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ARUNACHAL PRADESH STATE ELECTRICITY REGULATORY COMMISSION

NOTIFICATION
18th October'2013

MULTI YEAR TARIFF REGULATIONS-2013

No.APSSERC/NOTIFICATION/14/2013 Dated 18th October'2013 – The Arunachal Pradesh State Electricity Regulatory Commission in exercise of the powers conferred under clause (zd), (ze) and (zf) of sub section (2) of Section 181 read with Section 61,62,86 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in this behalf, after previous publication, hereby makes the following regulations, namely :

Chapter – 1:

PRELIMINARY

1. Short title and commencement

- 1.1 These Regulations may be called the Arunachal Pradesh State Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2013.
- 1.2 These Regulations shall come into force on the date of their publication in the Official Gazette.
- 1.3 These Regulations shall extend to the whole of the State of Arunachal Pradesh.
- 1.4 These Regulations shall be applicable for determination of tariff in all cases covered under these Regulations from April 1, 2014 and onwards;

- 1.5 These Regulations shall be applicable to all existing and future Generating Companies, Transmission Licensees and Distribution Licensees and their successors, if any;
- 1.6 These Regulations supersedes the Arunachal Pradesh State Electricity Regulatory Commission (Terms and Conditions of Determination of Tariff and Formats for Tariff Filing) Regulations, 2011.

2. Definitions

In these regulations, unless the context otherwise requires,

- 2.1 Accounting Statement means for each financial year, the following statements, namely:
 - (i) balance sheet, prepared in accordance with the form contained in Part I of Schedule VI to the Companies Act, 1956 as amended from time to time;
 - (ii) profit and loss account, complying with the requirements contained in Part II of Schedule VI to the Companies Act, 1956;
 - (iii) cash flow statement, prepared in accordance with the Accounting Standard on Cash Flow Statement (AS-3) of the Institute of Chartered Accountants of India;
 - (iv) report of the statutory auditors;
 - (v) cost records prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956; together with notes thereto, and such other supporting statements and information as the Commission may direct from time to time:

Provided that in case of any local authority engaged in the business of distribution of electricity, the Accounting Statement shall mean the items, as mentioned above, prepared and maintained in accordance with the relevant Acts or Statutes as applicable to such local authority: Provided further that once the Commission notifies the Regulations for submission of Regulatory Accounts, the applications for tariff determination and truing up shall be based on the Regulatory Accounts.

- 2.2 Act means the Electricity Act, 2003 (36 of 2003), as amended from time to time;
- 2.3 Allocation Statement means for each financial year, a statement in respect of each of the separate businesses of the of the Generating Company or Transmission Licensee or Distribution Licensee, showing the amounts of any revenue, cost, asset, liability, reserve or provision etc, which has been either:
 - i) Charged from or to each such Other Business together with a description of the basis of that charge; or

- ii) Determined by apportionment or allocation between different businesses of the licensee including the Licensed Businesses, together with a description of the basis of the apportionment or allocation:

Provided further that such allocation statement in respect of a generating station, owned and/or maintained and/or operated by the distribution licensee, shall be maintained in a manner so as to enable tariff determination, stagewise, Unit wise and/or for the whole generating station.

- 2.4 Applicant means a Generating Company or Transmission Licensee or Distribution Licensee who has made an application for determination of Aggregate Revenue Requirement and tariff in accordance with the Act and these Regulations and includes a Generating Company or Transmission Licensee or Distribution Licensee whose tariff is the subject of a review by the Commission either on suo-motu basis or on a petition filed by any interested or affected person or as part of a Truing-up exercise;
- 2.5 Aggregate Revenue Requirement means the requirement of the Transmission Licensee or Distribution Licensee for recovery, through tariffs, of allowable expenses and return on equity pertaining to its Licenced Business, in accordance with these Regulations;
- 2.6 Authority means Central Electricity Authority referred to in Section 70 of the Act;
- 2.7 Bank Rate shall mean the Bank Rate declared by the Reserve Bank of India from time to time;
- 2.8 Business Plan shall comprise of elements as specified in Regulation 7 of these Regulations;
- 2.9 "Conduct of Business Regulations" means the Arunachal Pradesh State Electricity Regulatory Commission (Conduct of Business) Regulations, 2011.
- 2.10 "Commission" means the Arunachal Pradesh State Electricity Regulatory Commission.
- 2.11 "Current Year" means the year in which the Aggregate Revenue Requirement petition or petition for determination of tariff is to be filed;
- 2.12 "Cut off date" means 31st March of the year closing after two years of commercial operation of the project, and in case project is declared under commercial operation in the last quarter of a year, the cut off date shall be 31st March of the year closing after three years of the year of commercial operation.
- 2.13 "CERC" means the Central Electricity Regulatory Commission.
- 2.14 change in law" means occurrence of any of the following events:
 - (i) The enactment, bringing into effect, adoption, promulgation, amendment, modification or repeal of any law; or

- (ii) change in interpretation of any law by a competent Court, Tribunal or Indian Governmental Instrumentality, which is the final authority under law for such interpretation; or
- (iii) change by any competent statutory authority, in any consent, approval or licence.

2.15 Control Period means the period of three years from April 1, 2014 to March 31, 2017, and for every block of three years thereafter, for submission of forecast in accordance with Chapter-2 of these Regulations;

2.16 Cut-off Date means 31st March of the year closing after two years of the year of commercial operation of the project, and in case the project is declared under commercial operation in the last quarter of a year, the cut-off date shall be 31st March of the year closing after three years of the year of commercial operation;

2.17 Day means the 24 hour period starting at 0000 hour;

2.18 "Ensuing Year" means the year immediately following the current year.

2.19 Expected Revenue from Tariff and Charges means the revenue estimated to accrue to the Generating Company or Transmission Licensee or Distribution Licensee from the Regulated Business at the prevailing tariffs;

2.20 Existing Project means a project declared under commercial operation prior to the date of effectiveness of these Regulations;

2.21 Force Majeure Event means, with respect to any party, any event or circumstance, which is not within the reasonable control of, and is not due to an act of omission or commission of, that party and which, by the exercise of reasonable care and diligence, could not have been prevented, and without limiting the generality of the foregoing, would include the following events:

- a. acts of God, including but not limited to lightning, storm, action of the elements, earthquakes, flood, torrential rains, drought and natural disaster;
- b. strikes, lockouts, go-slow, bandh or other industrial disturbances not instigated by any party;
- c. acts of public enemy, wars (declared or undeclared), blockades, insurrections, riots, revolution, sabotage, vandalism and civil disturbance;
- d. unavoidable accident, including but not limited to fire, explosion, radioactive contamination and toxic dangerous chemical contamination;

- e. any shutdown or interruption of the grid, which is required or directed by the State or Central Government or by the Commission or the Arunachal Pradesh State Load Dispatch Centre;
- 2.22 **Generation Business** means the business of production of electricity from a generating station for the purpose of (i) giving supply to any premises or enabling a supply to be so given, or (ii) supply of electricity to any Licensee in accordance with the Act and the rules and Regulations made there-under and, (iii) supply of electricity to any consumer subject to the Regulations made under sub-section (2) of section 42 of the Act;
- 2.23 **“Licensee”** means a person who has been granted a license and shall include a deemed licensee.
- 2.24 **“License”** means a license granted by the Commission under Section 14 of the Act.
- 2.25 **“Licensed Business”** means the function and activities, which the licensee is required to undertake in terms of the License granted by the Commission or as deemed Licensee under the Act.
- 2.26 **Mid-term Review** means a review to be undertaken in accordance with the second proviso to Regulation 9.2 (ii) and the proviso to Regulation 12.1 of these Regulations;
- 2.27 **Non-Tariff Income** means income relating to the regulated business other than from tariff, excluding any income from Other Business and, in case of the Retail Supply Business of a Distribution Licensee, excluding income from wheeling and receipts on account of cross-subsidy surcharge and additional surcharge on charges of wheeling;
- 2.28 **“Norms”** means standards prescribed by the Commission for performance of generating station, transmission system and distribution system.
- 2.29 **Operation and Maintenance expenses or O&M expenses :**
- a) In relation to a Generating Company, the expenditure incurred on operation and maintenance of the project of a Generating Company, or part thereof, and includes the expenditure on manpower, repairs, spares, consumables, insurance and overheads;
 - b) In relation to a Transmission Licensee or Distribution Licensee, the expenditure incurred on operation and maintenance of the system by the Transmission Licensee or Distribution Licensee, and includes the expenditure on manpower, repairs, spares, consumables, insurance and overheads;

- 2.30 Original Project Cost means the capital expenditure incurred by the Generating Company or the Transmission Licensee, as the case may be, within the original scope of the project up to the cut-off date as admitted by the Commission;
- 2.31 Other Business means any business undertaken by the Generating Company, Transmission Licensee or Distribution Licensee, other than the businesses regulated by the Commission;
- 2.32 "Previous year" means the year immediately preceding the current year.
- 2.33 Project means a generating station or the transmission system, as the case may be, and in case of a hydro generating station includes all components of generating facility such as penstocks, head and tail works, main and regulating reservoirs, dams and other hydraulic works, intake water conductor system, power generating station and generating units of the scheme, as apportioned to power generation;
- 2.34 Regulated Business means any electricity business, which is regulated by the Commission.
- 2.35 "Regulatory Asset" means previously incurred losses that are in the nature of deferred expenditure and that can be recovered from consumers in future, provided allowed by regulatory authorities.
- 2.36 "Tariff" means the schedule of charges for generation, transmission, and distribution of electricity determined by the Commission from time to time;
- 2.37 Useful life in relation to a unit of a generating station, transmission system and distribution system from the date of commercial operation shall mean the following, namely:
- i. Hydro generating station : 35 years;
 - ii. AC and DC sub-station : 25 years;
 - iii. Transmission line : 35 years;
 - iv. Distribution line : 35 years;
- 2.38 Year means a financial year (FY);
- 2.39 The words and expressions used in these Regulations and not defined herein but defined in the Act shall have the same meaning assigned them under the Act.

3 Scope of Regulation and extent of application

3.1 The Commission shall determine tariff within the Multi-Year Tariff framework, for all matters for which the Commission has jurisdiction under the Act, including in the following cases:

- (i) Supply of electricity by a Generating Company to a Distribution Licensee:
Provided that where the Commission believes that a shortage of supply of electricity exists, it may fix the minimum and maximum ceiling of tariff for sale or purchase of electricity in pursuance of an agreement, entered into between a Generating Company and a Distribution Licensee or between distribution licensees, for a period not exceeding one year to ensure reasonable prices of electricity;
- (ii) Intra-State transmission of electricity; (iii) Intra- State wheeling of electricity;
- (iv) Retail supply of electricity:

Provided that in case of distribution of electricity in the same area by two or more Distribution Licensees, the Commission may, for promoting competition among Distribution Licensees, fix only maximum ceiling of tariff for retail sale of electricity: Provided further that where the Commission has allowed open access to certain consumers under sub-section (2) of Section 42 of the Act, such consumers, notwithstanding the provisions of clause (d) of sub-section (1) of Section 62 of the Act, may enter into an agreement with any person for supply or purchase of electricity on such terms and conditions (including tariff) as may be agreed upon by them.

3.2 The Commission may also determine the rate at which the Distribution Licensee can supply power to other Distribution Licensees in the State.

3.3 The Commission shall also determine Surcharge in addition to the charges for wheeling under the first proviso to sub-section (2) of Section 42 of the Act, in accordance with the Arunachal Pradesh State Electricity Regulatory Commission (Terms & Conditions of Open Access) Regulations, 2012, as applicable and as amended through Orders issued by the Commission from time to time.

3.4 The Commission shall also determine additional surcharge on the charges for wheeling under sub-section (4) of Section 42 of the Act, in accordance with the Arunachal Pradesh State Electricity Regulatory Commission (Terms & Conditions of Open Access) Regulations, 2012, as applicable and as amended through Orders issued by the Commission from time to time.

3.5 Notwithstanding anything contained in these Regulations, the Commission shall adopt the tariff if such tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government pursuant to Section 63 of the Act.

Chapter-2

GENERAL GUIDING PRINCIPLES FOR DETERMINATION OF TARIFF

4. Tariff determination

- 4.1 The Commission, while determining the tariff shall be guided by the following principles contained in Section 61 of the Act, namely –
- (i) The principles and methodologies specified by the Central Commission for determination of the tariff applicable to generating companies or transmission licensees;
 - (ii) The generation, transmission, distribution and supply of electricity are conducted on commercial principles;
 - (iii) The factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments;
 - (iv) Safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner;
 - (v) The principles rewarding efficiency in performance;
 - (vi) The tariff progressively reflects the cost of supply of electricity and also, reduces cross-subsidies in the manner to be laid down by the Commission.
 - (vii) The promotion of co-generation and generation of electricity from renewable sources of energy;
 - (viii) The National Electricity Policy and Tariff policy as laid down by the Government of India.
- 4.2 The Commission shall adopt such tariff as laid down under Section 63 of the Act where such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government,
- 4.3 The Commission shall subject to the provisions of sub-regulation 4.4, determine the tariff in accordance with the provisions of the Act, and these regulations, for –
- (i) Supply of electricity by a generating company to a distribution licensee;
 - (ii) Transmission of electricity;
 - (iii) Wheeling of electricity;
 - (iv) Retail sale of electricity;

Provided that in case of distribution of electricity in the same area by two or more distribution licensees, the Commission may, for promoting competition among distribution licensees, fix only maximum ceiling of tariff for retail sale of electricity.

- 4.4 In case it is not possible or practicable to determine tariff separately for (i) to (iv) above, the Commission may fix combined tariff for more than one of these activities as per requirement.
- 4.5 Where the Commission has permitted open access to any category of consumers under sub section (2) of Section 42 of the Act, such consumers, notwithstanding the provisions of clause (d) of sub-section (1) of Section 62 of the Act, may enter into an agreement with any person for supply/ purchase of electricity for this purpose on such terms and conditions (including tariff) as may be agreed upon by them, subject to the payment of various wheeling charges cross subsidy surcharge, additional surcharge and other open access related charges as determined by the Commission.
- 4.6 The Commission while determining the tariff, shall not show undue preference to any consumer of electricity, but may differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required.
- 4.7 If the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the Commission, the State Government shall, notwithstanding any direction which may be given under Section 109 of the Act, pay, in advance to the period to which it is applicable and in such manner as may be specified by the Commission.

Provided that no such direction of the State Government shall be operative if the subsidy payment is not made in accordance with the provisions contained in this regulation and the tariff fixed by the Commission shall be applicable from the date decided as per the tariff order issued by the Commission in this regard.

5. Core Business

Core business means the regulated activities of generation or any regulated business as per Section 12 of the Act and does not include any other business or activity of a generating company or a licensee.

6. Income of Other Business

- 6.1 Other business means any business by the licensee other than the licensed business undertaken for optimum utilization of assets.
- 6.2 In the event a licensee engaged in any other business, he shall give prior intimation in writing to the Commission of such other Business.

- 6.3 Revenue from other business shall be treated as income to the extent authorized by the Commission under Section 41 and 51 of the Act.

7. Deviation from norms

The tariff for sale of electricity by a generating company or licensee may also be fixed in deviation of the norms specified in these regulations subject to the condition that:

- 7.1 The overall unit tariff rate over the entire life of the asset, calculated on the basis of the norms in deviation, does not exceed the tariff per unit calculated on the basis of the norms specified in these regulations; and
- 7.2 Any such deviation shall come into effect from the date of approval by the Commission.

8. Regulatory Asset

- 8.1 Only in extraordinary circumstances, the Commission may allow creation of Regulatory Asset, in case, the Revenue Gap is very substantial and is on account of one time factors such as natural causes or force majeure conditions beyond control of the generating company or the licensee and its full recovery in a single year will result in tariff shock for the consumers:
- 8.2 The Regulatory Asset so created along with carrying cost shall be liquidated in maximum 3 years period immediately following the year in which it is created.
- 8.3 The use of the facility of regulatory asset should not be repetitive.

9. Multi-Year Tariff framework

- 9.1 The Commission shall determine the tariff for matters covered under clauses (i), (ii), (iii), and (iv) of Regulation 3.1 above, under a Multi-Year Tariff framework with effect from April 1, 2014:

Provided that the Commission may, either on suo-motu basis or upon application made to it by an applicant, exempt the determination of tariff of a Generating Company or Transmission Licensee or Distribution Licensee under the Multi-Year Tariff framework for such period as may be contained in the Order granting such an exemption.

- 9.2 The Multi-Year Tariff framework shall be based on the following elements, for determination of Aggregate Revenue Requirement and expected revenue from tariff and charges for Generating Company, Transmission Licensee, Distribution Business and Retail Supply Business:

- (i) A detailed Business Plan based on the principles specified in these Regulations, for each year of the Control Period, shall be submitted by the applicant for the Commission's approval:
- (ii) Provided that the performance parameters, whose trajectories have been specified in the Regulations, shall form the basis of projection of these performance parameters in the Business Plan: Provided further that a Mid-term Review of the Business Plan may be sought by the Generating Company, Transmission Licensee and Distribution Licensee through an application filed three (3) months prior to the filing of Petition for truing-up for the second year of the Control Period and tariff determination for the third year of the Control Period;
- (iii) Based on the Business Plan, the applicant shall submit the forecast of Aggregate Revenue Requirement (ARR) for the entire Control Period and expected revenue from existing tariffs for the first year of the Control Period, and the Commission shall determine ARR for the entire Control Period and the tariff for the first year of the Control Period for the Generating Company, Transmission Licensee, Distribution Business;
- (iv) Truing up of previous year's expenses and revenue based on Audited Accounts vis-a-vis the approved forecast and categorization of variation in performance as those caused by factors within the control of the applicant (controllable factors) and those caused by factors beyond the control of the applicant (uncontrollable factors), shall be undertaken by the Commission:

Provided that once the Commission notifies the Regulations for submission of Regulatory Accounts, the applications for tariff determination and truing up shall be based on the Regulatory Accounts;

- (v) The mechanism for pass-through of approved gains or losses on account of uncontrollable factors as specified by the Commission in these Regulations;
- (vi) The mechanism for sharing of approved gains or losses on account of controllable factors as specified by the Commission in these Regulations;
- (vii) Annual determination of tariff for Generating Company, Transmission Licensee, Distribution Business, for each financial year within the Control Period, based on the approved forecast and results of the truing up exercise.

