan Capital	0.00	0.00	0.00
	Net Interest on Loan Capital for Effective Capacity	0.00	0.00	0.00

Station	Particulars	Approved as per Order of March 2025	Claim for FY 2025-26	Approved in APR for FY 2025-26
LTPS	Net Normative Opening Loan	0.00	0.00	0.00
	Addition of normative loan during the year	0.00	3.05	2.20
	Normative Repayment during the year	0.00	3.05	2.20
	Net Normative Closing Loan	0.00	0.00	0.00
	Avg. Normative Loan	0.00	0.00	0.00
	Interest Rate	10.05%	10.07%	10.07%
	Interest on Loan Capital	0.00	0.00	0.00
	Add: Bank Charges	0.00	0.00	0.00
	Net Interest on Loan Capital	0.00	0.00	0.00
	Net Interest on Loan Capital for Effective Capacity	0.00	0.00	0.00
KLHEP	Net Normative Opening Loan	67.00	57.86	58.07
	Addition of normative loan during the year	8.08	1.98	0.69
	Normative Repayment during the year	24.64	23.69	23.53
	Net Normative Closing Loan	50.44	36.15	35.22
	Avg. Normative Loan	58.72	47.00	46.64
	Interest Rate	10.05%	10.07%	10.07%
	Interest on Loan Capital	5.90	4.73	4.70
	Add: Bank Charges	0.00	0.00	0.00
	Net Interest on Loan Capital	5.90	4.73	4.70
LRPP	Net Normative Opening Loan	12.05	12.26	12.16
	Addition of normative loan during the year	0.38	0.00	0.00
	Normative Repayment during the year	4.93	4.78	4.86
	Net Normative Closing Loan	7.50	7.48	7.30
	Avg. Normative Loan	9.78	9.87	9.73
	Interest Rate	10.05%	10.07%	10.07%
	Interest on Loan Capital	0.98	0.99	0.98
	Add: Bank Charges	0.00	0.00	0.00

Station	Particulars	Approved as per Order of March 2025	Claim for FY 2025-26	Approved in APR for FY 2025-26
	Net Interest on Loan Capital	0.98	0.99	0.98
NRPP	Net Normative Opening Loan	389.42	390.25	390.12
	Addition of normative loan during the year	2.18	1.86	1.50
	Normative Repayment during the year	34.38	34.11	34.18
	Net Normative Closing Loan	357.22	358.00	357.44
	Avg. Normative Loan	373.32	374.12	373.78
	Interest Rate	10.05%	10.07%	10.07%
	Interest on Loan Capital	37.52	37.66	37.62
	Add: Bank Charges	0.00	0.00	0.00
	Net Interest on Loan Capital	37.52	37.66	37.62
	Total	44.40	43.38	43.30
	Total for Effective Capacity	44.40	43.38	43.30

5.13 Return on Equity (RoE)

APGCL submitted Petitioner has determined the Return on Equity (RoE) at a rate of 15.5% in accordance with the AERC Regulations, 2024. The addition to Equity and the conversion of grants which are yet to be converted to equity subject to the normative ceiling of 30% of GFA, has been computed in line with the methodology adopted in the above Tariff Order of March 2025. For NTPS, the estimation is considered for 7 months.

Commission's Analysis

The Commission has approved the RoE in accordance with Regulation 34 of the MYT Regulations, 2024. The Commission has considered the addition of equity for capitalised works approved as funded through equity in this Order. However, the Commission notes there are some grants, which are yet to be converted to equity. The same have been converted subject to the normative ceiling of 30% of GFA. The detailed computation of allowable equity addition due to such conversion of grant in FY 2025-26 is provided in Annexure – 4 B. Therefore, the approved RoE at 15.50% is shown in the Table below:

Table 81: Return on Equity considered by the Commission for FY 2025-26 (Rs. Cr.)

Station	Particulars	Approved as per Order of March 2025	Claim for FY 2025-26	Approved for APR FY 2025-26
NTPS	Opening Equity	59.23	58.97	58.88
	Additional during Year	0.00	0.00	0.54
	Closing Equity	59.23	58.97	59.43
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	9.18	9.14	9.17
	Return on Equity for Effective Capacity	2.00	1.16	1.99
LTPS	Opening Equity	154.78	153.43	153.18
	Addition during Year	0.88	1.31	1.17
	Closing Equity	155.66	154.74	154.36
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	24.06	23.88	23.83
	Return on Equity for Effective Capacity	16.45	16.32	16.29
KLHEP	Opening Equity	156.43	152.40	152.40
	Addition during Year	4.34	0.85	0.53
	Closing Equity	160.77	153.25	152.93
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	24.58	23.69	23.66
LRPP	Opening Equity	67.93	68.02	67.97
	Addition during Year	0.79	0.00	0.17
	Closing Equity	68.72	68.02	68.13
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	10.59	10.54	10.55
NRPP	Opening Equity	218.73	219.03	218.99
	Addition during Year	0.93	0.79	0.88
	Closing Equity	219.66	219.83	219.87
	Rate of Return	15.50%	15.50%	15.50%
	Return on Equity	34.05	34.01	34.01
	Total	102.46	101.27	101.23
	Total for Effective Capacity	87.66	85.73	86.51

5.14 Interest on Working Capital (IoWC)

APGCL submitted that it has claimed normative interest on working capital. However, as APGCL does not have liquid fuel stock facility, it has not considered working capital on storage of liquid fuel. For computation of working capital requirement, APGCL has considered the normative fuel cost and normative O&M Expenses. The rate of interest has been considered as interest rate equivalent to the normative interest rate of three hundred (300) basis points above the average State Bank of India MCLR (One Year Tenor) prevalent during the last available six months i.e., 8.88% + 3.00 % = 11.88%.

Commission's Analysis

The Commission has computed IoWC in accordance with Regulation 37 of the MYT Regulations, 2024. For computation of working capital requirement, the Commission has considered the fuel cost and O&M Expenses on normative basis.

The rate of Interest has been considered as 11.90%. For APR, IoWC provisionally approved by the Commission for FY 2025-26 is shown in the following Table:

Table 82: Interest on Working Capital approved by the Commission for FY 2025-26 (Rs. Cr.)

Station	Particulars	Approved as per Order of March 2025	Claim for FY 2025-26	Approved for APR FY 2025-26
NTPS	Fuel Cost for 15 Days	2.87	1.43	2.96
	O&M Expenses for one month	5.62	5.75	5.75
	Maintenance Spares-30% of O&M	20.24	20.70	20.70
	Receivables for 45 Days	18.63	14.44	19.11
	Total Working Capital Requirement	47.36	42.32	48.52
	Rate of interest	11.85%	11.88%	11.90%
	Interest on Working capital	5.61	5.03	5.77
	Interest on Working capital on effective Capacity	1.22	0.64	1.26
LTPS	Fuel Cost for 15 Days	11.49	10.09	10.91
	O&M Expenses for one month	6.17	6.41	6.28
	Maintenance Spares-30% of O&M	22.21	23.08	22.62

Station	Particulars	Approved as per Order of March 2025	Claim for FY 2025-26	Approved for APR FY 2025-26
	Receivables for 45 Days	47.31	39.29	45.63
	Total Working Capital Requirement	87.18	84.73	85.44
	Rate of interest	11.85%	11.88%	11.90%
	Interest on Working capital	10.33	10.07	10.16
	interest on Working capital on effective Capacity	7.06	6.88	6.95
KLHEP	Fuel Cost for 15 Days	3.15	3.69	3.17
	O&M Expenses for one month	5.67	6.64	5.70
	Maintenance Spares-30% of O&M	12.35	10.93	10.09
	Total Working Capital Requirement	21.18	21.26	18.96
	Rate of interest	11.85%	11.88%	11.90%
	interest on Working capital	2.51	2.53	2.25
LRPP	Fuel Cost for 15 Days	11.93	11.57	12.00
	O&M Expenses for one month	2.63	3.03	2.72
	Maintenance Spares-30% of O&M	9.48	10.89	9.78
	Receivables for 45 Days	42.08	41.55	42.41
	Total Working Capital Requirement	66.13	67.03	66.92
	Rate of interest	11.85%	11.88%	11.90%
	interest on Working capital	7.84	7.96	7.96
NRPP	Fuel Cost for 15 Days	9.23	9.38	9.40
	O&M Expenses for one month	3.75	3.80	3.53
	Maintenance Spares-30% of O&M	13.50	13.69	12.69
	Receivables for 45 Days	46.10	46.62	46.28
	Total Working Capital Requirement	72.58	73.49	71.90
	Rate of interest	11.85%	11.88%	11.90%
	Interest on Working capital	8.60	8.73	8.55
	Total	29.28	29.29	34.70
	Total for Effective Capacity	27.23	26.74	26.97

5.15 Special R&M

APGCL has claimed the status of the approved and actual special R&M being conducted in FY 2025-26 has been shown in the table below:

Table 83: Revised Special R&M Schemes for FY 2025-26 (Rs. Lakh)

SL NO	Description of Works	Approved by Commission (In Lakhs)	Revised Proposed (In Lakhs)	Remarks
LTPS				
1	Procurement of spares along with Major inspection of Gas Turbine unit # 6	0	0	GT Unit-6 was initially taken up for overhauling based on an OEM offer. Subsequently, in the 116th Board Meeting, the APGCL Board of Directors directed that the work be processed through an open tender. The tender process required substantial time, with bid submission extended six times due to single-bidder participation. The purchase order has been issued on 25th November 2025 of total work value ₹27.58 crore. This creates a liability for the overhauling of Unit-6 of LTPS in FY 2025–26. The work is expected to be completed in FY 2026–27, and APGCL will claim the actual expenditure at the time of true up, supported by all relevant documents and approvals from the competent authorities. Accordingly, APGCL requests the Commission to grant in principle approval for execution of the work.
2	Major Overhauling of Gas Turbine Unit No. 5 (Gas Turbine, Generator & Exciter) including supply of efficiency improvement spares	0	0	APGCL, in its MYT petition, proposed undertaking the major overhauling of Gas Turbine Unit-5 at an estimated cost of ₹26 crore, to be spread across two years— ₹10 crore in FY 2025–26 and ₹16 crore in FY 2026–27. The AERC vide clause no 7.15.5 in its tariff order dated 25th Mar'25

SL NO	Description of Works	Approved by Commission (In Lakhs)	Revised Proposed (In Lakhs)	Remarks
				has directed that detailed justification to be furnished for spillover of work from FY 2024-25 at the time of the APR along with Board Approval/ other supporting documents. Due to prolonged shut down of GT unit 7 of LTPS since oct'23, the major overhauling of GT unit 5 was delayed than expected scheduled time to ensure plant availability of LTPS within normative. APGCL has initiated the tendering process and anticipates awarding the contract within FY 2025-26. GT unit 7 is expected to be returned to service in Jan'26, after which overhauling of GT unit 5 shall be started. This means liability for the overhauling work of GT unit 5 shall be created in FY 2025-26. The overhaul is expected to be completed in FY 2026-27, and APGCL will seek recovery of the actual expenditure during the true-up, supported by all requisite documents and approvals from the competent authority. APGCL therefore requests the Commission to grant in-principle approval for undertaking the work.
KLHEP				
1	Major overhauling of Unit-1	15	0	Tendering process has been initiated for procurement of the spares. The completion of tendering process and contract is expected to be awarded in FY 2025-26. As such, liability for procurement of spares will be created in FY 2025-26 as submitted in earlier

SL NO	Description of Works	Approved by Commission (In Lakhs)	Revised Proposed (In Lakhs)	Remarks
				petition. The overhaul is expected to be completed in FY 2026–27. APGCL will submit the actual expenditure during the true-up, supported by all requisite documents and approvals from the competent authority.
LRPP				
1	12/24/36/48,000 Running Hours Turbocharger Maintenance for Unit no GEG#1,2,3,4,5,6,7	213	213	As approved Tariff order Dated 25th March 2025

Commission’s Analysis

Commission observes that, APGCL has submitted Special R&M expense for LRPP in FY 2025-26 in accordance to the allowed by Commission in its MYT Order dated March 25, 2025.

However, the Commission has observed that APGCL has not submitted Board approvals or other relevant documents for the proposed Special R&M. Recognizing the importance of Special R&M for plant operations, the Commission has provisionally allowed expenses for some schemes. However, APGCL is instructed to provide the necessary supporting documents against the actual cost incurred and competition certificates at the time of True Up. Non-compliance to the same will attract disallowance.

Table 84: Special R&M approved by Commission for FY 2025-26

SL NO	Description of Works	Propose by APGCL (In Lakhs)	Approved for FY 2025-26 (In Lakhs)	Remarks
1	12/24/36/48,000 Running Hours Turbocharger	213	213	The Commission has observed that APGCL has not submitted Board approvals or other relevant documents for the proposed Special R&M. Recognizing the importance of Special

Maintenance for Unit no GEG#1,2,3,4,5,6,7			R&M for plant operations, the Commission has provisionally allowed expenses for some schemes. However, APGCL is instructed to provide the necessary supporting documents against the actual cost incurred and competition certificate at the time of True Up/APR.
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5.16 Non-Tariff Income

APGCL submitted that the non-tariff income has been estimated at normatively approved numbers by Commission in its order dated March 2025. The same will be claimed at actuals during truing up for FY 2025-26. The details of non-tariff income for FY 2025-26 are shown in the table below:

Table 85: Station-wise details of non-tariff income for FY 2025-26

Station	Approved as per Order of March 2025 (Rs. Cr.)	Claim for FY 2025-26 (Rs. Cr.)
NTPS	2.67	2.67
LTPS	10.00	10.00
KLHEP	10.29	10.29
LRPP	7.18	7.18
NRPP	10.12	10.12
Total	40.26	40.26

Commission's Analysis

For APR, the Commission provisionally approves the non-tariff income for FY 2025-26 same as claimed by APGCL.

5.17 Summary of APR for FY 2025-26

The summary of station-wise ARR after APR for FY 2025-26 is shown in the following Table:

Table 86: ARR for NTPS, LTPS and KLHEP for FY 2025-26 considered by the Commission in APR (Rs. Cr.)

Sr. No.	Particulars	NTPS			LTPS			KLHEP		
		Approved as per Order of March 2025	APGCL's Petition	Approved for APR	Approved as per Order of March 2025	APGCL's Petition	Approved for APR	Approved as per Order of March 2025	APGCL's Petition	Approved for APR
A	Annual Fixed Charges									
1	O&M expenses	67.48	8.76	69.01	74.05	52.59	75.40	37.83	44.29	37.99
2	Special R&M Expenses	0.00	0.00	0.00	0.00	0.00	0.00	15.00	0.00	0.00
3	Increase in AERC Tariff Filing Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23.53
4	Depreciation	1.71	0.23	1.69	5.72	13.52	5.28	24.64	23.69	4.70
5	Interest & Finance Charges	0.00	0.00	0.00	0.00	0.00	0.00	5.90	4.73	23.66
6	Return on Equity	9.18	1.16	9.17	24.06	16.32	23.83	24.58	23.69	2.25
7	Interest on WC	5.61	0.64	5.77	10.33	6.88	10.16	2.51	2.53	0.00
8	Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Less: Non-Tariff Income	2.67	2.67	2.67	10.00	10.00	10.00	10.29	10.29	10.29
10	Fixed Cost	81.31	8.11	82.97	104.16	79.32	104.68	100.17	88.63	81.85
B	Fuel Cost	69.77	34.85	34.60	279.55	245.55	234.95		0.00	0.00
C	Total ARR	151.08	42.96	117.57	383.71	324.87	339.64	100.17	88.63	81.85

Table 87: ARR for LRPP and NRPP for FY 2025-26 considered by the Commission in APR (Rs. Cr.)

