

To-  
The Secretary  
Jharkhand State Electricity Regulatory Commission,  
1<sup>st</sup> Floor, Jharkhand Housing Board (Old Building)  
Harmu Housing Colony,  
Ranchi-834002

22.04.2026

Subject: Submission of Petition seeking Review of the Order dated 23.03.2026 by the Hon'ble Commission in Case (T) No. 17 of 2025

Sir,

This is in reference to Hon'ble Commission's letter dated 24.03.2026, No. JSERC/ Case(T) No. 17 of 2025/ 792 issuing the copy of the Order by the Hon'ble Commission in Case (T) No. 17 of 2025 filed by the Petitioner for Multi Year Tariff (MYT) for 2027-31 control Period in respect of Jojobera Unit-2 and 3.

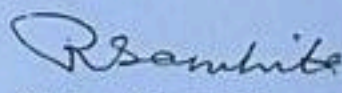
In respect of the afore mentioned Order, the Petitioner wishes to submit the review Petition, as enclosed herewith.

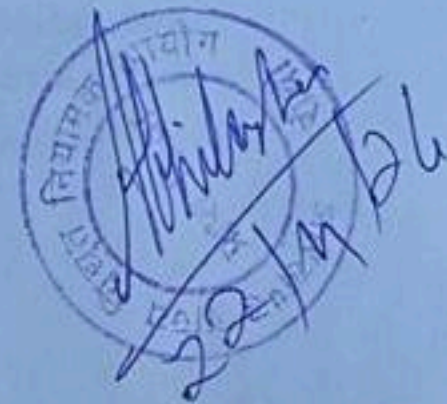
As per the Schedule of Fees, Fine and Charges of JSERC's Fees, Fines & Charges Regulations, 2024 (SL. No. 25. Application for review of Tariff Order), the Petitioner has made the requisite payment, as per the following details:

Date of Payment : 20.04.2026  
UTR Details : UTR HDFCH00945269334  
Amount : Rs. 700000.00 (Rs. Seven Lakh)

For kind consideration of the Hon'ble Commission, please.

Thanking you,  
Yours Sincerely,

  
Mrs. Richa Sanchita  
(De Lex Advocates and Solicitors)  
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**BEFORE THE HON'BLE JHARKHAND STATE ELECTRICITY REGULATORY  
COMMISSION AT RANCHI  
REVIEW PETITION NO. \_\_\_\_\_ OF 2026  
IN  
CASE (TARIFF) NO. 17 OF 2025**

**IN THE MATTER OF:** *Review of Order dated 23.03.2026 passed by this Hon'ble Commission in Case (Tariff) No. 17 of 2025 for Business Plan and MYT Petition for Control Period from FY 2026-27 to FY 2030-31 for Unit-II and Unit-III at Jojobera.*

**AND IN THE MATTER OF:**

Tata Power Company Limited (TPCL)  
Jojobera Power Plant, P.O. Rahargora,  
Jamshedpur-831016

...Review Petitioner

**INDEX**

<b>SL. NO.</b>	<b>PARTICULARS</b>	<b>PAGES</b>
1.	Review Petition under Section 94 (1) (f) of the Electricity Act, 2003 read with Regulation 41 of the Jharkhand State Electricity Regulatory Commission (Conduct of Business) Regulations, 2024.	<b>1-42</b>
2.	List of Annexures	<b>43</b>
3.	Annexure P/1 to P/10	<b>44-256</b>
4.	Authorization	<b>257-260</b>
5.	Affidavit	<b>261-263</b>
6.	Vakalatnama	<b>264-265</b>

**FILED BY**

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Date:

BEFORE THE HON'BLE JHARKHAND STATE ELECTRICITY REGULATORY  
COMMISSION AT RANCHI

REVIEW PETITION NO. \_\_\_\_\_ OF 2026

IN

CASE (TARIFF) NO. 17 OF 2025

**IN THE MATTER OF:** *Review of Order dated 23.03.2026 passed by this Hon'ble Commission in Case (Tariff) No. 17 of 2025 for Business Plan and MYT Petition for Control Period from FY 2026-27 to FY 2030-31 for Unit-II and Unit-III at Jojobera.*

**AND IN THE MATTER OF:**

Tata Power Company Limited (TPCL)  
Jojobera Power Plant, P.O. Rahargora,  
Jamshedpur-831016

...Review Petitioner

**REVIEW PETITION UNDER SECTION 94 (1) (f) OF THE ELECTRICITY ACT,  
2003 READ WITH REGULATION 41 OF THE JHARKHAND STATE ELECTRICITY  
REGULATORY COMMISSION (CONDUCT OF BUSINESS) REGULATIONS, 2024.**

**MOST RESPECTFULLY SHOWETH:**

**I. CONSPECTUS**

1. The present Review Petition is being preferred by the Tata Power Company Limited ("**Petitioner**" / "**TPCL**") seeking review of Order dated 23.03.2026 ("**Impugned Order**") passed by this Hon'ble Jharkhand State Electricity Regulatory Commission ("**Hon'ble Commission**") in Case (Tariff) No. 17 of 2025 ("**Petition**") for Unit-II and Unit-III at Jojobera to a limited extent as raised in the present Review Petition. A true copy of Impugned Order dated 23.03.2026 issued by this Hon'ble Commission in Case (Tariff) No. 17 of

2025 was communicated to the Petitioner vide letter dated 24.03.2026 has been annexed herewith and marked as **ANNEXURE P/1**.

2. The Petition was filed by the Petitioner for approval of Business Plan and Multi Year Tariff (“**MYT**”) for Control Period from FY 2026-27 to FY 2030-31 under Section 61, 62, 64 and 86 of the Electricity Act, 2003 (“**Act**”) in accordance with JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025 (“**GTR 2025**”) read with Jharkhand State Electricity Regulatory Commission (Conduct of Business) Regulations, 2024 (“**COB Regulations 2024**”) for sale of electricity from Unit II and III (2x120 MW) of Jojobera Power Plant of the Petitioner to Tata Steel Limited (“**TSL**”), a Long-Term beneficiary and Distribution Licensee.
3. It is respectfully submitted that in the Impugned Order, there are certain errors which are apparent on the face of the record and instances where material facts and submissions of the Petitioner appear to have been inadvertently overlooked, resulting in disallowance of legitimate claims of the Petitioner for the Control Period FY 2026-27 to FY 2030-31.
4. Therefore, with utmost respect, the Petitioner has approached this Hon’ble Commission seeking review of the Impugned Order to the extent set out herein. The following issues are being raised by the Petitioner for the kind consideration of this Hon’ble Commission in the present Review Petition:
  - (a) Disallowance of additional capitalisation for the Control Period from FY 2026-27 to FY 2030-31, by non-consideration of relevant Residual Life Assessment (“**RLA**”) submissions placed on record;
  - (b) Inadvertent error in computation of depreciation arising due to

non-consideration of allowed spillover additional capitalisation in the opening Gross Fixed Assets (“**GFA**”) for subsequent years;

- (c) Erroneous computation of receivables for working capital requirement and Interest on Working Capital (“**IoWC**”), thereon due to exclusion of water charges and security expenses from Annual Fixed Cost (“**AFC**”), and inconsistencies in computation of working capital components;
- (d) Non-consideration of the Petitioner’s submission regarding capital spares and the liberty sought to claim the same at the time of True-Up based on actuals;
- (e) Non-consideration of additional auxiliary consumption on account of installation and operation of Flue Gas Desulphurization (“**FGD**”) systems for the Control Period;
- (f) Direction to undertake RLA within an impracticable timeline of Six (6) months, requiring reconsideration in light of technical and operational constraints and the RLA already undertaken by the Petitioner.

5. It is respectfully submitted that the Petitioner is constrained to seek review of the aforesaid findings in the Impugned Order, as the same suffer from errors apparent on the face of the record and non-consideration of material submissions placed on record. In these circumstances, and before advertng to the specific grounds of challenge, it is necessary to briefly set out the relevant factual background giving rise to the present Review Petition.

## II. BRIEF FACTS

6. The Petitioner is a company incorporated under the Indian Companies Act, (VII of 1913) with its Registered Office at Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400001 and is engaged in the business of Electricity Generation, Transmission and Distribution.
7. The Petitioner operates five units at Jojobera, Jharkhand with a cumulative capacity of 547.5 MW out of which two units (Unit-II & Unit-III) are the subject matter of the present Review Petition. The Unit-II & Unit-III have the capacity of 120 MW each and are dedicated to supply power to Tata Steel Limited. Further, Unit-II commenced its operations on 01.02.2001 and Unit-III on 01.02.2002.
8. On 07.12.2015, the Ministry of Environment, Forest and Climate Change (“**MoEF&CC**”) issued a Notification mandating compliance with revised emission norms, *inter alia* requiring installation of Flue Gas Desulphurization (“**FGD**”) systems in thermal generating stations. A true copy of the MoEF&CC Notification dated 07.12.2015 is annexed herewith and marked as **ANNEXURE P/2**.
9. On 30.09.2020, this Hon’ble Commission accorded in-principle approval for installation of FGD systems for Unit-II and Unit-III, as sought by the Petitioner, in accordance with the applicable regulations, for compliance with the revised emission norms notified by the MoEF&CC. A true copy of this Hon’ble Commission’s Order dated 30.09.2020 is annexed herewith and marked as **ANNEXURE P/3**.
10. On 12.11.2020, this Hon’ble Commission notified the GTR, 2020 having

applicability for the period from 01.04.2021 to 31.03.2026.

11. On 15.10.2025, the Hon'ble Commission notified the GTR, 2025. Notably, Regulation A5 and A6 of the GTR, 2025 provided for MYT Framework and Guiding Principles for MYT Framework respectively.
12. On 21.10.2025, the Hon'ble Commission through its mail intimated Petitioner regarding the applicable regulatory framework i.e. GTR, 2025, for filing of tariff petitions for the ensuing control period, leaving limited time for preparation and filing of the Petition. A copy of the intimation email dated 21.10.2025 issued by Hon'ble Commission to the Petitioner is herewith annexed and marked as **ANNEXURE P/4**.
13. On 01.12.2025, in view of the intimation of new tariff framework (GTR, 2025) and voluminous nature of the Petition seeking tariff determination for the Control Period FY 2026-27 to FY 2030-31, the Petitioner sought an extension of 2 weeks in filing the MYT Petition before this Hon'ble Commission. A copy of the Petitioner letter dated 01.12.2025 issued to the Hon'ble Commission is herewith annexed and marked as **ANNEXURE P/5**.
14. Subsequently, the Hon'ble Commission, vide letter dated 12.12.2025, directed to file the MYT Petition within 7 working days. Accordingly, on 23.12.2025, the Petitioner filed MYT Petition for the Control Period FY 2026-27 to FY 2030-31 (soft copy and hard copy respectively) having Case (Tariff) No.: 17 of 2025 ("**Subject Petition**"), within the timeline directed by the Hon'ble Commission. Copies of the Hon'ble Commission letter dated 12.12.2025 and the filed MYT Petition for FY 2027-31 having Case (Tariff) No.: 17 of 2025 is herewith annexed and marked as **ANNEXURE P/6**

**(COLLY).**

15. On 10.02.2026, the Hon'ble Commission directed the Petitioner to furnish certain additional information in terms of the Order dated 06.02.2026 in the Subject Petition. A true copy of the Hon'ble Commission's letter dated 10.02.2026 is herewith annexed and marked as **ANNEXURE P/7**.
16. On 15.02.2026, in compliance with the aforesaid directions, the Petitioner submitted its data-gap reply, enclosing the DPR for the schemes proposed in the Petition for the Control Period from FY 2026-27 to FY 2030-31, along with approval of the Competent Authority. Further, the Petitioner, vide the data-gap reply dated 15.02.2026, furnished the detailed account of the RLA undertaken since 2021 to 2025 (till the date of filing of the data gap reply), alongwith the upcoming schedule aligned with the scheduled outages, technical requirements and RLA undertaken so far. The Petitioner also furnished the respective RLA reports and informed the Commission that report of the very recently undertaken RLA is under finalization. A true copy of the Petitioner's data-gap reply dated 15.02.2026 annexed and marked as **ANNEXURE P/8**.
17. On 23.03.2026, this Hon'ble Commission passed the Impugned Order in Case (Tariff) No. 17 of 2025 approving the Business Plan and MYT Petition for Control Period from FY 2026-27 to FY 2030-31, wherein, there are certain errors which are apparent on the face of the record and have led to disallowances of certain legitimate claims of the Petitioner.
18. Being aggrieved by the Impugned Order on certain counts as mentioned in the preceding paragraphs, the Petitioner is filing the present Petition for

the kind consideration of the Hon'ble Commission.

### III. GROUNDS

19. The present Review Petition has been preferred by the Petitioner on the grounds as mentioned below:

#### A. DISALLOWANCE OF THE ADDITIONAL CAPITALIZATION FOR THE PERIOD FY 2026-31

20. It is respectfully submitted that the Hon'ble Commission, in the Impugned Order dated 23.03.2026, has disallowed the additional capitalisation of Rs. 107.56 Crores proposed by the Petitioner for the Control Period FY 2026-27 to FY 2030-31, along with the corresponding decapitalisation, resulting in consequential disallowance of Return on Equity ("**RoE**"), Interest on Loan ("**IoL**"), Depreciation, Repair and Maintenance Expenses and IoWC aggregating to more than Rs. 75 Crores. The relevant extract of the Impugned Order is reproduced below:

#### **"Commission's Analysis**

*5.63 The Commission has relied upon Regulation A14 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025 for the approval of additional capitalization for the Control Period from FY 2026-27 to FY 2030-31.*

*5.64 The Commission observed that both the plants of the Petitioner are going to end their useful life in 2026 and 2027 respectively. In this regard as per clause 14.5 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025, the Petitioner is required to submit the RLA of both the units before any additional capitalization.*

*Further, it is observed from the Petitioner's submission, which states that*

*"the Petitioner has already initiated the preparatory works for conducting the RLA Study for Boiler which was planned in January, 2026 (Unit-3) and December, 2026 (Unit-2). For "Balance of Plant", the RLA is tentatively scheduled in FY 2027 (Unit-2) and FY 2028 (Unit- 3). The Turbine RLA is planned in FY 2028 and FY 2031, since the RLA has already been carried*

out in FY 2021 (Unit-3) and FY 2025 (Unit-2) and dismantling turbine once again for the RLA would not be feasible”.

5.65 Furthermore, in the discrepancy note to the Petitioner, the Commission directed the Petitioner to submit scheme-wise detailed justification for the necessity of each line item proposed under the new schemes, along with a cost-benefit analysis demonstrating tangible operational, financial, or efficiency gains as well as DPR and Residual Life Assessment report of the project. The Commission further directed the Petitioner to submit the present status of the RLA study, including the date of commencement of the study, the scope of work undertaken, and the tentative timeline for completion of the RLA study, along with any interim findings, if available. The Commission also directed the Petitioner to submit the Obsolescence certificate for all the assets claimed for FY 2026-27 to FY 2030-31 under Clause 14.3 (C) of the JSERC generation tariff regulation, 2025.

5.66 In response, the Petitioner submitted the DPR of all the new assets proposed for FY 2026-27 to FY 2030-31 supported by other necessary documentary evidence. However, the Petitioner failed to provide the Obsolescence certificate as asked by the Commission citing that,

“It is being humbly submitted that many of the assets have completed the asset life, rendering the spare parts unavailable and the asset non-serviceable. In such cases, even obtaining Obsolescence Certificate by the OEM is also practically not possible. In such a scenario, it is most humbly requested that unavailability of the Obsolescence Certificate may kindly be condoned by the Hon’ble Commission on said grounds and the proposed schemes may kindly be allowed considering the difficulty to service and repair the assets”

5.67 Regarding the RLA study, the Petitioner in the data-gap response submitted that

“.....RLA for “Boiler Pressure Parts” has been carried out for Unit 2&3 as a practice in accordance with Indian Boiler Regulations (IBR) in December 2021 and February 2021, respectively. Similarly, RLA for Turbine and other critical components has also been undertaken in line with OEM recommendations and prevailing utility practices for Unit 2&3 in January 2025 and February 2021, respectively. It may be noted that the stipulated frequency of the Boiler RLA is every 6 years, whereas, for Turbine and other critical components, the same is typically every 5 years. Summary of the past and upcoming RLAs is presented in the table below.

<b>Particulars</b>	<b>Last RLA</b>	<b>Next RLA</b>
Boiler-Unit-2	Dec-21	Dec-26
Boiler-Unit-3	Feb-21	Feb-26
Turbine-Unit-2	Jan-25	Dec-31
Turbine-Unit-3	Feb-21	Feb-28

*Further, as regards the RLA for “Balance of Plant”, which is typically required post 25 years of life of the asset, is under active consideration of the management. The same shall be scheduled, keeping in consideration, the planned RLAs as mentioned herein above and requirement of outage for such RLA.”*

*5.68 The Commission observed that the Petitioner has conducted RLA for Boiler and Turbine for Unit-2 and 3 between Dec-21 to Jan-25. However, RLA for “Balance of Plant” as required after 25 years of useful life has not been conducted yet.*

*5.69 It is further observed that the Commission, for the first time, vide its APR Order for FY 2019-20 dated 09.09.2020, and in all subsequent tariff orders thereafter, had been consistently directing the Petitioner to undertake a **Residual Life Assessment (RLA) study. A considerable period has elapsed since the issuance of the said directions; however, the Petitioner has not yet completed the RLA study.***

*5.70 Considering the above facts and circumstances, the Commission doesn't approve any new additional capitalization schemes proposed, for the Control Period from FY 2026-27 to FY 2030-31.”*

**[Emphasis Supplied]**

21. This Hon'ble Commission has disallowed the proposed additional capitalization for the Control Period FY 2026–27 to FY 2030–31 on alleged ground that the Petitioner has not completed the RLA despite consistent directions from the Hon'ble Commission.
22. It is respectfully submitted that the Impugned Order, by rejecting the proposed capitalisation for the Control Period FY 2026–27 to FY 2030–31 in entirety, effectively forecloses consideration of such expenditure even on actual basis, thereby resulting in a continuing and cascading denial of legitimate tariff recovery.
23. It is further submitted that this Hon'ble Commission has proceeded on the premise that the Petitioner had not complied with the requirement of RLA, without fully appreciating the material placed on record. The Petitioner had clearly submitted that RLA is a phased and outage-dependent exercise,

and had also provided timelines for completion of the Balance of Plant RLA along with details of RLA already undertaken for critical components such as Boiler and Turbine.

**Re. Detailed submissions made before this Hon'ble Commission**

24. It is submitted that under Section D.5.1 of its MYT Petition, the Petitioner specifically established that the proposed additional capitalisation pertains to, replacement of critical components, operational safety measures and statutory compliance requirements. The said works include, *inter alia*, boiler pressure part replacements, system refurbishments and safety upgrades, which are essential to ensure continued safe and reliable operation of Unit-II and Unit-III of Jojobera station. In the Petition, it was specifically mentioned that:

- (a) RLA is a phased technical exercise requiring planned outages and is being undertaken progressively;
- (b) RLA studies require detailed inspection of critical equipment and planned outages, and accordingly, the RLA for Boiler was scheduled for January 2026 (Unit-3) and December 2026 (Unit-2), Previously such RLA for Boiler was undertaken in December 2021 for Unit-2 and February 2021 for Unit-3;
- (c) the timeline for 'Balance of Plant' RLA is FY 2027 (Unit-2) and FY 2028 (Unit-3), and for Turbine RLA in FY 2028 and FY 2031, while highlighting that RLA for Turbine had already been undertaken in FY 2021 (Unit-3) and FY 2025 (Unit-2), making immediate re-assessment technically unfeasible;

- (d) the projected capital expenditure is restricted to essential works required for safe and sustained operations, in line with Regulations 14.3 and 14.4 of the GTR, 2025, and that the outcome and cost implications of the RLA studies would be placed before this Hon'ble Commission through subsequent petitions.
25. Further, the Petitioner in Table 10 of MYT Petition furnished a complete scheme-wise capital expenditure plan in terms of Regulations 6.6 and 6.7 of the GTR, 2025, including (i) nature and scope of work, (ii) justification, (iii) cost estimates, (iv) phasing of expenditure, and (v) regulatory provisions under which each scheme was claimed.
26. It is further submitted that the Petitioner had also placed on record, during the course of proceedings, additional information through data gap response dated 17.02.2026 (filed online on 15.02.2026), including past RLA reports already carried out for Boiler and Turbine, status of ongoing RLA activities, and DPRs for the proposed schemes. In this regard, it was specifically submitted that:
- (a) the Petitioner had placed on record the past RLA studies undertaken for Boiler (December 2021 for Unit-2 and February 2021 for Unit-3) and Turbine (January 2025 for Unit-2 and February 2021 for Unit-3), and had also provided a clear forward timeline for subsequent RLAs, i.e., Boiler RLA scheduled for December 2026 (Unit-2) and February 2026 (Unit-3), Turbine RLA in December 2031 (Unit-2) and February 2028 (Unit-3), while clarifying that RLA is a condition-based, periodic assessment aligned with OEM norms

- and operational feasibility;
- (b) the Petitioner had further clarified that RLA for 'Balance of Plant', which is required post 25 years, is under active consideration and is being planned in alignment with outage requirements and operational constraints, and that further life extension works are contingent upon the findings of such future RLA studies;
  - (c) the Petitioner had provided detailed DPRs along with supporting documents (Annexure R2 and R2.a), setting out the technical rationale, scope, implementation plan and cost estimates for each scheme, based on OEM recommendations, lifecycle assessment and prudent utility practices;
  - (d) with respect to the requirement of Obsolescence Certificates under Regulation 14.3(C), the Petitioner had submitted the same wherever the same were available. However, in several cases the assets had already outlived their useful life, rendering spares unavailable and the equipment non-serviceable, and therefore obtaining OEM-issued obsolescence certificates was practically not feasible, for which condonation was sought;
  - (e) the Petitioner had also submitted that certain schemes, being critical for plant safety, security and sustained operations, may not lend themselves to strict submission of obsolescence certificates or cost-benefit analysis, and accordingly requested that such essential works be considered on the basis of operational necessity, with liberty to furnish further details as may be required by the Hon'ble

Commission.

27. As it was submitted in the Additional Submissions dated 15.02.2026 that the report on latest RLA study for Boiler in Unit-3 would be completed in February 2026 and would be submitted to this Hon'ble Commission, accordingly, on 21.03.2026 the Petitioner, by way of its Additional Submissions, placed on record the latest status of RLA studies, including furnishing the preliminary RLA report for Unit-3 Boiler dated 18.03.2026, which concluded that no significant abnormalities were observed and that the unit can continue operation within prescribed limits, with certain recommended replacements for ensuring reliability. A true copy of the letter dated 21.03.2026 has been annexed herewith and marked as **ANNEXURE P/9**.
28. It was also submitted that the detailed RLA reports (including prior RLAs) were already provided in soft copy (Annexure R3 of the Submissions dated 15.02.2026), and that upon finalisation of the RLA report, the Petitioner would assess and approach the Hon'ble Commission for any further capital expenditure requirements, thereby demonstrating continued compliance and progressive disclosure of material information.
29. In view of the above, it is evident that the Petitioner had not only undertaken RLA for critical components such as Boiler and Turbine, but had also placed on record past RLA reports, latest status updates, and a clear, time-bound roadmap for completion of Balance of Plant RLA in accordance with the applicable regulatory framework. The material on record, therefore demonstrates that the Petitioner has undertaken and

planned RLA in a phased manner, aligned with technical, operational constraints and the RLA already undertaken. The RLA reports records that the overall performance parameters are within acceptable limits and that the units are considered technically safe and fit for continued operation at rated capacity with certain recommended replacements for ensuring reliability.

30. It is further submitted that in regulatory practice, including the recent Order dated 24.03.2026 passed by Hon'ble CERC in Petition No. 291/GT/2014 & batch, RLA studies of critical components such as Boiler and Turbine have been considered for assessing the technical condition of the generating units and for determining extension of useful life. The Hon'ble Central Commission, upon examining such RLA reports, recorded that the major equipment was fit for continued operation and accordingly proceeded to determine extended life for tariff purposes. The relevant extract of the Order dated 24.03.2026 is reproduced below:

*"30. In view of the above, the Commission holds that the determination of the extended useful life of the subject stations, as directed by the Hon'ble APTEL, is a mandatory and substantive requirement. The same is essential to ensure that depreciation corresponding to the additional capital expenditure claimed under Regulation 14(3) is recovered over a justified and reasonable period, balancing cost recovery with safeguarding of consumer interest.*

*31. In light of the above observation, the Commission vide ROP of the hearing dated 27.5.2025, directed the Petitioner to furnish the recommendations of OEM Boiler manufacturer and Turbine manufacturer or any of the RLA studies carried out, clearly stating the quality of the equipments and further period of extended life w.e.f. the completion of the useful life of the generating station, along with the reason for extension of its useful life.*

**32. The Petitioner, in compliance, has submitted that Residual Life Assessment (RLA) studies of Boiler and Turbine are**

***being conducted at the generating Stations at regular intervals, and the Petitioner has also submitted the reports of RLA studies comprising observations on different areas of inspection, quality of equipment, remaining life and recommendations.***

33. *The material placed on record includes Residual Life Assessment (RLA) studies of boiler and turbine systems for the respective stations, conducted by competent agencies using nondestructive testing and metallurgical analysis. The RLA reports indicate that, with continued Renovation and Modernisation (R&M) and life-sustaining works, the major equipment of the generating station is presently in satisfactory working condition, and no material has been placed on record to indicate that the station was unsafe or unfit for continued operation during the relevant period. The reports further record that the overall performance parameters are within acceptable limits and that the units are considered technically safe and fit for continued operation at rated capacity. However, the RLA studies also recommend that periodic R&M interventions be continued to ensure sustained reliability, safety and operational efficiency of the equipment. This observation underscores that continued operation beyond the normative useful life is contingent upon ongoing maintenance and capital interventions.*

34. ***From the details furnished by the Petitioner, it is observed that the studies cover both boiler and turbine components of the respective units of the generating stations and have been conducted during the period from 2019 to 2025. A perusal of the findings across all six generating stations (i.e. Ramagundam-I&II, Farakka-I&II, Korba-I&II, Unchahar-I, Rihand-I and VSTPS-I) indicates a consistent and uniform conclusion, namely that the major pressure parts, turbine rotors, casings and associated critical components are fit for continued operation. In several cases, detailed non-destructive testing (NDT), including visual inspection (VI), dye penetrant testing (DPT), magnetic particle inspection (MPI), ultrasonic testing (UT) and microstructural examination, has been carried out, and no appreciable material degradation has been observed.***

**[Emphasis Supplied]**

31. In the present case, the Petitioner had similarly undertaken RLA for Boiler and Turbine and placed the same on record along with timelines for Balance of Plant RLA. However, the Hon'ble Commission has not considered such material and has instead treated non-completion of RLA as a ground to reject the entire capitalization.

32. In view thereof, this Hon'ble Commission has disallowed the entire projected capitalisation without considering that such expenditure is essential for safe and continued operations and would arise during the Control Period. In the absence of any liberty to consider the same at the stage of true-up based on actuals, the Impugned Order effectively results in denial of legitimate tariff recovery and is inconsistent with the tariff framework.

***Re: Impugned approach is in inconsistent previous approach of the Hon'ble Commission***

33. It is further submitted that the Impugned Order suffers from internal inconsistencies. This Hon'ble Commission has proceeded on the premise that the useful life of Unit-II and Unit-III is ending in the years 2026 and 2027 respectively, thereby treating 25 years as the applicable useful life. This premise is itself incorrect and contrary to the consistent position adopted by this Hon'ble Commission in its earlier orders, wherein the useful life of the Petitioner's generating units has been considered as 30 years having regard to the tenure of the PPA and operational capability of the plant, as elaborated hereinbelow

34. In this regard, Order dated 04.11.2022 in Case (Tariff) No. 10 of 2020 passed for True-up for FY 2019-20, Business Plan & MYT for FY 2021-22 to FY 2025-26 is relevant, wherein, the Hon'ble Commission had considered the life of these units as 30 years in line with the term of the PPA. This Hon'ble Commission's observations in the order dated 04.11.2022 in this respect are extracted below:

*“5.72 As per Regulation the Useful life of the generating station is 25 years, however, the Petitioner had executed the Power Purchase Agreement (PPA) with the Beneficiary for 30 years. Such signing of PPA, clearly infer that both the Petitioner and Beneficiary are aware that the existing plant is able to stand even after 25 years. Further, depreciating the legitimate depreciable amount in 25 years will defeat the purpose of reliability and economical power which is an attribute of long term PPA.*

*5.73 Hence, the Commission taking into account the PPA tenure, has spread the remaining depreciable amount in PPA life (30 years) which shall also economise the power cost, and therefore approves the depreciation taking into PPA life instead of Useful life.”*

35. Pertinently, while holding the life of Unit-II and Unit-III as 30 years, this Hon'ble Commission has duly noted the ability of the units to stand even after 25 years.
36. It is further submitted that even under the Tariff Regulations notified by the Hon'ble CERC, the operational life of a thermal generating station has been recognised as 35 years. The Petitioner had also placed reliance on the same in its MYT Petition to demonstrate that the operational life of such generating stations extends well beyond 25 years with incurrence additional capital expenditure necessary for sustained and safe operations.
37. It is further submitted that the approach adopted in the Impugned Order results in a manifest inconsistency and prejudice to the Petitioner. Acting in accordance with the said regulatory position consistently followed by this Hon'ble Commission, the Petitioner, while filing the present MYT Petition, did not opt for the dispensation of R&M or Special Allowance as provided under Regulations 14.8 and 14.11 of the GTR, 2025, which become applicable upon completion of 25 years of useful life.
38. Had the useful life of the units been considered as 25 years, as now

observed in the Impugned Order, the Petitioner would have been entitled to avail the said regulatory dispensation for the Control Period FY 2026-27 to FY 2030-31, including Special Allowance in lieu of capitalisation. It is submitted that the Special Allowance admissible to the Petitioner would have been approximately ₹114 Crore for the said Control Period, which is more in comparison to the additional capitalisation of ₹107.56 Crore claimed in the MYT Petition.

39. However, relying on the Hon'ble Commission's earlier determination of useful life as 30 years, the Petitioner has pursued recovery of necessary expenditure through additional capitalisation under Regulations 14.3 and 14.4 of GTR 2025, instead of opting for Special Allowance. The Impugned Order, simultaneously disallowing the said additional capitalisation, has placed the Petitioner in a position where neither of the regulatory mechanisms i.e., capitalisation nor Special Allowance is made available.
40. The Impugned Order thus results in a double prejudice to the Petitioner. On the one hand, this Hon'ble Commission, in its earlier orders, had treated the useful life of the generating units as 30 years, on the basis of which the Petitioner structured its claim and did not opt for the regulatory dispensation of Special Allowance or R&M available upon completion of 25 years. On the other hand, in the Impugned Order, this Hon'ble Commission has disallowed the claimed additional capitalisation despite recording that RLA of Balance of Plant has to be done after 25 years of the useful life.
41. The effect of these inconsistent positions is that the Petitioner is denied recovery under both permissible regulatory mechanisms i.e., neither

additional capitalisation nor R&M/Special Allowance, thereby resulting in unjust deprivation of legitimate tariff recovery.

42. It is respectfully submitted that the disallowance of the additional capitalisation is contrary to the Hon'ble Commission's own findings. At para 5.68, the Commission records that the Petitioner has undertaken RLA for the Turbine and Boiler of Unit-II and Unit-III between December 2021 and January 2025. Further, at para 5.64, the Commission notes the Petitioner's submission that the RLA for Balance of Plant is scheduled in FY 2027 (Unit-II) and FY 2028 (Unit-III).
43. In this backdrop, the finding at para 5.69 and 5.70, disallowing the entire additional capitalisation on the ground that RLA has not been undertaken, is internally inconsistent and proceeds on an erroneous premise. This Hon'ble Commission itself acknowledges that RLA for Balance of Plant is required only upon completion of 25 years, which for Unit-II and Unit-III falls in FY 2026-27 and FY 2027-28, and that the Petitioner has aligned its RLA schedule accordingly.
44. In view of the above, it is respectfully submitted that the Impugned Order suffers from an error apparent on the face of the record, inasmuch as this Hon'ble Commission has not considered the material submissions and documents placed on record, particularly with respect to (i) the phased and condition-based nature of RLA, (ii) the status of RLA studies already undertaken and scheduled, and (iii) the applicable regulatory framework governing useful life and capitalisation.
45. The Impugned Order, by proceeding on an incorrect premise and

disallowing the entire projected capitalisation, results in a manifest denial of legitimate tariff recovery and is contrary to settled tariff principles and therefore may be reviewed by this Hon'ble Commission.

## **B. ERROR IN COMPUTATION OF DEPRECIATION**

46. It is respectfully submitted that while computing depreciation for FY 2027–31 (Para 6.34, Table 69) in the Impugned Order, this Hon'ble Commission has not considered the additional capitalisation allowed for spillover works for Unit -II of the Generating Station from FY 2027-28 onwards. The relevant extract of the Impugned Order as reproduced below:

### ***“Commission’s Analysis***

...

*6.33 In absence of RLA, the Commission has not approved any new expenditure as already discussed in the relevant section of this order. Hence, the Commission also disapproves the depreciation on the new assets. Depreciation on the already approved assets will be done as per the methodology already adopted by the Commission, considering the useful life of the units equal to the PPA life of 30 years.*

*6.34 The Commission, considering the available facts and circumstances and after prudence check approves the depreciation for each year of the Control Period as tabulated below.*

**Table 69: Depreciation (Rs. Cr.) for Unit-2 and 3 as approved by the Commission**

<b>Depreciation</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>	<b>FY 2030-31</b>
Unit-II	10.99	10.08	10.08	10.08	10.08
Unit-III	10.43	11.43	12.28	12.86	13.58

47. It is submitted that an amount of Rs. 5.57 Crore at Para 5.72 and 5.73, Table 29 of the Impugned Order has been expressly allowed towards spillover Additional Capitalisation, however, the same has not been carried forward into the opening GFA from FY 2027-28 onwards for the purpose of depreciation computation, which has led to a disallowance of Rs. 6.44 Crore over the control period, as detailed below:

<b>Particular</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Depreciation (Computed by the Petitioner as per Commission's approach)	11.00	11.69	11.69	11.69	11.69
Depreciation (Approved by Commission)	10.99	10.08	10.08	10.08	10.08
<b>Difference (Disallowance)</b>	<b>0.01</b>	<b>1.61</b>	<b>1.61</b>	<b>1.61</b>	<b>1.61</b>

48. In view of the above, it is submitted that This is not a matter of "merit" or "prudence" but a purely arithmetical oversight, had the approved capitalization been correctly factored into the GFA, the resulting depreciation (calculated as the spread-over of the remaining depreciable value) would have been Rs. 11.69 Cr. annually from FY 2028 onwards, as against the Rs. 10.08 Cr. erroneously approved in the Impugned Order. Pertinently, this error has occurred only for Unit -II and not Unit-III.
49. Thus, the error is apparent on the face of the record as it arises from an inadvertent inconsistency between two parts of the same Order:
- (a) The Hon'ble Commission has allowed spillover additional capitalisation of Rs. 5.57 Crore in the Table 29 of the impugned order; however,
- (b) The Opening GFA considered for depreciation (Table 69) in the MYT does not reflect the aforesaid addition.
50. Therefore, such a mechanical omission in carrying forward the GFA base constitutes an error that warrants rectification to ensure the Petitioner is allowed to recover its legitimate Depreciation as per the statutory framework.

**C. ERRONEOUS COMPUTATION OF INTEREST ON WORKING CAPITAL FOR THE MYT OF FY 2027-31**

51. With utmost respect, it is submitted that this Hon'ble Commission in the Impugned Order, while computing the IoWC for both the Units II and Unit III of the Generating Station has (a) not considered the Water Charges and Security Expenses as part of Receivables and (b) error in consideration of number of days, which has led to a disallowance of Rs. 1.48 Cr. of IoWC for the Petitioner. The relevant extract of the Impugned Order is reproduced below:

***“Commission’s Analysis***

*6.54 The Commission has relied upon Clause 15.23, 15.26 and 15.27 of JSERC Generation Tariff Regulations, 2025 for the computation of Interest on Working Capital (IOWC).*

*6.55 The SBI MCLR plus 350 bp as on September 30, 2025 has been considered for the purpose of computation of Interest on Working Capital (IOWC) as per Clause 15.26 of JSERC Generation Tariff Regulation, 2025. The Interest on Working Capital (IOWC) as approved by the Commission is summarized in the following table.*

**Table 80: IoWC for Unit-II as approved by the Commission**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Working Capital as Coal Cost for 50 days	35.50	35.52	35.50	35.50	35.50
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.93	47.29	47.49	47.87	48.33
Working Capital as O&M Expenses for 1 month	5.88	6.21	6.53	6.87	7.23
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	12.41	13.08	13.72	14.40	15.11
<b>Total Working Capital</b>	<b>101.24</b>	<b>102.62</b>	<b>103.75</b>	<b>105.16</b>	<b>106.69</b>
<b>Computation of Interest on Working Capital</b>					
Bank Rate as on 30.09.2020 +(3.5%)	12.25%	12.25%	12.25%	12.25%	12.25%
<b>Interest on Working Capital</b>	<b>12.40</b>	<b>12.57</b>	<b>12.71</b>	<b>12.88</b>	<b>13.07</b>

Table 81: IoWC for Unit-III as approved by the Commission

Particulars	FY27	FY28	FY29	FY30	FY31
Working Capital as Coal Cost for 50 days	35.62	35.74	35.62	35.62	35.62
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.41	46.95	47.24	47.66	48.17
Working Capital as O&M Expenses for 1 month	5.53	5.82	6.12	6.44	6.78
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	11.57	12.15	12.74	13.37	14.04
<b>Total Working Capital</b>	<b>99.65</b>	<b>101.18</b>	<b>102.24</b>	<b>103.62</b>	<b>105.13</b>
<b>Computation of Interest on Working Capital</b>					
Bank Rate as on	12.25%	12.25%	12.25%	12.25%	12.25%
Particulars	FY27	FY28	FY29	FY30	FY31
30.09.2020 +(3.5%)					
<b>Interest on Working Capital</b>	<b>12.21</b>	<b>12.65</b>	<b>12.78</b>	<b>12.95</b>	<b>13.14</b>

52. The Hon'ble Commission, while computing the IoWC for the MYT period of FY 2027–31 for Unit-II and Unit-III, as reflected in Tables 80 and 81 of the Impugned Order, has inadvertently disallowed receivables amounting to ₹0.72 crore each for both units. This has resulted in a total disallowance of ₹1.45 crore towards IoWC for the Petitioner.
53. It may be noted that IoWC is determined in terms of the Regulation 15.23 of the GTR, 2025, which provides that, while determining Working Capital of a Generator, receivables equivalent to 45 days of capacity charges and energy charges for sale of electricity calculated on NAPAF also to be considered. Thereafter, IoWC is provided on the Working Capital determined in terms of the Regulation 15.26 of GTR, 2025. The relevant extracts of the GTR, 2025 have been reproduced below:

***Interest on Working Capital***

*15.23 The Commission shall determine the Working Capital requirement on normative basis for coal-based generating stations,*

which shall comprise the following components:

...

4. *Operation and Maintenance expenses, including water charge and security expenses for one month;*

5. *Maintenance spares @ 20% of Operation and Maintenance Expenses;*

6. *Receivables equivalent to 45 days of capacity charges and energy charges for sale of electricity calculated on the Normative Annual Plant Availability Factor:"*

54. Moreover, as per Regulation 3.1(51) of GTR, 2025, raw water is specifically categorized as a consumable, while security expenses are service cost. Both Consumables and Service Cost form part of Operation and Maintenance ("O&M") expenses, which are an integral component of AFC. Therefore, Water Charges and Security Expenses, being part of consumables, necessarily form part of AFC. The relevant extract are quoted below:

***"A 3. Definitions and Interpretations***

*3.1 In these Regulations, unless the context otherwise requires:-*

*51. 'Operation and Maintenance Expenses' or 'O&M expenses' means the expenditure incurred for operation and maintenance of the project, or part thereof, and includes the expenditure on manpower, repairs and maintenance, spares, consumables, insurance and overheads, and fuel other than used for generation of electricity;*

...

*15.1 The tariff for supply of electricity from a thermal generating station shall comprise two parts namely, Capacity Charge (for recovery of Annual Fixed Cost consisting of the components as specified in Clause 15.3 of these Regulations) and Energy Charge (for recovery of primary and secondary fuel cost and cost of limestone and any other reagent, as may be applicable as specified in Clause 15.4 of these Regulations, in case of thermal generating station) as specified in these Regulations.*

...

***15.3 Capacity Charges:*** *The Capacity Charges shall be derived on the basis of annual fixed cost. The Annual Fixed Cost (AFC) of a generating station shall consist of the following components:*

- 1. Return on Equity;*
- 2. Interest on Loan Capital;*

3. Depreciation;
4. Interest on Working Capital;
5. **Operation & Maintenance Expenses, and**
6. Less: Non-Tariff Income, and
7. Less: Income from Other Business as specified under Clause 15.50 & Clause 15.51:

...

**15.46. The Water Charges, Security Expenses and Capital Spares for thermal generating stations shall be allowed separately after prudence check:**

*Provided that Water Charges shall be allowed based on water consumption, depending upon type of plant, type of cooling water system, subject to prudent check. The details regarding the same shall be furnished along with the Petition.*

**15.47 The Security Expenses and Capital Spares for hydro generating stations shall be allowed separately after prudence check:**

*Provided that the generating station shall submit the assessment of the security requirement and estimated expenses, and the details of year-wise actual capital spares consumed at the time of truing up with appropriate justification."*

...

55. It is further pertinent to note that the Hon'ble Commission, in the Impugned Order itself, at Para 5.127-5.129, considered and allowed the water charges and security expenses. The relevant extract of the Impugned Order has been quoted below for the kind consideration of this Hon'ble Commission:

***"Projection of Administrative and General Expenses***

...

***Commission's Analysis***

...

*5.92 Further, Security Expenses and Legal Expenses have been allowed as per Clause 15.46 and Clause 15.43 of the GTR-2025.*

*5.93 HO expenses, legal expenses and security expenses have also been projected based on the same methodology as discussed above.*

*5.94 Accordingly, the Commission approves the projected A&G expenses, HO expenses, Legal expenses and Security expenses as per the table shown below.*

**Table 39: Projected Other A&G, HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit II</b>					
Other A&G Expenses	6.87	7.21	7.57	7.94	8.34
Head Office Expenses	14.59	15.32	16.07	16.87	17.71
Legal Expenses	0.02	0.02	0.02	0.02	0.02
<b>Unit III</b>					
Security Expenses	0.92	0.97	1.02	1.07	1.12
<b>Unit III</b>					
Other A&G Expenses	6.30	6.62	6.94	7.29	7.65
Head Office Expenses	14.21	14.92	15.66	16.43	17.25
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12

### **Raw Water Charges**

...

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

5.127 The Commission placed its reliance on clause 15.46 of JSERC GTR, 2025 to allow the recovery of Water Charges.

5.128 The Commission, similar to the projection of Ash-disposal expenses-as discussed above, observes that the water expenses also depends upon the projected gross power generation and hence on projected PLF.

5.129 Thus, the Commission, taking into account the PLF of 85% for the Control Period, and considering the same methodology as adopted by the Petitioner, has computed the water expenses as shown below, subject to true-up based on actuals.

**Table 52: Projected Raw Water Expenses for Unit-II & III from FY 2026-27 to FY 2030-31 as approved by the Commission.**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
<b>Raw water Expenses: Unit-2</b>	<b>Rs. Cr.</b>	7.56	8.15	8.73	9.39	10.09
<b>Raw water Expenses: Unit-3</b>	<b>Rs. Cr.</b>	7.54	8.13	8.71	9.37	10.07

Therefore, from the above table it is evident that this Hon'ble Commission has duly allowed the Security Expenses and Water Charges in the Impugned Order in terms of the GTR, 2025.

56. Further, this Hon'ble Commission while allowing the AFC has also allowed

the Security Expenses and Water Charges as part of AFC. Consequently, Receivables computed for the purpose of IoWC, which are based on AFC, cannot exclude water charges and security expenses. The relevant extract of the Impugned Order has been quoted below for the kind consideration of this Hon'ble Commission:

**Table 86: Annual Fixed Cost (Rs. Crore) as approved by the Commission for Unit-2.**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	62.06	65.39	68.60	71.99	75.56
Depreciation	10.99	10.08	10.08	10.08	10.08
Interest on Loan	2.07	1.37	0.51	0.04	0.00
Interest on Working Capital	12.40	12.57	12.71	12.88	13.07
Return on Equity	30.86	31.01	31.01	31.01	31.01
<b>Annual Fixed Cost</b>	<b>118.38</b>	<b>120.42</b>	<b>122.91</b>	<b>126.00</b>	<b>129.72</b>
Water Charge	7.56	8.15	8.73	9.39	10.09
Security Expenses	0.92	0.97	1.02	1.07	1.12

**Table 87: Annual Fixed Cost (Rs. Crore) as approved by the Commission for Unit-3.**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	57.86	60.74	63.72	66.87	70.18
Depreciation	10.43	11.43	12.28	12.86	13.58
Interest on Loan	2.13	1.35	0.58	0.09	0.00
Interest on Working Capital	12.21	12.65	12.78	12.95	13.14
Return on Equity	29.91	29.91	29.91	29.91	29.91
<b>Annual Fixed Cost</b>	<b>112.53</b>	<b>116.08</b>	<b>119.27</b>	<b>122.69</b>	<b>126.82</b>
Water Charge	7.54	8.13	8.71	9.37	10.07
Security Expenses	0.92	0.97	1.02	1.07	1.12

57. Therefore, while the Hon'ble Commission has duly considered the water charges and security expenses while computing AFC, as reflected in the above tables, the same have been excluded while computing receivables in Table 80 and 81, resulting in an internal inconsistency and thus an error, which is apparent on the face of record. The relevant extract of the Impugned Order has been quoted below for the kind consideration of this

Hon'ble Commission:

**“Commission’s Analysis**

6.54 The Commission has relied upon Clause 15.23, 15.26 and 15.27 of JSERC Generation Tariff Regulations, 2025 for the computation of Interest on Working Capital (IOWC).

6.55 The SBI MCLR plus 350 bp as on September 30, 2025 has been considered for the purpose of computation of Interest on Working Capital (IOWC) as per Clause 15.26 of JSERC Generation Tariff Regulation, 2025. The Interest on Working Capital (IOWC) as approved by the Commission is summarized in the following table.

**Table 80: IoWC for Unit-II as approved by the Commission**

Particulars	FY27	FY28	FY29	FY30	FY31
Working Capital as Coal Cost for 50 days	35.50	35.52	35.50	35.50	35.50
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.93	47.29	47.49	47.87	48.33
Working Capital as O&M Expenses for 1 month	5.88	6.21	6.53	6.87	7.23
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	12.41	13.08	13.72	14.40	15.11
<b>Total Working Capital</b>	<b>101.24</b>	<b>102.62</b>	<b>103.75</b>	<b>105.16</b>	<b>106.69</b>
<b>Computation of Interest on Working Capital</b>					
Bank Rate as on 30.09.2020 +(3.5%)	12.25%	12.25%	12.25%	12.25%	12.25%
<b>Interest on Working Capital</b>	<b>12.40</b>	<b>12.57</b>	<b>12.71</b>	<b>12.88</b>	<b>13.07</b>

**Table 81: IoWC for Unit-III as approved by the Commission**

Particulars	FY27	FY28	FY29	FY30	FY31
Working Capital as Coal Cost for 50 days	35.62	35.74	35.62	35.62	35.62
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.41	46.95	47.24	47.66	48.17
Working Capital as O&M Expenses for 1 month	5.53	5.82	6.12	6.44	6.78
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	11.57	12.15	12.74	13.37	14.04
<b>Total Working Capital</b>	<b>99.65</b>	<b>101.18</b>	<b>102.24</b>	<b>103.62</b>	<b>105.13</b>
<b>Computation of Interest on Working Capital</b>					
Bank Rate as on	12.25%	12.25%	12.25%	12.25%	12.25%

30.09.2020 +(3.5%)					
<b>Interest on Working Capital</b>	<b>12.21</b>	<b>12.65</b>	<b>12.78</b>	<b>12.95</b>	<b>13.14</b>

58. It is relevant to note that the Regulation 15.1 of GTR, 2025 provides that

tariff *inter alia* is comprised of Capacity Charges which is derived from AFC, Regulation 15.3 mandates that Capacity Charges are based on AFC, and further Regulation 15.46 read with Regulation 3.1(51) establishes that Water Charges and Security Expenses form part of O&M expenses and consequently part of AFC.

59. A combined reading of the aforesaid provisions specifies the following Regulatory chain:

Water Charges & Security Expenses → O&M Expenses → AFC →  
Capacity Charges → Receivables (45 days) → Working Capital →  
IoWC

60. Any exclusion of Water Charges and Security Expenses at any stage of this chain results in an error leading to understatement of receivables and consequent disallowance of IoWC.
61. It is further pertinent to note that although water charges and security expenses are depicted distinctly because, such charges are approved based on actual basis rather than on normative basis, unlike other constituents of O&M expenses i.e., employee cost, R&M expenses and A&G expenses. The water charges being consumable in nature and security expenses being service cost, forms part of overall O&M expenses.
62. It is respectfully submitted that, in terms of Regulation 15.3 of the GTR, 2025, O&M expenses form an integral component of the AFC. Accordingly, even where water charges and Security Expenses are allowed as a separate line item, they continue to retain their character as part of O&M expenses and, therefore, form part of the AFC. In such circumstances, the Hon'ble

Commission ought to have included water charges and Security expenses while computing the receivables for the purpose of determination of Interest on Working Capital, and exclusion of the same results in an erroneous computation.

63. It is further submitted that Hon'ble CERC approves water charges and security expenses separately to generators as per Regulation 35(1) (6) of CERC Tariff Regulations, 2019 alike JSERC Generation Tariff Regulations and considers AFC including water charges and security expenses for computation of receivables. The same is evident from plethora of Orders by Hon'ble CERC. A true copy of the relevant extracts of Order dated 02.08.2024 in the Petition No. 246/GT/2021 is enclosed as **ANNEXURE P/10**.
64. Further, it is observed that there are inconsistencies in the number of days considered in a year for computation of coal stock for Unit-III. Since coal stock forms a component of working capital, any variation in the base parameter of number of days has a consequential impact on the overall working capital requirement. It is, therefore, humbly submitted that the same may kindly be reviewed to ensure uniformity and consistency in computation.
65. With respect to receivables for Unit-II and Unit-III while the Hon'ble Commission has adopted the normative period of 45 days, the actual computation of receivables appears to be lower than what would result from applying the said norm consistently. This has led to a marginal reduction in the working capital requirement. The position is summarised

below:

**Unit-II**

<b>Particular</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Receivables: 45 Days (Computed by TPC)	47.97	48.28	48.69	49.16	49.71
Receivables: 45 Days (Approved by Commission)	46.93	47.29	47.49	47.87	48.33
<b>Difference (Disallowance)</b>	1.04	0.99	1.20	1.29	1.38

**Unit-III**

<b>Particular</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Receivables: 45 Days (Computed by TPC)	47.45	47.94	48.44	48.94	49.55
Receivables: 45 Days (Approved by Commission)	46.41	46.95	47.24	47.66	48.17
<b>Difference (Disallowance)</b>	1.04	0.99	1.20	1.28	1.38

66. In view of the above, it is humbly submitted that the aforesaid aspects may kindly be reviewed, and consequential correction in IoWC may be considered in accordance with the applicable provisions of the GTR, 2025, to ensure consistency in computation.

**D. NON-CONSIDERATION OF REQUEST TO GRANT LIBERTY FOR SUBMISSION OF CAPITAL SPARES AT THE TIME OF TRUE-UP**

67. It is respectfully submitted that the Impugned Order does not appear to have considered the submissions made by the Petitioner with respect to capital spares. In the MYT Petition, the Petitioner had specifically sought liberty to claim actual capital spares at the time of truing up, based on year-wise actual consumption. The relevant extract of the MYT Petition is

reproduced below:

“98. Regulation 15.46 of JSERC GTR, 2025 allows capital spares to be claimed on actual basis. Tata Power is proposing Nil capital spare for the 4th Control Period. Further, it is submitted that the capital spares on actual consumption basis shall be claimed at the Time of Truing up for respective year.

Tata Power, Jojobera (Unit2 and Unit 3)											
Details of Capital Spares as per Regulation 7.46										Form No: F17	
											(Rs Crores)
Sl.No.	Particulars	Actuals		Actuals		Actuals		(Actual)		(Estimated)	
		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31	
		Unit 2	Unit 3	Unit 2	Unit 3	Unit 2	Unit 3	Unit 2	Unit 3	Unit 2	Unit 3
1	Capital Spares	Will be submitted at the Time of True Up of respective year of the Control Period									
	<b>Grand Total</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

68. The said approach is in consonance with Regulation 15.46 of the GTR, 2025, which provides for allowance of capital spares subject to prudence check and based on actual requirement.
69. However, the Impugned Order is silent on the aforesaid submission and does not deal with or grant the liberty sought by the Petitioner. This has resulted in lack of clarity regarding the treatment of capital spares for the control period.
70. In view of the above, it is humbly submitted that this Hon'ble Commission may kindly consider granting liberty to the Petitioner to claim actual capital spares at the time of truing up, in accordance with Regulation 15.46 of the GTR, 2025, based on actual consumption and subject to prudence check.
- E. NON-CONSIDERATION OF ADDITIONAL AUXILIARY CONSUMPTION ON ACCOUNT OF FGD FOR MYT FY 2027 to FY 2031**
71. The Hon'ble Commission, in the Impugned Order dated 23.03.2026, has erred in not allowing additional auxiliary consumption of 1% on account of

installation and operation of FGD system for Unit-II and Unit-III while undertaking determination of MYT for FY 2027 to FY 2031. The relevant extract of the Impugned Order is reproduced below:

**“Auxiliary Consumption**

5.21 The Commission has examined the submission of the Petitioner that the FGD system being implemented at the Jojobera Plant in compliance with the Emission Control Norms issued by MoEFCC, has become operational from October 2025. Hence, Auxiliary Power Consumption will undergo change due to Commissioning of FGD system in both Unit 2 & 3, and for the purpose of accurate and realistic projections the Petitioner has considered an additional auxiliary energy consumption of 1% in line with the Regulation 70(E)(f) of the CERC Tariff Regulations, 2024, over and above the normative auxiliary energy consumption of 10% applicable for the generating station. Hence, the Petitioner has considered the Auxiliary Power Consumption as 11% for arriving at ex-bus generation on projected basis. It is further submitted that the impact of same in ECR has not been claimed in this Petition and shall be claimed vide the Petition for the supplementary tariff for FGD system for Unit 2 & 3.

5.22 In this regard, the Commission clarifies that the impact of the FGD system on Auxiliary Power Consumption may be considered strictly in accordance with the applicable Regulations and subject to prudence check, including examination of the necessity and justification of installation of the FGD system during the fag end period of the generating station. Such consideration may be undertaken at the appropriate stage. For the purpose of the instant Order, however, the Commission has computed the ex-bus generation by taking the Normative Auxiliary Power Consumption as 10% in accordance with “clause-16.1” of JSERC Generation Tariff Regulation 2025. Further, for computation of Energy Charges also, the Commission has considered the normative Auxiliary Power Consumption of 10% in terms of the applicable JSERC Regulations.

Table 7: Auxiliary Consumptions as approved by the Commission.

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
<b>UNIT-II</b>						
Normative Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
Projected Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
<b>UNIT-III</b>						
Normative Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
Projected Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00

72. It is observed that while this Hon’ble Commission has taken note of the

Petitioner's submission regarding additional auxiliary consumption on account of FGD, however, the same has not been allowed and has instead been deferred for future consideration subject to prudence check, including examination of the necessity and justification of installation of the FGD system.