10 Accounting statement and filing under MYT

- 10.1 The filing under MYT by the Generating Company, Transmission Licensee, and Distribution Licensee, shall be done as per the timelines specified in these Regulations and in compliance with the principles for determination of ARR as specified in these Regulations, in such form as may be prescribed by the Commission from time to time.

10.2 The filing for the Control Period under these Regulations shall be as under:

a) MYT Petition shall comprise of:

- i. Multi-year Aggregate Revenue Requirement for the entire Control Period with year-wise details;
- ii. Revenue from the sale of power at existing tariffs and charges and projected revenue gap, for the first year of the first Control Period under these Regulations, viz., FY 2014-15;
- iii. Application for determination of tariff for FY 2014-15.

b) From the first year of the Control Period and onwards, the Petition shall comprise of:

- i. Truing Up for FY 2012-13, if any, to be carried out under Arunachal Pradesh State Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 and onwards in accordance with these Regulations;
- ii. Revenue from the sale of power at existing tariffs and charges for the ensuing year;
- iii. Revenue gap for the ensuing year calculated based on ARR approved in the Tariff order or MYT Order and truing up for the previous year;
- iv. Application for determination of tariff for the ensuing year.

c) In case of Mid-term Review of Business Plan under Regulation 9.2(ii), the Petition shall comprise of :

- i. Truing Up for the previous year;
- ii. Modification of the ARR for the remaining years of the Control Period, if any, with adequate justification for the same;
- iii. Revenue from the sale of power at existing tariffs and charges for the ensuing year;
- iv. Revenue gap for the ensuing year calculated based on ARR approved in the MYT Order and truing up for the previous year;
- v. Application for determination of tariff for the ensuing year.

10.3 The Generating Company, Transmission Licensee, and Distribution Licensee for the Distribution Business, shall file separate audited accounting statements with the application for determination of tariff and truing up :

10.4 In case of a vertically integrated business, the Utility shall be required to file separate applications for determination of ARR and tariff for Generation Business, Transmission Business, Distribution Business:

Provided that for the distribution business, the Distribution Licensee shall file Petitions as per Regulation 3.4 of these Regulations:

Provided further that in case complete accounting segregation has not been done amongst the various Businesses, the Utility shall have to do so within one year of notification of these Regulations. Till such time there is a complete segregation of audited accounts between Generation, Transmission, Wheeling and Supply Businesses, the application for determination ARR and tariff and truing up for each Business shall be supported by an Allocation Statement that contains the apportionment of costs and revenues to that Business. The Allocation Statement shall also contain the methodology that has been used for the apportionment.

11. Applicability

- 11.1 The Multi-Year Tariff framework shall apply to applications made for determination of tariff for a Generating Company, Transmission Licensee, and Distribution Licensee for Distribution Wires Business.

12. Business Plan

- 12.1 The Generating Company, Transmission licensee, and Distribution Licensee for Distribution Business, shall file a Business Plan for the Control Period of three (3) financial years from 1st April 2014 to 31st March 2017, which shall comprise but not be limited to detailed category-wise sales and demand projections, power procurement plan, capital investment plan, financing plan and physical targets, in accordance with guidelines and formats prescribed by the Commission.

Provided that a mid-term review of the Business Plan/Petition may be sought by the Generating Company, Transmission Licensee and Distribution Licensee through an application filed three (3) months prior to the specified date of filing of Petition for truing up for the second year of the Control Period and tariff determination for the fourth year of the Control Period.

- 12.2 The capital investment plan shall show separately, on-going projects that will spill over into the Control Period, and new projects (along with justification) that will commence in the Control Period but may be completed within or beyond the Control Period. The Commission shall consider and approve the capital investment plan for which the Generating Company, Transmission Licensee, and Distribution Licensee for the Distribution Business, may be required to provide relevant technical and commercial details.
- 12.3 The Distribution Licensee shall project the power purchase requirement based on the Merit Order Dispatch principles of all Generating Stations considered for power purchase, the Quantum of Renewable Purchase Obligation (RPO) under Arunachal Pradesh State Electricity Regulatory Commission (Renewable Power Purchase

Obligation and its Compliance) Regulations, 2012 and the target set, if any, for Energy Efficiency (EE) and Demand Side Management (DSM) schemes.

12.4 The Generating Company, Transmission Licensee, and Distribution Licensee for the Distribution Wires Business, shall get the Business Plan approved by the Commission.

13 Multi-Year Tariff Application

13.1 The applicant shall submit the forecast of Aggregate Revenue Requirement for the entire Control Period and tariff proposal for the first year of the Control Period, in such manner, and within such time limit as provided in these Regulations and accompanied by such fee payable, as may be specified under the Arunachal Pradesh State Electricity Regulatory Commission (Fees) Regulations, 2011, as amended from time to time.

13.2 The applicant shall develop the forecast of Aggregate Revenue Requirement using the assumptions relating to the behavior of individual variables that comprise the Aggregate Revenue Requirement during the Control Period.

13.3 The applicant shall develop the forecast of expected revenue from tariff and charges based on the following:

- (i) In the case of a Generating Company, estimates of quantum of electricity to be generated by each Unit/Station for ensuing financial year within the Control Period;
- (ii) In the case of a Transmission Licensee, estimates of transmission capacity allocated to Transmission System Users for ensuing financial year within the Control Period;
- (iii) In the case of a Distribution Licensee, estimates of quantum of electricity to be supplied to consumers and to be wheeled on behalf of Distribution System Users for ensuing financial year within the Control Period;
- (iv) Prevailing tariffs as on the date of making the application.

13.4 Based on the forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges, the Generating Company, Transmission Licensee, and Distribution Licensee for the Distribution Business, shall propose the tariff that would meet the gap, if any, in the Aggregate Revenue Requirement.

13.5 The applicant shall provide full details supporting the forecast, including but not limited to details of past performance, proposed initiatives for achieving efficiency or productivity gains, technical studies, contractual arrangements and/or secondary research, to enable the Commission to assess the reasonableness of the forecast.

13.6 On receipt of application, the Commission shall either:

- (i) issue an Order approving the ARR for the entire Control Period and the tariff for the first year of the Control Period, subject to such modifications and conditions as it may specify in the said Order; or
- (ii) reject the application for reasons to be recorded in writing, as the Commission may deem appropriate:

Provided that the applicant shall be given a reasonable time for being heard before rejecting their application.

14. Specific Trajectory for certain variables

14.1 While approving the Business Plan/MYT Petition, the Commission shall stipulate a trajectory for the variables, which shall include, but not be limited to Operation & Maintenance expenses, target plant load factor and distribution losses: Provided that the Generating Company, Transmission Licensee and Distribution Licensee may seek a review of the trajectory at the time of mid-term review of Business Plan.

15 Truing Up

15.1 Where the Aggregate Revenue Requirement and expected revenue from tariff and charges of a Generating Company or Transmission Licensee or Distribution Licensee is covered under a Multi-Year Tariff framework, then such Generating Company or Transmission Licensee or Distribution Licensee, as the case may be, shall be subject to truing up of expenses and revenue during the Control Period in accordance with these Regulations.

15.2 The Generating Company or Transmission Licensee or Distribution Licensee shall file an Application for Truing up of the previous year and determination of tariff for the ensuing year, within the time limit specified in these Regulations: Provided that the Generating Company or Transmission Licensee or Distribution Licensee, as the case may be, shall submit to the Commission information in such form as may be prescribed by the Commission, together with the Audited Accounts, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges:

Provided further that once the Commission notifies the Regulations for submission of Regulatory Accounts applications for tariff determination and truing up shall be based on the Regulatory Accounts.

15.3 The scope of the truing up shall be a comparison of the performance of the Generating Company or Transmission Licensee or Distribution Licensee with the

approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise of the following:

- (i) a comparison of the audited performance of the applicant for the previous financial year with the approved forecast for such previous financial year, subject to the prudence check including pass-through of impact of uncontrollable factors;
- (ii) Review of compliance with directives issued by the Commission from time to time;
- (iii) Other relevant details, if any.

15.4 In respect of the expenses incurred by the Generating Company, Transmission Licensee and Distribution Licensee during the year for controllable and uncontrollable parameters, the Commission shall carry out a detailed review of performance of an applicant vis-a-vis the approved forecast as part of the truing up.

15.5 Upon completion of the truing up under Regulation 15.4 above, the Commission shall attribute any variations or expected variations in performance for variables specified under Regulation 16 below, to factors within the control of the applicant (controllable factors) or to factors beyond the control of the applicant (uncontrollable factors):

Provided that any variations or expected variations in performance, for variables other than those specified under Regulation 16.1 below shall be attributed entirely to controllable factors.

15.6 Upon completion of the Truing Up, the Commission shall pass an order recording:

- (i) the approved aggregate gain or loss to the Generating Company or Transmission Licensee or Distribution Licensee on account of controllable factors, and the amount of such gains or such losses that may be shared in accordance with Regulation 18 of these Regulations;
- (ii) Components of approved cost pertaining to the uncontrollable factors, which were not recovered during the previous year, shall be pass through as per Regulation 17 of these Regulations;
- (iii) Tariff determined for the ensuing year.

16 Controllable and uncontrollable factors

16.1 For the purpose of these Regulations, the term uncontrollable factors shall comprise of the following factors, which were beyond the control of the applicant, and could not be mitigated by the applicant:

- (i) Force Majeure events;

- (ii) Change in law, judicial pronouncements and Orders of the Central Government, State Government or Commission;
- (iii) Variation in the price of fuel and/ or price of power purchase according to the FPPPA formula approved by the Commission from time to time;
- (iv) Variation in the number or mix of consumers or quantities of electricity supplied to consumers:

Provided that where there is more than one Distribution Licensee within the area of supply of the applicant, any variation in the number or mix of consumers or in the quantities of electricity supplied to consumers within the area served by two or more such Distribution Licensees, on account of migration from one Distribution Licensee to another, shall be attributable to controllable factors: Provided further that if any consumer or category of consumers within the area of supply of the applicant is eligible for open access under sub-section (3) of Section 42 of the Act, then any variation in the number or mix of such consumers or quantities of electricity supplied to such eligible consumers shall be attributable to controllable factors;

- (v) Transmission Loss;
- (vi) Variation in market interest rates;
- (vii) Taxes and Statutory levies;
- (viii) Taxes on Income:

Provided that where the applicant or any interested or affected party believes, for any variable not specified above, that there is a material variation or expected variation in performance for any financial year on account of uncontrollable factors, such applicant or interested or affected party may apply to the Commission for inclusion of such variable at the Commission's discretion, under this Regulation for such financial year.

16.2 Some illustrative variations or expected variations in the performance of the applicant, which may be attributed by the Commission to controllable factors include, but are not limited to, the following:

- (i) Variations in capitalisation on account of time and/or cost overruns/ efficiencies in the implementation of a capital expenditure project not attributable to an approved change in scope of such project, change in statutory levies or force majeure events;
- (ii) Variation in Interest and Finance Charges, Return on Equity, and Depreciation on account of variation in capitalisation, as specified in clause (a) above;
- (iii) Variations in technical and commercial losses of Distribution Licensee;

- (iv) Variations in performance parameters;
- (v) Variations in working capital requirements;
- (vi) Variations in labour productivity;
- (vii) Variation in operation & maintenance expenses;
- (viii) Variation in Wires Availability.

17 Mechanism for pass through of gains or losses on account of uncontrollable factors

17.1 The approved aggregate gain or loss to the Generating Company or Transmission Licensee or Distribution Licensee on account of uncontrollable factors shall be passed through as an adjustment in the tariff of the Generating Company or Transmission Licensee or Distribution Licensee over such period as may be specified in the Order of the Commission passed under these Regulations.

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

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

18 Mechanism for sharing of gains or losses on account of controllable factors

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

- (i) One-third of the amount of such gain shall be passed on as a rebate in tariffs over such period as may be stipulated in the Order of the Commission under Regulation 10.6;
- (ii) The balance amount, which will amount to two-thirds of such gain, may be utilised at the discretion of the Generating Company or Transmission Licensee or Distribution Licensee.

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

- (i) One-third of the amount of such loss may be passed on as an additional charge in tariffs over such period as may be stipulated in the Order of the Commission under Regulation 10.6; and
- (ii) The balance amount of loss, which will amount to two-thirds of such loss, shall be absorbed by the Generating Company or Transmission Licensee or Distribution Licensee.

19. DETERMINATION OF TARIFF

19.1 The proceedings to be held by the Commission for determination of tariff shall be in accordance with the APSERC (Conduct of Business) Regulations, 2011, as amended from time to time.

19.2 Notwithstanding anything contained in these Regulations, the Commission shall at all times have the authority, either on suo-motu basis or on a Petition filed by any interested or affected Party, to determine the tariff, including terms and conditions thereof, of any Generating Company or Transmission Licensee or Distribution Licensee:

Provided that such determination of tariff may be pursuant to an agreement or arrangement or otherwise whether or not previously approved by the Commission and entered into at any time before or after the applicability of these Regulations.

19.3 Notwithstanding anything contained in these Regulations, the Commission shall adopt the tariff, if such tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government:

Provided that the applicant shall provide such information as the Commission may require to satisfy itself that the guidelines issued by the Central Government have been duly followed.

20 Determination of Generation Tariff

20.1 **The Commission shall determine the tariff for generation of electricity, in accordance with the terms and conditions contained in Chapter-4 of these Regulations.**

20.2 Existing generating station:

- 20.2.i Where the Commission has, at any time prior to the date of effectiveness of these Regulations, approved a power purchase agreement or arrangement between a Generating Company and a Distribution Licensee or has adopted the tariff contained therein for supply of electricity from an existing generating Unit/Station, the tariff for supply of electricity by the Generating Company to the Distribution Licensee shall be in accordance with tariff mentioned in such power purchase agreement or arrangement for such period as may be so approved or adopted by the Commission.
- 20.2.ii Where, as on the date of effectiveness of these Regulations, the power purchase agreement or arrangement between a Generating Company and a Distribution Licensee for supply of electricity from an existing generating station has not been approved by the Commission or the tariff contained therein has not been adopted by the Commission or where there is no power purchase agreement or arrangement, the supply of electricity by such Generating Company to such Distribution Licensee after the date of effectiveness of these Regulations shall be in accordance with a power purchase agreement approved by the Commission:

Provided that an application for approval of such power purchase agreement or arrangement shall be made by the Distribution Licensee to the Commission within a period of three (3) months from the date of notification of these Regulations:

Provided further that the supply of electricity shall be allowed to continue under the present agreement or arrangement, as the case may be, until such time as the Commission approves of such power purchase agreement and shall be discontinued forthwith if the Commission rejects, for reasons recorded in writing, such power purchase agreement or arrangement.

20.3 New generating stations:

The tariff for the supply of electricity by a Generating Company to a Distribution Licensee from a new generating Unit/Station shall be in accordance with tariff as per power purchase agreement approved by the Commission.

20.4 Own generating stations:

- (i) Where the Distribution Licensee also undertakes the business of generation of electricity, the transfer price at which electricity is supplied by the Generation Business of the Distribution Licensee to his Retail Supply Business shall be determined by the Commission.
- (ii) The Distribution Licensee shall maintain separate records for the Generation Business and shall maintain an Allocation Statement so as to enable the Commission to clearly identify the direct and indirect costs relating to such business and return on equity accruing to such business:

Provided that once the Commission notifies the Regulations for submission of Regulatory Accounts, the applications for tariff determination and truing up shall be based on the Regulatory Accounts.

- 20.5 The Distribution Licensee shall submit, along with the separate application for determination of tariff for retail supply of electricity, the information required under Chapter-4 of these Regulations relating to the Generation Business.

21 Determination of Tariff for Transmission, Distribution Business

- 21.1 The Commission shall determine the tariff for Transmission Business, Distribution Business based on an application made by the Licensee in accordance with the procedure contained in these Regulations.

- 21.2 The Commission shall determine the tariff for:

- (i) Transmission of electricity, in accordance with the terms and conditions contained in Chapter-5 of these Regulations;
- (ii) Distribution Business, in accordance with the terms and conditions contained in Chapter-6 of these Regulations; and

22. Filing of Tariff Petition

The applicant shall file his Petition for approval of truing up of previous year and tariff for ensuing financial year by 30th November of the current financial year:

Provided that the MYT Petition for FY 2014-15 to FY 2016-17 shall be filed along-with the Business Plan.

- 22.1 The applicant shall provide, based on the approved Business Plan, as part of his application to the Commission, in such form as may be prescribed by the Commission from time to time, full details of his calculation of the Aggregate Revenue Requirement and expected revenue from tariff and charges, and thereafter, he shall furnish such further information or particulars or documents as the Commission or the Secretary or any Officer designated for the purpose by the Commission may reasonably require to assess such calculation:

Provided that the application shall be accompanied where relevant, by a detailed tariff revision proposal showing category-wise tariff and how such revision would meet the gap, if any, in Aggregate Revenue Requirement for the respective year of the Control Period:

Provided further that the Commission may specify additional/alternative formats for details to be submitted by the applicant, from time to time, as it may reasonably require for assessing the Aggregate Revenue Requirement and for determining the tariff.

- 22.2 Upon receipt of a complete application accompanied by all requisite information, particulars and documents in compliance with all the requirements specified in

these Regulations, the application shall be deemed to be received and the Commission or the Secretary or the designated Officer shall intimate to the applicant that the application is registered and ready for publication.

- 22.3 The application made shall be supported by affidavit of the person acquainted with the facts stated in the application.
- 22.4 The generating company and licensee shall file information in the following formats for the previous year, current year and ensuing year along with their petition.
- (i) Formats for Hydro Generating Company as provided in Appendix A & Appendix D.
 - (ii) Formats for Transmission licensee as provided in Appendix B & Appendix D.
 - (iii) Formats for Distribution licensee as provided in Appendix C & Appendix D.
- 22.5 The Generating Company and Licensee shall submit a statement on compliance of the directives issued by the Commission in its last tariff order.
- 22.6 Each petition shall be accompanied by such fee as may be prescribed by the Commission.
- 22.7 The petition shall be supported with an affidavit by an authorized person or a person who is acquainted with all facts, stated in the application.
- 22.8 The petition shall be sent by registered post acknowledgement due or by hand delivery. In addition to the hard copies, the information shall necessarily be submitted in such electronic form, as the Commission may require.
- 22.9 Every new licensee shall file with the Commission, within one month of grant of license, a tariff petition along with details. Every new generating company shall file a petition with the Commission, at least three months ahead of commencement of commercial operations.
- 22.10 The Commission shall scrutinize the annual accounts, norms achieved and the information submitted under Annual Revenue Requirement. The Commission may seek any further information, particulars and documents to enable to assess the petitioner's calculations.
- 22.11 On receipt of further required data / information considered necessary, the Commission may take the petition on record for further processing.
- 22.12 The Commission may reject the petition for reasons to be recorded in writing, if such petition is not in accordance with the provisions of the Act and the rules and regulations made there under or the provisions or any other law for the time being in force provided that the petitioner shall be given a reasonable opportunity of being heard before rejecting his application.