Sr. No.	Particulars	LRPP			NRPP		
		Approved as per Order of March 2025	APGCL's Petition	Approved for APR	Approved as per Order of March 2025	APGCL's Petition	Approved for APR
A	Annual Fixed Charges						
1	O&M expenses	31.61	36.31	32.61	45.00	45.64	42.31
2	Special R&M Expenses	2.13	2.13	2.13	0.00	0.00	0.00
3	Increase in AERC Tariff Filing Fees	0.00	0.00	0.00	0.00	0.00	0.00
4	Depreciation	4.93	4.78	4.86	37.53	37.66	34.18
5	Interest & Finance Charges	0.98	0.99	0.98	33.97	34.01	37.62
6	Return on Equity	10.59	10.54	10.55	8.60	8.73	34.01
7	Interest on WC	7.84	7.96	7.96	0.00	0.00	8.55
8	Income Tax	0.00	0.00	0.00	45.00	45.64	0.00
9	Less: Non-Tariff Income	7.18	7.18	7.18	10.12	10.12	10.12
10	Fixed Cost	50.90	55.54	51.91	149.36	150.03	146.56
B	Fuel Cost	290.39	281.46	281.46	224.55	228.13	228.14
C	Total ARR	341.29	337.00	333.37	373.91	378.16	374.69

5.18 Net ARR for Effective Capacity

Commission approves total fixed cost at approved effective capacity in this Order for FY 2025-26. APGCL submitted that, NTPS was operational for 7 months only in FY 2025-26. Hence, commission has considered Fixed cost at effective capacity for NTPS accordingly.

Table 88: APR for Existing Generating Stations for FY 2025-26 as approved by the Commission at Effective Capacity (Rs. Cr.)

Particulars	NTPS	LTPS
Total Fixed Cost approved on installed capacity	85.64	114.68
Reduction in fixed cost due to Decommissioning	67.01	36.29
Total Fixed Cost approved at effective Capacity	18.63	78.39
Add: Capacity Building Charges	0.00	0.00
Add: AERC Filing Fees	0.00	0.00
Add: Special R&M	0.00	0.00
Add: Income Tax	0.00	0.00
Less: Non-Tariff Income	2.67	10.00
Total Fixed Cost approved for effective capacity	8.20	68.39
Add: Fuel Cost	34.60	234.95
Net ARR approved for effective capacity	42.80	303.34

5.19 Revenue from Sale of Power

APGCL has estimated total Revenue from Sale of Power in the APR of FY 2025-26 as Rs. 1155.86 Cr. for NTPS, LTPS, KLHEP, LRPP and NRPP, respectively. The revenue projected by APGCL is based on the actual revenue earned during H1 of FY 2025-26 and revenue estimated in H2 of FY 2025-26.

Commission's Analysis

For APR for FY 2025-26, the Commission has considered the revenue from the sale of power as submitted by APGCL. The Commission notes the discrepancy in the revenue recorded in the audited accounts for FY 2024-25, as discussed in the previous chapter. The Commission directs APGCL to submit the audited accounts reconciled with the approved tariff for FY 2025-26 at the time of Truing up of FY 2025-26.

5.20 Revenue Gap/(Surplus) for FY 2025-26

APGCL has estimated Revenue surplus of Rs. -19.79 Cr. for FY 2025-26. APGCL submitted that since the figures for FY 2025-26 are estimated and are subject to True-up, it has not considered the Revenue Gap/(Surplus) for recovery during FY 2026-27, as the same shall be considered at the time of True-up of FY 2025-26.

Commission's Analysis

For computation of Revenue Gap/(Surplus), the Commission has considered the ARR at effective capacity for NTPS and LTPS as derived in the previous Section of this Chapter. For KLHEP, LRPP and NRPP entire fixed costs have been considered for computation of Revenue Gap/(Surplus). Accordingly, the Commission has computed the Revenue Gap/(Surplus) for FY 2025-26 as shown in the following Table:

Table 89: Revenue Gap/(Surplus) for FY 2025-26 approved by Commission

Particulars	APGCL's Submission	Approved
ARR for NTPS	42.96	42.80
ARR for LTPS	324.87	303.34
ARR for KHEP	88.63	81.85
ARR for LRPP	337.00	333.37
ARR for NRPP	378.16	374.69
Combined ARR	1171.63	1136.06
Less: Revenue Billed	1155.86	1155.86
Revenue Gap/(surplus)	15.78	-19.79

The APR shows a Revenue surplus of Rs. 19.79 Cr. for FY 2025-26. It is only indicative in the absence of Audited Annual Accounts for FY 2025-26. Hence, this is not carried forward. It will be considered only after True up process for FY 2025-26, after the Audited Annual Accounts are made available.

6 Revised ARR for FY 2026-27

6.1 Introduction

This Chapter deals with the determination of ARR for existing Stations of APGCL for the FY 2026-27 in accordance with the provisions of MYT Regulations, 2024 based on analysis of submissions made by APGCL.

APGCL has filed Petitions for approval of revised ARR for FY 2026-27 for existing stations, i.e., NTPS, LTPS, LRPP, NRPP and KLHEP. The Commission has determined the Station-wise revised ARR for NTPS, LTPS, LRPP, NRPP and KLHEP for FY 2026-27 in accordance with the MYT Regulations, 2024 as discussed in subsequent sections of this Chapter. APGCL submits the following Installed and Effective Capacity –for FY 2026-27

Table 90: Installed & Effective Capacity of APGCL for FY 2026-27

Station	Installed Capacity considered by AERC for Fixed Cost Baseline (MW)	Effective Capacity (MW)	No. of Units	Units Available for Generation & Capacity in MW
LTPS	142.2	97.2	4	5,6,7(20 MW Each),8 (37.20 MW-WHRU)
KLHEP	100	100	2	1 (50), 2(50)
LRPP	69.755	69.755	7	1-7 (9.965 each)
NRPP	98.4	98.4	2	1(62.25), 2(36.15)

Commission's Analysis

Commission has considered the installed capacity of NTPS, LTPS, LRPP and NRPP as submitted by the petitioner. Accordingly gross generation has been computed based on installed capacity of generating stations.

6.2 Plant Availability Factor (PAF) (%)

APGCL, in its Petition, has submitted the Availability for existing Stations for FY 2026-27 as shown in the following Table.

Table 91: Plant Availability Factor for FY 2026-27 as submitted by APGCL

Station	Tariff Order dated March 25, 2025	Claimed by
LTPS	50.00%	50.00%
KLHEP	85.00%	85.00%

Station	Tariff Order dated March 25, 2025	Claimed by
LRPP	85.00%	85.00%
NRPP	85.00%	85.00%

Commission's Analysis

As per Regulation 48.1 of the MYT Regulations 2024, the Normative Plant Availability factor for recovery of full fixed charges is- 50% for NTPS & LTPS and 85% for LRPP & NRPP. As per Regulation 50.1 of the MYT Regulations 2024, the Normative Plant Availability factor for KLHEP, recovery of full fixed charges is 85%. Commission has noted that, APGCL has projected the normative plant availability factor in accordance with the MYT Regulation 2024.

In accordance with the MYT Regulations, 2024, APGCL shall be eligible to recover full fixed charges if actual availability is higher or equal to the NAPAF specified in MYT Regulations, 2024.

6.3 Plant Load Factor (%)

APGCL projected the PLF (%) for existing Stations for FY 2026-27 as shown in the following Table.

Table 92: Projected PLF for FY 2026-27

Station	Tariff Order dated March 25, 2025	APGCL's Submission
LTPS	66.00%	66.00%
KLHEP	44.50%	44.50%
LRPP	90.00%	90.00%
NRPP	90.00%	90.00%

Commission's Analysis

As per, Regulation 48.2 of the MYT Regulations 2024, the Normative Plant Load Factor to claim incentive is - 50% for NTPS, 66% for LTPS, 90% for LRPP and 85% for NRPP. For KLHEP, as per Regulation 50.1 of the MYT Regulations 2024, the Normative Plant Load Factor is 44.5%. Hence, the Commission approves PLF for Incentive for NTPS, LTPS, LRPP and KLHEP, as specified in MYT Regulations, 2024.

6.4 Auxiliary Consumption (%)

APGCL submitted the Auxiliary Consumption for existing Stations for FY 2026-27 as per MYT Regulations, 2024, as shown in the following Table.

Table 93: Projected Auxiliary Consumption for FY 2026-27 (%)

Station	Tariff Order dated March 25, 2025	APGCL's Submission
LTPS	5.50%	5.50%
KLHEP	1.00%	1.00%
LRPP	3.50%	3.50%
NRPP	5.0%	5.0%

Commission's Analysis

As per Regulation 48.3 of the MYT Regulations 2024, the Normative Auxiliary Consumption is 5.5% for LTPS, 3.5% for LRPP and 5% for NRPP. As per Regulation 50.1 of the MYT Regulations 2024, the Normative Auxiliary Consumption for KLHEP is 1%.

Commission notes that, petitioner has claimed auxiliary consumption as per the MYT Regulation 2024. Hence, the Commission approves the Auxiliary Consumption for the FY 2026-27 as specified in the MYT Regulations, 2024 as shown in the following Table:

Table 94: Auxiliary Consumption for Control Period as approved by the Commission (%)

Station	Approved for FY 2026-27
LTPS	5.50%
KLHEP	1.00%
LRPP	3.50%
NRPP	5.0%

6.5 Gross Generation and Net Generation

APGCL submitted the Gross Generation and Net Generation for existing Stations for the FY 2026-27 as shown in the following Table.

Table 95: Gross Generation and Net Generation for FY 2026-27 as submitted by APGCL (MU)

Station	Particulars	Tariff Order dated March 25, 2025	APGCL's Submission
LTPS	Gross Generation	425.74	425.74
	Net Generation	402.32	402.32
KLHEP	Gross Generation	389.92	390.00

Station	Particulars	Tariff Order dated March 25, 2025	APGCL's Submission
	Net Generation	385.92	386.10
LRPP	Gross Generation	519.40	519.40
	Net Generation	501.22	501.22
NRPP	Gross Generation	732.69	732.69
	Net Generation	696.05	696.05

Commission's Analysis

Commission has computed Gross generation for FY 2026-27 based on approved Installed Capacity for the FY 2026-27 and Normative Plant Availability Factor of, LTPS, LRPP and NRPP as per MYT regulation 2024.

Commission has computed Gross generation for KLHEP for FY 2026-27 based on approved Installed Capacity and Normative Plant Load Factor as per MYT regulation 2024.

The Net Generation has been computed considering the normative auxiliary consumption as per the MYT regulation 2024. The station wise approved Gross Generation and Net generation has been shown in table below -

Table 96: Gross Generation and Net Generation for FY 2026-27 as approved by Commission (MU)

Station	Particulars	2026-27
LTPS	Gross Generation	425.74
	Net Generation	402.32
KLHEP	Gross Generation	389.82
	Net Generation	385.92
LRPP	Gross Generation	519.40
	Net Generation	501.22
NRPP	Gross Generation	732.69
	Net Generation	696.05

6.6 Gross Station Heat Rate

APGCL, in its Petition, has submitted GSHR for existing Stations for the FY 2026-27 as shown in the following Table.

Table 97: Gross Station Heat Rate for the FY 2026-27 as submitted by APGCL (kcal/kWh)

Station	Tariff Order dated March 25, 2025	2026-27
LTPS	3900 (OC) 3200 (CC)	2950
LRPP	2150	2,150
NRPP	2927 (OC) 1951 (CC)	1,951

Commission's Analysis

As per Regulation 48.4 of MYT Regulation 2024, the Gross Station Heat Rate for LTPS is 3200 kcal/kWh, for LRPP is 2150 kcal/kWh and for NRPP is 1951 kcal/kWh in Combined cycle mode.

APGCL in its reply to additional data gap has submitted that, it has considered only combined cycle mode of operation for its thermal generating stations for the FY 2026-27.

The Commission has carefully examined APGCL's proposal to consider a reduced Gross Station Heat Rate (GSHR) of 2950 kcal/kWh for LTPS for FY 2026-27, in deviation from the normative GSHR of 3200 kcal/kWh prescribed under the prevailing Regulations.

Commission hereby approved the gross station heat rate for LRPP and NRPP as per Regulation 48.4 of MYT Regulation 2024 for the FY 2026-27 and SHR of 2950 kcal/kWh of LTPS for FY 2026-27 as shown in the table below -

Table 98:Gross Station Heat Rate for the FY 2026-27 as approved by the Commission (kcal/kWh)

Gross Station Heat Rate on GCV (kcal/ kWh)	2026-27
LTPS	2950
LRPP	2150
NRPP	1951

6.7 Fuel Cost

APGCL submitted that Operating GSHR of LTPS is presently less than the normative GSHR 3200 Kcal/Kwh because of the efficient maintenance of the plant. As the plant receives APM gas without subsidy and due to exorbitant rise in gas price, the energy charge rate of the plant is high. In view of this, to provide relief to the consumers, APGCL has considered the GSHR of LTPS in the present trend 2950 Kcal/Kwh instead of normative

GSHR 3200 Kcal/kwh for the FY 2026-27 as a onetime measure only to calculate fuel cost so that Tariff of LTPS can be reduced. The table below shows the revised projected fuel cost for FY 2026-27.

Table 99: GCV and Landed Price of Gas for FY 2026-27 claimed by APGCL

Station	Particulars	Unit	Approved as per order of March 2025	2026-27 Revised Projection
LTPS	GCV of gas	kcal/SCM	9,364	9,364
	Price of Gas	Rs./1000 SCM	22763.89	22606.19
LRPP	GCV of gas	kcal/SCM	9,208	9,208
	Price of Gas	Rs./1000 SCM	24822.21	24729.16
NRPP	GCV of gas	kcal/SCM	9,213	9,263
	Price of Gas	Rs./1000 SCM	14,998.85	14943.79

Table 100: Fuel Cost for FY 2026-27 as submitted by APGCL (Rs. Cr.)

Station	Approved as per MYT order of March 2025	FY 2026-27 (Effective capacity)
LTPS	331.19	303.20
LRPP	301.03	299.90
NRPP	232.72	230.61

Commission's Analysis

Commission had sought details from the petitioner basis of station wise projected GCV and price of gas considered for FY 2026-27. APGCL in its additional data gap submits that GCV of gas is calculated from average of GCV of gas from April 25 to Sep 25. APGCL also submitted that, Gas price is calculated as per notification from Ministry of Petroleum and Natural Gas dated 07 April 2023 considering 0.25 USD/MMBTU in escalation in ceiling price.

Therefore, the Commission has considered the submission provided by the petitioner and the approved GCV and Fuel price is mentioned in the table below.

Table 101: GCV and Landed Price of Gas for FY 2026-27 as approved by the Commission

Station	Particulars	Unit	2026-27
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LTPS	GCV of gas	kcal/SCM	9,364.00
	Price of Gas	Rs./1000 SCM	22,606.19
LRPP	GCV of gas	kcal/SCM	9,208.00
	Price of Gas	Rs./1000 SCM	24,729.16
NRPP	GCV of gas	kcal/SCM	9,263.00
	Price of Gas	Rs./1000 SCM	14,943.79

Accordingly, the Commission has approved the fuel cost for, LTPS and LRPP for the FY 2026-27 as shown in the Tables below:

Table 102: Fuel Cost for FY 2026-27 as approved by the Commission (Rs. Cr.)