73. The aforesaid approach is contrary to the material facts already on record. It is submitted that the FGD systems for Unit-II and Unit-III were installed and commissioned on 14.10.2025 and were operational onwards.
74. It is further submitted that the installation of FGD was not discretionary but undertaken in compliance with the environmental norms notified by the MoEF&CC Notification dated 07.12.2015 and its subsequent Amendments and was duly approved by this Hon'ble Commission *vide* in-principle approval dated 30.09.2020, however, has been inadvertently not been considered in the Impugned Order.
75. Having granted in-principle approval for installation of FGD and the same having already been implemented during the relevant year, the consequential operational impact, including additional auxiliary consumption, ought to have been considered in the MYT for FY 2027-31.
76. The Impugned Order, however, proceeds to question the necessity and timing of FGD installation while ignoring the fact that such installation had already been approved by the Hon'ble Commission and implemented in compliance with statutory environmental requirements. Such an approach amounts to re-examining an already settled issue at the stage of tariff determination.

77. It is respectfully submitted that the Impugned Order has inadvertently failed to consider the fact of actual installation and operation of FGD, along with the prior in-principle approval granted by the Hon'ble Commission, constitutes non-consideration of material facts on record and renders the Impugned Order erroneous.
78. In view of the above, the denial of 1% additional auxiliary consumption for FY 2027-31 constitutes an error apparent on the face of the record. Accordingly, the Hon'ble Commission may be pleased to allow additional auxiliary consumption on account of FGD for the relevant period of FY 2027-31.

**F. RLA DIRECTION AND PRACTICAL CHALLENGES IN IMPLEMENTATION**

79. It is respectfully submitted that the Hon'ble Commission, in the Impugned Order, has directed the Petitioner to carry out RLA within a period of six months and to submit the complete scope of work for approval. The relevant extract of the Impugned Order is reproduced below:

***“Residual Life Study***

*8.2 The Commission has observed that both the Units (Unit-II & Unit-III) have remaining useful life less than 10 years as per regulations. Accordingly, the Commission directs the Petitioner to carry out residual life study before any additional capitalization in the plant and justify its operational and financial benefits. However, before undertaking this study, the Petitioner is to submit the complete scope of work to be carried under RLA for Commission's approval.*

*8.3 In the event the Petitioner proceeds with capitalization in violation of this direction, without fulfilling the prescribed prerequisite conditions, the Commission shall be constrained to withhold/disallow such capitalization, if any. This is on account of the Petitioner's continued noncompliance with the Commission's directive to conduct the RLA, as consistently mandated in its Orders since FY 2020.*

***Compliance of directives issued in earlier Orders***

*8.4 As a consequence, the Petitioner is directed to submit the compliance to the directives issued by the Commission in its earlier*

*Orders, inter alia, particularly with respect to the compliance of Residual Life Study (RLA) within six months from today, failing which an appropriate action shall be taken by the Commission.”*

80. At the outset, it is submitted that the Petitioner has already made detailed submission in this regard in Ground A above, wherein, the Petitioner has submitted that RLA is a phased and outage-dependent exercise, and had also provided timelines for completion of the Balance of Plant RLA along with details of RLA already undertaken for critical components such as Boiler and Turbine.
81. Further, the Petitioner has disclosed RLA studies for Boiler and Turbine of Unit-2 and Unit-3 undertaken from December 2021 to January 2025 in its data-gap reply. In this regard, RLA for Boiler Pressure Parts was carried out in December 2021 (Unit-2) and February 2021 (Unit-3), and RLA for Turbine and other critical components has also been undertaken, including most recently in January 2025 for Unit-2 and in February 2021 for Unit -3, in line with OEM recommendations and prevailing utility practices. The said details have been specifically furnished in the Petitioner’s reply dated 15.02.2026.
82. In view of the above, it is humbly submitted that the direction to undertake a RLA within a period of six months does not adequately take into account:
- (a) that RLAs have already been conducted and submitted on record;
  - (b) that the proposed capital expenditure is already based on such RLA findings and other relevant studies; tests and assessments; and
  - (c) that future RLAs are necessarily aligned with technical cycles, outage planning, OEM recommendations and Indian Boiler

Regulations (“IBR”) requirements, and cannot be undertaken independently within a constrained timeline.

83. Further, as per the existing schedule depicted below, Unit-2 is planned for shutdown during December 2026–January 2027, whereas Unit-3 is scheduled for annual overhaul in the subsequent year, and any deviation from the planned schedule would have cascading implications including huge cost liability. The same has been depicted in the table below:

<b>Particulars</b>	<b>Last RLA</b>	<b>Next RLA</b>
Boiler-Unit-2	Dec-21	Dec-26
Boiler-Unit-3	Feb-21	Feb-26
Turbine-Unit-2	Jan-25	Dec-31
Turbine-Unit-3	Feb-21	Feb-28

84. Further, alteration of the existing overhaul schedule would impact the overall maintenance planning of other units of the Jojobera Power Plant, which is structured to ensure compliance with statutory requirements, including those under the IBR.
85. The RLA activities for boiler and turbine components have been planned in accordance with IBR requirements and OEM recommendations, as per the established schedule. Any advancement of such activities, particularly opening of turbine components ahead of the prescribed timeline, is not technically advisable and may entail substantial additional cost and time, which will further disturb the power sourcing plan of Distribution Licensee.
86. It is pertinent to note here that the auxiliary equipment of the generating station i.e., pumps, fans, transformers, and other balance-of-plant systems,

are maintained through an SAP enabled condition monitoring system. The health and integrity of all auxiliary equipment are routinely assessed as per predefined schedules and in line with OEM-prescribed Standard Operating Procedures which includes vibration analysis, thermography, oil analysis, electrical testing, non-destructive tests, and performance monitoring based on equipment criticality. Equipment-wise parameters, threshold limits, and observed values are systematically recorded, with SAP automatically generating notifications and triggering corrective actions in case of deviations. Further, periodic overhauls are undertaken at predefined intervals to maintain equipment condition and healthiness.

87. Additionally, RLA involves significant technical intervention and cost, which is over and above the normative provisions meant for routine expenditure. As such, undertaking any additional activity at this stage would require a prolonged shutdown (exceeding two months) and would also require extensive preparatory arrangements. As submitted, major overhaul of Unit-3 has been completed only a few months ago, and the major outage of Unit-2 is already scheduled within the next 6–7 months. In view of the above, a separate RLA for Balance of Plant System is neither feasible nor required at this stage.
88. Additionally, RLA involves significant technical intervention and cost, which is over and above the normative provisions meant for routine expenditure.
89. In view of the above constraints, it is humbly submitted that the timeline of six months for completion of RLA may kindly be relaxed, and the Petitioner

may be permitted to undertake the same as per the schedule, which is in alignment with the planned shutdown schedules and technical requirements. The Petitioner undertakes to place a detailed note and proposed execution plan before this Hon'ble Commission for its consideration and approval.

90. In view of the submissions made above, it is respectfully prayed that this Hon'ble Commission may be pleased to review its Order in terms of the submissions made and allow an immediate adjustment of the tariff to reflect the actual costs, which would be in the best interests of both the utility and the end consumers, as it avoids the compounding of costs over time.

#### **IV. LEGAL SUBMISSIONS**

91. It is submitted that this Hon'ble Commission is a statutory quasi-judicial body constituted under the Act to discharge functions and exercise powers vested in it. In this regard: -

- (a) Section 94(1)(f) of the Act vests in this Hon'ble Commission the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 ("CPC") in respect of, *inter-alia*, reviewing its decisions, directions, and orders.
- (b) Regulation 41 of the Jharkhand State Electricity Regulatory Commission (Conduct of Business) Regulations, 2024, provides that:

**"A41: REVIEW OF THE DECISIONS, DIRECTIONS AND ORDERS**

**41.1** *The Commission may at any time, on its own motion, or*

*on an application of any of the person(s) or parties concerned, within 30 days of the making of such decision, directions or order, review such decision, directions or orders and pass such appropriate orders as the Commission deem fit.*

*Provided that power to review by the Commission on its own motion under this clause may be exercised only for correction of clerical or arithmetical mistakes arising from any accidental slip or omission.*

41.2 *An application for such review shall be filed in the same manner as a petition under Chapter II of these Regulations.*

41.3 *The application shall be accompanied by such fee, if any, as may be prescribed by the Commission."*

Thus, it is submitted that this Hon'ble Commission is statutorily empowered to review the Impugned Order.

92. In view of the above, it is submitted that a Petition for Review would be maintainable not only upon discovery of a new and important piece of evidence or when there exists an error apparent on the face of the record but also if the same is necessitated on account of some inadvertent mistake or for any other sufficient reason. In this context, the following judgments of the Hon'ble Supreme Court are noteworthy: -

(a) In *Board of Control for Cricket, India and Anr. v. Netaji Cricket Club and Ors.*, [2005] 4 SCC 74, the Hon'ble Supreme Court observed as under: -

*"Order 47, Rule 1 of the Code provides for filing an application for review. Such an application for review would be maintainable not only upon discovery of a new and important piece of evidence or when there exists an error apparent on the face of the record but also if the same is necessitated on account of some mistake or for any other sufficient reason".*

(b) In *State of Maharashtra v. Ramdas Shrinivas Nayak*, AIR [1982] SC 1249, the Hon'ble Supreme Court held that: -

*“If a party thinks that the happenings in Court have been wrongly recorded in a judgment, it is incumbent upon the party, while the matter is still fresh in the minds of the Judges to call the attention of the very Judges who have made the record to the fact that the statement made with regard to his conduct was a statement that had been made in error.”*

93. It is humbly submitted that in view of the facts and submissions made hereinabove, there is an error apparent on the face of record while passing the Impugned Order. As such, this Hon’ble Commission may be pleased to review the Impugned Order to the extent challenged in the present Review Petition and allow the same along with the Carrying Cost.
94. In view of the submissions made above, this Hon’ble Commission may admit the present Petition and review/clarify/modify the Order dated 23.03.2026 passed by this Hon’ble Commission in Case (Tariff) No. 17 of 2025.
95. The Petitioner by way of the present Petition further seeks liberty from this Hon’ble Commission to amend the present Petition if at all required or to file any subsequent document to support its case.
96. The Petitioner will provide such information or document as may be required by this Hon’ble Commission for adjudication of the present Review Petition.
97. The present Petition is *bona fide*, in the interest of justice and within the limitation period prescribed by this Hon’ble Commission to file the Review Petition.

#### **PRAYER**

98. In light of the aforesaid facts and circumstances, the Petitioner prays before

this Hon'ble Commission may be pleased to: -

- (a) Admit the present Review Petition;
- (b) Review the Order dated 23.03.2026 passed by this Hon'ble Jharkhand State Electricity Regulatory Commission in Case (Tariff) No. 17 of 2025 in terms of the submissions made in the present Review Petition; and/or
- (c) Pass any such order(s) as this Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.

**FILED BY**

**RICHA SANCHITA**  
Advocate for the Review Petitioner  
Ira X-Ray, Hatia Station Road,  
Bisra Chowk, Ranchi-834003  
Email: [delexadvocagte@gmail.com](mailto:delexadvocagte@gmail.com)

Date:

## LIST OF ANNEXURES

<b>ANNEXURE NO.</b>	<b>PARTICULARS</b>	<b>PAGES</b>
<b>P/1</b>	A true copy of Impugned Order dated 23.03.2026 issued by this Hon'ble Commission in Case (Tariff) No. 17 of 2025 communicated to the Petitioner vide letter dated 24.03.2026.	<b>44-155</b>
<b>P/2</b>	A true copy of the MoEF&CC Notification dated 07.12.2015.	<b>156-157</b>
<b>P/3</b>	A true copy of this Hon'ble Commission's Order dated 30.09.2020.	<b>158-166</b>
<b>P/4</b>	A true copy of the intimation email dated 21.10.2025 issued by Hon'ble Commission to the Petitioner.	<b>167</b>
<b>P/5</b>	A true copy of the Petitioner letter dated 01.12.2025 issued to the Hon'ble Commission.	<b>168</b>
<b>P/6 (Colly.)</b>	Copies of the Hon'ble Commission letter dated 12.12.2025 and the filed MYT Petition for FY 2027-31 having Case (Tariff) No.: 17 of 2025.	<b>169-228</b>
<b>P/7</b>	A true copy of the Hon'ble Commission's letter dated 10.02.2026.	<b>229-231</b>
<b>P/8</b>	A true copy of the Petitioner's data-gap reply dated 15.02.2026.	<b>232-239</b>
<b>P/9</b>	A true copy of the letter dated 21.03.2026.	<b>240-241</b>
<b>P/10</b>	A true copy of the relevant extracts of Order dated 02.08.2024 in the Petition No.246/GT/2021.	<b>242-256</b>



# झारखण्ड राज्य विद्युत नियामक आयोग

## JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

JSERC/Case (T) No. 17 of 2025/ 792  
Date: 24.03.2026

To

Shri Dilip Kumar  
Gr. Head – Corporate Regulations (ER)  
Tata Power Company Limited  
Regulation Department  
Jojobera Power Plant  
JAMSHEDPUR – 831 016.

Sub: Order on the Business Plan and MYT Petition for Control Period FY 2026-27 to FY 2030-31 of Tata Power Company Limited (TPCL).

Sir,

I am directed to forward herewith a copy of the Order on the Business Plan and MYT Petition for Control Period FY 2026-27 to FY 2030-31 of Tata Power Company Limited (TPCL)) issued by the Commission on 23.03.2026 for your kind perusal and information.

This is also available on the website of the Commission [www.jserc.org](http://www.jserc.org).

Encl. – As stated above.

Yours faithfully

(R. P. Nayak)  
Secretary

**Jharkhand State Electricity Regulatory  
Commission**



Order on  
Business Plan and MYT Petition for Control  
Period from FY 2026-27 to FY 2030-31  
for  
Tata Power Company Limited (TPCL)

Ranchi  
March 23, 2026



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

### Table of Contents

<b>CHAPTER 1: INTRODUCTION</b> .....	<b>10</b>
JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION .....	10
TATA POWER COMPANY LIMITED (TPCL) .....	12
THE PETITIONER’S PRAYERS.....	13
<b>CHAPTER 2: PROCEDURAL HISTORY</b> .....	<b>16</b>
BACKGROUND .....	16
INFORMATION GAPS IN THE PETITIONS .....	16
INVITING PUBLIC COMMENTS/SUGGESTIONS.....	17
SUBMISSION OF COMMENTS/SUGGESTIONS AND CONDUCT OF PUBLIC HEARING .....	17
<b>CHAPTER 3: BRIEF FACTS OF THE PETITION</b> .....	<b>19</b>
MYT PETITION FOR THE CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31 .....	19
<b>CHAPTER 4: PUBLIC CONSULTATION PROCESS</b> .....	<b>22</b>
QUERIST- SHRI. RAJESH KUMAR.....	22
QUERIST- SHRI. DILIP SINGH .....	26
QUERIST- SHRI NARAYAN CHANDRA VERMA .....	27
QUERIST- SHRI RAJU JI .....	27
<b>CHAPTER 5: APPROVAL OF BUSINESS PLAN FOR THE CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31</b> .....	<b>30</b>
BUSINESS PLAN.....	30
Operational performance plan for the control period FY 2026-27 to FY 2030-31 .....	33
Plant Load Factor and Generation .....	37
Gross Station Heat Rate (GHR) .....	38
Specific Fuel Oil Consumption .....	38
ANNUAL SHUTDOWN PLAN FOR FY 2026-27 TO FY 2030-31.....	38
FUEL PROCUREMENT PLAN .....	39
Capital Expenditure Plan.....	49
Financing of Capital Expenditure Plan .....	61
Operation & Maintenance Expenses Plan.....	61
Projection of Ash Disposal Expenses .....	71
Raw Water Charges .....	76
<b>CHAPTER 6: DETERMINATION OF MULTI YEAR TARIFF FOR THE CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31</b> .....	<b>80</b>
PROJECTED OPERATIONAL PERFORMANCE- FY 2026-27 TO FY 2030-31 .....	80
Projected Fuel Parameters, Energy Charge Rate and Energy Charges - FY 2026-27 to FY 2030-31 .....	81
Financial Performance- FY 2026-27 to FY 2030-31 .....	85
Depreciation.....	87
Interest on Loan .....	91
Return on Equity.....	93
Interest on Working Capital.....	95
Incentive.....	98
Non-Tariff Income .....	98
Shakti Scheme Discount .....	99
SUMMARY OF ANNUAL REVENUE REQUIREMENT.....	101



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

---

<b>CHAPTER 7: STATUS OF EARLIER DIRECTIVES .....</b>	<b>105</b>
<b>CHAPTER 8: DIRECTIVES.....</b>	<b>108</b>
PRIMARY FUEL.....	108
RESIDUAL LIFE STUDY.....	108
COMPLIANCE OF DIRECTIVES ISSUED IN EARLIER ORDERS.....	108
PIPELINE LEAKAGE AND ASH OVERFLOW .....	108
<b>CHAPTER 9: LIST OF PARTICIPANT .....</b>	<b>110</b>



### List of Abbreviations

<b>Abbreviation</b>	<b>Description</b>
<b>A&amp;G</b>	Administrative and General
<b>APR</b>	Annual Performance Review
<b>ARR</b>	Aggregate Revenue Requirement
<b>ATE</b>	Appellate Tribunal for Electricity
<b>COD</b>	Date of Commercial Operation
<b>Cr.</b>	Crore
<b>ECR</b>	Energy Charge Rate
<b>FY</b>	Financial Year
<b>GCV</b>	Gross Calorific Value
<b>GFA</b>	Gross Fixed Assets
<b>GoI</b>	Government of India
<b>HO &amp; SS</b>	Head Office and Shared Services
<b>JSERC</b>	Jharkhand State Electricity Regulatory Commission
<b>Kcal</b>	Kilocalorie
<b>Kg</b>	Kilogram
<b>kWh</b>	Kilowatt-hour
<b>LDC</b>	Load Dispatch Centre
<b>LPPF</b>	Landed Price of primary fuel
<b>MAT</b>	Minimum Alternative Tax
<b>MCL</b>	MCL Mahanadi Coalfields Ltd. (IB Valley Coalfields)
<b>ml</b>	Millilitre
<b>MT</b>	Million Tonnes
<b>MU</b>	Million Units
<b>MW</b>	Megawatt
<b>NAPAF</b>	Normative Annual Plant Availability Factor
<b>O&amp;M</b>	Operation and Maintenance
<b>PAF</b>	Plant Availability Factor
<b>PLF</b>	Plant Load Factor
<b>PPA</b>	Power Purchase Agreement
<b>R&amp;M</b>	Repair and Maintenance
<b>RoE</b>	Return on Equity
<b>Rs.</b>	Rupees
<b>SBI</b>	State Bank of India
<b>SERC</b>	State Electricity Regulatory Commission
<b>SLM</b>	Straight Line Method
<b>TPCL</b>	Tata Power Company Limited
<b>TSL</b>	Tata Steel Limited
<b>UoM</b>	Unit of Measurement
<b>WB</b>	West Bokaro



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

### **LIST OF TABLES**

Table 1: List of newspapers and dates of publication of public notice by the Petitioner.....	17
Table 2: List of newspapers and dates of publication of public notice by the Commission.....	17
Table 3: Annual Revenue Requirement (Rs. Cr.) for Unit-II as submitted by the Petitioner.....	19
Table 4: Annual Revenue Requirement (Rs. Cr.) for Unit-III as submitted by the Petitioner.....	19
Table 5: Operational Performance parameters of Unit-II and III for FY 2026-27 to FY 2030-31 as submitted by the Petitioner. ....	34
Table 6: Plant availability as approved by the Commission.....	36
Table 7: Auxiliary Consumptions as approved by the Commission.....	37
Table 8: Plant Load Factor and Generation as approved by the Commission.....	37
Table 9: Gross Station Heat Rate (GHR) as approved by the Commission.....	38
Table 10: Specific Fuel Oil Consumption as approved by the Commission.....	38
Table 11: Annual Shutdown Schedule of Units-2 & 3 for FY 27 to FY 31 as submitted by the Petitioner. ....	39
Table 12: Annual Shutdown Schedule of Units-2 & 3 for FY 27 to FY 31 as approved by the Commission.....	39
Table 13: Fuel Mix of Unit-2 for FY 2026-27 to FY 2030-31 as submitted by the Petitioner.....	42
Table 14: Fuel Mix of Unit-3 for FY 2026-27 to FY 2030-31.....	42
Table 15: Wt. Avg. GCV of Coal and LDO of Unit-2 for Aug-2025 to Oct-2025.....	42
Table 16: Wt. Avg. GCV of Coal and LDO of Unit-3 for Aug-2025 to Oct-2025.....	43
Table 17: Coal Procurement Plan for Unit-2 for the Control Period from FY 2026-27 to FY 2030-31.....	43
Table 18: Coal Procurement Plan for Unit-3 for the Control Period from FY 2026-27 to FY 2030-31.....	45
Table 19: Coal Mix for Unit-II as approved by the Commission.....	47
Table 20: Coal Mix for Unit-III as approved by the Commission.....	48
Table 21: GCV for Unit-II as approved by the Commission.....	48
Table 22: GCV for Unit-III as approved by the Commission.....	48
Table 23: Coal Procurement Plan for Unit-II as approved by the Commission.....	49
Table 24: Coal Procurement Plan for Unit-III as approved by the Commission.....	49
Table 25: Capex Plan for the Control Period from FY 2026-27 to FY 2030-31 as submitted by the Petitioner.....	50
Table 26: Spill over work from previous Control Period (Rs. Cr.).....	55
Table 27: Summary of Proposed Additional Capitalization pertaining to Unit-2&3 for each year of the Control Period (Rs. Lakh).....	55
Table 28: Summary of Proposed De-Capitalization pertaining to Unit-2&3 for each year of the Control Period (Rs. Lakh).....	58
Table 29: Spill over work from previous Control Period (Rs. Cr.) as approved by the Commission.....	61
Table 30: Inflation Index considered for projection of O&M Expenses.....	62
Table 31: Growth Factor for the MYT Period (%) as submitted by the Petitioner.....	62
Table 32: Actual Employee Exp. (Excl. Terminal Benefits) for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25.....	63
Table 33: Projected Employee Exp. And Terminal Benefits for Unit 2&3 (Rs. Cr. for the Control Period. ....	63
Table 34: Projected Employee Exp. and Terminal Benefits for Unit 2&3 (Rs. Cr.) as approved by the Commission for the Control Period.....	64
Table 35: Actual Other A&G Exp. for Unit 2 (Rs. Cr.) from FY 2020-21 to FY 2024-25.....	66
Table 36: Actual Other A&G Exp. for Unit 3 (Rs. Cr.) from FY 2020-21 to FY 2024-25.....	66
Table 37: Actual HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25.....	66
Table 38: Projected Other A&G, HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31.....	66
Table 39: Projected Other A&G, HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2026-27 to	



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

FY 2030-31 as approved by the Commission.....	67
Table 40: Projected Application fee and publication expenses for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 .....	68
Table 41: Projected Application fee and publication expenses for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission.....	69
Table 42: Actual R&M and opening GFA for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25.....	70
Table 43: Projected R&M and opening GFA for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 ...	70
Table 44: Projected R&M for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission .....	71
Table 45: Projected Ash Generation from FY 2026-27 to FY 2030-31.....	71
Table 46: Projected Fly Ash and Bottom Ash from FY 2026-27 to FY 2030-31.....	72
Table 47: Projected Ash Disposal Expenses for Unit-II & III from FY 2026-27 to FY 2030-31 .....	74
Table 48: Projected Ash Disposal Expenses for Unit-II & III from FY 2026-27 to FY 2030-31 as approved by the Commission.....	76
Table 49: Rate of Raw water applicable for Unit-II and III from FY 2026-27 to FY 2030-31 .....	76
Table 50: Raw water expenses for Unit-II from FY 2026-27 to FY 2030-31 .....	77
Table 51: Raw water expenses for Unit-III from FY 2026-27 to FY 2030-31 .....	77
Table 52: Projected Raw Water Expenses for Unit-II & III from FY 2026-27 to FY 2030-31 as approved by the Commission. ....	78
Table 53: Landed Price of Coal for Unit 2 (Rs./MT) from FY 2026-27 to FY 2030-31 as approved by the Commission .....	81
Table 54: Landed Price of Coal for Unit 3 (Rs./MT) from FY 2026-27 to FY 2030-31 as approved by the Commission .....	82
Table 55: Landed Price and GCV of secondary fuel for Unit 2&3 from FY 2026-27 to FY 2030-31 as approved by the Commission.....	82
Table 56: Energy Charge Rate (ECR) and energy charges for Unit 2&3 from FY 2026-27 to FY 2030-31 as submitted by the Petitioner. ....	83
Table 57: Energy Charge Rate (ECR) for Unit 2 from FY 2026-27 to FY 2030-31 as approved by the Commission .....	84
Table 58: Energy Charge Rate (ECR) for Unit 3 from FY 2026-27 to FY 2030-31 as approved by the Commission .....	84
Table 59: Fuel Cost for Unit-II as approved by the Commission.....	85
Table 60: Fuel Cost for Unit-III as approved by the Commission.....	85
Table 61: Summary of Add. Capitalization of Unit-II as proposed by the Petitioner.....	86
Table 62: Summary of Add. Capitalization of Unit-III as proposed by the Petitioner .....	86
Table 63: Summary of projected GFA of Unit-II as proposed by the Petitioner .....	86
Table 64: Summary of projected GFA of Unit-III as proposed by the Petitioner.....	86
Table 65: Gross Fixed Assets (GFA) for Unit-II as approved by the Commission .....	87
Table 66: Gross Fixed Assets (GFA) for Unit-III as approved by the Commission .....	87
Table 67: Projected Depreciation for Unit-II as proposed by the Petitioner.....	89
Table 68: Projected Depreciation for Unit-III as proposed by the Petitioner .....	89
Table 69: Depreciation (Rs. Cr.) for Unit-2 and 3 as approved by the Commission.....	90
Table 70: Interest on loan for Unit-2 for FY 27 to FY 31 as submitted by the Petitioner .....	91
Table 71: Interest on loan for Unit-3 for FY 27 to FY 31 as submitted by the Petitioner .....	92
Table 72: Interest on Loan for Unit-II (Rs. Cr.) as approved by the Commission .....	93
Table 73: Interest on Loan for Unit-III (Rs. Cr.) as approved by the Commission .....	93
Table 74: Return on equity for Unit-II (Rs. Cr.) for FY 27 to FY 31 .....	94
Table 75: Return on equity for Unit-III (Rs. Cr.) for FY 27 to FY 31.....	94
Table 76: Return on equity for Unit-II (Rs. Cr.) for the Control Period as approved by the Commission.	95
Table 77: Return on equity for Unit-III (Rs. Cr.) for the Control Period as approved by the Commission. ....	95




---



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**Business Plan and MYT for FY 2026-27 to FY 2030-31**


---



---

Table 78: IoWC for Unit-II as submitted by the Petitioner .....	96
Table 79: IoWC for Unit-III as submitted by the Petitioner .....	96
Table 80: IoWC for Unit-II as approved by the Commission.....	97
Table 81: IoWC for Unit-III as approved by the Commission .....	97
Table 82: Projected SHAKTI Discount for Unit-2 as submitted by the Petitioner.....	99
Table 83: Projected SHAKTI Discount for Unit-3 as submitted by the Petitioner.....	99
Table 84: Shakti Scheme Discount for Unit-II as approved by the Commission .....	100
Table 85: Shakti Scheme Discount for Unit-III as approved by the Commission.....	100
Table 86: Annual Fixed Cost (Rs. Crore) as approved by the Commission for Unit-2. ....	101
Table 87: Annual Fixed Cost (Rs. Crore) as approved by the Commission for Unit-3. ....	101
Table 88: AFC (Rs. Crore) after availability as approved by the Commission for Unit-II.....	102
Table 89: AFC (Rs. Crore) after availability as approved by the Commission for Unit-III .....	102
Table 90: Energy Charge as approved by the Commission for Unit-II.....	102
Table 91: Energy Charge as approved by the Commission for Unit-III .....	102
Table 92: Annual Revenue (Rs. Crore) for Unit-II as approved by the Commission.....	103
Table 93: Annual Revenue (Rs. Crore) for Unit-III as approved by the Commission .....	103
Table 94: List of participant who attend Public Hearing .....	110



***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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**BEFORE**

**Jharkhand State Electricity Regulatory Commission,  
Ranchi**

**Case (Tariff) No.: 17 of 2025**

**In the matter of:**

**Petition for**

**Business Plan and MYT Petition for Control Period from**

**FY 2026-27 to FY 2030-31**

**In the matter:**

Tata Power Corporation Limited (TPCL)  
Jojobera Power Plant, P.O. Rahargora, Jamshedpur-  
831016..... **Petitioner**

**PRESENT**

Hon'ble Justice Navneet Kumar

Chairperson

Hon'ble Mahendra Prasad

Member (Law)

**Order dated March 23, 2026**

Tata Power Company Limited (hereinafter referred to as TPCL or the Petitioner) filed the Petition dated December 29, 2025 for the approval of Business Plan and MYT for Control Period from FY 2026-27 to FY 2030-31, for Unit-II and Unit-III at Jojobera.



# **Chapter 1: Introduction**



## **Chapter 1: INTRODUCTION**

### **Jharkhand State Electricity Regulatory Commission**

- 1.1 The Jharkhand State Electricity Regulatory Commission (hereinafter referred to as the “JSERC” or the “Commission”) was established by the Government of Jharkhand under Section 17 of the Electricity Regulatory Commission Act, 1998 on August 22, 2002. The Commission became operational with effect from April 24, 2003.
- 1.2 The Government of Jharkhand vide its notification dated August 22, 2002 has defined the functions of JSERC as per Section 22 of the Electricity Regulatory Commission Act, 1998 to be the following, namely:
- (a) to determine the tariff for electricity, wholesale, bulk, grid or retail, as the case may be, in the manner provided in section 29;
  - (b) to determine the tariff payable for the use of the transmission facilities in the manner provided in section 29;
  - (c) to regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution, and supply in the State;
  - (d) to promote competition, efficiency, and economy in the activities of the electricity industry to achieve the objects and purposes of this Act.
- 1.3 After the Electricity Act, 2003 came into force, the earlier Electricity Regulatory Commission Act of 1998 stands repealed and the functions of State Electricity Regulatory Commission are now defined under Section 86 of the Act.
- 1.4 In accordance with Section 86 (1) of the Act, the JSERC discharges the following functions:
- (a) determine the tariff for generation, supply, transmission, and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:
 

Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;
  - (b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity



### ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

- (c) facilitate intra-state transmission and wheeling of electricity;
- (d) issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
- (g) levy fee for the purposes of this Act;
- (h) specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section 79;
- (i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
- (j) fix the trading margin in the intra-state trading of electricity, if considered, necessary;
- (k) discharge such other functions as may be assigned to it under this Act.

1.5 The Commission has to also advise the State Government as per sub section 2 of Section 86 of the Act, on all or any of the following matters, namely:

- (a) promotion of competition, efficiency and economy in activities of the electricity industry;
- (b) promotion of investment in electricity industry;
- (c) reorganization and restructuring of electricity industry in the State;
- (d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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Commission by that Government.

- 1.6 The State Commission shall ensure transparency while exercising its powers and discharging its functions.
- 1.7 In discharge of its functions, the State Commission is also guided by the National Tariff Policy, 2016 as brought out by Government of India in compliance to Section 3 of the Act. The objectives of the National Tariff Policy are to:
- (a) ensure availability of electricity to consumers at reasonable and competitive rates;
  - (b) ensure financial viability of the sector and attract investments;
  - (c) promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
  - (d) promote competition, efficiency in operations and improvement in quality of supply;
  - (e) Promote generation of electricity from Renewable sources;
  - (f) Promote Hydroelectric Power generation including Pumped Storage Projects (PSP) to provide adequate peaking reserves, reliable grid operation and integration of variable renewable energy sources;
  - (g) Evolve a dynamic and robust electricity infrastructure for better consumer services;
  - (h) Facilitate supply of adequate and uninterrupted power to all categories of consumers;
  - (i) Ensure creation of adequate capacity including reserves in generation, transmission and distribution in advance, for reliability of supply of electricity to consumers.

### **Tata Power Company Limited (TPCL)**

- 1.8 Tata Power Company Limited (hereinafter referred to as TPCL or the Petitioner), is a company incorporated under the Indian Companies Act, (VII of 1913) with its Registered Office at Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400001 and is engaged in the business of Electricity Generation, Transmission and Distribution.
- 1.9 Tata Steel Limited (TSL), which is engaged in the production of iron and steel and is also a distribution licensee in Jamshedpur (Jharkhand),



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

obtained permission from the Government of Bihar to establish power plants in Jojobera in 1991 through its subsidiary company named Jamshedpur Power Company Limited (JAPCOL) which was subsequently transferred to Tata Power Company Limited (TPCL). TPCL thereafter Commissioned five Units out of which two Units (Unit-II & Unit-III) of 120 MW each at Jojobera is dedicated to supply power to TSL.

- 1.10 TPCL operates five units at Jojobera, Jharkhand with a cumulative capacity of 547.5 MW out of which two units (Unit-II & Unit-III) are the subject matter of tariff determination in this Tariff Order. Both units have an installed capacity of 120 MW each. Unit-II commenced its operations on February 01, 2001 and Unit-III on February 01, 2002.

### **The Petitioner's Prayers**

- 1.11 The Petitioner in the instant Petition made the following prayers before the Commission:

- Accept the Petition;
- Approve the Operational, Fuel and Financial Parameters, Additional Capitalization, Annual Revenue Requirement and Generation Tariff for 4<sup>th</sup> Control Period from FY 2026-27 to FY 2030-31 for Jojobera Unit-II and Unit-III as proposed in the instant Petition.
- Grant liberty to the Petitioner to approach Hon'ble Commission at appropriate stage subsequently:
  - a. for determination of Supplementary Tariff for FGD System to be installed for Units-II and III including compensation for additional capital cost, operational parameter deterioration and O&M/water expenses in accordance with Regulation 14.16 and all other relevant Regulations/provisions under JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 and amendments thereof;
  - b. for approval of the capital expenditure to be incurred under "Change in Law" due to the mandatory use of treated sewage water at Unit 2 and 3 as per National Tariff Policy, 2016;
  - c. for approval of the capital expenditure to be incurred under "Change in Law" due to co-firing of biomass as required by Biomass Policy of Ministry of Power dated 11.11.2025 for Unit 2 and 3;
  - d. for approval of the capital expenditure to be incurred in compliance with CEA (flexible operation of Coal based Thermal Power Generating Units) Regulations, 2023 for



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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Unit 2 and 3;

- e. for approval of Renovation & Modernisation (R&M) Plan for Units 2 and 3 after carrying out RLA Study as required;
  - f. for claiming compensation for deterioration in operational parameters due to low PLF;
  - g. to claim the actual financial implication, including the renewed Lease Rent and all applicable statutory charges and CESS, due and arising from the renewal of the lease for the sub-leased land, either at the time of Truing-up for the relevant period or as and when the actual liability and final financial outcome of the said renewal matter is determined and settled in terms of Hon'ble Commission's order dated 20.08.2011,
  - h. for seeking revision in tariff due to wage revision agreement being reached/or with subsequent Truing-up Petition(s).
- Allow recovery of depreciation of additional capital expenditure claimed during the fag end in a separate stream of depreciation in next 10 years;
  - Allow Modifications/ additions to the Capex/ Other proposals, if need arises during the proceedings of the present Petition and/ or in subsequent True- up/APR Petitions;
  - Allow recovery of incentives on account of generation, if any, during the true up,
  - Provide an opportunity to the Petitioner to present its case prior to the finalization of the Business Plan and MYT Order. Tata Power believes that such an approach would provide a fair treatment to all the stakeholders and may eliminate the need for a review or clarification.
  - Permit the Petitioner to propose suitable changes to the Petition and the mechanism of meeting the revenue on further analysis, prior to the final approval by the Hon'ble Commission;
  - Condone any inadvertent omissions/ errors/ rounding-off differences/ shortcomings and permit the Petitioner to add/ alter this filing and make further submissions as may be required at a future date.
  - Pass such further and other Orders, as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.



## **Chapter 2: PROCEDURAL HISTORY**



## **Chapter 2: PROCEDURAL HISTORY**

### **Background**

- 2.1 The Commission had passed Business Plan & Multi Year Tariff for Control Period for FY 2016-17 to FY 2020-21 by Order dated February 19, 2018.
- 2.2 Later, the Petitioner had filed a review petition against the MYT Order dated February 19, 2018 which was disposed off by the Commission by Order dated January 9, 2019.
- 2.3 The Commission had passed the True-up for FY 2016-17 by Order dated December 27, 2019.
- 2.4 The Commission had passed the True-up for FY 2017-18, Annual Performance Review for FY 2018-19 and Mid-Term review for Revised Annual Revenue Requirement and Generation Tariff for FY 2019-20 & FY 2020-21 by Order dated February 14, 2020.
- 2.5 The Commission had passed the True-up for FY 2018-19 and Annual Performance Review for FY 2019-20 by Order dated September 09, 2020.
- 2.6 The Commission had passed the True-up for FY 2019-20, Annual Performance Review for FY 2020-21, Business Plan and Multi Year Tariff for the Control Period for FY 2021-22 to FY 2025-26 by Order dated November 04, 2022.
- 2.7 The Commission had passed the True-up for FY 2020-21 and Annual Performance Review for FY 2021-22 by Order dated May 22, 2023.
- 2.8 Later the Petitioner had filed a review petition against the True-up for FY 2019-20, Annual Performance Review for FY 2020-21, Business Plan and Multi Year Tariff for the Control Period for FY 2021-22 to FY 2025-26 by Order dated November 04, 2022 which was disposed off by the Commission by Order dated January 09, 2024.
- 2.9 The Commission had passed the True-up for FY 2021-22 and Annual Performance Review for FY 2021-22 by Order dated January 09, 2024.
- 2.10 The Commission had passed the True-up for FY 2022-23 and Annual Performance Review for FY 2023-24 by Order dated June 06, 2024.
- 2.11 The Commission had passed the True-up for FY 2023-24 and Annual Performance Review for FY 2024-25 by Order dated March 28, 2025.

### **Information Gaps in the Petitions**

- 2.12 In exercise of the Tariff determination process, several deficiencies/information gaps were found in the Petition submitted by the Petitioner and the same was communicated to the Petitioner vide letter no. JSERC/Case (Tariff) No. 13 of 2025/682 dated February 10, 2026.
- 2.13 On March 02, 2026, the Petitioner responded to the query raised by the



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

Commission and provided the necessary affidavit.

- 2.14 The Commission has re-scrutinized the Petition along with the submission of the Petitioner with respect to information gaps and has considered the same while passing this Order.

### **Inviting Public Comments/Suggestions**

- 2.15 During the scrutiny of the petition, the Commission has directed the Petitioner vide letter no. JSERC/Case (Tariff) No. 13 of 2025/588 dated December 30, 2025 to publish a Public Notice inviting comments/suggestions from public and to make available copies of the Petition to the members of general public on request.
- 2.16 Accordingly, Public Notice was published by the Petitioner in the newspapers for two consecutive days and a period of twenty-one (21) days was given for submitting the comments/suggestions by the general public.

**Table 1: List of newspapers and dates of publication of public notice by the Petitioner**

<b>Newspaper</b>	<b>Date of Publication</b>
Prabhat Khabar (Hindi)	04.01.2026 & 05.01.2026
Hindustan (Hindi)	04.01.2026 & 05.01.2026
The Hindustan Times (English)	04.01.2026 & 05.01.2026
Statesman (English)	04.01.2026 & 05.01.2026

- 2.17 Further, the Commission had organized a Public Hearing on February 17, 2026, where an additional opportunity to all the Stakeholders was provided to submit their comments/suggestions on the instant petition. The newspapers wherein the Notice was published by the Commission are mentioned below:

**Table 2: List of newspapers and dates of publication of public notice by the Commission**

<b>Newspaper</b>	<b>Date of Publication</b>
Prabhat Khabar (Hindi)	08.02.2026
Dainik Bhaskar (Hindi)	08.02.2026
The Times of India (English)	08.02.2026
The Pioneer (English)	08.02.2026

### **Submission of Comments/Suggestions and Conduct of Public Hearing**

- 2.18 Objections/Comments/Suggestions on the Petition were received. The Objections/Comments/Suggestions of the Public, Petitioner's responses and Commission's views thereon are detailed in Chapter 4 of this Order.



## **Chapter 3: BRIEF FACTS OF THE PETITION**



## Business Plan and MYT for FY 2026-27 to FY 2030-31

### Chapter 3: BRIEF FACTS OF THE PETITION

3.1 This Chapter summarizes the Petition for MYT for the Control Period from FY 2026-27 to FY 2030-31, as filed by the Petitioner for the Commission's approval.

#### MYT Petition for the Control Period from FY 2026-27 to FY 2030-31

3.2 The table below summarizes the Annual Revenue Requirement for the Control Period from FY 2026-27 to FY 2030-31 as submitted by the Petitioner.

**Table 3: Annual Revenue Requirement (Rs. Cr.) for Unit-II as submitted by the Petitioner.**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	Rs. Cr.	61.42	66.65	69.17	72.36	76.76
Depreciation	Rs. Cr.	11.47	14.19	15.59	16.54	17.56
Interest on Loan	Rs. Cr.	2.88	3.26	2.66	1.66	0.56
Interest on Working Capital	Rs. Cr.	12.31	13.22	12.84	12.81	13.29
Return on Equity	Rs. Cr.	31.36	32.30	32.76	33.06	33.29
<b>AFC</b>	Rs. Cr.	<b>119.44</b>	<b>129.62</b>	<b>133.01</b>	<b>136.43</b>	<b>141.46</b>
Water Charges	Rs. Cr.	6.32	8.61	7.31	7.22	8.45
Capital Spare	Rs. Cr.					
Security Expenses		0.92	0.97	1.02	1.07	1.12
Incentive (Pre-Tax)	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
<b>Energy Charge</b>	Rs. Cr.	<b>248.27</b>	<b>263.27</b>	<b>248.27</b>	<b>242.26</b>	<b>248.27</b>
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.32	3.32	3.32	3.32	3.32
Less: Non-Tariff Income	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
<b>Net Annual Revenue Requirement</b>	Rs. Cr.	<b>371.64</b>	<b>399.15</b>	<b>386.29</b>	<b>383.65</b>	<b>395.98</b>

**Table 4: Annual Revenue Requirement (Rs. Cr.) for Unit-III as submitted by the Petitioner.**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	Rs. Cr.	58.00	61.37	64.53	66.76	71.58
Depreciation	Rs. Cr.	10.96	12.89	14.32	15.24	16.13
Interest on Loan	Rs. Cr.	2.90	3.31	3.02	2.28	1.31



**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Interest on Working Capital	Rs. Cr.	12.77	12.90	13.02	12.59	13.46
Return on Equity	Rs. Cr.	30.15	30.94	31.43	31.73	31.96
<b>AFC</b>	Rs. Cr.	<b>114.79</b>	<b>121.41</b>	<b>126.32</b>	<b>128.60</b>	<b>134.44</b>
Water Charges	Rs. Cr.	7.61	7.73	7.95	6.60	9.19
Capital Spare	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
Security Expenses		0.92	0.97	1.02	1.07	1.12
Incentive (Pre-Tax)	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
<b>Energy Charge</b>	Rs. Cr.	<b>266.49</b>	<b>264.28</b>	<b>261.13</b>	<b>246.28</b>	<b>261.13</b>
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.30	3.30	3.30	3.30	3.30
Less: Non-Tariff Income	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
<b>Net Annual Revenue Requirement</b>	Rs. Cr.	<b>386.50</b>	<b>391.08</b>	<b>393.11</b>	<b>379.24</b>	<b>402.58</b>



## **Chapter 4: PUBLIC CONSULTATION PROCESS**



## **Chapter 4: PUBLIC CONSULTATION PROCESS**

- 4.1 On the Petitioner's plea several stakeholders responded. The Public Hearing was held on February 17, 2026 at Jamshedpur to ensure maximum public participation and transparency wherein Stakeholders put forth their comments and suggestions before the Commission. The list of attendees is attached as **Chapter 9** to this Order.
- 4.2 The comments and suggestions of the public along with the response of the Petitioner and the views of the Commission are summarized in this Chapter. The issues raised by the stakeholders, which don't fall in the line to True-up, and APR have not been discussed in this Chapter.

### **Querist- Shri. Rajesh Kumar**

#### **Query/ Comments/Suggestions**

- 4.3 The requirement for installation of Flue Gas Desulphurization (FGD) systems has been waived off for "Category C" power plants by the Central Government vide recent notification (Notification by MoEFCC dated 11.07.2025), and as such, Jojobera Power Plant is exempted from such installation, being under "Category C".
- 4.4 Why approval for FGD cost is being sought only for Unit-2 and Unit-3, whereas, FGD is being installed for all units of Tata Power at Jojobera. Further, since FGD is related to environmental compliance, the matter falls under the jurisdiction of the Pollution Control Board (JSPCB) and not that of the Hon'ble Commission.
- 4.5 Ash generation is a natural and unavoidable by-product of thermal power generation. However, despite 25 years of operations, no permanent or long-term solution has been implemented in respect of the Fly Ash.
- 4.6 Out of the existing four units being operated by Tata Power, Tata Steel sources power also from units apart from Unit-2 and 3. However, in the Petition, only Unit-2 and Unit-3 are referred to. In this context, it is requested that the Hon'ble Commission should conduct a physical verification of the generating units at least once or twice every year, particularly prior to public hearings, to ensure that the submissions made by Tata Power are fair and transparent.
- 4.7 The Petitioner has not submitted efforts made to procure cheaper or more economical coal sources.
- 4.8 Clarification is required regarding the necessity of undertaking the capital expenditure at this stage and why such proposals were not submitted to the Hon'ble Commission 2-3 years ago. Regarding water charges/ water tax; payment to be verified for allowance of the same.

#### **Petitioner Response**




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***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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- 4.9 As regards the query on the installation of FGD, Tata Power would like to submit that the same has been undertaken in accordance with the mandate as per the Notification dated 07th December, 2015 by Ministry of Environment, Forest and Climate Change (MoEFCC), and its subsequent amendments, as well as, in line with the direction of Central Pollution Board (CPCB) vide its letter dated 6th April, 2018. In Order to comply with the aforesaid mandate, approval was sought by the Petitioner from the Hon'ble Commission in respect of Unit-2 and 3, in accordance to the regulations issued by the Hon'ble Commission. The required in-principle approval was accorded by the Hon'ble Commission vide Order dated 30th September, 2020.
- 4.10 Thus, the FGD installation at Unit-2 and 3 of the Jojobera Power Plant, has been implemented as per the mandate, after due approval by this Hon'ble Commission, and represents a bona fide expenditure. It is submitted that a separate Petition in respect of Unit 2 and 3 shall be filed in terms of the GTR-2025, for approval of actual Capital Cost and associated supplementary tariff for FGD system, as prayed in the True Petition for FY 2024-25 and MYT Petition for FY27-31. Tata Power, being a prudent and environmentally responsible utility, has significantly invested in FGD system and NOx-abatement systems across its generating stations to curb environment related issues, which ultimately shall benefit all the stakeholders.
- 4.11 It is submitted that since, Unit-2 and 3 of the Jojobera Power Plant fall within the jurisdiction of the Hon'ble Commission, the Petition is required to be filed before the Hon'ble Commission in respect of the said units only for the approval for capital cost/ supplementary tariff. It is pertinent to note here that the capital cost for Unit-2 and 3 towards implementation of the FGD system imply the capex incurred specifically for Unit-2 and 3, and the common capital expenditure for all the units allocated to Unit-2 and 3 which is as per the methodology approved by the Hon'ble Commission in its Tariff Orders.
- 4.12 In response to the specific contention of the querist regarding the jurisdiction, the Petitioner would like to submit that though the environmental compliances are subject issues of the Pollution Control Board, the tariff determination/ capital cost recovery for such compliances fall squarely within the ambit of the Regulatory Commission, which determines the tariff for the plant i.e. Hon'ble JSERC, in the instant case.
- 4.13 As regards to Ash Generation and its utilisation, it is humbly submitted that Tata Power is committed for 100% ash utilisation and accordingly has tied up with various cement manufacturers, brick kilns etc and implementing the fly ash disposal in low lying areas as per the advisory by Ministry of Power dated 22.02.2022 in pursuance to MoEFCC notification dated 31.12.2021 regarding ash utilization generated by




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**Business Plan and MYT for FY 2026-27 to FY 2030-31**


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**Thermal Power**

- 4.14 Plants to ensure sustainable disposal of ash. In this regard, it is pertinent to mention here that Tata Power, in compliance with the directive by JSPCB, submits ash generation/ utilisation report to JSPCB on regular basis. Further, compliance to the same is also being reported to the Hon'ble Commission through quarterly reports. The Petitioner have implemented numerous measures as a part of its committed and continuous efforts to contain fly ash emission and its effective disposal, outlined as below:
1. The Fly ash is stored in metallic Silos of capacity as per CPCB guidelines. For disposal, the Fly Ash is transported to cement plants and other disposal sites from Silos in closed metallic pipelines pneumatically or in closed Bulklers.
  2. Dry fog curtain system has been set up along the nearby boundary of plant to control fugitive emission.
  3. Dry Fog Dedusting System (DFDA), Aqua Dedusting System (ADS) and Portable Fogger are installed in Silo area to control fugitive emission during bulker loading.
  4. Ambient Air Quality is monitored at different locations in Jojobera by NABL accredited labs approved by JSPCB, CPCB; and report is submitted to JSPCB regularly.
- 4.15 The querist has contended the reference of only unit-2 and 3 in the Petition, despite the power being sourced by Tata Steel from other units of the generating station as well. In this regard, the Petitioner would like to submit that Unit-2 and 3 have been developed by the Petitioner as IPP Units in terms of the Power Purchase Agreement (PPA) dated 12.09.1997 entered between Tata Steel Limited and Tata Power. Tata Steel Limited procures power from these two units in a capacity of the distribution licensee in the Jamshedpur command area. In line with the provisions of the Electricity Act, the tariff determination of the said two units falls in the jurisdiction of the Hon'ble JSERC, and as such, the Petition for tariff determination (True up/ APR/ MYT) is filed by the Petitioner in respect of these two units only. The Petitioner wishes to express assurance that the additional capital expenditure claimed in the instant MYT Petition, has been proposed after thorough assessment of the requirement of such expenditure, as per the process laid down in the tariff regulations. However, the Petitioner welcomes the suggestion by the querist as regards the physical verification of the generating units by the Hon'ble Commission, if so, required in the view of the Hon'ble Commission.
- 4.16 As regards the contention of the querist that the Petitioner has not submitted efforts made to procure cheaper or more economical coal sources, it is being humbly submitted that in compliance with the direction by this Hon'ble Commission, the Petitioner on regular basis, has



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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been submitting reports for each quarter with respect to the Fuel Mix with detailed explanation for deviation, if any, from the approved fuel mix and effect thereof on the Energy Charge Rate (ECR). Pertinently, the ECR for FY 2024-25 in respect of Unit-2 and 3 which is well contained within the approved ECR, is a testimony to the effective efforts put in by the Petitioner to optimise the coal mix. It is further submitted that Tata Power is sourcing coal as per FSA under Shakti Round-2 and Round-3, which presently does not fully meet the requirement of the Plant. Therefore, for additional coal requirement, if any, Tata Power is taking due measures to secure the same at the best possible competitive rates through e-auctions conducted by CIL or coal from Tata Steel West Bokaro mines. With such prudent practice, Tata Power evades sourcing of coal from open market which would result in increase in the energy charges, burdening the end consumer.

- 4.17 As regards the proposed Capital Expenditure, it is humbly submitted that all the Capital Expenditure proposed by the Petitioner is in line with the provisions of JSERC Generation Tariff Regulations. The proposed schemes of add-cap are duly supported with detailed justifications for such expenditure, such as, Detailed Project Reports (DPRs), OEM recommendations, Obsolescence certificates, mandates/recommendations by statutory bodies, other documentary evidences, as required, applicable and feasible on case-to-case basis. Pertinently, the proposed expenditure is essential to maintain plant efficiency, reliability, and safety, which ultimately benefits consumers by ensuring reliable and sustained power supply preventing costly breakdowns. The requirement of claimed additional capital expenditure has been discussed by the Petitioner during the course of presentation in Public Hearing dated 17.02.2026. The Petitioner would like to submit that such expenditure has been proposed after thorough assessment in the present MYT Petition, as per the process laid down in the tariff regulations.
- 4.18 It is further submitted that Tata Power has claimed Add Cap as per the Asset Register, and all capitalisation claimed are duly supported by auditor certificates. All cost proposals and expenditures are backed by appropriate supporting documents, as per the provisions of JSERC Generation Tariff Regulations.
- 4.19 With regards the Water Charges, it is to be submitted that the Government of Jharkhand (GoJ) has issued the revised water notification, w.e.f. the 1st April 2023. In terms of the revised notification, there is separate classification for supply for industrial usage and supply for municipal usage. Tata Steel vide its email communication dated 05.07.2023, informed Tata Power that they agreed to the rates for supply of water for industrial usage and have started paying the same in its entirety to GoJ and further requested Tata Power to also make full payment in terms of Invoices raised from 01.04.2023. As such, since FY



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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2023-24 onward, including the instant Petition for truing up of FY 2024-25, the Petitioner has been claiming 100% of the base water charges and 100% of the tax component, since no dispute is pending before any court, 01.04.2023 onwards. This has also been acknowledged and approved by the Hon'ble Commission vide respective Orders. The Petitioner has enclosed the copies of the Raw Water Bills for the year as ANNEXURE P16, along-with the audited summary of monthly water bills as ANNEXURE P17, for enabling prudence of the water charges claimed.

### **Querist- Shri. Dilip Singh**

#### ***Public Comments/Suggestions***

- 4.20 There is an approximately 4 K.M ash slurry pipeline running from Tata Power to the JEMCO ash pond. There are several leakages in the slurry pipe, resulting in ash slurry flowing onto the road along the route from JEMCO to Tata Power. Additionally, ash is overflowing from the JEMCO ash pond, affecting lives of common people living in the nearby area. Therefore, the Hon'ble Commission should look into the matter.

#### ***Petitioner Response***

- 4.21 The Petitioner would like to submit that there are total 5 Ash Slurry Pipe lines running from the Plant to the ash pond. Out of these, 3 remain in service at a given time. The pipelines are upkept in healthy condition by preventive maintenance practices and in case of any functional issue, the affected pipeline is immediately shut down with a changeover to spare one.
- 4.22 In order to avoid the incidents of leakage etc, the thickness of pipelines is got measured by a third-party expert and corrective action is taken as required on immediate basis. Due to proactive maintenance practices by Tata Power, leakage in slurry pipelines is extremely rare, with last such incidence occurred in May, 2022 which was attended immediately.
- 4.23 It is however, important to submit that ash slurry pipes, pond and associated systems have been functional over more than 20 years. While there is no frequent occurrence of leakage or overflow, occasional slurry leakage might have occurred due to ageing of the system. In the recent thickness test conducted to assess Ash Slurry Pipe it was observed that at several locations bottom thickness value has fallen below the allowable thickness limit. The existing ash conveying pipelines and ash slurry discharge pipes, including associated bends and reducers, have undergone significant deterioration due to prolonged service life.
- 4.24 Accordingly, Tata Power has requested the Hon'ble Commission to approve the additional capital expenditure for the replacement of these systems. It is further submitted that JSPCB conducts visits to inspect and no objection or adverse comment has ever been received from it in




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**Business Plan and MYT for FY 2026-27 to FY 2030-31**


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this regard. Nevertheless, Tata Power remains fully committed to community welfare and proactive mitigation of environmental risks.

**Querist- Shri Narayan Chandra Verma**
**Public Comments/Suggestions**

- 4.25 There are frequent incidents of pipeline leakages, ash overflow, and the dispersal of fly ash onto the roofs of residential houses located near the boundary of the power plant. The Hon'ble Commission is requested to look into the matter.