- 22.13 In case the generating company or the licensee does not submit the Tariff application within the time allowed by the Commission, the Commission may consider taking up the matter suo-moto.

23. Publication of Tariff application

- 23.1 The applicant shall, within 7 days after registration of the application, publish the tariff petition in such abridged form and manner as may be specified by the Commission, in atleast two daily newspapers, having wide circulation in the area of supply inviting objections / suggestions within the specified date from general public and stake holders.
- 23.2 The applicant shall submit within 15 (fifteen) days of publication of the notice, copies of the newspapers wherein the notice has been published, supported by an affidavit to such effect.
- 23.3 The copies of the application with all enclosures shall be available for sale at a reasonable cost at such offices of the applicant as may be directed by the Commission. Facility, for procuring the copy of the petition by post shall also be provided. The petition with all enclosure in full shape shall be posted at the applicants website in downloadable format.
- 23.4 All suggestions / objections in response to the public notice shall be sent to the Secretary of the Commission at its head quarters office with a copy to the applicant.
- 23.5 The applicant shall file his response/comments /remarks on the suggestions /objections received within 15 days from the last date of receipt of such suggestion /objections with the Commission along with a copy to the objector.
- 23.6 Incase the applicant is unable to respond to any objection, justifiable reasons for not responding shall be furnished. Replies such as 'no comments' etc to any objection(s) shall not be entertained.
- 23.7 If the applicant fails to respond to any suggestion / objection within the given time ,it will be construed that the applicant has no response / comments to offer and the Commission shall proceed to decide the matter in a manner as it deems fit and fair.
- 23.8 The Commission may consider granting extra time to the applicant to file their response / comments, provided the reasons for such extension of time are found reasonable.

24 . Hearing on the application

- 24.1 The Commission shall initiate a proceeding on the revenue calculations and tariff proposals given by the applicant and may hold public hearing(s) to decide on such revenue calculations and tariff proposals.

24.2 The procedure for public hearing of the tariff application shall be in the manner as specified by the Commission.

25. Order of the Commission

25.1 Within a period of 120 days from the date of acceptance of the tariff application and after considering the proceedings of the hearing(s) as well as suggestions / objections received in response to the public notice, the Commission shall issue the tariff order, communicating its decisions on the aggregate revenue requirement, revenue calculations and Tariff proposals to the generating company or the licensee as the case may be.

25.2 Tariff will come into force with effect from the date as specified in the Tariff order.

25.3 The Commission shall forward within 7 days of passing the order, a copy of the order to the State Government, the Central Electricity Authority, the concerned generating company or licensee and other authorities, as may be necessary.

25.4 The Commission shall post the tariff order in its website.

25.5 The tariff order shall, unless amended or revised, continue to be in force for such period as may be specified in the Tariff order.

26. Publication of Tariff Order

26.1 The generating company or the licensee shall publish the tariff or tariff approved by the Commission in two newspapers having wide circulation in the area of supply.

26.2 Copies of such tariff notification shall be made available by the generating company or licensee to any person on payment of a reasonable amount fixed by them.

27. Review of Tariff Order

27.1 All applications for the review of tariff shall be in the form of petition accompanied by the prescribed fee. A petition for review of tariff can be admitted by the Commission under the following conditions:

- i) the review petition is filed within sixty days for the date of the tariff order, and / or
- ii) there is an error apparent on the face of the record.

27.2 On being satisfied that there is a need to review the tariff of any generating company or the licensee, the Commission may on its own initiate process of review of the tariff of any generating company or the licensee. The Commission may also, in

its own motion review any tariff order to correct any clerical error or any error apparent of the face of the record.

28. Amendment to Tariff

The tariff determined and notified as above may not be amended more frequently than once in any financial year, except that tariff rates shall be adjusted in accordance with any adjustment formulae, including variable cost adjustment formula, incorporated in the tariff order or in any order of the Commission.

Provided that the consequential orders, which the Commission may issue to give effect to the subsidy by the State Government shall not be constructed as amendment of the tariff notified.

29 Adherence to Tariff Order

If any Generating Company or Transmission Licensee or Distribution Licensee recovers a price or charge exceeding the tariff determined under Section 62 of the Act and in accordance with these Regulations, the excess amount shall be payable to the person who has paid such price or charge, along with interest equivalent to the Bank Rate of the Reserve Bank of India without prejudice to any other liability incurred by such Generating Company or Transmission Licensee or Distribution Licensee.

30 The Transmission Licensee or Distribution Licensee shall submit periodic returns as maybe required by the Commission, containing operational and cost data to enable the Commission to monitor the implementation of its Order.

31 Annual determination of tariff

31.1 The Commission shall determine the tariff of a Generating Company or Transmission Licensee or Distribution Licensee covered under a Multi-Year Tariff framework for each financial year during the Control Period, at the commencement of such financial year, having regard to the following:

(i) The approved forecast of Aggregate Revenue Requirement including the incentive available for the Generating Company or Transmission Licensee or Distribution Licensee and expected revenue from tariff and charges for such financial year, including modifications approved at the time of mid-term review, if any; and

(ii) Approved gains and losses to be passed through in tariffs, following the Truing Up of previous year.

CHAPTER 3
FINANCIAL PRINCIPLE

32 Debt-Equity Ratio

32.1 For the purpose of determination of tariff, debt-equity ratio as on the date of commercial operation in case of a new generating station, transmission or distribution line or substation commissioned or capacity expanded after 1.4.2014, shall be 70:30. Where equity employed is more than 30%, the amount of equity for the purpose of tariff shall be limited to 30% and the balance amount shall be considered as loan. Where actual equity employed is less than 30%, the actual equity shall be considered:

Provided that in case of the Generating Company, Transmission Licensee and Distribution Licensee, if any fixed asset is capitalised on account of capital expenditure project prior to April 1, 2014, debt-equity ratio allowed by the Commission for determination of tariff for the period ending March 31, 2014 shall be considered:

Provided further that in case of retirement or replacement of assets, the equity capital approved as mentioned above, shall be reduced to the extent of 30% (or actual equity component based on documentary evidence, if it is lower than 30%) of the original cost of the retired or replaced asset: Provided further that for the Generating Company or the Transmission Licensee or the Distribution Licensee formed as a result of a transfer scheme, the date of the transfer scheme shall be the effective date for the determination of equity capital.

33 Capital Cost and capital structure

33.1 Capital cost for a project shall include:

(i) the expenditure incurred or projected to be incurred, including interest during construction and financing charges, any gain or loss on account of foreign exchange rate variation on the loan during construction up to the date of commercial operation of the project, as admitted by the Commission after prudence check;

(ii) capitalised initial spares subject to the ceiling rates specified in these Regulations; and

(iii) additional capitalisation:

Provided that the assets forming part of the project but not put to use or not in use, shall be taken out of the capital cost.

33.2 The capital cost admitted by the Commission after prudence check shall form the basis for determination of tariff:

Provided that prudence check may include scrutiny of the reasonableness of the capital expenditure, financing plan, interest during construction, use of efficient technology, cost over-run and time over-run, and such other matters as may be considered appropriate by the Commission for determination of tariff.

33.3 The approved Capital Cost shall be considered for determination of tariff and if sufficient justification is provided for any escalation in the Capital Cost, the same may be considered by the Commission subject to the prudence check:

Provided that in case the actual capital cost is lower than the approved capital cost, then the actual capital cost will be considered for determination of tariff of the Generating Company or Transmission Licensee or Distribution Licensee.

33.4 The actual capital expenditure on COD for the original scope of work based on audited accounts of the Company limited to original cost may be considered subject to the prudence check by the Commission.

33.5 Where the power purchase agreement or bulk power transmission agreement provides for a ceiling of capital cost, the capital cost to be considered shall not exceed such ceiling.

33.6 The capital cost may include capitalised initial spares:

(i) upto 1.5% of original capital cost in case of hydro-generating stations; and

(ii) upto 1.5% of original capital cost in case of Transmission Licensee and Distribution Licensee.

33.7 Impact of revaluation of assets shall be permitted during the Control Period, provided it does not result in increase in tariff of Generating Company, Transmission Licensee and Distribution Licensee. Any benefit from such revaluation shall be passed on to persons sharing the capacity charge in case of a Generating Company and to long-term intra-State open access customers of transmission licensee or distribution licensee, or retail supply consumers in case of distribution licensees, at the time of annual trueing up.

33.8 Any expenditure on replacement, renovation and modernization or extension of life of old fixed assets, as applicable to Generating Company, Transmission Licensee and Distribution Licensee, shall be considered after writing off the net value of such replaced assets from the original capital cost and will be calculated as follows:

Net Value of Replaced Assets = OCFA - AD - CC;

Where;

OCFA: Original Capital Cost of Replaced Assets;

AD: Accumulated depreciation pertaining to the Replaced Assets;

CC: Total Consumer Contribution pertaining to the Replaced Assets.

34 Additional capitalization

34.1 The following capital expenditure, actually incurred or projected to be incurred, on the following counts within the original scope of work, after the date of commercial operation and up to the cut-off date may be admitted by the Commission, subject to the prudence check:

- (i) Due to Un-discharged liabilities within the original scope of work;
- (ii) On works within the original scope of work, deferred for execution;
- (iii) To meet award of arbitration and compliance of final and un-appealable order or decree of a court arising out of original scope of works;
- (iv) On account of change in law;
- (v) On procurement of initial spares included in the original project costs subject to the ceiling norm specified;
- (vi) Any additional works/services, which have become necessary for efficient and successful operation of a generating station or a transmission system or a distribution system but not included in the original capital cost:

Provided that original scope of work along with estimates of expenditure shall be submitted as a part of Business Plan: Provided further that a list of the deferred liabilities and works deferred for execution shall be submitted along with the application for final tariff after the date of commercial operation of the generating Unit/Station or transmission system or distribution system. Provided further that the assets forming part of the project but not put to use, shall not be considered.

34.2 Impact of additional capitalization on tariff, as the case may be, shall be considered during Truing Up of each financial year of the Control Period.

35 Consumer contribution, Deposit Work and Grant

35.1 The following nature of work carried out by the Transmission Licensee and Distribution Licensee shall be classified under this category:

- (i) Works after obtaining a part or all of the funds from the users in the context of deposit works;
- (ii) Capital works undertaken by utilising grants received from the State and Central Governments, including funds under RGGVY, APDRP, etc;
- (iii) Any other grant of similar nature and such amount received without any obligation to return the same and with no interest costs attached to such subvention.

36 Return on Equity

36.1 Return on equity shall be computed on the paid up equity capital determined in accordance with Regulation relating to the Generating Company or Transmission Licensee or Distribution Licensee as the case may be and shall be allowed at the rate of 14% for Generating

Companies, including hydro generation stations above 25 MW, Transmission Licensee, and Distribution Licensee:

Provided that for Generating Company, Transmission Licensee and Distribution Licensee, Return on Equity shall be allowed on the amount of allowed equity capital for the assets put to use at the commencement of each financial year and on 50% of equity capital portion of the allowable capital cost for the investments put to use during the financial year: Provided further that for the purpose of truing up for the Generating Company, Transmission Licensee and Distribution Licensee, return on equity shall be allowed on pro-rata basis based on documentary evidence provided for the assets put to use during the year.

36.2 The premium raised by the Generating Company or the Transmission Licensee or Distribution Licensee while issuing share capital and investment of internal resources created out of free reserve, if any, shall also be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilised for meeting capital expenditure.

36.3 Equity invested in foreign currency shall be converted to rupee currency based on the exchange rate prevailing on the date(s) it is subscribed.

37 Interest and finance charges on loan capital

37.1 The loans arrived at in the manner indicated in Regulation 32 shall be considered as gross normative loan for calculation of interest on loan:

Provided that interest and finance charges on capital works in progress shall be excluded:

Provided further that in case of retirement or replacement of assets, the loan capital approved as mentioned above, shall be reduced to the extent of outstanding loan component of the original cost of the retired or replaced assets, based on documentary evidence.

37.2 The normative loan outstanding as on April 1, 2014, shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2014, from the gross normative loan.

37.3 The repayment for the year during the tariff period from FY 2014-15 to FY 2016-17 shall be deemed to be equal to the depreciation allowed for that year.

37.4 Notwithstanding any moratorium period availed by the Generating Company or the Transmission Licensee or the Distribution Licensee, as the case may be, the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.

37.5 The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the Generating Company or the Transmission Licensee or the Distribution Licensee:

Provided that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered:

Provided further that if the Generating Company or the Transmission Licensee or the Distribution Licensee, as the case may be, does not have actual loan, then the weighted average rate of interest of the Generating Company or the Transmission Licensee or the Distribution Licensee as a whole shall be considered.

37.6 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

37.7 The above interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contribution, Grants or Deposit Works carried out by Transmission Licensee or Distribution Licensee or Generating Company, as the case may be.

37.8 The Generating Company or the Transmission Licensee or the Distribution Licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the beneficiaries and the net savings shall be shared between the beneficiaries and the Generating Company or the Transmission Licensee or the Distribution Licensee, as the case may be, in the ratio of 2:1.

37.9 Interest shall be allowed on the amount held as security deposit held in cash from Transmission System Users, Distribution System consumers at the Bank Rate as on 1st April of the financial year in which the Petition is filed.

38. Depreciation

38.1 Land other than the land held under lease and the land for reservoir in case of hydro generating station shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.

38.2 In case of the existing projects, the balance depreciable value as on April 1, 2014, shall be worked out by deducting the cumulative depreciation as admitted by the Commission upto March 31, 2014, from the gross value of the assets.

38.3 In case of projected commercial operation of the asset for part of the year, depreciation shall be calculated based on the average of opening and closing value of asset, approved by the Commission:

Provided that depreciation will be re-calculated during truing-up for assets capitalised at the time of Truing Up of each year of the Control Period, based on documentary evidence of asset capitalised by the applicant, subject to the prudence check of the Commission, such that the depreciation is calculated proportionately from the date of capitalisation.

39. Interest on Working Capital

39.1 Generation:

(i) In case of hydro power generating stations, working capital shall cover:

- (a) Operation and maintenance expenses for one (1) month;
- (b) Maintenance spares at one (1) per cent of the historical cost escalated at 6% from the date of commercial operation; and
- (c) Receivables equivalent to one (1) month of fixed cost:

Provided that in case of own generating stations, no amount shall be allowed towards receivables, to the extent of supply of power by the Generation Business to the Retail Supply Business, in the computation of working capital in accordance with these Regulations.

Interest on working capital shall be allowed at a rate equal to the State Bank Advance Rate (SBAR) as on 1st April of the financial year in which the Petition is filed.

39.2 Transmission:

(i) The Transmission Licensee shall be allowed interest on the estimated level of working capital for the financial year, computed as follows:

- (a) Operation and maintenance expenses for one month; plus
- (b) Maintenance spares at one (1) per cent of the historical cost escalated at 6% from the date of commercial operation; plus
- (c) Receivables equivalent to one (1) month of transmission charges calculated on target availability level; minus
- (d) Amount, if any, held as security deposits except the security deposits held in the form of Bank Guarantee from Transmission System User

39.3 Distribution Business(i) The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Distribution Wires Business for the financial year, computed as follows:

- (a) Operation and maintenance expenses for one month; plus
- (b) Maintenance spares at one (1) per cent of the historical cost escalated at 6% from the date of commercial operation; plus
- (c) Receivables equivalent to one (1) month of the expected revenue from charges for use of Distribution Wires at the prevailing tariffs; minus

(d) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from Distribution System Users except the security deposits held in the form of Bank Guarantees.

(ii) Interest shall be allowed at a rate equal to the State Bank Advance Rate (SBAR) as on 1st April of the financial year in which the Petition is filed.

40 Tax on income

40.1 The Commission in its MYT Order shall provisionally approve Income Tax payable for each year of the Control Period, if any, based on the actual income tax paid as per latest Audited Accounts available for the applicant, subject to prudence check.

40.2 Variation between Income Tax actually paid and approved, if any, on the income stream of the regulated business of Generating Companies, Transmission Licensees and Distribution Licensees shall be reimbursed to/recovered from the Generating Companies, Transmission Licensees and Distribution Licensees, based on the documentary evidence submitted at the time of truing up of each year of the Control Period, subject to prudence check.

40.3 Under-recovery or over-recovery of any amount from the beneficiaries or the consumers on account of such tax having been passed on to them shall be adjusted every year on the basis of income-tax assessment under the Income-Tax Act, 1961, as certified by the statutory auditors. The Generating Company, or the Transmission Licensee or Distribution Licensee, as the case may be, may include this variation in its truing up Petition:

Provided that tax on any income stream other than the core business shall not be a pass through component in tariff and tax on such other income shall be borne by the Generating Company or Transmission Licensee or the Distribution Licensee, as the case may be.

41. Rebate

41.1 For payment of bills of generation tariff or transmission charges through Letter of Credit or otherwise, within 7 days of presentation of bills, by the Generating Company or the Transmission Licensee, as the case may be, a rebate of 2% on billed amount, excluding the taxes, cess, duties, etc., shall be allowed. Where payments are made subsequently through opening of Letter of Credit or otherwise, but within a period of one month of presentation of bills by the Generating Company or the Transmission Licensee, as the case may be, a rebate of 1% on billed amount, excluding the taxes, cess, duties, etc., shall be allowed.

42 Delayed Payment Surcharge

42.1 In case the payment of bills of generation tariff or transmission charges by the beneficiary or beneficiaries is delayed beyond a period of 30 days from the date of billing, late payment surcharge at the rate of 1.25% per month on billed amount shall be levied for the period of delay by the Generating Company or the Transmission Licensee, as the case may be.

43 Foreign Exchange Rate Variation

43.1 The Generating Company or the Transmission Licensee or the Distribution Licensee, as the case may be, may hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the generating station or the transmission system or distribution system, in part or full, at the discretion of the Generating Company or the Transmission Licensee or the Distribution Licensee.