Sl. No.	Particulars	Derivation	Unit	LTPS	LRPP	NRPP
1	Gross Generation	A	MU	425.74	519.40	732.69
2	Heat Rate	B	kcal/kWh	2,950.00	2,150.00	1,951.00
3	GCV of gas	C	kcal/SCM	9,364.00	9,208.00	9,263.00
4	Overall Heat	D=AxB	G. cal.	1,255,921.20	1,116,700.82	1,429,471.17
5	Gas consumption	E=D/C	M. SCM	134.12	121.28	154.32
6	Price of Gas	F	Rs./1000 SCM	22,606.19	24,729.16	14,943.79
7	Total cost of Gas	G=ExF/100	Rs. Cr.	303.20	299.90	230.61

6.8 O&M Expenses

APGCL submitted it has computed the normative O&M Expenses for LTPS, KLHEP, NRPP and LRPP for the Control Period in accordance with Regulation 51.1 of the MYT Regulations, 2024. The average of actual O&M expenses including insurance for the 3 years (FY 2022-23, FY 2023 24 and 2024-25) based on the audited accounts, excluding Special O&M expenses, has been derived the O&M expenses projected by APGCL for FY 2026-27 is shown in the table below.

Table 103: O&M Expenses for FY 2026-27 as submitted by APGCL (Rs. Cr.)

Station	Approved in MYT order of March 2025	FY 2026- 27 O&M - Revised ARR FY 2026-27 at Full Capacity	O&M Cost Claimed for Revised ARR for FY 2026-27 at effective capacity
LTPS	78.61	78.02	53.33
KLHEP	40.16	43.72	43.72
LRPP	33.56	34.80	34.80
NRPP	47.78	49.81	49.81
Total	200.12	206.35	181.66

Commission's Analysis

The Commission has computed the normative O&M Expenses for LTPS, KLHEP, NRPP and LRPP for the Control Period in accordance with Regulation 51.1 of the MYT Regulations, 2024, in the following manner as -

The average of actual O&M expenses including insurance for the 3 years (FY 2021-22, FY 2022-23, FY 2023-24) based on the audited accounts, excluding Special O&M expenses, has been derived as shown below:

Table 104: Average actual O&M Expenses for FY 2021-22 to FY 2023-24 (Rs. Cr.)

Particulars	Actual O&M Expenses			
	FY 2021-22	FY 2022-23	FY 2023-24	3 Years Avg (FY 2023-24)
NTPS	60.01	61.64	65.17	62.28
LTPS	65.34	62.91	75.90	68.05
KLHEP	32.74	32.86	37.26	34.29
LRPP	25.70	28.42	34.18	29.43
NRPP	30.20	41.35	42.99	38.18
Total	213.99	227.18	255.50	232.22

The average of such O&M expenses is considered as O&M expenses for FY 2023-24 and has been escalated based on the escalation factor as approved by the Commission in this order (i.e., 4.38% for FY 2025-26) to arrive at the O&M expenses for the base year of FY 2025-26.

The O&M expenses for subsequent year has been determined by escalating the base expenses determined above for previous FY at escalation factor equal to average of last three years CPI and WPI inflation considered in the ratio of 60:40 (i.e., 4.38%) to compute

the normative O&M expenses for FY 2026-27 of the Control Period as shown in the table below.

Table 105: Normative O&M Expenses for FY 2026-27 (Rs. Cr.)

Stations	FY 2024-25 (Base Year)	FY 2025-26	FY 2026-27
NTPS	66.11	69.01	-
LTPS	72.24	75.40	78.70
KLHEP	36.40	37.99	39.65
LRPP	31.25	32.61	34.04
NRPP	40.53	42.31	44.16
Total	246.54	257.32	196.56

6.9 Capital Expenditure and Capitalisation

APGCL has revised the Capital Investment schemes, Capitalisation and corresponding outlay of the generating stations for FY 2026-27 and has claimed the following Capital Expenditure in the ARR for FY 2026-27 as given in table below.

Table 106: Capitalisation for FY 2026-27 as submitted by APGCL (Rs. Cr.)

Station	Approved in MYT order of March 2025	2026-27
LTPS	5.90	7.86
KLHEP	2.29	26.1
LRPP	12.81	13.84
NRPP	0.21	21.51
Total	21.21	70.31

APGCL has proposed funding of above capitalisation entirely through equity for the Control Period.

Commission Analysis

For the ARR of FY 2026-27, the Commission has done the prudence check of the capitalization and capital expenditure proposed by APGCL for FY 2026-27. Accordingly, Commission has provisionally considered the Capital Expenditure and Capitalization for LTPS, KLHEP, LRPP and NRPP for FY 2026-27. The Work-wise

approval for the revised capital expenditure plan is provided in Annexure 3B. The summary of Station-wise capitalization approved by the Commission for the FY 2026-27 is given in the Table below.

Table 107: Capitalisation approved by the Commission for FY 2026-27 (Rs. Cr.)

Station	Capitalization for FY 2026-27
LTPS	5.90
KLHEP	23.51
LRPP	13.35
NRPP	1.19
Total	43.95

As regards the funding of these works, the Commission has approved funding pattern in accordance with the Regulation 32.1 of MYT Regulation 2024. The said regulation is as :-

“.....

For a project declared under commercial operation on or after April 1st, 2025, if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan for the Generating Company, Transmission Licensee and Distribution Licensee.

Provided that where equity actually deployed is less than 30% of the capital cost of the capitalised asset, the actual equity deployed is less than 30% of the capital cost of the capitalised asset, the actual equity shall be considered for determination of tariff:

.....”

The funding pattern approved by the Commission is mentioned in the table below -

Table 108: Funding pattern of the capitalisation approved by the Commission for FY 2026-27 (Rs. Cr.)

Station	Parameters	Capitalization for FY 2026-27
LTPS	Grant	0.00
	Equity	1.77
	Debt	4.13
	Grant	0.00

Station	Parameters	Capitalization for FY 2026-27
KLHEP	Equity	7.05
	Debt	16.46
LRPP	Grant	0.00
	Equity	4.01
	Debt	9.35
NRPP	Grant	0.00
	Equity	0.36
	Debt	0.83

6.10 Depreciation

APGCL has submitted that, the Petitioner has computed the Depreciation considering the Capital Cost of the asset admitted by the Commission along with projected asset addition with 10% salvage value. The table below summarizes the Depreciation projected for FY 2026-27.

Table 109: Projected Depreciation of APGCL for FY 2026-27

Station	Approved as per MYT Order of March 2025 at Effective Capacity	Claim for FY 2026-27 Effective Capacity
LTPS	3.99	13.73
KLHEP	24.91	24.35
LRPP	5.27	5.20
NRPP	34.44	34.72

Commission's Analysis

For computation of depreciation, the Commission has considered the Station-wise closing GFA for FY 2025-26 as approved in this Order, as the Opening GFA for FY 2026-27. The capitalisation approved for FY 2026-27 has been considered as asset addition during the year.

The Commission has considered the scheduled depreciation rates as specified in MYT Regulations, 2024. The depreciation has been limited to 90% of the asset value. The

Commission has not considered depreciation on assets funded through grants in accordance with Regulation 33 of MYT Regulations, 2024.

In view of the above, the Commission has approved depreciation for the FY 2026-27 as per MYT Regulations, 2024, as given in the Table below:

Table 110: Depreciation for FY 2026-27 as approved by the Commission (Rs. Cr.)

Station	Particulars	FY 2026-27
LTPS	Depreciation	6.26
	Less: Depreciation on assets funded by Grants	0.81
	Net Depreciation	5.45
	Net Depreciation for Effective Capacity	3.73
KLHEP	Depreciation	25.27
	Less: Depreciation on assets funded by Grants	1.25
	Net Depreciation	24.02
LRPP	Depreciation	14.54
	Less: Depreciation on assets funded by Grants	9.36
	Net Depreciation	5.19
NRPP	Depreciation	34.28
	Less: Depreciation on assets funded by Grants	0.03
	Net Depreciation	34.25
Total		68.91
Total for Effective Capacity		67.19

The Station-wise computation of Depreciation is provided in **Annexure 2** to this Order.

6.11 Interest on loan capital

The Petitioner has projected the Interest on long term Loan on normative basis for FY 2026-27. The Petitioner has considered normative loan portfolio and the repayment shown is considered equal to the depreciation for FY 2026-27. The interest rate considered

is at the same rate considered as the weighted average rate of interest for APR FY 2025-26. The table below summarizes the interest on loan and finance charges considered for FY 2026-27.

Table 111: Interest on Loan Capital for FY 2026-27 as submitted by APGCL (Rs. Cr.)

Station	Approved as per order of March 2025	FY 2026-27
LTPS	0.00	0.00
KLHEP	3.90	3.33
LRPP	0.94	0.98
NRPP	34.19	35.05

Commission's Analysis

The closing net normative loan for FY 2024-25 as approved in this Order has been considered as opening net normative loan for FY 2025-26. The addition of loan has been considered equal to debt portion of capitalised works as approved in this Order. The loan repayment has been considered equivalent to Depreciation approved in this Order. For ARR the Rate of Interest has been considered as the same considered for FY 2025-26 in this Order as 10.07%.

The Interest on loan capital approved by the Commission for the Control Period is shown in the following Table:

Table 112: Interest and Finance Charge as approved for the FY 2026-27 (Rs. Cr)

Station	Particulars	FY 2026-27
LTPS	Net Normative Opening Loan	0.00
	Addition of Normative Loan during the Year	4.13
	Normative Repayment during the year	4.13
	Net Normative Closing Loan	0.00
	Interest Rate (%)	10.07%
	Interest on Loan capital	0.00
KLHEP	Net Normative Opening Loan	35.22
	Addition of Normative Loan during the Year	16.46
	Normative Repayment during the year	24.02
	Net Normative Closing Loan	27.66
	Interest Rate (%)	10.07%

Station	Particulars	FY 2026-27
	Interest on Loan capital	3.17
LRPP	Net Normative Opening Loan	7.30
	Addition of Normative Loan during the Year	9.35
	Normative Repayment during the year	5.19
	Net Normative Closing Loan	11.46
	Interest Rate (%)	10.07%
	Interest on Loan capital	0.94
NRPP	Net Normative Opening Loan	357.44
	Addition of Normative Loan during the Year	0.83
	Normative Repayment during the year	34.25
	Net Normative Closing Loan	324.02
	Interest Rate (%)	10.07%
	Interest on Loan capital	34.30

6.12 Return on Equity

APGCL submitted that it has projected the Return on Equity (RoE) at a rate of 15.5% in accordance with the MYT Regulations 2024. The petitioner has claimed RoE at effective capacity for NTPS and LTTPS. APGCL has considered the Equity base for its stations on the same methodology adopted by AERC in the Tariff Order March 2025.

Table 113: Return on Equity for FY 20216-27 as submitted by APGCL (Rs. Cr)

Station	Particulars	Approved as per order of March 2025	Claim 2026-27
LTTPS	Opening Equity	155.66	154.74
	Closing Equity	157.42	157.10
	Rate of Return	15.50%	15.50%
	Return on Equity	24.26	24.17
	Return on Equity on effective capacity	16.59	16.52
KLHEP	Opening Equity	160.77	153.25
	Closing Equity	161.46	161.06
	Rate of Return	15.50%	15.50%
	Return on Equity	24.97	24.36

Station	Particulars	Approved as per order of March 2025	Claim 2026-27
LRPP	Opening Equity	68.72	68.02
	Closing Equity	72.56	72.17
	Rate of Return	15.50%	15.50%
	Return on Equity	10.95	10.86
NRPP	Opening Equity	219.66	219.83
	Closing Equity	219.72	226.27
	Rate of Return	15.50%	15.50%
	Return on Equity	34.05	34.57

Commission's Analysis

The Commission has approved the Return on Equity in accordance with Regulation 34.2 of the MYT Regulations, 2024. The Commission has considered the addition of equity for capitalised works as approved in this Order for FY 2026-27. The Commission notes there has been some grants, which are yet to be converted to equity. The same would be converted subject to the normative ceiling of 30% of GFA. The detailed computation of allowable equity addition due to such conversion of grant in FY 2025-26 is provided in **Annexure- 4 C**.

Accordingly, the approved Return on Equity at 15.50% same as proposed by APGCL, is shown in the Table below.

Table 114: Return on Equity approved for the FY 2026-27 (Rs. Cr)

Station	Particulars	2025-26
LTPS	Opening Equity	154.36
	Addition during the year	1.77
	Closing Equity	156.12
	Rate of Return	15.50%
	Return on Equity	24.06
	Return on Equity on effective capacity	16.45
KLHEP	Opening Equity	152.93
	Addition during the year	7.05
	Closing Equity	159.98
	Rate of Return	15.50%
	Return on Equity	24.25
LRPP	Opening Equity	68.13
	Addition during the year	4.01

Station	Particulars	2025-26
	Closing Equity	72.14
	Rate of Return	15.50%
	Return on Equity	10.87
NRPP	Opening Equity	219.87
	Addition during the year	0.36
	Closing Equity	220.22
	Rate of Return	15.50%
	Return on Equity	34.11

6.13 Interest on Working Capital (IoWC)

APGCL has projected normative interest on working capital. However, as APGCL does not have liquid fuel stock facility, it has not considered working capital on storage of liquid fuel. The rate of interest has been considered equal to the normative interest rate of three hundred (300) basis points above the average State Bank of India MCLR (One Year Tenor) prevalent during the last available six months, which $8.88\% + 3.00\% = 11.88\%$. The interest on working capital considered is shown in the table below:

Table 115: Interest on Working Capital for FY 2026-27 as submitted by APGCL (Rs. Cr)

Station	Approved as per order of March 2025	Claim for FY 2026-27
LTPS	8.03	7.81
KLHEP	2.54	2.90
LRPP	8.74	8.83
NRPP	8.87	9.01

Commission's Analysis

The Commission has computed IoWC in accordance with Regulation 37 of the MYT Regulations, 2024. Rate of interest has been considered equal to the 11.90%. Interest on working capital approved by the Commission for the Control Period is shown in the following table.

Table: 116: Interest on Working Capital approved for the Control Period (Rs. Cr.)

Station	Particulars	Approved for FY 2025-26
LTPS	Fuel Cost for 15 days	12.43

Station	Particulars	Approved for FY 2025-26
	O&M Expenses for one month	6.56
	Maintenance Spares-30% of O&M	23.61
	Receivables for 45 days	51.92
	Total Working Capital Requirement	94.51
	Rate of Interest (%)	11.90%
	IoWC	11.24
KLHEP	O&M Expenses for one month	3.30
	Maintenance Spares-15% of O&M	5.95
	Receivables for 45 days	11.72
	Total Working Capital Requirement	20.97
	Rate of Interest (%)	11.90%
	IoWC	2.49
LRPP	Fuel Cost for 15 days	12.29
	O&M Expenses for one month	2.84
	Maintenance Spares-30% of O&M	10.21
	Receivables for 45 days	48.41
	Total Working Capital Requirement	73.75
	Rate of Interest (%)	11.90%
	IoWC	8.77
NRPP	Fuel Cost for 15 days	9.45
	O&M Expenses for one month	3.68
	Maintenance Spares-30% of O&M	13.25
	Receivables for 45 days	46.22
	Total Working Capital Requirement	72.60
	Rate of Interest (%)	11.90%
	IoWC	8.64

6.14 Special R&M Plan for Existing Stations

APGCL submitted the Special R&M Plan for LTPS, KLHEP, LRPP and NRPP for the period from FY 2026-27.

Table 117: Special R&M claimed by APGCL for LTPS for the FY 2026-27 (Rs. Cr.)