**Petitioner Response**

- 4.26 As regards to the query regarding leakage of pipes, the same has already been replied in response to the query raised by Sh. Dilip Singh, the same are not being reiterated for the sake of brevity.
- 4.27 As regards the concern of fly ash dispersal in the nearby residential areas, it is submitted that Tata Power is fully committed to safeguarding the environmental wellbeing of communities residing around the power plant. The Petitioner has installed Continuous Ambient Air Quality Monitoring Station (CAAQMS) in Jojobera with data connectivity to JSPCB and CPCB and daily AQI data of Jojobera is updated on display board. The directions issued by JSPCB time to time in this regard are duly followed. It is also submitted that the FGD system being operational at the Petitioner's plant shall further reduce/ contain the stack emission level.
- 4.28 Ash pond certification is carried out every year by CPCB authorized auditors. Ash water recycling system has been functional and all ash from ash slurry gets settled in ash pond and clear water comes to plant for further ash conveying. Three ash recycling pumps are in place, out of which, two remains in service with one standby.
- 4.29 It is humbly submitted that with all above mentioned measures undertaken and the guidelines of CPCB for operation and maintenance of ash pond are strictly adhered, and as such, there is no reported incidence of ash pond overflowing and water entering to nearby areas. However, Tata Power would like to submit that in case of occurrence of such event, the same shall be promptly examined and all necessary corrective actions shall be taken.

**Querist- Shri Raju Ji**
**Public Comments/Suggestions**

- 4.30 The querist reiterated the issues highlighted by other stakeholders with respect to fly ash and pipe leakage.
- 4.31 The Querist submitted that certain gas-based generating units are



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**Business Plan and MYT for FY 2026-27 to FY 2030-31**

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already operational within the Jojobera Power Plant premises. In light of this, clarification should be asked from Tata Power as to why it continues to propose procurement of coal when gas-based generation capacity exists within the plant.

**Petitioner Response**

- 4.32 As regards to the query regarding pollution problem, the same has already been replied in response to the query raised by Sh. Dilip Singh.
- 4.33 As regards the contention on coal procurement and gas-based generation, it is humbly submitted that the instant Petitions (True Up/ APR/ MYT) have been filed before this Hon'ble Commission in respect of Unit-2 and 3, for the reasons as explained in response to Query No. 1.4 (responded at para 1.12) above, with jurisdiction of the Hon'ble Commission. These two units (Unit No.2 and 3) are necessarily coal based generating units on virtue of their technical design and boiler specifications, which is, further in line with the Power Purchase Agreement duly approved by the Hon'ble Commission between the Generating Company and the Power Procurer. Accordingly, coal is procured for these referred units as a primary fuel. It is humbly submitted that the reference to the gas -based generation units by the querist is not relevant to the instant Petitions and hence, liable to be rejected.



# **Chapter 5: Approval of Business Plan for the Control Period from FY 2026-27 to FY 2030-31**



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

### **Chapter 5: Approval of Business Plan for the Control Period from FY 2026-27 to FY 2030-31**

- 5.1 The Commission had passed order on MYT for the 3<sup>rd</sup> Control Period i.e., FY 2021-22 to FY 2025-26 vide Order dated November 04, 2022 based on the principles specified in the JSERC Generation Tariff Regulations, 2020.
- 5.2 The Commission had passed review order case no. 18 of 2022 vide order dated January 09, 2024 based on principles specified in the JSERC Generation Tariff Regulations, 2015, and JSERC Generation Tariff Regulations 2020 along with amendment thereof.
- 5.3 The Commission had passed True-up for FY 2021-22 and Annual Performance Review for FY 2022-23 by Order dated January 09, 2024.
- 5.4 The Commission had passed True-up for FY 2022-23 and Annual Performance Review for FY 2023-24 by Order dated June 06, 2024.
- 5.5 The Commission had passed True-up for FY 2023-24 and Annual Performance Review for FY 2024-25 by Order dated March 28, 2025.
- 5.6 In the instant petition the Petitioner has sought approval for the approval of Business Plan and MYT for the Control Period from FY 2026-27 to FY 2030-31 based on the provisions of Electricity Act and Generation Tariff Regulation 2025. Detailed approach and methodology adopted by the Petitioner for projection of Operational, Financial parameters as well as for projection of each element of ARR vis-à-vis the methodology adopted by the Commission has been discussed in the subsequent chapter of this Order.
- 5.7 The Commission on the basis of provisions of the Generation Tariff Regulations, 2025, has determined the MYT for the Control Period from FY 2026-27 to FY 2030-31 on consideration of:
  - Certified Document submitted by the Petitioner;
  - Methodology adopted by the Commission in its earlier Orders.

#### **Business Plan**

- 5.8 The Petitioner is required to file Business Plan for approval before the Commission as per Regulation 6.5 and Regulation 6.6 of Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025. The relevant Clauses are reproduced below:

*“Business Plan*

*6.5 Each Generating Company shall file for the Commission’s approval a Business Plan approved by an authorized signatory, as per the timelines specified in **Section A 39** of*



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

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these Regulations.

6.6 The Business Plan shall be for the entire Control Period and shall inter-alia contain: -

- a) **Capital Investment Plan:** The Generating Company shall submit the Capital Investment Plan for the entire Control Period, detailing the investments planned by the Generating Company along with the corresponding capitalization schedule and financing plan. This Plan shall also include capacity enhancement plan, if any, and proposed efficiency improvements and its cost benefit analysis. It shall also submit plant-wise details of Capital Structure and cost of Financing (interest on Debt) and return on equity, after considering the existing market conditions, terms of the existing loan agreements, risk associated in generating business and creditworthiness;
- b) **Operational Plan:** A set of targets proposed for performance parameters such as Annual Plant Availability Factor (PAF), Plant Load Factor (PLF), Gross Station Heat Rate (SHR), Secondary Fuel Oil Consumption, Auxiliary Power Consumption (Aux) etc., and shall also include Unit-wise Outage Plan;
- c) **Human Resource Plan:** Human Resource Plan with manpower planning including details of the estimated year wise manpower addition and retirements for the Control Period to run the power plant efficiently and effectively;
- d) **Non-Tariff Income:** Proposals for Non-Tariff Income with item-wise description and details;
- e) **Income from Other Business:** Proposals in respect of income from Other Business; and

Business Plan shall also contain the requisite information for the preceding Control Period:

Provided that requisite information for the preceding Control Period shall include year-wise audited data on Scheme-wise capital investment, capacity enhancement plan, if any, proposed efficiency improvements and its cost benefit analysis, quality improvement measures undertaken, Employee Expenses, Repair & Maintenance Expenses and A&G Expenses along with detailed break up and any other information used for preparing projections of various performance parameters and other components during the Control Period. In case of a new generating plant,



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

*such information is required to be submitted for the period of operations up to the start of the Control Period.”*

- 5.9 In accordance with above said Regulations, the Petitioner has filed the Business Plan for the Control Period from FY 2026-27 to FY 2030-31 for approval before the Commission for Unit-II & Unit-III (2x120 MW) of Jojobera Power Plant.
- 5.10 The Commission in its discrepancy note directed the Petitioner to provide detailed justification, PR and Cost-benefit analysis along with the Residual life assessment Report for the capital expenditure/scheme proposed for each year of the Control Period at the fag-end period of the plant as per Clause 14.5 of the Regulation. In compliance to above, the Petitioner vide its data-gap reply dated February 15, 2025 submitted the Detail Project Report (DPR) for the schemes proposed in the Petition for the Control Period from FY 2026-27 to FY 2030-31 along with approval of the Competent Authority.
- 5.11 The Petitioner further added that the MYT Business Plan submitted for the Control Period from FY 2026-27 to FY 2030-31 are broadly classified into five heads as mentioned below.
- **Operational Performance Plan** - The Operational Performance Plan gives the detailed performance trajectory of Jojobera Units 2 & 3 for the Control Period from FY 2026-27 to FY 2030-31.
  - **Annual Shutdown Plan** - The Annual Shutdown Plan of the Units throughout the Control Period provides brief description of the planned maintenance schedule and activities for Jojobera Units 2 & 3.
  - **Fuel Procurement Plan** - The Fuel Procurement Plan provides details about the future fuel procurement to ensure the fuel availability as per the Generation schedule along with challenges associated to it.
  - **Capital Expenditure Plan** - The Capital Expenditure Plan provides the details of the Capital Expenditure (Capex) Schemes proposed for the Control Period along with phasing of Capex and Capitalization for each year of the Control Period. Tata Power has planned Capex and Capitalization for the sustenance of the generating station along with estimated decapitalization plan against the replacement schemes.
  - **O&M Expenses Plan** - The O&M Expenses plan covers running and maintaining a generating station, including manpower, repairs, spares, consumables, and insurance etc. for the Control Period. Tata Power has projected O&M expenses on normative based in



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

accordance with the provisions of GTR 2025. The detailed approach and methodology considered for projection of O&M expenses has been discussed under Operation and Maintenance section.

### **Operational performance plan for the control period FY 2026-27 to FY 2030-31**

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

- 5.12 The Petitioner submitted that Jojobera Units 2 & 3 supply reliable and quality power to Tata Steel Distribution Licensee over the years to meet the increased demand of Jamshedpur City.
- 5.13 For the 4th Control Period, the Petitioner submitted that the operational performance has been projected by considering Heat Rate and Specific LDO Consumption as defined under Regulation 16.1 of JSERC GTR, 2025. Gross Generation of the Units, PLF and Plant Availability Factor have been projected based on the demand of the Tata Steel Distribution Licensee.
- 5.14 With regard to auxiliary power consumption, the Petitioner submitted that the FGD system being implemented at the Jojobera Plant in compliance with the Emission Control Norms issued by MoEFCC, has become operational from October 2025. The implementation of the FGD system shall require higher auxiliary power consumption along with consumption of the limestone/reagent. In this regard, it is submitted that JSERC GTR, 2025 provides for auxiliary consumption to be allowed separately for the FGD system. The relevant extract of the Regulation is as under:

#### **“6. ‘Auxiliary Energy Consumption’**

.....

*Provided further that auxiliary energy consumption **for compliance of revised emission standards**, sewage treatment plant and external coal handling plant (jetty and associated infrastructure shall be considered separately;”*

- 5.15 For the purpose of MYT, the Petitioner submitted that the Normative Auxiliary Power Consumption of 10% has been considered as per JSERC GTR 2025. It may please be noted that the Auxiliary Power Consumption will undergo change due to Commissioning of FGD system in both Unit 2 & 3. Accordingly, for the purpose of accurate and realistic projections, the Petitioner has considered an additional auxiliary energy consumption of 1% in line with the Regulation 70(E)(f) of the CERC Tariff Regulations, 2024, over and above the normative auxiliary energy consumption of 10% applicable for the generating station. Hence, the Petitioner has considered the Auxiliary Power Consumption as 11% for arriving at ex-bus



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

generation on projected basis. It is further submitted that the impact of same in ECR has not been claimed in this Petition and shall be claimed vide the Petition for the supplementary tariff for FGD system for Unit 2 & 3.

- 5.16 As regard the procurement of the coal, the Petitioner submitted that it has been procuring required coal under SHAKTI Scheme for Units 2 & 3. The coal available under SHAKTI Scheme is sufficient to meet the requirement at 75% PLF, coming from mines of Coal India Limited. which is comparatively of inferior quality than washed coal/imported coal. With deterioration in coal quality more quantity of coal is required to be charged in the boiler, which will further increase the heat losses and impacts boiler efficiency. Consequently, this will impact the present operational performance level and same is for the reasons which is beyond the control of the Petitioner. The Petitioner humbly seeks liberty to claim any variation in heat loss due to inferior quality of coal at the time of truing up.
- 5.17 As regard the life of both the units, it was submitted by the Petitioner that the JSERC tariff regulations define the useful life of the thermal generation plant as 25 years. However, in case of Unit 2 & 3, the Hon'ble Commission has considered the same as 30 years, in line with the PPA term which has been contended by the Petitioner with the APTEL through Appeal No. 321 of 2023. The said appeal is under active consideration of the APTEL. Pending the decision in the appeal, the Petitioner, in the instant Petition, has considered the useful life of both the Units in line with the view taken by the Hon'ble Commission in its Tariff Orders i.e. 30 years and has accordingly calculated the parameters of ARR. Accordingly, Unit-2 shall complete its useful life in FY 2030-31 and Unit-3 in FY 2031-32. It is submitted that it will be challenging for the Petitioner to maintain the desired level of performance, particularly the PLF during the fag end of the life. Further, Tata Power humbly seeks liberty of the Hon'ble Commission to re-approach the Hon'ble Commission at the time of True Up for the respective years, in case of any adverse impact on operational performances on account of lower PLF.
- 5.18 Based on the above discussions, the Petitioner has projected operational performance for each year of the 4th Control Period as shown in the table below:

**Table 5: Operational Performance parameters of Unit-II and III for FY 2026-27 to FY 2030-31 as submitted by the Petitioner.**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>						
Capacity	MW	120	120	120	120	120
No. of days in FY	Days	365	366	365	365	365



### **Business Plan and MYT for FY 2026-27 to FY 2030-31**

<b>Particulars</b>	<b>UoM</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Gross Generation	MUs	747.61	946.88	747.61	686.75	747.61
PLF	%	71.12%	89.83%	71.12%	65.33%	71.12%
Heat Rate	Kcal/kWh	2567	2567	2567	2567	2567
Normative Auxiliary Energy Consumption	%	10%	10%	10%	10%	10%
Additional Auxiliary Energy Consumption due to FGD	%	1%	1%	1%	1%	1%
Plant Availability	%	89.90	99.40	91.10	99.30	89.70
Sp. LDO Consumption	ml/kWh	0.5	0.5	0.5	0.5	0.5
<b>Unit-3</b>						
Capacity	MW	120	120	120	120	120
No. of days in FY	Days	365	366	365	365	365
Gross Generation	MUs	901.40	852.22	815.52	629.56	815.52
PLF	%	85.75%	80.85%	77.58%	59.89%	77.58%
Heat Rate	Kcal/kWh	2577	2577	2577	2577	2577
Normative Auxiliary Energy Consumption	%	10%	10%	10%	10%	10%
Additional Auxiliary Energy Consumption due to FGD	%	1%	1%	1%	1%	1%
Plant Availability	%	99.30	89.90	99.30	91.10	99.30
Sp. LDO Consumption	ml/kWh	0.5	0.5	0.5	0.5	0.5

### **Commission's Analysis**

#### **Plant Availability Factor**

- 5.19 The Commission has scrutinized the submission made by the Petitioner and observed that the Petitioner has projected the Plant availability factor based on the demand of its beneficiary Tata Steel Distribution Licensee, which is higher than the normative value of 85% as per Regulations.
- 5.20 The Commission approves the normative availability (NAPAF) as 85% for each financial year of the Control Period in accordance with '**clause 16.1**' of JSERC Generation Tariff Regulation 2025, and provisionally approves the projected Plant Availability Factor as mentioned below for the Control Period from FY 2026-27 to FY 2030-31.



## Business Plan and MYT for FY 2026-27 to FY 2030-31

**Table 6: Plant availability as approved by the Commission.**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<b>UNIT-II</b>						
NAPAF	%	85.00	85.00	85.00	85.00	85.00
Projected Plant Availability	%	89.90	99.40	91.10	99.30	89.70
<b>UNIT-III</b>						
NAPAF	%	85.00	85.00	85.00	85.00	85.00
Projected Plant Availability	%	99.30	89.90	99.30	91.10	99.30

### Auxiliary Consumption

- 5.21 The Commission has examined the submission of the Petitioner that the FGD system being implemented at the Jojobera Plant in compliance with the Emission Control Norms issued by MoEFCC, has become operational from October 2025. Hence, Auxiliary Power Consumption will undergo change due to Commissioning of FGD system in both Unit 2 & 3, and for the purpose of accurate and realistic projections the Petitioner has considered an additional auxiliary energy consumption of 1% in line with the Regulation 70(E)(f) of the CERC Tariff Regulations, 2024, over and above the normative auxiliary energy consumption of 10% applicable for the generating station. Hence, the Petitioner has considered the Auxiliary Power Consumption as 11% for arriving at ex-bus generation on projected basis. It is further submitted that the impact of same in ECR has not been claimed in this Petition and shall be claimed vide the Petition for the supplementary tariff for FGD system for Unit 2 & 3.
- 5.22 In this regard, the Commission clarifies that the impact of the FGD system on Auxiliary Power Consumption may be considered strictly in accordance with the applicable Regulations and subject to prudence check, including examination of the necessity and justification of installation of the FGD system during the fag end period of the generating station. Such consideration may be undertaken at the appropriate stage. For the purpose of the instant Order, however, the Commission has computed the ex-bus generation by taking the Normative Auxiliary Power Consumption as 10% in accordance with “**clause-16.1**” of JSERC Generation Tariff Regulation 2025. Further, for computation of Energy Charges also, the Commission has considered the normative Auxiliary Power Consumption of 10% in terms of the applicable JSERC Regulations.



## Business Plan and MYT for FY 2026-27 to FY 2030-31

**Table 7: Auxiliary Consumptions as approved by the Commission.**

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
<b>UNIT-II</b>						
Normative Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
Projected Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
<b>UNIT-III</b>						
Normative Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00
Projected Auxiliary Consumption	%	10.00	10.00	10.00	10.00	10.00

### Plant Load Factor and Generation

- 5.23 On scrutinizing and analyzing the material, information, actual figure and details submitted by the Petitioner, the Commission observes that Gross Generation of the both the Units and PLF have been projected by the Petitioner based on the demand of the Tata Steel Distribution Licensee, which is lower than the normative one as specified in the regulation, for most of the years of the Control Period.
- 5.24 This specifies that the Petitioner has deviated from the normative Plant Load Factor norms specified in **clause 16.1** of the Regulations, 2025. The Commission in its GTR-2025 has specified the norms for Normative Plant Load Factor as 85% for both the Units. Thus, the Commission approves the Gross Generation and corresponding Plant Load Factor on normative basis for each year of the Control Period i.e. from FY 2026-27 to FY 2030-31. Any deviation in the Plant Load Factor may be considered at the time of True- up/APR Petition, subject to prudence check.

**Table 8: Plant Load Factor and Generation as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
<b>UNIT-II</b>						
Gross Generation	MU	893.52	895.97	893.52	893.52	893.52
Net Generation	MU	804.17	806.37	804.17	804.17	804.17
Normative PLF	%	85.00	85.00	85.00	85.00	85.00
<b>UNIT-III</b>						
Gross Generation	MU	893.52	895.97	893.52	893.52	893.52
Net Generation	MU	804.17	806.37	804.17	804.17	804.17
Normative PLF	%	85.00	85.00	85.00	85.00	85.00



## Business Plan and MYT for FY 2026-27 to FY 2030-31

### Gross Station Heat Rate (GHR)

5.25 The Commission observes that the Petitioner has projected station heat rate in line with Clause 6.1 of JSERC Generation Tariff Regulations, 2025. Hence, the Commission approves the GHR at 2567 kCal/kWh for Unit-II and 2577 kCal/kWh for Unit-III for all the years of the Control Period FY 2026-27 to FY 2030-31.

**Table 9: Gross Station Heat Rate (GHR) as approved by the Commission.**

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
<b>UNIT-II</b>						
Normative Station Heat Rate	kCal/kWh	2567.00	2567.00	2567.00	2567.00	2567.00
<b>UNIT-III</b>						
Normative Station Heat Rate	kCal/kWh	2577.00	2577.00	2577.00	2577.00	2577.00

### Specific Fuel Oil Consumption

5.26 In accordance with **clause 16.1** of JSERC Generation Tariff Regulation 2025, the Commission approves the normative specific fuel oil consumption as 0.5 ml/kWh for both the Units for all the years of the Control Period FY 2026-27 to FY 2030-31 as shown below.

**Table 10: Specific Fuel Oil Consumption as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
<b>UNIT-II</b>						
Specific Fuel Oil Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
<b>UNIT-III</b>						
Specific Fuel Oil Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50

## Annual Shutdown Plan for FY 2026-27 to FY 2030-31

### Petitioner's Submission

5.27 The Petitioner submitted that Annual Shutdown ("ASD") for Jojobera Units 2 & 3 is a planned outage undertaken in alternate year for each unit for capital overhauling of the Unit in addition to regular R&M works and forced shutdowns/breakdowns. It has been prepared on the basis of the following considerations:

- Scheduled Preventive Maintenance and Operational constraints
- Requirements for technological up-gradations
- To undertake any performance improvement measures



## Business Plan and MYT for FY 2026-27 to FY 2030-31

- d) Statutory compliances
- e) Life sustenance
- f) Conduct RLA study

5.28 The Petitioner further appraised that maintenance plan has been prepared based on operational challenges, past operation and maintenance experience, OEM recommendations, Capex Plan and major maintenance schedules. The projected ASD for Jojobera Units 2 & 3 during the 4th Control Period FY 2026-27 to FY 2030-31 is provided in the following Table.

**Table 11: Annual Shutdown Schedule of Units-2 & 3 for FY 27 to FY 31 as submitted by the Petitioner.**

Unit	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>	Dec-Jan: 35 days outage for Annual Overhauling	-	Dec-Jan: 30 days outage for Annual Overhauling	-	Dec-Jan: 35 days outage for Annual Overhauling
<b>Unit 3</b>	-	Jan-Feb: 35 days outage for Annual Overhauling	-	Mar: 30 days outage for Annual Overhauling	-

### Commission's Analysis

5.29 The Commission has gone through the submissions of the Petitioner. The Annual Shutdown Plan as approved by the Commission for the Control Period from FY 2026-27 to FY 2030-31 is mentioned below. Further, the Petitioner is directed to communicate the Commission any deviation from the approved Plan with proper reasoning.

**Table 12: Annual Shutdown Schedule of Units-2 & 3 for FY 27 to FY 31 as approved by the Commission.**

Unit	FY 2026-27	FY 2027-28	FY2028-29	FY2029-30	FY 2030-31
<b>Unit 2</b>	<b>Dec-Jan: 35 days</b> outage for Annual Overhauling	-	<b>Dec-Jan: 30 days</b> outage for Annual Overhauling	-	<b>Dec-Jan: 35 days</b> outage for Annual Overhauling
<b>Unit 3</b>	-	<b>Jan-Feb: 35 days</b> outage for Annual Overhauling	-	<b>Mar: 30 days</b> outage for Annual Overhauling	-

### Fuel Procurement Plan



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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

- 5.30 It was submitted by the Petitioner that Tata Power has entered into the Fuel Supply Agreements (FSAs) with various subsidiaries, namely Eastern Coal Field Limited (ECL), Central Coal Field Limited (CCL) and Mahanadi Coalfield Limited (MCL) of Coal India Limited (CIL) under SHAKTI Scheme. Under SHAKTI Round 2, Tata Power received total allocations of about 4,64,300 Tons from ECL (85500), CCL (193000) and MCL (185800). Under SHAKTI Round 3, Tata Power secured an additional quantum of 5,77,100 Tons per annum from CCL. The benefits of SHAKTI coal, including a discount of 4 paise and 7 paise per unit on actual coal consumption corresponding to Round 2 and Round 3 allocations respectively, shall be passed on to the distribution licensee as per SHAKTI scheme. However, the above quantum is only sufficient for meeting the coal requirement for about 75% PLF.
- 5.31 As we have seen in the past for both e-auction coal/ or in linkage coal, the availability of Coal from these subsidiaries of CIL has been uncertain/unpredictable and at times the stocks have come to very critical level for which Tata Power had to immediately scout for coal from private washeries/or imported coal to maintain the reliability of the generation. Despite of advance payments, the rakes booked had been pending for very long time. Consequently, it not only posed generation reliability issue but also impacted the overall generation cost. Also, because of advances being blocked for long period, it adversely impacts company's working capital requirement. Therefore, 100% dependence on supplies from these subsidiaries for SHAKTI coal would not be desirable. In order to ensure higher reliability/availability of supply Tata Power has considered 90% of the coal allocations under SHAKTI scheme from these subsidiaries for planning purposes for the Fourth Control Period, though company will endeavor to utilize the coal available from these sources to the maximum extent possible.
- 5.32 Also, FSAs under SHAKTI scheme provide for penalty and incentive on offtake quantities. As per the FSA, offtake lower than 75% attracts a penalty whereas offtake higher than 90% earns an incentive, i.e., at higher prices.
- 5.33 Further, normative availability for Unit 2 and Unit 3 is specified at 85% in GTR 2025, therefore, Petitioner is required to have a firm arrangement for balance requirement to ensure 85% availability. This shortfall is proposed to be met through Middling Coal from West Bokaro Collieries of Tata Steel.
- 5.34 Taking into consideration above discussion and unpredictability of supply from subsidiaries of Coal India Limited, to ensure reliability of supply as well as to present the realistic picture, the Petitioner has considered 90% coal from each allocation under SHAKTI for projection



## ***Business Plan and MYT for FY 2026-27 to FY 2030-31***

- for the 4th Control Period. The balance coal will be met through Middling Coal and is to be sourced from West Bokaro Collieries of Tata Steel in Jharkhand being the most reliable source. However, the actual mix of coal may vary, which shall be submitted to Hon'ble Commission at the time of true-up of the respective year of the Control Period.
- 5.35 The Coal from these sources is brought to Jojobera Power Plant through railway wagons. Each rake of railway wagons consists of about 59 wagons (usually N Box type) with carrying capacity of 60-64 Tons of Coal. Further, Tata Power procures the Secondary Fuel Oil, i.e., Light Diesel Oil ("LDO") from IOL, HPCL etc.
- 5.36 Based on such arrangement of fuel procurement, Tata Power ensures:
- I. Fuel Security
  - II. Fuel Quality
  - III. Optimization of the cost across the Fuel Supply Chain and through cost-effective Fuel mix.
- 5.37 It is further submitted that in case of acute shortages/crisis of supply from contracted/linked sources, Tata Power will procure indigenous Coal through e- auction/private market/or Imported Coal from overseas and will seek liberty of the Commission to update such deviations/shortages/crisis and procurement of alternative coal in the quarterly fuel reports being submitted to the Commission as per directions of the Commission.
- 5.38 The Coal Procurement Plan for the Units 2 and Unit 3 is based on the power demand of Tata Steel Distribution Licensee for each year of the Control Period. Considering the demand projections for the MYT Control Period, the fuel procurement projections are shown in the Tables below. Some key assumptions considered for the projections are as follows.
- Heat Rate and Sp. LDO consumption for the Unit 2 and Unit 3 have been considered on normative basis, in line with GTR, 2025.
  - Auxiliary Energy Consumption has been considered at 11% (10% Normative + 1% additional due to FGD).
  - As stated above, coal from SHAKTI Scheme has been considered at 90% of the ACQ for the year and the balance coal is being met through Middling Coal.
  - The Normative Transit Loss of 0.8% has been considered for computation of Coal requirement from the abovementioned sources.



## Business Plan and MYT for FY 2026-27 to FY 2030-31

- Gross Calorific Value ("GCV") of Coal and LDO has been considered based on weighted average calorific value of actuals from August-2025 to October-2025 as per Regulation 17.10 of GTR 2025.

5.39 Based on the above discussions, projected Fuel Mix and Coal Procurement plan for each year of the 4th Control Period are shown in the tables below:

**Table 13: Fuel Mix of Unit-2 for FY 2026-27 to FY 2030-31 as submitted by the Petitioner**

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
Middling	%	10.96%	28.31%	10.96%	3.85%	10.96%
CCL Coal [SHAKTI 3]	%	49.34%	39.73%	49.34%	53.28%	49.34%
CCL Coal [SHAKTI 2]	%	16.50%	13.29%	16.50%	17.82%	16.50%
MCL Coal [SHAKTI 2]	%	15.89%	12.79%	15.89%	17.15%	15.89%
ECL Coal [SHAKTI 2]	%	7.31%	5.89%	7.31%	7.89%	7.31%

**Table 14: Fuel Mix of Unit-3 for FY 2026-27 to FY 2030-31**

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
Middling	%	25.30%	21.35%	18.11%	0.00%	18.11%
CCL Coal [SHAKTI 3]	%	41.39%	43.59%	45.38%	57.03%	45.38%
CCL Coal [SHAKTI 2]	%	13.84%	14.58%	15.18%	19.07%	15.18%
MCL Coal [SHAKTI 2]	%	13.33%	14.03%	14.61%	18.36%	14.61%
ECL Coal [SHAKTI 2]	%	6.13%	6.46%	6.72%	5.53%	6.72%

**Table 15: Wt. Avg. GCV of Coal and LDO of Unit-2 for Aug-2025 to Oct-2025**

Particulars	UoM	Aug-25	Sep-25	Oct-25	Aug-Oct
Middling Coal Consumption	Ton	0	104	1900	<b>2,004</b>
Middling GCV	Kcal/Kg	0	4127	4127	<b>4127</b>
CCL Coal Consumption [SHAKTI 3]	Ton	18417	32846	13559	<b>64822</b>
GCV of CCL Coal [SHAKTI 3]	Kcal/Kg	3814	3750	3648	<b>3747</b>
CCL Coal Consumption [SHAKTI 2]	Ton	21612	9695	13119	<b>44426</b>
GCV of CCL Coal [SHAKTI 2]	Kcal/Kg	3779	3535	3852	<b>3747</b>
MCL Coal Consumption [SHAKTI 2]	Ton	4688	7501	8024	<b>20213</b>
GCV of MCL Coal [SHAKTI 2]	Kcal/Kg	3388	3142	2702	<b>3024</b>
ECL Coal Consumption [SHAKTI 2]	Ton	2030	4731	6114	<b>12875</b>
GCV of ECL Coal [SHAKTI 2]	Kcal/Kg	4882	4853	4846	<b>4854</b>


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Particulars	UoM	Aug-25	Sep-25	Oct-25	Aug-Oct
LDO Consumption	KL	13.50	3.13	11.00	<b>27.63</b>
LDO GCV	Kcal/L	8408	8469	8330	<b>8384</b>

**Table 16: Wt. Avg. GCV of Coal and LDO of Unit-3 for Aug-2025 to Oct-2025**

Particulars	UoM	Aug-25	Sep-25	Oct-25	Aug-Oct
Middling Coal Consumption	Ton	0	0	1781	<b>1781</b>
Middling GCV	Kcal/Kg	0	0	4127	<b>4127</b>
CCL Coal Consumption [SHAKTI 3]	Ton	18881	30140	14487	<b>63508</b>
GCV of CCL Coal [SHAKTI 3]	Kcal/Kg	3815	3750	3652	<b>3747</b>
CCL Coal Consumption [SHAKTI 2]	Ton	21813	10656	15890	<b>48359</b>
GCV of CCL Coal [SHAKTI 2]	Kcal/Kg	3787	3534	3800	<b>3736</b>
MCL Coal Consumption [SHAKTI 2]	Ton	3438	5100	5996	<b>14534</b>
GCV of MCL Coal [SHAKTI 2]	Kcal/Kg	3373	3142	2692	<b>3011</b>
ECL Coal Consumption [SHAKTI 2]	Ton	2019	4346	7087	<b>13452</b>
GCV of ECL Coal [SHAKTI 2]	Kcal/Kg	4882	4853	4846	<b>4854</b>
LDO Consumption	KL	4.00	2.50	6.00	<b>12.50</b>
LDO GCV	Kcal/L	8408	8469	8330	<b>8383</b>

5.40 Further, for the purpose of computing the fuel requirement, the GCV of the coal has been reduced by 85 kCal/kg on account of variation during storage at generating station as allowed in the JSERC GTR, 2025.

**Table 17: Coal Procurement Plan for Unit-2 for the Control Period from FY 2026-27 to FY 2030-31**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	747.61	946.88	747.61	686.75	747.61
Normative Generation at 85% NAPAF	MUs	893.52	895.97	893.52	893.52	893.52
Heat Rate	Kcal/kWh	2567	2567	2567	2567	2567
Total Heat Input to Boiler	MKCal	1919124	2430641	1919124	1762885	1919124
Sp. LDO Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
GCV of LDO	Kcal/L	8384	8384	8384	8384	8384
LDO Consumption	KL	373.81	473.44	373.81	343.37	373.81
Heat Input by LDO	MKCal	3134	3969	3134	2879	3134


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Heat Input by Coal	MKCal	1915990	2426672	1915990	1760006	1915990
GCV of Middling/Alternative Coal	Kcal/Kg	4042	4042	4042	4042	4042
GCV of CCL Coal [SHAKTI 3]	Kcal/Kg	3662	3662	3662	3662	3662
GCV of CCL Shakti Coal [SHAKTI 2]	Kcal/Kg	3662	3662	3662	3662	3662
GCV of MCL Shakti Coal [SHAKTI 2]	Kcal/Kg	2939	2939	2939	2939	2939
GCV of ECL Shakti Coal [SHAKTI 2]	Kcal/Kg	4769	4769	4769	4769	4769
Middling/Alternative Coal Mix	%	10.96%	28.31%	10.96%	3.85%	10.96%
CCL Coal Mix [SHAKTI 3]	%	49.34%	39.73%	49.34%	53.28%	49.34%
CCL Shakti Coal Mix [SHAKTI 2]	%	16.50%	13.29%	16.50%	17.82%	16.50%
MCL Shakti Coal Mix [SHAKTI 2]	%	15.89%	12.79%	15.89%	17.15%	15.89%
ECL Shakti Coal Mix [SHAKTI 2]	%	7.31%	5.89%	7.31%	7.89%	7.31%
<b>Equivalent GCV of Coal Consumed</b>	<b>Kcal/Kg</b>	<b>3669.77</b>	<b>3742.23</b>	<b>3669.77</b>	<b>3640.09</b>	<b>3669.77</b>
Middling/Alternative Coal Consumption	Ton	57220	183576	57220	18625	57220
CCL Coal Consumption [SHAKTI 3]	Ton	257617	257617	257617	257617	257617
CCL Shakti Coal Consumption [SHAKTI 2]	Ton	86155	86155	86155	86155	86155
MCL Shakti Coal Consumption [SHAKTI 2]	Ton	82941	82941	82941	82941	82941
ECL Shakti Coal Consumption [SHAKTI 2]	Ton	38167	38167	38167	38167	38167
Transit Loss in Middling/Alternate Coal	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in CCL Coal [SHAKTI 3]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in CCL Shakti Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in MCL Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in ECL Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Middling/Alternative Coal Procurement	Ton	57681	185056	57681	18775	57681
CCL Coal Procurement [SHAKTI 3]	Ton	259695	259695	259695	259695	259695
CCL Coal Procurement [SHAKTI 2]	Ton	86850	86850	86850	86850	86850
MCL Coal Procurement [SHAKTI 2]	Ton	83610	83610	83610	83610	83610
ECL Coal Procurement [SHAKTI 2]	Ton	38475	38475	38475	38475	38475
<b>Total Consumption</b>	<b>Ton</b>	<b>522101</b>	<b>648457</b>	<b>522101</b>	<b>483506</b>	<b>522101</b>
<b>Total Procurement</b>	<b>Ton</b>	<b>526311</b>	<b>653686</b>	<b>526311</b>	<b>487405</b>	<b>526311</b>

**Table 18: Coal Procurement Plan for Unit-3 for the Control Period from FY 2026-27 to FY 2030-31**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	901.40	852.22	815.52	629.56	815.52
Normative Generation at 85% NAPAF	MUs	893.52	895.97	893.52	893.52	893.52
Heat Rate	Kcal/kWh	2577	2577	2577	2577	2577
Total Heat Input to Boiler	MKCal	2322918	2196180	2101598	1622386	2101598
Sp. LDO Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
GCV of LDO	Kcal/L	8383	8383	8383	8383	8383
LDO Consumption	KL	450.70	426.11	407.76	314.78	407.76
Heat Input by LDO	MKCal	3778	3572	3418	2639	3418
Heat Input by Coal	MKCal	2319140	2192608	2098179	1619747	2098179
GCV of Middling/Alternative Coal	Kcal/Kg	4042	4042	4042	4042	4042
GCV of CCL Coal [SHAKTI 3]	Kcal/Kg	3662	3662	3662	3662	3662
GCV of CCL Shakti Coal [SHAKTI 2]	Kcal/Kg	3651	3651	3651	3651	3651
GCV of MCL Shakti Coal [SHAKTI 2]	Kcal/Kg	2926	2926	2926	2926	2926
GCV of ECL Shakti Coal [SHAKTI 2]	Kcal/Kg	4769	4769	4769	4769	4769
Middling/Alternative Coal Mix	%	25.30%	21.35%	18.11%	0.00%	18.11%
CCL Coal Mix [SHAKTI 3]	%	41.39%	43.59%	45.38%	57.03%	45.38%
CCL Shakti Coal Mix [SHAKTI 2]	%	13.84%	14.58%	15.18%	19.07%	15.18%
MCL Shakti Coal Mix [SHAKTI 2]	%	13.33%	14.03%	14.61%	18.36%	14.61%
ECL Shakti Coal Mix [SHAKTI 2]	%	6.13%	6.46%	6.72%	5.53%	6.72%


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
<b>Equivalent GCV of Coal Consumed</b>	<b>Kcal/Kg</b>	<b>3726.31</b>	<b>3709.61</b>	<b>3695.95</b>	<b>3585.95</b>	<b>3695.95</b>
Middling/Alternative Coal Consumption	Ton	157488	126181	102816	0	102816
CCL Coal Consumption [SHAKTI 3]	Ton	257617	257617	257617	257617	257617
CCL Shakti Coal Consumption [SHAKTI 2]	Ton	86155	86155	86155	86155	86155
MCL Shakti Coal Consumption [SHAKTI 2]	Ton	82941	82941	82941	82941	82941
ECL Shakti Coal Consumption [SHAKTI 2]	Ton	38167	38167	38167	24979	38167
Transit Loss in Middling/Alternate Coal	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in CCL Coal [SHAKTI 3]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in CCL Shakti Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in MCL Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Transit Loss in ECL Coal [SHAKTI 2]	%	0.8%	0.8%	0.8%	0.8%	0.8%
Middling/Alternative Coal Consumption	Ton	158758	127198	103646	0	103646
CCL Coal Procurement [SHAKTI 3]	Ton	259695	259695	259695	259695	259695
CCL Coal Procurement [SHAKTI 2]	Ton	86850	86850	86850	86850	86850
MCL Coal Procurement [SHAKTI 2]	Ton	83610	83610	83610	83610	83610
ECL Coal Procurement [SHAKTI 2]	Ton	38475	38475	38475	25181	38475
<b>Total Consumption</b>	<b>Ton</b>	<b>622369</b>	<b>591062</b>	<b>567697</b>	<b>451693</b>	<b>567697</b>
<b>Total Procurement</b>	<b>Ton</b>	<b>627388</b>	<b>595828</b>	<b>572276</b>	<b>455336</b>	<b>572276</b>

**Commission's Analysis**

5.41 The Commission observed that the Petitioner has participated in bid process for coal allocation under Shakti Scheme round-II and round-III and were able to secure coal from ECL, CCL and MCL mines of Coal India



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

- Limited. Such steps will not only increase the reliability towards availability of coal but also improve the economics of fuel purchase, which shall lead to decrease in the energy charge rate.
- 5.42 The Commission observed that under SHAKTI Round 2, the Petitioner received total allocations of about 4,64,300 Tons. Out of which, 85500 Tons were allocated from ECL, 193000 Tons from CCL and 185800 Tons from MCL. Under SHAKTI Round 3, the Petitioner secured an additional quantum of 5,77,100 Tons per annum from CCL.
- 5.43 The Commission further observed that the Petitioner has proposed only 90% of coal allocated under Shakti Scheme for calculating the coal mix citing various challenges like delay on CIL side even after deposit of advanced payment, unreliable supply etc. Further, to meet its coal requirement over and above the allocated coal, the Petitioner proposed to fulfill through middling coal sourced from West Bokaro Collieries of Tata Steel in Jharkhand.
- 5.44 Considering the submission of the Petitioner to consider 90% of coal allocated under Shakti Scheme for calculating the coal mix due to various said reasons, the Commission approves the same. However, the Commission directs the Petitioner to ensure that 100% offtake of coal allocated under Shakti Scheme is secured. Further, the Petitioner should take every effort to optimise its fuel procurement cost.
- 5.45 The Commission also observed from the Petitioner's submission that to ensure 85% normative availability as specified in GTR-2025, the Petitioner is required to have a firm arrangement for balance coal. This shortfall is also proposed to be met through Middling Coal from West Bokaro Collieries of Tata Steel. However, it is also observed that the coal procurement projection as done by the Petitioner is based on the projected PLF (which is based on the demand of its beneficiary Tata Steel Distribution Licensee) rather than normative PLF.
- 5.46 The Commission has approved the Plant Load Factor (PLF) on normative basis of 85%. Thus, taking into consideration of Petitioner's proposal to consider 90% of coal allocated under Shakti Scheme for calculating the coal mix and remaining requirement to be met with by middling Coal, the Commission has computed the coal mix for the Control Period from FY 2026-27 to FY 2030-31 as shown in below tables.
- 5.47 Further, the Petitioner is directed to communicate the Commission of any deviation from the approved Plan with proper reasoning on Quarterly basis.

**Table 19: Coal Mix for Unit-II as approved by the Commission**

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
Middling	%	24.36%	24.55%	24.36%	24.36%	24.36%
CCL Coal [SHAKTI 3]	%	41.91%	41.81%	41.91%	41.91%	41.91%



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
CCL Coal [SHAKTI 2]	%	14.02%	13.98%	14.02%	14.02%	14.02%
MCL Coal [SHAKTI 2]	%	13.49%	13.46%	13.49%	13.49%	13.49%
ECL Coal [SHAKTI 2]	%	6.21%	6.19%	6.21%	6.21%	6.21%

**Table 20: Coal Mix for Unit-III as approved by the Commission**

Fuel Mix	UoM	FY27	FY28	FY29	FY30	FY31
Middling	%	24.70%	24.89%	24.70%	24.70%	24.70%
CCL Coal [SHAKTI 3]	%	41.73%	41.62%	41.73%	41.73%	41.73%
CCL Coal [SHAKTI 2]	%	13.96%	13.92%	13.96%	13.96%	13.96%
MCL Coal [SHAKTI 2]	%	13.44%	13.40%	13.44%	13.44%	13.44%
ECL Coal [SHAKTI 2]	%	6.18%	6.17%	6.18%	6.18%	6.18%

5.48 The Commission observed that the Petitioner has projected the GCV of the primary fuel based on the actual value for the period from August 2025 to October 2025. The Commission provisionally approves the GCV as projected by the Petitioner, in accordance with **clause 17.10** of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025, subject to truing up based on actual.

5.49 Further, for the purpose of computing the fuel requirement, the GCV of the coal has been reduced by 85 kCal/kg on account of variation during storage at generating station as per JSERC GTR, 2025.

**Table 21: GCV for Unit-II as approved by the Commission**

GCV	UoM	FY27	FY28	FY29	FY30	FY31
Middling	Kcal/Kg	4041.61	4041.61	4041.61	4041.61	4041.61
CCL Coal [SHAKTI 3]	Kcal/Kg	3661.92	3661.92	3661.92	3661.92	3661.92
CCL Coal [SHAKTI 2]	Kcal/Kg	3662.41	3662.41	3662.41	3662.41	3662.41
MCL Coal [SHAKTI 2]	Kcal/Kg	2939.35	2939.35	2939.35	2939.35	2939.35
ECL Coal [SHAKTI 2]	Kcal/Kg	4769.18	4769.18	4769.18	4769.18	4769.18

**Table 22: GCV for Unit-III as approved by the Commission**

GCV	UoM	FY27	FY28	FY29	FY30	FY31
Middling	Kcal/Kg	4041.61	4041.61	4041.61	4041.61	4041.61
CCL Coal [SHAKTI 3]	Kcal/Kg	3661.94	3661.94	3661.94	3661.94	3661.94
CCL Coal [SHAKTI 2]	Kcal/Kg	3650.82	3650.82	3650.82	3650.82	3650.82
MCL Coal [SHAKTI 2]	Kcal/Kg	2926.34	2926.34	2926.34	2926.34	2926.34
ECL Coal [SHAKTI 2]	Kcal/Kg	4768.64	4768.64	4768.64	4768.64	4768.64

5.50 Based on the approved coal mix and GCV, the coal consumption and coal procurement plan for the Control Period from FY 2026-27 to FY 2030-31



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

is shown below.

**Table 23: Coal Procurement Plan for Unit-II as approved by the Commission**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Middling	Ton	149740	151292	149740	149740	149740
CCL Coal [SHAKTI 3]	Ton	257617	257617	257617	257617	257617
CCL Coal [SHAKTI 2]	Ton	86155	86155	86155	86155	86155
MCL Coal [SHAKTI 2]	Ton	82941	82941	82941	82941	82941
ECL Coal [SHAKTI 2]	Ton	38167	38167	38167	38167	38167
Net Coal Consumption	Ton	<b>614621</b>	<b>616173</b>	<b>614621</b>	<b>614621</b>	<b>614621</b>
Transit Loss	%	0.8	0.8	0.8	0.8	0.8
Coal Procurement Plan	Ton	<b>619538</b>	<b>621102</b>	<b>619538</b>	<b>619538</b>	<b>619538</b>

**Table 24: Coal Procurement Plan for Unit-III as approved by the Commission**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Middling	Ton	152469	154027	152469	152469	152469
CCL Coal [SHAKTI 3]	Ton	257617	257617	257617	257617	257617
CCL Coal [SHAKTI 2]	Ton	86155	86155	86155	86155	86155
MCL Coal [SHAKTI 2]	Ton	82941	82941	82941	82941	82941
ECL Coal [SHAKTI 2]	Ton	38167	38167	38167	38167	38167
Net Coal Consumption	Ton	<b>617350</b>	<b>618908</b>	<b>617350</b>	<b>617350</b>	<b>617350</b>
Transit Loss	%	0.8	0.8	0.8	0.8	0.8
Coal Procurement Plan	Ton	<b>622289</b>	<b>623860</b>	<b>622289</b>	<b>622289</b>	<b>622289</b>

### **Capital Expenditure Plan**

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

5.51 The Petitioner submitted that The additional capitalization proposed for Jojobera Unit 2 and Unit 3 for the Control Period from FY 2026-27 to FY 2030-31 is comprised of the following:

- I. Additional Capitalization pertaining to Capital Expenditure Schemes proposed for 4th Control Period from FY 2026-27 to FY 2030-31.
- II. Additional Capitalization pertaining to spill over works from previous control period. (already approved by the Commission)
- III. Decapitalization Plan for replacement schemes from FY 2026-27 to FY 2030-31.

5.52 The Petitioner submitted that the Commission vide APR Order dated



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

28.03.2025, had directed the Petitioner to conduct Residual Life Study (RLA) for Jojobera Units 2 & 3. It is submitted that RLA study requires extensive study of critical equipment and many of them require outage to undertake those studies. This requirement poses a critical challenge in the planning of the RLA activities, since, for the generating station, it is essential to ensure uninterrupted power supply. On this backdrop, the RLA is being meticulously planned so as to align it with the planned outages, to the best extent possible. The various options and decisions for conducting RLA study are being actively evaluated by the management of the Petitioner Company. It is submitted that the Petitioner has already initiated the preparatory works for conducting the RLA Study for Boiler which is tentatively planned in January, 2026 (Unit-3) and December, 2026 (Unit-2). For “Balance of Plant”, the RLA is tentatively scheduled in FY 2027 (Unit-2) and FY 2028 (Unit-3). The Turbine RLA is planned in FY 2028 and FY 2031, since the RLA has already been carried out in FY 2021 (Unit-3) and FY 2025 (Unit-2) and dismantling turbine once again for the RLA would not be feasible. It is further submitted that the Petitioner shall update the Hon’ble Commission in respect of RLA along-with the cost, through subsequent Petitions.

- 5.53 As regards the Capex requirement, it is most humbly submitted that the Petitioner, adhering to the standard practices of regular maintenance, has been able to run both the units in an optimal and safe manner, even on completion of the useful life of 25 years as defined in the regulations. For the upcoming control period, the Petitioner has projected capital expenditure only for the schemes/ works which are essential for the smooth and sustained operations of Unit-2 and Unit-3, in accordance with the provisions of Regulation 14.3 and 14.4 of JSERC GTR 2025.
- 5.54 Accordingly, Tata Power has proposed for various Additional Capital Expenditure Schemes for Control Period FY 2026-27 to FY 2030-31 as presented in the table below along with justification for each such proposed Capital Expenditure Scheme for the kind perusal of the Hon’ble Commission. The detailed phasing along with the relevant regulations under which the capital expenditure for such Schemes have been claimed is summarized in the Table below:

**Table 25: Capex Plan for the Control Period from FY 2026-27 to FY 2030-31 as submitted by the Petitioner.**

Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
1.	Turning Gear Hydraulic Motor	2&3	2 Set	0.93	Regulation 14.3 (a) and 14.4 (d)	Motor is critical part of Turbine and necessary to maintain reliability/availability of units. The absence of the same will lead to long outage of Unit and hamper


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
						plant generation. Due to its continuous operation, the motors have undergone wear and tear and have also outlived their useful life and will require replacements for continuous operation of the plant
2.	Turbine Parting plane fasteners	2&3	1 Sets	8.60	Regulation 14.3 (a) and 14.4 (d)	Turbine Parting plane fasteners have been in service for more than 20 years. Over-aged fasteners with elevated hardness pose failure risk; replacement prevents forced outages in major turbine assemblies.
3.	LP Turbine last stage blades	2&3	2 Sets	5.00	Regulation 14.3 (a) and 14.4 (d)	Severe steam erosion impacting reliability and unit availability; and needs replacement for reliable operation of turbine and Unit availability.
4.	CT Tower Fills pack assembly	2&3	12 Sets	8.00	Regulation 14.3 (a) and 14.4 (d)	CT Tower Fills are in choked condition and needs replacement to restore cooling efficiency and condenser vacuum performance; predominantly for operation/efficiency sustenance.
5.	Ash conveying Pipe & Bends	2&3	2 Lots	21.00	Regulation 14.3 (a), 14.4(b) and 14.4(d) and 14.4(f)	High erosion/leakage affects ash evacuation and causes environmental/public nuisance; replacement improves process performance and compliance.
6.	Ash Slurry and Recovery pumps system	2&3	2 Lots	5.00	Regulation 14.3 (a), 14.4 (d) and 14.4 (f)	Ash slurry and Recovery Pumps are high prone to ash erosion; It will prevent ash pond overflow and community impact; focuses on sustained process performance and operability of disposal systems.
7.	Main Plant Structure Refurbishment (Boiler, Coal Mill, Ash Plant)	2&3	2 Set	7.50	Regulation 14.3 (a), 14.4 (d)	Main plant structures are in service for more than 20 years. Many of the structures have degraded over the period and needs to be refurbished for


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
	& Aux. System)					avoiding any catastrophic failure and ensure reliable operation of Unit.
8.	APH Tube replacement	2&3	9000 0 Tube	22.00	Regulation 14.3 (a), 14.4 (d)	APH Tubes have eroded to a considerable level. Many tubes have been plugged which is hampering Unit performance with high current drawl by draught fan. For reliable operation of Unit APH tube replacement to be carried out.
9.	Coal Bends, MPO, Coal pipe	2&3	2 Lots	5.00	Regulation 14.3 (a), 14.4 (d)	Erosion/leakage in coal discharge causes pollution & mill unavailability; replacements improve operational efficiency and reduce emissions/fugitive dust.
10.	Chimney structure & Landing platform Refurbishment	2&3	2 Set	4.00	Regulation 14.3 (a), 14.4 (d)	Chimney structure and landing platform have aged and are in damaged condition; Structural refurbishment is required for integrity and safe access; It is life-extension/Upgradation activity.
11.	Installation of Wheel gripper and other devices as per RDSO guideline (R33 rev.02) in wagon tippler	Common	2 Sets	1.70	Regulation 14.3 (b) and 14.4(e)	Installation of wheel gripper as per RDSO guidelines is required for meeting regulatory norms and safe operation of Wheel Gripper.
12.	132 kV ABB BLK Breaker Replacement	2&3	7	0.60	Regulation 14.3 (c)	OEM recommended obsolete; replacing critical grid interface breakers safeguards reliability & protection integrity.
13.	Testing Equipment	2&3	3	0.50	Regulation 14.3 (a), 14.4 (d)	Testing equipment need for reliable diagnostic/protection testing for primary equipment; supports outage prevention by condition assessment. Winding resistance, Tan Delta, 10 KV Megger, LCM, DCRM, 1-phase and 3 phase injection kit.


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
14.	U#2/3 Station Battery Bank (220V DC)	2&3	1-Bank	0.70	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
15.	U#2 Unit Battery Bank-220V	2	1-Bank	0.55	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
16.	U#3 Unit Battery Bank-220V	3	1-Bank	0.55	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
17.	CHP LT Breaker Replacement	2&3	11	0.40	Regulation 14.3 (c)	OEM recommended obsolescence; replacing aging LT breakers reduces trip/failure risk in coal handling; reliability improvement.
18.	CHP HT Breaker Replacement	2&3	14	0.35	Regulation 14.3 (c)	OEM recommended obsolescence; replacing aging CHP HT Breaker reduces trip/failure risk in coal handling; reliability improvement
19.	U-2 24v bank-1	2	1	0.25	Regulation 14.3 (a)	Crossed useful life of 10 years; 24 V DC bank is critical power control system; supports reliable operations.
20.	U-3 24v bank-1 & 2	3	1	0.50	Regulation 14.3 (a)	Crossed useful life of 10 years; 24 V DC bank is critical power control system; supports reliable operations.
21.	FBT for change over relay	2&3	2	0.30	Regulation 14.3 (a), 14.4 (d)	Essential for reliable change-over; In order to prevents control failures and outages, the Petitioner required to maintain as spare part.
22.	Jemco MCC retrofitting	Common	1	0.50	Regulation 14.3 (a), 14.4 (d)	Repetitive problem of jaw failures leading to flashover.


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Sl. No.	Work Details	Use for	Qty	Capex (Rs. Cr.)	Proposed under	Justification/Description
23.	Unit #2 Revamping of SWAS	2	1	1.25	Regulation 14.3 (a)	Aging of system (Wet & Dry)
24.	Unit #3 Revamping of SWAS	3	1	1.25	Regulation 14.3 (a)	Aging of system (Wet & Dry)
25.	Master Clock System	2&3	1 lot	1.50	Regulation 14.3 (c)	OEM recommended Obsolescence; required for operational efficiency enhancement.
26.	CT Chemical dosing system	2&3	2	1.27	Regulation 14.3 (a)	Aged dosing equipment; refurb/replacement is part of major cooling system upkeep—life-extension & water treatment integrity.
27.	Fire equipment/ system upgradation	2&3	1	7.00	Regulation 14.3 (a), 14.4 (b) and 14.4(e)	Aged fire protection is a safety-critical system; upgradation is required statutory compliance.
28.	IT infrastructure upgradation	Common	1	2.5	Regulation 14.3 (c)	Going forward, operating the plant requires added/ and upgraded infrastructure in terms of Digital Network upgradation/addition of Laptop /Desktop for facilitating the various interfaces at multiple points with needed/necessary upgradation.

5.55 The Petitioner further submitted the details of some already approved schemes, which are spill over works from previous Control Period. The Commission, vide Order dated 28.03.25 for APR of FY 2024-25, had approved various Additional Capital Expenditure Schemes during FY 2024-25 and FY 2025-26. However, few of them could not be completed or carried out due to various uncontrollable reasons. The Commission would appreciate that the capitalization of such approved schemes requires considerable time as it involves several negotiations with vendors, quality checks and efficient Commissioning methodologies in order to optimize the cost and flawless execution of the Projects. The following are the major reasons for the deviation in Capitalization Plan of



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

some of the Capital Expenditure Schemes.

- I. Changes in the maintenance plan in view of variation in the operational plan or variations in technical requirements.
- II. Changes in the Annual Shutdown Plan or duration of the Annual Outage of the Units due to unavoidable circumstances viz. high lead time in delivery of the equipment, non-availability of specialized OEM Engineers, etc.
- III. Re-negotiations with the vendors on account of deviations in Cost and Budgeting as planned.
- IV. Reassessment of necessity/usefulness of Schemes owing to ever-changing scenario.