43.2 Every Generating Company and Transmission Licensee and Distribution Licensee shall recover the cost of hedging of foreign exchange rate variation corresponding to the normative foreign debt, in the relevant year on year-to-year basis as expense in the period in which it arises and extra rupee liability corresponding to such foreign exchange rate variation shall not be allowed against the hedged foreign debt.

43.3 To the extent the Generating Company or the Transmission Licensee or the Distribution Licensee is not able to hedge the foreign exchange exposure, the extra rupee liability towards interest payment and loan repayment corresponding to the normative foreign currency loan in the relevant year shall be permissible provided it is not attributable to the Generating Company or the Transmission Licensee or the Distribution Licensee or its suppliers or contractors.

44 Recovery of cost of hedging Foreign Exchange Rate Variation

44.1 Every Generating Company and the Transmission Licensee and the Distribution Licensee shall recover the cost of hedging and foreign exchange rate variation on year-to-year basis as income or expense in the period in which it arises.

CHAPTER-4

GENERATION

45. Applicability

45.1 The Regulations specified in this Chapter shall apply for determining the tariff for supply of electricity to a Distribution Licensee from hydro generation stations of capacity more than 25 MW:

Provided that determination of tariff for supply of electricity to a Distribution Licensee from Renewable Energy sources of generation shall be in accordance with terms and conditions as stipulated in the relevant Regulations/Orders of the Commission.

45.2 The Commission shall be guided by the Regulations contained in this Chapter in determining the tariff for supply of electricity by a Generating Company to a Distribution Licensee in the following cases:

- i) where such tariff is pursuant to a power purchase agreement or arrangement entered into subsequent to the date of effectiveness of these Regulations; or
- ii) where such tariff is pursuant to a power purchase agreement or arrangement entered into prior to the date of effectiveness of these Regulations and either the Commission has not previously approved such agreement/arrangement or the agreement/ arrangement envisages that the tariff shall be based on the APSERC Tariff Regulations; or
- iii) where the Distribution Licensee is engaged in the business of generation of electricity, in determining the transfer price at which electricity is supplied by the Generation Business of the Distribution Licensee to its Retail Supply Business:

Provided that the Commission may deviate from the norms contained in this Chapter or specify alternative norms for particular cases, where it so deems appropriate, having regard to the circumstances of the case: Provided further that the reasons for such deviation(s) shall be recorded in writing.

45.3 Notwithstanding anything contained in this Chapter 4, the Commission shall adopt the tariff if such tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government.

46. Petition for determination of generation tariff

46.1 A Generating Company is required to file a Petition for determination of tariff for supply of electricity to Distribution Licensees in accordance with the provisions of Chapter 2 of these Regulations.

46.2 Tariff in respect of a Generating Station under these Regulations may be determined Stage-wise, Unit-wise or for the whole Generating Station. The terms and conditions for

determination of tariff for Generating Stations specified in this Part shall apply in like manner to Stages or Units, as the case may be, as to Generating Stations.

46.3 Where the tariff is being determined for a Stage or Unit of a Generating Station, the Generating Company shall adopt a reasonable basis for allocation of capital cost relating to common facilities and allocation of joint and common costs across all Stages or Units, as the case may be:

Provided that the Generating Company shall maintain an Allocation Statement providing the basis for allocation of such costs, which shall be duly audited and certified by the statutory auditors, and submit such audited and certified statement to the Commission along with the application for determination of tariff.

46.4 A Generating Company may file a Petition for determination of provisional tariff in advance of the anticipated Date of Commercial Operation of the Unit or Stage or Generating Station as a whole, as the case may be, based on the capital expenditure actually incurred up to the date of making the Petition or a date prior to making of the Petition, duly audited and certified by the statutory auditors and the provisional tariff shall be charged from the date of commercial operation of such Unit or Stage or Generating Station, as the case may be.

46.5 A Generating Company shall file a fresh Petition in accordance with these Regulations, for determination of final tariff based on actual capital expenditure incurred up to the date of commercial operation of the Generating Station duly certified by the statutory auditors based on Annual Audited Accounts.

46.6 Any difference in provisional tariff and the final tariff determined by the Commission and not attributable to the Generating Company may be adjusted at the time of determination of final tariff for the following year as directed by the Commission.

46.7 In relation to multi-purpose hydroelectric Projects, with irrigation, flood control and power components, the capital cost chargeable to the power component of the Project only shall be considered for determination of tariff.

A. HYDRO POWER GENERATING STATION

47. Definitions

Unless the context otherwise requires for the purpose of this part

- (1) **Auxiliary Energy Consumption** in relation to a period, means the quantum of energy consumed by auxiliary equipment of the generating station and shall be expressed as a percentage of the sum of gross energy generated at the generator terminals of all the Units of the generating station: Provided that for the purpose of these Regulations, auxiliary energy consumption for a generating station shall include transformer losses within the generating station: Provided further that colony consumption of a generating station shall not be included as part of the auxiliary consumption for the purpose of these Regulations.
- (2) **Beneficiary** in relation to a generating station means the person purchasing electricity generated at such a generating station whose tariff is determined under these Regulations;
- (3) **“Capacity Index”** means the average of the daily capacity indices over one year;
- (4) **Date of Commercial Operation (COD) means:** in relation to a unit of a hydro generating station, the date declared by the Generating Company from 00:00 hour of which, after notice to the beneficiaries, scheduling process in accordance with the Commissions Order is fully implemented, and in relation to the generating station as a whole, the date declared by the Generating Company after demonstrating peaking capability corresponding to installed capacity of the generating station through a successful trial run, after notice to the beneficiaries;

Note:

“i. In case the hydro generating station with pondage or storage is not able to demonstrate peaking capability corresponding to the installed capacity for the reasons of insufficient reservoir or pond level, the date of commercial operation of the last unit of the generating station shall be considered as the date of commercial operation of the generating station as a whole, provided that it will be mandatory for such hydro generating station to demonstrate peaking capability equivalent to installed capacity of the generating unit or the generating station as and when such reservoir/pond level is achieved.

ii. In case of purely run-of-river hydro generating station, if the unit or the generating station is declared under commercial operation during lean inflows period when the water is not sufficient for such demonstration, it shall be mandatory for such hydro generating station or unit to demonstrate peaking capability equivalent to installed capacity as and when sufficient inflow is available. “

- (5) **“Daily Capacity Index”** means the declared capacity expressed as a percentage of the maximum available capacity for the day and shall be mathematically expressed as hereunder:

$$\text{Daily Capacity Index} = \frac{\text{Declared Capacity (MW)}}{\text{Maximum Available Capacity (MW)}} \times 100$$

- (6) **“Declared Capacity” (DC)** for hydro power generating stations: the ex-bus capacity in MW expected to be available from the generating station for the ith day of the month, which the station can deliver for at least three (3) hours, as certified by the A.P. State Load Dispatch Centre after the day is over, taking into account the availability of water;
- (7) **Deemed Generation** means the energy, which a generating station was capable of generating but could not generate due to the conditions of grid or power system beyond the control of generating station.
- (8) **Design Energy** shall mean the quantum of energy, which could be generated in a 90% dependable year with 95% installed capacity of the generating station.
- (9) **Existing Generating Unit/Station** means a generating unit/station declared under commercial operation prior to the date of effectiveness of these Regulations;
- (10) **Installed Capacity** means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station (reckoned at the generator terminals) as approved by the Commission from time to time;
- (11) **‘Infirm Power’** means electricity generated prior to commercial operation of the Unit of a generating station.
- (12) **“Maximum Available Capacity”** shall mean the following:
- (i) Purely run-of-river power stations: The maximum capacity in MW, the generating station can generate with all units running, under the prevailing conditions of water levels and flows over the next day.
- (13) **New Generating Unit/Station** means a generating unit/station declared under commercial operation on or after the date of coming into force of these Regulations;
- (14) **Normative Annual Plant Availability Factor or NAPAF** in relation to a hydro generating station means the availability factor specified in Regulation 55.1 for hydro generating stations;

- (15) **Primary Energy** means the quantum of energy generated up to the design energy on per year basis at the generating station;
- (16) **Run-of-river power station** means a hydro electric power generating station which has no upstream pondage;
- (17) **Run-of-river power station with pondage** means a hydro electric power generating station with sufficient pondage for meeting the diurnal variation of power demand;
- (18) **Storage Type power station** means a hydro electric power generating station associated with large storage capacity to enable variation of generation of power according to demand;
- (19) **“Saleable Primary Energy”** means the quantum of primary energy available for sale (ex-bus) after allowing for free energy to home state, if any.
- (20) **“Secondary Energy”** means the quantum of energy generated in excess of the design energy on per year basis at the generating station;
- (21) **“Saleable Secondary Energy”** means the quantum of secondary energy available for sale (ex-bus) after allowing for free energy to home state, if any.
- (22) **“Scheduled Energy”** means the quantum of energy to be generated at the generating station over the 24-hours period, as scheduled by the State Load Dispatch Centre;
- (23) **Scheduled Generation or SG'** at any time or for any period or time block means schedule of generation in MW ex-bus given by the State Load Dispatch Centre;
- (24) **‘Useful Life’** means in respect of a hydro generating station 35 years.

48 Annual Fixed Charges

48.1 Components of Annual Fixed Charges

The Annual Fixed Charges shall comprise of the following elements:

- (i) Depreciation;
- (ii) Operation & Maintenance Expenses;
- (iii) Return on Equity;
- (iv) Interest and Finance Charges on Loan Capital;
- (v) Interest on Working Capital;

minus:

(vi) Non-Tariff Income:

Provided that Depreciation, Interest and finance charges on Loan Capital, Interest on Working Capital and Return on Equity for Thermal and Hydro Generating Stations shall be allowed in accordance with the provision specified in Chapter 3 of these Regulations

49. Capital Cost

49.1 The Commission shall issue guidelines for:

- (i). Verifying the capital cost of Hydro electric projects by an independent agency or expert and in such a case, the capital cost as vetted by such agency or expert may be considered by Commission while determining the tariff for hydro generating station.
- (ii). Scrutiny and approval of commissioning schedule for hydro electric power projects of a developer, not being a state controlled or owned company as envisaged in the tariff policy, as amended in GOI Resolution No. 23/2/2005-R&R (Vol IV) dated 31.3.2008.

49.2 In case the site of a hydro generating station is awarded to a developer (not being a state controlled or owned company), by a State Government by following a two stage transparent process of bidding, any expenditure incurred or committed to be incurred by the project developer for getting the project site allotted shall not be included in the capital cost.

Provided the capital cost in case of such hydro station shall include:

- (i) Cost of approved rehabilitation and resettlement (R&R) plan of the project in conformity of National R&R policy and (R&R) package as approved; and
- (ii) Cost of the developer's 10% contribution towards Rajiv Gandhi Grameen, Vidyutikaran Yojana (RGGVY) project in affected area:

50. Renovation and Modernisation

50.1 The generating company for meeting the expenditure on renovation and modernization (R&M) for the purpose of extension of life beyond the useful life of the generating station or a unit thereof, shall submit such detailed report giving complete scope, justification, cost benefit analysis, estimated life extension from a reference date, financial package, phasing of expenditure, schedule of completion, reference price level, estimated completion cost including foreign exchange component, (if any) record of consultation with beneficiaries and any other information considered to be relevant by the generating company for approval of the Commission.

50.2 Where generating company makes such application for approval of its proposal for renovation and modernization the Commission shall give its approval after due

consideration of reasonableness of cost estimates, financing plan, schedule of completion, interest during construction, use of efficient technology, cost benefit analysis and such other factors which the Commission may consider relevant.

50.3 Any expenditure incurred or projected to be incurred and admitted by the Commission after prudent check, based on estimates for renovation and modernization already recovered from original project cost, shall form the basis for determination of tariff.

51. Components of tariff

51.1 Tariff for supply of electricity from a hydro power generating station shall comprise of two parts, namely, annual capacity charges and energy charges to be in the manner provided hereinafter.

51.2 The fixed cost of a generating station eligible for recovery through annual capacity charges shall consist of:

- (i) Return on equity as may be allowed
- (ii) Interest on Loan Capital;
- (iii) Operation and maintenance expenses;
- (iv) Interest on Working Capital;
- (v) Depreciation as may be allowed by the Commission.
- (vi) Taxes on Income

51.3 The annual capacity charges recoverable shall be worked out by deducting other income from the total expenses.

52. Interest and finance charges on loan capital

52.1 Interest and finance charges on loan capital shall be computed on the outstanding loans, duly taking into account the schedule of loan repayment, terms and conditions of loan agreements, bond or debenture and the lending rate prevailing therein.

Provided that the outstanding loan capital shall be adjusted to be consistent with the loan amount determined in accordance with these Regulations .

52.2 The interest and finance charges attributable to Capital Work in Progress shall be excluded.

52.3 The generating company shall make every effort to swap loans as long as it results in net benefit to the beneficiaries. The costs associated with such swapping shall be borne by the beneficiaries.

52.4 The changes to the loan terms and conditions shall be reflected from the date of such swapping and benefit shared between the beneficiaries and the generating company in a ratio as may be specified by the Commission as envisaged in Regulation 18.

52.5 In case any moratorium period is availed of by the generating company, depreciation provided for in the tariff during the years of moratorium shall be treated as repayment during those years and interest on loan capital shall be calculated accordingly.

53. Operation and maintenance expenses

53.1 Operation and Maintenance Expenses (O & M Expenses) shall mean the total of all expenditure under the following heads: -

- (i) Employee Cost
- (ii) Repairs and Maintenance
- (iii) Administration and General Expenses.

54. Computation and payment of capacity charge and energy charge for Hydro generating stations.

54.1 Capacity Charges:

- (i) The fixed cost of a hydro generating station shall be computed on annual basis, based on norms specified under these regulations, and recovered on monthly basis under capacity charge (inclusive of incentive) and energy charge, which shall be payable by the beneficiaries in proportion to their respective allocation in the saleable capacity of the generating station, that is to say, in the capacity excluding the free power to the home State:

Provided that during the period between the date of commercial operation of the first unit of the generating station and the date of commercial operation of the generating station, the annual fixed cost shall provisionally be worked out based on the latest estimate of the completion cost for the generating station, for the purpose of determining the capacity charge and energy charge payment during such period.

- (ii) The capacity charge (inclusive of incentive) payable to a hydro generating station for a calendar month shall be

= AFC x 0.5 x NDM / NDY x (PAFM / NAPAF) (in Rupees)

Where,

AFC = Annual fixed cost specified for the year, in Rupees.

NAPAF	=	Normative plant availability factor in percentage
NDM	=	Number of days in the month
NDY	=	Number of days in the year
PAFM	=	Plant availability factor achieved during the month, n Percentage

(iii) The PAFM shall be computed in accordance with the following formula:

$$PAFM = 10000 \times \sum_{i=1}^N DC_i / \{ N \times IC \times (100 - AUX) \} \%$$

Where,

AUX	=	Normative auxiliary energy consumption in percentage
DC _i	=	Declared capacity (in ex-bus MW) for the ith day of the Month which the station can deliver for at least three (3) hours, as certified by the nodal load dispatch centre after the day is over.
IC	=	Installed capacity (in MW) of the complete generating station
N	=	Number of days in the month

54.2 Energy Charges:

(i) The energy charge shall be payable by every beneficiary for the total energy scheduled to be supplied to the beneficiary, excluding free energy, if any, during the calendar month, on ex power plant basis, at the computed energy charge rate. Total Energy charge payable to the generating company for a month shall be :

$$= (\text{Energy charge rate in Rs. / kWh}) \times \{ \text{Scheduled energy (ex-bus) for the month in kWh} \} \times (100 - FEHS) / 100.$$

(ii) Energy charge rate (ECR) in Rupees per kWh on ex-power plant basis, for a hydro generating station, shall be determined up to three decimal places based on the following formula, subject to the provisions of clause (4) :

$$ECR = AFC \times 0.5 \times 10 / \{ DE \times (100 - AUX) \times (100 - FEHS) \}$$

Where,

DE = Annual design energy specified for the hydro generating station, In MWh, subject to the provision in clause (6) below.

FEHS = Free energy for home State as fixed from time to time, by competent authority.

(iii) In case actual total energy generated by a hydro generating station during a year is less than the design energy for reasons beyond the control of the generating company, the following treatment shall be applied on a rolling basis:

(a) in case the energy shortfall occurs within ten years from the date of commercial operation of a generating station, the ECR for the year following the year of energy shortfall shall be computed based on the formula specified in clause (2) with the modification that the DE for the year shall be considered as equal to the actual energy generated during the year of the shortfall, till the energy charge shortfall of the previous year has been made up, after which normal ECR shall be applicable;

(b) in case the energy shortfall occurs after ten years from the date of commercial operation of a generating station, the following shall apply:

Suppose the specified annual design energy for the station is DE MWh, and the actual energy generated during the concerned (first) and the following (second) financial years is A1 and A2 MWh respectively, A1 being less than DE. Then, the design energy to be considered in the formula in clause (5) of this Regulation for calculating the ECR for the third financial year shall be moderated as $(A1 + A2 - DE)$ MWh, subject to a maximum of DE MWh and a minimum of A1 MWh.

(c) Actual energy generated (e.g. A1, A2) shall be arrived at by multiplying the net metered energy sent out from the station by $100 / (100 - AUX)$.

(iv) In case the energy charge rate (ECR) for a hydro generating station, as computed in clause (5) above, exceeds eighty paise per kWh, and the actual saleable energy in a year exceeds $\{ DE \times (100 - AUX) \times (100 - FEHS) / 10000\}$ MWh, the Energy charge for the energy in excess of the above shall be billed at eighty paise per kWh only:

Provided that in a year following a year in which total energy generated was less than the design energy for reasons beyond the control of the generating company, the energy charge rate shall be reduced to eighty paise per kWh after the energy charge shortfall of the previous year has been made up.

v) The concerned Load Despatch Centre shall finalise the schedules for the hydro generating stations, in consultation with the beneficiaries, for optimal utilization of all the energy declared to be available, which shall be scheduled for all beneficiaries in proportion to their respective allocations in the generating station.

55. Norms of operation

The norms of operation shall be as under:

55.1 Normative annual plant availability factor (NAPAF)

- (i) Run –of- River type plants: NAPAF to be determined plant-wise, based on 10-day design energy data, moderated by past experience where available / relevant.