SL NO	Description of Works	Approved by Commission	Claim for FY 2026-27
1	Procurement of spares along with Major inspection of Gas Turbine unit # 6	0	0
2	Major Overhauling of Gas Turbine Unit No.5 (Gas Turbine, Generator & Exciter) including supply of efficiency improvement spares	0	0
3	Major Overhauling of Steam Turbine Generator along with the Governing System, Lube Oil system (with accumulator), and Steam Jet Air Ejector System and servicing of Generator Transformer & Station Transformer, and different types of Control valves of WHRP along with procurement of efficiency improvement spares.	9.00	9.00
4	Procurement of efficiency improvement spares for combustion inspection of GT # 6	0.60	0.60
	Total	9.60	9.60

Table 118: Special R&M claimed by APGCL for KLHEP for the FY 2026-27 (Rs. Cr.)

SL NO	Description of Works	Approved by Commission	Claim for FY 2026-27
1	Major overhauling of Unit-1	12.00	27.00
	Total	12.00	27.00

Table 119: Special R&M claimed by APGCL for LRPP for the FY 2026-27 (Rs. Cr.)

SL NO	Description of Works	Approved by Commission	FY 2026-27
1	12/24/36/48,000 Running Hours Turbocharger Maintenance for Unit no GEG#1,2,3,4,5,6,7	9.39	9.39
2	16,000 and 32,000 Running Hours Maintenance for GEG#4,5,1,7	27.45	27.45
3	Alternator Maintenance for GEG#1,2,3,4,5,6,7	4.39	4.39

SL NO	Description of Works	Approved by Commission	FY 2026-27
	Total	41.23	41.23

Table 120: Special R&M claimed by APGCL for NRPP for the FY 2026-27 (Rs. Cr.)

SL NO	Description of Works	Approved by Commission	FY 2026-27
1	HGPI of gas turbine unit	0	0
	Total	0	0

Commission Analysis

The Commission analysed the individual works in detail and sought justification and additional information from APGCL on the proposed expenses for Special R&M. The Commission also examined the information submitted by APGCL in its replies for each scheme and accordingly approved Special R&M expenses wherever adequate justification was provided.

The Commission had specifically sought justifications along with Board approval, OEM recommendation letters, and other supporting documents through an additional query. However, APGCL has not submitted the relevant documents as requested by the Commission.

APGCL, in respect of KLHEP, has submitted that the proposed Special R&M expenditure of Rs. 27 Cr. for Unit-1 in FY 2026-27 is based on the approval granted by the Commission in the MYT Tariff Order dated 25 March 2025—comprising Rs. 15 Cr. in FY 2025-26 and Rs. 12 Cr. in FY 2026-27. APGCL has reiterated this approval but has not provided any justification for the spillover of work from FY 2025-26 to FY 2026-27, despite the Commission’s past directives to complete Special R&M works within scheduled timelines. APGCL has also not furnished any supporting documents to substantiate the need for spillover.

In the absence of the required supporting documents and justification, the Commission is unable to substantiate the necessity of carrying forward the work from FY 2025-26 to FY 2026-27. Accordingly, the Commission allows only the Rs. 12 Cr. already approved for FY 2026-27 and disallows the spillover component of Rs. 15 Cr. APGCL is, however, granted

liberty to submit the complete set of justification and supporting documents—including Board approval, OEM recommendations, and any other relevant evidence—at the time of the True-Up/APR.

The Commission notes that, in earlier Orders as well, APGCL was repeatedly directed to plan and execute Special R&M works in a timely manner, as delays in completing these activities adversely impact the operational performance and reliability of the generating station. Special R&M is approved with the explicit objective of improving plant performance parameters, and unjustified deferment defeats this purpose. The Commission therefore reiterates that only those Special R&M schemes supported by Board approval and demonstrated to be essential for the efficient operation of the plant shall be considered for allowance.

In view of the above, the Commission directs APGCL to strictly adhere to approved timelines, complete all Special R&M works in a time-bound manner, and ensure that the necessary approvals and documentation are submitted during the True-Up proceedings for prudence check. Non-Compliance to the directions of the Commission will attract disallowance.

A detailed scheme-wise table of Special R&M expenses allowed by the Commission for the control period is provided below.

Table 121: Special R&M approved by the Commission for the FY 2026-27 (Rs. Cr.)

Name of Project		FY 2026-27	Remarks
LTPS			
1	Major Overhauling of Steam Turbine Generator along with the Governing System, Lube Oil system (with accumulator), and Steam Jet Air Ejector System and servicing of Generator Transformer & Station Transformer, and different types of Control valves of WHRP along with procurement of efficiency improvement spares.	9.00	The Commission has observed that APGCL has not submitted Board approval or other relevant documents for the proposed Special R&M. Recognizing the importance of Special R&M for plant operations, the Commission has provisionally allowed expenses. However, APGCL is instructed to provide the necessary supporting documents of actual cost incurred and completion certificates at the time of True Up/APR.

Name of Project		FY 2026-27	Remarks
2	Procurement of efficiency improvement spares for combustion inspection of GT # 6	0.60	The Commission has observed that APGCL has not submitted Board approvals or other relevant documents for the proposed Special R&M. Recognizing the importance of Special R&M for plant operations, the Commission has provisionally allowed the expense. However, APGCL is instructed to provide the necessary supporting documents of actual cost incurred and completion certificates at the time of True Up/APR.
Total		9.60	
KLHEP			
1	Major overhauling of Unit-1	12.00	The Commission has observed that APGCL has not submitted any relevant justification to support the spillover of work. Hence, Commission disallowed the spilled over cost claimed and allows APGCL to submit proper justification for this spillover along with the Board approval/other relevant supporting document at the time of True up/APR.
Total		12.00	
LRPP			
1	12/24/36/48,000 Running Hours Turbocharger Maintenance for Unit no GEG#1,2,3,4,5,6,7	9.39	The Commission has observed that APGCL has not submitted Board approvals or other relevant documents for the proposed Special R&M. Recognizing the importance of Special R&M for plant operations, the Commission has provisionally allowed expenses for some schemes. However, APGCL is instructed to provide the necessary supporting documents of actual cost incurred and
2	16,000 and 32,000 Running Hours Maintenance for GEG#4,5,1,7	27.45	
3	Alternator Maintenance for GEG#1,2,3,4,5,6,7	4.39	

Name of Project		FY 2026-27	Remarks
			completion certificates at the time of True Up/APR.
Total		41.23	

6.15 Summary of Special R&M Plan

Based on the scheme-wise analysis of Special R&M proposed by APGCL for existing stations for the Control Period, as elaborated above, the summary of Station-wise Special R&M approved by the Commission for the Control Period is given in the Table below:

Table 122: Special R&M approved by the Commission for FY 2026-27 (Rs. Cr.)

Station	FY 2026-27	
	Proposed	Approved
LTPS	9.60	9.60
KLHEP	27.00	12.00
LRPP	41.23	41.23
NRPP	0.00	0.00
Total	77.83	62.83

It is to be noted that the Commission has provisionally approved the Special R&M expenses for individual schemes for, LTPS, KLHEP and LRPP during the FY 2026-27. The actual cost allowance at the time of True Up shall be subject to the submission of the actual Special R&M expenses incurred for such individual schemes approved by the Commission for existing stations.

6.16 Non-Tariff Income

APGCL has submitted that, the non-tariff income for FY 2026-27 has been projected as same as approved for ARR 2026 27 in the Tariff Order dated March 2025. The same is as shown in the table below:

Table 123: Non-Tariff Income for FY 2026-27 as submitted by APGCL (Rs. Cr.)

Station	Approved as per MYT order of March 2025	Claimed for 2026-27
LTPS	10.00	10.00
KLHEP	10.29	10.29

Station	Approved as per MYT order of March 2025	Claimed for 2026-27
LRPP	7.18	7.18
NRPP	10.12	10.12
Total	37.59	37.59

Commission's Analysis

The Commission has examined the Petitioner's submission that the Non-Tariff Income (NTI) for FY 2026-27 has been projected at the same level as approved in the MYT Tariff Order dated March 2025. The Petitioner has not proposed any modification to the NTI components for the ensuing year and has stated that the actual realisation shall be reflected at the time of truing-up.

In the absence of any fresh material warranting a departure from the previously approved trajectory, and for the limited purpose of ARR determination, the Commission adopts the NTI for FY 2026-27 at the level approved in the Tariff Order of March 2025. This adoption is purely provisional and shall be subject to prudence check at the time of truing-up, when the Petitioner shall furnish audited, station/business-wise schedules of Non-Tariff Income. Accordingly, the Commission has considered the NTI as projected by APGCL for existing Stations, as shown in the following Table.

Table 124: Non-Tariff Income for FY 2026-27 as approved by the Commission (Rs. Cr.)

Station	2026-27
LTPS	10.00
KLHEP	10.29
LRPP	7.18
NRPP	10.12
Total	37.59

6.17 Summary of ARR for Control Period

Based on the above analysis, the station-wise ARR approved for the FY 2026-27 for existing Stations is summarised in the Table below.

Table 125: Summary of ARR for APGCL for Control Period approved by the Commission (Rs. Cr)

Sr. No.	Particulars	LTPS		KLHEP		LRPP		NRPP	
		APGCL's Petition	Approved	APGCL's Petition	Approved	APGCL's Petition	Approved	APGCL's Petition	Approved
A	Annual Fixed Charges								
1	O&M expenses	53.33	78.70	43.72	39.65	34.80	34.04	49.81	44.16
2	Special R&M Expenses	9.60	9.60	27.00	12.00	41.23	41.23	0.00	0.00
3	Increase in AERC Tariff Filing Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Depreciation	13.73	5.45	24.35	24.02	5.20	5.19	34.72	34.25
5	Interest & Finance Charges	0.00	0.00	3.33	3.17	0.98	0.94	35.05	34.30
6	Return on Equity	16.52	24.06	24.36	24.25	10.86	10.87	34.57	34.11
7	Interest on WC	7.81	11.24	2.90	2.49	8.83	8.77	9.01	8.64
8	Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Less: Non-Tariff Income	10.00	10.00	10.29	10.29	7.18	7.18	10.12	10.12
10	Fixed Cost	91.00	119.06	115.36	95.29	94.72	93.87	153.05	145.33
B	Fuel Cost	303.20	303.20	0.00	0.00	299.90	299.90	230.61	230.61
C	Total ARR	394.19	422.26	115.36	95.29	394.62	393.77	383.66	375.94

6.18 Net ARR for Effective Capacity

The Commission has considered the Net ARR computed on the effective capacity of LTPS as stated earlier. The Commission has considered the effective capacity of LTPS as 97.20 MW. Accordingly, the Commission has computed the Net ARR for LTPS at effective capacity, as shown in the Table below.

Table 126: ARR for LTPS for the FY 2026-27 as approved by the Commission at Effective Capacity (Rs. Cr)

Particulars	FY 2026-27
Total Fixed Cost Approved on Installed Capacity	119.46
Reduction of Fixed cost due to Decommissioning	37.80
Total Fixed Cost approved at effective Capacity	81.65
Add: AERC Filing Fees	0.00
Add: Special R&M	9.60
Add: Income Tax	0.00
Less: Non-Tariff Income	10.00
Total Fixed Cost approved for effective capacity	81.25
Add: Fuel Cost	303.20
Net ARR approved for effective capacity	384.45

7 Tariff for FY 2026-27

7.1 Cumulative Revenue Gap/(Surplus) and Net ARR for recovery

APGCL has computed the cumulative Revenue Gap/(Surplus) after True-up of FY 2024-25, without carrying cost, as shown in the following Table:

Table 127: Revenue Gap/(Surplus) as submitted by APGCL (Rs. Cr.)

Sr. No.	Particulars	Rs. Cr.
1	Stand-alone Revenue Gap/(Surplus) for FY 2024-25	-18.85
2	Carrying cost for FY 2024-25 (half Year) @ 11.88%	-1.12
3	Carrying cost for FY 2025-26 (full Year) @ 11.90%	-2.24
4	Carrying cost for FY 2026-27 (half Year) @ 11.90%	-1.12
5	Total True up claim	-23.33

Commission's Analysis

For computation of cumulative past Revenue Gap/(Surplus) for recovery, the Commission has considered the Revenue Gap/(Surplus) after truing up of FY 2024-25 approved in this Order along with carrying/holding cost.

The Commission has computed the cumulative Revenue Gap/(Surplus) as shown in the following Table:

Table 128: Revenue Gap/(Surplus) for FY 2024-25 as approved by the Commission (Rs. Cr)

Particulars	Submitted by APGCL	Approved after Truing up
Truing up for FY 2024-25		
ARR for NTPS*	94.18	91.89
ARR for LTPS*	394.00	374.04
ARR for KLHEP	83.83	73.05
ARR for LRPP	361.25	363.79
ARR for NRPP	397.69	395.86
Combined ARR	1330.94	1298.62
Revenue from Sale of Power	1316.02	1317.47
Revenue Gap/(Surplus)	14.92	-18.85

Particulars	Submitted by APGCL	Approved after Truing up
Computation of carrying cost on Revenue Gap/(surplus)		
Carrying cost for FY 2024-25 (half Year)	0.88	-1.12
Carrying cost for FY 2025-26 (full Year)	1.78	-2.24
Carrying cost for FY 2026-27 (half Year)	0.89	-1.12
Total	3.54	-4.48
Cumulative Revenue Gap/(Surplus) along with Carrying/(Holding) Cost	18.46	-23.33

Note: *Considering effective capacity

The Commission approves the Revenue Surplus of Rs. 23.33 Cr. arising out of Truing up for FY 2024-25, including the holding cost. This amount is to be refunded to APDCL in 12 equal monthly instalments, viz., Rs 1.94 Cr. per month during FY 2026-27, as adjustments in the monthly bill.

7.2 Fixed Charges and Energy Charges for FY 2026-27 for NTPS, LTPS, KLHEP, LRPP and NRPP

APGCL has proposed the Generation Tariff for NTPS, LTPS, LRPP and NRPP as shown in the following Table:

Table 129: Proposed Generation tariff as submitted by APGCL (Rs. Cr)

Station	Particulars	FY 2026-27
NTPS	Annual Fixed Charges (Rs. Cr.)	0.00
	Monthly Fixed Charges (Rs. Cr.)	0.00
	Energy Charges (Rs. /kWh)	0.00
LTPS	Annual Fixed Charges (Rs. Cr.)	91
	Monthly Fixed Charges (Rs. Cr.)	7.58
	Energy Charges (Rs. /kWh)	7.54
KLHEP	Annual Fixed Charges (Rs. Cr.)	57.68
	Monthly Fixed Charges (Rs. Cr.)	4.81

Station	Particulars	FY 2026-27
	Energy Charges (Rs. /kWh)	1.49
LRPP	Annual Fixed Charges (Rs. Cr.)	94.72
	Monthly Fixed Charges (Rs. Cr.)	7.89
	Energy Charges (Rs. /kWh)	5.98
NRPP	Annual Fixed Charges (Rs. Cr.)	153.05
	Monthly Fixed Charges (Rs. Cr.)	12.75
	Energy Charges (Rs. /kWh)	3.31

Commission's Analysis

The Commission has determined the Tariff for FY 2026-27 for NTPS, LTPS, KLHEP, LRPP and NRPP as under:

Annual Fixed Charges

In earlier Chapter, the Commission has determined the Annual Fixed Charges for NTPS, LTPS, KLHEP, LRPP and NRPP.

Regulation 48.1 of the MYT Regulations, 2024 specifies that the NAPAF for full recovery of Annual Fixed Charges shall be 50% for NTPS and LTPS and 85% for LRPP and NRPP.