5.56 The deferment of the schemes on account of the abovementioned reasons, have already been informed to the Commission through the Quarterly Reports of the FY 2024-25 and also vide Petition for True Up of FY 2024-25 and APR of FY 2025-26. In view of above, the Petitioner requested the Commission to allow capitalization of already approved Capital Expenditure Schemes, as shown in the table below.

**Table 26: Spill over work from previous Control Period (Rs. Cr.)**

<b>Particulars</b>	<b>Capitalisation Value</b>
<b>Unit 2 Standalone</b>	
Upgradation of Cyber Security	3.57
Spray Nozzle for Boiler	0.70
Upgradation of Digital Automatic Voltage Regulator (DAVR)	1.30
<b>Total Spilled Over Works</b>	<b>5.57</b>

5.57 The Petitioner further submitted that Regulation 14.3 and 14.4 of JSERC GTR, 2025 specify various provisions for allowance of Additional Capital Expenditure (“Add Cap”) incurred or projected to be incurred in respect of new project or existing project falling within Original Scope of work or beyond the Original Scope of work after the cutoff date. Further Regulation 14.5 provides for ACE to be incurred during the fag end of the project.

5.58 Considering the above discussion, the Petitioner presented a summary of proposed Additional Capitalization pertaining to unit-2 and 3 for each year of the Control Period (in Rs. Lakh) as shown below.

**Table 27: Summary of Proposed Additional Capitalization pertaining to Unit-2&3 for each**


**Business Plan and MYT for FY 2026-27 to FY 2030-31**
**year of the Control Period (Rs. Lakh)**

Description	Proposed Budget (Lakhs)	FY27	FY28	FY29	FY30	FY31
<b>Standalone unit 2</b>						
U#2 Unit Battery Bank-220V	55.00	55.00	-	-	-	-
U-2 24v bank-1	25.00	25.00	-	-	-	-
Unit#2 Revamping of SWAS	125.00	125.00	-	-	-	-
<b>Sub-Total</b>	<b>205.00</b>	<b>205.00</b>	-	-	-	-
<b>Standalone unit 3</b>						
U#3 Unit Battery Bank-220V	55.00	55.00	-	-	-	-
U-3 24v bank-1 & 2	50.00	50.00	-	-	-	-
Unit#3 Revamping of SWAS	125.00	-	125.00	-	-	-
<b>Sub-Total</b>	<b>230.00</b>	<b>105.00</b>	<b>125.00</b>	-	-	-
<b>Unit 2 and 3</b>						
Turning Gear Hydraulic Motor	92.50	46.25	46.25	-	-	-
Turbine Parting plane fasteners	860.00	860.00	-	-	-	-
LP Turbine last stage blades	500.00	500.00	-	-	-	-
CT Tower Fills pack assembly	800.00	400.00	400.00	-	-	-
Ash conveying Pipe & Bends	2,100.00	420.00	420.00	420.00	420.00	420.00
Ash Slurry and Recovery pumps system	500.00	150.00	200.00	150.00	-	-
Main Plant Structure Refurbishment (Boiler, Coal Mill, Ash Plant & Aux. System)	900.00	180.00	180.00	180.00	180.00	180.00
APH Tube replacement	2,200.00	500.00	500.00	500.00	500.00	200.00
Coal Bends, MPO, Coal pipe	500.00	100.00	100.00	150.00	150.00	-
Chimney structure & Landing platform Refurbishment	400.00	200.00	200.00	-	-	-


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Description	Proposed Budget (Lakhs)	FY27	FY28	FY29	FY30	FY31
CHP LT Breaker Replacement	40.00	20.00	20.00	-	-	-
CHP LT Breaker Replacement	35.00	20.00	15.00	-	-	-
132kV ABB BLK Breaker Replacement	60.00	30.00	30.00	-	-	-
FBT for change over relay	30.00	30.00	-	-	-	-
Testing Equipments	50.00	25.00	25.00	-	-	-
U#2/3 Station Battery Bank (220V DC)	70.00	70.00				
Master Clock System	150.00	-	150.00	-	-	-
CT Chemical dosing system	127.00	127.00		-	-	-
Fire equipment/system upgradation	700.00	300.00	300.00	100.00	-	-
<b>Sub-Total</b>	<b>10,114.50</b>	<b>3,978.25</b>	<b>2,586.25</b>	<b>1,500.00</b>	<b>1,250.00</b>	<b>800.00</b>
<b>Common (Apportioned for Unit 2 and 3)</b>						
Jemco MCC retrofitting	21.92	21.92	-	-	-	-
Installation of Wheel gripper and other devices as per RDSO guideline (R33 rev.02) in wagon tippler	74.52	37.26	37.26	-	-	-
IT Infrastructure upgradation	109.59	54.79	54.79	-	-	-
<b>Sub-Total</b>	<b>206.03</b>	<b>113.97</b>	<b>92.05</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capex</b>	<b>10,755.53</b>	<b>4,402.22</b>	<b>2,803.30</b>	<b>1,500.00</b>	<b>1,250.00</b>	<b>800.00</b>

5.59 It is further submitted that some of the Schemes are commonly proposed for Unit 2 and Unit 3, however, with actual progress on scheme, discussions with vendors regarding supply of material, the availability of outage, actual capitalization/phasing in each Unit may vary. Hence, the Petitioner sought liberty of the Commission to apprise such inter-se adjustments among Unit 2&3 in the quarterly additional capitalisation reports or during true-up exercise of respective year.

5.60 Regarding the De-capitalization schedule for FY 2026-27 to FY 2030-31, the Petitioner submitted that based on principles as explained in the True



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

Up and APR petition regarding de-capitalization, the Decapitalization against the proposed Capital Expenditure Schemes involving complete or partial Replacement of the assets have been worked out and the same has been considered for arriving at net Addition for each year of the 4th Control Period. However, it may kindly be noted that such decapitalization is on provisional basis and is subject to truing-up of respective years. Proposed decapitalization for FY 2026-27 to FY 2030-31 is summarized in the following Table:

**Table 28: Summary of Proposed De-Capitalization pertaining to Unit-2&3 for each year of the Control Period (Rs. Lakh)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
De-capitalisation Unit 2	6.66	3.60	1.99	1.64	1.04
De-capitalisation Unit 3	5.84	3.93	1.99	1.64	1.04

- 5.61 Regarding the Capitalization on account of Renovation and Modernization, the Petitioner submitted that in terms of Regulations 14.8-14.10, the Petitioner is required to file an application with Detailed Project Report inter-alia containing all the information as specified in these Regulations for the purpose of seeking approval of the Additional Capital Expenditure required for carrying out Renovation and Modernization of Unit 2 and Unit 3 for extension of life beyond the useful life. It is submitted that extensive study is required to be performed for each critical equipment during the RLA Study to understand the requirement and to prepare the R&M plan in consultation with beneficiaries, OEMs.
- 5.62 As also discussed herein above, the Petitioner is in the process of conducting the RLA study and due to time constraint, the compilations of overall capitalization requirements for the Control Period could not be completed and, therefore, Tata Power humbly seeks liberty of the Commission to modify/make additions to the above Capex proposal, if need arises during the proceedings of the present Petition and/or in subsequent True-up/APR Petitions along with due approval from Management and Tata Steel Distribution Licensee.

### **Commission's Analysis**

- 5.63 The Commission has relied upon Regulation A14 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025 for the approval of additional capitalization for the Control Period from FY 2026-27 to FY 2030-31.
- 5.64 The Commission observed that both the plants of the Petitioner are going to end their useful life in 2026 and 2027 respectively. In this regard as per clause 14.5 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025, the Petitioner is required to submit the RLA of both the units before any additional capitalization.



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

Further, it is observed from the Petitioner's submission, which states that

*“the Petitioner has already initiated the preparatory works for conducting the RLA Study for Boiler which was planned in January, 2026 (Unit-3) and December, 2026 (Unit-2). For “Balance of Plant”, the RLA is tentatively scheduled in FY 2027 (Unit-2) and FY 2028 (Unit-3). The Turbine RLA is planned in FY 2028 and FY 2031, since the RLA has already been carried out in FY 2021 (Unit-3) and FY 2025 (Unit-2) and dismantling turbine once again for the RLA would not be feasible”.*

5.65 Furthermore, in the discrepancy note to the Petitioner, the Commission directed the Petitioner to submit scheme-wise detailed justification for the necessity of each line item proposed under the new schemes, along with a cost-benefit analysis demonstrating tangible operational, financial, or efficiency gains as well as DPR and Residual Life Assessment report of the project. The Commission further directed the Petitioner to submit the present status of the RLA study, including the date of commencement of the study, the scope of work undertaken, and the tentative timeline for completion of the RLA study, along with any interim findings, if available. The Commission also directed the Petitioner to submit the Obsolescence certificate for all the assets claimed for FY 2026-27 to FY 2030-31 under Clause 14.3 (C) of the JSERC generation tariff regulation, 2025.

5.66 In response, the Petitioner submitted the DPR of all the new assets proposed for FY 2026-27 to FY 2030-31 supported by other necessary documentary evidence. However, the Petitioner failed to provide the Obsolescence certificate as asked by the Commission citing that,

*“It is being humbly submitted that many of the assets have completed the asset life, rendering the spare parts unavailable and the asset non-serviceable. In such cases, even obtaining Obsolescence Certificate by the OEM is also practically not possible. In such a scenario, it is most humbly requested that unavailability of the Obsolescence Certificate may kindly be condoned by the Hon'ble Commission on said grounds and the proposed schemes may kindly be allowed considering the difficulty to service and repair the assets”*

5.67 Regarding the RLA study, the Petitioner in the data-gap response submitted that

*“.....RLA for “Boiler Pressure Parts” has been carried out for Unit 2&3 as a practice in accordance with Indian Boiler Regulations (IBR) in December 2021 and February 2021, respectively. Similarly, RLA for Turbine and other critical components has also been undertaken in line with OEM recommendations and prevailing utility practices for Unit 2&3 in January 2025 and February 2021, respectively. It may be noted that the stipulated frequency of the Boiler RLA is every 6*



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

years, whereas, for Turbine and other critical components, the same is typically every 5 years. Summary of the past and upcoming RLAs is presented in the table below.

<b>Particulars</b>	<b>Last RLA</b>	<b>Next RLA</b>
Boiler-Unit-2	Dec-21	Dec-26
Boiler-Unit-3	Feb-21	Feb-26
Turbine-Unit-2	Jan-25	Dec-31
Turbine-Unit-3	Feb-21	Feb-28

.....

Further, as regards the RLA for “Balance of Plant”, which is typically required post 25 years of life of the asset, is under active consideration of the management. The same shall be scheduled, keeping in consideration, the planned RLAs as mentioned herein above and requirement of outage for such RLA.”

- 5.68 The Commission observed that the Petitioner has conducted RLA for Boiler and Turbine for Unit-2 and 3 between Dec-21 to Jan-25. However, RLA for “Balance of Plant” as required after 25 years of useful life has not been conducted yet.
- 5.69 It is further observed that the Commission, for the first time, vide its APR Order for FY 2019-20 dated 09.09.2020, and in all subsequent tariff orders thereafter, had been consistently directing the Petitioner to undertake a **Residual Life Assessment (RLA) study. A considerable period has elapsed since the issuance of the said directions; however, the Petitioner has not yet completed the RLA study.**
- 5.70 Considering the above facts and circumstances, the Commission doesn’t approve any new additional capitalization schemes proposed, for the Control Period from FY 2026-27 to FY 2030-31.
- 5.71 However, the Commission, after scrutinizing the carry forward schemes which were spilled over from previous Control Period, has allowed the capital expenditure schemes and the related capitalization after due prudence check. The Commission also directs the Petitioner to strictly ensure that the schedule of Capital Expenditure and Capitalization should be strictly adhered.
- 5.72 The approved spillover work for standalone Unit-2 from previous Control period to be done in the upcoming Control Period from FY 2026-27 to FY 2030-31 has been summarized in the tables below. Further it is clarified that there is no spillover work for Unit-3 in the upcoming Control Period.
- 5.73 The Commission shall review the capital expenditure and capitalization actually done by the Petitioner while true-up in accordance with Clause



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

6.8 to Clause 6.10 of the Generation Tariff Regulations, 2025.

**Table 29: Spill over work from previous Control Period (Rs. Cr.) as approved by the Commission.**

<b>Particulars</b>	<b>Capitalisation Value (FY 2026-27)</b>
<b>Unit 2 Standalone</b>	
Upgradation of Cyber Security	3.57
Spray Nozzle for Boiler	0.70
Upgradation of Digital Automatic Voltage Regulator (DAVR)	1.30
<b>Total Spilled Over Works</b>	<b>5.57</b>

5.74 Further, the Commission also disapproves the de-capitalisation plan corresponding to new assets as projected by the Petitioner.

### **Financing of Capital Expenditure Plan**

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

5.75 The Petitioner has submitted the financing of the proposed Capex schemes, envisaged to be done through internal accrual. Therefore, financing of Additional Capitalization has been considered at Normative Debt: Equity ratio of 70:30 as per JSERC GTR, 2025.

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

5.76 The Commission observed that the Petitioner has projected to finance the capital expenditure during the Control Period from FY 2026-27 to FY 2030-31 through internal accruals. Thus, in accordance with Clause 15.7(1) & 15.7(2) of Regulations, 2025, the Commission accordingly approves Normative Equity to the tune of 30% and considered the remaining 70% as Normative Debt. However, the Petitioner is directed to submit the detail of actual equity infusion towards capital assets at the time of True up.

### **Operation & Maintenance Expenses Plan**

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

5.77 The Petitioner has submitted the as per Regulation 15.40 of JSERC GTR, 2025, the O&M expenses for the Base Year (FY 2025-26) have to be determined on the basis of the audited accounts from FY 2020-21 to FY 2024-25. Accordingly, the Petitioner has considered expenses booked under P&L from FY 2020-21 to FY 2025-26 towards employee expenses, other A&G expenses and R&M expenses to derive the normative O&M expenses for ensuing Control Period.



## Business Plan and MYT for FY 2026-27 to FY 2030-31

5.78 The escalation factor to be applied for projecting the O&M expenses has been considered as per the above provisions of JSERC GTR, 2025 and approach adopted by the Commission in the previous Control Period. The Petitioner has calculated the Consumer Price Index (CPI inflation) and Wholesale Price Index (WPI inflation) based on the average increase in the CPI and WPI respectively for immediately preceding 5 years before the base year. The summary of the escalations considered for projection of O&M expenses for the 4th Control Period is presented in table below:

**Table 30: Inflation Index considered for projection of O&M Expenses.**

Particular	FY20	FY21	FY22	FY23	FY24	FY25
CPI	322.5	338.69	356.06	377.62	397.2	410.64
WPI	121.8	123.38	139.41	152.53	151.42	154.86
<b>Wtd. Avg. Index (0.55*CPI + 0.45*WPI)</b>	<b>232.19</b>	<b>241.8</b>	<b>258.57</b>	<b>276.33</b>	<b>286.6</b>	<b>295.54</b>
% Increase	6.09%	4.14%	6.93%	6.87%	3.72%	3.12%
<b>Average Increase in 5 Years</b>	<b>4.96%</b>					

### Projection of Employee Expenses

#### Petitioner's Submission

- 5.79 The Petitioner has computed employee expenses based on average of past 5 years' actual expenses i.e. FY 2020-21 to FY 2024-25, Growth Factor and applicable Inflation Factor.
- 5.80 For the 4th Control Period, Tata Power has projected manpower strength and corresponding growth rate as per the Human Resource requirement in Jojobera Unit 2 and Unit 3. It is submitted that the Petitioner is not envisaging any increase in the no. of employees during the 4th control period for the existing generation facility (excluding FGD). However, the Petitioner seeks liberty to approach the Commission in case of variation in manpower requirement at the time of True Up. Accordingly, the Projected manpower details and growth rate is shown in the table below.

**Table 31: Growth Factor for the MYT Period (%) as submitted by the Petitioner**

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Management Cadre	157	157	157	157	157	157
Non- Management Cadre	42	42	42	42	42	42
<b>Total</b>	<b>199</b>	<b>199</b>	<b>199</b>	<b>199</b>	<b>199</b>	<b>199</b>



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Increase	0	0	0	0	0	0
<b>Growth (G) (in%)</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

5.81 The broad approach adopted by the Petitioner to project employee expenses for the 4th Control Period has been discussed in the para below:

- I. Tata Power has computed Mid-Year Value (FY 2022-23) based on average of past five years actual audited expenses (from FY 2020-21 to FY 2024-25).
- II. The average (Mid-Year Value) has been escalated year on year (Y-O-Y) basis with inflation factor, as shown in the above table, to arrive at the Base Year value i.e., FY 2025-26.
- III. For employee expenses projection, NIL growth rate has been considered for entire control period. However, any variation in growth rate will be submitted during True Up of respective year.
- IV. The base year expenses i.e. FY 2025-26, as computed above, has been further escalated using required inflation index to arrive at employee expenses for each year of the 4th Control Period.

5.82 As regards the terminal benefits, the Petitioner submitted that it has projected terminal benefits by considering actual expenses incurred towards terminal benefits during FY 2024-25 for both Unit 2 and Unit 3 and escalated with required inflation factor, as shown in the above table, to arrive at terminal benefit for each year of the 4th Control Period.

5.83 Based on the methodology discussed above, actual Employee Expenses and projected Employee Expenses for the 4th Control Period are shown in the table below:

**Table 32: Actual Employee Exp. (Excl. Terminal Benefits) for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Unit 2</b>						
Employee Expenses excl. Terminal Benefits	7.45	8.36	8.87	10.41	11.03	<b>10.66</b>
<b>Unit 3</b>						
Employee Expenses excl. Terminal Benefits	7.45	8.36	8.87	10.39	11.02	<b>10.66</b>

**Table 33: Projected Employee Exp. And Terminal Benefits for Unit 2&3 (Rs. Cr. for the**



## Business Plan and MYT for FY 2026-27 to FY 2030-31

### Control Period.

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>					
Employee Expenses excl. Terminal Benefits	11.19	11.75	12.33	12.94	13.58
Terminal Benefits	0.90	0.95	0.99	1.04	1.10
<b>Unit 3</b>					
Employee Expenses excl. Terminal Benefits	11.19	11.74	12.32	12.93	13.57
Terminal Benefits	0.90	0.95	0.99	1.04	1.10

### Commission's Analysis

- 5.84 The Commission relies upon Clause 15.40 to 15.42 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025 to project the O&M expenses for the Control Period.
- 5.85 For approval of Employee Expenses for the Control Period, the Commission is of the opinion that the methodology adopted by the Petitioner is legitimate. And hence adopted the same methodology. Further, the growth factor is considered as zero, as no additional manpower has been projected by the Petitioner. The Growth factor shall be subject to truing up on the basis of actual nos. of employees. Thus, the Employee expenses approved for the control period is as shown below.
- 5.86 Inflation factor for the Control Period has been computed by taking the average of last five-year inflation factor, i.e. from FY 2020-21 to FY 2024-25. The inflation factor so computed comes out to be 4.96%.
- 5.87 For the Projection of terminal benefits also, the Commission adopts the same methodology as that of Employee expenses, which shall be subject to truing-up based on actuals.

**Table 34: Projected Employee Exp. and Terminal Benefits for Unit 2&3 (Rs. Cr.) as approved by the Commission for the Control Period.**

Particulars	FY 2025-26 (Base Year)	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<b>Unit-II</b>						
Employee Expenses	10.66	11.19	11.75	12.33	12.94	13.58
Terminal Benefits	0.69	0.72	0.76	0.79	0.83	0.87
<b>Unit-III</b>						
Employee Expenses	10.66	11.19	11.74	12.32	12.93	13.57



### **Business Plan and MYT for FY 2026-27 to FY 2030-31**

<b>Particulars</b>	<b>FY 2025-26 (Base Year)</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>	<b>FY 2030-31</b>
Terminal Benefits	0.69	0.72	0.76	0.79	0.83	0.87

### **Projection of Administrative and General Expenses**

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

5.88 It was submitted the Petitioner has computed other A&G expenses, Head Office Expenses, Legal Expenses and Security Expenses based on average of past 5 years' actual expenses i.e. FY 2020-21 to FY 2024-25. The approach adopted by Tata Power is as follows:

- I. As per Regulation 15.46 of JSERC GTR, 2025, Security Expenses shall be allowed separately. Accordingly, Tata Power has projected security expenses separately based on the approach the past 5 years actual expenses.
- II. Actual Other A&G expenses for past 5 years have been considered and then adjusted expenses that are being projected separately i.e. legal charges, filing fees and Security Expenses.
- III. After the adjustments, Mid-Year Value (FY 2022-23) has been computed based on 5 years average adjusted A&G expenses.
- IV. With respect to Head office, Legal and Security Expenses, Tata Power has computed Mid-Year Value (FY 2022-23) based on average of past five years actual audited expenses (from FY 2020-21 to FY 2024-25).
- V. The average (Mid-Year Value) has been escalated Y-O-Y basis with inflation factor, as shown in the above table, to arrive at the Base Year value i.e., FY 2025-26.
- VI. The base year expenses i.e. FY 2025-26, as computed above, have been further escalated using required inflation index to arrive other A&G, Head Office, Legal and Security expenses for each year of 4th Control Period.

5.89 Based on the above discussion and applicable regulatory provisions, past years' expenses and projected A&G expenses are shown in the table below.



### Business Plan and MYT for FY 2026-27 to FY 2030-31

**Table 35: Actual Other A&G Exp. for Unit 2 (Rs. Cr.) from FY 2020-21 to FY 2024-25**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Other A&amp;G Expenses</b>	<b>8.71</b>	<b>5.06</b>	<b>6.38</b>	<b>5.97</b>	<b>7.09</b>	
Adjustments						
Publication and Filing Fees	0.43	0.07	0.20	0.13	0.19	
Legal Fee	0.01	0.002	0.01	0.03	0.02	
Security Expenses	0.62	0.69	0.78	0.75	0.96	
<b>Net other A&amp;G Expenses</b>	<b>7.65</b>	<b>4.30</b>	<b>5.39</b>	<b>5.06</b>	<b>5.91</b>	<b>6.55</b>

**Table 36: Actual Other A&G Exp. for Unit 3 (Rs. Cr.) from FY 2020-21 to FY 2024-25**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Other A&amp;G Expenses</b>	<b>8.53</b>	<b>4.88</b>	<b>6.08</b>	<b>4.52</b>	<b>6.87</b>	
Adjustments						
Publication and Filing Fees	0.43	0.07	0.20	0.13	0.19	
Legal Fee	0.01	0.002	0.01	0.03	0.02	
Security Expenses	0.62	0.69	0.78	0.75	0.96	
<b>Net other A&amp;G Expenses</b>	<b>7.47</b>	<b>4.12</b>	<b>5.08</b>	<b>3.61</b>	<b>5.70</b>	<b>6.01</b>

**Table 37: Actual HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Unit-2</b>						
Head Office Expenses	11.69	12.76	9.55	11.53	14.60	13.90
Legal Expenses	0.01	0.00	0.01	0.03	0.02	0.02
Security Expenses	0.62	0.69	0.78	0.75	0.96	0.88
<b>Unit-3</b>						
Head Office Expenses	10.99	11.35	10.35	11.85	14.03	13.54
Legal Expenses	0.01	0.00	0.01	0.03	0.02	0.02
Security Expenses	0.62	0.69	0.78	0.75	0.96	0.88

**Table 38: Projected Other A&G, HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>					
Other A&G Expenses	6.87	7.21	7.57	7.94	8.34
Head Office	14.59	15.32	16.07	16.87	17.71


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Particulars	FY27	FY28	FY29	FY30	FY31
Expenses					
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12
<b>Unit 3</b>					
Other A&G Expenses	6.30	6.62	6.94	7.29	7.65
Head Office Expenses	14.21	14.92	15.66	16.43	17.25
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12

**Commission's Analysis**

- 5.90 The Commission has estimated the Base Year value of Administrative & General Expenses (excluding Legal Expenses and Application Fees & Publication Expenses) as per the following approach.
- 5.91 The average of past five years' actual audited A&G expenses from FY 2020-21 to FY 2024-25 has been considered for deriving normative A&G Expenses for FY 2022-23 (which is the mid-year). The average of such expenses has been escalated twice with inflation factor @ 4.96% to arrive at the normative expenses for Base Year i.e., FY 2025-26. The Base Year expenses so calculated are further escalated with inflation factor to find the A&G expenses of each year of the Control Period, which shall be subject to truing up based on actual Inflation rate.
- 5.92 Further, Security Expenses and Legal Expenses have been allowed as per Clause 15.46 and Clause 15.43 of the GTR-2025.
- 5.93 HO expenses, legal expenses and security expenses have also been projected based on the same methodology as discussed above.
- 5.94 Accordingly, the Commission approves the projected A&G expenses, HO expenses, Legal expenses and Security expenses as per the table shown below.

**Table 39: Projected Other A&G, HO, Legal and Security Exp. for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit II</b>					
Other A&G Expenses	6.87	7.21	7.57	7.94	8.34
Head Office Expenses	14.59	15.32	16.07	16.87	17.71
Legal Expenses	0.02	0.02	0.02	0.02	0.02



### **Business Plan and MYT for FY 2026-27 to FY 2030-31**

Particulars	FY27	FY28	FY29	FY30	FY31
Security Expenses	0.92	0.97	1.02	1.07	1.12
<b>Unit III</b>					
Other A&G Expenses	6.30	6.62	6.94	7.29	7.65
Head Office Expenses	14.21	14.92	15.66	16.43	17.25
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12

### **Application Fee & Publication Expenses**

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

- 5.95 The Petitioner has claimed the application fee and publication expenses as per Regulation 28.1 of JSERC GTR, 2025.
- 5.96 Further, the Petitioner submitted that the application fee has been projected in accordance JSERC (Fees, Fines & Charges) Regulations, 2024 wherein the Fees Schedule has been provided.
- 5.97 Further, publication fees have been projected for 4th Control Period by considering actual publication fees for FY 2024-25 and escalated Y-O-Y basis using applicable inflation index to compute publication fees for each year of the Control Period.
- 5.98 The application and publication fees proposed for 4th Control Period are shown in the table below.

**Table 40: Projected Application fee and publication expenses for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>					
Application Fees /Filing Fees	0.11	0.11	0.11	0.11	0.11
Publication Expenses	0.09	0.10	0.10	0.10	0.11
<b>Application and Publication fees</b>	<b>0.20</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.22</b>
<b>Unit 3</b>					
Publication Fees	0.11	0.11	0.11	0.11	0.11
Filing Fees	0.09	0.10	0.10	0.10	0.11
<b>Application and Publication fees</b>	<b>0.20</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.22</b>

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

- 5.99 The Petitioner relies on clause 28.1 of JSERC GTR, 2025 for allowing the application fee and publication expenses.



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

5.100 Further, the Commission observed that the Petitioner projected the Application fee in accordance with the Fees Schedule of JSERC (Fees, Fines & Charges) Regulations, 2024, which is also allowed by the Commission.

5.101 Publication expenses have been projected by escalating the actual publication expenses of FY 2024-25 by the calculated inflation factor @4.96% to arrive at the value for Base-year. Which is again escalated by the inflation factor to project the publication expenses of each year of the Control Period.

5.102 The application and publication fees as approved by the Commission for 4th Control Period are shown in the table below.

**Table 41: Projected Application fee and publication expenses for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	Base year FY26	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>						
Application Fees /Filing Fees	0.11	0.11	0.11	0.11	0.11	0.11
Publication Expenses	0.09	0.09	0.10	0.10	0.10	0.11
<b>Application and Publication fees</b>	<b>0.20</b>	<b>0.20</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.22</b>
<b>Unit 3</b>						
Publication Fees	0.11	0.11	0.11	0.11	0.11	0.11
Filing Fees	0.09	0.09	0.10	0.10	0.10	0.11
<b>Application and Publication fees</b>	<b>0.20</b>	<b>0.20</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.22</b>

### **Projection of R&M Expenses**

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

5.103 The Petitioner has claimed the R&M expenses as per Regulation 15.42 of JSERC GTR, 2025.

5.104 The percentage constant 'K' factor has been computed based on past 5 years opening GFA and actual R&M expenses. Then based on the 5 years' average percentage 'K', base value of 'K' has been arrived using applicable inflation index.

5.105 Further, for computation of R&M expenses for the Control Period, projected opening GFA is multiplied with the base year 'K' factor and cumulative inflation index for respective year. It may be noted that the R&M expenses are higher in the year when annual shutdown is taken for overhauling purpose.

5.106 Projected R&M expenses and computation of percentage constant 'K' are shown in the Table below:


**Business Plan and MYT for FY 2026-27 to FY 2030-31**
**Table 42: Actual R&M and opening GFA for Unit 2&3 (Rs. Cr.) from FY 2020-21 to FY 2024-25**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Unit 2</b>						
Opening GFA	483.52	488.62	490.89	491.27	496.58	499.72
Actual R&M Expenses	10.34	25.16	11.91	13.79	31.87	21.88
Percentage constant 'K'	2.14%	5.15%	2.43%	2.81%	6.42%	4.38%
<b>Unit 3</b>						
Opening GFA	464.33	473.22	475.01	475.68	480.98	481.00
Actual R&M Expenses	21.73	10.19	11.55	24.55	11.76	18.76
Percentage constant 'K'	4.68%	2.15%	2.43%	5.16%	2.44%	3.90%

**Table 43: Projected R&M and opening GFA for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>					
Opening GFA	510.76	532.18	541.98	547.48	552.09
Percentage constant 'K'	4.38%	4.38%	4.38%	4.38%	4.38%
Inflation Factor	4.96%	4.96%	4.96%	4.96%	4.96%
<b>'K' Factor with cumulative inflation</b>	<b>4.60%</b>	<b>4.82%</b>	<b>5.06%</b>	<b>5.31%</b>	<b>5.58%</b>
<b>Projected R&amp;M Expenses</b>	<b>23.48</b>	<b>25.67</b>	<b>27.44</b>	<b>29.09</b>	<b>30.79</b>
<b>Unit 3</b>					
Opening GFA	493.48	509.15	519.86	525.37	529.98
Percentage constant 'K'	3.90%	3.90%	3.90%	3.90%	3.90%
Inflation Factor	4.96%	4.96%	4.96%	4.96%	4.96%
<b>'K' Factor with cumulative inflation</b>	<b>4.09%</b>	<b>4.30%</b>	<b>4.51%</b>	<b>4.73%</b>	<b>4.97%</b>
<b>Projected R&amp;M Expenses</b>	<b>20.21</b>	<b>21.88</b>	<b>23.45</b>	<b>24.87</b>	<b>26.33</b>

**Commission's Analysis**

5.107 The Commission, in line with clause 15.42 of the Generation Tariff Regulation, 2025, has taken into account both the 'K' factor and inflation factor while deriving the R&M Expenses. By taking the average of the ratio of actual percentage of R&M expenses to the approved GFA for the past



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

five years i.e. FY 2020-21 to FY 2024-25, the Commission approves the 'K' factor for the fourth control period for Unit-2 as 4.38% and for Unit-3 as 3.90%.

5.108 The calculated inflation factor has been taken to calculate the projection of R&M expenses for each year of the Control Period.

5.109 The R&M Expenses as approved by the Commission for the Control Period from FY 2026-27 to FY 2030-31 has been tabulated below.

**Table 44: Projected R&M for Unit 2&3 (Rs. Cr.) from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	Base Year FY26	FY27	FY28	FY29	FY30	FY31
R&M Expenses (Unit-II)	21.89	23.48	24.88	26.12	27.41	28.77
R&M Expenses (Unit-III)	18.77	20.21	21.21	22.26	23.36	24.52

### **Projection of Ash Disposal Expenses**

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

5.110 The Petitioner submitted that Ash Disposal expenses have been allowed by the Commission on actual basis in view of the Judgement of the Hon'ble APTEL dated 10.08.2016 in respect of Jojobera unit 2 & 3. In line with this approach, the Petitioner has projected Ash Disposal Expenses based on the Ash Disposal Plan for the upcoming Control Period.

5.111 The total Ash Generation for the Control Period from FY 2026-27 to FY 2030-31 has been worked out considering average ash percentage of 41% for coal consumed during previous years. The projected Ash Generation for Unit-2 and Unit-3 has been shown in the table below:

**Table 45: Projected Ash Generation from FY 2026-27 to FY 2030-31**

Particulars	FY27	FY28	FY29	FY30	FY31
Coal consumption: Unit-2	522101	648457	522101	483506	522101
Coal consumption: Unit-3	622369	591062	567697	451693	567697
<b>Ash Generation (@41%)</b>					
Ash Generation: Unit-2	214061	265867	214061	198237	214061
Ash Generation Unit-3	255171	242335	232756	185194	232756
Total Ash Generation	469232	508203	446817	383432	446817

5.112 The Petitioner further submitted that as per the industry practice, 80% of the total Ash Generation has been considered as Fly Ash and the balance 20% has been considered as Bottom Ash. The following Table shows the generation of Fly Ash and Bottom Ash for Unit 2 & 3 of Jojobera Power Plant.



**Business Plan and MYT for FY 2026-27 to FY 2030-31**

**Table 46: Projected Fly Ash and Bottom Ash from FY 2026-27 to FY 2030-31**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Fly Ash Generation (80% of Total Ash Generation)</b>					
Unit-2	171249	212694	171249	158590	171249
Unit-3	204137	193868	186205	148155	186205
<b>Total Fly Ash Generation</b>	<b>375386</b>	<b>406562</b>	<b>357454</b>	<b>306745</b>	<b>357454</b>
<b>Bottom Ash Generation (20% of Total Ash Generation)</b>					
Unit-2	42812	53173	42812	39647	42812
Unit-3	51034	48467	46551	37039	46551
<b>Total Bottom Ash Generation</b>	<b>93846</b>	<b>101641</b>	<b>89363</b>	<b>76686</b>	<b>89363</b>

5.113 The Bottom Ash being wet in nature is sent to the Ash Pond through Slurry Pumps for subsequent disposal to designated low lying areas. On the other hand, Tata Power ensures maximum utilization of Fly Ash which is pegged more than 74% of the total Fly Ash generated annually, considering the average ash utilization (%) of the last five years. Following are the key modes of Fly Ash utilization by Jojobera Power Plant:

- I. Fly Ash in the tune of about 42% of total Fly Ash generated is supplied to Nuvoco Cements free of cost through pipelines by pressurized air which further utilizes the Fly Ash for Cement manufacturing.
- II. About 15% of fly ash is supplied to Shree cement through bulker mode at the rate shown in table below, wherein the Petitioner bears the transportation cost.
- III. About 14.58% of fly ash is supplied to RMC/Brick Plant through bulker/Truck mode at cost shown in the Table below.
- IV. About 5% of fly ash is supplied to RMC/Brick Plant through bulker/Truck mode at free of cost.
- V. The balance unutilized Fly Ash is transferred to JEMCO Ash Pond after mixing with water through the Wet Disposal System for temporary storage in view of the inherent space constraint and subsequently disposed of in the designated low-lying areas. Considering the huge volume of Ash generated on daily basis and the limited capacity of the JEMCO Ash Ponds, these ponds have to be evacuated very frequently, and the Ash is disposed of to designated places. In addition, the Pond Ash always contains moisture in the tune of 30%.



### **Business Plan and MYT for FY 2026-27 to FY 2030-31**

5.114 The Petitioner further mentioned that since they have considered 76.58% fly ash utilization for the next control period, they have computed amount of pond ash generated for each year by summing up the balanced unutilized quantity and bottom ash generated in each year and further adding up 30% estimated moisture. We have assumed 100% total ash utilization in every year considering the guidelines of CPCB/MOEF.

5.115 Computation of Pond Ash generation for each year as per the above-mentioned methodology is produced below:

Particulars	Unit	FY27	FY28	FY29	FY30	FY31
Nuvoco Cement	MT	157662	170756	150131	128833	150131
Shree cement	MT	56308	60984	53618	46012	53618
RMC with cost	MT	52603	52603	52603	52603	52603
RMC with Zero Cost	MT	18769	20328	17873	15337	17873
<b>Total fly ash utilization</b>	<b>MT</b>	<b>285342</b>	<b>304671</b>	<b>274224</b>	<b>242785</b>	<b>274224</b>
Remaining fly ash	MT	90044	101891	83230	63960	83230
Pond ash	MT	183890	203531	172593	140647	172593
30% Moisture	MT	239058	264591	224371	182841	224371
Pond ash Disposal Cost	Rs,	81,771,664	95,030,785	84,614,692	72,400,473	93,287,697

5.116 With respect to rate of Ash utilization, utilization rate of Pond Ash and Fly Ash offtake by Shree Cement has been considered for with 5% Y-O-Y escalation on rate of FY26 and rate for utilization by RMC is escalated with 5% in FY28, FY30 and FY31. Fly Ash Estimated percentage of fly ash utilization & corresponding rates of each avenue along-with rate of Pond Ash Evacuation for the period FY 2026-27 to FY 2030-31 is produced below for the reference of the Commission.

Particulars	Utilization	UOM	FY27	FY28	FY29	FY30	FY31
Est. Pond Ash evacuated to fill low lying areas	100%	Rs./Ton	342.06	359.16	377.12	395.98	415.77
Est. Fly Ash Off-take by Nuvoco Cements	42%	Rs./Ton	0.00	0.00	0.00	0.00	0.00
Est. Quantity of Ash Supplied to Shree Cement	15%	Rs./Ton	115.50	121.28	127.34	133.71	140.39



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	Utilization	UOM	FY27	FY28	FY29	FY30	FY31
Est. Quantity Delivered to Brick Plant & RMC	~14.58%*	Rs./Ton	60.00	63.00	63.00	66.15	69.46

\*Ash Disposal contract with RMC is for 120000 MT per annum for Jojobera units. For the projection purpose, total contracted capacity of 120000 MT is apportioned to Jojobera Unit- 2 and 3 in the ratio of installed capacity (120000\* 240/547.5). Approx 14.58% is coming for 4th Control Period. Any variation in actual % will be submitted to Hon'ble Commission at the time of True Up of respective year.

5.117 The Projection of total Ash Utilization expense of Unit 2 & 3 for the 4th Control Period has been computed by considering the assumptions & rates as mentioned above. Further this expense has been allocated to Unit 2 and Unit 3 separately based on the ratio of the coal consumption in each year. The Petitioner has incorporated this methodology, as the same was already approved by Commission in previous orders.

**Table 47: Projected Ash Disposal Expenses for Unit-II & III from FY 2026-27 to FY 2030-31**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
<b>Total Ash disposed to the Ash Pond</b>	<b>Ton</b>	<b>183890</b>	<b>203531</b>	<b>172593</b>	<b>140647</b>	<b>172593</b>
Estimated evacuation of Pond Ash (% of opening stock)	%	100%	100%	100%	100%	100%
<b>Ash Disposal from Pond during the year</b>	<b>Ton</b>	<b>183890</b>	<b>203531</b>	<b>172593</b>	<b>140647</b>	<b>172593</b>
Closing stock of Ash in the Ash Pond at the end of the year	Ton	0	0	0	0	0
Moisture Addition during Ash Disposal	%	30%	30%	30%	30%	30%
<b>Total Ash to be evacuated including moisture</b>	<b>Ton</b>	<b>239058</b>	<b>264591</b>	<b>224371</b>	<b>182841</b>	<b>224371</b>
Est. Pond Ash evacuated to fill low lying areas	Ton	239058	264591	224371	182841	224371
<b>Cost of Pond Ash evacuation</b>	<b>Rs in Cr</b>	<b>8.18</b>	<b>9.50</b>	<b>8.46</b>	<b>7.24</b>	<b>9.33</b>
Est. Fly Ash Off-take by Nuvoco Cement	Ton	157662	170756	150131	128833	150131
<b>Cost of Fly Ash Utilization by Nuvoco Cement</b>	<b>Rs in Cr</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Est. Quantity of Ash Supplied to Shree Cement	Ton	56308	60984	53618	46012	53618



**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
<b>Cost of Fly Ash Utilization by Shree Cement</b>	<b>Rs in Cr</b>	<b>0.65</b>	<b>0.74</b>	<b>0.68</b>	<b>0.62</b>	<b>0.75</b>
Est. Quantity Delivered to Brick Plant & RMC	Ton	52603	52603	52603	52603	52603
<b>Cost of Fly Ash Utilization to Brick Plant &amp; RMC</b>	<b>Rs in Cr</b>	<b>0.32</b>	<b>0.33</b>	<b>0.33</b>	<b>0.35</b>	<b>0.37</b>
<b>Total Ash Disposal Expenses of Unit 2 &amp; 3</b>	<b>Rs in Cr</b>	<b>9.14</b>	<b>10.57</b>	<b>9.48</b>	<b>8.20</b>	<b>10.45</b>
<b>Total Coal Consumption</b>	<b>MT</b>	<b>1144469</b>	<b>1239518</b>	<b>1089798</b>	<b>935199</b>	<b>1089798</b>
Projected Coal Consumption Unir-2	MT	522101	648457	522101	483506	522101
Projected Coal Consumption Unir-3	MT	622369	591062	567697	451693	567697
Ratio of coal consumption (Unit-2)	%	46%	52%	48%	52%	48%
Ratio of coal consumption (Unit-3)	%	54%	48%	52%	48%	52%
<b>Ash Disposal Expenses: Unit-2</b>	<b>Rs. Cr.</b>	<b>4.17</b>	<b>5.53</b>	<b>4.54</b>	<b>4.24</b>	<b>5.00</b>
<b>Ash Disposal Expenses: Unit-3</b>	<b>Rs. Cr.</b>	<b>4.97</b>	<b>5.04</b>	<b>4.94</b>	<b>3.96</b>	<b>5.44</b>

**Commission's Analysis**

5.118 The Commission observed that the Petitioner projected the ash disposal expenses based on projection of ash generation for the Control Period FY 2026-27 to FY 2030-31. Projection of ash generation further depends upon the projection of total coal consumption in Unit-2 and 3, which eventually depends upon the projected-plant load factor for the Control Period.

5.119 The Commission, in the chapter "Business Plan", subsection-"Operational performance plan for the control period FY 2026-27 to FY 2030-31" of this order, approved the plant load factor at normative basis of 85% as per Regulations, against the Petitioner's claim which is based upon the demand forecast of the Tata Steel Distribution Licensee.

5.120 Consequently, the Commission, based on the approved PLF of 85% for the Control Period, computed the projected Gross power generation, coal-consumption and hence the ash generation.

5.121 The Commission observes that to ensure 100% ash utilization, the Petitioner is supplying Fly ash to Nuvoco Cement, Shree Cement and RMC brick plant. As well as the remaining Fly ash and bottom ash is sent



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

to Ash-Pond, from where it is evacuated to fill low lying areas.

5.122 Thus, the Commission, after prudence check of available facts and circumstances and after considering the same methodology as adopted by the Petitioner for the computation of ash-disposal expenses, taking into account the approved PLF of 85%, has computed the ash-disposal expenses for the Control Period as shown in below table. The same shall be subject to true-up based on actuals.

**Table 48: Projected Ash Disposal Expenses for Unit-II & III from FY 2026-27 to FY 2030-31 as approved by the Commission.**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
<b>Ash Disposal Expenses: Unit-2</b>	<b>Rs. Cr.</b>	4.99	5.25	5.49	5.76	6.05
<b>Ash Disposal Expenses: Unit-3</b>	<b>Rs. Cr.</b>	5.01	5.28	5.51	5.79	6.08

### **Raw Water Charges**

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

5.123 The Petitioner submitted that Regulation 15.46 of JSERC GTR, 2025 outlines the provisions in context to the recovery of Water Charges.

5.124 The Petitioner submitted that raw water expenses depend on the Gross Generation during the year and the specific Raw Water consumption per Unit. The specific raw water consumption has been considered by taking the weighted average of specific raw water consumption for the period from FY 2020-21 to FY 2024-25 which works out to 2.342 m<sup>3</sup>/MWh for Jojobera Unit 2 and 2.336 m<sup>3</sup>/MWh for Unit 3.

5.125 Further, actual applicable rate for FY 2024-25 consisting of Base Water Charge rate and water tax has been escalated by 7.5% year on year to arrive at the projected rate for each year of the Control Period.

**Table 49: Rate of Raw water applicable for Unit-II and III from FY 2026-27 to FY 2030-31**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Base Charges	Rs./m <sup>3</sup>	18.93	20.35	21.87	23.52	25.28
Water Tax	Rs./m <sup>3</sup>	17.20	18.49	19.87	21.36	22.96
Rate of Raw Water	Rs./m <sup>3</sup>	<b>36.12</b>	<b>38.83</b>	<b>41.75</b>	<b>44.88</b>	<b>48.24</b>

5.126 Based on the above discussion and considering the Gross Generation and Sp. Raw water Consumption projected for FY 2026-27 to FY 2030-31, the Raw Water Expenses for the Control Period FY 2026-27 to FY 2030-31 for Jojobera Unit 2 and Unit 3 have been presented in the following Tables:



### Business Plan and MYT for FY 2026-27 to FY 2030-31

**Table 50: Raw water expenses for Unit-II from FY 2026-27 to FY 2030-31**

Previous Control Period	UoM	FY22	FY23	FY24	FY25	FY26
Gross Generation	MUs	747.53	751.53	881.23	878.51	802.79
Raw Water Consumption	m <sup>3</sup>	1915962	1735917	1993007	2032250	1833667
Specific Raw Water Consumption	m <sup>3</sup> /MWh	2.56	2.31	2.26	2.31	2.28
Wtd. Avg. Raw Water Consumption	m <sup>3</sup> /MWh	2.342				
Ensuing Control Period	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	747.61	946.88	747.61	686.75	747.61
Specific Raw Water Consumption	m <sup>3</sup> /MWh	2.34	2.34	2.34	2.34	2.34
Raw Water Consumption	m <sup>3</sup>	1,750,646	2,217,257	1,750,646	1,608,122	1,750,646
Base Water Charge Rate	Rs./m <sup>3</sup>	18.93	20.35	21.87	23.52	25.28
Raw Water Tax Rate	Rs./m <sup>3</sup>	17.20	18.49	19.87	21.36	22.96
<b>Total Raw Water Charge Rate</b>	<b>Rs./m<sup>3</sup></b>	<b>36.12</b>	<b>38.83</b>	<b>41.75</b>	<b>44.88</b>	<b>48.24</b>
<b>Base Water Charges</b>	<b>Rs. Cr.</b>	<b>3.31</b>	<b>4.51</b>	<b>3.83</b>	<b>3.78</b>	<b>4.43</b>
<b>Raw Water Tax</b>	<b>Rs. Cr.</b>	<b>3.01</b>	<b>4.10</b>	<b>3.48</b>	<b>3.44</b>	<b>4.02</b>
<b>Total Raw Water Expenses</b>	<b>Rs. Cr.</b>	<b>6.32</b>	<b>8.61</b>	<b>7.31</b>	<b>7.22</b>	<b>8.45</b>

**Table 51: Raw water expenses for Unit-III from FY 2026-27 to FY 2030-31**

Previous Control Period	UoM	FY22	FY23	FY24	FY25	FY26
Gross Generation	MUs	669.80	863.28	907.14	834.78	882.75
Raw Water Consumption	m <sup>3</sup>	1729628	1990347	2053098	1934624	2003659
Specific Raw Water Consumption	m <sup>3</sup> /MWh	2.58	2.31	2.26	2.32	2.27
Wtd. Avg Raw Water Consumption	m <sup>3</sup> /MWh	2.336				
Present Control Period	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	901.40	852.22	815.52	629.56	815.52
Specific Raw Water Consumption	m <sup>3</sup> /MWh	2.34	2.34	2.34	2.34	2.34
Raw Water Consumption	m <sup>3</sup>	2,105,430	1,990,558	1,904,831	1,470,486	1,904,831
Base Water Charge Rate	Rs./m <sup>3</sup>	18.93	20.35	21.87	23.52	25.28



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Previous Control Period	UoM	FY22	FY23	FY24	FY25	FY26
Raw Water Tax Rate	Rs./m <sup>3</sup>	17.20	18.49	19.87	21.36	22.96
<b>Total Raw Water Charge Rate</b>	<b>Rs./m<sup>3</sup></b>	<b>36.12</b>	<b>38.83</b>	<b>41.75</b>	<b>44.88</b>	<b>48.24</b>
Base Water Charges	Rs. Cr.	3.99	4.05	4.17	3.46	4.82
Raw Water Tax	Rs. Cr.	3.62	3.68	3.79	3.14	4.37
<b>Total Raw Water Expenses</b>	<b>Rs. Cr.</b>	<b>7.61</b>	<b>7.73</b>	<b>7.95</b>	<b>6.60</b>	<b>9.19</b>

#### Commission's Analysis

- 5.127 The Commission placed its reliance on clause 15.46 of JSERC GTR, 2025 to allow the recovery of Water Charges.
- 5.128 The Commission, similar to the projection of Ash-disposal expenses-as discussed above, observes that the water expenses also depends upon the projected gross power generation and hence on projected PLF.
- 5.129 Thus, the Commission, taking into account the PLF of 85% for the Control Period, and considering the same methodology as adopted by the Petitioner, has computed the water expenses as shown below, subject to true-up based on actuals.

**Table 52: Projected Raw Water Expenses for Unit-II & III from FY 2026-27 to FY 2030-31 as approved by the Commission.**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
<b>Raw water Expenses: Unit-2</b>	<b>Rs. Cr.</b>	7.56	8.15	8.73	9.39	10.09
<b>Raw water Expenses: Unit-3</b>	<b>Rs. Cr.</b>	7.54	8.13	8.71	9.37	10.07



# **Chapter 6: DETERMINATION OF MULTI YEAR TARIFF FOR THE CONTROL PERIOD FROM FY 2026- 27 TO FY 2030-31**



## **Chapter 6: DETERMINATION OF MULTI YEAR TARIFF FOR THE CONTROL PERIOD FROM FY 2026-27 TO FY 2030-31**

6.1 The Petitioner, in the current Petition has outlined the Operational and financial projections for Jojobera Unit-II and Unit-III and has computed each element of ARR for the 4<sup>TH</sup> Control Period i.e. FY 2026-27 to FY 2030-31, taking into the following consideration:

- Norms and Principles outlined in the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations 2025;
- MYT Business Plan covering Operational and Financial Plan submitted for the Control Period from FY 2026-27 to FY 2030-31;
- Actual Operational and Financial Performance of the last Control Period i.e. FY 2020-21 to FY 2024-25 along with the performance parameters to be used for the Base Year i.e. FY 2025-26;
- Demand projection of Tata Steel for the 4<sup>TH</sup> Control Period i.e. FY 2026-27 to 2030-31;
- Expected changes in each element of cost for the 4<sup>TH</sup> Control Period.

6.2 The Commission has scrutinized the Petition filed by the Petitioner for determination of Generation Tariff for the MYT Control Period i.e. FY 2026-27 to 2030-31, in accordance with JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2025. The component-wise description of the Petitioner's submission and the Commission's analysis thereon is given below.

### **Projected Operational Performance- FY 2026-27 to FY 2030-31**

6.3 It is observed that the Petitioner had projected the Operational Performance Parameters in its MYT Business Plan for FY 2026-27 to FY 2030-31. Which is based on various factors, past financial years' actual performance and in accordance with JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations 2025.

6.4 The Commission has already scrutinized the Operational Performance Parameters submitted by the Petitioner in its MYT Business Plan. The Commission after prudence check has approved the Operational Performance Parameters for Jojobera Generating Stations Unit-II and Unit-III as detailed in Chapter:5, Sub-Section: Operational performance plan for the control period FY 2026-27 to FY 2030-31. Therefore, it has



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

not been repeated here for the sake of brevity.

### **Projected Fuel Parameters, Energy Charge Rate and Energy Charges - FY 2026-27 to FY 2030-31**

- 6.5 This section outlines the components of Fuel Parameters for the Control Period FY 2026-27 to FY 2030-31 in accordance with the provisions 17.10, 17.11, 17.14 and 17.15 of the JSERC GTR, 2025.
- 6.6 The above quoted provisions of the JSERC GTR, 2025 stipulate the guidelines for arriving at the initial Landed Price and Gross Calorific value of Coal and Secondary Fuel oil. Accordingly, the Petitioner, based on such guidelines arrived at the initial Base Values of GCV and Base Price of Coal & Secondary Fuel oil for the Control Period FY 2026-27 to FY 2030-31 by considering actual weighted average values for preceding 3 months viz. August 2025 to October 2025.
- 6.7 The Commission has already scrutinized the Fuel Cost Parameters, such as Coal Mix, Gross Calorific Value (GCV) of coal, Transit loss, etc. submitted by the Petitioner in its MYT Business Plan. The Commission after prudence check has approved these Fuel Cost Parameters for Jojobera Generating Stations Unit-II and Unit-III as detailed in Chapter:5, Sub-Section: 'Fuel Procurement plan' for the control period FY 2026-27 to FY 2030-31. Therefore, it has not been repeated here for the sake of brevity. However, landed cost of primary and secondary fuel as well as GCV of secondary fuel was not discussed in the corresponding chapter and hence described below.
- 6.8 The Commission has approved the landed cost of coal for the Control Period FY 2026-27 to FY 2030-31 by considering actual weighted average values of landed cost of coal for preceding 3 months viz. August 2025 to October 2025. It is further noted that CCL, vide notification dated 11.12.2025, notified increased CESS under Jharkhand Mineral Bearing Land CESS Act 2024 at Rs. 450/Tonne with effect from 10.12.2025, from the existing cess of Rs. 250/ Tonne, which was notified vide notification dated 20.03.2025. The Commission while approving the landed cost of coal has duly taken into consideration the increased cess. Thus, the Commission in this MYT Order provisionally approves the landed price of primary fuel as mentioned below, subject to truing up based on the actuals as per audited accounts.

**Table 53: Landed Price of Coal for Unit 2 (Rs./MT) from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Middling Coal	5587.00	5587.00	5587.00	5587.00	5587.00
ECL [Shakti 2] Coal	5650.22	5650.22	5650.22	5650.22	5650.22



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
CCL [Shakti 2] Coal	3844.07	3844.07	3844.07	3844.07	3844.07
MCL [Shakti 2] Coal	2657.02	2657.02	2657.02	2657.02	2657.02
CCL [Shakti 3] Coal	3833.82	3833.82	3833.82	3833.82	3833.82
<b>Landed Price of Coal</b>	<b>4216.38</b>	<b>4219.83</b>	<b>4216.38</b>	<b>4216.38</b>	<b>4216.38</b>

**Table 54: Landed Price of Coal for Unit 3 (Rs./MT) from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Middling Coal	5587.00	5587.00	5587.00	5587.00	5587.00
ECL [Shakti 2] Coal	5648.36	5648.36	5648.36	5648.36	5648.36
CCL [Shakti 2] Coal	3854.27	3854.27	3854.27	3854.27	3854.27
MCL [Shakti 2] Coal	2656.38	2656.38	2656.38	2656.38	2656.38
CCL [Shakti 3] Coal	3834.23	3834.23	3834.23	3834.23	3834.23
<b>Landed Price of Coal</b>	<b>4223.83</b>	<b>4227.26</b>	<b>4223.83</b>	<b>4223.83</b>	<b>4223.83</b>

6.9 The Commission in this Order has provisionally approved the calorific value and landed price of Secondary Fuel as submitted by the Petitioner and directs the Petitioner to submit the actual values along with auditor's certificate at the time of true up.