Note:

- (a) *A further allowance may be made by the Commission under special circumstances, eg. Abnormal silt problem or other operating conditions, and known plant limitations.*
- (b) *A further allowance of 5 % may be allowed for difficulties in the North East Region.*
- (c) *In case of new hydro electric project the developer shall have the option of approaching the Commission in advance for further above norms.*

55.2 Auxiliary energy consumption:

- (i) Surface hydro electric power generating stations with rotating exciters mounted on the generator shaft 0.7% of energy generated.
- (ii) Surface hydro electric power generating stations with static excitation system.....1.0% of energy generated.
- (iii) Underground hydro electric power generating stations with rotating exciters mounted on the generator shaft0.9% of energy generated.
- (iv) Underground hydro electric power generating stations with static excitation System1.2% of energy generated.

55.3 Transformation losses

From generation voltage to transmission voltage0.5% of energy generated.

56. Connectivity and SLDC Charges

Connectivity charges and SLDC charges as determined by the Commission shall be considered as expenses. SLDC and transmission charges paid for energy sold outside the state shall not be considered as expenses for determining generation tariff.

57. Other income

All Income other than income from sale of energy and net U I charges gained (after introduction of intra-state ABT) shall be grouped as other income. UI penalties shall not be netted off from other income. The UI penalties shall be borne by the generating company.

58. Sale of Infirm Power

Supply of infirm power shall be accounted as Unscheduled Interchange (UI) and paid for from the regional or State UI pool account at the applicable frequency-linked UI rate:

Provided that any revenue earned by the generating company from sale of infirm power after accounting for the fuel expenses shall be applied for reduction in capital cost:

59. Incentive for completion of hydro electric power generating stations ahead of schedule

59.1 In case of commissioning of a hydro electric power generating station or an unit thereof ahead of schedule, the generating station shall become eligible for incentive of an amount equal to the pro-rata amount of reduction in interest during construction achieved by such commissioning, ahead of schedule.

Provided the hydro generating station shall obtain the Commission's approval of project calendar, prior to its implementation for the purpose of claiming the incentive (s).

59.2 The incentive shall be recovered through tariff in twelve equal monthly installments during the first year of operation of the generating station.

59.3 In case of delay in commissioning, interest during construction for the period of delay shall not be allowed to be capitalized for determination of tariff, unless the delay is not attributable to the generating Company.

60. Unscheduled Interchange (UI) charges (Intra State ABT scenario)

60.1 Variation between actual generation or actual drawal and scheduled generation or scheduled drawal shall be accounted for through Unscheduled Interchange (UI) Charges. UI for a generating station shall be equal to its actual generation minus its scheduled generation. UI shall be worked out for each 15 minutes time block. Charges for all UI transactions shall be based on average frequency of the time block and rates as specified by CERC from time to time.

60.2 UI charges for intra-state transactions will arise after intra-state ABT is notified by the Commission and becomes effective.

61. Rebate

61.1 For payment of bills of the generating company through letter of credit on presentation, a rebate of 2% shall be allowed.

61.2 Where payments are made subsequently within a period of one month of presentation of bills by the generating company, a rebate of 1% shall be allowed.

62. Late payment surcharge

In case the payment of any bills for charges payable under these regulations is delayed by a beneficiary beyond a period of two month from the date of billing a late payment surcharge at the rate of 1.25% per month shall be levied by generating company.

Chapter – 5:

TRANSMISSION TARIFF

63. Definitions

(1) **“Availability”** in relation to a transmission system for a given period shall mean the time in hours during that period in which the transmission system is capable of transmitting electricity at its rated voltage to the delivery point and shall be expressed in percentage of total hours in the given period. The procedure specified in CERC Tariff Regulations 2009 may be followed.

(2) **Allotted Transmission Capacity** means the power transfer in MW between the specified point(s) of injection and point(s) of drawal allowed to a long-term customer or a medium-term customer on the intra-State transmission system under the normal circumstances and the expression "allotment of transmission capacity" shall be construed accordingly:

Provided that the Allotted Transmission Capacity to a long-term transmission customer or a medium-term transmission customer shall be sum of the generating capacities allocated to the long-term transmission customer or the medium-term transmission customer from the generating stations and the contracted power, if any;

- (3) **Bulk Power Transmission Agreement** means an executed Agreement that contains the terms and conditions under which a Transmission System User is entitled to access an intra-State transmission system of a Transmission Licensee;
- 4) **“Connectivity”** means arrangement to facilitate interconnection of a licensee point, open access customer point and generating station point with arrangement to control the circuit with suitable switchgear including protection, communication and metering arrangement.
- 5) **“Connectivity Charge”** means charge to be recovered for cost of arranging connectivity from concerned agency for availing the connection.
- 6) **“Contracted Power”** means the power in MW which the transmission licensee has agreed to carry for the customer as per transmission service agreements or otherwise.
- 7) **‘Date of Commercial operation’** in relation to the transmission system, the date declared by the transmission licensee from 0000 hour of which an element of the transmission system is in regular service after successful charging and trial operation:

Provided that the date shall be the first day of a calendar month and transmission charge for the element shall be payable and its availability shall be accounted for, from that date:

Provided further that in case an element of the transmission system is ready for regular service but is prevented from providing such service for reasons not attributable to the transmission licensee, its suppliers or contractors, the Commission may approve the date of commercial operation prior to the element coming into regular service.

- (8) **Event** means an unscheduled or unplanned occurrence in the intra-State transmission system including faults, incidents and breakdowns;
- (9) **High Tension or HT** means all voltages defined as high or extra high voltage under clause (av) of sub-rule (1) of Rule 2 of the Indian Electricity Rules, 1956 and corresponding voltage classifications as may be specified in accordance with clause (c) of sub-section (2) of Section 185 of the Act;
- 10) **‘Long Term Transmission Customers’** means a person availing or intending to avail access to the intra-state transmission system for a period of twenty five years or more.
- 11) **“Open Access Customers”** means a consumer permitted by the Commission to receive supply of electricity from a person, other than Distribution Licensee of his area of supply and the expression includes a generating company and a licensee, who has availed of or intends to avail of open access.

- 12) **“Rated Voltage”** means the voltage at which the transmission system is designed to operate or such lower voltage at which the line is charged for the time being in consultation with Transmission System Users.
- 13) **“Transmission”** means conveyance of electricity by means of transmission lines.
- 14) **“Transmission Services Agreement”** means an agreement entered into between a transmission licensee and the open access customer to avail access to the licensee’s transmission system for the transmission of electricity.
- (15) **Transmission System** means a line or a group of lines with or without associated sub-station, and includes equipment associated with transmission lines and sub-stations;
- (16) **Transmission System User** means a person who has been allotted transmission capacity rights to access an intra-State transmission system pursuant to a Bulk Power Transmission Agreement, except as provided in the Arunachal Pradesh State Electricity Regulatory Commission (Terms & Conditions of Open Access) Regulations, 2012, as applicable and as amended from time to time;
- 17) **‘Transmission Business’** means the business of transmission of electricity by a Transmission Licensee to a beneficiary and permitted open access customers.
- 18) **“Transmission Licensee”** means a licensee authorized to establish or operate transmission lines.
- 19) **‘Useful Life’** in relation to a unit or transmission system shall be 35 Years from the date of commercial operation thereof.

64. Applicability

64.1 The Regulations contained in this Chapter shall apply to determination of tariff for access and use of the intra-State transmission system in the State of Arunachal Pradesh:

Provided that the Commission may deviate from the norms contained in this Part or stipulate alternative norms for particular cases, where it so deems appropriate, having regard to the circumstances of the case: Provided further that the reasons for such deviation shall be recorded in writing.

64.2 The Commission shall be guided by the Regulations contained in this Chapter in specifying the rates, charges, terms and conditions for use of intervening transmission facilities pursuant to an application made in this regard by a Licensee under the proviso to Section 36 of the Act.

65. Components of tariff

65.1 The Annual Transmission Charges for each financial year of the Control Period shall provide for the recovery of the Aggregate Revenue Requirement of the Transmission Licensee for the respective financial year of the Control Period, as reduced by the amount of Non-Tariff Income, income from Other Business and short-term transmission charges of the previous year, as approved by the Commission:

Provided that in case of competitively awarded transmission system projects in pursuance of Section 63 of the Act and in accordance with guidelines for competitive bidding for transmission, the annual transmission charges shall be as per the annual Transmission Service Charges (TSC) quoted by such competitively awarded transmission projects.

65.2 The Annual Transmission Charges of the Transmission Licensee shall be determined by the Commission on the basis of an application for determination of Aggregate Revenue Requirement made by the Transmission Licensee in accordance with Chapter-2 of these Regulations.

66. Business Plan

66.1 Each Transmission Licensee shall submit a Business Plan in the manner specified in Chapter-2 of these Regulations.

67. Capital Investment Plan

67.1 The Transmission Licensee shall submit a detailed capital investment plan, financing plan and physical targets for each year of the Control Period for meeting the requirement of load growth, improvement in quality of supply, reliability, metering, reduction in congestion, etc., to the Commission for approval, as a part of the Business Plan:

Provided that the Capital Investment Plan shall be submitted for each year of the Control Period:

Provided further that the Capital Investment Plan shall be accompanied by such information, particulars and documents as may be required including but not limited to the information such as number of bays, name, configuration and location of grid substations, substation capacity (MVA), transmission line length (ckt-km) showing the need for the proposed investments, alternatives considered, cost/benefit analysis and other aspects that may have a bearing on the transmission charges.

67.2 The Capital Investment Plan of the Transmission Licensee shall be consistent with the transmission system plan for the intra-State transmission system.

68 Renovation and Modernisation

- 68.1 A transmission licensee shall make an application before the commission for approval of a proposal for meeting expenditure on renovation and modernization (R&M) for the purpose of extension of life of a unit or the transmission system along with a detailed project report giving complete scope, justification, cost benefit analysis, estimated life extension from a reference date, financing package, phasing of expenditure, schedule of completion, reference price level, estimated completed cost including foreign exchange component, if any, record of consultation with beneficiaries and any other information considered to be relevant by the transmission licensee.
- 68.2 Where the transmission licensee makes an application for approval of its proposal for renovation and modernization, the Commission shall accord approval after due consideration of the reasonableness of the cost estimates, financing package, schedule of completion, interest during construction, use of efficient technology, cost benefit analysis and such other factors as may be considered necessary.
- 68.3 Any expenditure incurred or projected to be incurred and admitted by the Commission after prudent check based on estimate for renovation and modernization and life extension, and after deducting accumulated depreciation already recovered from the original project cost, shall form the basis for determination of tariff.

69. Operation and Maintenance Expenses

- 69.1 Operation and Maintenance Expenses or O&M Expenses shall mean the total of all expenditure under the following heads:-
- (i) Employee Cost
 - (ii) Repairs and Maintenance
 - (iii) Administration and General Expenses.
- 69.2 The Licensee shall submit O&M expenses budget indicating the expenditure under each head of account showing actuals of the last financial year, estimates for the current year and projections for the next financial year.
- 69.3 The norms for O&M expenses on the basis of circuit kilometers of transmission lines, transformation capacity and number of bays in substations shall be submitted for approval of the Commission.
- 69.4 The Commission shall verify the budget estimates and projections and allow the expenditure depending on its views about the reasonableness of the projections.
- 69.5 Increase in O&M expenses due to natural calamities or insurgency or other factors not within its control may be approved by the Commission.

70. Norms of operation

The norms of operation for the transmission licensee, subject to modifications thereof from time to time shall be as under:

70.1 Auxiliary Energy Consumption in the Sub-Station.

The cost of auxiliary consumption in the sub-station for the purpose of airconditioning, lighting, and consumption in other equipment shall be borne by the transmission licensee and considered as part of Operation and Maintenance expenses under the head General and Administration Overhead.

70.2 Target Availability of the Transmission System for recovery of full transmission charges.The Normative Annual Transmission Availability Factor (NATAF) of the Transmission System shall be 98%.

71. Payment of transmission charges by customers

71.1 A transmission licensee shall be allowed to recover his net annual revenue requirement for financial year through transmission charges as one or combination of the following charges:

- (i) Transmission charges which may consist of a fixed charge, demand charge and an energy charge or a combination of these;
- (ii) Connectivity charge, which shall be levied to meet the cost of connecting the customer to the licensee's transmission system;
- (iii) Parallel operation charge shall be levied for Captive Power Plant if the plant is connected with the grid.

71.2 Transmission charges shall be calculated on a monthly basis.

71.3 Transmission charges shall be recovered from distribution licensees and open access customers.

72. Sharing of Transmission Charges

In case of more than one beneficiaries of the transmission system, the monthly transmission charges leviable on each beneficiary shall be computed as per the following formula:

Transmission charges for transmission system payable for a month by the

$$\left(\begin{array}{c} TC \\ - TRSC \end{array} \right) \times \frac{CL}{\quad}$$

beneficiary of that transmission system = $12 \frac{\text{TC}}{\text{SCL}}$

Where,

- TC = Annual Transmission Charges computed in accordance with Regulation 73.
- CL = Allotted Transmission Capacity to the beneficiary.
- SCL = Sum of the Allotted Transmission Capacities to all the beneficiaries of the State transmission system.
- TRSC = Total recovery of transmission charges for the month from short-term transmission customers.

73. Transmission losses and treatment thereof

73.1 The Commission shall fix the norm for transmission losses based on the loss reduction plan provided by the licensee.

The Commission shall make a periodical review of the reduction in transmission losses with reference to the norms fixed by it.

73.2 In the case of failure to achieve the target for loss reduction, the Commission will not allow the excess over the norm as a pass through.

73.3 Only Transmission Losses fixed as provided for in clause (1) above shall be debited to energy account of customers of the transmission system.

74. Computation and payment of transmission charge for Intra-State Transmission system.

74.1 The fixed cost of the transmission system shall be computed on annual basis, in accordance with norms contained in these regulations, aggregated as appropriate, and recovered on monthly basis as transmission charge from the users, who shall share these charges in the manner specified in these Regulations .

74.2 The transmission charge (inclusive of incentive) payable for a calendar month for a transmission system or part thereof shall be

$$\text{AFC} \times (\text{NDM} / \text{NDY}) \times (\text{TAFM} / \text{NATAF})$$

Where,

AFC	=	Annual fixed cost specified for the year, in Rupees
NATAF	=	Normative annual transmission availability factor, in per cent
NDM	=	Number of days in the month
NDY	=	Number of days in the year
TAFM	=	Transmission system availability factor for the month, in Percent,

74.3 The transmission licensee shall raise the bill for the transmission charge (inclusive of incentive) for a month based on its estimate of TAFM.

75. Billing

Monthly bills shall be raised by the transmission licensee upon distribution licensees and open access customers for the transmission charges approved by the Commission and payments shall be made by the transmission customers directed to the transmission licensee.

76. Rebate

76.1 For payment of bills of transmission charges through letter of credit on presentation, a rebate of 2% shall be allowed.

76.2 Where payments are made without letter of credit within a period of one month of presentation of bills by the Transmission licensee, a rebate of 1% shall be allowed.

77. Late payment surcharge

In case the payment of bills of transmission charges by the distribution licensees and open access customers is delayed beyond a period of two months from the date of billing a late payment surcharge at the rate of 1.25% per month shall be levied by the transmission licensee.

78. Scheduling and Metering

All the provisions, including the methodology for scheduling, dispatch and metering for the generating station shall be as specified in the Commission's Order issued from time to time.

Chapter – 6:

TARIFF FOR DISTRIBUTION LICENSEES

79. Definitions

Unless the context otherwise requires,

- (1) **'Area of Supply'** means the area within which a distribution licensee is authorized by virtue of his license, to supply electricity in that area.
- (2) **'Aggregate Revenue Requirement'** means the revenue required to meet the cost pertaining to the licensed business for a financial year, which would be permitted to be recovered through tariff and charges by the Commission.
- (3) **'Base Year'** means the financial year immediately preceding the first year of the control period.
- (4) **'Consumer'** means any person who is supplied with electricity for his own use by a licensee or a deemed licensee engaged in the business of supplying electricity to the public under the Act or any other law for the time being in force and includes any person whose premises are for the time being connected for the purpose of receiving electricity with the work of a licensee.
- (5) **'Distribution Business'** means the business of operating and maintaining a distribution system for supplying electricity in the area of supply of the Distribution licensee.
- (6) **'Distribution System'** means the system of wires and associated facilities between the delivery points on the transmission lines or the generating station connection and the point of connection to the installation of the consumers.
- (7) **'Distribution licensee'** means a licensee authorized to operate and maintain a distribution system for supplying electricity to the consumers in his area or supply.
- (8) **'Non-Tariff income'** means income relating to licensed business other than from tariff, for wheeling and retail sale and excludes income from other business and income on account of fuel surcharge adjustment, cross subsidy surcharge and additional surcharge.
- (9) **'Open access'** means the non-discriminatory provision for use of transmission lines or distribution system or associated facilities with such lines or system by any lines or consumer or a person engaged in generation in accordance with the Regulations specified by the Commission.
- (10) **'Other Business'** means any business engaged in by a Distribution Licensee under Section 51 of the act for optimum utilization of the assets of such Distribution

Licensee and shall indicate any licensed business of the distribution licensee, other than the licensed business.

- (11) **‘Open access customer’** means a consumer permitted by the Commission to receive supply of electricity from a person other than a distribution licensee of his area of supply and the expression includes a generating company or a licensee who has availed of or intends to avail supply of power through open access.
- (12) **‘Retail Supply Business’** means the business of sale of electricity by a licensee to consumers in accordance with the terms and conditions specified in the distribution and retail supply licensee.
- (13) **‘Wheeling’** means the operation where by the distribution system and associated facilities of a transmission or distribution licensee, as the case may be, are used by another person for the conveyance of electricity on payment of charges to be determined under Section 62 of the Act.

80 Applicability

The Regulations contained in this Chapter shall apply to the determination of tariff payable for usage of distribution wires of a Distribution Licensee.

81. Application for Determination of Tariff

81.1 The Distribution licensee shall file an application for determination of tariff for retail distribution of electricity along with Annual Revenue Requirement (ARR) in the formats specified by the Commission in accordance with the procedure laid down by the Commission.

81.2 The application for determination of tariff by the Distribution licensee shall be accompanied with following information besides Aggregate Revenue Requirement:-

- (i) A statement showing current tariff and applicable terms and conditions of tariff.
- (ii) A statement showing Demand / Sales projection for different categories of consumers including slab wise consumption with a note on the method adopted to arrive at the projected growth rate.
- (iii) Energy requirement details with Aggregate Technical and Commercial loss and sources of procurement of power.