The Fixed Charges for NTPS, LTPS, LRPP and NRPP as approved by the Commission for FY 2026-27 is shown in the following Table:

Table 130: Fixed Charges as approved for FY 2026-27 by the Commission (Rs. Cr)

Generating Station	Annual Fixed Charges	Monthly Fixed Charges
LTPS	81.25	6.77
LRPP	93.87	7.82
NRPP	145.33	12.11

However, in the event of actual Availability for the year, computed in accordance with the Regulation 48.1 of the MYT Regulations, 2024, being less than the Normative Availability, the Fixed Charges shall be proportionately adjusted as per the MYT Regulations, 2024.

Energy Charges

Table 131: Energy Charges for FY 2026-27 approved by the Commission (Rs. Cr.)

Station	Particulars	FY 2026-27
LTPS	Fuel Cost (Rs. Cr.)	303.20
	Net Generation (MU)	402.32
	Energy Charges (Rs. /kWh)	7.54
LRPP	Fuel Cost (Rs. Cr.)	299.90
	Net Generation (MU)	501.22
	Energy Charges (Rs. /kWh)	5.98
NRPP	Fuel Cost (Rs. Cr.)	230.61
	Net Generation (MU)	696.05
	Energy Charges (Rs. /kWh)	3.31

7.3 Capacity Charges and Energy Charge Rate for KLHEP

APGCL has proposed the tariff for KLHEP as shown in the following Table:

Table 132: Proposed Generation tariff for KLHEP as submitted by APGCL

Station	Particulars	FY 2026-27
KLHEP	Capacity Charges (Rs. Cr.)	57.68
	Monthly Fixed Charges (Rs. Cr.)	4.81
	Energy Charges (Rs. /kWh)	1.49

Commission's Analysis

Regulation 50.1 of the MYT Regulations 2024 specifies the computation of Capacity Charges and Energy Charges for Hydro Generating Stations. The Commission has determined the Capacity Charges and Energy Charges for KLHEP for FY 2026-27 based on the applicable AFC and projected Availability as under:

Table 133: Capacity Charges and Energy Charges approved by the Commission for KLHEP for FY 2026-27

Particulars	FY 2026-27
Annual Fixed Charge (Rs. Cr.)	95.29
Capacity Charges (Rs. Cr.)	47.65
Design Energy (MU)	390.00
Auxiliary Consumption (%)	1.00%
Net Design Energy (MU)	386.1
Energy Charge Rate (Rs. /kWh)	1.23

The Capacity Charges shall be charged for calendar month on monthly basis as per Regulation 52.1 and 52.2 of MYT Regulations, 2024.

7.4 Generation Tariff for FY 2026-27

The Commission approves the Generation Tariff for FY 2026-27 as shown in the following Table:

Table 134: Generation Tariff for FY 2026-27 approved by the Commission

Particulars	Particulars	FY 2026-27
NTPS	Annual Fixed Charges (Rs. Cr.)	0.00
	Monthly Fixed Charges (Rs. Cr.)	-
	Energy Charges (Rs. /kWh)	-
LTSP	Annual Fixed Charges (Rs. Cr.)	81.25
	Monthly Fixed Charges (Rs. Cr.)	6.77
	Energy Charges (Rs. /kWh)	7.54
LRPP	Annual Fixed Charges (Rs. Cr.)	93.87
	Monthly Fixed Charges (Rs. Cr.)	7.82
	Energy Charges (Rs. /kWh)	5.98
NRPP	Annual Fixed Charges (Rs. Cr.)	145.33
	Monthly Fixed Charges (Rs. Cr.)	12.11
	Energy Charges (Rs. /kWh)	3.31
KLHEP	Capacity Charges (Rs. Cr.)	47.65

Particulars	Particulars	FY 2026-27
	Monthly Fixed Charges (Rs. Cr.)	3.97
	Energy Charges (Rs. /kWh)	1.23

Since, the Commission has determined Station-wise Generation Tariff for FY 2026-27, the billing shall be done for each station separately on monthly basis in accordance with the provisions of MYT Regulations, 2024.

7.5 Applicability of Tariff

The approved Generation tariff for FY 2026-27 shall be effective from April 1, 2026 , and shall continue until replaced/modified by an Order of the Commission.

Sd/-

(Shri Upananda Kataki)

Member, AERC

Sd/-

(Lt. Gen. Rana Pratap Kalita (Retd.))

Chairperson, AERC

8 Directives

The Commission issued certain directives to APGCL in past Tariff Orders, with an objective of attaining operational efficiency and streamlining the flow of information, which would be beneficial to the sector and the Petitioner, both in the short-term and long-term.

As regards the directives issued by the Commission, APGCL has submitted the report to the Commission on compliance with directives issued in the Tariff Order dated 25th March 2025. The Commission has reviewed the compliance of directives submitted by APGCL and the status is as follows:

Status of Directives issued in the Tariff Order dated 25th March 2025 and compliances submitted by APGCL

Directive 1: Completion of Projects

The Commission directs APGCL to complete the new and ongoing projects on time. The Commission also directs APGCL to set up their ongoing Solar Plants on Time.

Status:

Noted. APGCL has submitted the status of new and ongoing projects in Annexure-I of their petition.

Directive 2: Procurement of Gas

APGCL should continue to pursue its gas suppliers/ transporters to obtain the contracted quantum of gas on a regular basis. The issue of gas should be pursued with the ministry of GOI concerned in consultation with the state Government.

Status:

Noted. APGCL has submitted that at present there is no shortage of Gas supply of the contracted quantum of Gas.

Directive 3: Fixed Asset Register

The Commission directs APGCL that Fixed Asset Register should be updated every year, and these should be duly certified by Chartered Accountant. APGCL is directed to maintain Fixed Asset Register at their end and submit to the Commission as and when asked during tariff proceedings.

Status:

APGCL maintains its FAR in SAP-ERP system, which is auto system updated and is ready to submit to the Commission whenever asked for. The Commission has taken note of the submission of the petitioner.

Directive 4: Undertaking Special R&M in timebound manner

The Commission observes that APGCL undertakes bulk of the Special R&M approved for a year in subsequent years only. APGCL has sought and received approval for the Special R&M based on the justification that the Special R&M is necessary for a particular year but does not undertake the Special R&M in that year.

APGCL is directed at executing the Special R&M works in time-bound manner so that no cost overrun takes place.

Status:

Noted. APGCL is putting all-out effort into completing the special R&M works within the stipulated time. However, the overhauling depends on factors like running hours, commercial availability of parts of machine etc., so sometimes it may differ from stipulated time frame.

Directive 5: Board approval of Special R&M/Capital Projects/Schemes/Works

The Commission directs APGCL to submit approval of the board or any other competent authority for all Special R&M/ Capital Projects/Schemes/ Works proposed to be undertaken by the Petitioner. The Commission also directs APGCL to approach the Commission separately for its projects, which were not included in the capital investment plan approved in the MYT Order.

Status:

Noted.

Directives 6: Generation of Green power

The Commission directs the petitioner to submit a plan for generating clean power from waste by the fiscal year FY 2025-26.

Status:

Noted.

New Directives:

The Commission hereby issues the following directives to APGCL which are in continuation of the Directives being issued previously and in addition issuing certain new directives as well for complying as per the following:

Directive 1: Revenue Reconciliation

APGCL is directed to submit proper details of the claimed revenue recovered from its beneficiaries in the form of fixed charge and energy charge in matching with the revenue as reflected in their accounts. Also, if there is any mismatch in the revenue claimed by APGCL in its petition than the revenue as reflected in their accounts, they must submit a reconciliation of the same along with their petition.

Directive 2: Approval of Capital expenditure and Capitalization

APGCL is directed to take proper approval for all capitalization and capital expenditure in accordance with the Tariff Regulation 2024 and provide all the necessary supporting documents (i.e Work Order, Purchase Order, Board Approval, Completion Certificates etc.) to claim capitalization and capital expenditure. Commission reiterates that non-compliance to the directives of the Commission will attract disallowances.

Directive 3: Completion of Projects

Commission has observed that many capital expenditures have deviated from their approved timeline and spillovers in the subsequent years. Commission directs the APGCL to take necessary steps to avoid deviation in timeline and spill over the planned capital expenditure in subsequent years. Also, APGCL is directed to provide necessary justification for not meeting the timeline.

The Commission directs APGCL to complete the new and ongoing projects on time. The Commission also directs APGCL to set up their ongoing Solar Plants on time.

Directive 4: Procurement of gas

APGCL should continue to pursue its gas suppliers/ transporter to obtain the contracted quantum of gas on a regular basis. The issue of gas should be pursued with the concerned ministry of GOI in consultation with the State Government.

Directive 3: Fixed Asset Register

The Commission directs APGCL that Fixed Asset Register should be updated every year, and these should be duly certified by Chartered Accountant. APGCL is directed to maintain Fixed Asset Register at their end and submit to the Commission as and when asked during tariff proceedings.

Directive 4: Undertaking Special R&M in time-bound manner

The Commission observes that APGCL undertakes bulk of the Special R&M approved for a year in subsequent years only. APGCL has sought and received approval for the Special R&M based on the justification that the Special R&M is necessary for a particular year but does not undertake the Special R&M in that year. APGCL is directed to execute Special R&M in time-bound manner so that no cost overrun takes place.

Directive 5: To maintain proper accounting principle

The Commission directs the petitioner to maintain proper accounting principles so that there are no discrepancies between the regulatory accounts and in the audited annual accounts.

Directive 6: To comply with previous directives

The Commission directs the petitioner to submit compliance against the directives issued by the Commission in its Tariff Order dated 25.03.2025, regarding its status against submitting the board approval for Special R&M/ Capital works and for providing the required plan for clean power generation projects from waste sources for the year FY 2025-26. APGCL is directed to submit these documents immediately and comply within the stipulated timeline.

Further, APGCL is directed to submit the status of compliance of above Directives to the Commission at the end of each quarter. The Commission will review the status in the month following the end of the quarter.

Sd/-

(Shri Upananda Katakai)
Member, AERC

Sd/-

(Lt. Gen. Rana Pratap Kalita (Retd.))
Chairperson, AERC

Annexure-1 Minutes of the 37th Meeting of the State Advisory Committee

37th Meeting of the State Advisory Committee

Venue: AERC Conference Hall.

Day/Dated: Wednesday, 21st January 2026

List of members/special invitees: At Annexure- 1A

The 37th Meeting of the State Advisory Committee (SAC) was chaired by the Hon'ble Chairperson, AERC, Lt. Gen. Rana Pratap Kalita (Retd.).

At the onset, Hon'ble Chairperson, AERC welcomed all members and invitees to the 37th meeting of the State Advisory Committee of the Commission. Addressing the audience, Hon'ble Chairperson remarked that it was a privilege for him to chair this meeting for the first time after he took over as Chairperson, and he looked forward to collaboratively contribute towards development of power sector of Assam in consonance with the State's developmental aspirations.

He further acknowledged the tragic passing away of one very active member of the Committee, Champak Baruah, on October, 2025. He informed that the Commission had held a prayer meet with the officers and staff for eternal peace of the departed soul and extended condolences to the family. He once again expressed his condolences to late Baruah's family and friends.

The Hon'ble Chairperson, stated that the State Advisory Committee occupies a very important place in the regulatory framework of the power sector. It is a platform that brings together diverse perspectives—policy, technical, commercial, and consumer-centric—so that the regulatory process remains transparent, inclusive, and responsive to ground realities. The presence of the Members reflects the Committee's continued

commitment to strengthening Assam's power sector through constructive dialogue and informed advice.

He further added that the electricity sector in Assam, like in many other states, is at a crucial juncture and is experiencing transformative changes. Assam is witnessing growing demand driven by economic development, urbanisation, rural electrification, and emerging sectors such as electric mobility and digital infrastructure. The highest power demand met in the state reached over 2,812 MW in 2025 – up from 1,956 MW in 2019, a rise of 856 MW in just six years—and this could be achieved due to improved infrastructure, advanced load management, and stronger coordination among power generation, transmission, and distribution entities. As per reports available, the power demand is likely to nearly triple by 2035-36; and the utilities should be proactive to meet the challenge. At the same time, the sector faces challenges related to financial sustainability of utilities, quality and reliability of supply, loss reduction, integration of renewable energy, and protection of consumer interests.

The Hon'ble Chairperson informed that the 37th State Advisory Committee meeting deliberations center on the tariff petitions for FY 2026-27 submitted by APDCL, APGCL, AEGCL, and SLDC. While APGCL has requested for approval of Aggregate Revenue Requirement (ARR) of Rs.1287.84 Cr for FY 2026-27, AEGCL and SLDC have proposed ARR of Rs.659.93 Cr and Rs.16.05 Cr respectively. APDCL has requested for approval of standalone ARR of Rs 11279.78 Cr for FY 2026-27 and although there is a nominal revenue gap of Rs 20.21 Cr, no enhancement in retail tariff has been proposed by the Distribution Licensee. APDCL proposes to recover this gap through new policy interventions like green tariff, green energy open access etc. He further informed that the State Government has decided to continue with the existing subsidy structure for the FY 2026-27.

The Commission would be required to approve TOD tariff for next year (as envisaged in the Rules) and the distribution loss trajectory for the next MYT period of 5 years. It may be brought to the notice of the members that although a distribution loss of 14.75 % was approved for FY 2023-24, APDCL could achieve only 15.5% which led to an excess power purchase of 131.53 MU and Rs 71.02 Cr. Also, it is observed that APDCL could achieve only 25-30% of the capitalization that was approved by the Commission. It has also been observed that during FY 2023-24,

APDCL procures short term power at an average rate of Rs 6.06/unit while exporting the same at much lower price of Rs 4.86/ unit.

The important points discussed by the members during the course of the meeting are briefly recorded below.

Agenda 3: Brief presentation by AERC.

A Power Point Presentation was made by Shri. Rakesh Kumar, IAS, MD, APDCL on the Tariff Petitions.

During deliberations on the presentation, the Members were informed that APDCL completed the construction of dedicated feeders for tea estates under various schemes such as SOPD 2018–19, SOPD 2019–20, and the UDAY Scheme, after which no funds have been sanctioned so far. It was further informed that, as on date, works related to a total of 159 tea gardens have been completed, while works for the remaining approximately 222 tea gardens are yet to be taken up.

Shri Abhijit Sharma, SAC Member, emphasised that tea industry production is being adversely affected due to prolonged issues of low voltage supply. The Hon'ble Chairperson, AERC, enquired whether there has been any further progress on the project or whether the project stands completed. In response, Shri Rakesh Kumar, IAS, MD, APDCL, informed that after completion of the said schemes, a few feeder works were executed on a cooperative basis, with 50% contribution from the tea industries and 50% contribution from APDCL. He further informed that the cost of construction per feeder is approximately Rs.50 lakhs and that, to cover the remaining 222 tea gardens, about 70–80 feeders would be required, as one feeder can cater to 2–3 gardens. Accordingly, a total expenditure of around Rs.50 Cr. may be required. He added that support from the Government would help APDCL in expediting the work.

The Hon'ble Chairperson advised APDCL to propose a roadmap for taking up the project, including the associated financial requirements. Shri Jayant Narlikar, IAS, Commissioner & Secretary to the GoA, enquired whether any budgetary proposal has been placed and whether any liability would be created. In reply, the MD, APDCL, stated that no liability would be created and that the budgetary proposal would be placed during the current year.

Shri Jojneswar Sharma and Shri Amarendra Goswami, SAC Members submitted that, although coordination exists between APDCL officials and the Electrical Inspectorate during electrical accidents, the main concern is that, in many cases, workers are engaged at sites without adequate safety kits. The Members emphasised that APDCL should accord priority to workers' safety and ensure that proper preventive measures are taken, including provision of safety equipment, issuance of safety manuals, and regular training to avoid such accidents. In response, the MD, APDCL, informed that proper training is already being conducted in the field and that, over time, a reduction in accident cases has been observed.