**Table 55: Landed Price and GCV of secondary fuel for Unit 2&3 from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<b>Unit-II</b>						
Calorific Value	kCal/L	8384.18	8384.18	8384.18	8384.18	8384.18
Landed Price	Rs./kL	69785.30	69785.30	69785.30	69785.30	69785.30
<b>Unit-III</b>						
Calorific Value	kCal/L	8383.04	8383.04	8383.04	8383.04	8383.04
Landed Price	Rs./kL	69816.76	69816.76	69816.76	69816.76	69816.76

### Energy Charge Rate (ECR)



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

### **Petitioner's Submission**

- 6.10 The Petitioner has computed the ECR as per Clauses 17.7 to 17.11 of JSERC GTR, 2025, which stipulate the guidelines for the computation of Energy Charges.
- 6.11 The Petitioner submitted that the rate of Energy Charges for the Control Period FY 2026-27 to FY 2030-31 has been computed considering base Gross Calorific Value, Landed Price of Coal and LDO based on actual weighted average cost of primary fuel and secondary fuel of for Aug-2025 to Oct-2025 in accordance with Regulations 17.10 of the JSERC GTR, 2025.
- 6.12 Further, it is submitted that Normative Heat Rate and Normative Auxiliary Power Consumption as specified in the Regulation 16.1 of JSERC GTR, 2025 for the Unit 2 and Unit 3 for the above period is considered for computing the energy charge rate for FY 2026-27 to FY 2030-31. Further, as brought out above in sub-section on Operational Performance, the discount of 4 paise/kWh in Round 2 and 7 paise/kWh in Round 3 of Shakti Coal has been considered in this Petition. Also, fuel mix has been considered based on the coal consumption plan as discussed in the MYT Business Plan.
- 6.13 Further as per Regulation 17.8(a) of JSERC GTR 2025, Weighted Average Gross calorific value of coal as received has been considered after reducing 85 Kcal/Kg on account of variation during storage at generating station.
- 6.14 Detailed computations of Energy Charge Rate and Energy Charges of Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 have been presented in the following Tables.

**Table 56: Energy Charge Rate (ECR) and energy charges for Unit 2&3 from FY 2026-27 to FY 2030-31 as submitted by the Petitioner.**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<b>Unit-II</b>						
ECR	Rs/kWh	3.12	3.30	3.12	3.05	3.12
Energy charges	Rs. (Cr.)	248.27	263.27	248.27	242.26	248.27
<b>Unit-III</b>						
ECR	Rs/kWh	3.35	3.31	3.28	3.10	3.28
Energy charges	Rs. (Cr.)	266.49	264.28	261.13	246.28	261.13

### **Commission's Analysis**

- 6.15 As per Clause 8.17 of JSERC Generation Tariff Regulation, 2025, the energy (variable) charge shall cover primary fuel and secondary fuel costs



### **Business Plan and MYT for FY 2026-27 to FY 2030-31**

and shall be payable by every Beneficiary for the energy scheduled to be supplied to such beneficiary during the calendar month on an ex-power plant basis, at the specified energy charge rate of the month (with fuel price adjustment).

- 6.16 Further, in accordance with clause 17.1 and 17.8 of JSERC Generation Tariff Regulation 2025, the Commission has done the computation of ECR to be charged by the Petitioner as per the formula specified. The table below detailed the ECR for Unit-II and Unit-III as approved by the Commission, subject to truing up based on actuals.

**Table 57: Energy Charge Rate (ECR) for Unit 2 from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Net Generation	MU	804.17	806.37	804.17	804.17	804.17
Normative Auxiliary Consumption	%	10.00%	10.00%	10.00%	10.00%	10.00%
Normative Gross Station Heat Rate	kcal/kWh	2567.00	2567.00	2567.00	2567.00	2567.00
Normative Specific Oil Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
Calorific Value of Oil	kcal/mL	8.38	8.38	8.38	8.38	8.38
GCV of Primary Fuel	kcal/kg	3,725.74	3,726.54	3,725.74	3,725.74	3,725.74
Landed Price of Primary Fuel	Rs./Ton	4.22	4.22	4.22	4.22	4.22
Landed Price of Secondary Fuel	Rs./kL	0.07	0.07	0.07	0.07	0.07
<b>Energy Charge Rate (ECR)</b>	<b>Rs/kWh</b>	<b>3.261</b>	<b>3.263</b>	<b>3.261</b>	<b>3.261</b>	<b>3.261</b>

**Table 58: Energy Charge Rate (ECR) for Unit 3 from FY 2026-27 to FY 2030-31 as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Net Generation	MU	804.17	806.37	804.17	804.17	804.17
Normative Auxiliary Consumption	%	10.00%	10.00%	10.00%	10.00%	10.00%
Normative Gross Station Heat Rate	kcal/kWh	2,577.00	2,577.00	2,577.00	2,577.00	2,577.00
Normative Specific Oil Consumption	ml/kWh	0.50	0.50	0.50	0.50	0.50
Calorific Value of Oil	kcal/mL	8.38	8.38	8.38	8.38	8.38
GCV of Primary Fuel	kcal/kg	3,723.75	3,724.55	3,723.75	3,723.75	3,723.75



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Landed Price of Primary Fuel	Rs./Ton	4.22	4.23	4.22	4.22	4.22
Landed Price of Secondary Fuel	Rs./kL	0.07	0.07	0.07	0.07	0.07
<b>Energy Charge Rate (ECR)</b>	<b>Rs/kWh</b>	<b>3.281</b>	<b>3.283</b>	<b>3.281</b>	<b>3.281</b>	<b>3.281</b>

#### Summary of Fuel Cost

6.17 The table below provides the summary of Fuel Cost as approved by the Commission for the Control Period from FY 2026-27 to FY 2030-31.

**Table 59: Fuel Cost for Unit-II as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Primary Fuel	Rs. Cr.	259.15	260.01	259.15	259.15	259.15
Cost of Secondary Fuel	Rs. Cr.	3.12	3.13	3.12	3.12	3.12
<b>Energy Cost</b>	<b>Rs. Cr.</b>	<b>262.26</b>	<b>263.14</b>	<b>262.26</b>	<b>262.26</b>	<b>262.26</b>

**Table 60: Fuel Cost for Unit-III as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Primary Fuel	Rs. Cr.	260.76	261.63	260.76	260.76	260.76
Cost of Secondary Fuel	Rs. Cr.	3.12	3.13	3.12	3.12	3.12
<b>Energy Cost</b>	<b>Rs. Cr.</b>	<b>263.88</b>	<b>264.76</b>	<b>263.88</b>	<b>263.88</b>	<b>263.88</b>

#### Financial Performance- FY 2026-27 to FY 2030-31

##### Petitioner's Submission

6.18 The Petitioner submitted that the proposed Additional Capitalization for Jojobera Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has been discussed in detail in earlier submission of this MYT Petition and the same has been considered to arrive at the net Additions in each year of the Control Period:

6.19 Considering the same, the following tables summarize capitalization and decapitalization details pertaining to Unit 2 and Unit 3 proposed for the Control Period from FY 2026-27 to FY 2030-31 along with the Capitalization pertaining to spilled over works from the previous Control period as explained in the Business Plan chapter above.



## Business Plan and MYT for FY 2026-27 to FY 2030-31

**Table 61: Summary of Add. Capitalization of Unit-II as proposed by the Petitioner**

Particulars	FY27	FY28	FY29	FY30	FY31
Add: Addition during the year	28.08	13.39	7.50	6.25	4.00
Less: Decapitalisation during the year	6.66	3.60	1.99	1.64	1.04

**Table 62: Summary of Add. Capitalization of Unit-III as proposed by the Petitioner**

Particulars	FY27	FY28	FY29	FY30	FY31
Add: Addition during the year	21.51	14.64	7.50	6.25	4.00
Less: Decapitalisation during the year	5.84	3.93	1.99	1.64	1.04

- 6.20 Accordingly, the Gross Fixed Asset of Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has been shown in the following Tables. The closing Gross Fixed Asset ("GFA") for FY 2025-26 has been considered as the opening GFA for the Control Period FY 2026-27 to FY 2030-31.

**Table 63: Summary of projected GFA of Unit-II as proposed by the Petitioner**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Gross Block	<b>510.76</b>	<b>532.18</b>	<b>541.98</b>	<b>547.48</b>	<b>552.09</b>
Add: Addition during the year	28.08	13.39	7.50	6.25	4.00
Less: Decapitalisation during the year	6.66	3.60	1.99	1.64	1.04
<b>Closing Gross Block</b>	<b>532.18</b>	<b>541.98</b>	<b>547.48</b>	<b>552.09</b>	<b>555.05</b>

**Table 64: Summary of projected GFA of Unit-III as proposed by the Petitioner**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Gross Block	<b>493.48</b>	<b>509.15</b>	<b>519.86</b>	<b>525.37</b>	<b>529.97</b>
Add: Addition during the year	21.51	14.64	7.50	6.25	4.00
Less: Decapitalisation during the year	5.84	3.93	1.99	1.64	1.04
<b>Closing Gross Block</b>	<b>509.15</b>	<b>519.86</b>	<b>525.37</b>	<b>529.97</b>	<b>532.93</b>

### Commission's Analysis

- 6.21 The Commission, in Chapter-5, subsection- 'Capital Expenditure Plan' of this order, has given detailed rationale behind approving and disapproving the proposed additional capitalization schemes for each year of the Control Period from FY 2026-27 to FY 2030-31. The same has not been repeated here for the sake of brevity.
- 6.22 Accordingly, the approved Capital Expenditure Plan and the Gross Fixed Assets as approved by the Commission for the Control Period is shown below.



## Business Plan and MYT for FY 2026-27 to FY 2030-31

**Table 65: Gross Fixed Assets (GFA) for Unit-II as approved by the Commission**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening GFA	510.75	515.77	515.77	515.77	515.77
Capitalization	5.57	0.00	0.00	0.00	0.00
Decapitalization	0.55	0.00	0.00	0.00	0.00
Closing GFA	515.77	515.77	515.77	515.77	515.77

**Table 66: Gross Fixed Assets (GFA) for Unit-II as approved by the Commission**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening GFA	493.46	493.46	493.46	493.46	493.46
Capitalization	0.00	0.00	0.00	0.00	0.00
Decapitalization	0.00	0.00	0.00	0.00	0.00
Closing GFA	493.46	493.46	493.46	493.46	493.46

### Depreciation

#### Petitioner's Submission

- 6.23 The Petitioner has considered Clause 15.28 to 15.34 of the JSERC GTR-2025 for the calculation of Depreciation.
- 6.24 It is submitted that the Petitioner in accordance with Regulation 15.30 of Generation Tariff Regulations, 2020 and the approach followed by the Commission in the MYT Order dated 04.11.2022 and subsequent True up orders for FY 2021-22, FY 2022-23 and FY 2023-24 dated 22.05.2023, 06.06.2024 and 28.03.2025, respectively, has considered the useful life as 30 years, for the purpose of depreciation, subject to the decision of the Appeal No. filed with the APTEL. The detailed submission in this regard has been made at para 29 of the instant petition. The relevant extract of the MYT Order is reproduced below for kind reference of the Commission:

8.24 *The Commission has scrutinized the detail submitted by the Petitioner, observes that the Plant is in its fag life and **overall depreciation of the generating stations had reached 70% for both the Units.** Hence, in accordance with proviso of Regulations 15.30, the Commission has computed the depreciation for the Control Period from FY 2021-22 to FY 2025-26.*

8.25 As per Regulation the Useful life of the generating station is 25 years; however, the Petitioner had executed the Power Purchase Agreement (PPA) with the Beneficiary for 30 years. *Such signing of PPA, clearly infer that both the Petitioner and Beneficiary are aware that the existing plant is able to stand even after 25 years. Further, depreciating the legitimate depreciable amount in 25 years will defeat the purpose of reliability and economical power which is the attribute*



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

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of long term PPA.

*8.26 Hence, the Commission in view of PPA tenure, has spread the remaining depreciable amount in PPA life (30 years) which shall economize the power cost, and has approved the depreciation taking into PPA life instead of Useful life.*

- 6.25 Pursuant to above and noting that the cumulative depreciation on total assets [ i.e. GFA (Including Additional Capitalization)] has crossed 70% for both the Units 2 and 3, the Petitioner, in terms of above Order of the Hon'ble Commission and in accordance with Regulation 15.30, has spread the balance depreciable value pertaining to assets in service/ approved schemes upto FY 2025-26 (i.e. 90% of the Capital Cost minus Cumulative depreciation recovered for assets in service upto FY 2025-26) over the balance useful life (taking useful life of 30 years as per the methodology adopted by the Commission) of the Plant.
- 6.26 As submitted, the useful life of the Unit-2 and Unit-3 has been aligned with the useful life as considered by the Commission and accordingly, the Unit-2 and Unit - 3 shall complete useful life in FY 31 and FY 32 respectively. During the fag end, i.e. during the upcoming control period, the Petitioner has planned certain additional capital expenditure required for the sustenance of the plant and for reliable operations. It is submitted that if the depreciation on the same is claimed in line with the depreciation on the assets in service till FY 2025-26, i.e. by spreading the same till completion of 30 years of life, the same would result in sudden spike in tariff. In order to avoid tariff shock to the consumer and ensure a balanced recovery of these costs, the Petitioner has proposed to recover the depreciation on these assets added in the fag end, in a separate stream. This approach is consistent with the regulatory precedents where depreciation is calculated in distinct stages to accommodate terminal-year investments. The methodology is described in the succeeding paragraphs.
- 6.27 In the proposed methodology, all the previously approved schemes are being depreciated through the regular depreciation stream within the units' remaining useful life of 30 years. Under second stream, the Petitioner has computed depreciation for additional capital expenditure claimed during the fag end, by depreciating such additional capital expenditure equally over a 10-year period (i.e. 5 years of remaining PPA life and 5 years of extended useful life). It is pertinent to note here that the Tariff Regulations notified by Central Electricity Regulatory Commission (CERC) recognize operational life of the thermal power plant as 35 years. The approach of spreading the depreciation over 10 years, is thus consistent with the concept of operational life as defined in the CERC tariff regulations.
- 6.28 It is submitted that the CERC, in the case of approval of tariff for Singrauli



## Business Plan and MYT for FY 2026-27 to FY 2030-31

STPS of NTPC in order dated 25.8.2011 in Petition No.225/2009 had adopted the same approach. CERC held that allowing an accelerated recovery of 90% depreciation for assets capitalized during a generating station's terminal year would not be in the interest of the beneficiaries as it would cause an undue tariff spike. By spreading the depreciation over a 10-year period, the Petitioner ensures that beneficiaries are not overburdened with excessive depreciation payments during the final years of the station's life. It is submitted that the Petitioner intends to operate the generating station for a sufficiently longer period to recover the full depreciation of these new assets, thereby maintaining tariff stability while fulfilling necessary capital requirements.

- 6.29 Based on the above discussion, summary of projected Depreciation for each year of the Control Period (FY 2026-27 to FY 2030-31) is shown in the table below:

**Table 67: Projected Depreciation for Unit-II as proposed by the Petitioner**

Particular	FY27	FY28	FY29	FY30	FY31
<b>Depreciation on the approved ad cap (till March 2026)</b>					
Original (A)	1.62	1.93	2.15	2.21	2.47
Add Cap (B)	8.83	9.46	9.46	9.46	9.46
<b>Depreciation on the approved ad cap (C=A+B)</b>	<b>10.45</b>	<b>11.38</b>	<b>11.60</b>	<b>11.67</b>	<b>11.93</b>
<b>Depreciation on New Add Cap (start from 01.04.2026)</b>					
Dep. On add cap (D)	1.01	2.81	3.98	4.87	5.64
<b>Total Depreciation (E=C+D)</b>	<b>11.47</b>	<b>14.19</b>	<b>15.59</b>	<b>16.54</b>	<b>17.56</b>

**Table 68: Projected Depreciation for Unit-III as proposed by the Petitioner**

Particular	FY27	FY28	FY29	FY30	FY31
<b>Depreciation on the approved ad cap (till March 2026)</b>					
Original (A)	2.94	3.06	3.24	3.28	3.40
Add Cap (B)	7.06	7.06	7.06	7.06	7.06
<b>Depreciation on the approved ad cap (C=A+B)</b>	<b>10.00</b>	<b>10.12</b>	<b>10.30</b>	<b>10.33</b>	<b>10.45</b>
<b>Depreciation on New Add Cap (start from 01.04.2026)</b>					
Dep. On add cap (D)	0.97	2.78	4.02	4.91	5.67
<b>Total Depreciation (E=C+D)</b>	<b>10.96</b>	<b>12.89</b>	<b>14.32</b>	<b>15.24</b>	<b>16.13</b>

### Commission's Analysis

- 6.30 The Commission relies upon Clause 15.28 to 15.34 of the JSERC Generation Tariff Regulation -2025 for the calculation of Depreciation.



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

6.31 Clause 15.30 of the said Regulation stipulates as under:

*15.30 Depreciation shall be calculated annually, based on 'Straight Line Method' at rates specified in Appendix-I. The base value for the purpose of depreciation shall be original cost of the asset:*

*Provided that the Generating Company shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset;*

*Provided that in case the tenure of PPA executed between the Generating plant and Beneficiaries is more than that of the Useful life of the plant, the Commission after prudence check may consider the PPA life for spreading the remaining depreciable value as on March 31 of the year instead of useful life;*

***Provided that in case after carrying out the residual life assessment, it is found that the residual life of the generating station or unit as the case may be is beyond the useful life specified in these regulations the Commission after prudence check, may spread the remaining depreciable value to be recovered over the extended life of the plant."***

6.32 As per above mentioned regulation, considering the fact that the generating unit of the Petitioner is at the fag end of their useful life, the depreciable value of the assets is to be recovered over the extended life of the plant after carrying the residual life assessment in case it is found that the residual life of the Unit is beyond the useful life. However, since the Petitioner hasn't carried out the RLA of the whole generating units, so it is difficult to assess the extended life of the unit.

6.33 In absence of RLA, the Commission has not approved any new expenditure as already discussed in the relevant section of this order. Hence, the Commission also disapproves the depreciation on the new assets. Depreciation on the already approved assets will be done as per the methodology already adopted by the Commission, considering the useful life of the units equal to the PPA life of 30 years.

6.34 The Commission, considering the available facts and circumstances and after prudence check approves the depreciation for each year of the Control Period as tabulated below.

**Table 69: Depreciation (Rs. Cr.) for Unit-2 and 3 as approved by the Commission**

<b>Depreciation</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>	<b>FY 2030-31</b>
Unit-II	10.99	10.08	10.08	10.08	10.08



### **Business Plan and MYT for FY 2026-27 to FY 2030-31**

Unit-III	10.43	11.43	12.28	12.86	13.58
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#### **Interest on Loan**

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

- 6.35 The Petitioner submitted that the Debt-Equity ratio for existing projects as on 31.03.2026 and any Additional Capitalization incurred thereafter has been stipulated under Regulations 15.6 & 15.7 in JSERC GTR, 2025.
- 6.36 Since the Petitioner is proposing to fund Additional Capitalization during 4th Control Period FY 2026-27 to FY 2030-31 through internal resources, it has considered normative debt: equity ratio of 70:30 for these Additional Capitalization in accordance with the provisions of above said Regulations.
- 6.37 For computation of interest on capital loan, the Petitioner has considered following approach:
- Closing balance of normative loan for FY 2025-26 (APR) is considered as opening loan for FY 2026-27.
  - Loan addition during each year of the Control Period is considered at 70% of proposed additional capitalization of respective year of the Control Period.
  - As per the provision of GTR 2025, proposed depreciation on the account of additional capitalization is considered as repayment.
- 6.38 Since, there is no actual loan for these units, the rate of interest has been considered as Bank Rate (SBI MCLR) as on 01.04.2025 plus 200 basis points, which comes out to be 11.00% for Unit 2 and Unit 3 in accordance with Regulations 15.18 of GTR 2025.
- 6.39 Based on the above discussion, projected interest on capital loan for each year of the Control Period is shown in the table below.

**Table 70: Interest on loan for Unit-2 for FY 27 to FY 31 as submitted by the Petitioner**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Loan	21.31	31.13	28.24	20.05	10.10
Additional Capitalization during the year	28.08	13.39	7.50	6.25	4.00
Additional Loan due to addition during the year (70% of Add Cap)	19.66	9.37	5.25	4.38	2.80
Repayment (=Depreciation on Add Cap)	9.84	12.26	13.44	14.32	12.90
Closing Debt	31.13	28.24	20.05	10.10	0.00



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	FY27	FY28	FY29	FY30	FY31
Average Loan Balance	26.22	29.68	24.14	15.07	5.05
<b>Computation of IoL</b>					
Rate of Interest (SBI 1yr MCLR + 2%)	11.00%	11.00%	11.00%	11.00%	11.00%
Interest on Loan	2.88	3.27	2.66	1.66	0.56

**Table 71: Interest on loan for Unit-3 for FY 27 to FY 31 as submitted by the Petitioner**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Loan	22.88	29.92	30.33	24.50	16.92
Additional Capitalization during the year	21.51	14.64	7.50	6.25	4.00
Additional Loan due to addition during the year (70% of Add Cap)	15.06	10.25	5.25	4.38	2.80
Repayment (=Depreciation on Add Cap)	8.03	9.83	11.08	11.96	12.73
<b>Closing Debt</b>	<b>29.92</b>	<b>30.33</b>	<b>24.50</b>	<b>16.92</b>	<b>6.99</b>
Average Loan Balance	26.40	30.12	27.42	20.71	11.95
<b>Computation of IoL</b>					
Rate of Interest (SBI 1yr MCLR + 2%)	11.00%	11.00%	11.00%	11.00%	11.00%
<b>Interest on Loan</b>	<b>2.90</b>	<b>3.31</b>	<b>3.02</b>	<b>2.28</b>	<b>1.31</b>

### Commission's Analysis

- 6.40 The Commission has scrutinized the additional capitalization as proposed by the Petitioner in its MYT Petition. It is observed that as the Petitioner is planning to finance the projected Additional Capitalization for FY 2026-27 to FY 2030-31 from internal accruals and hence, no project specific debt for any of the proposed Capex Schemes is anticipated. Accordingly, the Commission, after prudence check approves the normative loan addition, which is 70% of the approved additional capitalization for the Control Period from FY 2026-27 to FY 2030-31 in accordance with Clause 15.6 of the Generation Tariff Regulation-2025.
- 6.41 The Commission has considered the deemed loan repayment equal to depreciation as approved by the Commission.
- 6.42 In accordance to Clause 15.18 of JSERC Generation Tariff Regulations, 2025, the Commission approves the interest rate as 11.00% (SBI MCLR as on 01.04.2025 plus 200 bp) for both the Units as shown below.



## Business Plan and MYT for FY 2026-27 to FY 2030-31

**Table 72: Interest on Loan for Unit-II (Rs. Cr.) as approved by the Commission**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Loan	21.28	16.41	8.55	0.70	-
Deemed Loan Addition	3.90	0.00	0.00	0.00	-
Deemed Loan Repayment	8.77	7.86	7.86	0.70	-
Closing Loan	16.41	8.55	0.70	0.00	-
Average Loan balance	<b>18.85</b>	<b>12.48</b>	<b>4.63</b>	<b>0.35</b>	-
Interest Rate	11.00%	11.00%	11.00%	11.00%	11.00%
<b>Interest on Loan</b>	<b>2.07</b>	<b>1.37</b>	<b>0.51</b>	<b>0.04</b>	-

**Table 73: Interest on Loan for Unit-III (Rs. Cr.) as approved by the Commission**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Loan	22.85	15.80	8.75	1.70	-
Deemed Loan Addition	0.00	0.00	0.00	0.00	-
Deemed Loan Repayment	7.05	7.05	7.05	1.70	-
Closing Loan	15.80	8.75	1.70	0.00	-
Average Loan balance	<b>19.33</b>	<b>12.28</b>	<b>5.23</b>	<b>0.85</b>	-
Interest Rate	11.00%	11.00%	11.00%	11.00%	11.00%
<b>Interest on Loan</b>	<b>2.13</b>	<b>1.35</b>	<b>0.58</b>	<b>0.09</b>	-

### Return on Equity

#### Petitioner's Submission

- 6.43 For computation of Return on Equity, the Petitioner has considered the opening Equity for FY 2026-27 equals to closing Equity for FY 2025-26 ((as per the Petition filed for APR of FY 2025-26)) and Equity addition during each year of the Control Period has been considered at 30% of proposed net additional capitalization for respective year of the Control Period.
- 6.44 With respect to rate of Return on Equity Regulations 15.10 of JSERC GTR, 2025 stipulate the detailed methodology.
- 6.45 Further, Regulations 15.11 and 15.12 of JSERC GTR, 2025 specify the norms for Income Tax on RoE.
- 6.46 In terms of Regulation 15.9, Post Tax Return on Equity is allowed at 15%



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

and according to Regulation 15.11, the Income Tax shall be limited to tax on the allowed return on equity. Regulation 15.12 is applicable at the time of truing up. Therefore, Income Tax applicable on allowed Post Tax Return on Equity of 15% is to be considered for the 4th Control Period. For ensuring net Post Tax Return of 15%, it is necessary to gross-up this rate by Tax Rate applicable to the Petitioner, as per applicable provisions of Income Tax Act, to arrive at Pre-tax Return on Equity or Return on Equity including Income Tax. Accordingly, for the projection of RoE for 4th Control Period, applicable special rate of 25.17% has been considered.

**Table 74: Return on equity for Unit-II (Rs. Cr.) for FY 27 to FY 31**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Equity	153.23	159.65	162.59	164.24	165.63
Net Equity Addition	6.43	2.94	1.65	1.38	0.89
Closing Balance of Equity	159.65	162.59	164.24	165.63	166.51
Average Equity Balance	156.44	161.12	163.42	164.93	166.07
Rate of return on Equity	15.00%	15.00%	15.00%	15.00%	15.00%
Special Tax Rate	25.17%	25.17%	25.17%	25.17%	25.17%
Rate of return on Equity (Pre-Tax)	20.05%	20.05%	20.05%	20.05%	20.05%
<b>Return on Equity</b>	<b>31.36</b>	<b>32.30</b>	<b>32.76</b>	<b>33.06</b>	<b>33.29</b>

**Table 75: Return on equity for Unit-III (Rs. Cr.) for FY 27 to FY 31**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Equity	148.04	152.74	155.95	157.61	158.99
Net Equity Addition	4.70	3.21	1.65	1.38	0.89
Closing Balance of Equity	152.74	155.95	157.61	158.99	159.88
Average Equity Balance	150.39	154.35	156.78	158.30	159.43
Rate of return on Equity	15.00%	15.00%	15.00%	15.00%	15.00%
Special Tax Rate	25.17%	25.17%	25.17%	25.17%	25.17%
Rate of return on Equity (Pre-Tax)	20.05%	20.05%	20.05%	20.05%	20.05%
<b>Return on Equity</b>	<b>30.15</b>	<b>30.94</b>	<b>31.43</b>	<b>31.73</b>	<b>31.96</b>

### **Commission's Analysis**

6.47 The Commission has scrutinized the additional capitalization as proposed by the Petitioner in its MYT Petition. The Commission after



### **Business Plan and MYT for FY 2026-27 to FY 2030-31**

prudence check approves normative equity addition, for the Control Period from FY 2026-27 to FY 2030-31.

- 6.48 The opening Equity for FY 2026-27 has been taken equal to closing Equity for FY 2025-26.
- 6.49 In accordance with Clause 15.9 and Clause 15.10 of the JSERC Generation Tariff Regulations, 2025, the Commission has approved the Return on Equity at 15.00% which is grossed up provisionally applicable rate of 25.17% as projected by the Petitioner, subject to truing up based on actuals.

**Table 76: Return on equity for Unit-II (Rs. Cr.) for the Control Period as approved by the Commission.**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Equity	153.20	154.70	154.70	154.70	154.70
Addition	1.51	0.00	0.00	0.00	0.00
Closing Equity	154.70	154.70	154.70	154.70	154.70
Average Equity	153.95	154.70	154.70	154.70	154.70
Rate of Return	15.00%	15.00%	15.00%	15.00%	15.00%
ROE (post-tax)	20.04%	20.04%	20.04%	20.04%	20.04%
ROE after MAT	25.17%	25.17%	25.17%	25.17%	25.17%
<b>Return on Equity</b>	<b>30.86</b>	<b>31.01</b>	<b>31.01</b>	<b>31.01</b>	<b>31.01</b>

**Table 77: Return on equity for Unit-III (Rs. Cr.) for the Control Period as approved by the Commission.**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Opening Equity	149.23	149.23	149.23	149.23	149.23
Addition	0.00	0.00	0.00	0.00	0.00
Closing Equity	149.23	149.23	149.23	149.23	149.23
Average equity	149.23	149.23	149.23	149.23	149.23
Rate of Return	0.15	0.15	0.15	0.15	0.15
ROE (post-tax)	20.04%	20.04%	20.04%	20.04%	20.04%
ROE after MAT	25.17%	25.17%	25.17%	25.17%	25.17%
<b>Return on Equity</b>	<b>29.91</b>	<b>29.91</b>	<b>29.91</b>	<b>29.91</b>	<b>29.91</b>

### **Interest on Working Capital**

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



## **Business Plan and MYT for FY 2026-27 to FY 2030-31**

- 6.50 The Petitioner has computed the Interest on Working Capital in accordance with Regulation 15.23 of JSERC GTR, 2025.
- 6.51 In accordance with Regulations 15.23, the Petitioner has claimed cost of Coal for 20 days towards Coal Stock applicable for Non-Pit Head Generating Stations and Cost of Coal for 30 days corresponding to generation at NAPAF in computation of working capital requirement for Jojobera Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31. It is further submitted that for the purpose of computing Working Capital, the components of Coal Cost, Secondary Fuel Oil Cost and Receivables have been computed at Normative Plant Availability of 85% for the whole year and apportioned to 20/30 days as specified in the JSERC GTR, 2025. Further, as specified in the above Regulations, the Working Capital for Unit 2 and Unit 3 also includes projected Annual O&M Expenses apportioned to 1 month and the cost of Maintenance Spares at 20% of Annual O&M Expenses.
- 6.52 As specified in Regulation 15.26 of JSERC GTR, 2025, the Rate of Interest on Working Capital has been projected considering the Bank Rate (SBI MCLR Rate) as on 30.09.2025 at 8.75% + 3.50% i.e. 12.25% (as per the web-link <https://sbi.bank.in/web/interest-rates/interest-rates/mclr-historical-data>). The Bank rate as shown above shall be applicable for computation of Interest on Working Capital for each year of the Control Period FY 2026-27 to FY 2030-31.
- 6.53 Accordingly, the Petitioner, based on the above Regulations has worked out the Interest on Working Capital for the Control Period FY 2026-27 to FY 2030-31. for Unit 2 and Unit 3 as shown in the following Tables

**Table 78: IoWC for Unit-II as submitted by the Petitioner**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Interest on Working Capital</b>	<b>12.31</b>	<b>13.22</b>	<b>12.84</b>	<b>12.81</b>	<b>13.29</b>

**Table 79: IoWC for Unit-III as submitted by the Petitioner.**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Interest on Working Capital</b>	<b>12.77</b>	<b>12.90</b>	<b>13.02</b>	<b>12.59</b>	<b>13.46</b>

### **Commission's Analysis**

- 6.54 The Commission has relied upon Clause 15.23, 15.26 and 15.27 of JSERC Generation Tariff Regulations, 2025 for the computation of Interest on Working Capital (IOWC).
- 6.55 The SBI MCLR plus 350 bp as on September 30, 2025 has been considered for the purpose of computation of Interest on Working Capital (IOWC) as per Clause 15.26 of JSERC Generation Tariff Regulation, 2025. The Interest on Working Capital (IOWC) as approved by the Commission



## Business Plan and MYT for FY 2026-27 to FY 2030-31

is summarized in the following table.

**Table 80: IoWC for Unit-II as approved by the Commission**

Particulars	FY27	FY28	FY29	FY30	FY31
Working Capital as Coal Cost for 50 days	35.50	35.52	35.50	35.50	35.50
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.93	47.29	47.49	47.87	48.33
Working Capital as O&M Expenses for 1 month	5.88	6.21	6.53	6.87	7.23
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	12.41	13.08	13.72	14.40	15.11
<b>Total Working Capital</b>	<b>101.24</b>	<b>102.62</b>	<b>103.75</b>	<b>105.16</b>	<b>106.69</b>
<b>Computation of Interest on Working Capital</b>					
Bank Rate as on 30.09.2020 +(3.5%)	12.25%	12.25%	12.25%	12.25%	12.25%
<b>Interest on Working Capital</b>	<b>12.40</b>	<b>12.57</b>	<b>12.71</b>	<b>12.88</b>	<b>13.07</b>

**Table 81: IoWC for Unit-III as approved by the Commission**

Particulars	FY27	FY28	FY29	FY30	FY31
Working Capital as Coal Cost for 50 days	35.62	35.74	35.62	35.62	35.62
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.41	46.95	47.24	47.66	48.17
Working Capital as O&M Expenses for 1 month	5.53	5.82	6.12	6.44	6.78
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	11.57	12.15	12.74	13.37	14.04
<b>Total Working Capital</b>	<b>99.65</b>	<b>101.18</b>	<b>102.24</b>	<b>103.62</b>	<b>105.13</b>
<b>Computation of Interest on Working Capital</b>					
Bank Rate as on	12.25%	12.25%	12.25%	12.25%	12.25%



### **Business Plan and MYT for FY 2026-27 to FY 2030-31**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
30.09.2020 +(3.5%)					
<b>Interest on Working Capital</b>	<b>12.21</b>	<b>12.65</b>	<b>12.78</b>	<b>12.95</b>	<b>13.14</b>

### **Incentive**

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

- 6.56 The Petitioner submitted that 173. Regulation 17.5 of the JSERC GTR, 2025 stipulates the norm for the Incentive applicable to a Generating Station.
- 6.57 Although there has been excess generation in some financial years of the Control Period, Tata Power is not proposing any incentive at this stage, considering that PLF and the corresponding generation will vary at the time of True-Up. Therefore, the Petitioner seeks the liberty of the Commission to claim the incentive at the time of True-Up for the respective year.

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

- 6.58 The Commission at this stage is not considering any incentive as per the submission of the Petitioner. The same shall be taken into consideration of at the time of true up along with documentary support on the basis of actual audited data.

### **Non-Tariff Income**

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

- 6.59 The Petitioner submitted that Regulation 15.48 specified following with respect to Non-Tariff Income:

*“15.48 The amount of Non-Tariff Income relating to the generating business as approved by the Commission shall be deducted from the ARR in determining the Tariff of the generating business:*

*Provided that the Generating Company shall submit full details of its forecast of Non- Tariff Income to the Commission in such form as may be stipulated by the Commission.”*

- 6.60 Since the components of Non-Tariff Income constitute very small proportion of total Annual Fixed Cost and income therefrom is highly irregular and unpredictable, the Petitioner for the purpose of computing Annual Fixed Cost for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has considered the same as Nil. Actual values under different heads shall be submitted to the Commission at the time of True-



## Business Plan and MYT for FY 2026-27 to FY 2030-31

up for necessary deduction from Annual Fixed Cost.

### Commission's Analysis

6.61 The Commission has considered the submission of the Petitioner and NTI will be allowed at the time of true-up as per actuals.

### Shakti Scheme Discount

#### Petitioner's Submission

6.62 The Petitioner submitted that a discount of 4 paise/kWh is required to be passed on to beneficiaries on units generated corresponding to Shakti Coal under round 2 and 7 paise/kWh for units generated corresponding to Shakti Coal under round 3 as per the methodology approved by the Commission in the Amended PPAs between Jojobera and Tata Steel for Jojobera Units 2&3. Accordingly, projected discounts for Unit 2 and Unit 3 are summarized in Tables below:

**Table 82: Projected SHAKTI Discount for Unit-2 as submitted by the Petitioner**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Sales due to ECL [Shakti 2] Coal	MUs	63.11	63.11	63.11	63.11	63.11
Sales due to CCL [Shakti 2] Coal	MUs	109.40	109.40	109.40	109.40	109.40
Sales due to MCL [Shakti 2] Coal	MUs	84.53	84.53	84.53	84.53	84.53
Discount Amount (@ Rs. 0.04/kWh Discount Rate)	Rs. Cr.	1.03	1.03	1.03	1.03	1.03
Sales due to CCL [SHAKTI 3] Coal	MUs	327.08	327.08	327.08	327.08	327.08
Discount Amount (@ Rs. 0.07/kWh Discount Rate)	Rs. Cr.	2.29	2.29	2.29	2.29	2.29
<b>Total SHAKTI DISCOUNT</b>	<b>Rs. Cr.</b>	<b>3.32</b>	<b>3.32</b>	<b>3.32</b>	<b>3.32</b>	<b>3.32</b>

**Table 83: Projected SHAKTI Discount for Unit-3 as submitted by the Petitioner**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Sales due to ECL [Shakti 2] Coal	MUs	62.86	62.86	62.86	41.14	62.86
Sales due to CCL [Shakti 2] Coal	MUs	108.63	108.63	108.63	108.63	108.63



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Sales due to MCL [Shakti 2] Coal	MUs	83.82	83.82	83.82	83.82	83.82
Discount Amount (@ Rs. 0.04/kWh Discount Rate)	Rs. Cr.	1.02	1.02	1.02	0.93	1.02
Sales due to CCL [SHAKTI 3] Coal	MUs	325.81	325.81	325.81	325.81	325.81
Discount Amount (@ Rs. 0.07/kWh Discount Rate)	Rs. Cr.	2.28	2.28	2.28	2.28	2.28
<b>Total SHAKTI DISCOUNT</b>	<b>Rs. Cr.</b>	<b>3.30</b>	<b>3.30</b>	<b>3.30</b>	<b>3.22</b>	<b>3.30</b>

### Commission's Analysis

6.63 The Commission has scrutinized the detail projected by the Petitioner and further in line to FSA and PPA approval from the Commission. The Commission provisionally approves the discount amount due to Shakti Scheme coal as mentioned below, subject to truing up

**Table 84: Shakti Scheme Discount for Unit-II as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Sales due to ECL Coal (Round-II)	MU	63.11	63.11	63.11	63.11	63.11
Sales due to CCL Coal (Round-II)	MU	109.40	109.40	109.40	109.40	109.40
Sales due to MCL Coal (Round-II)	MU	84.53	84.53	84.53	84.53	84.53
Discount Amount (@ Rs. 0.04/kWh Discount Rate) for shakti 2	Rs. Cr.	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>	<b>1.03</b>
Sales due to CCL Coal (Round-III)	MU	327.08	327.08	327.08	327.08	327.08
Discount Amount (@ Rs. 0.07/kWh Discount Rate) for shakti 3	Rs. Cr.	<b>2.29</b>	<b>2.29</b>	<b>2.29</b>	<b>2.29</b>	<b>2.29</b>
<b>Discount Amount</b>	<b>Rs. Cr.</b>	<b>3.32</b>	<b>3.32</b>	<b>3.32</b>	<b>3.32</b>	<b>3.32</b>

**Table 85: Shakti Scheme Discount for Unit-III as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Sales due to ECL Coal (Round-II)	MU	62.86	62.86	62.86	62.86	62.86



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Sales due to CCL Coal (Round-II)	MU	108.63	108.63	108.63	108.63	108.63
Sales due to MCL Coal (Round-II)	MU	83.82	83.82	83.82	83.82	83.82
Discount Amount (@ Rs. 0.04/kWh Discount Rate) for shakti 2	Rs. Cr.	<b>1.02</b>	<b>1.02</b>	<b>1.02</b>	<b>1.02</b>	<b>1.02</b>
Sales due to CCL Coal (Round-III)	MU	325.81	325.81	325.81	325.81	325.81
Discount Amount (@ Rs. 0.07/kWh Discount Rate) for shakti 3	Rs. Cr.	<b>2.28</b>	<b>2.28</b>	<b>2.28</b>	<b>2.28</b>	<b>2.28</b>
<b>Discount Amount</b>	<b>Rs. Cr.</b>	<b>3.30</b>	<b>3.30</b>	<b>3.30</b>	<b>3.30</b>	<b>3.30</b>

### Summary of Annual Revenue Requirement

#### Commission's Analysis

6.64 On consideration of the submission and details furnished by the Petitioner, the Commission approves the Annual Fixed Cost (AFC) for the Control Period from FY 2026-27 to FY 2030-31 as summaries below.

**Table 86: Annual Fixed Cost (Rs. Crore) as approved by the Commission for Unit-2.**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	62.06	65.39	68.60	71.99	75.56
Depreciation	10.99	10.08	10.08	10.08	10.08
Interest on Loan	2.07	1.37	0.51	0.04	0.00
Interest on Working Capital	12.40	12.57	12.71	12.88	13.07
Return on Equity	30.86	31.01	31.01	31.01	31.01
<b>Annual Fixed Cost</b>	<b>118.38</b>	<b>120.42</b>	<b>122.91</b>	<b>126.00</b>	<b>129.72</b>
Water Charge	7.56	8.15	8.73	9.39	10.09
Security Expenses	0.92	0.97	1.02	1.07	1.12

**Table 87: Annual Fixed Cost (Rs. Crore) as approved by the Commission for Unit-3.**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
O&M Expenses	57.86	60.74	63.72	66.87	70.18
Depreciation	10.43	11.43	12.28	12.86	13.58



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Interest on Loan	2.13	1.35	0.58	0.09	0.00
Interest on Working Capital	12.21	12.65	12.78	12.95	13.14
Return on Equity	29.91	29.91	29.91	29.91	29.91
<b>Annual Fixed Cost</b>	<b>112.53</b>	<b>116.08</b>	<b>119.27</b>	<b>122.69</b>	<b>126.82</b>
Water Charge	7.54	8.13	8.71	9.37	10.07
Security Expenses	0.92	0.97	1.02	1.07	1.12

6.65 The summary of Annual Fixed Charge after taking into account the normative availability factor of 85% for FY 2026-27 to FY 2030-31 as approved by the Commission is shown below.

**Table 88: AFC (Rs. Crore) after availability as approved by the Commission for Unit-II**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<b>Annual Fixed Cost</b>	<b>118.38</b>	<b>120.42</b>	<b>122.91</b>	<b>126.00</b>	<b>129.72</b>
Availability (%)	89.90%	99.40%	91.10%	99.30%	89.70%
<b>AFC after Availability</b>	<b>118.38</b>	<b>120.42</b>	<b>122.91</b>	<b>126.00</b>	<b>129.72</b>

**Table 89: AFC (Rs. Crore) after availability as approved by the Commission for Unit-III**

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<b>Annual Fixed Cost</b>	<b>112.53</b>	<b>116.08</b>	<b>119.27</b>	<b>122.69</b>	<b>126.82</b>
Availability (%)	99.30%	89.90%	99.30%	91.10%	99.30%
<b>AFC after Availability</b>	<b>112.53</b>	<b>116.08</b>	<b>119.27</b>	<b>122.69</b>	<b>126.82</b>

6.66 The summary of Energy Charges for the Control Period from FY 2026-27 to FY 2030-31 as approved by the Commission is shown below.

**Table 90: Energy Charge as approved by the Commission for Unit-II**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Primary Fuel	Rs. Cr.	259.15	260.01	259.15	259.15	259.15
Cost of Secondary Fuel	Rs. Cr.	3.12	3.13	3.12	3.12	3.12
Energy Cost	Rs. Cr.	262.26	263.14	262.26	262.26	262.26

**Table 91: Energy Charge as approved by the Commission for Unit-III**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Primary Fuel	Rs. Cr.	260.76	261.63	260.76	260.76	260.76



### Business Plan and MYT for FY 2026-27 to FY 2030-31

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Cost of Secondary Fuel	Rs. Cr.	3.12	3.13	3.12	3.12	3.12
Energy Cost	Rs. Cr.	263.88	264.76	263.88	263.88	263.88

6.67 The summary of recoverable Annual Revenue Requirement (ARR) for the Control Period from FY 2026-27 to FY 2030-31 as approved by the Commission is shown below

**Table 92: Annual Revenue (Rs. Crore) for Unit-II as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<b>ARR after Availability</b>	Rs. Cr.	<b>389.13</b>	<b>392.68</b>	<b>394.92</b>	<b>398.72</b>	<b>403.20</b>
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.32	3.32	3.32	3.32	3.32
<b>Net ARR</b>	Rs. Cr.	<b>385.81</b>	<b>389.36</b>	<b>391.60</b>	<b>395.41</b>	<b>399.88</b>

**Table 93: Annual Revenue (Rs. Crore) for Unit-III as approved by the Commission**

Particulars	UoM	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
<b>ARR after Availability</b>	Rs. Cr.	<b>384.87</b>	<b>389.93</b>	<b>392.87</b>	<b>397.00</b>	<b>401.88</b>
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.30	3.30	3.30	3.30	3.30
<b>Net ARR</b>	Rs. Cr.	<b>381.57</b>	<b>386.63</b>	<b>389.57</b>	<b>393.70</b>	<b>398.58</b>



## **Chapter 7: STATUS OF EARLIER DIRECTIVES**



## Business Plan and MYT for FY 2026-27 to FY 2030-31

### Chapter 7: STATUS OF EARLIER DIRECTIVES

7.1 The directives issued by the Commission in its earlier Orders, its compliance by the Petitioner and further view of the Commission on compliance is tabulated below:

Directive	Status	View of the Commission
1. Energy Charge Optimization		
The Commission had observed that due to various reasons like primary fuel mix, GCV and Landed price the energy charge rate is too high. The Petitioner is required to prepare its strategy for coal procurement plan to optimize its energy charge	This is to submit that this directive is being complied through Quarterly Directive Reports submitted to Hon'ble Commission. The Petitioner took adequate measures to minimize the fuel mix variations and accordingly the energy charge rate has been contained well within the approved numbers.	The Commission has acknowledged the status of compliance and direct the Petitioner to continue optimizing its energy charge.
2. Capex Planning		
The Commission had directed the Petitioner to ensure that proper planning should be carried out before finalization and submission of Capex plan before the Commission for approval. Further, in case there is need to review/revise any scheme or change in the Scope of Work, the same is required to be submitted before the Commission with proper justification for approval.	Revised Phasing of Capex has been submitted in instant Petition. The same has been also duly apprised through respective quarterly reports.	The Commission has taken note of the status of compliance and instructs the Petitioner to keep presenting the same in this regard.
3. Residual Life Study		
The Commission had observed that both the Units (Unit-II & Unit-III) have a remaining useful life of less than ten years as per regulations. The	Tata power is Planning for carrying out RLA for critical equipments in the upcoming annual shutdown. However, comprehensive RLA for	The Commission directs the Petitioner to carry out a residual life Assessment (RLA) study as soon as possible before any additional capitalization


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Directive	Status	View of the Commission
<p>Petitioner is required to carry out residual life study before any additional capitalization in the plant and justify its operational and financial benefits. However, before undertaking this study, the Petitioner is to submit the complete scope of work to be carried under RLA for Commission's approval.</p>	<p>undertaking Renovation and Modernization of the Plant is under the consideration of management and is yet to be finalized and same shall be intimated to the Hon'ble Commission as soon as it is finalised.</p>	<p>in the plant and justify its operational and financial benefits. However, before undertaking this study, the Petitioner is required to submit the complete scope of work to be carried under RLA for Commission's approval.</p>
<p>4. Start Ups</p>		
<p>The Commission had directed to submit monthly details of a number of unit-wise start-ups taken after shutdown. Also, details should include the monthly quantity of secondary fuel consumed during plant start up and flame support if required. The same should be submitted with subsequent APR and True-up Petitions."</p>	<p>The same has been Annexed as Annexure P27</p>	<p>The Commission directs the Petitioner to continue with the same Practice in the future also.</p>
<p>5. Compliance of directives issued in earlier Orders</p>		
<p>In addition to above, the Petitioner is also directed to submit the compliance to the directives issued by the Commission in its earlier Orders.</p>	<p>This is to submit that the Petitioner is duly submitting the quarterly reports in respect of variation in fuel mix, revision in capex phasing and ash utilization as per the directions of the Hon'ble Commissions.</p>	<p>The Commission directs the Petitioner to continue with the same Practice in the future also.</p>



## **Chapter 8: DIRECTIVES**



## **Chapter 8: DIRECTIVES**

### **Primary Fuel**

- 8.1 The Commission has observed that due to various reasons like primary fuel mix, GCV and Landed price the energy charge rate is too high. The Petitioner is required to prepare its strategy for coal procurement plan to optimize its energy charge.

### **Residual Life Study**

- 8.2 The Commission has observed that both the Units (Unit-II & Unit-III) have remaining useful life less than 10 years as per regulations. Accordingly, the Commission directs the Petitioner to carry out residual life study before any additional capitalization in the plant and justify its operational and financial benefits. However, before undertaking this study, the Petitioner is to submit the complete scope of work to be carried under RLA for Commission's approval.
- 8.3 In the event the Petitioner proceeds with capitalization in violation of this direction, without fulfilling the prescribed prerequisite conditions, the Commission shall be constrained to withhold/disallow such capitalization, if any. This is on account of the Petitioner's continued non-compliance with the Commission's directive to conduct the RLA, as consistently mandated in its Orders since FY 2020.

### **Compliance of directives issued in earlier Orders**

- 8.4 As a consequence, the Petitioner is directed to submit the compliance to the directives issued by the Commission in its earlier Orders, inter alia, particularly with respect to the compliance of Residual Life Study (RLA) within six months from today, failing which an appropriate action shall be taken by the Commission.

### **Pipeline leakage and Ash Overflow**

- 8.5 The Commission directs the petitioner to make temporary arrangement for ash overflow and fly ash management till the approval of capital expenditure by the commission. Any mishap due to the same shall be attributable to the petitioner.

***Business Plan and MYT for FY 2026-27 to FY 2030-31***

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This Order is signed and issued by the Jharkhand State Electricity Regulatory Commission on March 23, 2026 (March Twenty-Three Two Thousand Twenty-Six)

***Date: 23.03.2026***

***Place: Ranchi***

**Sd/-**

**(Mahendra Prasad)**

**Member (Law)**

**Sd/-**

**(Justice Navneet Kumar)**

**Chairperson**



**Business Plan and MYT for FY 2026-27 to FY 2030-31**

**Chapter 9: List of Participant**

**Table 94: List of participant who attend Public Hearing**

Sl. No.	Name S/Shri	Address / Organization if any
1	Gaurav Bawase	Tata Power, Jamshedpur
2	Nezamuddin Khan	Telco, Jamshedpur
3	Anshul De	Tata power
4	Udit Agarwal	Fistupur
5	D. K. Singh	Baridih
6	M. K. Singh	Sahara City
7	Amitava Das	Baridih, Jamshedpur
8	Santosh Kr. Hogle	Govindpur
9	Raj Kr	Sonari
10	Nirmal Prasad	Dainik jagran
11	Pratik	Hindustan
12	Ranjan Kr. Jha	Chamakta Aina
13	Jitendra Kr. Jena	Sakchi
14	Ankit Kumar Singh	Baridih
15	Rakesh Talukdar	Tata Steel Limited
16	Himanshu kohor	Baridih
17	Kush Kumar	TATA Steel
18	Chandrasekhar Singh	TPCL
19	U R Prasharara Rao	Tata Power
20	Pradeep Kumar	Tata Steel
21	Manish Kshyap	Deloitte
22	Abhishek Bosh	Tata Power
23	Ashutosh	Tata Steel
24	Arpita Maity	Tata Steel
25	A N Choudhary	Tata Steel UISL
26	Sunil Kr. Kunwar	Tata Power


**Business Plan and MYT for FY 2026-27 to FY 2030-31**

Sl. No.	Name S/Shri	Address / Organization if any
27	Dilip Singh	Rahargora
28	Nayarayn Chandra Verma	Jojobera
29	Debahuti Pati	Tata Power
30	Harpreet Kaur	Tata Steel

## MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

## NOTIFICATION

New Delhi, the 7<sup>th</sup> December, 2015

S.O. 3305 (E.)- In exercise of the powers conferred by sections 6 and 25 of the Environment (Protection) Act, 1986 (29 of 1986), the Central Government hereby makes the following rules further to amend the Environment (Protection) Rules, 1986, namely: -

1. (1) The rules may be called the Environment (Protection) Amendment Rules, 2015
- (2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Environment (Protection) Rules, 1986, in Schedule I.-
- (a) after serial number 5 and entries relating thereto, the following serial number and entries shall be inserted namely: -

Sr. No.	Industry	Parameter	Standards
1	2	3	4
"5A	Thermal Power Plant (Water consumption limit)	Water consumption	<p>I. All plants with Once Through Cooling (OTC) shall install Cooling Tower (CT) and achieve specific water consumption upto maximum of 3.5 m<sup>3</sup>/MWh within a period of two years from the date of publication of this notification</p> <p>II. All existing CT-based plants reduce specific water, consumption upto maximum of 3.5 m<sup>3</sup>/MWh within a period of two years from the date of publication of this notification.</p> <p>III. New plants to be installed after 1<sup>st</sup> January 2017 shall have to meet specific water consumption upto maximum of 2.5 m<sup>3</sup>/MWh and achieve zero waste water discharge.</p>

- (b) for serial number 25, and the entries related thereto, the following serial number and entries shall be substituted namely: -

Sr. No.	Industry	Parameter	Standards
1	2	3	4
"25	Thermal Power Plant	<b>TPPs (units) installed before 31<sup>st</sup> December, 2003*</b>	
		Particulate Matter	100 mg/Nm <sup>3</sup>
		Sulphur Dioxide (SO <sub>2</sub> )	600 mg/Nm <sup>3</sup> (Units smaller than 500 MW capacity units) 200 mg/Nm <sup>3</sup> (for units having capacity of 500 MW and above)
		Oxides of Nitrogen (NO <sub>x</sub> )	600 mg/Nm <sup>3</sup>
		Mercury (Hg)	0.03 mg/Nm <sup>3</sup> (for units having capacity of 500 MW and above)

<b>TPPs (units) installed after 1<sup>st</sup> January, 2003, upto 31<sup>st</sup> December, 2016*</b>	
Particulate Matter	50 mg/Nm <sup>3</sup>
Sulphur Dioxide (SO <sub>2</sub> )	600 mg/Nm <sup>3</sup> (Units smaller than 500 MW capacity units) 200 mg/Nm <sup>3</sup> (for units having capacity of 500 MW and above)
Oxides of Nitrogen	300 mg/Nm <sup>3</sup>
Mercury (Hg)	0.03 mg/Nm <sup>3</sup>
<b>TPPs (units) installed from 1<sup>st</sup> January, 2017**</b>	
Particulate Matter	30 mg/Nm <sup>3</sup>
Sulphur Dioxide (SO <sub>2</sub> )	100 mg/Nm <sup>3</sup>
Oxides of Nitrogen	100 mg/Nm <sup>3</sup>
Mercury (Hg)	0.03 mg/Nm <sup>3</sup>

\*TPPs (units) shall meet the limits within two years from date of publication of this notification.

\*\*Includes all the TPPs (units) which have been accorded environmental clearance and are under construction.”