- (iv) A statement containing details of revenue realized during the current year category wise and expected revenue at the current tariff for the ensuing year or the period for which tariff is to be determined.
- (v) A statement showing the subsidy received / receivable from Government at the existing tariff.
- (vi) A statement showing the changes in tariff proposed for each category of consumer and the estimated revenue at the revised tariff.
- (vii) A statement showing cross subsidy at revised tariff and subsidy committed by the Government, if any.
- (viii) Any other information as required by the Commission for determination of tariff for ensuing year.

82. Estimation of Sales

- 82.1 The accurate projection of category-wise sales is very essential for the assessment of energy input requirement so as to determine the quantum of generation and quantum of energy to be purchased for the correct assessment of revenue requirement for generation and power purchase.
- 82.2 The licensee may adopt a suitable methodology like CAGR to arrive at the category wise sales for the base year i.e., for the current year.
- 82.3 The licensee shall submit the restricted demand due to system constraints (in MW), unrestricted demand (in MW) and sale of electricity (in MU) for different categories of consumers in its area of supply for previous year, estimated for the current year and forecast for ensuing year.
- Provided where the category-wise unrestricted / restricted demand is not available, these figures may be supplied for the area as a whole. The likely date, by which such data are likely to be available and the steps taken in this regard shall be furnished.
- 82.4 The forecast for the ensuing year shall be on monthly basis to properly capture the seasonality in demand.
- 82.5 The Commission shall examine the estimate of sales for reasonableness based on growth in number of consumers and consumption and demand of electricity in previous years and anticipated growth in the next year and any other factor, which the Commission may consider relevant and approve sale of electricity to consumers with such modifications as deemed fit.
- 82.6 The distribution licensee shall also indicate the particulars of open access

consumers, traders and other licensees category wise using its system. The demand and energy wheeled for them shall be shown separately for,

- (i) supply within the area of supply and
- (ii) supply outside the area of supply.

82.7 Sale of electricity, if any, to electricity traders or other licensees or persons shall be separately indicated. Sale of electricity, if any, outside the licensees area shall be indicated separately in accordance with an agreement executed for this purpose.

82.8 The licensee shall assess and estimate sales to unmetered category of consumers, on the basis of the consumption norms sample study or on any other basis determined, or otherwise found reasonable by the Commission.

82.9 The licensee shall develop a reliable database of each of the consumer categories such as their demand, energy consumption etc, so as to facilitate accurate forecasting of energy sales for ensuing year.

82.10 In case additional electricity is required by any particular consumer category not considered by the commission the licensee shall make an application any time during the year, to the Commission for approval. The application shall indicate the need for such change in consumer mix, the additional supply required and the manner in which the licensee proposes to meet the cost of supply for such change of consumer mix.

83 Distribution Losses

83.1 The Licensee shall furnish information on Distribution losses for Previous year and Current year and the basis on which such losses have been worked out.

83.2 The licensee shall also propose a loss reduction programme for the ensuring year as well as for the next three years duly indicating details of the measures proposed for achieving the same.

83.3 Based on the information furnished and field studies carried out and the loss reduction program proposed by the licensee, the Commission shall fix suitable targets for reduction of Distribution losses for the period specified by the Commission.

83.4 The licensee shall conduct regular energy audit and submit regular energy audit reports for the previous years to substantiate its estimation of energy losses. Incase, the licensee is unable to submit energy audit report for previous years, it shall indicate reasons therefore.

83.5 In the absence of energy audit reports, the Commission may suo-moto determination the loss levels on the basis of information available.

84 AT&C Losses

While filing a Tariff Application, the licensee shall provide complete information of the total AT & C Losses during the previous year and that projected for the year for which the application is being made, including the basis on which such losses have been worked out. (Information to be furnished in Format 2 (A) of Distribution Licensee):

Provided that it shall be obligatory on the licensee whose AT&C losses during the previous year are in excess of 30 percent, to project reduction of such losses by a minimum of 3 percent during the year for which a Tariff Application is made. Any shortfall in the projected level of AT&C losses for such year, in this regard, shall be penalized by an amount equivalent to the cost of the quantum of energy to be lost due to inability of the licensee to plan and achieve reduction of AT&C losses by a minimum of 3 percent from the previous year's level. Such amount shall be calculated at the average-over-all-unit-cost of sale of power, as approved by the Commission for such year.

Provided further that failure of a licensee to reduce the AT&C losses during the previous year by 3 percent would be penalized on the same basis as stated against clause (a) above. Provided also that in the case of a licensee whose AT&C losses during the previous year were less than 30 percent, it would be obligatory for such licensee to reduce such AT&C losses by a minimum of 1.5 percent only during the year for which a Tariff Application is made. Failure to achieve this level of reduction would be penalized in the same manner as set out in clause (a) above.

Further, provided that the overall penalty, of any, may be limited by relevant Central Guidelines, as may be notified from time to time.

84. Differentiation of tariff between consumer categories to promote renewable sources of energy [under section 62 (3) read with 86 (1)(e)]

Green charge can be levied only on the commercial, industrial and high end residential consumers (say, of 10 kW and above) in pursuance of the provisions of Section 62(3) read with Section 86 (1) (e) of the Act.

85. Estimate of Energy Requirement

Based on the estimated energy sales and the proposed distribution losses, the Licensee may determine the quantum of electricity required to meet the estimated sales and shall submit to Commission which may approve the power purchase requirement with such modifications, as it deems fit, for the ensuing year or for the tariff period.

86. Power Purchase Cost

- 86.1 The Licensee shall procure power from approved sources. Additional energy required after taking into account the availability of energy from such approved sources, shall be reasonably estimated well in advance and procurement arrangements made for such long and medium term purchases, by following standard contractual procedures.
- 86.2 For purchase of electricity from sources outside the state, the transmission loss level agreed to in the Power Purchase Agreement (PPA) or worked out from energy accounts of RLDC ./ SLDC shall be taken into account for purchase of power from such sources.
- 86.3 The cost of power purchased from the central generating companies shall be worked out based on the tariff determination by the Central Electricity Regulatory Commission (CERC).
- 86.4 Where power is purchased by the licensee from State-owned existing generating stations, the cost of power purchase shall be worked out based on the price determined by the State Commission and in case of power purchased from Renewable energy sources the quantum and the cost shall be as per the policy approved by the State Commission / Central Commission.
- 86.5 The cost of power purchase from IPPs shall be considered based on existing Power Purchase Agreement if any, till the agreement period is over.
- 86.6 In case of short-term power purchase necessitated based on unprecedented development, the licensee may resort to short term procurement.

87. Variation in Power Purchase

Power purchased by the licensee in excess of the approved requirement of power, the Commission shall consider the need for such additional power at the time of truing up of the approved tariff.

88. Transmission and Wheeling Charges

Transmission, wheeling and other charges payable to the transmission licensee or wheeling of power purchased shall be considered as expense and included in the Power Purchase cost. Transmission & wheeling charges paid for energy sold outside the state shall not be considered as expenses.

89. RLDC and SLDC Charges

RLDC and SLDC charges as determined by the appropriate Commission shall be considered as expenses. SLDC charges paid for energy sold outside the state shall not be considered as expenses for determining tariff.

90. Unscheduled Interchange (UI) Charges

90.1 Variation between actual drawal and scheduled drawal shall be accounted for through unscheduled Interchange charges (UI). UI Shall be worked out for each 15 minutes timeblock. Charges for UI transactions shall be based on average frequency of the time block as specified by CERC from time to time.

90.2 Unscheduled Interchange purchases and sales are to be furnished month wise in the formats provided in this Regulation.

90.3 Unscheduled Interchange charges for intra-state transactions will arise after intrastate ABT is notified by the Commission and becomes effective.

91 Annual Revenue Requirement

91.1 The annual expenses of the Distribution Licensee shall comprise of the following,:

- (i) Power Purchase Cost
- (ii) Capital Cost
- (iii) Debt-equity
- (iv) Return on equity
- (v) Interest on Loan Capital
- (vi) Operation and Maintenance Expenses
- (vi) Interest on working capital
- (vii) Income Tax
- (viii) Depreciation
- (ix) Bad and doubtful debts
- (x) Depreciation as may be allowed

91.2 The net annual revenue requirement of a distribution licensee shall be by deducting the following from its total expenses:

- (i) Amount of other income (Non tariff income)
- (ii) Income from surcharge & additional surcharge from open access customers,
- (iii) Wheeling charges recovered from open access consumers,
- (iv) Net income from other business apportioned as per License conditions.
- (v) Any grant received from the State Government other than the subsidy meant for any consumer or class of consumers.

91.3 Adjustments if any, due to natural calamities or insurgency or other factors not within the control of Licensee may be approved by the Commission for inclusion in Annual Revenue Requirement of the Licensee.

92 Business Plan

The Distribution Licensee shall submit a Business Plan in the manner as specified in Chapter-2 of these Regulations.

93 Capital Investment Plan

93.1 The Distribution Licensee shall submit detailed capital investment plan, financing plan and physical targets for each year of the Control Period for meeting the requirement of load growth, reduction in distribution losses, improvement in quality of supply, reliability, metering, consumer services, etc., to the Commission for approval, as a part of the Business Plan:

93.2 The Distribution Licensee shall be required to ensure optimum investments to enhance efficiency, productivity and meet performance standards prescribed by the Commission.

94 Capital cost

94.1 The approved Business Plan of the Distribution Licensee shall be the basis for determining the annual allowable capital cost for each financial year for any capital expenditure project initiated on or after April 1, 2014.

94.2 For each capital expenditure project, the sum total of annual allowable capital cost from the date of commencement of such project till the date of commissioning shall be the original cost of such project.

94.3 The capital cost shall be allowed as specified in these Regulations.

95. Return on Equity

The Distribution Licensee shall be allowed a return on equity for Distribution Wires Business, as specified in these Regulations.

96. Interest and finance charges on loan capital

The Distribution Licensee shall be allowed Interest and Finance Charges on loan capital for Distribution Wires Business, as specified in these Regulations.

97. Operation and Maintenance Expenses

97.1 Operation and Maintenance Expenses or O&M Expenses shall mean the total of all expenditure under the following heads:-

- (i) Employee Cost
- (ii) Repairs and Maintenance
- (iii) Administration and General Expenses.

97.2 The distribution Licensee shall submit to the Commission a statement for O&M expenses indicating under each head of account the actuals of last year, estimates for the current year and projections for the next year.

97.3 The Commission shall ensure that the O&M expense are in accordance with the norms fixed by the Commission, and any excess or shortage over the norm shall have to be justified by the licensee.

97.4 In the absence of any norms for O&M expenses, the Commission shall determine operation and maintenance expenses based on prudent check of the estimates submitted by the licensee.

97.5 Increase in O& M expenses due to natural calamities or insurgency or other factors not within the control of the distribution licensee may be considered by the Commission for determination of tariff.

98. Bad and Doubtful Debts

The Commission may after the distribution licensee gets the receivables audited, allow a provision for bad debts not exceeding an amount equal to 1 percent receivables in the revenue requirement of the licensee. (Information to be furnished in Format D-6).

99. Wheeling Charges for Open Access Consumers

99.1 Wheeling charges of a distribution licensee for its distribution system shall be computed by deducting the following amounts from its annual revenue requirement:

- (i) Cost of power purchase
- (ii) Interest payable on security deposits of consumers.

99.2 Wheeling charges so worked out shall be apportioned supply voltage wise.

99.3 The normative distribution system loss at the voltage at which open access transaction is under taken shall be borne by the consumer in kind.

99.4 Wheeling charges shall be single part tariff chargeable in Rs. per kWh; however the Commission may approve two-part tariff at a later stage.

The two-part charges may consist of the following or any one or combination there of:

- (i) Fixed charge in Rs. per month per kW of contracted power.
- (ii) A charge in Rs. per KWh of energy wheeled separately for:
 - (a) wire business
 - (b) Installation, operation and maintenance of meters, metering system and any other equipment at consumer's premises.
 - (c) billing & collection of payment
 - (d) consumer services
- (iii) Connectivity fee
- (iv) Reactive energy charge / incentive:

Generator and consumers shall be required to maintain power factor (or reactive energy generation/drawal) of generation / load as specified. Power factor surcharge/incentive or reactive energy charge shall be applicable separately on generator and consumer as per licensee's tariff, as approved by the Commission.

100. Segregation of Wheeling and Retail supply Business

100.1 The Distribution Licensee shall segregate the accounts of the Licensed business into wheeling Business and Retail supply Business. The ARR for Wheeling Business shall be used to determine wheeling charges and the ARR for Retail supply Business to determine Retail Supply Tariff,

100.2 For such period until accounts are segregated, the licensee shall prepare an allocation statement to apportion costs and revenues to respective business. The Allocation statement, approved by the Board of Directors of the Licensee, shall be accompanied with an explanation of the methodology, which should be consistent over the Control Period.

101. Surcharge

101.1 The Commission will determine annually the surcharge payable by the open access consumers to meet the current level of cross subsidy level according to proviso 1 section 42 (2) of the Act. Provided that:

- (i) The voltage based cost of supply to the category of consumers for the purpose of tariff to which the open access consumer belongs and the total realization from that category of consumers shall be the basis of calculating the extent of cross subsidy provided by such category of consumers.
- (ii) The amount of surcharge shall be so calculated as to meet the current level of cross subsidy from that category of consumers and shall be paid to the distribution licensee of the area of supply where the consumer is located.
- (iii) The surcharge shall be reduced in the same manner as the Commission may lay down for reduction and elimination of cross subsidies in its regulations relating to terms and conditions of tariff of distribution licensees.

101.2 The open access consumers availing exclusively intra-state transmission system shall pay the same amount of surcharge as determined under these regulations.

101.3 The cross subsidy surcharge is not payable if open access is provided to a person who has established a captive generating plant for carrying the generated electricity to the destination of his own use

102. Additional Surcharge

102.1 The Commission will determine an additional surcharge that is payable by the open access consumer to meet the fixed cost of such distribution licensee arising out of his obligation to supply according to section 42 (4) of the Act.

102.2 The distribution licensee whose consumer intends to avail the facility of open access shall submit to the Commission within fifteen days of receipt of application an account of the fixed cost associated with the generation capacity entitlement in MW which the licensee is incurring towards his obligation to supply, the amount of income that may be earned by selling that entitlement to other persons, and the time required to relinquish the generation capacity MW entitlement amount associated with open access consumer.

- 102.3 The Commission shall scrutinize the statement of account submitted by the licensee and after giving the open access consumer an opportunity for filing objections, if any, determine the amount of additional surcharge payable by the consumer to the licensee. The additional surcharge shall not be more than the capacity charge [applicable in the bulk supply tariff for generation to the distribution licensee.
- 102.4 The additional surcharge shall be imposed for a maximum period as may be specified by the Commission may determine and the amount of the additional surcharge will be adjusted annually by the Commission.
- 102.5 At the end of the financial year, the licensee shall be required to demonstrate that the net fixed costs incurred for the MW generation capacity entitlement and the additional surcharges paid by the open access consumer will be adjusted either by a rebate to or an additional payment by the open access consumer to reflect the actual costs incurred. Net fixed costs shall be determined by deducting from the fixed costs any income earned by the licensee with the generation capacity entitlement.

103. Forecast of Revenues

- 103.1 The revenues of the distribution licensee from the business of the distribution of electricity shall comprise of the following components.
- i) Revenue from sale of power i.e., tariff income
 - ii) Non-tariff income
 - iii) Income from surcharge and additional surcharge from open access customer
 - iv) Wheeling charges recovered from open access consumers.
 - v) Any grant received from the State Government, other than the subsidy meant for any consumer or class of consumers.
 - vi) Net income from other business apportioned as per licensee conditions.
- 103.2 The non-tariff income shall comprise of:
- i) Delayed Payment Surcharge
 - ii) Meter Rent
 - iii) Customer Charges
 - iv) Income from investments
 - v) Miscellaneous receipts from consumers

- vi) Trading income
- vii) Prior period income
- viii) Interest on staff loans and advances
- ix) Recovery of theft and pilferage of energy
- x) Any other income

104. Revenue Gap

104.1 For the tariff year, the difference between the net Annual Revenue Requirement and the expected Revenue at the prevailing tariff shall be the 'Revenue Gap'.

104.2 The revenue gap shall be bridged by measures such as improvements in internal efficiency, utilization of reserves, tariff changes etc. as may be approved by the Commission.

105. Non-Tariff Income

105.1 The amount of Non-Tariff Income relating to the Distribution Wires Business as approved by the Commission shall be deducted from the Aggregate Revenue Requirement in determining the wheeling charges of Distribution Wires Business of the Distribution Licensee:

Provided that the Distribution Licensee shall submit full details of its forecast of Non-Tariff Income to the Commission along with its application for determination of wheeling charges.

The indicative list of various heads to be considered for Non-Tariff Income shall be as under:

- i) Income from rent of land or buildings;
- ii) Income from sale of scrap;
- iii) Income from statutory investments;
- iv) Interest on delayed or deferred payment on bills;
- v) Interest on advances to suppliers/contractors;
- vi) Rental from staff quarters;
- vii) Rental from contractors;
- viii) Income from hire charges from contractors and others;
- ix) Income from advertisements, etc.;

- x) Miscellaneous receipts;
- xi) Interest on advances to suppliers;
- xii) Excess found on physical verification;
- xiii) Prior period income.

Provided that the interest earned from investments made out of Return on Equity corresponding to the Distribution Wires Business of the Distribution Licensee shall not be included in Non-Tariff Income.

106. Income from Other Business

106.1 Where the Distribution Licensee has engaged in any Other Business, an amount equal to one-third of the revenues from such Other Business after deduction of all direct and indirect costs attributed to such Other Business shall be deducted from the Aggregate Revenue Requirement in determining the wheeling charges of Distribution Wires Business of the Distribution Licensee:

Provided that the Distribution Licensee shall follow a reasonable basis for allocation of all joint and common costs between the Distribution Wires Business and the Other Business and shall submit the Allocation Statement to the Commission, duly audited and certified by the statutory auditors, along with his application for determination of wheeling charges:

Provided further that once the Commission notifies the Regulations for submission of Regulatory Accounts, the applications for tariff determination and truing up shall be based on the Regulatory Accounts:

Provided further that where the sum total of the direct and indirect costs of such Other Business exceed the revenues from such Other Business, no amount shall be allowed to be added to the Aggregate Revenue Requirement of the Distribution Licensee on account of such Other Business:

Provided further that nothing contained in these Regulations shall apply to a local authority engaged, before the commencement of the Act, in the business of distribution of electricity.