Shri Kumud Ch. Medhi, SAC Member, mentioned that electrical accidents do not occur only with human beings but also with animals, as in many cases transformers are not properly barricaded. In reply, the MD, APDCL, stated that transformers are being barricaded and that approx. Rs.12 Cr. have been spent for this purpose. He further informed that strict instructions have been issued to all Deputy General Managers (DGMs), both in rural and urban areas, to ensure barricading of transformers. He added that, in case of fund constraints, low-cost barricading arrangements such as bamboo may be adopted in rural areas; however, no transformer would be left without proper barricading.

While deliberating on the Action Taken Reports, Mrs Rabha submitted that with regard to cumulative billing on certain days, APDCL has already made available daily and hourly consumption data on the mobile application so as to enhance consumer awareness. The MD, APDCL, further stated that the sudden spike due to cumulative addition of consumption is primarily a network-related issue. He informed that the matter has recently been discussed in meetings with the telecom service providers and the Ministry of Power, GoI, at Delhi and that, over time, additional telecom towers may be required to address the issue.

It was submitted before the SAC Members that, in order to encourage consumers to opt for rooftop solar power, particularly in view of the usual delays in receipt of Government subsidies, APDCL has facilitated loan arrangements with almost all major nationalized and private sector banks, such as SBI, PNB, Union Bank of India, Canara Bank, Bank of Baroda, HDFC Bank, ICICI Bank, etc., for installation of rooftop solar systems by

consumers. The MD, APDCL, further informed that, as on date, approx. 80,000 rooftop solar installations have been completed in the State and that Assam currently stands at the 8th position in India. He added that Assam is likely to soon surpass Andhra Pradesh and Telangana, where the gap is only about 7,000–8,000 installations, and thereby attain the 6th position at the all-India level.

MD, APDCL, informed that due to large-scale solarization, a major issue being faced by APDCL is that consumers stop drawing power from the grid during solar hours and instead inject excess power into the grid, while peak power has to be procured at higher costs during non-solar hours. As a result, DISCOM is incurring financial losses. MD, APDCL, suggested that a Standard Operating Procedure guideline like policy to compensate DISCOMs for such losses may be advised to the Government for consideration at the Forum of Regulators (FOR) meeting.

Shri Saurabh Agarwal, SAC Member, enquired whether APDCL has submitted any comments on the draft Electricity Bills. In response, the Managing Director, APDCL, informed that the comments have been forwarded to the Government of Assam for further processing. Ms. P. Sharma, Joint Director (Tariff), AERC, informed that AERC has also submitted its suggestions/comments directly to the Ministry.

Shri Abhijit Barooah, SAC Member, enquired that in view of the impending huge demand for power and substantial increase in investment required for future AEGCL projects, as to how such huge investment would be met. In response, Shri Jadav Saikia, IAS, Power Secretary, GoA, informed that AEGCL had initially proposed projects amounting to approx. Rs. 12,000 Cr. He stated that if such an amount were to be approved under the EAP funding mechanism, the corresponding State share would also increase, and the State does not have sufficient funds to meet such a requirement. Accordingly, AEGCL has been advised to revise the project cost to Rs. 3,492 Cr.

Shri Jayant Narlikar, IAS, further suggested that the three Companies may explore the option of arranging guarantees to access funds at cheaper rates, as it is difficult for the Government to provide funds for all projects. He also advised the Companies to explore alternative business models to support project financing.

Lastly, the SAC Members requested the Commission that the unfinished action items be carried forward for consideration in the next meeting as well. Hon'ble Chairperson, AERC assured that the same would be carried forward accordingly.

Agenda4: Brief presentation by APDCL on the Tariff Petition

A PowerPoint presentation was made by the Shri Rakesh Kumar, MD, APDCL on the APDCL's Petition for Trueing Up for FY 2024-25, Annual Performance Review for FY 2025-26 & Revised Aggregate Revenue Requirement and Tariff for FY 2026-27.

MD, APDCL mentioned that the peak demand in Assam has reached to 2809MW in FY 2025-26. Gross Energy Purchased by APDCL is 15,556 MU with Long-Term of 14,191 MU (91%); Bilateral of 287 MU (1.84%); PX of 947 MU (6%), DSM of 131 MU (1%). He also added that the domestic consumers contribute only 41% of the revenue despite accounting for 49% of energy sales, indicating cross-subsidization, and commercial consumers contribute 20%, and industrial consumers contribute 25% of the total revenue mix.

Shri Nikunja Borthakur, SAC Member enquired whether APDCL has fulfilled its renewable energy targets. In response, MD, APDCL, stated that the renewable energy targets have been fully met.

MD, APDCL mentioned that the ACS-ARR gap is -0.24 Rs/kWh in FY 2024-25. The AT&C loss has come to 15.73%. The receivable days have been reduced to 87 days, and the payable days has come to 33 days. The O&M expenses as % of GFA (excl. Smart meter OPEX is 15%.

APDCL informed that in the True-up for FY 2024-25, the revenue gap was Rs. 377.27 Cr., and along with carrying cost of Rs. 89.76 Cr., the gross revenue gap is Rs. 467 Cr.. The distribution loss achieved by APDCL is 15.44% against the approved loss of 14.50%.

Shri Amarendra Goswami, SAC Member, pointed out several issues relating to the Tariff Petition filed by APDCL. He submitted a representation for consideration during the process of tariff finalisation. In response, MD, APDCL, stated that a reply would be forwarded and that the issues would also be addressed during the hearing.

Dr. Satyajit Bhuyan, SAC Member, enquired about the distribution losses of APDCL. In response, the MD, APDCL, informed that APDCL has an extensive LT network of approximately 3 Lakh ckms, which contributes to higher distribution losses. Dr. Bhuyan further enquired regarding measures undertaken to reduce distribution losses. MD, APDCL, replied that at

present major works are under implementation under RDSS and AIIB funding, against which approx. 200 new substations, 20,000 new transformers, 12,000 new HT networks, would be added for replacing the old networks to reduce technical losses. he further informed that with increased smart meters, commercial losses are now negligible.

Dr. Bhuyan, further enquired as to why the power purchase cost has been increasing over time. In response, the MD, APDCL, informed that the increase in power purchase cost is attributable to multiple factors, including higher rates discovered in most of the new power procurement tenders. He further stated that, in certain cases, cost overruns in generation projects have also contributed to the increase; for example, the Subansiri project was initially envisaged at a tariff of around Rs. 3 per unit, which has now increased to approx. Rs. 7.70 per unit. Furthermore, sometime to meet the high demand power procure at high prices from the market.

Dr. Bhuyan, also enquired about the tariff subsidy, to which MD, APDCL replied that existing tariff subsidy will continue as per the State Government order.

Shri Nikunja Borthakur, SAC Member, appreciated APDCL for the reduction in AT&C losses over time and enquired whether feeder-wise loss data is being maintained and whether high-loss feeders are being prioritized. In response, the MD, APDCL, informed that feeder-wise loss data is being maintained and that high-loss areas are being taken up on a priority basis, with Detailed Project Reports (DPRs) being prepared accordingly.

Shri Abhijit Barooah, SAC Member enquired why the total expenditure claimed in True -up petition of Rs 11,098.99 Cr is less than actual expenditure of Rs 11,973.39 Cr MD, APDCL replied that one major component for this variation is due to operational cost related to Smart Meters. He further informed that smart meters are being installed under RDSS through OPEX mode, and APDCL has to pay to the smart meter operator on a per month per meter basis but the same is excluded in the True up, because there was a decision in the Cabinet that whatever cost is incurred shall be taken over by the Government Accordingly, APDCL has not claimed this expenditure to avoid double recovery—from consumers and also from the Government.

Shri Nikunja Borthakur, SAC Member enquired that there is an increase in interest & finance charges. MD, APDCL replied that the increase is primarily due to certain undecided amount received from M/s REC Ltd, which has now been considered as loan as a result of which approx. Rs 400 Cr. has been converted to loan, and APDCL has to pay back both the interest and principle amount to M/s REC Ltd.

Dr. Bhupati Das, SAC Member, suggested that APDCL may explore additional sources of revenue under non-tariff income, such as leasing infrastructure for fibre optic cables, etc. MD, APDCL, replied that APDCL would consider the suggestion of exploring such opportunities.

MD, APDCL further informed that the estimated energy sales is 11,462 MU which is 6% less than figure approved by Hon'ble Commission. The projected standalone ARR for FY 2025-26 is Rs 11,610.23 Cr with estimated gap of Rs.158.84 Cr.

MD, APDCL mentioned that Standalone ARR FY 2026-27 during FY 2026-27 is estimated at Rs. 11279.78 Cr., leaving a shortfall of Rs. 20.21 Cr. over the cumulative requirement. It necessitates Rs. 1.5 paise/kWh hike over the existing tariff structure for recovery of the minor deficit of Rs. 20.21 Cr. in FY 2026-27. However, New policy interventions like green tariff, green energy open access are potential sources of additional revenue stream for the company which can be utilized to recover the miniscule gap over the entire fiscal year. With the above-mentioned rates APDCL has proposed to continue existing tariff structure with no hike in effective rates for the next Financial Year.

Agenda 5: Brief presentation by AEGCL on the Tariff Petition

A PowerPoint presentation was made by the CGM, AEGCL on behalf of the MD, AEGCL on the AEGCL's Petition for Truing Up for FY 2024-25, Annual Performance Review for FY 2025-26 & Revised Aggregate Revenue Requirement and Tariff for FY 2026-27 and SLDC's Petition for Truing Up for FY 2024-25, Annual Performance Review for FY 2025-26 & Revised Aggregate Revenue Requirement and Tariff for FY 2026-27.

For AEGCL petition, AEGCL submitted that in the True-up for FY 2024-25, the Transmission Loss came down to 3.24% against the approved the Transmission loss of 3.23% by the Hon'ble Commission and the ARR after Sharing (Gains)/Losses and Incentive came to Rs.621.07 Cr against the approved amount of Rs. 672.85 Cr which led to a surplus of Rs.48.16 Cr.

In the Annual Performance Review for FY 2025-26, the Transmission Loss for the year projected to be 3.22% after assessing the first half the financial year. The Net Revenue Requirement for the FY 2025-26 is projected to be Rs.627.66 Cr against the approved amount of Rs. 612.34 Cr with a revenue gap of 15.32 Cr.

In the Aggregate Revenue Requirement for FY 2026-27, the Transmission Loss is estimated as 3.19% against the approved Transmission Loss of 3.19%. The Net Aggregate Revenue

Requirement for the Financial year 2026-27 proposed by AEGCL is Rs.659.93Cr. against the approved amount of Rs.632.09Cr.

With this AEGCL submitted the proposed Transmission Charge at Rs. 0.47/ kWh.

For SLDC petition, SLDC submitted that Aggregate Revenue Requirement after sharing of (Gains)/Loss Rs.10.15 Cr against the approved amount of Rs. 15.04 Cr. with a revenue surplus of Rs. 4.89Cr. For APR SLDC projected the Aggregate Revenue Requirement to Rs. 14.53Cr with a revenue gap of Rs.2.78Cr. For ARR of FY 2026-27, SLDC proposed the Net Aggregate Revenue Requirement of Rs. 16.05Cr. With this, SLDC proposed the SLDC charges amounting to Rs.142.21 per MW per Day.

Shri Amarendra Goswami, SAC Member enquired whether AEGCL conducted health assessment of old Transformers which are more than 20 years in service. He suggested that AEGCL should check the healthiness of the old Transformers and accordingly should replace them for better performance of the Grid Substations. AEGCL replied the assessment is being done by AEGCL often and augmentation are also being done under the AIIB funded scheme. Moreover, AEGCL is planning to replace 40 more Transformers with loan from Punjab and Sind Bank.

The members enquired regarding the use of the old Transformers after replacing them with new ones. AEGCL replied that those transformers are being reused in some other substations where load restrictions are expected. Recently, AEGCL reused a transformer with higher capacity by shifting from 132kV Srikona GSS to 132kV Karimganj GSS as some load constraints are expected in the upcoming summer season at 132kV Karimganj GSS.

Shri Saurabh Agarwal, SAC Member enquired regarding the reason behind the decrease of Non-Tariff Income in comparison to the figures approved by the Hon'ble Commission. In this regard, AEGCL informed that since many Open Access consumers have withdrawn due to the imposition of Deviation Charges on the Open Access Consumers which resulted in decline in the Non-Tariff Income of AEGCL.

Agenda 6: Brief presentation by APGCL on the Tariff Petition

A Power Point Presentation made by GM, APGCL on behalf of the MD, APGCL on Petition for Truing Up for FY 2024-25, Annual Performance Review for FY 2025-26 & Revised Aggregate Revenue Requirement and Tariff for FY 2026-27 and SLDC's Petition for Truing Up for FY

2024-25, Annual Performance Review for FY 2025-26 & Revised Aggregate Revenue Requirement and Tariff for FY 2026-27.

APGCL stated the present status and the performance of the existing power stations in the state. APGCL also highlighted the major challenges faced by APGCL while running their generating stations such as Fuel Availability and Supply Constraints, High and Volatile Fuel Cost, Low Plant Load Factor (PLF) etc.

Regarding the APGCL'S Tariff Petition for Truing-Up for FY 2024-25, Annual Performance Review for FY 2025-26, Revised Aggregate Revenue Requirement for FY 2026-27 & determination of Tariff for FY 2026-27.

APGCL mentioned that in the True Up for the FY 2024-25, a Net Revenue of Rs. 1316.02Cr and actual revenue gap of Rs. 14.92 Cr. The revenue gap with carrying cost is Rs. 18.46 Cr. The actual claimed Gross generation is 2241.58 MU.

In the APR for the FY 2025-26, APGCL has shown a ARR of Rs. 42.96 Cr and gap of Rs. 1.89 Cr for NTPS, ARR of Rs. 324.87 Cr and gap of Rs. 14.97 Cr for LTPS, ARR of Rs. 337.00 Cr and gap of Rs. 4.61 Cr for LRPP, ARR of Rs. 378.16 Cr and gap of Rs. 4.62 Cr for NRPP, ARR of Rs. 88.63 Cr and surplus of Rs. 10.32 Cr for KLHEP, overall ARR of Rs. 1171.62 Cr with Rs. 15.77 Cr gap and estimated gross generation of 2041.64 MU for APGCL.

In the ARR for the FY 2026-27, APGCL proposed total Revenue Requirement of Rs. 1287.84 Cr with this APGCL proposed a tariff of Rs. 6.49/kWh for the FY 2026-27 (fixed charge of Rs. 2.29/kWh and energy charge of Rs. 4.20/kWh).

The SAC members enquired regarding the status of the 120MW Lower Kopili Hydro Electric Project (LKHEP) and 25 MW Namrup Solar Project. It was informed by APGCL that dry commissioning of the Lower Kopili Project has already been conducted, and the project is likely to be commissioned by April, 2026. Regarding the 25 MW Namrup Solar Project, it was informed that the project is scheduled to be completed within March 2026.

The Hon'ble Member (Technical), AERC enquired regarding the utilization of the gas available for the NTPS plant which is about to be decommissioned. APGCL informed that APGCL is planning either to divert the gas to LTPS plant which is near to NTPS or to develop a new gas-based plant within the NTPS campus. Hon'ble Member (Technical) suggested that a decision may be taken soon to avoid revenue loss to the Company.