[F.N. Q-15017/40/2007-CPW]

Dr. Rashid Hasan, Advisor

[TRUE TYPED COPY]

**IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT  
RANCHI****Case No. 13 of 2020**

Tata Power Company Limited (TPCL) ..... Petitioner

Versus

Tata Steel Limited (TSL) ..... Respondent

**CORAM:** HON'BLE MR. R.N. SINGH, MEMBER (ENGINEERING)  
HON'BLE MR. P.K. SINGH, MEMBER (LEGAL)

For the Petitioner : Mrs. Richa Sanchita, Advocate, Mr. Pankaj Prakash,  
and Representative

For the Respondent (TSL): Mr. Bishwajeet Kumar, Representative

**ORDER****Date – 30<sup>th</sup> September, 2020**

1. This petitioner- Tata Power Company Limited (hereinafter referred to as 'TPCL') is a Generating Company; it operates two units (unit 2 and unit 3) of 120 MW each in Jojobera Power Plant and supplies power to Tata Steel Limited. This petition has been filed in exercise of power given under Section 86 of the Electricity Act, 2003 read with Regulation 7.6 (ii) and Regulation 6.10, Regulation 6.13 (b) alongwith other applicable regulations of the JSERC (Terms and Conditions of Determination of Generation Tariff) Regulations, 2015 for approval of expenditure on installation of various Emission Control System in order to make compliance of the directions issued by Ministry of Environment and Forests and Climate Change (MoEFCC), Government of India( Notification dated 7<sup>th</sup> December, 2015) mandating compliance with revised Environmental norms for Thermal Power Stations. The Petitioner in its petition prayed for the following reliefs:-

- a) *To allow the capital cost of approximately Rs 143.24 Crore each for Jojobera Unit 2 and Jojobera Unit 3, totalling to Rs 286.48 Crores required to be incurred by the petitioner towards installation of the FGD system subject to true-up based on actual expenditure;*
- b) *To allow incremental auxiliary consumption of 1.0% for computation of Tariff post commissioning of the FGD and other associated facilities at Jojobera Unit 2 and Unit 3 respectively;*

- c) To allow incremental Operation & Maintenance cost of approximately 5% of the capital cost for 1<sup>st</sup> year for installation of FGD system and other associated facilities at Jojobera Unit 2 and Unit 3 respectively;
- d) To allow incremental cost on account of Limestone consumption;
- e) To allow shutdown period required for installation and commissioning of FGD System as opportunity cost in the Capital cost of the Project or in the alternative allow 85% availability for this period as deemed availability for payment of capacity charges during shutdown period;
- f) To allow availability to be computed with Normative Auxiliary consumption of 10% increased by 1% additional Auxiliary consumption for FGD System after its commissioning;
- g) To allow increased expenditure on water cost required for operation of the FGD System and other associated facilities at actuals in addition to (c) above;
- h) To allow procurement cost of limestone for operation of FGD System as part of Energy charges as proposed in the petition above;
- i) To allow disposal cost of Gypsum (by-product) to be recovered at actuals over and above of O & M cost at (c) above;
- j) To allow to approach this Hon'ble Commission for remaining ECS which is not being implemented presently, but may be required in future based on actual assessment to comply with revised environmental norm;
- k) To Condone any inadvertent omissions/errors/rounding-off differences/shortcomings and permit the petitioner to add/alter this filing and make further submissions as may be required in future; and
- l) To pass any such other and further reliefs as this Hon'ble Commission deems just and proper in the nature and circumstances of the present case;
- m) To pass such other order/s, as this Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.

**Brief facts of the case as submitted by the petitioner**

2. Learned Counsel for the petitioner submitted that the MoEFCC vide its notification no. S.O. 3305(E) dated 7th December, 2015 notified the Environment (Protection) Amendment Rules, 2015 ("MoEFCC Notification") amending/introducing the standards for emission of environmental pollutants to be followed by all existing as well future thermal power plants (units). It is further submitted that by the said MoEFCC Notification, all Thermal Power Plants (TPP) are mandatorily required to comply with the revised norms within the period of two years from the date of the said MoEFCC Notification.

3. Learned Counsel for the petitioner submitted that on the basis of said MoEFCC Notification, the Central Pollution Board (**CPCB**) issued directions to Unit 2 & 3 of Jojobera Power Plant of Tata Power vide its letter dated 6<sup>th</sup> April, 2018, under Section 5 of the Environment Protection Act, 1986 regarding

compliance of emission limit notified vide the MoEFCC Notification dated 7<sup>th</sup> December, 2015 setting the revised deadline for meeting the environmental norms as December, 2020 after deliberation with all stakeholders.

4. Learned counsel for the petitioner submitted that on 30<sup>th</sup> May, 2018 Government of India, through Ministry of Power (**MoP**) issued a direction under Section 107 of the Electricity Act, 2003 vide letter no. 23/22/2018-R & R with the subject '*Mechanism for implementation of New Environmental Norms for Thermal Power Plants (TPP) supplying power to distribution licensees under concluded long term and medium-term Power Purchase Agreement (PPA)*'.

5. Learned Counsel for the petitioner submitted that on 10<sup>th</sup> April, 2018, Central Electricity Authority (**CEA**) issued a letter no. 44/FGD/UMPP/CEA/2018 with the subject, '*Adherence to Environmental norms as per Environmental (Protection) Amendment Rules 2015 for Thermal Power Stations-Implementation of FGD reg'* to TPP's requesting them to approach concerned regulator with a '*Detailed Feasibility Report of the Emission Control Systems*' required to meet the notified norms.

6. Learned Counsel for the petitioner submitted that the petitioner Tata Power Company Limited currently operates unit 2 and 3 of its Generating Station at Jojobera within new limits prescribed by MoEFCC for water consumption, particulate matter and NOx. Learned Counsel also submitted that the other metrics except Sulphur Dioxide are currently within the new limits and the petitioner shall have to carry out modifications in the project in order to comply with the norms prescribed for Sulphur Dioxide.

7. Learned Counsel for the petitioner submitted that for meeting SO<sub>2</sub> norms, the petition bearing case no. 21 of 2018 was filed on 05.09.2018 before this Commission seeking in-principle approval of capital expenditure on installation of FGD systems for compliance of MoEFCC notification, on 06.11.2018 by an interim order, this Commission accepted Tata Power's request to proceed with tender process for installation of FGD systems in unit 2 & 3 of the Jojobera TPP.

8. Learned Counsel submitted that in order to comply with the requirement of the MoEFCC notification, Tata Power issued notice in the newspapers/website inviting Expression of Interest. (EoI) for installation of FGD system with regard to unit 2, 3, 4 & 5 of Jojobera TPP and the pre-bid meeting was fixed on 23.11.2018 and the opening of Technical Bid was fixed on 29.11.2018, however, at the request of the bidders, the date of submission of bids was extended till 12.02.2019.

9. Learned Counsel further submitted that Tata Power on 07.01.2019 filed its Mid-term Review petition being case no. 01 of 2019 for Revised ARR & Generation

Tariff for FY 2019-20 to FY 2020-21 including Truing up for FY 2017-18 and APR for FY 2018-19 and also for approval on proposal of installation of FGD systems and its Tariff post commissioning.

10. Learned Counsel submitted that this Commission by order dated 13.05.2019 disposed of the case no. 21 of 2018 stating the petition to be premature citing that the 2015 Tariff Regulations do not provide in-principle approval for the grant of capital expenditure.

11. It was pointed out that this Commission by order dated 14.02.2020 disposed of the case (T) no. 01 of 2019 and turned down the Tata power's prayer for approval of FGD costs directing TPCL to approach CEA for recommendations on technology and cost. Following facts have been placed for consideration of the Commission:-

12. In compliance of directions dated 14.02.2020 issued by this Commission, TPCL on 03.03.2020 submitted a feasibility report to the CEA for FGD system of Jojobera TPP based on wet limestone technology, but due to prevalent COVID-19 pandemic and lockdown the approval process for CEA with respect to FGD systems was restricted, however, after active follow up with CEA an approval for the proposed technology was given by CEA.

13. CEA has approved the wet lime stone based technology for the FGD System for Jojobera plant unit 2 and unit 3, with respect to the cost, it is stated that the estimated cost for different FGD technologies are available on CEA website and the actual cost of retrofitting of FGD for cases like unit 2 & unit 3 of Jojobera, TPP needs to be discovered through open competitive bidding in consultation with the lead procurer of power from the project, as such the lead procurer (to be invited by TPCL) may be involved in bidding process till final award of FGD contract.

14. The said recommendation of CEA for a bidding process to be followed in consultation with the lead procurer could be brought to the notice of the petitioner only in June, 2020 i.e, much later than the initiation and finalization of the bidding process, as the bidding process commenced much prior to the same for meeting deadlines stipulated by CPCB for completion of FGD system. It was further submitted that TPCL had continuously involved Tata Steel during the bidding process and provided the copies of the documents, sought inputs and provided the replies to Tata Steel Limited.

15. It was pointed out that there are five units at Jojobera TPP (1x 67.5 MW (unit 1) + 2 x 120 MW (unit 2 & 3) + 2 x 120 MW (Unit 4 & 5) and out of these unit 2 & 3 are supplying power to Tata Steel and the balance are being supplied to Tata Steel works for captive purpose and further that due to the layout and optimization of space, there are certain common facilities which are being utilized

by two or more units, the sum of standalone and common cost allocated to each unit shall be one fourth of the total bid amount of all these 4 units.

16. The cost of main package discovered for 4x120 MW (i.e. unit 2, 3, 4 & 5) is Rs. 422.38 crores inclusive of GST of 18 % and the base cost without GST works out to Rs. 357.98 Crores (422.38/1.18) for all the four units, as such the allocated cost of each units 2 & 3 of 120 MW would be 105.59 crores with GST and Rs 89.48 crore without GST or Rs. 74.57 Lakh/MW.

17. In order to ensure that the prices are reasonable, TPCL made a comparison with similar other packages and noted that for similar scope of EPC main Package, the lowest price which NLC Neyveli (2x210 MW) has discovered is 81 Lakhs/MW during the auction for scope similar to TPCL L1 price.

18. As per MoEFCC notification, TPCL is required to keep SO<sub>2</sub> emission from unit 2 & 3 of Jojobera power plant below 600 mg/Nm<sup>3</sup> which are pf 120 MW rated capacity each i.e. smaller than 500 MW and as such TPCL is required to install FGD system for both the units in order to reduce excess of SO<sub>2</sub> from exhaust flue gases of the units.

19. The MoEFCC notification is a mandatory '*Change in Law*' event which requires TPCL to carry out major capital works/modifications for it to be able to operate and supply power to the beneficiary viz. Tata Steel Limited and as such TPCL is obliged to incur substantial one time capital expenditure apart from recurring operational expenditure and additional increase in cost due to operational parameters.

20. CERC, taking cognizance of the MoP directions and challenges being faced by the Generators departed from its earlier position taken and proceeded to declare the MoEFCC notification as change in Law event and granted in-principle approval for installation of FGD system to MPL in its order dated 11.11.2019 in petition no. 152/MP/2019 and subsequently to Sasan and CGPL which is done for Regulatory certainty and recovery of costs associated with meeting the Revised Emission Norms.

21. Maharashtra Electricity Regulatory Commission ("MERC") in its Order dated 06.02.2019 in Case No. 300 of 2019, titled Adani Power Maharashtra Limited ("APML") vs. Maharashtra State Electricity Distribution Company Limited ("MSEDCL"), has declared that the MoEFCC Notification is an event of Change in Law. It was further pointed out that, MERC has also granted in principle approval to APML to proceed with the installation of FGD System based on the guidelines notified by CEA.

22. Hon'ble Supreme Court has been monitoring the progress of compliance of environmental norms in case titled as MC Mehta vs Union of India & Others in Writ Petition(s)(Civil) No(s). 13029/1985 and connected matters and has been very strict in compliance of the above said norms. It was further pointed out that in a recent Order passed on 19.06.2020 in IA No. 44408 of 2020; Hon'ble Supreme Court has dismissed the request of Association of Power Producers to allow generators extension in meeting the environmental norms beyond the timelines stipulated by CPCB. It was submitted that Hon'ble Supreme Court has refused to give any blanket approval for extension to all generators which means each case will have to be seen on its own merits to see whether the delay is for reasons attributable to generator or not.

23. Hon'ble APTEL in the Order dated 28.08.2020 in Appeal Nos. 21 & 73 of 2019 and Appeal no. 153 of 2019 has allowed Capital Cost of the FGD project; wherein it is held that 2015 notification is a *change in law* event and directed Punjab State Electricity Regulatory Commission to devise mechanism for its recovery i.e. to formulate tariff determination principles for recovery of FGD project cost. Learned Counsel reads out the relevant part of the Hon'ble APTEL's order as follows:

*"140. In the light of our discussion and reasoning, we are of the opinion that the impugned orders, dated 21.12.2018 and 09.01.2018 challenged in both the appeals deserves to be set aside and accordingly set aside by allowing the appeals.*

a) .....

b) ***The installation and operation of the FGD and associated system to comply with emission levels of SO<sub>2</sub> is change in Law and additional expenditure for the same including all allied cost like taxes, duties etc., has to be included as Additional Capital Cost to be incurred by the Appellants.***

c) ....."

24. Learned Counsel concluded with submission that the instant petition has been filed seeking regulatory certainty *qua* the treatment of such costs and to seek approval from this Commission with regard to the additional capital expenditure to be incurred by Tata Power for installation of FGD System, Fixed cost recovery for shut down period, additional O & M expenditure and additional APC due to installation of ECS as a result of the MoEFCC Notification which has mandated the installation of ECS at the projects.

25. Learned Counsel for the petitioner submitted that the Commission has inherent powers, power to Relax and Power to remove difficulties under Conduct of Business Regulations as well as 2015 Tariff Regulations to meet this piquant situation by way of granting reliefs to the petitioner as prayed.

**Submission of the Respondent**

26. The Representative of the respondent – Tata Steel Ltd has submitted that the petitioner operates two units (unit 2 and unit 3) of 120 MW each at Jojobera Power Plant, this plant was set up in the year 2000 and 2001 respectively and the said units supply power to the respondent exclusively for its use as distribution licensee under a PPA duly approved by this Commission. Following submissions have been raised for consideration of the Commission:-

27. The petitioner has significantly relied on the CERC (Terms and Conditions of Tariff) Regulations, 2019 which is not applicable in the present case, as this Commission is governed by the Regulations framed by its own. It is argued that the provisions of the CERC Regulations may be used only as a reference.

28. The petitioner has divided its cost into two broad categories viz. (i) Hard Cost, i.e. the Main Package Cost amounting to Rs 221.02 crores & (ii) Soft Costs amounting to Rs 67.26 crores and the petitioner is praying for approval of the hard cost subject to true up based on actual expenditure and soft cost to be considered during true up based on actuals and prudence check, as such the projected cost in installation of the FGD is very high and is required to be considered in strict compliance of the provisions of the Generation Tariff Regulations and the requisite checks for approving such high cost must be applied by the Commission.

29. The estimated cost of the petitioner appears to be on the higher side and after comparison of the figures of the petitioner with the figures of cost projected and approved for other thermal generating plants; it may be inferred that the price quoted by the petitioner in the instant case is significantly high.

30. The Petitioner-TPCL has not complied with the recommendation of CEA that the actual cost of retrofitting of FGD for Unit 2 & 3 of Jojobera, TPP needs to be discovered through open competitive bidding in consultation with the lead procurer of power from the project, as such the lead procurer was to be involved in bidding process till final award of FGD contract, it was submitted that the role of the Respondent-TSL during the process of bidding was limited to sharing information intermittently on need basis and there was no continuous involvement in the bidding process as such.

31. CEA has recommended that TPCL may study the “the cases of failure” of all Systems including lining material used for corrosion protection for various sections of FGD system and the life cycle cost analysis for selection of corrosion protection lining is to be done considering these failure studies for optimum selection. It was also suggested that while choosing Chimney options, TPCL may

see the feasibility and conduct lifecycle cost benefit analysis for constructing new wet chimney or using the existing chimney.

32. It is argued that the recovery of the additional cost of FGD installation and its implication should not be limited to the validity of the PPA/Plant life but at least be spread over to the entire life span of the newly installed FGD System as according to the data available with the with the Central Electricity Authority, several Generating thermal plants are still generating Electricity even after 50 years of service.

33. It was submitted that it is required to be assessed over as to what life of the plant would be feasible and what additional investments are required to extend the life of the plant, in this regard a complete Residual Life Assessment study to ascertain the remaining life along with DPR for life extension needs to precede before approval for compliance with the MoEFCC notification.

34. The Representative of the Respondent – Tata Steel Utility and Infrastructure Services Limited (TSUISL) submitted that it purchases power from TSL Licensee, which procures power from the petitioner TPCL's unit 2 & unit 3 based on the tariff of TPCL determined by this Commission.

35. It was submitted that that the approval of the capitalisation of FGD's capital cost and its impact by increase in capacity charges may be done timely, so that the passing on the same to ultimate consumer may not be delayed as delay in approval of tariff based on increased capitalisation of FGD's capital cost shall lead to additional burden on consumers in the form of carrying cost.

#### **Commission's observation and findings**

36. Heard Learned Counsel for the petitioner as well as the Representatives for the respondents in detail and perused the records of the case.

37. The Commission observes that in view of the submission of the Respondent that the recommendations of the CEA given vide its letter dated 11.06.2020 has not been complied with and the involvement of the Respondent in the bidding process was not made as per the recommendation of CEA.

38. It is also observed that Hon'ble Supreme Court has dismissed the request of Association of Power Producers to allow generators extension in meeting the environmental norms beyond the timelines stipulated by CPCB.

39. The Commission further observes that the retrofitting of FGD has now become mandatory in terms of compliance of MoEFCC notification dated

07.12.2015, it qualifies as change in Law as held by the Hon'ble APTEL in order dated 28.08.2020 passed in Appeal Nos. 21 & 73 of 2019 and Appeal no. 153 of 2019 . We find that the petitioner will be required to install the FGD system which will result in additional capital cost and certain recurring costs as detailed in the petition.

40. Upon due consideration of the Order of the Hon'ble Supreme Court, Hon'ble APTEL and submission of the parties, it is ordered :

**ORDER**

41. Prayer of the petitioner is partly allowed to the extent that the Commission grants approval for installation of the FGD system.

42. The Commission is presently not approving any specific amount of additional expenditure at this stage; however, the Commission will consider the additional expenditure on the issue, subject to prudence check at the time of tariff determination, once the commissioning of the FGD System is over. Accordingly, the Petitioner is directed to approach the Commission after completion of work, for approval of cost incurred on account of installation of FGD System.

43. It is also hereby clarified that the depreciation of the additional cost for installation of FGD System and its implication shall be spread over for the entire life span (not less than 25 years) of the FGD unit to be installed. Petitioner is at liberty to search for a fresh PPA beyond the current PPA period for the purpose.

44. Accordingly, the petition stands disposed of in above terms.

Sd/-  
Member (Legal)

Sd/-  
Member (Engg.)

---

**From:** JSERC Ranchi <info@jserc.org>

**Sent:** 21 October 2025 17:35

**To:** SHRI RAM SINGH <shritvnl@rediffmail.com>; Anand Bardia <finance@inlandpower.in>; apnrl.powersale@adhunikpower.co.in; Prakash Pankaj <pankaj.prakash@tatapower.com>; Kumar Dilip <Dilip.Kumar@tatapower.com>; Anil Kumar <cegenjuunl@gmail.com>

**Subject:** JSERC(Terms and Conditions for Determination of Generation Tariff) Regulations, 2025

[EXTERNAL sender, Exercise caution..!]

Please find the attachment file for the necessary action at your end.

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## **Jharkhand State Electricity Regulatory Commission**

Jharkhand State Housing Board (Old Headquarter), Harmu Housing Colony, Ranchi-834002

Email: [info@jserc.org](mailto:info@jserc.org), [secretary@jserc.org](mailto:secretary@jserc.org)

Website: [www.jserc.org](http://www.jserc.org)



TP/JSERC/Dec/2025  
01-12-2025

**To-**  
The Secretary  
Jharkhand State Electricity Regulatory Commission,  
1<sup>st</sup> Floor, Jharkhand Housing Board (Old Building)  
Harmu Housing Colony,  
Ranchi-834002

**Subject:** Request for extension in time lines for Submission of the MYT Petition for FY 2027-31 control period and Truing-up of FY 2024-25, Annual Performance Review (APR) for the year FY 2025-26.

Sir,

This is in reference to the Jojobera Thermal Power Plant Unit 2 & 3, for which the Tariff is determined by this Hon'ble Commission. The Petitioner, Tata Power is required to file the Petition for determination of the tariff for the upcoming control period FY 2027-31 as well as Truing-up/ APR Petition for FY 2024-25 and FY 2025-26, respectively.

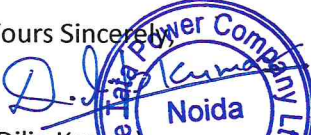
The aforementioned Petitions have been under finalisation, with all efforts to meet the date of submission as per Regulations i.e. 1<sup>st</sup> Dec, 2025 (30<sup>th</sup> November being non-working day). It is submitted that the finalisation of the MYT Petition requires voluminous documentation, data compilation and analysis involving multiple divisions. Further, the finalisation is taking additional time on account of certain vital decisions involved, considering the significance of the MYT Petition which sets tariff for next five years' period. Since the decisions to be implemented in MYT Petition, will have impact on the True up/ APR Petition, the submission of the same is also seeing delay.


In view of the above submission, the Petitioner, most humbly requests the Hon'ble Commission, to kindly grant an extension of two weeks for the submission of MYT Petition and 1 week for the filing of True up/ APR Petition.

For kind consideration of the Hon'ble Commission, please.

Thanking you,

Yours Sincerely,

  
(Dilip Kumar)  
Group Head-Regulatory (ER)



**TATA POWER**

The Tata Power Company Limited  
"Shatabdi Bhawan", B-12 &13, Sector-4 Noida 201 301 (U.P.)  
Tel.: 91 120 610 2000  
Registered Office Bombay House 24 Homi Mody Street Mumbai 400 001  
Website : [www.tatapower.com](http://www.tatapower.com) Email : [tatapower@tatapower.com](mailto:tatapower@tatapower.com)  
CIN : L28920MH1919PLC000567



ANNEXURE P/6 (COLLY.)

169

# झारखण्ड राज्य विद्युत नियामक आयोग JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

No. JSERC/241/ 554

Date: 12.12.2025

To,

Shri Dilip Kumar  
Group Head – Corporate Regulations (ER)  
Tata Power Company Limited (TPCL)  
Jojobera Power Plant, Jamshedpur – 831 016.

Subject: - Notice for filing of Petition for Business Plan & MYT for FY 2027-2031.

Ref: (i) Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025.

Sir,

With reference to above mentioned subject, it is to inform you that as per clause A 39 of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025, the Generating Company has to file the Petition encompassing their Business Plan for the Control Period and MYT Petition for the Control Period for FY 2026-27 to FY 2030-31 including Tariff for each year of the Control Period by November 30, 2025.

However, the Commission has taken cognizance of the fact that no such Petition has been submitted by the Generating Company before this Commission till date. Therefore, the Commission directs Adhunik Power and Natural Resources Limited (APNRL) to file the abovementioned Petitions within 7 working days. Failure to do so may invite appropriate action under relevant provision of the Electricity Act, 2003.

This may please be treated as **MOST URGENT**.

Yours faithfully

(R. P. Nayak)  
Secretary

**MULTI-YEAR TARIFF PETITION**  
**FOR**  
**CONTROL PERIOD FY 2026-27 TO FY 2030-31**  
**(INCLUDING BUSINESS PLAN FROM FY 2026-27 TO FY 2030-31)**



**TATA POWER**

**FROM**

**2x120 MW UNIT 2 AND UNIT 3 AT JOJOBERA POWER PLANT, JAMSHEDPUR**

*SUBMITTED BEFORE*

*HON'BLE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION*



**DECEMBER 2025**

## BEFORE THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

Filing No.....

Case (Tariff) No. .... of 2025

**IN THE MATTER OF:**

The Tata Power Company Limited  
(hereinafter referred to as "Tata Power")

.....Petitioner

Jojobera Power Plant, Jamshedpur,  
Jharkhand - 831016 having its registered office  
At Bombay House 24, Homi Mody Street  
Mumbai - 400 001, India  
And

**IN THE MATTER OF:**

Tata Steel Limited  
(hereinafter referred to as "Tata Steel Distribution Licensee")

.....Respondent

Bistupur Post, Burma Road, 191,  
Outer Circle Road, Burma Mines, Jamshedpur,  
Jharkhand - 831 001

And

**IN THE MATTER OF:** Petition for MYT Business Plan & MYT Petition for FY 2026-27 to FY 2030-31 under Section 61, 62, 64 and 86 of the Electricity Act 2003 in accordance with JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025 [hereinafter referred to as 'GTR 2025' or 'JSERC Generation Tariff Regulations, 2025'] for sale of electricity from Unit # 2 & 3 (2x120 MW) of Jojobera Power Plant of the Petitioner - The Tata Power Co. Ltd. to Tata Steel Limited, a Long-Term beneficiary and Distribution Licensee.

## A. BACKGROUND AND PRESENT PETITION

1. The Tata Power Company Limited (hereinafter referred to as "Tata Power" or "The Company" or "Petitioner") operates two Units (Unit 2 and Unit 3) of 120 MW each of Jojobera Power Plant ('JPP'), Jamshedpur which supply electricity to Tata Steel Limited (hereinafter referred to as "Tata Steel" or "Distribution Licensee" or "Long-term Beneficiary") i.e. Respondent herein. Tata Power had filed the following Petitions with the Hon'ble Jharkhand State Electricity Regulatory Commission ("Hon'ble JSERC", hereinafter referred to as the "Hon'ble Commission"):

Sl.	Petition	Order Date
1	Aggregate Revenue Required ("ARR") and Tariff Petition for FY 2007-08	16.05.2007
2	ARR and Tariff Petition for FY 2008-09	08.09.2008
3	ARR and Tariff Petition for FY 2009-10	24.02.2009
4	ARR and Tariff Petition for FY 2010-11	20.03.2010
5	ARR and Tariff Petition for FY 2011-12	05.04.2011
6	Multi Year Tariff ("MYT") Business Plan for the 1 <sup>st</sup> Control Period from FY 2012-13 to FY 2015-16	03.12.2011
7	MYT Petition for the 1 <sup>st</sup> Control Period from FY 2012-13 to FY 2015-16	16.01.2012
8	Annual Performance Review ("APR") Petition for FY 2012-13	30.03.2013
9	Annual Performance Review ("APR") Petition for FY 2013-14	28.08.2014
10	Annual Performance Review ("APR") Petition for FY 2015-16	29.02.2016
11	MYT Business Plan for the 2 <sup>nd</sup> Control Period from FY 2016-17 to FY 2020-21	28.10.2016
12	MYT Petition for the 2 <sup>nd</sup> Control Period from FY 2016-17 to FY 2020-21	11.04.2017
13	Flue Gas Desulphurization ("FGD") Plant Installation Petition	05.09.2018
14	APR Petition for FY 2017-18 including True-up of FY 2016-17	01.10.2018
15	Mid-Term Review ("MTR") Petition for approval of revised ARR for FY 2019-20 & FY 2020-21 along with True-up of FY 2017-18 APR of FY 2018-19	07.01.2019
16	Petition for Recovery of Water Charges (Case No. 04 of 2009)	19.03.2019
17	True Up Petition for FY2018-19 & APR Petition for FY 2019-20	26.12.2019
18	Flue Gas Desulphurization ("FGD") Plant Installation Petition	01.07.2020
19	MYT Petition for FY 2022-26 & True Up for FY 2019-20 & APR for FY 2020-21	01.12.2020
20	True Up Petition for FY2020-21 & APR Petition for FY 2021-22	30.11.2021
21	True Up Petition for FY2021-22 & APR Petition for FY 2022-23	30.11.2022
22	Petition for Review of MYT Order dated 4.11.2022	6.12.2022
23	True Up Petition for FY2022-23 & APR Petition for FY 2023-24	28.11.2023
24	Petition for Review of Order dated 09.01.2024 for True-up for FY 2021-22, APR for FY 2022-23	08.02.2024
25	Petition for Review of Order dated 06.06.2024 for True-up for FY 2022-23, APR for FY 2023-24	05.07.2024
26	True Up Petition for FY 2023-24 & APR Petition for FY 2024-25	29.11.2024

**Petitions under the active consideration of the Hon'ble Commission:**

Sl.	Petition	Filing Date
27	Petition for the recovery of deferred water charges from the beneficiary in terms of the liberty granted vide Order dated 19.08.2020 passed by this Hon'ble Commission in Review Petition being Case No. 04 of 2019 and the subsequent Tariff Orders of Unit 2 and 3 of Jojobera Power Plant.	19.08.2025
28	True Up Petition for FY 2024-25 & APR Petition for FY 2025-26	09.12.2025

**A.1 MYT BUSINESS PLAN & MYT PETITION FOR FY 2021-22 TO FY 2025-26 AND MYT ORDER AND SUBSEQUENT TARIFF PETITIONS**

2. Tata Power filed a Petition on 01.12.2020 for approval of the MYT Business Plan for the 3rd Control Period FY 2021-22 to FY 2025-26 in accordance with the provisions of JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 [hereinafter referred to as 'GTR 2020' or 'JSERC Generation Tariff Regulations 2020'].
3. The Hon'ble Commission disposed of the MYT petition for 3rd Control Period i.e. from FY 2021-22 to FY 2025-26 and passed order on 04.11.2022. Tata Power, after the issuance of the MYT Order for 3<sup>rd</sup> Control Period, submitted a Review Petition to the Hon'ble Commission dated 06.12.2022 for the review of the decisions of the Hon'ble Commission with regard to the discrepancies found in the computation of Depreciation, Raw water charges, Specific Fuel Oil Consumption and Interest on Loan for FY 2019-20 and with regard to the computation related to Interest on Loan and R&M expenses for 3<sup>rd</sup> Control Period. The order in the said Review Petition was pronounced on 09.01.2024 by the Hon'ble Commission.
4. The Hon'ble Commission passed the True Up Order for FY 2020-21 and APR Order of FY 2021-22 on 22.05.2023.
5. The Hon'ble Commission passed the True Up Order for FY 2021-22 and APR Order of FY 2022 on 22.05.2023. Tata Power, after the issuance of said order, submitted a Review Petition to the Hon'ble Commission dated 08.02.2024 for the review of the decisions of the Hon'ble Commission with regard to the discrepancies found in interest on loan, sharing of gain, employee expenses and non-consideration of capital spare in APR. The order in the said Review Petition was pronounced on 20.12.2024 by the Hon'ble Commission.

6. The Hon'ble Commission passed the True Up Order for FY 2022-23 & APR Order of FY 2023-24 on 09.01.2024. Tata Power, after the issuance of said order, submitted a Review Petition to the Hon'ble Commission dated 05.07.2024 for the review of the decisions of the Hon'ble Commission with regard to the discrepancies found in considering the impact of correction of interest on loan for FY 2020-21, sharing of gains in R&M, variation in Growth Factor on Employee Expenses. The order in the said Review Petition was pronounced on 20.12.2024 by the Hon'ble Commission.
7. The Hon'ble Commission passed the True Up Order for FY 2023-24 & APR Order of FY 2024-25 on 28.03.2025.
8. The Petitioner has filed Petition for True Up for FY 2024-25 & APR of FY 2025-26, which is under active consideration of the Hon'ble Commission.

## **A.2 MATTERS PENDING ADJUDICATION BEFORE HON'BLE APTEL**

9. The following matters are pending adjudication before Hon'ble APTEL against various petitions/ Tariff orders for previous years (collectively referred to as Pending Matters).

<b>Forum</b>	<b>Number</b>	<b>Brief Description</b>
APTEL	Appeal No. 274 of 2019	Appeal under section 111 of Electricity Act 2003 challenging the legality, validity and propriety of Order dated 19.02.2018 passed by the Hon'ble JSERC in Case No. 16 of 2016 and in Case No. 05 of 2017 along with order dated 09.01.2019 passed in Review Petition being Case No. 06 of 2018.
APTEL	Appeal No. 419 of 2022	Appeal under section 111 of Electricity Act 2003 challenging the legality, validity and propriety of Order dated 27.12.2019 passed by the Hon'ble JSERC in Case (Tariff) No. 05 of 2018.
APTEL	Appeal No. 146 of 2020	Appeal under section 111 of Electricity Act 2003 challenging the legality, validity and propriety of Order dated 14.02.2020 passed by the Hon'ble JSERC in Case (Tariff) No. 01 of 2019.
APTEL	Appeal No. 246 of 2020	Appeal under section 111 of Electricity Act 2003 challenging the legality, validity and propriety of Order dated 09.09.2019 passed by the Hon'ble JSERC in Case (Tariff) No. 09 of 2019.
APTEL	Appeal No. 312 of 2023	Appeal under section 111 of Electricity Act 2003 challenging the legality, validity and propriety of Order dated 04.11.2022 passed by the Hon'ble JSERC in Case (Tariff) No. 10 of 2020.
APTEL	Appeal No. 590 of 2023	Appeal under section 111 of Electricity Act 2003 challenging the legality, validity and propriety of Order dated 22.05.2023 passed by the Hon'ble JSERC in Case (Tariff) No. 06 of 2022.

10. The Petitioner wishes to submit that in the event that any of above pending matters is decided before the issuance of Tariff Order in the present Petition, the Hon'ble Commission is requested to consider/ implement the outcome of the same in the

MYT Order of 4<sup>th</sup> Control Period. In the event of order(s) being declared after the issuance of the said tariff order, it is submitted that the impact of the same be allowed as soon as possible. This suggested approach as stated above shall be in Petitioner's and in the Purchaser's interest since it will avoid any delays caused in giving timely effect to Judgement(s) of the Hon'ble Commission/superior court and reduction in grant of carrying costs to Tata Power or Tata Steel.

### **A.3 PRESENT PETITION**

11. The Petitioner is filing the present petition ("Petition") for approval of MYT Business Plan and ARR/Tariff for 4<sup>th</sup> Control Period from FY 2026-27 to FY 2030-31 for the sale of electricity to Tata Steel Limited as "Long-Term Beneficiary" from Unit 2 (120 MW) and Unit 3 (120 MW) of Jojobera Power Plant of Tata Power. For convenience, the Petition has been divided into 5 Sections A to E appended herewith.

### **A.4 PRAYER TO THE HON'BLE COMMISSION**

12. Tata Power respectfully prays that this Hon'ble Commission may be pleased to:
  - (a) Accept the Petition.
  - (b) Approve the Operational, Fuel and Financial Parameters, Additional Capitalization, Annual Revenue Requirement and Generation Tariff for 4<sup>th</sup> Control Period from FY 2026-27 to FY 2030-31 for Jojobera Units 2&3 as proposed in the instant Petition.
  - (c) Grant liberty to the Petitioner to approach Hon'ble Commission at appropriate stage subsequently:
    - i. for determination of Supplementary Tariff for FGD System being installed for Units 2 and 3, including compensation for additional capital cost, operational cost, operational parameter deterioration and O&M/ water expenses in accordance with Regulation 14.16 and all other relevant Regulations/ provisions under JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025.
    - ii. for approval of the capital expenditure to be incurred under "Change in Law" due to the mandatory use of treated sewage water at Unit 2 and 3 as per National Tariff Policy, 2016,
    - iii. for approval of the capital expenditure to be incurred under "Change in Law" due to co-firing of biomass as required by Biomass Policy of Ministry of Power dated 11.11.2025 for Unit 2 and 3,
    - iv. for approval of the capital expenditure to be incurred in compliance with CEA (flexible operation of Coal based Thermal Power Generating Units) Regulations, 2023 for Unit 2 and 3,

- v. for approval of Renovation & Modernisation (R&M) Plan for Units 2 and 3 after carrying out RLA Study as required;
  - vi. for claiming compensation for deterioration in operational parameters due to low PLF;
  - vii. to claim the actual financial implication, including the renewed Lease Rent and all applicable statutory charges and CESS, due and arising from the renewal of the lease for the sub-leased land, either at the time of Truing-up for the relevant period or as and when the actual liability and final financial outcome of the said renewal matter is determined and settled in terms of Hon'ble Commission's order dated 20.08.2011,
  - viii. for seeking revision in tariff due to wage revision agreement being reached/ or with subsequent Truing-up Petition(s).
- (d) Allow recovery of depreciation of additional capital expenditure claimed during the fag end in a separate stream of depreciation in next 10 years;
  - (e) Allow Modifications/ additions to the Capex/ Other proposals, if need arises during the proceedings of the present Petition and/ or in subsequent True-up/APR Petitions;
  - (f) Allow recovery of incentives on account of generation, if any, during the true up,
  - (g) Provide an opportunity to the Petitioner to present its case prior to the finalization of the Business Plan and MYT Order. Tata Power believes that such an approach would provide a fair treatment to all the stakeholders and may eliminate the need for a review or clarification.
  - (h) Permit the Petitioner to propose suitable changes to the Petition and the mechanism of meeting the revenue on further analysis, prior to the final approval by the Hon'ble Commission;
  - (i) Condone any inadvertent omissions/ errors/ rounding-off differences/ shortcomings and permit the Petitioner to add/ alter this filing and make further submissions as may be required at a future date.
  - (j) Pass such further and other Orders, as the Hon'ble Commission may deem fit and proper, keeping in view the facts and circumstances of the case.

**FOR PETITIONER: THE TATA POWER COMPANY LIMITED**

insurance etc. for the Control Period. Tata Power has projected O&M expenses on normative based in accordance with the provisions of GTR 2025. The detailed approach and methodology considered for projection of O&M expenses has been discussed under Operation and Maintenance Section of this Petition.

### **D.3 OPERATIONAL PERFORMANCE PLAN FOR THE CONTROL PERIOD FY 2026-27 TO FY 2030-31**

25. Jojobera Units 2 & 3 supply reliable and quality power to Tata Steel Distribution Licensee over the years to meet the increased demand of Jamshedpur City.
26. For the 4<sup>th</sup> Control Period, the operational performance has been projected by considering Heat Rate and Specific LDO Consumption as defined under Regulation 16.1 of JSERC GTR, 2025. Gross Generation of the Units, PLF and Plant Availability Factor have been projected based on the demand of the Tata Steel Distribution Licensee.
27. With regard to auxiliary power consumption, it is submitted that the FGD system being implemented at the Jojobera Plant in compliance with the Emission Control Norms issued by MoEFCC, has become operational from October 2025. The implementation of the FGD system shall require higher auxiliary power consumption along with consumption of the limestone/reagent. In this regard, it is submitted that JSERC GTR, 2025 provides for auxiliary consumption to be allowed separately for the FGD system. The relevant extract of the Regulation is as under:

***“6. ‘Auxiliary Energy Consumption’***

.....

*Provided further that auxiliary energy consumption **for compliance of revised emission standards**, sewage treatment plant and external coal handling plant (jetty and associated infrastructure shall be considered separately;” [emphasis added]*”

28. For the purpose of MYT, it is submitted that the Normative Auxiliary Power Consumption of 10% has been considered as per JSERCGTR 2025. It may please be noted that the Auxiliary Power Consumption will undergo change due to Commissioning of FGD system in both Unit 2 & 3. Accordingly, for the purpose of accurate and realistic projections, the Petitioner has considered an additional

## D.5 CAPITAL EXPENDITURE PLAN

47. The additional capitalization proposed for Jojobera Unit 2 and Unit 3 for the Control Period from FY 2026-27 to FY 2030-31 is comprised of the following:
- I. Additional Capitalization pertaining to Capital Expenditure Schemes proposed for 4<sup>th</sup> Control Period from FY 2026-27 to FY 2030-31.
  - II. Additional Capitalization pertaining to spill over works from previous control period. (already approved by the Commission)
  - III. Decapitalization Plan for replacement schemes from FY 2026-27 to FY 2030-31.
48. The Capitalisation claimed for the 4<sup>th</sup> Control Period on projected basis, has been discussed in the succeeding paragraphs.

### D.5.1 Additional Capitalization pertaining to Capital Expenditure Schemes proposed for 4<sup>th</sup> Control Period from FY 2026-27 to FY 2030-31

#### Regulatory Provisions

49. Regulation 6.6 (a) of JSERC GTR, 2025 states following:

***“II. Business Plan***

...

*6.6 The Business Plan shall be for the entire Control Period and shall inter-alia contain:-*

***a) Capital Investment Plan:*** *The Generating Company shall submit the Capital Investment Plan for the entire Control Period, detailing the investments planned by the Generating Company along with the corresponding capitalisation schedule and financing plan. This Plan shall also include capacity enhancement plan, if any, and proposed efficiency improvements and its cost benefit analysis. It shall also submit plant-wise details of Capital Structure and cost of Financing (interest on Debt) and return on equity, after considering the existing market conditions, terms of the existing loan agreements, risk associated in generating business and creditworthiness;*

*....”*

50. Further, Regulation 6.7 of JSERC GTR, 2025 provides following:

6.7 The Generating Company shall file for the Commission's approval a Capital Investment Plan for the entire Control Period along with the Business Plan. The Capital Investment Plan shall be prepared scheme-wise and each scheme shall include:-

1. Purpose of investment;
2. Approval of Competent Authority;
3. Detailed Project Report;
4. Capital Structure;
5. Capitalisation Schedule;
6. Implementation schedule including timelines;
7. Cost-benefit analysis & Rate reasonability;
8. Improvement in operational efficiency envisaged in the Control Period;
9. On-going schemes that will spill over into next financial year under review along with justification;
10. New schemes that will commence during the Control Period but may be completed within or beyond the Control Period.

51. Further, Regulation 14.5 of JSERC GTR, 2025, provides for claiming additional capital expenditure during the fag end of the project. The relevant extract of the Regulation is as under:

**A14. Additional Capitalization**

.....

*“14.5 In case there is additional capitalization proposed during the fag end of the project (at least 5 years before the Useful life or extended Useful life) of the plant, the Generating Company is required to submit the detail justification of its necessity during the fag year, Cost-Benefit analysis, DPR, if any and rate reasonability along with the residual life assessment report of the Project. The Commission may carry out prudence check based on the details submitted by the Generating Company, its necessity, its financial viability before approval of such additional capitalization.*

.....”

52. The Hon'ble Commission vide APR Order dated 28.03.2025, has directed the Petitioner to conduct Residual Life Study (RLA) for Jojobera Units 2 & 3. It is submitted that RLA study requires extensive study of critical equipment and many

of them require outage to undertake those studies. This requirement poses a critical challenge in the planning of the RLA activities, since, for the generating station, it is essential to ensure uninterrupted power supply. On this backdrop, the RLA is being meticulously planned so as to align it with the planned outages, to the best extent possible. The various options and decisions for conducting RLA study are being actively evaluated by the management of the Petitioner Company. It is submitted that the Petitioner has already initiated the preparatory works for conducting the RLA Study for Boiler which is tentatively planned in January, 2026 (Unit-3) and December, 2026 (Unit-2). For “Balance of Plant”, the RLA is tentatively scheduled in FY 2027 (Unit-2) and FY 2028 (Unit-3). The Turbine RLA is planned in FY 2028 and FY 2031, since the RLA has already been carried out in FY 2021 (Unit-3) and FY 2025 (Unit-2) and dismantling turbine once again for the RLA would not be feasible. It is further submitted that the Petitioner shall update the Hon’ble Commission in respect of RLA along-with the cost, through subsequent Petitions.

53. As regards the Capex requirement, it is most humbly submitted that the Petitioner, adhering to the standard practices of regular maintenance, has been able to run both the units in an optimal and safe manner, even on completion of the useful life of 25 years as defined in the regulations. For the upcoming control period, the Petitioner has projected capital expenditure only for the schemes/ works which are essential for the smooth and sustained operations of Unit-2 and Unit-3, in accordance with the provisions of Regulation 14.3 and 14.4 of JSERC GTR 2025.
54. Accordingly, Tata Power has proposed for various Additional Capital Expenditure Schemes for Control Period FY 2026-27 to FY 2030-31 as presented in the table below along with justification for each such proposed Capital Expenditure Scheme for the kind perusal of the Hon’ble Commission. The detailed phasing along with the relevant regulations under which the capital expenditure for such Schemes have been claimed is summarized in the Table below:

**Table10: Capex Plan from FY27 to FY31**

Sl. No.	Work Details	Use for	Qty.	Capex (Rs. Cr.)	Proposed under	Justification/Description
1.	Turning Gear Hydraulic Motor	2&3	2 Set	0.93	Regulation 14.3 (a) and 14.4 (d)	Motor is critical part of Turbine and necessary to maintain reliability/availability of units. The absence of the same will lead to long

Sl. No.	Work Details	Use for	Qty.	Capex (Rs. Cr.)	Proposed under	Justification/Description
						outage of Unit and hamper plant generation. Due to its continuous operation, the motors have undergone wear and tear and have also outlived their useful life and will require replacements for continuous operation of the plant.
2.	Turbine Parting plane fasteners	2&3	1 Sets	8.60	Regulation 14.3 (a) and 14.4 (d)	Turbine Parting plane fasteners have been in service for more than 20 years. Over-aged fasteners with elevated hardness pose failure risk; replacement prevents forced outages in major turbine assemblies.
3.	LP Turbine last stage blades	2&3	2 Sets	5.00	Regulation 14.3 (a) and 14.4 (d)	Severe steam erosion impacting reliability and unit availability; and needs replacement for reliable operation of turbine and Unit availability.
4.	CT Tower Fills pack assembly	2&3	12 Sets	8.00	Regulation 14.3 (a) and 14.4 (d)	CT Tower Fills are in choked condition and needs replacement to restore cooling efficiency and condenser vacuum performance; predominantly for operation/efficiency sustenance.
5.	Ash conveying Pipe & Bends	2&3	2 Lots	21.00	Regulation 14.3 (a), 14.4(b) and 14.4(d) and 14.4(f)	High erosion/leakage affects ash evacuation and causes environmental/public nuisance; replacement improves process performance and compliance.
6.	Ash Slurry and Recovery pumps system	2&3	2 Lots	5.00	Regulation 14.3 (a),14.4 (d) and 14.4 (f)	Ash slurry and Recovery Pumps are high prone to ash erosion; It will prevent ash pond overflow and community impact; focuses on sustained process performance and operability of disposal systems.
7.	Main Plant Structure Refurbishment (Boiler, Coal Mill, Ash Plant & Aux. System)	2&3	2 Set	7.50	Regulation 14.3 (a), 14.4 (d)	Main plant structures are in service for more than 20 years. Many of the structures have degraded over the period and needs to be refurbished for avoiding any catastrophic failure and ensure reliable operation of Unit.
8.	APH Tube replacement	2&3	9000 Tube	22.00	Regulation 14.3 (a), 14.4 (d)	APH Tubes have eroded to a considerable level. Many tubes have been plugged which is hampering Unit performance with high current drawl by draught fan. For reliable operation of Unit APH tube replacement to be carried out.

Sl. No.	Work Details	Use for	Qty.	Capex (Rs. Cr.)	Proposed under	Justification/Description
9.	Coal Bends, MPO, Coal pipe	2&3	2 Lots	5.00	Regulation 14.3 (a), 14.4 (d)	Erosion/leakage in coal discharge causes pollution & mill unavailability; replacements improve operational efficiency and reduce emissions/fugitive dust.
10.	Chimney structure & Landing platform Refurbishment	2&3	2 Set	4.00	Regulation 14.3 (a), 14.4 (d)	Chimney structure and landing platform have aged and are in damaged condition; Structural refurbishment is required for integrity and safe access; It is life-extension/Upgradation activity.
11.	Installation of Wheel gripper and other devices as per RDSO guideline (R33 rev.02) in wagon tippler	Common	2 Sets	1.70	Regulation 14.3 (b) and 14.4(e)	Installation of wheel gripper as per RDSO guidelines is required for meeting regulatory norms and safe operation of Wheel Gripper.
12.	132 kV ABB BLK Breaker Replacement	2&3	7	0.60	Regulation 14.3 (c)	OEM recommended obsolete; replacing critical grid interface breakers safeguards reliability & protection integrity.
13.	Testing Equipments	2&3	3	0.50	Regulation 14.3 (a), 14.4 (d)	Testing equipment need for reliable diagnostic/protection testing for primary equipment; supports outage prevention by condition assessment.  Winding resistance, Tan Delta, 10 KV Megger, LCM, DCRM, 1-phase and 3 phase injection kit.
14.	U#2/3 Station Battery Bank (220V DC)	2&3	1-Bank	0.70	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
15.	U#2 Unit Battery Bank- 220V	2	1-Bank	0.55	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
16.	U#3 Unit Battery Bank- 220V	3	1-Bank	0.55	Regulation 14.3 (a)	Crossed useful life of 10 years; DC system is critical for protection/controls and maintain reliability of overall governing system.
17.	CHP LT Breaker Replacement	2&3	11	0.40	Regulation 14.3 (c)	OEM recommended obsolescence; replacing aging LT breakers reduces trip/failure risk in coal handling; reliability improvement.

Sl. No.	Work Details	Use for	Qty.	Capex (Rs. Cr.)	Proposed under	Justification/Description
18.	CHP HT Breaker Replacement	2&3	14	0.35	Regulation 14.3 (c)	OEM recommended obsolescence; replacing aging CHP HT Breaker reduces trip/failure risk in coal handling; reliability improvement
19.	U-2 24v bank-1	2	1	0.25	Regulation 14.3 (a)	Crossed useful life of 10 years; 24 V DC bank is critical power control system; supports reliable operations.
20.	U-3 24v bank-1 & 2	3	1	0.50	Regulation 14.3 (a)	Crossed useful life of 10 years; 24 V DC bank is critical power control system; supports reliable operations.
21.	FBT for change over relay	2&3	2	0.30	Regulation 14.3 (a), 14.4 (d)	Essential for reliable change-over; In order to prevent control failures and outages, the Petitioner required to maintain as spare part.
22.	Jemco MCC retrofitting	Common	1	0.50	Regulation 14.3 (a), 14.4 (d)	Repetitive problem of jaw failures leading to flashover.
23.	Unit#2 Revamping of SWAS	2	1	1.25	Regulation 14.3 (a)	Aging of system (Wet & Dry)
24.	Unit#3 Revamping of SWAS	3	1	1.25	Regulation 14.3 (a)	Aging of system (Wet & Dry)
25.	Master Clock System	2&3	1 lot	1.50	Regulation 14.3 (c)	OEM recommended Obsolescence; required for operational efficiency enhancement.
26.	CT Chemical dosing system	2&3	2	1.27	Regulation 14.3 (a)	Aged dosing equipment; refurb/replacement is part of major cooling system upkeep—life-extension & water treatment integrity.
27.	Fire equipment/system upgradation	2&3	1	7.00	Regulation 14.3 (a), 14.4 (b) and 14.4(e)	Aged fire protection is a safety-critical system; upgradation is required statutory compliance.
28.	IT infrastructure upgradation	Common	1	2.5	Regulation 14.3 (c)	Going forward, operating the plant requires added/ and upgraded infrastructure in terms of Digital Network upgradation/addition of Laptop /Desktop for facilitating the various interfaces at multiple points with needed/necessary upgradation.

55. The Petitioner seeks liberty to furnish Detailed Project Reports/ detailed justifications for above schemes through subsequent additional submission.

#### **D.5.2 Already Approved Schemes: Spill Over Work from previous Control Period**

56. The Hon'ble Commission, vide Order dated 28.03.25 for APR of FY 2024-25, had approved various Additional Capital Expenditure Schemes during FY 2024-25 and

FY 2025-26. However, few of them could not be completed or carried out due to various uncontrollable reasons. The Hon'ble Commission would appreciate that the capitalization of such approved schemes requires considerable time as it involves several negotiations with vendors, quality checks and efficient commissioning methodologies in order to optimize the cost and flawless execution of the Projects. The following are the major reasons for the deviation in Capitalization Plan of some of the Capital Expenditure Schemes.

- i. Changes in the maintenance plan in view of variation in the operational plan or variations in technical requirements.
- ii. Changes in the Annual Shutdown Plan or duration of the Annual Outage of the Units due to unavoidable circumstances viz. high lead time in delivery of the equipment, non-availability of specialized OEM Engineers, etc.
- iii. Re-negotiations with the vendors on account of deviations in Cost and Budgeting as planned.
- iv. Reassessment of necessity/usefulness of Schemes owing to ever-changing scenario.

57. The deferment of the schemes on account of the abovementioned reasons, have already been informed to the Hon'ble Commission through the Quarterly Reports of the FY 2024-25 and also vide Petition for True Up of FY 2024-25 and APR of FY 2025-26. In view of above, Tata Power humbly requests the Hon'ble Commission to allow capitalization of already approved Capital Expenditure Schemes, as shown in the table below:

**Table11: Spill over work from previous control period (Rs. Cr.)**

<b>Particulars</b>	<b>Capitalisation Value</b>
<b>Unit 2 Standalone</b>	
Upgradation of Cyber Security	3.57
Spray Nozzle for Boiler	0.70
Upgradation of Digital Automatic Voltage Regulator (DAVR)	1.30
<b>Total Spilled Over Works</b>	<b>5.57</b>

#### **D.5.3 New Schemes: Additional Capitalization FY 2026-27 to FY 2030-31**

58. Regulation 14.3 and 14.4 of JSERC GTR, 2025 specify various provisions for allowance of Additional Capital Expenditure ("Add Cap") incurred or projected to be incurred in respect of new project or existing project falling within Original Scope

of work or beyond the Original Scope of work after the cutoff date. Further Regulation 14.5 provides for ACE to be incurred during the fag end of the project.

**Table12: Summary of Proposed Additional Capitalization pertaining to unit 2 & 3 for each year of the Control Period (Rs. Lakh)**

Description	Proposed Budget (Lakhs)	FY27	FY28	FY29	FY30	FY31
<b>Standalone unit 2</b>						
U#2 Unit Battery Bank-220V	55.00	55.00	-	-	-	-
U-2 24v bank-1	25.00	25.00	-	-	-	-
Unit#2 Revamping of SWAS	125.00	125.00	-	-	-	-
<b>Sub-Total</b>	<b>205.00</b>	<b>205.00</b>	-	-	-	-
<b>Standalone unit 3</b>						
U#3 Unit Battery Bank-220V	55.00	55.00	-	-	-	-
U-3 24v bank-1 & 2	50.00	50.00	-	-	-	-
Unit#3 Revamping of SWAS	125.00	-	125.00	-	-	-
<b>Sub-Total</b>	<b>230.00</b>	<b>105.00</b>	<b>125.00</b>	-	-	-
<b>Unit 2 and 3</b>						
Turning Gear Hydraulic Motor	92.50	46.25	46.25		-	-
Turbine Parting plane fasteners	860.00	860.00		-		-
LP Turbine last stage blades	500.00	500.00		-		-
CT Tower Fills pack assembly	800.00	400.00	400.00	-	-	-
Ash conveying Pipe & Bends	2,100.00	420.00	420.00	420.00	420.00	420.00
Ash Slurry and Recovery pumps system	500.00	150.00	200.00	150.00		-
Main Plant Structure Refurbishment (Boiler, Coal Mill, Ash Plant & Aux. System)	900.00	180.00	180.00	180.00	180.00	180.00
APH Tube replacement	2,200.00	500.00	500.00	500.00	500.00	200.00
Coal Bends, MPO, Coal pipe	500.00	100.00	100.00	150.00	150.00	-
Chimney structure & Landing platform Refurbishment	400.00	200.00	200.00	-	-	-
CHP LT Breaker Replacement	40.00	20.00	20.00	-	-	-
CHP LT Breaker Replacement	35.00	20.00	15.00	-	-	-
132kV ABB BLK Breaker Replacement	60.00	30.00	30.00	-	-	-
FBT for change over relay	30.00	30.00	-	-	-	-
Testing Equipments	50.00	25.00	25.00	-	-	-

Description	Proposed Budget (Lakhs)	FY27	FY28	FY29	FY30	FY31
U#2/3 Station Battery Bank (220V DC)	70.00	70.00				
Master Clock System	150.00	-	150.00	-	-	-
CT Chemical dosing system	127.00	127.00		-	-	-
Fire equipment/system upgradation	700.00	300.00	300.00	100.00	-	-
<b>Sub-Total</b>	<b>10,114.50</b>	<b>3,978.25</b>	<b>2,586.25</b>	<b>1,500.00</b>	<b>1,250.00</b>	<b>800.00</b>
<b>Common (Apportioned for Unit 2 and 3)</b>						
Jemco MCC retrofitting	21.92	21.92	-	-	-	-
Installation of Wheel gripper and other devices as per RDSO guideline (R33 rev.02) in wagon tippler	74.52	37.26	37.26	-	-	-
IT Infrastructure upgradation	109.59	54.79	54.79	-	-	-
<b>Sub-Total</b>	<b>206.03</b>	<b>113.97</b>	<b>92.05</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capex</b>	<b>10,755.53</b>	<b>4,402.22</b>	<b>2,803.30</b>	<b>1,500.00</b>	<b>1,250.00</b>	<b>800.00</b>

59. It is submitted that some of the Schemes are commonly proposed for Unit 2 and Unit 3, however, with actual progress on scheme, discussions with vendors regarding supply of material, the availability of outage, actual capitalization/phasing in each Unit may vary. Hence, Tata Power seeks liberty of the Hon'ble Commission to apprise such inter-se adjustments among Unit 2&3 in the quarterly additional capitalisation reports or during true-up exercise of respective year.
60. It is humbly submitted that the Hon'ble Commission may kindly approve the proposed Additional Capitalization for the 4<sup>th</sup> Control Period as proposed in the above Tables for computation of the Gross Fixed Assets pertaining to Unit 2 and Unit 3.