Chapter – 7

MISCELLANEOUS

107. Power to remove difficulties

If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may, by general or special order, do or undertake or direct the licensees to do or undertake things, which in the opinion of the Commission is necessary or expedient for the purpose of removing the difficulties.

108. Power to Amend

The Commission may, at any time add, vary, alter, modify or amend any provisions of these regulations by issue of general or special order.

109. Power of relaxation

The Commission may in public interest and for reason recorded in writing, relax any of the provision of these regulations

110. Interpretation

If a question arises relating to the interpretation of the provisions of these regulations, the decision of the Commission shall be final.

111. Review of Regulations

The Commission at the end of three years from the date of publishing these regulations or even earlier, if considered just, proper and desirable by it considering the circumstances then prevailing shall undertake a comprehensive review of these regulations with the objective of improvement in the principles, procedures and methodologies.

112. Savings

112.1 Nothing in these regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary for ends of justice to meet or to prevent abuses of the process of the Commission.

112.2 Nothing in these regulations shall bar the Commission from adopting, in conformity with the provisions of the Act, a procedure, which is at variance with any of the provisions of these regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.

112.3 Nothing in these regulations shall, expressly or impliedly, bar the Commission dealing with any matter or exercising any power under the Act for which no regulations or codes have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit in the public interest.

113. Sharing of CDM benefits: The proceeds of carbon credit from approved CDM project shall be shared in the following manner, namely –

113.1 100% of the gross proceeds on account of CDM to be retained by the project developer in the first year after the date of commercial operation of the generating station or the transmission system, as the case may be;

113.2 in the second year, the share of the beneficiaries shall be 10% which shall be progressively increased by 10% every year till it reaches 50%, where after the proceeds shall be shared in equal proportion, by the generating company or the transmission licensee, as the case may be, and the beneficiaries.

By Order of the Commission

**Secretary Arunachal Pradesh State Electricity Regulatory
Commission Naharlagun.**

Annexure- I

DEPRECIATION SCHEDULE

S. No	Asset Particular	Depreciation Rate (Salvage Value = 10%)
		SLM
A	Land under full ownership	0.00%
B	Land under lease	
(a)	For investment in the land	3.34%
(b)	For cost of cleaning the site	3.34%
(c)	Land for reservoir in case of hydro generating station	3.34%

C	Assets purchased new	
(a)	PI & Machinery in generating stations	
(i)	Hydro Electric	5.28%
(ii)	Steam electric NHRB & waste heat recovery boilers	5.28%
(iii)	Diesel electric and gas plant	5.28%
(b)	Cooling towers & circulating water systems	5.28%
(c)	Hydraulic works forming part of the Hydro-	
(i)	Dams, Spillways, Weirs, Canals, Reinforced concrete flumes and siphons	5.28%
(ii)	Reinforced concreted pipelines and surge tanks, steel pipelines, sluice gates, steel surge tanks, hydraulic control valves and hydraulic works.	5.28%
(d)	Building & Civil Engineering works of a	
(i)	Offices and showrooms	3.34%
(ii)	Containing thermo-electric generating plant	3.34%
(iii)	Containing hydro-electric generating plant	3.34%
(iv)	Temporary erections such as wooden structures	100.00%
(v)	Roads other than kutchra roads	3.34%
(vi)	Others	3.34%
(e)	Transformers, Kiosk, Sub-station equipment & other fixed apparatus (including plant)	
(i)	Transformer including foundations having rating of 100 KVA and over	5.28%
(ii)	Others	5.28%
(f)	Switchgear including cable connections	5.28%
(g)	Lightning arrestor	
(i)	Station type	5.28%
(ii)	Pole type	5.28%
(iii)	Synchronous Condenser	5.28%

Annexure – II

Procedure for Calculation of Transmission System Availability Factor for a Month

1. Transmission system availability factor for a calendar month (TAFM) shall be calculated by the respective transmission licensee, got verified by the concerned RLDC and certified by the Member-Secretary, Regional Power Committee of the region concerned, separately for

each AC and HVDC transmission system and grouped according to sharing of transmission charges.

2. TAFM, in percent, shall be equal to $(100 - 100 \times \text{NAFM})$, where NAFM is the non availability factor in per unit for the month, for the transmission system / sub-system.

3. NAFM for A.C. systems / sub-systems shall be calculated as follows :

$$\text{NAFM} = \left[\sum_{l=1}^L (\text{OH } l \times \text{Ckt km } l \times \text{NSC } l) + \sum_{t=1}^T (\text{OH } t \times \text{MVA } t \times 2.5) \right]$$

$$+ \sum_{r=1}^R (\text{OH } r \times \text{MVAR } r \times 4)] \div \text{THM} \times \left[\sum_{l=1}^L (\text{Ckt km } l \times \text{NSC } l) + \sum_{t=1}^T (\text{MVA } t \times 2.5) + \sum_{r=1}^R (\text{MVAR } r \times 4) \right]$$

$$\text{NSC } l) + \sum_{t=1}^T (\text{MVA } t \times 2.5) + \sum_{r=1}^R (\text{MVAR } r \times 4)]$$

Where

l identifies a transmission line circuit

t identifies a transformer / ICT

r identifies a bus reactor, switchable line reactor or SVC

L = total number of line circuits

T = total number of transformers and ICTs

R = total number of bus reactors, switchable line reactors and SVCs

OH = Outage hours or hours of non-availability in the month, excluding the duration of outages not attributable to the transmission licensee, if any, as per clause (5).

Cktkm = Length of a transmission line circuit in km

NSC = Number of sub-conductors per phase

MVA = MVA rating of a transformer / ICT

MVAR = MVAR rating of a bus reactor, switchable line reactor or an SVC (in which case it would be the sum of inductive and capacitive capabilities).

THM = Total hours in the month.

4. NAFM for each HVDC system shall be calculated separately, as follows :

$$\text{NAFM} = [\Sigma (\text{TCR} \times \text{hours})] \div [\text{THM} \times \text{RC}]$$

Where

TCR = Transmission capability reduction of the system in MW

RC = Rated capacity of the system in MW.

For the above purpose, the HVDC terminals and directly associated EHV / HVDC lines of an HVDC system shall be taken as one integrated system.

5. The transmission elements under outage due to following reasons shall be deemed to be available:

i) Shut down availed for maintenance or construction of elements of another transmission scheme. If the other transmission scheme belongs to the transmission licensee, the Member-Secretary, RPC may restrict the deemed availability period to that considered reasonable by him for the work involved.

ii) Switching off of a transmission line to restrict over voltage and manual tripping of switched reactors as per the directions of RLDC.

6. Outage time of transmission elements for the following contingencies shall be excluded from the total time of the element under period of consideration.

i) Outage of elements due to acts of God and force majeure events beyond the control of the transmission licensee. However, onus of satisfying the Member Secretary, RPC that element outage was due to aforesaid events and not due to design failure shall rest with the transmission licensee. A reasonable restoration time for the element shall be considered by Member Secretary, RPC and any additional time taken by the transmission licensee for restoration of the element beyond the reasonable time shall be treated as outage time attributable to the transmission licensee. Member Secretary, RPC may consult the transmission licensee or any expert for estimation of reasonable restoration time. Circuits restored through ERS (Emergency Restoration System) shall be considered as available.

ii) Outage caused by grid incident/disturbance not attributable to the transmission licensee, e.g. faults in substation or bays owned by other agency causing outage of the transmission licensee's elements, and tripping of lines, ICTs, HVDC, etc. due to grid disturbance. However, if the element is not restored on receipt of direction from RLDC while normalizing the system following grid incident/disturbance within reasonable time, the element will be considered not available for the period of outage after issuance of RLDC's direction for restoration.

Formats to be filled by Generating Company

(A) Hydel Generation

Name of the Hydro Generating Station : _____

Location :

State / Distt. _____

River _____

**DETAILS OF COD, TYPE OF HYDRO STATIONS, NORMATIVE
ANNUAL PLANT, AVAILABILITY FACTOR (NAPAF) & OTHER NORMATIVE PARAMETERS CONSIDERED
FOR TARIFF
CALCULATION**

Sl. No.	Description	Unit	Previous year (Actual)	Current year (Estimated)	Ensuing Year (Projected)
1	Installed Capacity	MW			
2	Free Power to home state	%			
3	Date of commercial operation				
	Unit – 1				
	Unit – 2				
	Unit – 3				
4	Type of Station				
	a) Surface/ underground				
	b) Purely ROR/ Pondage/ Storage				
	c) Peaking/ non-peaking				
	d) No of hours of peaking				
	e) Overload capacity (MW) & period				
5	Type of excitation				
	a) Rotaing exciters on generator				
	b) Static excitation				
6	Design Energy (Annual) ¹	Gwh			
7	Auxiliary Consumption including Transformation losses	%			
8	Normative Plant Availability Factor (NAPAF)	%			
9.1	Maintenance Spares for WC	Rs. Lakh			
9.2	Receivable for WC	R. Lakh			
9.3	Base Rate of return on equity	%			
9.4	Tax Rate ²	%			
9.5	Prime lending Rate of SBI as on ___				
10.1	Type				
10.2	Installed Capacity (No of Units x MW)				
10.3	Peaking capacity during lean period (MW)				
10.4	Type of Turbine				
10.5	Rated Head (M)				
10.6	Rated Discharge (Cumes)				

1. Month wise Design energy figures to be given separately with the petition

2. Tax rate applicable to the company for the year FY 2008-09 should also be furnished.
3. Mention relevant date.

Format – HG2

Name of the Hydro Generating Station : _____

DESIGN ENERGY AND MW CONTINUOUS (MONTHWISE) – RUN OF RIVER TYPE STATION

Installed Capacity No. of Units X MW =

Year : _____

S. No.	Month	Design Energy (MUs)	MW Continuous*
1	April	I	
		II	
		III	
2	May	I	
		II	
		III	
3	June	I	
		II	
		III	
4	July	I	
		II	
		III	
5	August	I	
		II	
		III	
6	September	I	
		II	
		III	
7	October	I	
		II	
		III	
8	November	I	
		II	
		III	
9	December	I	
		II	
		III	
10	January	I	
		II	
		III	
11	February	I	
		II	
		III	
12	March	I	
		II	
		III	
	Total		

Note :

Separate statement to be furnished for Previous year (Actual), Currents year (Estimated) and Ensuring year (Projected).

Format – HG3

Name of Generating Company : _____

ANNUAL REVENUE REQUIREMENT

S.No	Particulars	Previous Year (Actuals)	Current Year (Estimated)	Ensuring Year (Projected)
1	Gross Generation (MU)			
2	Auxiliary Consumption (MU)			
3	Net Generation (MU)			
4	Free Energy to home state (MU)			
5	Royalty (Rs.)			
6	Water Charges (Rs.)			
7	Capacity Charges (Rs.)			
	a) Interest on Loan capitals (Rs.)			
	b) Depreciation (Rs.)			
	c) Advance against depreciation (Rs.)			
	d) O&M Expenses (Rs.)			
	e) Interest on working capital (Rs.)			
	f) Foreign exchange Rate (%)			
	g) Return on Equity (%)			
	h) Income Taxes (Rs.)			
	Total fixed expenses (5+6+7)			

Appendix – B

Formats to be filled by

TRANSMISSION LICENSEE

For the year _____

Format – T1 (A)

Name of the Transmission Licensee : _____

DETAILS OF TRANSMISSION LINES

(A) Transmission Lines

S. No.		S/C or D/C	Voltage level KV	Line Length Ckt-Km	Date of Commercial Operation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

Format – T1 (B)

Name of the Transmission Licensee : _____

DETAILS OF SUB-STATIONS

(B) Sub- Stations

S. No.	Name of Sub- Station	Type of Sub-Station Conventional/ GIS	Voltage Ratio	No. of Transformers (with capacity)	Date of Commercial Operation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

Format – T2 (A)

Name of the Transmission Licensee:

TRANSMISSION LINES (WORK IN PROGRESS)

S. No.	Name of Line	Voltage level KV	Ckt-KM	Approval Cost (Rs. In Crores)	Financing Pattern (Grant: loan)	Year of Commencement	Schedule date of Commissioning
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							

Format – T2 (B)

Name of the Transmission Licensee:

SUB-STATION (WORK IN PROGRESS)

S. No.	Name of Sub-Station	Capacity MVA	No. of Units	Total MVA	Approved Cost (Rs. In Crores)	Financing Pattern	Year of Commencement	Schedule Date of Commissioning
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								

Format – T3

Name of transmission Licensee : _____

NORMATIVE PARAMETERS TO BE CONSIDERED FOR TARIFF CALCULATIONS

S. No.	Particulars	Unit	Previous Year (actual)	Current Year (Estimated)	Ensuring Year (Projected)
1	Target Availability	%			
2	Normative Operation and Maintenance per Ckt. Km	Rs. Lakhs.			
3	Normative Operation and Maintenance per day	Rs. lakhs			
4	Spares for working capital as % of O&M	%			
5	Receivables in Months for working capital	Months			
6	Rate of Return on Equity (%)	%			

Format – T4 (A)

Name of the Transmission Licensee: _____

ENERGY BALANCE

(A) Energy Received

S. No.	Name of the Generating Station	Units Received (MU)
	Total Energy Received	

Format – T4 (B)

Name of the Transmission Licensee: _____

(B) Energy sent Out

S. No.	Name of the licensee	Units Sent Out (MU)
	Auxiliary Consumption	
	Gross Energy Sent Out	

Format – T4 (C)

Name of the Transmission Licensee: _____

(C) Transmission Losses

S. No.	Name of the licensee	Units Sent Out (MU)
1	Total Energy Received	
2	Gross energy sent out	
3	Transmission loss (1-2)	
4	% Transmission losses (3/1) x 100	

Format – T5 (A)

Name of the Transmission Licensee : _____

TRANSMISSION LOSSES

(A) Historical Data of Transmission Losses

S. No.	Year	T ₁₋₄	T ₁₋₃	T ₁₋₂	T ₁₋₁	T ₁
1	% Transmission Losses					

Note : T 1 is previous year, T1 – 1 is pre=previous year and so on

Format – T5 (B)

Name of the Transmission Licensee : _____

(B) Proposed transmission Loss Trajectory

S. No.	Year	Current Year (T)	T ₊₁	T ₊₂	T ₊₃	T ₊₄
1	% Transmission Loss Trajectory					

T + 1 = Ensuring year and so on

Format – T6

Name of the Transmission Licensee : _____

OTHER INCOME DETAILS

				Rs. Lakhs
S. No.	Particulars	Previous Year (Actuals)	Current year (Estimated)	Ensuring Year (Projected)
1	Interest of Staff Loans and Advances			
2	Income from investments deposits			
3	Interest on Advances to Others			
4	Interest from Banks (other than on fixed Deposits)			
5	Income from Trading Stores, Scrap etc.			
6	Income from staff welfare Activities			
7	Gain on sale of Fixed Assets			
8	Miscellaneous Receipts			
9	Contribution & Grants towards cost of capital Assets			
10	Total			

Name of the Transmission Licensee : _____

ANNUAL TRANSMISSION CHARGES

Rs. In Lakhs

S. No.	Particulars	Previous Year (Actuals)	Current year (Estimated)	Ensuring Year (Projected)
1	Employees Cost			
2	Repair & Maintenance			
3	Admin & General Expenses			
4	Depreciation			
5	Advance Against Depreciation			
6	Interest and Finance Charges			
7	Interest on working Capital			
8	Return on Equity			
9	Income Tax			
10	Others (including ULDC charges)			
11	Total Fixed Costs			
12	Less : Expenses Capitalised			
13	Total Transmission Charges			
14	Less : Other Income			
15	Net Annual Transmission Charges			

Name of the Transmission Licensee : _____

PROPOSED TRANSMISSION TARIFF

Rs. In Lakhs

S. No.	Particulars	Previous Year (Actuals)	Current year (Estimated)	Ensuring Year (Projected)
1	Annual Transmission Charges (Rs. Lakhs)			
2	Total MW Allocation (MW)			
3	Transmission Tariff (Rs/ MW/ Day)			
4	Energy Transferred (MU)			
5	Transmission Tariff (Paise/ Unit)			

Appendix – C
Formats to be filled by
DISTRIBUTION LICENSEE

For the year _____

Format – D1

Name of the Distribution Licensee : _____

CONSUMER CATEGORY- WISE ENERGY SALES

S.	Category of	Previous Year (Actuals)	Current Year (Estimated)	Ensuing Year (Projected)
----	-------------	-------------------------	--------------------------	--------------------------

N	Consumers	No of Consumers at the end of the year (Nos)	Energy Sale/ Demand (MU)	No of Consumers at the end of the year (Nos)	Energy Sale/ Demand (MU)	No of Consumers at the end of the year (Nos)	Energy Sale/ Demand (MU)
1	2	3	4	5	6	7	8
	LT CATEGORY						
1	Domestic (DLT)						
2	Commercial (CLT)						
3	Industrial (ILT)						
4	Agriculture (Ap)						
5	Public Lighting (PL)						
6	Water Supply (WSLT)						
7	General Purpose						
8	Kutir Jyoti						
	HT CATEGORY						
9	Water Supply (WS HT)						
10	Industrial (IHT)						
11	General Purpose including Domestic (DHT)						
12	Bulk Supply (HT)						
13	Commercial (CHT)						
	EHT CATEGORY						
14	Industrial						

Note :- Consumer category classification may be suitably modified if those in existence are different from the ones listed in the above format.