Agenda 7: Additional Agenda

The Hon'ble Commission after the brief presentation by the three utilities i.e., APDCL, AEGCL and APGCL has asked the members of the State Advisory Committee to address additional issues for discussion, if any.

Shri Abhijit Sharma, SAC Member raised the issue related to solar generation by Tea Category consumers. He informed that energy is banked by the tea industry in the lean period between December to March but the banked energy is not allowed to be utilized in the peak season because of cumulative surplus and the energy banked is reset to zero on 1st April every year. He insisted that the benefits of the Clause 6.1.9 (b) of the Assam Integrated Clean Energy Policy, 2025 would be purposeful for the tea industry only if 12-month period is converted to October-September instead of the April-March.

In this regard, Shri N.K. Deka, Joint Director (Engg.), AERC informed that since the policy has been introduced by the Govt of Assam therefore, AERC has no role in that matter, and the matter has to be taken up with the Govt of Assam.

Adding to it, Mr. Jadav Saikia, Secretary to the Govt of Assam, Power Department informed that Assam Integrated Clean Energy Policy, 2025 was withdrawn by Govt of Assam with effect from May 2025. He informed that the Govt of Assam will look into the said matter if any new policy is being issued. Shri Abhijit Sharma, SAC Member, requested Mr Saikia to look into the matter personally for the interest of the Tea Category consumers.

There was no other matter discussed.

The meeting ended with the vote of thanks from the Secretary, AERC.

Sd/-

Secretary,

Assam Electricity Regulatory Commission

ANNEXURE- 1: List of Members & Special Invites present at 37th Meeting of SAC

LIST OF MEMBERS & SPECIAL INVITEES PRESENT

Members

1. Lt. Gen. Rana Pratap Kalita (Retd.), Hon'ble Chairperson, AERC
2. Shri Upananda Kataki, Hon'ble Member (Technical), AERC
3. Shri Jayant Narlikar, IAS Commissioner & Secretary GoA, Finance Dept. (Through Virtual Mode)
4. Shri Jadav Saikia, IAS Secretary, GoA, Power Dept
5. Shri Gakul Swargiyari, MD, AGCL
6. Shri Abhijit Sharma, Secretary, ABITA
7. Shri Amarendra Goswami, Electrical Consultant, Retd SE
8. Dr. Satyajit Bhuyan, Professor, AEC
9. Dr. Aditya Bihar Kandali, Principal(I/C), Dept. of EE, JIST
10. Shri Joyneswar Sharma, Ex DG Ministry of Defence
11. Shri Saurabh Agarwal, Chairman, FINER
12. Shri Abhijit Barooah, CII
13. Shri Kumud Ch.Medhi, NESSIA
14. Dr. Bhupati Das, Former MD, NRL
15. Shri Nikunja Borthakur, Advisor (CA) NRL
16. Shri Abhijit Sarma Barua, Consultant, AEDA

SPECIAL INVITEES

1. Shri Rakesh Kumar, IAS Chairman & Managing Director, APDCL

OFFICERS FROM APDCL. AEGCL & APGCL

APDCL

1. Shri Dwipen Moral, CGM (Com &EE), APDCL
2. Shri Rajiv Kr. Gogoi, GM(PP&EM) TRC, APDCL
3. Shri Rupjyoti Borah, DGM, APDCL
4. Mrs. Ronkita Baruah, AGM, APDCL
5. Mrs. Bonita Das, DM(TRC), APDCL
6. Mrs. Sisrikhya Dutta, DM(TRC), APDCL
7. Shri Aditya Barman, AM(F&A), APDCL

AEGCL and SLDC

1. Shri Balabhanta Basumatary, CGM, AEGCL
2. Mrs. Jayashree Devi, CGM, AEGCL
3. Shri Chandan Deka, CGM, SLDC
4. Shri Bikram Bordoloi, DGM, AEGCL
5. Mrs. Toshita Jigdung, DGM, AEGCL
6. Mrs. Tarali Deka, AGM(T), AEGCL

APGCL

1. Md. Zakir, CGM, APGCL
2. Mrs. Aklantika Saikia, GM, APGCL
3. Mrs. Pinky Deb, DGM (Audit), APGCL
4. Shri Pankaj B. Sarmah, DGM(P&P), APGCL
5. Shri Kalyanjyoti Barooah, AGM, APGCL
6. Shri Tapash Ch. Barman, DM, APGCL

OFFICERS FROM AERC

- A. Shri Ashok Kumar Barman, IAS (Retd), Secretary
- B. Ms. Panchamrita Sharma, Joint Director (Tariff & RA)
- C. Shri Nipen Kr. Deka, Joint Director (Engg).
- D. Mrs. Punam Rabha, Deputy Director (Tariff)
- E. Shri Kishore Rajkumar, Deputy Director (IT)
- F. Ms. Dipmoni Nath, Assistant Director (Engg),

Annexure 2- Station Wise Depreciation

Depreciation for NTPS (Rs. Cr.)

Sr. No.	Particulars	FY 2024-25			FY 2025-26			FY 2026-27		
		Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.
1	Land	9.71	-	-	9.71	-	-	9.71	-	-
2	Building	11.28	-	0.00	11.28	-	0.00	11.28	-	0.00
3	Hydraulic works	0.04	-	0.00	0.04	-	0.00	0.04	-	0.00
4	Other civil works	26.35	0.21	0.95	26.56	-	0.95	26.56	-	0.95
5	Plant & machinery- Gas	97.85	0.55	0.19	98.39	1.81	0.25	100.20	-	0.28
6	Plant & machinery- Hydel	-	-	-	-	-	-	0.00	-	-
7	Lines & cables	1.95	-	0.10	1.95	-	0.10	1.95	-	0.10
8	Vehicle	0.45	-	-	0.45	-	-	0.45	-	-
9	Furniture	1.77	0.01	0.05	1.78	-	0.05	1.78	-	0.05
10	Other office equipment	6.75	0.04	0.36	6.79	-	0.36	6.79	-	0.36
11	Roads on land belonging to others	-	-	-	-	-	-	0.00	-	-
12	Capital spares at Generating Stations	41.46	-	-	41.46	-	-	41.46	-	-
13	Intangible Assets	0.83	-	0.12	0.83	-	0.12	0.83	-	0.12
14	Total	198.43	0.80	1.79	199.23	1.81	1.84	201.04	-	1.88

Depreciation for LTPS (Rs. Cr.)

Sr. No.	Particulars	FY 2024-25			FY 2025-26			FY 2026-27		
		Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.
1	Land	4.75	-	-	4.75	-	-	4.75	-	-
2	Building	32.21	0.17	1.08	32.38	-	1.08	32.38	-	1.08
3	Hydraulic works	-	-	-	-	-	-	0.00	-	-
4	Other civil works	41.58	0.44	1.47	42.02	1.11	1.50	43.13	-	1.51
5	Plant & machinery- Gas	306.80	3.69	12.85	310.49	2.03	2.07	312.51	5.90	2.23
6	Plant & machinery- Hydel	-	-	-	-	-	-	0.00	-	-
7	Lines & cables	9.29	-	0.49	9.29	-	0.49	9.29	-	0.49
8	Vehicle	0.24	-	-	0.24	-	-	0.24	-	-
9	Furniture	0.76	0.15	0.03	0.91	-	0.03	0.91	-	0.03
10	Other office equipment	8.44	0.05	0.52	8.49	-	0.52	8.49	-	0.52
11	Roads on land belonging to others	-	-	-	-	-	-	0.00	-	-
12	Capital spares at Generating Stations	114.93	-	-	114.93	-	-	114.93	-	-
13	Intangible Assets	1.80	0.77	0.33	2.57	-	0.39	2.57	-	0.39
14	Total	520.80	5.26	16.77	526.06	3.14	6.08	529.20	5.90	6.26

Depreciation for KLHEP (Rs. Cr.)

Sr. No.	Particulars	FY 2024-25			FY 2025-26			FY 2026-27		
		Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.
1	Land	4.40	-	-	4.40	-	-	4.40	-	-
2	Building	16.72	-	0.58	16.72	-	0.58	16.72	-	0.58
3	Hydraulic works	161.15	-	8.58	161.15	-	8.58	161.15	-	8.58
4	Other civil works	99.42	0.00	3.43	99.42	0.39	3.44	99.81	9.06	3.60
5	Plant & machinery- Gas	-	-	-	-	-	-	0.00	-	-
6	Plant & machinery- Hydel	176.52	0.38	9.50	176.90	0.60	9.52	177.50	14.45	9.84
7	Lines & cables	31.71	-	1.72	31.71	-	1.72	31.71	-	1.72
8	Vehicle	0.29	-	-	0.29	-	-	0.29	-	-
9	Furniture	0.23	-	0.01	0.23	-	0.01	0.23	-	0.01
10	Other office equipment	8.51	0.05	0.54	8.56	-	0.54	8.56	-	0.54
11	Roads on land belonging to others	0.28	-	0.01	0.28	-	0.01	0.28	-	0.01
12	Capital spares at Generating Stations	18.76	-	-	18.76	-	-	18.76	-	-
13	Intangible Assets	1.83	0.79	0.33	2.63	-	0.39	2.63	-	0.39
14	Total	519.82	1.23	24.70	521.05	0.99	24.79	522.04	23.51	25.27

Depreciation for LRPP (Rs. Cr.)

Sr. No.	Particulars	FY 2024-25			FY 2025-26			FY 2026-27		
		Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.
1	Land	-	-	-	-	-	-	0.00	-	-
2	Building	1.07	-	0.04	1.07	-	0.04	1.07	-	0.04
3	Hydraulic works	-	-	-	-	-	-	0.00	-	-
4	Other civil works	24.44	-	0.82	24.44	-	0.82	24.44	-	0.82
5	Plant & machinery- Gas	243.55	0.11	13.03	243.66	-	13.03	243.66	13.35	13.32
6	Plant & machinery- Hydel	-	-	-	-	-	-	0.00	-	-
7	Lines & cables	-	-	-	-	-	-	0.00	-	-
8	Vehicle	-	-	-	-	-	-	0.00	-	-
9	Furniture	0.06	0.02	0.00	0.08	-	0.00	0.08	-	0.00
10	Other office equipment	4.54	0.01	0.29	4.54	-	0.29	4.54	-	0.29
11	Roads on land belonging to others	-	-	-	-	-	-	0.00	-	-
12	Capital spares at Generating Stations	-	-	-	-	-	-	0.00	-	-
13	Intangible Assets	1.19	0.55	0.04	1.74	-	0.08	1.74	-	0.08

14	Total	274.84	0.68	14.22	275.53	-	14.26	275.53	13.35	14.54
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Depreciation for NRPP (Rs. Cr.)

Sr. No.	Particulars	FY 2024-25			FY 2025-26			FY 2026-27		
		Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.	Opening GFA	Add. of GFA	Dep.
1	Land	-	-	-	-	-	-	0.00	-	-
2	Building	149.83	-	5.00	149.83	-	5.00	149.83	-	5.00
3	Hydraulic works	-	-	-	-	-	-	0.00	-	-
4	Other civil works	81.31	-	2.72	81.31	1.87	2.75	83.17	-	2.78
5	Plant & machinery- Gas	478.99	0.59	25.31	479.58	0.28	25.33	479.86	1.19	25.36
6	Plant & machinery- Hydel	-	-	-	-	-	-	0.00	-	-
7	Lines & cables	-	0.28	0.01	0.28	-	0.01	0.28	-	0.01
8	Vehicle	-	-	-	-	-	-	0.00	-	-
9	Furniture	0.08	0.01	0.01	0.09	-	0.01	0.09	-	0.01
10	Other office equipment	0.06	0.00	0.00	0.07	-	0.00	0.07	-	0.00
11	Roads on land belonging to others	-	-	-	-	-	-	0.00	-	-

12	Capital spares at Generating Stations	18.81	-	0.99	18.81	-	0.99	18.81	-	0.99
13	Intangible Assets	-	0.78	0.06	0.78	-	0.12	0.78	-	0.12
14	Total	729.08	1.66	34.09	730.74	2.14	34.21	732.88	1.19	34.28

Annexure 3A- Revised Capital Expenditure plan FY 2025-26

Revised Capital Expenditure plan approved for NTPS for FY 2025-26

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	30 M high Mast Lighting system (complete set)	9.92	9.92	Provisionally approved as per document provided.
2	Renovation of damaged sludge removing system of water Clari flocculation system at Dillighat water Intake for the purpose of better water treatment + Renovation of Chemical Laboratory	32.82	16.15	Commission has observed more than 100% cost overrun from the approved value. Petitioner has not provided any justification for the cost overrun nor has taken prior approval for the cost escalation. Hence, Commission is disallowing the escalated cost and directs the petitioner to take prior approval in case of cost escalation and complete the work in due course of time.

3	Construction of dedicated 2 (two) nos. of 33 KV APGCL Bay at 220 KV GSS, AEGCL, Namrup	154.61	154.61	Commission has allowed as, there is no cost overrun.
TOTAL		197.35	180.68	

Revised Capital Expenditure plan approved for LTPS for FY 2025-26

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	Overhauling of HPBFP with mandatory spares	238.38	140	Commission has observed that there is cost escalation in the claimed amount than the approved by the Commission. Hence, Commission allowed as per the approved in the previous Order. However, Petitioner is directed to submit the documentary evidence of actual expenditure made at the time of True Up.

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
2	Procurement and installation and commissioning of 132 KV SF6 Breaker (05 nos), spring charge mechanism along with upgradation of Control Panel.	32.82	32.82	Since there is no overrun of expenses, hence, Commission approves the cost.
3	Procurement, erection, testing and commissioning of High Mast Tower for illumination in the entire Ph-II Powerhouse and Switchyard area. 4 (Four) No.s	31.84	29.75	The amount reflected in the TPC approval is Rs. 29.75/-. Hence, Commission approves the same.
4	Layout of LTPS Plant with supply of all proper drawings	1.55	1.55	Petitioner has not submitted the documentary evidence of completed work. Also, the submitted board resolution does not reflect any amount. Petitioners are directed to submit the final cost with completion certificate at the time of true up.
5	Construction of paver block road from main road in front of army canteen to newly constructed multi storied building inside LTPS residential colony.	35	20.71	Petitioner has not submitted any documentary evidence for the completed work. Also, there is cost escalation on the approved amount, although it is not clear that the cost escalation is incidental to delay in the execution. Hence, Commission directs the petitioner to submit the proper justification for the cost escalation and documentary evidence for the project completion at the time of true up.
6	Renovation of water supply pipelines and all fittings at LTPS residential colony and Power Plant	10.96	10	Documentary evidence is required for final approval of cost at the time of true up.