#### D.5.4 De-Capitalization FY 2026-27 to FY 2030-31

61. It is humbly submitted that based on principles as explained in the True Up and APR petition regarding de-capitalization, the Decapitalization against the proposed Capital Expenditure Schemes involving complete or partial Replacement of the assets have been worked out and the same has been considered for arriving at net Addition for each year of the 4<sup>th</sup> Control Period. However, it may kindly be noted that such decapitalization is on provisional basis and is subject to truing-up of respective years. Detailed working for Decapitalization for the proposed Capital

Expenditure Schemes is provided in the tariff model. Proposed decapitalization for FY 2026-27 to FY 2030-31 is summarized in the following Table:

**Table13: Summary of Proposed De-Cap for FY27 to FY31 (Rs. Cr.)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
De-capitalisation Unit 2	6.66	3.60	1.99	1.64	1.04
De-capitalisation Unit 3	5.84	3.93	1.99	1.64	1.04

62. It is humbly submitted before this Hon'ble Commission to kindly approve the proposed provisional De-Capitalization for 4<sup>th</sup> Control Period as shown in the above Tables for computation of the Gross Fixed Assets pertaining to Unit 2 and Unit 3. However, the actual decapitalization shall be claimed during the True up of the respective years.

#### **D.5.5 Additional Capitalization on account of Renovation and Modernization**

63. It is submitted that in terms of Regulations 14.8-14.10, the Petitioner is required to file an application with Detailed Project Report inter-alia containing all the information as specified in these Regulations for the purpose of seeking approval of the Additional Capital Expenditure required for carrying out Renovation and Modernization of Unit 2 and Unit 3 for extension of life beyond the useful life. It is submitted that extensive study is required to be performed for each critical equipment during the RLA Study to understand the requirement and to prepare the R&M plan in consultation with beneficiaries, OEMs.
64. As also discussed herein above, the Petitioner is in the process of conducting the RLA study and due to time constraint, the compilations of overall capitalization requirements for the Control Period could not be completed and, therefore, Tata Power humbly seeks liberty of the Hon'ble Commission to modify/make additions to the above Capex proposal, if need arises during the proceedings of the present Petition and/or in subsequent True-up/APR Petitions. Along with due approval from Management and Tata Steel Distribution Licensee.

#### **D.6 FINANCING OF CAPITAL EXPENDITURE PLAN**

65. The financing of the proposed Capex schemes is envisaged to be done through internal accrual. Therefore, financing of Additional Capitalization has been considered at Normative Debt: Equity ratio of 70:30 as per JSERC GTR, 2025.

## D.7 OPERATION & MAINTENANCE EXPENSES PLAN

66. As per JSERC GTR, 2025, Tata Power proposes to present the O&M Expenses for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 under the following broad categories:
- (a) Employee Expenses
    - I. Employee Expenses excluding terminal benefits
    - II. Terminal Benefits
  - (b) Repairs & Maintenance (R&M) Expenses
  - (c) Administrative and General (A&G) Expenses
    - I. Ash Disposal Expenses
    - II. Application Fee & Publication Expenses
    - III. Other A&G Expenses
    - IV. Legal Expenses
  - (d) Raw Water Charges
  - (e) Security Expenses
  - (f) Capital Spares

### Regulatory Provisions

67. **Projected O&M Expenses:** Regulations 15.35, 15.40 to 15.44, 15.46 and 28.1 of JSERC GTR, 2025 specify the principles for determination of norms for O&M Expenses for Existing Generating Stations for the Control Period as follows:

#### ***“Operation and Maintenance Expenses***

*15.35 Operation and Maintenance (O&M) expenses shall comprise of the following:*

*1. Salaries, wages, pension contribution and other employee costs;*

*2. Administrative and General costs;*

*3. Repairs and maintenance expenses;*

*.....*

*15.40 The O&M Expenses for the Base Year of the Control Period shall be approved by the Commission taking into account the audited accounts of FY 2020-21 to FY 2024 25, Business Plan filed by the Generating Company, estimates of the actual for*

the Base Year, prudence check and any other factor considered appropriate by the Commission.

15.41 The O&M expenses permissible towards ARR of each year of the Control Period shall be approved based on the formula shown below:

$$\mathbf{O\&Mn = (R\&Mn + EMPn + A\&Gn) + Terminal Liabilities}$$

Where,

*R&Mn* – Repair and Maintenance Costs of the Generating Company for the *n*th year;

*EMPn* – Employee Costs of the Generating Company for the *n*th year excluding terminal liabilities;

*A&Gn* – Administrative and General Costs of the Generating Company for the *n*th year.

15.42 The above components shall be computed in the manner specified below:

$$a) (Repair \& Maintenance)_n = K * GFA * (INDX_n / INDX_0)$$

Where,

'K' is a constant (expressed in %) governing the relationship between Repair & Maintenance costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of Repair & Maintenance to GFA of the preceding years of the Base Year in the MYT Order after normalising any abnormal expenses;

'GFA' is the opening value of the gross fixed asset of the *n*th year;

*INDX<sub>n</sub>* is the indexation for *n*th year of control period;

*INDX<sub>0</sub>* is the indexation for the base year of the control period;

$$b) EMP_n + A\&G_n = [(EMP_{n-1}) * (1 + G_n) + (A\&G_{n-1})] * (INDX_n / INDX_{n-1})$$

Where,

*EMP<sub>n-1</sub>* – Employee Costs of the Generating Company for the (*n-1*)th year excluding terminal liabilities;

*A&G<sub>n-1</sub>* – Administrative and General Costs of the Generating Company for the (*n-1*)th year excluding legal/litigation expenses;

*INDX<sub>n</sub> – Inflation factor to be used for indexing the employee cost and A&G cost. This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year before the base year;*

*G<sub>n</sub> – is a growth factor for the nth year and it can be greater than or lesser than zero based on the actual performance. Value of G<sub>n</sub> shall be determined by the Commission in the MYT Order for meeting the additional manpower requirement based on the Generating Company Filing, benchmarking and any other factor that the Commission feels appropriate;*

$$c) \text{INDX}_n = 0.55 * \text{CPI}_n + 0.45 * \text{WPI}_n;$$

*Note-1: For the purpose of estimation, the same INDX<sub>n</sub> /INDX<sub>n-1</sub> value shall be used for all years of the Control Period. However, the Commission will consider the actual values in the INDX<sub>n</sub> /INDX<sub>n-1</sub> at the end of each year during the Annual Performance Review exercise and true up the employee cost and A&G expenses on account of this variation, for the Control Period;*

*Note-2: Any variation due to changes recommended by the Pay Commission or wage revision agreement, etc., will be considered separately by the Commission.*

*Note-3: Terminal Liabilities will be approved as per actual submitted by the Generating Company along with documentary evidence such as actuarial studies.*

*15.43 The Generating Company, in addition to the above details shall also submit the detailed break-up of the Legal/Litigation Expenses for the previous Years (FY 2020-21 to FY 2024-25) along with the details and documentary evidence of incurring such expenses. The Commission shall approve the legal expenses as per the relevant provisions of the Jharkhand State Litigation Policy based on the necessary documentary evidence submitted for the Control Period and shall carry out due prudence check of legal expenses at the time of truing up.*

*15.44 The additional Operation and Maintenance expenses on account of implementation of revised emission standards shall be approved on case-to-case basis.”*

68. As per Regulation 15.40 of JSERC GTR, 2025, the O&M expenses for the Base Year (FY 2025-26) have to be determined on the basis of the audited accounts from FY

2020-21 to FY 2024-25. Accordingly, the Petitioner has considered expenses booked under P&L from FY 2020-21 to FY 2025-26 towards employee expenses, other A&G expenses and R&M expenses to derive the normative O&M expenses for ensuing Control Period. The Audited P&L statements for FY 2020-21 to FY 2024-25 along with management certificate for Security Expenses is enclosed herewith as **ANNEXURE P1 (colly)**.

69. The escalation factor to be applied for projecting the O&M expenses has been considered as per the above provisions of JSERC GTR, 2025 and approach adopted by the Hon'ble Commission in the previous Control Period. The Petitioner has calculated the Consumer Price Index (CPI inflation) and Wholesale Price Index (WPI inflation) based on the average increase in the CPI and WPI respectively for immediately preceding 5 years before the base year. The summary of the escalations considered for projection of O&M expenses for the 4<sup>th</sup> Control Period is presented in table below:

**Table14: Inflation Index considered for projection of O&M Expenses**

Particular	FY20	FY21	FY22	FY23	FY24	FY25
CPI	322.5	338.69	356.06	377.62	397.2	410.64
WPI	121.8	123.38	139.41	152.53	151.42	154.86
<b>Wtd. Avg. Index (0.55*CPI + 0.45*WPI)</b>	<b>232.19</b>	<b>241.8</b>	<b>258.57</b>	<b>276.33</b>	<b>286.6</b>	<b>295.54</b>
% Increase	6.09%	4.14%	6.93%	6.87%	3.72%	3.12%
<b>Average Increase in 5 Years</b>	<b>4.96%</b>					

### **Projection of Employee Expenses**

70. Tata Power has computed employee expenses based on average of past 5 years actual expenses i.e. FY 2020-21 to FY 2024-25, Growth Factor and applicable Inflation Factor.
71. For the 4<sup>th</sup> Control Period, Tata Power has projected manpower strength and corresponding growth rate as per the Human Resource requirement in Jojobera Unit 2 and Unit 3. It is submitted that the Petitioner is not envisaging any increase in the no. of employees during the 4<sup>th</sup> control period for the existing generation facility (excluding FGD). However, the Petitioner seeks liberty to approach Hon'ble

Commission in case of variation in manpower requirement at the time of True Up. Accordingly, the Projected manpower details and growth rate is shown in the table below:

**Table15: Growth Factor for MYT Period (%)**

Particulars	FY26	FY27	FY28	FY29	FY30	FY31
Management Cadre	157	157	157	157	157	157
Non- Management Cadre	42	42	42	42	42	42
<b>Total</b>	<b>199</b>	<b>199</b>	<b>199</b>	<b>199</b>	<b>199</b>	<b>199</b>
Increase	0	0	0	0	0	0
<b>Growth (G) (in%)</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

72. The broad approach adopted by the Petitioner to project employee expenses for the 4<sup>th</sup> Control Period has been discussed in the para below:

- (a) Tata Power has computed Mid-Year Value (FY 2022-23) based on average of past five years actual audited expenses (from FY 2020-21 to FY 2024-25).
- (b) The average (Mid-Year Value) has been escalated year on year (Y-O-Y) basis with inflation factor, as shown in the above table, to arrive at the Base Year value i.e., FY 2025-26.
- (c) For employee expenses projection, NIL growth rate has been considered for entire control period. However, any variation in growth rate will be submitted during True Up of respective year.
- (d) The base year expenses i.e. FY 2025-26, as computed above, has been further escalated using required inflation index to arrive at employee expenses for each year of the 4<sup>th</sup> Control Period.

73. As regards terminal benefits, Tata Power has projected terminal benefits by considering actual expenses incurred towards terminal benefits during FY 2024-25 for both Unit 2 and Unit 3 and escalated with required inflation factor, as shown in the above table, to arrive at terminal benefit for each year of the 4<sup>th</sup> Control Period.

74. Based on the methodology discussed above, actual Employee Expenses and projected Employee Expenses for the 4<sup>th</sup> Control Period are shown in the table below:

**Table16: Actual Employee Exp. (Excl. Term Benefits) for Unit 2&3 (Rs. Cr.)**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Unit 2</b>						
Employee Expenses excl. Terminal Benefits	7.45	8.36	8.87	10.41	11.03	<b>10.66</b>
<b>Unit 3</b>						
Employee Expenses excl. Terminal Benefits	7.45	8.36	8.87	10.39	11.02	<b>10.66</b>

**Table17: Projected Employee Exp. from FY27 to FY31 for Unit 2&3 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>					
Employee Expenses excl. Terminal Benefits	11.19	11.75	12.33	12.94	13.58
Terminal Benefits	0.90	0.95	0.99	1.04	1.10
<b>Unit 3</b>					
Employee Expenses excl. Terminal Benefits	11.19	11.74	12.32	12.93	13.57
Terminal Benefits	0.90	0.95	0.99	1.04	1.10

### Projection of Administrative and General Expenses

75. Tata Power has computed other A&G expenses, Head Office Expenses, Legal Expenses and Security Expenses based on average of past 5 years actual expenses i.e. FY 2020-21 to FY 2024-25. The approach adopted by Tata Power is as follows:

- (a) As per Regulation 15.46 of JSERC GTR, 2025, Security Expenses shall be allowed separately. Accordingly, Tata Power has projected security expenses separately based on the approach the past 5 years actual expenses.
- (b) Actual Other A&G expenses for past 5 years have been considered and then adjusted expenses that are being projected separately i.e. legal charges, filing fees and Security Expenses.
- (c) After the adjustments, Mid-Year Value (FY 2022-23) has been computed based of 5 years average adjusted A&G expenses.
- (d) With respect to Head office, Legal and Security Expenses, Tata Power has computed Mid-Year Value (FY 2022-23) based on average of past five years actual audited expenses (from FY 2020-21 to FY 2024-25).

(e) The average (Mid-Year Value) has been escalated Y-O-Y basis with inflation factor, as shown in the above table, to arrive at the Base Year value i.e., FY 2025-26.

(f) The base year expenses i.e. FY 2025-26, as computed above, have been further escalated using required inflation index to arrive other A&G, Head Office, Legal and Security expenses for each year of 4th Control Period.

76. Based on the above discussion and applicable regulatory provisions, past years' expenses and projected A&G expenses are shown in the table below.

**Table18: Actual other A&G Expenses of Unit-2 (Rs. Cr.)**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Other A&amp;G Expenses as per Annual Account</b>	<b>8.71</b>	<b>5.06</b>	<b>6.38</b>	<b>5.97</b>	<b>7.09</b>	
Adjustments						
Publication and Filing Fees	0.43	0.07	0.20	0.13	0.19	
Legal Fee	0.01	0.002	0.01	0.03	0.02	
Security Expenses	0.62	0.69	0.78	0.75	0.96	
<b>Net other A&amp;G Expenses</b>	<b>7.65</b>	<b>4.30</b>	<b>5.39</b>	<b>5.06</b>	<b>5.91</b>	<b>6.55</b>

**Table19: Actual other A&G Expenses of Unit-3 (Rs. Cr.)**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Other A&amp;G Expenses as per Annual Account</b>	<b>8.53</b>	<b>4.88</b>	<b>6.08</b>	<b>4.52</b>	<b>6.87</b>	
Adjustments						
Publication and Filing Fees	0.43	0.07	0.20	0.13	0.19	
Legal Fee	0.01	0.002	0.01	0.03	0.02	
Security Expenses	0.62	0.69	0.78	0.75	0.96	
<b>Net other A&amp;G Expenses</b>	<b>7.47</b>	<b>4.12</b>	<b>5.08</b>	<b>3.61</b>	<b>5.70</b>	<b>6.01</b>

**Table20: Actual Head Office, Legal and Security Expenses (Rs. Cr.)**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Unit-2</b>						
Head Office Expenses	11.69	12.76	9.55	11.53	14.60	13.90
Legal Expenses	0.01	0.00	0.01	0.03	0.02	0.02
Security Expenses	0.62	0.69	0.78	0.75	0.96	0.88
<b>Unit-3</b>						
Head Office Expenses	10.99	11.35	10.35	11.85	14.03	13.54
Legal Expenses	0.01	0.00	0.01	0.03	0.02	0.02

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
Security Expenses	0.62	0.69	0.78	0.75	0.96	0.88

**Table21: Projected Other A&G, Legal, Head Office Expenses from FY27 to FY31 for Unit 2&3 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>					
Other A&G Expenses	6.87	7.21	7.57	7.94	8.34
Head Office Expenses	14.59	15.32	16.07	16.87	17.71
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12
<b>Unit 3</b>					
Other A&G Expenses	6.30	6.62	6.94	7.29	7.65
Head Office Expenses	14.21	14.92	15.66	16.43	17.25
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Security Expenses	0.92	0.97	1.02	1.07	1.12

77. **Application Fee & Publication Expenses:** Regulation 28.1 of JSERC GTR, 2025 provides that:

*“28.1 The Generating Company shall be allowed to recover the Statutory Charges imposed by the State and Central Government such as electricity duty, water cess and payment to the pollution control board in addition to Application Filing Fee and Publication Expenses, subject to prudence check by the Commission. The Generating Company is required to furnish the details regarding the same along with the Petition.”*

78. The application fee has been proposed in accordance JSERC (Fees, Fines & Charges) Regulations, 2024 wherein the Fees Schedule has been provided. Accordingly, the Application Fees for the Control Period has been projected based on the Fee Schedule specified in above mentioned Regulations. Accordingly, the Petitioner requests Hon'ble Commission to consider the Application Fees submitted through the instant petition for approval of Application Fees for FY 2026-27 to FY 2030-31 for Jojobera Unit 2 and Unit 3.

79. Further, publication fees have been projected for 4<sup>th</sup> Control Period by considering actual publication fees for FY 2024-25 and escalated Y-O-Y basis using applicable inflation index to compute publication fees for each year of the Control Period.

80. The application and publication fees proposed for 4<sup>th</sup> Control Period are shown in the table below:

**Table22: Projected A&G and Legal Expenses from FY27 to FY31 for Unit 2&3  
(Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>					
Application Fees /Filing Fees	0.11	0.11	0.11	0.11	0.11
Publication Expenses	0.09	0.10	0.10	0.10	0.11
<b>Application and Publication fees</b>	<b>0.20</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.22</b>
<b>Unit 3</b>					
Publication Fees	0.11	0.11	0.11	0.11	0.11
Filing Fees	0.09	0.10	0.10	0.10	0.11
<b>Application and Publication fees</b>	<b>0.20</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.22</b>

### Projection of R&M Expenses

81. As per Regulation 15.42 of JSERC GTR, 2025, R&M expenses have been computed based on the following formula:

*“15.42 The above components shall be computed in the manner specified below:*

*a) Where, (Repair & Maintenance)  $n = K * GFA * (INDX_n / INDX_o)$*

*‘K’ is a constant (expressed in %) governing the relationship between Repair & Maintenance costs and Gross Fixed Assets (GFA) and shall be calculated based on the % of Repair & Maintenance to GFA of the preceding years of the Base Year in the MYT Order after normalising any abnormal expenses; ‘GFA’ is the opening value of the gross fixed asset of the nth year;*

*INDX<sub>n</sub> is the indexation for nth year of control period;*

*INDX<sub>o</sub> is the indexation for the base year of the control period;”*

82. The percentage constant ‘K’ factor has been computed based on past 5 years opening GFA and actual R&M expenses. Then based on the 5 years average percentage ‘K’, base value of ‘K’ has been arrived using applicable inflation index.

83. Further, for computation of R&M expenses for the Control Period, projected opening GFA is multiplied with the base year ‘K’ factor and cumulative inflation index for respective year. It may be noted that the R&M expenses are higher in the year when annual shutdown is taken for overhauling purpose.

84. Projected R&M expenses and computation of percentage constant ‘K’ are shown in the Table below:

**Table23: Actual R&M expenses and opening GFA from FY21 to FY25 (Rs. Cr.)**

Particulars	FY21	FY22	FY23	FY24	FY25	FY26 (Base Year)
<b>Unit 2</b>						
Opening GFA	483.52	488.62	490.89	491.27	496.58	499.72
Actual R&M Expenses	10.34	25.16	11.91	13.79	31.87	21.88
Percentage constant 'K'	2.14%	5.15%	2.43%	2.81%	6.42%	4.38%
<b>Unit 3</b>						
Opening GFA	464.33	473.22	475.01	475.68	480.98	481.00
Actual R&M Expenses	21.73	10.19	11.55	24.55	11.76	18.76
Percentage constant 'K'	4.68%	2.15%	2.43%	5.16%	2.44%	3.90%

**Table24: Projected R&M expenses from FY27 to FY31 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Unit 2</b>					
Opening GFA	510.76	532.18	541.98	547.48	552.09
Percentage constant 'K'	4.38%	4.38%	4.38%	4.38%	4.38%
Inflation Factor	4.96%	4.96%	4.96%	4.96%	4.96%
<b>'K' Factor with cumulative inflation</b>	<b>4.60%</b>	<b>4.82%</b>	<b>5.06%</b>	<b>5.31%</b>	<b>5.58%</b>
<b>Projected R&amp;M Expenses</b>	<b>23.48</b>	<b>25.67</b>	<b>27.44</b>	<b>29.09</b>	<b>30.79</b>
<b>Unit 3</b>					
Opening GFA	493.48	509.15	519.86	525.37	529.98
Percentage constant 'K'	3.90%	3.90%	3.90%	3.90%	3.90%
Inflation Factor	4.96%	4.96%	4.96%	4.96%	4.96%
<b>'K' Factor with cumulative inflation</b>	<b>4.09%</b>	<b>4.30%</b>	<b>4.51%</b>	<b>4.73%</b>	<b>4.97%</b>
<b>Projected R&amp;M Expenses</b>	<b>20.21</b>	<b>21.88</b>	<b>23.45</b>	<b>24.87</b>	<b>26.33</b>

### Projection of Ash Disposal Expenses

85. It is humbly submitted that Ash Disposal expenses have been allowed by the Hon'ble Commission on actual basis in view of the Judgement of the Hon'ble APTEL dated 10.08.2016 in respect of Jojobera unit 2 & 3. In line with this approach, the Petitioner has projected Ash Disposal Expenses based on the Ash Disposal Plan for the upcoming Control Period.
86. The total Ash Generation for the Control Period from FY 2026-27 to FY 2030-31 has been worked out considering average ash percentage of 41% for coal consumed during previous years. The projected Ash Generation for Unit-2 and Unit-3 has been shown in the table below:

**Table25: Projected Ash Generation from FY27 to FY31 (MT)**

Particulars	FY27	FY28	FY29	FY30	FY31
Coal consumption: Unit-2	522101	648457	522101	483506	522101
Coal consumption: Unit-3	622369	591062	567697	451693	567697

<b>Ash Generation (@41%)</b>					
Ash Generation: Unit-2	214061	265867	214061	198237	214061
Ash Generation Unit-3	255171	242335	232756	185194	232756
<b>Total Ash Generation</b>	<b>469232</b>	<b>508203</b>	<b>446817</b>	<b>383432</b>	<b>446817</b>

87. As per the industry practice, 80% of the total Ash Generation has been considered as Fly Ash and the balance 20% has been considered as Bottom Ash. The following Table shows the generation of Fly Ash and Bottom Ash for Unit 2 & 3 of Jojobera Power Plant.

**Table26: Fly Ash and Bottom Ash projected from FY27 to FY31 (MT)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
<b>Fly Ash Generation (80% of Total Ash Generation)</b>					
Unit-2	171249	212694	171249	158590	171249
Unit-3	204137	193868	186205	148155	186205
<b>Total Fly Ash Generation</b>	<b>375386</b>	<b>406562</b>	<b>357454</b>	<b>306745</b>	<b>357454</b>
<b>Bottom Ash Generation (20% of Total Ash Generation)</b>					
Unit-2	42812	53173	42812	39647	42812
Unit-3	51034	48467	46551	37039	46551
<b>Total Bottom Ash Generation</b>	<b>93846</b>	<b>101641</b>	<b>89363</b>	<b>76686</b>	<b>89363</b>

2. The Bottom Ash being wet in nature is sent to the Ash Pond through Slurry Pumps for subsequent disposal to designated low lying areas. On the other hand, Tata Power ensures maximum utilization of Fly Ash which is pegged more than 74% of the total Fly Ash generated annually, considering the average ash utilization (%) of the last five years. Following are the key modes of Fly Ash utilization by Jojobera Power Plant:

- a) Fly Ash in the tune of about 42% of total Fly Ash generated is supplied to Nuvoco Cements free of cost through pipelines by pressurized air which further utilizes the Fly Ash for Cement manufacturing.
- b) About 15% of fly ash is supplied to Shree cement through bulker mode at the rate shown in table below, wherein the Petitioner bears the transportation cost.
- c) About 14.58% of fly ash is supplied to RMC/Brick Plant through bulker/Truck mode at cost shown in the Table below.
- d) About 5% of fly ash is supplied to RMC/Brick Plant through

bulker/Truck mode at free of cost.

- e) The balance unutilized Fly Ash is transferred to JEMCO Ash Pond after mixing with water through the Wet Disposal System for temporary storage in view of the inherent space constraint and subsequently disposed of in the designated low-lying areas. Considering the huge volume of Ash generated on daily basis and the limited capacity of the JEMCO Ash Ponds, these ponds have to be evacuated very frequently, and the Ash is disposed of to designated places. In addition, the Pond Ash always contains moisture in the tune of 30%.

88. As mentioned above, since we have considered 76.58% fly ash utilization for the next control period, we have computed amount of pond ash generated for each year by summing up the balanced unutilized quantity and bottom ash generated in each year and further adding up 30% estimated moisture. We have assumed 100% total ash utilization in every year considering the guidelines of CPCB/MOEF.
89. Computation of Pond Ash generation for each year as per the above-mentioned methodology is produced below:

Particulars	Unit	FY27	FY28	FY29	FY30	FY31
Nuvoco Cement	MT	157662	170756	150131	128833	150131
Shree cement	MT	56308	60984	53618	46012	53618
RMC with cost	MT	52603	52603	52603	52603	52603
RMC with Zero Cost	MT	18769	20328	17873	15337	17873
<b>Total fly ash utilization</b>	<b>MT</b>	<b>285342</b>	<b>304671</b>	<b>274224</b>	<b>242785</b>	<b>274224</b>
Remaining fly ash	MT	90044	101891	83230	63960	83230
Pond ash (FA+BA)	MT	183890	203531	172593	140647	172593
30% Moisture	MT	239058	264591	224371	182841	224371
Pond ash Disposal Cost	Rs	81,771,664	95,030,785	84,614,692	72,400,473	93,287,697

90. With respect to rate of Ash utilization, utilization rate of Pond Ash and Fly Ash offtake by Shree Cement has been considered for with 5% Y-O-Y escalation on rate of FY26 and rate for utilization by RMC is escalated with 5% in FY28, FY30 and FY31. Fly Ash Estimated percentage of fly ash utilization & corresponding rates of each

avenue along-with rate of Pond Ash Evacuation for the period FY 2026-27 to FY 2030-31 is produced below for the reference of Hon'ble Commission.

Particulars	Utilization	UOM	FY27	FY28	FY29	FY30	FY31
Est. Pond Ash evacuated to fill low lying areas	100%	Rs./Ton	342.06	359.16	377.12	395.98	415.77
Est. Fly Ash Off-take by Nuvoco Cements	42%	Rs./Ton	0.00	0.00	0.00	0.00	0.00
Est. Quantity of Ash Supplied to Shree Cement	15%	Rs./Ton	115.50	121.28	127.34	133.71	140.39
Est. Quantity Delivered to Brick Plant & RMC	~14.58%*	Rs./Ton	60.00	63.00	63.00	66.15	69.46

\*Ash Disposal contract with RMC is for 120000 MT per annum for Jojobera units. For the projection purpose, total contracted capacity of 120000 MT is apportioned to Jojobera Unit-2 and 3 in the ratio of installed capacity (120000\* 240/547.5). Approx 14.58% is coming for 4<sup>th</sup> Control Period. Any variation in actual % will be submitted to Hon'ble Commission at the time of True Up of respective year.

91. The Projection of total Ash Utilization expense of Unit 2 & 3 for the 4<sup>th</sup> Control Period has been computed by considering the assumptions & rates as mentioned above. Further this expense has been allocated to Unit 2 and Unit 3 separately based on the ratio of the coal consumption in each year. The petitioner has incorporated this methodology, as the same was already approved by Hon'ble Commission in previous orders.

**Table27: Projected Ash Disposal expenses from FY27 to FY31 (Rs. Cr.)**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
<b>Total Ash disposed to the Ash Pond</b>	<b>Ton</b>	<b>183890</b>	<b>203531</b>	<b>172593</b>	<b>140647</b>	<b>172593</b>
Estimated evacuation of Pond Ash (% of opening stock)	%	100%	100%	100%	100%	100%
<b>Ash Disposal from Pond during the year</b>	<b>Ton</b>	<b>183890</b>	<b>203531</b>	<b>172593</b>	<b>140647</b>	<b>172593</b>
Closing stock of Ash in the Ash Pond at the end of the year	Ton	0	0	0	0	0
Moisture Addition during Ash Disposal	%	30%	30%	30%	30%	30%
<b>Total Ash to be evacuated including moisture</b>	<b>Ton</b>	<b>239058</b>	<b>264591</b>	<b>224371</b>	<b>182841</b>	<b>224371</b>
Est. Pond Ash evacuated to fill low lying areas	Ton	239058	264591	224371	182841	224371
<b>Cost of Pond Ash evacuation</b>	<b>Rs in Cr</b>	<b>8.18</b>	<b>9.50</b>	<b>8.46</b>	<b>7.24</b>	<b>9.33</b>
Est. Fly Ash Off-take by Nuvoco Cement	Ton	157662	170756	150131	128833	150131
<b>Cost of Fly Ash Utilization by Nuvoco Cement</b>	<b>Rs in Cr</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Est. Quantity of Ash Supplied to Shree Cement	Ton	56308	60984	53618	46012	53618
<b>Cost of Fly Ash Utilization by Shree Cement</b>	<b>Rs in Cr</b>	<b>0.65</b>	<b>0.74</b>	<b>0.68</b>	<b>0.62</b>	<b>0.75</b>
Est. Quantity Delivered to Brick Plant & RMC	Ton	52603	52603	52603	52603	52603
<b>Cost of Fly Ash Utilization to Brick Plant &amp; RMC</b>	<b>Rs in Cr</b>	<b>0.32</b>	<b>0.33</b>	<b>0.33</b>	<b>0.35</b>	<b>0.37</b>
<b>Total Ash Disposal Expenses of Unit 2 &amp; 3</b>	<b>Rs in Cr</b>	<b>9.14</b>	<b>10.57</b>	<b>9.48</b>	<b>8.20</b>	<b>10.45</b>
Total Coal Consumption	MT	1144469	1239518	1089798	935199	1089798
Projected Coal Consumption Unir-2	MT	522101	648457	522101	483506	522101
Projected Coal Consumption Unir-3	MT	622369	591062	567697	451693	567697
<b>Ratio of coal consumption (Unit-2)</b>	<b>%</b>	<b>46%</b>	<b>52%</b>	<b>48%</b>	<b>52%</b>	<b>48%</b>
<b>Ratio of coal consumption (Unit-3)</b>	<b>%</b>	<b>54%</b>	<b>48%</b>	<b>52%</b>	<b>48%</b>	<b>52%</b>
<b>Ash Disposal Expenses: Unit-2</b>	<b>Rs. Cr.</b>	4.17	5.53	4.54	4.24	5.00
<b>Ash Disposal Expenses: Unit-3</b>	<b>Rs. Cr.</b>	4.97	5.04	4.94	3.96	5.44

92. Since, above mentioned assumptions & rates of various ash utilization avenues are subjected to change depending upon market scenario/external factors in each year and therefore, it may vary, which is beyond control of the Petitioner. Accordingly, the petitioner requests Hon'ble commission to allow actual ash utilization cost for every year during the truing up exercise.
93. **Raw Water Charges:** Regulation 15.46 of JSERC GTR, 2025 outlines the following provisions in context to the recovery of Water Charges:

*“15.46 The **Water Charges, Security Expenses and Capital Spares** for thermal generating stations shall be allowed separately after prudence check:*

*Provided that Water Charges shall be allowed based on water consumption, depending upon type of plant, type of cooling water system, subject to prudent check. The details regarding the same shall be furnished along with the Petition.*

*Provided that the generating station shall submit the details of year wise actual capital spares consumed at the time of truing up with appropriate justification for incurring the same and substantiating that the same is not funded through special allowance as per Clause 14.11 and 14.12 of the Regulation or claimed as a part of additional capitalisation or consumption of stores and spares and renovation and modernization.”*

94. The raw water expenses depend on the Gross Generation during the year and the specific Raw Water consumption per Unit. The specific raw water consumption has

been considered by taking the weighted average of specific raw water consumption for the period from FY 2020-21 to FY 2024-25 which works out to 2.342 m<sup>3</sup>/MWh for Jojobera Unit 2 and 2.336 m<sup>3</sup>/MWh for Unit 3.

95. Further, actual applicable rate for FY 2024-25 consisting of Base Water Charge rate and water tax has been escalated by 7.5% year on year to arrive at the projected rate for each year of the Control Period.

**Table28: Rate of Raw Water Applicable for FY27 to FY31 - Unit 2 & Unit 3**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Base Charges	Rs./m <sup>3</sup>	18.93	20.35	21.87	23.52	25.28
Water Tax	Rs./m <sup>3</sup>	17.20	18.49	19.87	21.36	22.96
Rate of Raw Water	Rs./m <sup>3</sup>	<b>36.12</b>	<b>38.83</b>	<b>41.75</b>	<b>44.88</b>	<b>48.24</b>

96. Based on the above discussion and considering the Gross Generation and Sp. Raw water Consumption projected for FY 2026-27 to FY 2030-31, the Raw Water Expenses for the Control Period FY 2026-27 to FY 2030-31 for Jojobera Unit 2 and Unit 3 have been presented in the following Tables:

**Table29: Raw water Expenses for FY27 to FY31 - Unit 2**

Previous Control Period	UoM	FY22	FY23	FY24	FY25	FY26
Gross Generation	MUs	747.53	751.53	881.23	878.51	802.79
Raw Water Consumption	m <sup>3</sup>	1915962	1735917	1993007	2032250	1833667
Specific Raw Water Consumption	m <sup>3</sup> /MWh	2.56	2.31	2.26	2.31	2.28
Wtd. Avg. Raw Water Consumption	m <sup>3</sup> /MWh	2.342				
Ensuing Control Period	UoM	FY27	FY28	FY29	FY30	FY31
Gross Generation	MUs	747.61	946.88	747.61	686.75	747.61
Specific Raw Water Consumption	m <sup>3</sup> /MWh	2.34	2.34	2.34	2.34	2.34
Raw Water Consumption	m <sup>3</sup>	1,750,646	2,217,257	1,750,646	1,608,122	1,750,646
Base Water Charge Rate	Rs./m <sup>3</sup>	18.93	20.35	21.87	23.52	25.28
Raw Water Tax Rate	Rs./m <sup>3</sup>	17.20	18.49	19.87	21.36	22.96
<b>Total Raw Water Charge Rate</b>	<b>Rs./m<sup>3</sup></b>	<b>36.12</b>	<b>38.83</b>	<b>41.75</b>	<b>44.88</b>	<b>48.24</b>

Base Water Charges	Rs. Cr.	3.31	4.51	3.83	3.78	4.43
Raw Water Tax	Rs. Cr.	3.01	4.10	3.48	3.44	4.02
<b>Total Raw Water Expenses</b>	<b>Rs. Cr.</b>	<b>6.32</b>	<b>8.61</b>	<b>7.31</b>	<b>7.22</b>	<b>8.45</b>

**Table30: Raw water Expenses for FY27 to FY31 - Unit 3**

<b>Previous Control Period</b>	<b>UoM</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>
Gross Generation	MUs	669.80	863.28	907.14	834.78	882.75
Raw Water Consumption	m <sup>3</sup>	1729628	1990347	2053098	1934624	2003659
Specific Raw Water Consumption	m <sup>3</sup> /MWh	2.58	2.31	2.26	2.32	2.27
Wtd. Avg Raw Water Consumption	m <sup>3</sup> /MWh	2.336				
<b>Present Control Period</b>	<b>UoM</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Gross Generation	MUs	901.40	852.22	815.52	629.56	815.52
Specific Raw Water Consumption	m <sup>3</sup> /MWh	2.34	2.34	2.34	2.34	2.34
Raw Water Consumption	m <sup>3</sup>	2,105,430	1,990,558	1,904,831	1,470,486	1,904,831
Base Water Charge Rate	Rs./m <sup>3</sup>	18.93	20.35	21.87	23.52	25.28
Raw Water Tax Rate	Rs./m <sup>3</sup>	17.20	18.49	19.87	21.36	22.96
<b>Total Raw Water Charge Rate</b>	<b>Rs./m<sup>3</sup></b>	<b>36.12</b>	<b>38.83</b>	<b>41.75</b>	<b>44.88</b>	<b>48.24</b>
Base Water Charges	Rs. Cr.	3.99	4.05	4.17	3.46	4.82
Raw Water Tax	Rs. Cr.	3.62	3.68	3.79	3.14	4.37
<b>Total Raw Water Expenses</b>	<b>Rs. Cr.</b>	<b>7.61</b>	<b>7.73</b>	<b>7.95</b>	<b>6.60</b>	<b>9.19</b>

97. Tata Power humbly requests the Hon'ble Commission to separately approve the projected Raw Water Expenses for Unit 2 and Unit 3 for 4<sup>th</sup> Control Period.
98. Regulation 15.46 of JSERC GTR, 2025 allows capital spares to be claimed on actual basis. Tata Power is proposing Nil capital spare for the 4<sup>th</sup> Control Period. Further, it is submitted that the capital spares on actual consumption basis shall be claimed at the Time of Truing up for respective year.
99. In view of the above, the summary of the projections of O&M Expenses for each year of the Control Period FY 2026-27 to FY 2030-31 for Unit 2 and Unit 3 has been presented in the following Tables respectively.

**Table31: Projected O&M Expenses for FY27 to FY31-Unit 2 (Rs. Cr.)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Employee Expenses Excl. Terminal Benefits	11.19	11.75	12.33	12.94	13.58
Terminal Benefits	0.90	0.95	0.99	1.04	1.10
R&M Expenses	23.48	25.67	27.44	29.09	30.79
<b>A&amp;G Expenses</b>					
Ash Disposal Expenses	4.17	5.53	4.54	4.24	5.00
HO & SS expenses	14.59	15.32	16.07	16.87	17.71
Application and Publication Expenses	0.20	0.21	0.21	0.21	0.22
Other A&G Expenses	6.87	7.21	7.57	7.94	8.34
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Raw Water Expenses	6.32	8.61	7.31	7.22	8.45
Security Expenses	0.92	0.97	1.02	1.07	1.12
<b>Total</b>	<b>68.67</b>	<b>76.23</b>	<b>77.50</b>	<b>80.65</b>	<b>86.32</b>

**Table32: Projected O&M Expenses for FY27 to FY31 - Unit 3 (Rs. Cr.)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Employee Expenses Excl. Terminal Benefits	11.19	11.74	12.32	12.93	13.57
Terminal Benefits	0.90	0.95	0.99	1.04	1.10
R&M Expenses	20.21	21.88	23.45	24.87	26.33
<b>A&amp;G Expenses</b>					
Ash Disposal Expenses	4.97	5.04	4.94	3.96	5.44
HO & SS expenses	14.21	14.92	15.66	16.43	17.25
Application and Publication Expenses	0.20	0.21	0.21	0.21	0.22
Other A&G Expenses	6.30	6.62	6.94	7.29	7.65
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Raw Water Expenses	7.61	7.73	7.95	6.60	9.19
Security Expenses	0.92	0.97	1.02	1.07	1.12
<b>Total</b>	<b>66.53</b>	<b>70.06</b>	<b>73.50</b>	<b>74.43</b>	<b>81.89</b>

100. Tata Power humbly requests the Hon'ble Commission to approve the Gross O&M Expenses for Unit 2 and Unit 3 as projected above for the 4<sup>th</sup> Control Period. It may kindly be noted that the above O&M Expenses do not include Additional O&M Expenses required to be incurred towards Emission Control System (ECS) and Wage Revision that are allowable under Regulations 15.44 and Note-2 to Regulation 15.42 and Petitioner seeks liberty to approach Hon'ble Commission subsequently with separate Petition.
101. In view of the above submissions, Tata Power humbly requests Hon'ble Commission to approve the Business Plan inter-alia, Operational Performance Plan, Annual Shutdown Plan, Capital Investment Plan and O&M Expenses Plan for Control Period FY 2026-27 to FY 2030-31.

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**E. MULTI YEAR TARIFF PROPOSAL FOR FY 2026-27 TO FY 2030-31**


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102. This Section outlines the Operational & Financial projections for Jojobera Unit 2 and Unit 3 and computation of each element of the Annual Revenue Requirement for the 4<sup>th</sup> Control Period, i.e., FY 2026-27 to FY 2030-31, taking the following into consideration:

- The Norms & Principles as outlined in the JSERC GTR, 2025.
- The MYT Business Plan covering Operational & Financial Plan as detailed in Section above for Jojobera Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31.
- Actual Operational & Financial Performance of the last Control Period i.e., FY 2020-21 to FY 2024-25 along with the performance parameters to be used for the Base Year i.e., FY 2025-26.
- Demand Projection of Tata Steel for the 4th Control Period FY 2026-27 to FY 2030-31.
- Expected changes in each element of cost for the 4th Control Period FY 2026-27 to FY 2030-31.

103. Tariff Forms for FY 2026-27 to FY 2030-31 in hard copy are enclosed herewith as **ANNEXURE P2A**. The soft copy of filled-up Tariff formats for FY 2026-27 to FY 2030-31 for this purpose along with soft copy of Excel Model are annexed hereto as **ANNEXURE P2B**. Further, the soft copy of Tariff Model in Excel is provided as **ANNEXURE P2C**.

**E.1 PROJECTED OPERATIONAL PERFORMANCE – FY 2026-27 TO FY 2030-31**

104. The projected Operational Performance of Unit 2 and Unit 3 for the period FY 2026-27 to FY 2030-31 is detailed as under:

**E.1.1 Generation**

105. The Hon'ble Commission is aware that the Generation target of any power station is broadly based on the demand projections of its Beneficiaries. As such, the Generation Plan for Jojobera Unit 2 and Unit 3 is based on the demand projections of Tata Steel Distribution Licensee and the Annual Outage Schedule of the above Units. The annual outage is essential to undertake the following jobs:

- i. Scheduled preventive maintenance.

- ii. Requirements for technological up-gradations.
- iii. Implement performance improvement measures.
- iv. Statutory Compliances, viz., renewal of boiler certification etc.
- v. Conducting tests for Life Sustenance.
- vi. Implementation of R&M works, if any.

106. It is submitted that the Generation Targets shown in the following Tables have been worked out based on following factors:

- **Annual Shutdown Plan** as submitted for Unit 2 and Unit 3 for the 4<sup>th</sup> Control Period. Further, the Annual Shutdown Schedule is prepared based on the past operation and maintenance experience, OEM recommendations, schedule of boiler re-certification from the Boiler Inspector as per the provisions of the Indian Boiler Regulations 1950 as amended from time to time and major activities to be undertaken during the Annual Outage Plan.
- **The demand projections** of Tata Steel Distribution Licensee from Unit 2 and Unit 3 based on the actual demand during the last Control Period FY 2020-21 to 2024-25 and estimation for the Base Year FY 2025-26.

107. Tata Power humbly requests the Hon'ble Commission to approve the Gross Generation of Unit 2 and Unit 3 for the Control Period of FY 2026-27 to FY 2030-31 as projected in the following Table.

**Table33: Gross Generation for FY27 to FY31- Unit 2**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Capacity	MW	120	120	120	120	120
No. of days in FY	Days	365	366	365	365	365
Gross Generation	MUs	747.61	946.88	747.61	686.75	747.61

**Table34: Gross Generation for FY27 to FY31- Unit 3**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Capacity	MW	120	120	120	120	120
No. of days in FY	Days	365	366	365	365	365
Gross Generation	MUs	901.40	852.22	815.52	629.56	815.52

### E.1.2 Auxiliary Power Consumption

108. With regard to auxiliary power consumption, it is submitted that the FGD system has been commissioned in October 2025, which has resulted higher auxiliary power consumption along with limestone/reagent. **The JSERC GTR, 2025 provide for**

**auxiliary consumption to be allowed separately for the FGD system.** The relevant extract of the Regulation is as under:

***“6. ‘Auxiliary Energy Consumption’***

.....

*Provided further that auxiliary energy consumption **for compliance of revised emission standards**, sewage treatment plant and external coal handling plant (jetty and associated infrastructure shall be considered separately;” [emphasis added]”*

109. It is submitted that the Normative Auxiliary Power Consumption of 10% has been considered for the purpose of MYT as per JSERC GTR 2025. It may please be noted that the Auxiliary Power Consumption will undergo change due to Commissioning of FGD system in both Unit 2 & 3. The Petitioner, in line with the Regulation 70(E)(f) of the CERC Tariff Regulations, 2024, has consider an additional auxiliary energy consumption of 1% over and above the normative auxiliary energy consumption of 10% applicable for the generating station as per Regulation 16.1 of JSERC GTR 2025. Accordingly, for the purpose of accurate and realistic projections, the Petitioner has considered the Auxiliary Power Consumption as 11% for arriving at ex-bus generation. It is further submitted that the impact of same in ECR has not been claimed in this Petition and shall be claimed vide the Petition for the supplementary tariff for FGD system for Unit 2 & 3.

### **E.1.3 Heat Rate**

110. It is submitted that Heat Rate of any Thermal Generating Units commonly depends upon the following factors:

- Vintage of the Units.
- Operating PLF of the Units - PLF is an uncontrollable factor for the Generating Units especially since the load demand is controlled by the Beneficiaries.
- Natural wear and tear of the equipment due to ageing and usage of sub-optimal Coal.

111. Tata Power for the purpose of projection of Heat Rate for the Control Period FY 2026-27 to FY 2030-31, considered the Heat Rate at 2567 kCal/kWh and 2577 kCal/kWh for Unit 2 and Unit 3 as specified in the JSERC GTR 2025.

### E.2.5 Additional Capitalization

135. The proposed Additional Capitalization for Jojobera Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has been discussed in detail in above section and the same has been considered to arrive at the net Additions in each year of the Control Period:

### E.2.6 Broad Rationale & Assumptions for Additional Capitalization

136. Tata Power, in the MYT Business Plan for the Control Period FY 2026-27 to FY 2030-31, has proposed various Capital Expenditure Schemes for capitalization in a phased manner during the Control Period. It is further submitted that the proposed capitalization of capital expenditure has been categorized under following 3 broad categories:

- i. **Standalone Capitalisation for individual Unit:** This category comprise the Capitalized Costs incurred against Assets/Schemes exclusively for Unit 2 & 3.
- ii. **Capitalisation for common facility for Unit 2 and Unit 3:** This category comprise the Capitalized Costs incurred against Assets/Schemes exclusively for both Unit 2 & 3.
- iii. **Capitalization for Common Facilities:** Unlike the above-mentioned Capitalized Costs incurred for Assets/Schemes exclusively for Unit 2 & 3, this category includes the capitalized capex which have been incurred or proposed to be incurred for common facilities of Generating Units within the Jojobera Power Plant i.e. Units 1, 2, 3 & 4 of Tata Power and Unit 5 of IEL. These Assets/Schemes provide facilities to more tow units of the above units and therefore, the capitalized capex of such assets/schemes must be apportioned to the GFA of Unit 2 and Unit 3 appropriately.

137. Tata Power has worked out the apportionment ratio of common facilities for all 5 Units, individually for Unit 2 and Unit 3 and combined based on the Installed Capacity of these units. The methodology of such apportionment is shown in the following Table.

**Table42: Apportionment Ratio for Capitalized Cost of Common Facilities**

Apportionment Ratio for Additional Capitalization of Common Facilities to Unit 2 & 3		
Installed Capacity of Unit 1	MW	67.5
Installed Capacity of Unit 2	MW	120
Installed Capacity of Unit 3	MW	120
Installed Capacity of Unit 4	MW	120
Installed Capacity of Unit 5 (IEL)	MW	120
<b>Installed Capacity of Jobbera Power Plant</b>	<b>MW</b>	<b>547.5</b>
Contribution of Unit 2 in Total Installed Capacity	%	21.92%
Contribution of Unit 3 in Total Installed Capacity	%	21.92%
<b>Combined Contribution of Unit 2 &amp; 3 in Total Installed Capacity</b>	<b>%</b>	<b>43.84%</b>

138. As regards the apportionment ratio calculated as above, it is humbly submitted that Unit-1 of the Jobbera Plant was commissioned in the year 1997. As such, the unit is on the verge of completion of its PPA life and active deliberations have been going on as regard the continuation of the unit. Any decision in this regard, which may have the implication on the apportionment ratio, shall be brought to the notice of the Hon'ble Commission at the time of truing up.
139. The following tables summarize capitalization and decapitalization details pertaining to Unit 2 and Unit 3 proposed for the Control Period from FY 2026-27 to FY 2030-31 along with the Capitalization pertaining to spilled over works from the previous Control period as explained in the Business Plan chapter above.

**Table43: Summary of Add. Capitalization for FY27 to FY31 - Unit 2 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
Add: Addition during the year	28.08	13.39	7.50	6.25	4.00
Less: Decapitalisation during the year	6.66	3.60	1.99	1.64	1.04

**Table44: Summary of Add. Capitalization for FY27 to FY31 - Unit 3 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
Add: Addition during the year	21.51	14.64	7.50	6.25	4.00
Less: Decapitalisation during the year	5.84	3.93	1.99	1.64	1.04

140. Tata Power further wishes to submit that the Additional Capitalization projected in the above Tables for FY 2026-27 to FY 2030-31 including Standalone and Common Facilities for Unit 2 and Unit 3 have been proposed considering only the cost of equipment's and services. The manpower cost, A&G cost and Interest During Construction (IDC) pertaining to the above proposed schemes shall be capitalized on the actual basis and shall be provided during the Truing-up for respective year.
141. Accordingly, the Gross Fixed Asset of Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has been shown in the following Tables. The closing Gross

Fixed Asset ("**GFA**") for FY 2025-26 has been considered as the opening GFA for the Control Period FY 2026-27 to FY 2030-31.

**Table45: Summary of Projected GFA for FY27 to FY31–Unit 2 (Rs. Cr.)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Opening Gross Block	<b>510.76</b>	<b>532.18</b>	<b>541.98</b>	<b>547.48</b>	<b>552.09</b>
Add: Addition during the year	28.08	13.39	7.50	6.25	4.00
Less: Decapitalisation during the year	6.66	3.60	1.99	1.64	1.04
<b>Closing Gross Block</b>	<b>532.18</b>	<b>541.98</b>	<b>547.48</b>	<b>552.09</b>	<b>555.05</b>

**Table46: Summary of Projected GFA for FY27 to FY31– Unit 3 (Rs. Cr.)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Opening Gross Block	<b>493.48</b>	<b>509.15</b>	<b>519.86</b>	<b>525.37</b>	<b>529.97</b>
Add: Addition during the year	21.51	14.64	7.50	6.25	4.00
Less: Decapitalisation during the year	5.84	3.93	1.99	1.64	1.04
<b>Closing Gross Block</b>	<b>509.15</b>	<b>519.86</b>	<b>525.37</b>	<b>529.97</b>	<b>532.93</b>

142. Tata Power, therefore, humbly requests the Hon'ble Commission to approve the Projected Gross Fixed Asset of Unit 2 and Unit 3 for FY 2026-27 to FY 2030-31 as presented above.

### **E.3 FINANCING OF ADDITIONAL CAPITALIZATION**

143. Tata Power is planning to finance the projected Additional Capitalization for FY 2026-27 to FY 2030-31 from internal accruals and hence, no project specific debt for any of the proposed Capex Schemes is anticipated. Tata Power, therefore, has considered the financing of Projected Additional Capitalization for FY 2026-27 to FY 2030-31 at Normative Debt: Equity ratio of 70:30 as per the provisions of JSERC GTR, 2025.

### **E.4 COMPONENTS OF FIXED CHARGES**

144. The Annual Fixed Charges as per JSERC GTR, 2025, shall comprise of following components:

- (a) Return on Equity
- (b) Interest on Loan Capital
- (c) Interest Charges on Working Capital
- (d) Operation & Maintenance Expenses
- (e) Less: Non-tariff Income

#### E.4.1 Depreciation

145. Regulation 15.28 to 15.34 of JSERC GTR, 2025 stipulate the norm for Depreciation.

The relevant extract of the Regulations is as under:

*“15.28 Depreciation shall be calculated every year, on the amount of Capital Cost of the assets as admitted by the Commission. In case tariff of multiple Units of a generating station is determined, weighted average life for the generating station shall be applied: Provided that depreciation shall not be allowed on assets funded by Consumer Contribution and Capital Subsidies/Grants. Provision for replacement of such assets shall be made in the Capital Investment Plan.*

*15.29 Depreciation for each year shall be determined based on the methodology as specified in these Regulations along with the rates and other terms specified in these Regulations.*

*15.30 Depreciation shall be calculated annually, based on the straight-line method, at the rates specified at Appendix-I. The base value for the purpose of depreciation shall be original cost of the asset:*

*Provided that the Generating Company shall ensure that once the individual asset is depreciated to the extent of seventy (70) percent of the Book Value of that asset, remaining depreciable value as on March 31 of the year closing shall be spread over the balance useful life of the asset; Provided that in case the tenure of PPA executed between the Generating plant and Beneficiaries is more than that of the Useful life of the plant, the Commission after prudence check may consider the PPA life for spreading the remaining depreciable value as on March 31 of the year instead of useful life; Provided that in case after carrying out the residual life assessment, it is found that the residual life of the generating station or unit as the case may be is beyond the useful life specified in these regulations the Commission after prudence check, may spread the remaining depreciable value to be recovered over the extended life of the plant.*

*15.31 Depreciation shall be charged from the first year of commercial operation of the asset. In case, the operation of the asset is for a part of the year, depreciation shall be charged on pro-rata basis: Provided that any depreciation disallowed on account of lower availability of the generating station shall not be allowed to be recovered at a later stage during the useful life and the extended life.*

*Provided that any depreciation disallowed on account of lower availability of the generating station shall not be allowed to be recovered at a later stage during the useful life and the extended life.*

*15.32 The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. Land other than land held under lease and the land for reservoir in case of hydro generating station shall not be considered a depreciable asset and its cost shall be excluded while computing the depreciable value of the asset. Land is not a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset: Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable: Provided further that in case of hydro generating stations, the salvage value shall be as provided in the agreement signed by the developers with the State Government for creation of the site: Provided also that the capital cost of the assets of the hydro generating station for the purpose of computation of depreciable value shall correspond to the percentage of sale of electricity under long-term Power Purchase Agreement at regulated tariff.*

.....

*15.34 In case of de-capitalization of assets in respect of Generating Station or Unit thereof the cumulative depreciation shall be adjusted by taking into account the depreciation recovered through tariff towards decapitalization asset during its useful services.”*

146. It is submitted that the Petitioner in accordance with Regulation 15.30 of Generation Tariff Regulations, 2020 and the approach followed by the Hon’ble Commission in the MYT Order dated 04.11.2022 and subsequent True up orders for FY 2021-22, FY 2022-23 and FY 2023-24 dated 22.05.2023, 06.06.2024 and 28.03.2025, respectively, has considered the useful life as 30 years, for the purpose of depreciation, subject to the decision of the Appeal No. filed with the APTEL. The detailed submission in this regard has been made at para 29 of the instant petition. The relevant extract of the MYT Order is reproduced below for kind reference of the Hon’ble Commission:

8.24 The Commission has scrutinised the detail submitted by the Petitioner, observes that the Plant is in its fag life and **overall depreciation of the generating stations had reached 70% for both the Units.** Hence, in accordance with proviso of Regulations 15.30, the Commission has computed the deprecation for the Control Period from FY 2021-22 to FY 2025-26.

8.25 As per Regulation the Useful life of the generating station is 25 years, however, the Petitioner had executed the Power Purchase Agreement (PPA) with the Beneficiary for 30 years. Such signing of PPA, clearly infer that both the Petitioner and Beneficiary are aware that the existing plant is able to stand even after 25 years. Further, depreciating the legitimate depreciable amount in 25 years will defeat the purpose of reliability and economical power which is the attribute of long term PPA.

8.26 Hence, the Commission in view of PPA tenure, has spread the remaining depreciable amount in PPA life (30 years) which shall economise the power cost, and has approved the depreciation taking into PPA life instead of Useful life.