Format – D2

Name of the Distribution Licensee : _____

ENERGY BALANCE

(MU)

S.	Item	Previous year	Current Year	Ensuing year
----	------	---------------	--------------	--------------

No.		(Actuals)	(Estimated)	(Projected)
A)	ENERGY REQUIREMENT			
1	Energy sales within the State			
2	Sales to common pool consumers			
3	Sales outside State			
4	Sales to electricity traders			
6	TOTAL SALES			
7	Distribution Losses			
I)	MU			
II)	%			
8	Total energy requirement (6+7) (i)			
B	ENERGY AVAILABILITY			
1	Net hydel generation (own)			
2	Power Purchase from			
	a) Central Stations			
	b) Traders			
	c) Power Exchange			
	d) Others			
3	Net Power Purchase (1+2+3)			
4	Total energy availability			

Format – D2 (A) INFORMATION REGARDING DISTRIBUTION LOSS AND AT & C LOSS OF LICENSEE

S. No.	Particulars	Calculation	Unit	Previous Years (Actuals)	Current Year (R.E)	Ensuing Year (Projection)
1	Generation (own as well as any other connected generation net after deducting auxiliary consumption) within area of supply	A	MU			

	of DISCOM.								
2	Input energy (metered Import) received at interface points of DISCOM network.	B	MU						
3	Input energy (metered Export) by the DISCOM at interface point of DISCOM network.	C	MU						
4	Total energy available for sale within the licensed area to the consumers of the DISCOM	D=A+B+C	MU						
5	Energy billed to metered consumers within the licensed area of the DISCOM	E	MU						
6	Energy billed to unmetered consumers within the licensed area of the DISCOM	F	MU						
7	Total energy billed	G=E+F	MU						
8	Amount billed to consumer within the licensed area of DISCOM	H	Rs.						
9	Amount realized by the DISCOM out of the amount Billed at H#	I	Rs. Lakhs						
10	Collection efficiency (%) (= Revenue realized/ Amount billed)	J=(I/H) X 100	%						
11	Energy realized by the DISCOM	K=JXG	MU						
12	Distribution Loss (%)	L={{D-G}/D}x100	%						
13	AT & C Loss (%)	M={{(D-K)/D} x 100							

Amount received in the current year for the amount billed in the previous years should not be excluded in this head. However, subsidy received against the current years sale of electricity should be considered in this head.

@ norms for determining the energy billed to un-metered consumers may be specified. This should be only for two categories i.e., agricultural consumers and the house holds below poverty line. The norms could be on the basis of sample metering incase of the agricultural consumers which could be further refined on the basis of the results of the consultancy study on cost of supply to agricultural consumers.

Note : Audited figures must be taken from the commercial Department of the Utility (Billing and Revenue Section) for computing the AT & C Losses.

Format – D3

Name of the Distribution Licensee : _____

ENTITLEMENT FROM CENTRAL GENERATING STATIONS AND ENERGY PURCHASED FOR THE YEAR

S/ No	Station	Capacity (MW)	Firm allocation to		Gen. (MU)	PLF %	Aux. Cons.		Energy sent out	Firm Energy entitlement	Actual Utilised
							8	9			
1	2	3	4	5	6	7	8	9	10	11	12

(MU)

1	<u>NHPC</u>												
	a)												
	b)												
	c)												
	d)												
	e)												
2	<u>NEEPCO</u>												
	a)												
	b)												
	c)												
	d)												
	e)												
3	<u>Other Source (details to be furnished) PTC</u>												
	a)												
	b)												
	c)												
	d)												
	e)												
4	<u>Other Charges (details to be furnished) Sources</u>												
	a)												
	b)												
	c)												
	d)												
	e)												

Note :- Separate statement to be furnished for Previous year (Actuals), Current year (Estimated) and Ensuing year (Projected).

Format – D4Name of the Distribution Licensee : _____

POWER PURCHASE COST
FOR THE YEAR

(Rs. In Crores)

S/N	Source	Energy received (MU)	Variable Cost (Ps./Unit)	Total Variable Cost	Total Fixed Cost	Others	Total Cost (5+6+7)	Unit Cost (Rs./KWH)
1	2	3	4	6	7	8	10	11
1	<u>NHPC</u>							
	a)							
	b)							
	c)							
	d)							
2	<u>NEEPCO</u>							
	a)							
	b)							
	c)							
	d)							
	e)							
3	<u>PTC Other Sources (Details to be furnished)</u>							
	a)							
	b)							
	c)							
	d)							
	e)							
4	<u>Other charges (details to be furnished)</u>							
	a)							
	b)							
	c)							
	d)							
	e)							

Note :- Separate statement to be furnished for Previous year (Actuals), Current year (Estimated) and Ensuing year (Projected).

Format – D4 (a) Name of the Licensee : _____

UI POWER PURCHASE CHARGES
FOR THE PREVIOUS YEAR

S. No.	Month	Quantum of Energy Received (MU)	Per unit cost (Rs./kWH)	Cost of Energy Purchase (Rs. Crores)
1	2	3	4	5
1	April			

2	May			
3	June			
4	July			
5	August			
6	September			
7	October			
8	November			
9	December			
10	January			
11	February			
12	March			
13	Total			

Format – D4 (b)

Name of the Licensee : _____

UI POWER PURCHASE CHARGES
FOR THE ENSUING YEAR

S. No.	Month	Quantum of Energy Proposed to be purchased (MU)	Per unit cost (Rs./ kWh)	Cost of Energy Purchase (Rs. Crores)
1	2	3	4	5
1	April			
2	May			
3	June			
4	July			
5	August			
6	September			
7	October			
8	November			
9	December			
10	January			
11	February			
12	March			
13	Total			

Format – D4 (c)Name of the Licensee : _____

UI POWER SALE CHARGES
FOR THE PREVIOUS YEAR

S. No.	Month	Quantum of Energy Sold (MU)	Per unit cost (Rs./ kWh)	Cost of Energy Sold (Rs. Crores)
1	2	3	4	5
1	April			
2	May			
3	June			

4	July			
5	August			
6	September			
7	October			
8	November			
9	December			
10	January			
11	February			
12	March			
13	Total			

Format – D4 (d)

Name of the Licensee : _____

UI POWER SALE CHARGES
FOR THE ENSUING YEAR

S. No.	Month	Quantum of Energy Sold (MU)	Per unit cost (Rs./ kWh)	Cost of Energy Sold (Rs. Crores)
1	2	3	4	5
1	April			
2	May			
3	June			
4	July			
5	August			
6	September			
7	October			
8	November			
9	December			
10	January			
11	February			
12	March			
13	Total			

Format – D5

Name of the Distribution Licensee : _____

NON TARIFF INCOME

(Rs. In Crores)

S. No.	Source of loan	Previous year (Actuals)	Current year (Estimated)	Ensuing year (Projected)
1	2	3	4	5

1	Meter/ Service rent			
2	Late payment surcharge			
3	Theft/ pilferage of energy charges			
4	Misc. receipts			
5	Misc. charges			
6	Wheeling charges			
7	Interest on staff loans & advance			
8	Income from trading			
9	Income from welfare activities			
10	Excess on verification			
11	Investments & bank balances			
12	Total Income			
13	Add Prior period income			
14	Total			

- Year wise details of prior period income may be provided.

Format – D6

Name of the Distribution Licensee : _____

BAD AND DOUBTFUL DEBTS

For the Year _____

			(Rs. In Crores)
S. No.	Particulars	Amount	
1	2	3	
1	Amount of receivable bad and doubtful debts (audited)		
2	Provision made for debts in ARR		

Format – D7

Name of the Distribution Licensee : _____

ANNUAL REVENUE REQUIREMENT

(Rs. In Crores)

S. No.	Item of expenditure	Previous Year (Actuals)	Current year (Estimated)	Ensuing Year (Projected)
1	2	3	4	5
1	Cost of Power Purchase			
2	Employee costs			
3	O&M expenses			
4	Adm. & Gen. Expenses			
5	Depreciation			
6	Interest charges			
7	Return on equity			
8	Income Tax			
9	Total revenue requirement			
10	Less: Non tariff income			
11	Net revenue requirement (9-10)			
12	Revenue from tariff			
13	Gap (11-12)			
14	Gap of FY			
15	Total gap (13+14)			
16	Revenue surplus carried over			
17	Additional revenue from proposed tariff			
18	Regulatory asset			
19	Energy Sales (MU)			

Appendix – D

ADDITIONAL COMMON FORMATS TO BE FILLED BY

- (1) HYDEL GENERATION
- (2) TRANSMISSION LICENSEE
- (3) DISTRIBUTION LICENSEE

FOR THE YEAR _____

Name of the Licensee or : _____
 Name of the Generating Company : _____
 Name of the Generating Station : _____

EMPLOYEE COST**FOR THE YEAR _____****(Rs. In Crores)**

S. No.	Particulars	Previous Year (Actuals)	Current Year (Estimated)	Ensuing Year (Projected)
1	2	3	4	5
	SALARIES & ALLOWANCES			
1	Basic Pay			
2	Dearness Pay			
3	Dearness Allowance			
4	House rent Allowance			
5	Fixed medical allowance			
6	Medical reimbursement charge			
7	Over time payment			
8	Other allowances (detailed list to be attached).			
9	Generation incentive			
10	Bonus			
11	Sub-Total			
	Terminal Benefits			
12	Leave encashment			
13	Gratuity			
14	Commutation of Pension			
15	Workman compensation			
16	Ex – gratia			
17	Sub - total			
	Pension Payment			
18	Basic Pension			
19	Dearness Pension			
20	Dearness allowance			
21	Any other expenses			
22	Sub – Total			
23	Total (11+17+22)			
24	Amount capitalized			
25	Net Amount			
26	Add prior period expenses *			
27	Grand Total			

** Year – wise details of prior period employees cost, if any, may be provided.*

Note :

Separate statement to be furnished for Previous year (Actuals), Current year (Estimated) and Ensuing year (Projected).

Format – 2

Name of the Licensee : _____

TOTAL NUMBER OF EMPLOYEES

S. No	Particulars	Previous year (Actuals)	Current Year (Estimated)	Ensuing Year (Projected)
1	2	3	4	5
1	Number of employees as on 1 st April			
2	Number of employees on deputation/ foreign service as on 1 st April			
3	Total Number of employees (1+2)			
4	Number of employees retired/ retiring during the year			
5	Number of employees at the end of the year (3-4)			

Format – 3

Name of the Licensee : _____

EMPLOYEES PRODUCTIVE PARAMETERS

S. No	Particulars	Previous year (Actuals)	Current Year (Estimated)	Ensuing Year (Projected)
1	2	3	4	5
1	Number of consumers in million			
2	Connected load in kW			
3	Line circuit in KM (LT + HT)			
4	Energy sold in MU			
5	Employees per MU of energy sold			
6	Employees per 1000 consumers			
7	Share of employees cost in total expenses			
8	Employees cost in paise / kWh of energy sold			
9	Line circuit KM (EHT lines)			
10	Employees per KM of EHT line (Transmission related)			
11	Power station installed capacity own generation (MW)			
12	Employees per MW of capacity for generating company.			

Name of the Licensee : _____

REPAIRS AND MAINTENANCE EXPENSES

(Rs. In Crores)

S. No	Particulars	Previous year (Actuals)	Current Year (Estimated)	Ensuing Year (Projected)
1	2	3	4	5
1	Plant & Machinery			
	- Plant and Apparatus			
	- EHV Sub-Stations			
	- 33 KV Sub-Stations			
	- 11 kV Sub- Stations			
	- Switch gear and cable connections			
	- Others			
	Total			
2	Building			
3	Hydraulic works & Civil Works			
4	Line cable & Net work			
	- EHV Lines			
	- 33 kV Lines			
	- 11 kV lines			
	- LT Lines			
	- Meters and metering equipment			
	- Others			
	Total			
5	Vehicles			
6	Furniture & Fixtures			
7	Office equipments			
8	Operating expenses			
9	Total			
10	Add/ Deduct share of other (To be specified)			
11	Total expenses			
12	Less expenses			
13	Net expenses			
14	Add prior period *			
15	Total expenses charges to revenue as R&M expenses			

** Year – wise details of these charges may be provided.*

Format – 5 Name of the Licensee : _____

ADMINISTRATION AND GENERAL EXPENSES

(Rs. In Crores)

S. No	Particulars	Previous year (Actuals)	Current Year (Estimated)	Ensuing Year (Projected)
1	2	3	4	5
1	Rent, rates & taxes			
2	Insurance			
3	Telephone, postage & Telegrams			
4	Consultancy fees			
5	Technical fees			
6	Other professional charges			
7	Conveyance & travel expenses			
8	Electricity & water charges			
9	Others			
10	Freight			
11	Other material related expenses			
12	Total expenses			
13	Less Capitalised			
14	Net expenses			
15	Add Prior period *			
16	Total expenses charged to revenue			

* Year – wise details of these charges may be provided.

Format – 6

Name of the Licensee : _____

VALUE ASSETS AND DEPRECIATION

(Rs. Crores)

S. No.	Name of the Asset	Value of Assets at the beginning of the year	Addition during the year	Withdrawn during the year	Value of Assets at the year	Rate of Depreciation (%)	Depreciation charges for the year
1	2	3	4	5	6	7	8

Note :- Separate statement to be furnished for Previous year (Actuals), Current year (Estimated) and Ensuing year Projected)

Format – 7 Name of the Licensee : _____

DETAILS OF LOANS FOR THE YEAR

(Rs. In lakhs)

S. No.	Particulars	Opening Balance	Rate of Interest	Addition during the year	Repayment during the year	Closing balance	Amount of interest paid
1	2	3	4	5	6	7	8
1	SLR Bonds						
2	Non SLR Bonds						
3	LIC						
4	REC						
5	Commercial Banks						
6	Bills discounting						
7	Lease rental						
8	PFC						
9	GPF						
10	CSS						
11	Working capital loan						
12	Others (details to be given)						
13	Total						
14	Add State Govt. Loan						
15	Total (13+14)						
16	Less capitalization						
17	Net Interest						
18	Add prior period						
19	Total Interest						
20	Finance charges						
21	Total Interest and finance charges						

Note :-

Separate statement to be furnished for Previous year (Actuals), Current year (Estimated) and Ensuing year (Projected)

Name of the Licensee : _____

INTEREST CAPITALIZED

(Rs. In lakhs)

S. No.	Interest capitalized	Previous Year (Actuals)	Current year (Estimated)	Ensuing year (Projected)
1	2	3	4	5
1	WIP			
2	GFA at the end of the year			
3	WIP + GFA at the end of the year			
4	Interest (Excluding interest on WCL)			
5	Interest Capitalized			

Note :-

WIP = Work – in – Progress.
GFA = Gross Fixed Assets.
WCL = Working Capital Loan

Format – 9 Name of the Licensee : _____

**INFORMATION REGARDING RESTRUCTURING OF
OUTSTANDING LOANS DURING THE**

(Rs. In lakhs)

S. No.	Source of loan	Amount of original loan	Old rate of Interest (%)	Amount already restructured	Revised rate of Interest (%)	Amount now being restructured	New rate of interest (%)
1	2	3	4	5	6	7	8

Name of the Licensee : _____

INFORMATION REGARDING REVENUE FROM OTHER

(Rs. In lakhs)

S. No.	Particulars	Amount
1	2	3
1	Total Revenue from other business	
2	Income from other business to be considered for licenses business as per regulations.	

Format – 11

Name of the Licensee : _____

INFORMATION REGARDING WORKING CAPITAL FOR THE CURRENT AND ENSURING YEAR

(Rs. In lakhs)

S. No.	Particulars	Amount
1	2	3
1	Fuel Cost	
2	Power Purchase Cost	
3	One month employees cost and adm& Gen. Expenses.	
4	One month R&M cost	
5	Two Months Receivables.	
6	Total	

Format – 12 (A) Name of the Licensee :- _____

A. **ESTIMATED REVENUE AT EXISTING TARIFF (LT)**

S/ No.	Category	Connected Load (KW)	Fixed Charges per KW (Rs.)	Total Fixed Charges (Rs. In Lakhs).	Slab in the Category	Sale in each Slab (MU)	<u>Existing Tariff Rate</u> (paise per Kwh)	Amount (in lakh)	Total amount for the category (lakh)	Average tariff for the year (paise per Kwhr)
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11	Total (LT)									

Format – 12 (B)

Name of the Licensee :- _____

B. ESTIMATED REVENUE AT EXISTING TARIFF (HT)

S/ No.	Category	Contract Demand (KVA)	Billing Demand (KVA)	Sale of Energy (MU)	Fixed Charge (Rs. / kVA)	Energy Charges (Ps/ kWH)	<u>Total Fixed Charges</u> (Rs. Lakhs)	Total Energy Charges (Rs. Lakhs)	Grand Total amount for the category (Lakh)	Average tariff for the year (paise per Kwh)
1										
2										
3										
4										
5										
6										
7										
8										
9										
10	Total (HT)									
11	Total (LT)									
12	Total (LT + HT)									

Format – 12 (C)

Name of the Licensee :- _____

C. **ESTIMATED REVENUE AT EXISTING TARIFF**

S/ No.	Category	Contract Demand (KVA)	Billing Demand (KVA)	Sale of Energy (MU)	Existing Tariff	Total amount for the year (lakh)	Total amount for the category (lakh)	Average tariff for the year (Paise per kwhr)
1					FC in Rs. Per KVA			
2					EC in paise per Kwhr			
3								
4								
5								
6	Total (LT + HT + EHT)							

Format – 12 (D)

Name of the Licensee :- _____

D. **ESTIMATED REVENUE AT EXISTING TARIFF**

S/ No.	Category	Contract Demand (KVA)	Billing Demand (KVA)	Sale of Energy (MU)	Existing Tariff	Total amount for the year (lakh)	Total amount for the category (lakh)	Average tariff for the year (Paise per kwhr)
1					FC in Rs. Per KVA			
2					EC in paise per Kwhr			
3								
4								
5								
6	Grand Total							

Format – 13

Name of the Licensee :- _____

INVESTMENT PLAN (SCHEME – WISE)

(Rs. In lakhs)

S/ No.	Name of Scheme/ Project	Approved Outlay	Previous Year (Actuals)	Current Year (RE)	Ensuing year (Projections)	Progressive Expenditure upto Ensuing year
1	2	3	4	5	6	7

- Note :-
- i) Information for previous year to be given in columns 1 to 7.
 - ii) Information for the current year to be given in columns 1 to 5
 - iii) Schemes costing Rs. Ten lakhs or above to be shown. For Others lumpsum provision may be indicated.

Format – 14 Name of the Licensee :- _____

INVESTMENT PLAN (YEAR – WISE)

(Rs. In lakhs)

S/ No.	Year	Originally proposed by the Utility	Approved by the Commission	Revised by the Utility	Revised approval by the Commission in review	Actual expenditure.
1	2	3	4	5	6	7

- Note :- i) Information for previous year to be given in columns 1 to 7.
ii) Information for the current year to be given in columns 1 to 5

Format – 15 Name of the Licensee :- _____

WORKS – IN – PROGRESS

(Rs. In lakhs)

S/ No.	Particulars	Previous year (Actuals)	Current year (Estimated)	Ensuing year (Projected)
1	2	3	4	5
1	Opening balance			
2	Add : New investments			
3	Total			
4	Less investment capitalized			
5	Closing balance			