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
7	Repairing of water pump house building, development of surrounding areas of water supply system of LTPS	5.88	5.88	Documentary evidence for completion of project and actual cost to be submitted at the time of true up.
8	Development of boundary walls around LTPS Colony	20.56	20	Commission has allowed as approved in the previous Order. Petitioner is directed to submit the final cost along with the documentary evidence for completion of work at the time of true up.
9	Providing of boundary fencing for the residential quarters of LTPS	41.4	37.88	Commission has allowed as approved in the previous MYT Order. Petitioner is directed to submit the final cost along with the documentary evidence for completion of work at the time of true up.
10	Repairing of Administrative office building of LTPS	16.88	15	Commission has allowed as approved in the previous Order. Petitioner is directed to submit the final cost along with the documentary evidence for completion of work at the time of true up.
TOTAL		435.27	313.59	

Revised Capital Expenditure plan approved for KLHEP for FY 2025-26

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	Supply, installation and commissioning of OPU oil pump along with unloader valves and other associated necessary equipment of OPU system for Unit:1 at 2*50 MW KLHEP	0	0	
2	Supply, installation and commissioning of new SF6 breakers for SRT	0	0	
3	Supply, installation and commissioning of new CTs for Station Reserve Transformer (SRT) KLHEP	0	0	
4	Renovation and Refurbishment of 130T EOT Crane with redesigned control system.	144	60	Commission has allowed as approved in the previous Order. Petitioner is required to submit the proper justification for the cost escalation, also, Petitioner is directed to submit the final cost along with the documentary evidence for completion of work at the time of true up.
5	River protection works & Landslide protection works to be carried out at downstream of Karbi Langpi Hydro Electric Project(2X50) Dam for the damaged aused by Cyclone Remal in KLHEP	0	0	

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
6	Preventive measures for slope protection at left bank above the dam deck of Hatidubi Dam, Karbi Langpi Hydro Electric Project	0	0	
7	Improvement of Road near Quarry no.1to Dam deck by providing granular sub-base on left bank upstream side of Hatidubi Dam at KLHEP from Ch: 3106.00 m to Ch: 4201.00 m	0	0	
8	Roof leakage treatment, Boundary wall and fencing, painting of penstock pipes, checking of penstock welding joints etc	28.57	28.57	As there is no cost escalation, Hence, Commission has allowed the claim of petitioner.
9	Installation of Early Warning System at upstream of Hatidubi dam of KLHEP.	100	0	Commission takes the note of the petitioner. However, petitioner is directed to submit their actual claim at the time of True up with their justified documentary evidence.
	Boundary wall around the premises, repairing of old electromechanical store etc	10.23	10.23	Commission allowed the claim of the claim of the petitioner as it is within the limit of approved cost. The final cost approval must be taken at the time of True up with suitable documentary evidence for completion of work and capitalization of assets.
	TOTAL	282.8	98.8	

Revised Capital Expenditure plan approved for LRPP for FY 2025-26

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	Indigenization of Starting & Instrument Air Compressor	0	0	
TOTAL		210.00	210.00	

Revised Capital Expenditure plan approved for NRPP for FY 2025-26

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	Replacement of 350Ah, 125V Battery Bank of main plant NRPP APGCL Dibrugarh Assam	27.5	27.5	
2	Upgradation of Switchyard Automation System	0	0	

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
	(SAS) of 220 KV Switchyard, NRPP APGCL Dibrugarh Assam			
3	Modification of Cooling Tower Fans of NRPP as the supplier of existing CT-Fans no longer exist.	0	0	
4	Construction of Smart Boundary Wall at Namrup	142	142	
5	Riverbank protection work at the side of artificial Pond and Booster Pump House Dillighat Intake, NRPP, Namrup	44.53	44.53	
6	Development, installation and commissioning of 2 nos. of deep tube well including storage tank and filtration unit	51	0	
	TOTAL	265.03	214.03	

Annexure 3B- Revised Capital Expenditure plan FY 2026-27

Revised Capital Expenditure plan approved for LTPS for FY 2026-27

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	Revamping and Upgradation of the existing Fire Fighting system of LTPS	115	27.5	As there is no cost escalation, hence, Commission provisionally approves it.
2	Enhancement of system reliability, safety and operational flexibility through replacement of 11 sets of old existing 132KV isolators of Phase-II powerhouse switchyard.	90	0	As there is no cost escalation, hence, Commission provisionally approves it.
3	Improvement of system reliability and flexibility through	91	0	As there is no cost escalation, hence, Commission provisionally approves it.

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
	upgradation of Desang Intake Pump MCC Panel and UPS & Stabilizer Panel for WHRP.			
4	Procurement of LP & HP cylinder for 4RDS2 Gas Compressor	160	142	As there is no cost escalation, hence, Commission provisionally approves it.
5	Conversion of LTPS Colony existing OH 11kV network to 11kV Underground cable network of distance in various phases at, Lakwa Thermal Power Station, Maibella (LTPS), Suffry-785689, Dist. Sivasagar, Assam”	133.5	44.53	As there is no cost escalation, hence, Commission provisionally approves it.
6	Revamping of the cooling system of gas compressors by replacement of the existing coolers with new Air-Cooled Heat Exchangers for GC #6 and # 8.	196	0	Commission notes the submission of the petitioner. APGCL is directed to submit the actual cost expenditure at the time of true up along with the documentary evidence to justify the expenses.
	TOTAL	785.5	589.5	

Revised Capital Expenditure plan approved for KLHEP for FY 2026-27

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	Installation of High Mast Towers at Dam Site (2 nos)	32	32	As there is no cost escalation, hence commission allows the cost.
2	Installation of High Mast Towers at KLHEP colony (4nos)	64	64	As there is no cost escalation, hence Commission allows the cost.
3	Supply, installation and commissioning of OPU oil pump along with unloader valves and other associated necessary equipments of OPU system for Unit:1 at 2*50 MW KLHEP	200	200	Commission notes that, said cost was approved for FY 2028-29. Also, petitioner has submitted any documentary evidence for the execution of work. APGCL is directed to submit documentary evidence for the completion and actual cost at the time of True up. Commission provisionally allows the claim of the petitioner in FY 2026-27.

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
4	Supply, installation and commissioning of new SF6 breakers for SRT	26	26	Since there is no escalation in cost, hence, Commission allows the cost. APGCL is directed to submit the documentary evidence for the completion of work and actual cost at the time of True Up.
5	Supply, installation and commissioning of new CTs for Station Reserve Transformer (SRT) KLHEP	23	23	Since there is no escalation in cost, hence, Commission allows the cost. APGCL is directed to submit the documentary evidence for the completion of work and actual cost at the time of True Up.
	Design, Supply and installation & Commissioning Bay Extension in the existing 220KV KLHEP Switchyard for ideal Charging of 16 MVA Bharat Bijlee make 220/33KV transformers.	350	100	Commission notes that Rs. 100/- Lakhs was approved for the claim work in FY 2024-25. Also, there is cost overrun of 250% than the approved one. Petitioner has not submitted any justification or documentary evidence for the approval of cost escalation. Hence, Commission directs the petitioner to get the prior approval from Commission in case of cost escalation in accordance with the applicable regulations. Hence, Commission disallows the claim of petitioner.
	Procurement of 3 nos of generator transformer	1000	1000	As there is no cost escalation, hence Commission allows the cost. Commission directs the petitioner to submit the justified document for the work completion and actual cost.

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
	Preventive measures for slope protection at left bank above the dam deck of Hatidubi Dam, Karbi Langpi Hydro Electric Project	133.33	133.33	As there is no cost escalation, hence Commission allows the cost. Commission directs the petitioner to submit the justified document for the work completion and actual cost.
	Improvement of Road near Quarry no.1to Dam deck by providing granular sub-base on left bank upstream side of Hatidubi Dam at KLHEP from Ch: 3106.00 m to Ch: 4201.00 m	14.62	14.62	As there is no cost escalation, hence Commission allows the cost. Commission directs the petitioner to submit the justified document for the work completion and actual cost.
	River protection works & Landslide protection works to be carried out at downstream of Karbi Langpi Hydro Electric Project(2X50) Dam for the damaged caused by Cyclone Remal in KLHEP	758	758	As there is no cost escalation, hence Commission allows the cost. Commission directs the petitioner to submit the justified document for the work completion and actual cost.
	TOTAL	2600.95	2350.95	

Revised Capital Expenditure plan approved for LRPP for FY 2026-27

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	Indigenization of Starting & Instrument Air Compressor	102.6	54	Commission directs the petitioner to submit the actual cost at the time of true up with proper justification and relevant supporting documents, and if there is any cost escalation, APGCL is directed to take prior approval from commission in accordance with the Tariff Regulation 2024. APGCL may revisit the claim during True-Up/APR
	Proposal for upgrade of Electrical and Automation System consisting of HMI system upgradation with sWOIS system at LRPP.	1281	1281	As there is no cost escalation, hence Commission allows the cost. Commission directs the petitioner to submit the justified document for the work completion and actual cost.
TOTAL		1383.6	1335	

Revised Capital Expenditure plan approved for NRPP for FY 2026-27

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
1	Upgradation of 6.6kV Bus Transfer System (BTS) of NRPP	21.2	21.2	As there is no cost escalation, hence Commission allows the cost. Commission directs the petitioner to submit the justified document for the work competition and actual cost.
	Procurement of CEP Cartridge Assembly-WKT 150/5 at NRPP.	45	0	Commission directs the petitioner to submit the actual cost at the time of true up with proper justification and relevant supporting documents, and if there is any cost escalation, APGCL is directed to take prior approval from commission in accordance with the Tariff Regulation 2024. APGCL may revisit the claim during True-Up/APR
	Upgradation of Switchyard Automation System (SAS) of 220 KV Switchyard, NRPP APGCL Dibrugarh Assam	60	60	As there is no cost escalation, hence Commission allows the cost. Commission directs the petitioner to submit the justified document for the work competition and actual cost.
	Installation and commissioning of Rod Drop and Vibration sensors at Gas Booster Compressor of NRPP	62.95	0	Commission directs the petitioner to submit the actual cost at the time of true up with proper justification and relevant supporting documents, and if there is any cost escalation, APGCL is directed to take prior approval from commission in accordance with the Tariff Regulation 2024. APGCL may revisit the claim during True-Up/APR

Sl. No.	Description of Works	Claimed for APR	Approved for APR	Remarks
		Amount (Lakhs)	Amount (Lakhs)	
	Modification of Cooling Tower Fans of NRPP as the supplier of existing CT-Fans is no longer exist.	37.5	37.5	As there is no cost escalation, hence Commission allows the cost. Commission directs the petitioner to submit the justified document for the work competition and actual cost.
	Upgradation of the existing Gas Turbine Control System from Mark VI to Mark VIe at NRPP	1924.51		Commission directs the petitioner to submit the actual cost at the time of true up with proper justification and relevant supporting documents, and if there is any cost escalation, APGCL is directed to take prior approval from commission in accordance with the Tariff Regulation 2024. APGCL may revisit the claim during True-Up/APR
	TOTAL	2151.16	118.7	

Annexure 4A - Equity Addition and Grant Conversion approved (Rs. Cr.) during FY 2024-25

Particulars		NTPS	LTPS	KLH EP	LRPP	NRP P	Total
A	Grant conversion considered for FY 2023-24	0.00	0.77	0.79	0.55	0.78	2.89
B	Total grant conversion accepted by Commission in previous years	14.79	59.84	17.48	134.84	0.00	226.95
C	Approved grant conversion in FY 23	0.88	5.29	1.81	1.37	0.00	9.35
D	Total grant conversion remaining (B-C)	13.91	54.55	15.68	133.47	0.00	217.59
E	Balance grant conversion to be considered in FY 23 (A+D)	13.91	55.31	16.47	134.02	0.78	220.49
	Normative Equity:						
F	Approved opening GFA for FY 2023-24	198.43	520.80	519.82	274.84	729.08	2242.97
F1	Grant remaining in GFA for FY 2023-24	2.95	14.66	12.23	48.41	0.00	78.26
F2	Opening GFA of FY 2023-24 excluding Grant (F-F1)	195.48	506.14	507.59	226.43	729.08	2164.71
G	Normative Equity (F2 x 30%)	58.64	151.84	152.28	67.93	218.72	649.41
H	Earlier Equity	57.60	150.32	150.01	67.23	218.72	643.88
I	Actual equity after conversion (E+H)	71.51	205.64	166.48	201.24	219.50	864.37
J	Recomputed Equity after converting grant to Equity subject to normative cap (Min of G and I)	58.64	151.84	152.28	67.93	218.72	649.41
L	Equity Addition due to grant converted to equity approved in opening equity (J-H)	1.04	1.52	2.27	0.70	0.00	5.53
M	Normative Equity addition during the year	0.24	1.35	0.13	0.04	0.26	2.02
N	Closing Equity Approved for the year	58.89	153.19	152.41	67.97	218.99	651.44

Annexure 4B - Equity Addition and Grant Conversion approved (Rs. Cr.) during FY 2025-26

Particulars		NTPS	LTPS	KLH EP	LRPP	NRP P	Total
A	Grant conversion considered for FY 2024-25	0.00	0.00	0.00	0.00	0.00	0.00
B	Total grant conversion accepted by Commission in previous years	13.91	55.31	16.47	134.02	0.78	220.49
C	Approved grant conversion in FY 24	1.04	1.52	2.27	0.70	0.00	5.53
D	Total grant conversion remaining (B-C)	12.87	53.80	14.20	133.31	0.78	214.96
E	Balance grant conversion to be considered in FY 25 (A+D)	12.87	53.80	14.20	133.31	0.78	214.96
	Normative Equity:						
F	Approved Opening GFA for FY 2024-25	199.23	526.06	521.05	275.53	730.74	2252.61
F1	Grant remaining in GFA for FY 2024-25	2.95	14.66	12.23	48.41	0.00	78.26
F2	Opening GFA of FY 2024-25 excluding Grant	196.28	511.40	508.82	227.11	730.74	2174.35
G	Normative Equity (F2 x 30%)	58.89	153.42	152.64	68.13	219.22	652.30
H	Earlier Equity	58.89	153.19	152.41	67.97	218.99	651.44
I	Actual equity after conversion (E+H)	71.75	206.99	166.61	201.28	219.77	866.40
J	Recomputed Equity after converting grant to Equity subject to normative cap (Min of G and I)	58.89	153.42	152.64	68.13	219.22	652.30
L	Equity Addition due to grant converted to equity approved in opening equity (J-H)	0.00	0.23	0.24	0.17	0.23	0.87
M	Normative Equity addition during the year	0.54	0.94	0.30	0.00	0.00	1.78
N	Closing Equity Approved for the year	59.43	154.36	152.94	68.13	219.22	654.08

Annexure 4C - Equity Addition and Grant Conversion approved (Rs. Cr.) during FY 2026-27

Particulars		NTPS	LTPS	KLH EP	LRPP	NRP P	Total
A	Grant conversion considered for FY 2025-26	0.00	0.00	0.00	0.00	0.00	0.00
B	Total grant conversion accepted by Commission in previous years	12.87	53.80	14.20	133.31	0.78	214.96
C	Approved grant conversion in FY 25	0.00	0.23	0.24	0.17	0.23	0.87
D	Total grant conversion remaining (B-C)	12.87	53.57	13.96	133.15	0.55	214.09
E	Balance grant conversion to be considered in FY 26 (A+D)	12.87	53.57	13.96	133.15	0.55	214.09
	Normative Equity:						
F	Approved Opening GFA for FY 2025-26	201.04	529.20	522.04	275.53	732.88	2260.68
F1	Grant remaining in GFA for FY 2025-26	2.95	14.66	12.23	48.41	0.00	78.26
F2	Opening GFA of FY 2025-26 excluding Grant	198.09	514.54	509.80	227.11	732.88	2182.42
G	Normative Equity (F2 x 30%)	59.43	154.36	152.94	68.13	219.86	654.73
H	Earlier Equity	59.43	154.36	152.94	68.13	219.86	654.73
I	Actual equity after conversion (E+H)	72.29	207.93	166.90	201.28	220.41	868.82
J	Recomputed Equity after converting grant to Equity subject to normative cap (Min of G and I)	59.43	154.36	152.94	68.13	219.86	654.73
L	Equity Addition due to grant converted to equity approved in opening equity (J-H)	0.00	0.00	0.00	0.00	0.00	0.00
M	Normative Equity addition during the year	0.00	1.77	7.05	4.01	0.00	12.83
N	Closing Equity Approved for the year	59.43	156.13	159.99	72.14	219.86	667.55