147. Pursuant to above and noting that the cumulative depreciation on total assets [ i.e. GFA (Including Additional Capitalization)] has crossed 70% for both the Units 2 and 3, the Petitioner, in terms of above Order of the Hon'ble Commission and in accordance with Regulation 15.30, has spread the balance depreciable value pertaining to assets in service/ approved schemes upto FY 2025-26 (i.e. 90% of the Capital Cost minus Cumulative depreciation recovered for assets in service upto FY 2025-26) over the balance useful life (taking useful life of 30 years as per the methodology adopted by the Commission) of the Plant.
148. As submitted, the useful life of the Unit-2 and Unit-3 has been aligned with the useful life as considered by the Hon'ble Commission and accordingly, the Unit-2 and Unit - 3 shall complete useful life in FY 31 and FY 32 respectively. During the fag end, i.e. during the upcoming control period, the Petitioner has planned certain additional capital expenditure required for the sustenance of the plant and for reliable operations. It is submitted that if the depreciation on the same is claimed in line with the depreciation on the assets in service till FY 2025-26, i.e. by spreading the same till completion of 30 years of life, the same would result in sudden spike in tariff. In

order to avoid tariff shock to the consumer and ensure a balanced recovery of these costs, the Petitioner has proposed to recover the depreciation on these assets added in the fag end, in a separate stream. This approach is consistent with the regulatory precedents where depreciation is calculated in distinct stages to accommodate terminal-year investments. The methodology is described in the succeeding paragraphs.

149. In the proposed methodology, all the previously approved schemes are being depreciated through the regular depreciation stream within the units' remaining useful life of 30 years. Under second stream, the Petitioner has computed depreciation for additional capital expenditure claimed during the fag end, by depreciating such additional capital expenditure equally over a 10-year period (i.e. 5 years of remaining PPA life and 5 years of extended useful life). It is pertinent to note here that the Tariff Regulations notified by Central Electricity Regulatory Commission (CERC) recognise operational life of the thermal power plant as 35 years. The approach of spreading the depreciation over 10 years, is thus consistent with the concept of operational life as defined in the CERC tariff regulations.
150. It is submitted that the CERC, in the case of approval of tariff for Singrauli STPS of NTPC in order dated 25.8.2011 in Petition No.225/2009 had adopted the same approach. CERC held that allowing an accelerated recovery of 90% depreciation for assets capitalized during a generating station's terminal year would not be in the interest of the beneficiaries as it would cause an undue tariff spike. By spreading the depreciation over a 10-year period, the Petitioner ensures that beneficiaries are not overburdened with excessive depreciation payments during the final years of the station's life. It is submitted that the Petitioner intends to operate the generating station for a sufficiently longer period to recover the full depreciation of these new assets, thereby maintaining tariff stability while fulfilling necessary capital requirements.
151. Based on the above discussion, summary of projected Depreciation for each year of the Control Period (FY 2026-27 to FY 2030-31) is shown in the table below:

**Table47: Projected Depreciation for FY27 to FY31 - Unit 2 (Rs. Cr.)**

Particular	FY27	FY28	FY29	FY30	FY31
Depreciation on the approved ad cap (till March 2026)					

Particular	FY27	FY28	FY29	FY30	FY31
Original (A)	1.62	1.93	2.15	2.21	2.47
Add Cap (B)	8.83	9.46	9.46	9.46	9.46
<b>Depreciation on the approved ad cap (C=A+B)</b>	<b>10.45</b>	<b>11.38</b>	<b>11.60</b>	<b>11.67</b>	<b>11.93</b>
<b>Depreciation on New Add Cap (start from 01.04.2026)</b>					
Dep. On add cap (D)	1.01	2.81	3.98	4.87	5.64
<b>Total Depreciation (E=C+D)</b>	<b>11.47</b>	<b>14.19</b>	<b>15.59</b>	<b>16.54</b>	<b>17.56</b>

**Table48: Projected Depreciation for FY27 to FY31 - Unit 3 (Rs. Cr.)**

Particular	FY27	FY28	FY29	FY30	FY31
<b>Depreciation on the approved ad cap (till March 2026)</b>					
Original (A)	2.94	3.06	3.24	3.28	3.40
Add Cap (B)	7.06	7.06	7.06	7.06	7.06
<b>Depreciation on the approved ad cap (C=A+B)</b>	<b>10.00</b>	<b>10.12</b>	<b>10.30</b>	<b>10.33</b>	<b>10.45</b>
<b>Depreciation on New Add Cap (start from 01.04.2026)</b>					
Dep. On add cap (D)	0.97	2.78	4.02	4.91	5.67
<b>Total Depreciation (E=C+D)</b>	<b>10.96</b>	<b>12.89</b>	<b>14.32</b>	<b>15.24</b>	<b>16.13</b>

152. Tata Power humbly requests the Hon'ble Commission to approve the projected Depreciation of Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 as shown in above Tables.

#### **E.4.2 Interest on Loan**

153. The Debt-Equity ratio for existing projects as on 31.03.2026 and any Additional Capitalization incurred thereafter has been stipulated under Regulations 15.6 & 15.7 in JSERC GTR, 2025 as below:

##### ***"Debt-Equity Ratio***

**15.6 Existing Projects:** For existing projects declaring Commercial Operation on or before April 01, 2026, the following Capital Structure is allowed: -

- 1. Debt-Equity ratio allowed by the Commission for determination of tariff for the period ending March 31, 2026 shall be considered;*
- 2. In case of the generating station declared under commercial operation prior to April 01, 2026, but where debt-equity ratio has not been determined by the Commission for determination of tariff for the period ending March 31, 2026, the Commission shall approve the debt-equity ratio in accordance with Clause 15.7 of these Regulations.*

*3. Any expenditure incurred or projected to be incurred on or after April 01, 2026, as may be admitted by the Commission as additional capital expenditure for determination of tariff and renovation and modernisation expenditure for life extension shall be serviced in the manner as specified in Clause 15.7 of these Regulations.*

*.....”*

154. Since the Petitioner is proposing to fund Additional Capitalization during 4th Control Period FY 2026-27 to FY 2030-31 through internal resources, it has considered normative debt:equity ratio of 70:30 for these Additional Capitalization in accordance with the provisions of above said Regulations.

155. With respect to Interest Loan (IoL), the Regulations further stipulate the following:

***"Interest on Loan Capital***

*15.13 The loans arrived at in the manner indicated in Clause 15.6 and Clause 15.7 of these Regulations, shall be considered as gross normative loan for calculation of Interest on Loan.*

*15.14 The normative loan outstanding as on April 01, 2026 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to March 31, 2026 from the gross normative loan. 15.15 The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that financial year. 15.16 In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on pro-rata basis and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalization of such assets.*

*15.17 Notwithstanding any moratorium period availed by the Generating Company, the repayment of loan shall be considered from the first year of operation of the scheme/asset.*

*15.18 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:*

*Provided that if there is no actual loan for a particular year but normative loan is still outstanding, then the rate of interest shall be considered on normative basis and*

*shall be equal to Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points;*

*Provided also that, in case of new Generating Company commencing its operation after the date of effectiveness of these Regulations, and which does not have actual loan portfolio, the rate of interest shall be considered on normative basis and shall be equal to Bank Rate as on April 01 of the respective year of the Control Period plus 200 basis points.*

*15.19 The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest;*

*.....”*

156. For computation of interest on capital loan, Tata Power has considered following approach:

- (a) Closing balance of normative loan for FY 2025-26 (APR) is considered as opening loan for FY 2026-27.
- (b) Loan addition during each year of the Control Period is considered at 70% of proposed additional capitalization of respective year of the Control Period.
- (c) As per the provision of GTR 2025, proposed depreciation on the account of additional capitalization is considered as repayment.

157. Since, there is no actual loan for these units, the rate of interest has been considered as Bank Rate (SBI MCLR) as on 01.04.2025 plus 200 basis points, which comes out to be 11.00% for Unit 2 and Unit 3 in accordance with Regulations 15.18 of GTR 2025.

158. Based on the above discussion, projected interest on capital loan for each year of the Control Period is shown in the table below:

**Table49: Interest on Loan for FY27 to FY31 - Unit 2 (Rs. Cr.)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Opening Loan	21.31	31.13	28.24	20.05	10.10
Additional Capitalization during the year	28.08	13.39	7.50	6.25	4.00
Additional Loan due to addition during the year (70% of Add Cap)	19.66	9.37	5.25	4.38	2.80

Particulars	FY27	FY28	FY29	FY30	FY31
Repayment (=Depreciation on Add Cap)	9.84	12.26	13.44	14.32	12.90
<b>Closing Debt</b>	<b>31.13</b>	<b>28.24</b>	<b>20.05</b>	<b>10.10</b>	<b>0.00</b>
Average Loan Balance	26.22	29.68	24.14	15.07	5.05
<b>Computation of IoL</b>					
Rate of Interest (SBI 1yr MCLR + 2%)	11.00%	11.00%	11.00%	11.00%	11.00%
<b>Interest on Loan</b>	<b>2.88</b>	<b>3.27</b>	<b>2.66</b>	<b>1.66</b>	<b>0.56</b>

**Table50: Interest on Loan for FY27 to FY31 - Unit 3 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Loan	22.88	29.92	30.33	24.50	16.92
Additional Capitalization during the year	21.51	14.64	7.50	6.25	4.00
Additional Loan due to addition during the year (70% of Add Cap)	15.06	10.25	5.25	4.38	2.80
Repayment (=Depreciation on Add Cap)	8.03	9.83	11.08	11.96	12.73
<b>Closing Debt</b>	<b>29.92</b>	<b>30.33</b>	<b>24.50</b>	<b>16.92</b>	<b>6.99</b>
Average Loan Balance	26.40	30.12	27.42	20.71	11.95
<b>Computation of IoL</b>					
Rate of Interest (SBI 1yr MCLR + 2%)	11.00%	11.00%	11.00%	11.00%	11.00%
<b>Interest on Loan</b>	<b>2.90</b>	<b>3.31</b>	<b>3.02</b>	<b>2.28</b>	<b>1.31</b>

159. Tata Power humbly requests the Hon'ble Commission to approve the projected Interest on Loan for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31.

#### **E.4.3 O&M Expenses**

160. As per JSERC GTR, 2025 and as detailed in Business Plan Chapter, Tata Power proposes to present the O&M Expenses for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 under the following broad categories:

- (a) Employee Expenses
  - I. Employee Expenses excluding terminal benefits
  - II. Terminal Benefits
- (b) Repairs & Maintenance (R&M) Expenses
- (c) Administrative and General (A&G) Expenses
  - I. Ash Disposal Expenses
  - II. Application Fee & Publication Expenses
  - III. Legal Expenses
  - IV. Other A&G Expenses

- (d) Raw Water Charges
- (e) Security Expenses
- (f) Capital Spares

161. Computations of Base year expense and thereafter projected O&M expense has been discussed in detail in MYT Business Plan Chapter. Accordingly, the same is not repeated herewith for sake of brevity. Tata Power humbly requests Hon'ble Commission to kindly refer the same. The summary of projected O&M expenses is shown in the table below:

**Table51: Projected O&M Expenses for FY27 to FY31-Unit 2 (Rs. Cr.)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Employee Expenses Excl. Terminal Benefits	11.19	11.75	12.33	12.94	13.58
Terminal Benefits	0.90	0.95	0.99	1.04	1.10
R&M Expenses	23.48	25.67	27.44	29.09	30.79
<b>A&amp;G Expenses</b>					
Ash Disposal Expenses	4.17	5.53	4.54	4.24	5.00
HO & SS expenses	14.59	15.32	16.07	16.87	17.71
Application and Publication Expenses	0.20	0.21	0.21	0.21	0.22
Other A&G Expenses	6.87	7.21	7.57	7.94	8.34
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Raw Water Expenses	6.32	8.61	7.31	7.22	8.45
Security Expenses	0.92	0.97	1.02	1.07	1.12
<b>Total O&amp;M Expenses</b>	<b>68.67</b>	<b>76.23</b>	<b>77.50</b>	<b>80.65</b>	<b>86.32</b>

**Table52: Projected O&M Expenses for FY27 to FY31 - Unit 3 (Rs. Cr.)**

<b>Particulars</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>
Employee Expenses Excl. Terminal Benefits	11.19	11.74	12.32	12.93	13.57
Terminal Benefits	0.90	0.95	0.99	1.04	1.10
R&M Expenses	20.21	21.88	23.45	24.87	26.33
<b>A&amp;G Expenses</b>					
Ash Disposal Expenses	4.97	5.04	4.94	3.96	5.44
HO & SS expenses	14.21	14.92	15.66	16.43	17.25
Application and Publication Expenses	0.20	0.21	0.21	0.21	0.22
Other A&G Expenses	6.30	6.62	6.94	7.29	7.65
Legal Expenses	0.02	0.02	0.02	0.02	0.02
Raw Water Expenses	7.61	7.73	7.95	6.60	9.19
Security Expenses	0.92	0.97	1.02	1.07	1.12
<b>Total O&amp;M Expenses</b>	<b>66.53</b>	<b>70.06</b>	<b>73.50</b>	<b>74.43</b>	<b>81.89</b>

162. Tata Power, therefore, humbly requests the Hon'ble Commission to approve the O&M Expenses for Unit 2 and Unit 3 as projected above for the Control Period FY 2026-27 to FY 2030-31. It may kindly be noted that the above O&M Expenses do not include Additional O&M Expenses required to be incurred towards ECS and Wage

Revision that are allowable under Regulations 15.44 and Note-2 to Regulation 15.42 and Petitioner seeks liberty to approach Hon'ble Commission subsequently with separate Petition.

#### **E.4.4 Return on Equity and Income Tax**

163. For computation of Return on Equity, the Petitioner has considered the opening Equity for FY 2026-27 equals to closing Equity for FY 2025-26 ((as per the Petition filed for APR of FY 2025-26)) and Equity addition during each year of the Control Period has been considered at 30% of proposed net additional capitalization for respective year of the Control Period.
164. With respect to rate of Return on Equity Regulations 15.10 of JSERC GTR, 2025 stipulate the detailed methodology. The relevant extract of the Regulation is as under:

##### ***“ Return on Equity***

.....

*15.10 The return on equity shall be computed on post-tax basis at the base rate of 14.50% for thermal generating stations, and run of the river hydro generating station, and at the base rate of 15.50% for the storage type hydro generating stations including pumped storage hydro generating stations and run of river generating station with pondage for generating stations whose Date of Commercial Operations is after April 01, 2026:*

*The return on equity shall be computed on post-tax basis at the base rate of 15.00% for thermal generating stations, and run of the river hydro generating station, and at the base rate of 16.00% for the storage type hydro generating stations including pumped storage hydro generating stations and run of river generating station with pondage for generating stations whose Date of Commercial Operation is before April 01, 2026:*

*Provided that the return on equity shall be allowed only on the equity employed on assets which are commissioned and are in use;*

.....”

165. Further, Regulations 15.11 and 15.12 of JSERC GTR, 2025 specify the norms for Income Tax on RoE as follows:

15.11 Tax on income, if any, on the Generating business of the Generating Company shall be limited to tax on the allowed return on equity;

15.12 The income tax actually payable or paid limited to the tax on allowed return on equity shall be included in the ARR while truing up. The actual assessment of income tax should take into account benefits of tax holiday, and the credit for carry forward losses applicable as per the provisions of the Income Tax Act, 1961 and its amendments thereof shall be passed on to the Beneficiaries. Tax on the other income streams of the Generating Company shall not be recovered from the Beneficiaries.

166. In terms of Regulation 15.9, Post Tax Return on Equity is allowed at 15% and according to Regulation 15.11, the Income Tax shall be limited to tax on the allowed return on equity. Regulation 15.12 is applicable at the time of truing up. Therefore, Income Tax applicable on allowed Post Tax Return on Equity of 15% is to be considered for the 4th Control Period. For ensuring net Post Tax Return of 15%, it is necessary to gross-up this rate by Tax Rate applicable to the Petitioner, as per applicable provisions of Income Tax Act, to arrive at Pre-tax Return on Equity or Return on Equity including Income Tax. Accordingly, for the projection of RoE for 4th Control Period, applicable special rate of 25.17% has been considered.

**Table53: Return On Equity (Pre-Tax) for FY27 to FY31-Unit 2 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Equity	153.23	159.65	162.59	164.24	165.63
Net Equity Addition	6.43	2.94	1.65	1.38	0.89
Closing Balance of Equity	159.65	162.59	164.24	165.63	166.51
Average Equity Balance	156.44	161.12	163.42	164.93	166.07
Rate of return on Equity	15.00%	15.00%	15.00%	15.00%	15.00%
Special Tax Rate	25.17%	25.17%	25.17%	25.17%	25.17%
Rate of return on Equity (Pre-Tax)	20.05%	20.05%	20.05%	20.05%	20.05%
Return on Equity	31.36	32.30	32.76	33.06	33.29

**Table54: Return On Equity (Pre-Tax) for FY27 to FY31-Unit 3 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
Opening Equity	148.04	152.74	155.95	157.61	158.99
Net Equity Addition	4.70	3.21	1.65	1.38	0.89
Closing Balance of Equity	152.74	155.95	157.61	158.99	159.88
Average Equity Balance	150.39	154.35	156.78	158.30	159.43
Rate of return on Equity	15.00%	15.00%	15.00%	15.00%	15.00%
Special Tax Rate	25.17%	25.17%	25.17%	25.17%	25.17%

Particulars	FY27	FY28	FY29	FY30	FY31
Rate of return on Equity (Pre-Tax)	20.05%	20.05%	20.05%	20.05%	20.05%
Return on Equity	30.15	30.94	31.43	31.73	31.96

167. Tata Power, therefore, humbly requests the Hon'ble Commission to approve the RoE (Pre-Tax) as worked out above of Unit 2 and Unit 3 for the 4th Control Period.

#### **E.4.5 Interest on Working Capital**

168. Regulation 15.23 of JSERC GTR, 2025 stipulates the following norms for Working Capital and Interest on Working Capital as below:

*"15.23 The Commission shall determine the Working Capital requirement on normative basis for coal-based generating stations, which shall comprise the following components:*

- 1. Cost of coal or lignite and limestone towards stock, if applicable, for 10 days for pit-head generating stations and 20 days for non-pit-head generating stations for generation corresponding to the normative annual plant availability factor or the maximum coal/lignite stock storage capacity, whichever is lower;*
- 2. Cost of coal or lignite and limestone for 30 days for generation corresponding to normative annual plant availability factor;*
- 3. Cost of secondary fuel oil for two months for generation corresponding to the Normative Annual Plant Availability Factor, and in case of use of more than one secondary fuel oil, cost of fuel oil stock for the main secondary fuel oil;*
- 4. Operation and Maintenance expenses, including water charge and security expenses for one month;*
- 5. Maintenance spares @ 20% of Operation and Maintenance Expenses;*
- 6. Receivables equivalent to 45 days of capacity charges and energy charges for sale of electricity calculated on the Normative Annual Plant Availability Factor:*

*Provided that the cost of primary fuel shall be based on the landed cost incurred (taking into account normative transit and handling losses) by the generating station and gross calorific value of the fuel on 'as received basis' as per actual weighted average for three months preceding the first month for which tariff is to be determined:*

.....

*15.26 The rate of Interest on Working Capital shall be on normative basis and shall be equal to Bank Rate plus 350 basis points as on September 30 of the financial year in which the MYT Petition is filed or as on April 01, of the year during the Control Period from FY 2026-27 to FY 2030-31 in which the generating station or a Unit thereof, is declared under commercial operation, whichever is later:*

.....”

169. In accordance with Regulations 15.23, the Petitioner has claimed cost of Coal for 20 days towards Coal Stock applicable for Non-Pit head Generating Stations and Cost of Coal for 30 days corresponding to generation at NAPAF in computation of working capital requirement for Jojobera Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31. It is further submitted that for the purpose of computing Working Capital, the components of Coal Cost, Secondary Fuel Oil Cost and Receivables have been computed at Normative Plant Availability of 85% for the whole year and apportioned to 20/30 days as specified in the JSERC GTR, 2025. Further, as specified in the above Regulations, the Working Capital for Unit 2 and Unit 3 also includes projected Annual O&M Expenses apportioned to 1 month and the cost of Maintenance Spares at 20% of Annual O&M Expenses.
170. As specified in Regulation 15.26 of JSERC GTR, 2025, the Rate of Interest on Working Capital has been projected considering the Bank Rate (SBI MCLR Rate) as on 30.09.2025 at 8.75% + 3.50% i.e. 12.25% (as per the weblink <https://sbi.bank.in/web/interest-rates/interest-rates/mclr-historical-data>). The Bank rate as shown above shall be applicable for computation of Interest on Working Capital for each year of the Control Period FY 2026-27 to FY 2030-31.
171. Accordingly, Tata Power, based on the above Regulations has worked out the Interest on Working Capital for the Control Period FY 2026-27 to FY 2030-31. for Unit 2 and Unit 3 as shown in the following Tables.

**Table55: Interest on Working Capital for FY27 to FY31-Unit 2 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Computation of Cost Elements at Normative Availability</b>					
No. of days in FY	365.00	366.00	365.00	365.00	365.00

Particulars	FY27	FY28	FY29	FY30	FY31
Gross Generation at Normative Availability & Aux Power (i) (MUs)	893.52	895.97	893.52	893.52	893.52
Ex-Bus Generation at Normative Availability & Aux Power (i) (MUs)	804.17	806.37	804.17	804.17	804.17
Rate of Energy Charges Pertaining to Coal (ii) (Rs/kWh)	3.08	3.26	3.08	3.01	3.08
Coal Cost at Normative Availability [= (i)x(ii)]	247.94	263.10	247.94	241.86	247.94
LDO Cost at Normative Availability	3.12	3.13	3.12	3.12	3.12
Annual Fixed Charges (excluding Incentive) at Normative Availability	126.69	139.20	141.34	144.71	151.02
O&M Expenses	68.67	76.23	77.50	80.65	86.32
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	13.73	15.25	15.50	16.13	17.26
<b>Elements of Working Capital</b>					
Working Capital as Coal Cost for 50 days	33.96	35.94	33.96	33.13	33.96
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	46.57	49.85	48.38	48.04	49.57
Working Capital as O&M Expenses for 1 month	5.72	6.35	6.46	6.72	7.19
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	13.73	15.25	15.50	16.13	17.26
<b>Total Working Capital</b>	<b>100.51</b>	<b>107.91</b>	<b>104.82</b>	<b>104.55</b>	<b>108.51</b>
<b>Computation of Interest on Working Capital</b>					
Bank Rate as on 30.09.2020 +(3.5%)	12.25%	12.25%	12.25%	12.25%	12.25%
<b>Interest on Working Capital</b>	<b>12.31</b>	<b>13.22</b>	<b>12.84</b>	<b>12.81</b>	<b>13.29</b>

**Table56: Interest on Working Capital for FY27 to FY31-Unit 3 (Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31
<b>Computation of Cost Elements at Normative Availability</b>					
No. of days in FY	365.00	366.00	365.00	365.00	365.00
Gross Generation at Normative Availability & Aux Power (i) (MUs)	893.52	895.97	893.52	893.52	893.52
Ex-Bus Generation at Normative Availability & Aux Power (i) (MUs)	804.17	806.37	804.17	804.17	804.17

Particulars	FY27	FY28	FY29	FY30	FY31
Rate of Energy Charges Pertaining to Coal (ii) (Rs/kWh)	3.31	3.28	3.24	3.06	3.24
Coal Cost at Normative Availability [= (i)x(ii)]	266.36	264.12	260.95	245.93	260.95
LDO Cost at Normative Availability	3.12	3.13	3.12	3.12	3.12
Annual Fixed Charges (excluding Incentive) at Normative Availability	123.32	130.11	135.28	136.27	144.75
O&M Expenses	66.53	70.06	73.50	74.43	81.89
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	13.31	14.01	14.70	14.89	16.38
<b>Elements of Working Capital</b>					
Working Capital as Coal Cost for 50 days	36.49	36.08	35.75	33.69	35.75
Working Capital as LDO Cost for 2 months	0.52	0.52	0.52	0.52	0.52
Working Capital as Receivables for 45 days	48.43	48.86	49.24	47.50	50.40
Working Capital as O&M Expenses for 1 month	5.54	5.84	6.12	6.20	6.82
Working Capital as Maintenance Spares (at 20% of O&M Expenses)	13.31	14.01	14.70	14.89	16.38
<b>Total Working Capital</b>	<b>104.29</b>	<b>105.31</b>	<b>106.33</b>	<b>102.80</b>	<b>109.87</b>
<b>Computation of Interest on Working Capital</b>					
Bank Rate as on 30.09.2020 +(3.5%)	12.25%	12.25%	12.25%	12.25%	12.25%
<b>Interest on Working Capital</b>	<b>12.77</b>	<b>12.90</b>	<b>13.02</b>	<b>12.59</b>	<b>13.46</b>

172. Tata Power humbly requests the Hon'ble Commission to approve the Interest on Working Capital for Unit 2 and Unit 3 for the 4th Control Period, as shown in the above Table.

#### E.4.6 Incentive

173. Regulation 17.5 of the JSERC GTR, 2025 stipulates the norm for the Incentive applicable to a Generating Station as below:

*"17.5 In addition to the capacity charge, an incentive shall be payable to a generating station or Unit thereof at a flat rate of 50 paise/kWh for ex-bus scheduled energy corresponding to scheduled generation in excess of ex-bus energy corresponding to Normative Annual Plant Load Factor (NAPLF)."*

174. Although there has been excess generation in some financial years of the Control Period, Tata Power is not proposing any incentive at this stage, considering that PLF and the corresponding generation will vary at the time of True-Up. Therefore, the Petitioner seeks the liberty of the Hon'ble Commission to claim the incentive at the time of True-Up for the respective year.

#### E.4.7 Non-Tariff Income

175. Regulation 15.48 specified following with respect to Non-Tariff Income:

*“15.48 The amount of Non-Tariff Income relating to the generating business as approved by the Commission shall be deducted from the ARR in determining the Tariff of the generating business:*

*Provided that the Generating Company shall submit full details of its forecast of Non-Tariff Income to the Commission in such form as may be stipulated by the Commission.”*

176. Since the components of Non-Tariff Income constitute very small proportion of total Annual Fixed Cost and income therefrom is highly irregular and unpredictable, the Petitioner for the purpose of computing Annual Fixed Cost for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 has considered the same as Nil. Actual values under different heads shall be submitted to the Hon'ble Commission at the time of True-up for necessary deduction from Annual Fixed Cost.

#### E.5 ANNUAL FIXED CHARGES

177. The following Tables show the summary of Annual Fixed Charges for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31.

**Table57: AFC (Excluding Incentive) for FY27 to FY31 -Unit 2 (in Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31	Total
Return on Equity	31.36	32.30	32.76	33.06	33.29	162.77
Interest on Loan	2.88	3.27	2.66	1.66	0.56	11.02
Depreciation	11.47	14.19	15.59	16.54	17.56	75.34
Interest on Working Capital	12.31	13.22	12.84	12.81	13.29	64.47
O&M Expenses	68.67	76.23	77.50	80.65	86.32	389.36
<b>Total AFC</b>	<b>126.69</b>	<b>139.20</b>	<b>141.34</b>	<b>144.71</b>	<b>151.02</b>	<b>702.96</b>

**Table58: AFC (Excluding Incentive) for FY27 to FY31 - Unit 3 (in Rs. Cr.)**

Particulars	FY27	FY28	FY29	FY30	FY31	Total
Return on Equity	30.15	30.94	31.43	31.73	31.96	156.20

Particulars	FY27	FY28	FY29	FY30	FY31	Total
Interest on Loan	2.90	3.31	3.02	2.28	1.31	12.83
Depreciation	10.96	12.89	14.32	15.24	16.13	69.54
Interest on Working Capital	12.77	12.90	13.02	12.59	13.46	64.75
O&M Expenses	66.53	70.06	73.50	74.43	81.89	366.40
<b>Total AFC</b>	<b>123.32</b>	<b>130.11</b>	<b>135.28</b>	<b>136.27</b>	<b>144.75</b>	<b>669.73</b>

178. Tata Power humbly requests the Hon'ble Commission to approve the Annual Fixed Charges for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31 as shown above.

#### E.6 REVENUE REQUIREMENT FOR THE CONTROL PERIOD FY2026-27 TO FY 2030-31

179. The following Tables summarize the Revenue Requirement & Generation Tariff for Unit 2 and Unit 3 for the Control Period FY 2026-27 to FY 2030-31:

**TABLE 1 REVENUE REQUIREMENT & GENERATION TARIFF FOR FY27 TO FY31 - UNIT 2**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Ex-Bus Generation	MUs	747.61	946.88	747.61	686.75	747.61
Return on Equity	Rs. Cr.	31.36	32.30	32.76	33.06	33.29
Interest on Loan	Rs. Cr.	2.88	3.27	2.66	1.66	0.56
Depreciation	Rs. Cr.	11.47	14.19	15.59	16.54	17.56
Interest on Working Capital	Rs. Cr.	12.31	13.22	12.84	12.81	13.29
O&M Expenses	Rs. Cr.	68.67	76.23	77.50	80.65	86.32
<b>Total Annual Fixed Charges</b>	<b>Rs. Cr.</b>	<b>126.69</b>	<b>139.20</b>	<b>141.34</b>	<b>144.71</b>	<b>151.02</b>
Incentive	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
<b>Annual Fixed Charges (including Incentive)</b>	<b>Rs. Cr.</b>	<b>126.69</b>	<b>139.20</b>	<b>141.34</b>	<b>144.71</b>	<b>151.02</b>
Energy Charge Rate	Rs/kWh	3.12	3.30	3.12	3.05	3.12
<b>Energy Charges</b>	<b>Rs. Cr.</b>	<b>248.27</b>	<b>263.27</b>	<b>248.27</b>	<b>242.26</b>	<b>248.27</b>
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.32	3.32	3.32	3.32	3.32
Energy Charge Rate after SHAKTI Discount	Rs/kWh	3.28	2.75	3.28	3.48	3.28
<b>Total Annual Revenue Requirement (including Incentive)</b>	<b>Rs. Cr.</b>	<b>371.64</b>	<b>399.15</b>	<b>386.29</b>	<b>383.65</b>	<b>395.98</b>

**Table59: Revenue Requirement & Generation Tariff FY27 to FY31 Unit 3**

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
Ex-Bus Generation	MUs	901.40	852.22	815.52	629.56	815.52
Return on Equity	Rs. Cr.	30.15	30.94	31.43	31.73	31.96
Interest on Loan	Rs. Cr.	2.90	3.31	3.02	2.28	1.31
Depreciation	Rs. Cr.	10.96	12.89	14.32	15.24	16.13
Interest on Working Capital	Rs. Cr.	12.77	12.90	13.02	12.59	13.46

Particulars	UoM	FY27	FY28	FY29	FY30	FY31
O&M Expenses	Rs. Cr.	66.53	70.06	73.50	74.43	81.89
<b>Total Annual Fixed Charges</b>	<b>Rs. Cr.</b>	<b>123.32</b>	<b>130.11</b>	<b>135.28</b>	<b>136.27</b>	<b>144.75</b>
Incentive	Rs. Cr.	0.00	0.00	0.00	0.00	0.00
<b>Annual Fixed Charges (including Incentive)</b>	<b>Rs. Cr.</b>	<b>123.32</b>	<b>130.11</b>	<b>135.28</b>	<b>136.27</b>	<b>144.75</b>
Energy Charge Rate	Rs/kWh	3.35	3.31	3.28	3.10	3.28
<b>Energy Charges</b>	<b>Rs. Cr.</b>	<b>266.49</b>	<b>264.28</b>	<b>261.13</b>	<b>246.28</b>	<b>261.13</b>
Less: Discount as per [SHAKTI 2&3]	Rs. Cr.	3.30	3.30	3.30	3.22	3.30
Energy Charge Rate after SHAKTI Discount	Rs/kWh	2.92	3.06	3.16	3.86	3.16
<b>Total Annual Revenue Requirement (including Incentive)</b>	<b>Rs. Cr.</b>	<b>386.50</b>	<b>391.08</b>	<b>393.12</b>	<b>379.33</b>	<b>402.58</b>

180. Tata Power, therefore, humbly requests the Hon'ble Commission to approve the Annual Fixed Charges, Energy Charges, Rate of Energy Charges, the applicable Fuel Price Adjustment and Total Annual Revenue Requirement of Jojobera Units for the Control Period from FY 2026-27 to FY 2030-31.



# झारखण्ड राज्य विद्युत नियामक आयोग

## JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION

JSERC/Case (Tariff) No. 17 of 2025/681

Date: 10.02.2026

To

Shri Dilip Kumar  
Gr. Head – Corporate Regulations (ER)  
Tata Power Company Limited  
Regulation Department  
Jojobera Power Plant  
JAMSHEDPUR – 831 016.

Sub: Additional data requirement pertaining to deficiencies observed in the Petition for Business Plan & MYT for FY 2026-27 to 2030-31 of Tata Power Company Ltd. (TPCL) – Regarding thereof.

Sir,

Please find enclosed a copy of office report dated 06.02.2026 pointing out some discrepancies in the petition as cited above in Case (T) no. 17 of 2025.

A compliance report to this effect removing the discrepancies together with required additional data may please be sent within one week.

Thanking you.

Yours faithfully,

(R. P. Nayak)

Secretary

Case (Tariff) No. 17 of 2025

Date : 06.02.2026

### Office Report

The petition dated 29.12.2025 for MYT Business plan & MYT petition for FY 2026-27 to FY 2030-31 of the petitioner - Tata Power Company Ltd. (TPCL) for sale of electricity from Unit 2 & 3 (2x120 MW) of Jojobera Power Plant of the Petitioner-Tata Power Co. Ltd. to Tata Steel Limited have been scrutinized and several deficiencies/discrepancies have been found in the petition as indicated below:

#### Note on Discrepancies/ Data gaps in respect of the Business Plan & MYT for FY 2026-27 to 2030-31 of the Petition filed by The Tata Power Company Limited

1. As per the details submitted in Annexure-P25, it is observed that the Petitioner has obtained approval for the capital expenditure scheme related to installation of Online Dissolved Gas Analysis (DGA) system for hydrogen and moisture sensors in power transformers of Units-4, 5 and 6. However, it is further observed from the Petitioner's submission that the proposal for capital expenditure towards installation of Online-DGA system for Units-2 and 3 is stated to be submitted for approval before the Commission by 30th December, 2025. In this regard, the Petitioner is directed to clarify whether approval of the Commission for the said capital expenditure for Units-2 and 3 has since been obtained, and if so, to submit a copy of the relevant approval.
2. The Petitioner has provided actual security expenses data for FY 2020-21 to FY 2024-25 and has projected the same for upcoming Control Period FY 2027-31. The Petitioner to provide the proof for the actual security expenses for FY 21-25 and reconcile the same with the Audited Account of the said period.
3. It is observed that the Petitioner has proposed several **New Schemes** as Additional Capitalisation for FY 2026-27 to FY 2030-31. In terms of Clause 14.5 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025, any additional capitalisation proposed at the fag end of the useful life of a generating station/unit is required to be supported by detailed justification of necessity, cost-benefit analysis, Detailed Project Report (DPR), rate reasonableness, and the Residual Life Assessment report of the project. In this regards, the Petitioner is directed to submit scheme-wise detailed justification for the necessity of each line item proposed under the new schemes, along with a cost-benefit analysis demonstrating tangible operational, financial, or efficiency gains as well as DPR (if any). The Petitioner is also required to submit documentary evidence of approval from the competent authority/Management for each such scheme.
4. For all the assets claimed for FY 2026-27 to FY 2030-31 under Clause 14.3 (C) of the JSERC generation tariff regulation, 2025, the Petitioner is required to submit the Obsolescence certificate.

5. It is observed that with regards to Additional Capitalization for FY 2026-27 to FY 2030-31 on account of Renovation and Modernization of Unit 2 and Unit 3 for extension of life beyond the useful life, the Petitioner has sought liberty to modify/make additions to the Capex proposal, as the Petitioner is in the process of conducting the RLA study. It is further observed that the RLA study for Boiler (Unit-3) was tentatively planned in Jan-2026.

In this regard, the Commission deems it appropriate to reiterate that, vide its APR Order for FY 2019-20 dated 09.09.2020, and in all subsequent tariff orders thereafter, the Petitioner was consistently directed to undertake a Residual Life Assessment (RLA) study. A considerable period has elapsed since the issuance of the said directions; however, the Petitioner has not yet completed the RLA study. In view of the above, the Petitioner is directed to submit the present status of the RLA study, including the date of commencement of the study, the scope of work undertaken, and the tentative timeline for completion of the RLA study, along with any interim findings, if available.

  
Secretary

**BEFORE THE HON'BLE JHARKHAND STATE ELECTRICITY REGULATORY  
COMMISSION AT RANCHI****CASE (TARIFF) NO. 17 OF 2025****IN THE MATTER OF:**

The Tata Power Company Limited

.....Petitioner

**-Versus-**

Tata Steel Limited

...Respondent

**INDEX**

<b>SR. NO.</b>	<b>PARTICULARS</b>	<b>PAGE NO.</b>
<b>1</b>	Reply by the Petitioner to the queries of the Hon'ble Commission	<b>1</b>
<b>2</b>	<b>Appendix-A</b>	<b>2</b>
<b>3</b>	<b>Annexure-R1:</b> Auditor Certificate for Security Expenses	<b>8</b>
<b>4</b>	<b>Annexure-R2:</b> DPR/ detailed justifications for proposed schemes	<b>9</b>
<b>7</b>	Affidavit	<b>218</b>
<b>5</b>	<b>Annexure-R2.a:</b> Additional supporting documents (submitted vide e mail)	
<b>6</b>	<b>Annexure-R3:</b> RLA reports (submitted vide e mail)	

**BEFORE THE HON'BLE JHARKHAND STATE ELECTRICITY REGULATORY  
COMMISSION AT RANCHI**

**CASE (TARIFF) NO. 17 OF 2025**

**IN THE MATTER OF:** Petition for MYT Business Plan & MYT Petition for FY 2026-27 to FY 2030-31 under Section 61, 62, 64 and 86 of the Electricity Act 2003 in accordance with JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025 [hereinafter referred to as 'GTR 2025' or 'JSERC Generation Tariff Regulations, 2025'] for sale of electricity from Unit # 2 & 3 (2x120 MW) of Jojobera Power Plant of the Petitioner - The Tata Power Co. Ltd. to Tata Steel Limited, a Long-Term beneficiary and Distribution Licensee.

**AND**

**IN THE MATTER OF:**

The Tata Power Company Limited

.....Petitioner

-Versus-

Tata Steel Limited

...Respondent

**The Petitioner most respectfully submits that**

1. The MYT Petition for FY 2026-27 to FY 2030-31 in respect of Unit # 2 & 3 (2x120 MW) of Jojobera Power Plant has been filed before the Hon'ble Commission on 24.12.2025.
2. Vide letter dated 10.02.2026, the Hon'ble Commission directed the Petitioner to furnish certain additional information in terms of the Order dated 06.02.2026.
3. The Petitioner in the instant submission, is filing the information directed by the Hon'ble Commission as **Appendix-A**.
4. For kind consideration of the Hon'ble Commission, please.

**Appendix-A**

The Petitioner, most humbly submits the reply to the queries of the Hon'ble Commission, as below:

**Query-1**

1. As per the details submitted in Annexure-P25, it is observed that the Petitioner has obtained approval for the capital expenditure scheme related to installation of Online Dissolved Gas Analysis (DGA) system for hydrogen and moisture sensors in power transformers of Units-4, 5 and 6. However, it is further observed from the Petitioner's submission that the proposal for capital expenditure towards installation of Online-DGA system for Units-2 and 3 is stated to be submitted for approval before the Commission by 30th December, 2025. In this regard, the Petitioner is directed to clarify whether approval of the Commission for the said capital expenditure for Units-2 and 3 has since been obtained, and if so, to submit a copy of the relevant approval.

**Reply:**

2. It is most humbly submitted that the scheme "Online Dissolved Gas Analysis (DGA) system for transformers" has been claimed by the Petitioner for FY 2025-26 under New Schemes proposed for FY 2025-26. The Petitioner has submitted letter dated 30.09.2025 by the beneficiary, Tata Steel Ltd (TSL), granting approval of the capex for the scheme in respect of Unit No. 4,5 and 6, at Annexure-P25 of the Petition for True up of FY 2024-25 and APR of FY 2025-26, which has been referred by the Hon'ble Commission in the instant query.
3. Notably, these Online devices are Sensors which provide real-time, continuous, online monitoring of hydrogen and moisture levels in transformer fluids, helping in early detection of fault and thereby, avoiding any critical failures in the transformers like GT/UAT etc. The lead time for procurement of Generator transformer is quite significant, and failure could severely impact the power supply in Jamshedpur. The requirement becomes even more crucial considering the age of the Generator Transformer which is completing 25 years.
4. On this backdrop, while approving the scheme for Unit No. 4,5 and 6, Tata Steel, being the distribution licensee in the command area of Jamshedpur city, recommended the Petitioner to submit the proposal for approval for the said scheme in respect of Unit-2 and 3 to the Hon'ble Commission by 30th December, 2025.
5. The Petitioner most humbly submits that in accordance with the recommendation by the beneficiary and on account of the necessity of the scheme, the Petitioner has submitted the proposal for approval by the Hon'ble Commission vide the instant Petition for True up of FY 2024-25 and APR of FY 2025-26 (case (T) No.13 of 2025), along with detailed justification.

6. As such, it is being clarified that the approval for the referred scheme "Online Dissolved Gas Analysis (DGA) system" is under active consideration of the Hon'ble Commission. The Hon'ble Commission is requested to kindly allow the same.

**Query-2**

7. The Petitioner has provided actual security expenses data for FY 2020-21 to FY 2024-25 and has projected the same for upcoming Control Period FY 2027-31. The Petitioner to provide the proof for the actual security expenses for FY 21-25 and reconcile the same with the Audited account of the said period.

**Reply:**

8. The Petitioner humbly submits that the Audited accounts for FY 2021-25, along with the Certificate for the security expenses by the concerned authority, have been submitted by the Petitioner along with the MYT Petition for the kind consideration by the Hon'ble Commission. The same have not been annexed herewith, for the sake of brevity and to avoid repetition.
9. As desired by the Hon'ble Commission in the instant query, reconciliation of the actual security expenses for FY 21-25 with the Audited account of the said period, duly certified by the Auditor, substantiating and evidencing the actual incurrence of the same, is being annexed with the instant submission as **ANNEXURE-R1**.

**Query-3**

10. It is observed that the Petitioner has proposed several New Schemes as Additional Capitalisation for FY 2026-27 to FY 2030-31. In terms of Clause 14.5 of the JSERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2025, any additional capitalisation proposed at the fag end of the useful life of a generating station/ unit is required to be supported by detailed justification of necessity, cost-benefit analysis, Detailed Project Report (DPR), rate reasonableness, and the Residual Life Assessment report of the project. In this regards, the Petitioner is directed to submit scheme-wise detailed justification for the necessity of each line item proposed under the new schemes, along with a cost-benefit analysis demonstrating tangible operational, financial, or efficiency gains as well as DPR (if any). The Petitioner is also required to submit documentary evidence of approval from the competent authority/Management for each such scheme.

**AND**

**Query-4**

11. For all the assets claimed for FY 2026-27 to FY 2030-31 under Clause 14.3 (C) of the JSERC generation tariff regulation, 2025, the Petitioner is required to submit the Obsolescence certificate.

**Reply**

12. It is humbly submitted that the respective DPR/ detailed justifications for each of the schemes proposed for additional capitalisation for FY 2026-27 to FY 2030-31, supported by applicable documentary evidences, obsolescence certificate etc. are annexed with the instant submission and marked as **ANNEXURE R2** for the kind consideration of the Hon'ble Commission. Further, certain additional supporting documents with respect to the proposed schemes are being submitted as **Annexure R2.a** in soft copy being shared as an e-mail link, since the documents are quite voluminous. It is being humbly submitted that many of the assets have completed the asset life, rendering the spare parts unavailable and the asset non-serviceable. In such cases, even obtaining Obsolescence Certificate by the OEM is also practically not possible. In such a scenario, it is most humbly requested that unavailability of the Obsolescence Certificate may kindly be condoned by the Hon'ble Commission on said grounds and the proposed schemes may kindly be allowed considering the difficulty to service and repair the assets.
13. In respect of certain schemes which are necessitated on account of concerns regarding sustained plant operation and safety and security of plant, it is being humbly submitted that it may not be practical to conduct a Cost-benefit analysis for such schemes, since, the same may not provide an accurate account of the importance and criticality of said schemes. The petitioner would further like to submit that in case, further details, if desired by the Hon'ble Commission, shall be provided accordingly.
14. The Petitioner would like to submit that the Detailed Project Reports (DPRs) submitted herein have been prepared following the prudent utility practices, OEM recommendation, and lifecycle-based asset health assessments to ensure safety, reliability, and stable operation of Jojobera Plants. Each DPR sets out the technical rationale, scope of works, implementation plan, necessity of projects and cost estimates based on historical benchmarks, procurement of similar equipment for other units of Tata Power and tentative quotations from vendors wherever possible. In accordance with Tata Power's corporate procurement practice, Tata power will endeavour to do competitive procurement. The proposed projects/ schemes are essential for sustenance of plant, mitigate operational risks and align with current standards. These proposed projects/ schemes are essential to Jojobera Power Plant's broader commitment to ensuring availability and supply of power to Jamshedpur city.
15. It is further submitted that, in the MYT Petition, total proposed add cap was Rs. 108.70 Cr. (Table No. 10, Pg. No. 32-35 of the MYT Petition), however, based on the recent quotations received from vendors, there is a variation in the proposed cost of several schemes/projects. Now, total revised add cap is in the tune of Rs. 112.49 Cr. But these costs continue to remain tentative in nature. Thus, at this stage, Tata Power is not proposing changes in AFC due to change in Add Cap. The actual project cost will be known only upon capitalisation of the respective schemes. Tata Power

will accordingly apprise the Hon'ble Commission of the actual capitalised cost through quarterly submissions or at the time of the True-Up for the respective year.

16. The Petitioner also submits that given the volatile nature of global supply chains, fluctuating market prices, vendor availability and the technical complexities inherent in site-specific executions, Tata Power seeks liberty from the Hon'ble Commission to accommodate reasonable changes in price, scope of works and phasing of capex if required, that may arise during execution of the works and accordingly allow Tata Power to claim change in the components of AFC at the time of APR/ True Up for the respective year. Tata power will strive to undertake such changes strictly within the bounds of prudence, transparency, and cost competitiveness, with detailed justification/ supporting documentation. The same will also be submitted to the Hon'ble Commission through our quarterly submissions or at the time of APR/ True-Up of respective year.

#### **Query-5**

17. It is observed that with regards to Additional Capitalisation for FY 2026-27 to FY 2030-31 on account of Renovation and Modernisation of Unit 2 and Unit 3 for extension of life beyond the useful life, the Petitioner has sought liberty to modify/make additions to the Capex Proposal, as the Petitioner is in the process of conducting the RLA study. It is further observed that the RLA study for Boiler (Unit-3) was tentatively planned in Jan-2026.

In this regard, the Commission deems it appropriate to reiterate that, vide its APR Order for FY 2019-20 dated 09.09.2020, and in all subsequent tariff orders thereafter, the Petitioner was consistently directed to undertake a Residual Life Assessment (RLA) study. A considerable period has elapsed since the issuance of the said directions; however, the Petitioner has not yet completed the RLA study. In view of the above, the Petitioner is directed to submit the present status of the RLA study, including the date of commencement of the study, the scope of work undertaken, and the tentative timeline for completion of the RLA study, along with any interim findings, if available.

#### **Reply:**

18. As has been referred by the Hon'ble Commission in the query, the Petitioner has made a prayer in the instant petition seeking liberty to modify/ make additions to the Capex Proposal for FY 2026-27 to FY 2030-31 on account of Renovation and Modernisation of Unit 2 and Unit 3 for extension of life beyond the useful life. The Petitioner, in its humble submission, finds it prudent to make such a prayer for the kind consideration of the Hon'ble Commission, viewing the probable expenditure required to be incurred in future years for Renovation and Modernisation; extent, phasing and accordingly estimated expenditure for which is contingent upon the results of the assessments which are essentially to be undertaken in the upcoming assessment cycles only, as explained in the subsequent paragraphs.

19. The Petitioner, as regards the reference of the Hon'ble Commission to the **Residual Life Assessment (RLA)**, would like to submit that RLA for "Boiler Pressure Parts" has been carried out for Unit 2&3 as a practice in accordance with Indian Boiler Regulations (IBR) in December 2021 and February 2021, respectively. Similarly, RLA for Turbine and other critical components has also been undertaken in line with OEM recommendations and prevailing utility practices for Unit 2&3 in January 2025 and February 2021, respectively. It may be noted that the stipulated frequency of the Boiler RLA is every 6 years, whereas, for Turbine and other critical components, the same is typically every 5 years. Summary of the past and upcoming RLAs is presented in the table below.

<b>Particulars</b>	<b>Last RLA*</b>	<b>Next RLA</b>
Boiler-Unit-2	Dec-21	Dec-26
Boiler-Unit-3	Feb-21	Feb-26#
Turbine-Unit-2	Jan-25	Dec-31
Turbine-Unit-3	Feb-21	Feb-28

**Note:**

*\* The Petitioner most humbly submits that the RLA reports, being quite voluminous documents, are being provided in soft copy to be shared via e mail link (**Annexure-R3**). However, the petitioner shall provide the hard copy for the same, if required by the Hon'ble Commission.*

*# As scheduled, the RLA for Boiler in Unit-3 has been completed recently in February, 2026. The study report for the same is under finalisation.*

20. It may be noted here that RLA is a condition-based evaluation, undertaken at defined intervals, based on operating history, metallurgical examination, and inspection findings. The stipulated 6 years Boiler RLA cycle implies that such RLA can provide a visibility for a period of 6 years. As such, in case of Unit-2, it is till Dec, 2026 and for Unit-3, it is till Feb, 2026. However, degradation mechanisms such as creep, fatigue, oxidation, and thermal ageing are progressive and time-dependent in nature. Accordingly, certain life-limiting conditions may develop or become detectable only in subsequent RLA cycles, depending upon actual operating regime, transient conditions, and accumulated service exposure. Further, the turbine RLAs undertaken so far, have indicated a sustained life post completion of the useful life of 25 years, with few observations and recommendations; which are being undertaken.
21. Further, as regards the RLA for "Balance of Plant", which is typically required post 25 years of life of the asset, is under active consideration of the management. The same shall be scheduled, keeping in consideration, the planned RLAs as mentioned herein above and requirement of outage for such RLA.
22. Accordingly, the capital expenditure for the upcoming MYT Control Period has been proposed based on currently identified requirements and available technical

assessment inputs as a result of the RLA undertaken so far in respect of the “Boiler Pressure Parts” as per the IBR and for Turbine and other critical components in line with OEM recommendations/ prevailing utility practices.

23. In this regard, it is pertinent to note that further RLA studies which shall be carried out as per the schedule, will play a crucial role in assessing the residual technical life of critical components and identifying further requirement of refurbishment, replacement, or upgradation works, as may be necessary for continued operation of the Units beyond the present PPA period. Such works are essential from the perspective of:

- Ensuring safe and reliable operation of the Unit
- Maintaining operational efficiency and performance
- Preventing forced outages and major failures
- Enabling optimal utilization of existing generating assets

24. Summarily, it is submitted that the requirement and scope of such life extension works are contingent upon the findings and recommendations of future RLA studies and, therefore, cannot be fully envisaged at this stage. Accordingly, the Petitioner prays before the Hon’ble Commission for liberty to approach at an appropriate stage with detailed proposals for additional capitalization, as may be necessitated based on future RLA findings, for life extension and continued operation of the Unit beyond the present PPA period.



JPP/45/2026

21.03.2026

To-

The Secretary

Jharkhand State Electricity Regulatory Commission,  
1<sup>st</sup> Floor, Jharkhand Housing Board (Old Building)  
Harmu Housing Colony,  
Ranchi-834002

**Subject:** Additional reply to Query 5 raised by the Hon'ble Commission vide letter dated 10.02.2026.

**Reference:** The Multi-Year Tariff Petition for control period FY 2026-27 to FY 2030-31 (Case (T) No. 17 of 2025); additional Information dated 17.02.2026.

Sir,

The Petitioner, Tata Power Company Ltd humbly submits that the Multi-Year Tariff Petition for control period FY 2026-27 to FY 2030-31 in respect of Jojobera Unit-2 and 3 is presently under kind consideration of the Hon'ble Commission. Vide submission dated 17.2.2026, the Petitioner furnished additional information as directed by the Hon'ble Commission vide letter dated 10.02.2026.

As regards the specific query on RLA (query 5), the Petitioner, *inter alia* has informed that RLA for "Boiler Pressure Parts" has been carried out for Unit 2&3 as a practice in accordance with Indian Boiler Regulations (IBR) in December 2021 and February 2021, respectively. Similarly, RLA for Turbine and other critical components has also been undertaken in line with OEM recommendations and prevailing utility practices for Unit 2&3 in January 2025 and February 2021, respectively. Summary of the past and upcoming RLAs as per the defined scheduled was also presented in the referred submission, as reproduced below:

Particulars	Last RLA	Next RLA
Boiler-Unit-2	Dec-21	Dec-26
Boiler-Unit-3	Feb-21	Feb-26
Turbine-Unit-2	Jan-25	Dec-31
Turbine-Unit-3	Feb-21	Feb-28



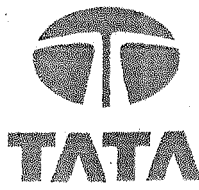
*Dilip Kumar*

**TATA POWER**

The Tata Power Company Limited  
Jojobera Power Plant, Jamshedpur - 831016

Tel 91 657 2276879, 6511543

Registered Office Bombay House 24 Homi Mody Street Mumbai 400 001




The Petitioner, in its humble submission, has also submitted the RLA reports as Annexure-R3 of the referred submission in soft copy (e-mail link), considering the voluminous nature of the documents. Pertinently, it was also informed by the Petitioner that the **RLA for Boiler in Unit-3** had been completed recently in February, 2026 and the report for the same was under finalisation and, hence, the same could not be submitted in the Additional Submission dated 17.02.2026. In this regard, the Petitioner, wishes to submit that the preliminary report for Unit 3 boiler has been furnished by the TCR Advanced Engineering Pvt. Ltd. on 18.03.2026 and, accordingly, in spirit of the Hon'ble Commission's query 5 and its compliance, the latest RLA report of Unit 3 boiler is prudently being submitted herewith alongwith hard copies of the previous RLAs for kind reference and consideration of the Hon'ble Commission. The Petitioner most respectfully submits that it is ready to provide any further information/ clarification deemed necessary by the Hon'ble Commission.

In terms of the preliminary report of Unit 3 boiler, the TCR Advaced has at Para (E) at Pg. No 44 of the report has concluded that no significant abnormalities were observed and, accordingly, the boiler may be continued in operation, provided that the process parameters remain within the OEM / process licensor's recommended limits and that operation is carried out in accordance with IBR guidelines. It further recommended to replace the Reheater and Final Superheater panels due to significant increase in scale formation to ensure better reliability and uninterrupted operation of the unit. However, after detailed analysis and completion of laboratory testing, recommendations and balance life shall be provided in the final report. Upon assessment of the final report, Petitioner shall approach Hon'ble Commission for further Capex requirements, if any.

In light of above submissions, the Petitioner respectfully requests the Hon'ble Commission to kindly approve the projected revenue requirements and capital expenditure as presented in the MYT Petition.

For kind consideration of the Hon'ble Commission, please.

Thanking you,  
Yours Sincerely,

  
Dilip Kumar  
(Head-Regulatory ER)

**TATA POWER**

The Tata Power Company Limited  
Jojobera Power Plant, Jamshedpur - 831016  
Tel 91 657 2276879, 6511543

Registered Office Bombay House 24 Homi Mody Street Mumbai 400 001

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI****Petition No. 246/GT/2021****Coram:****Shri Jishnu Barua, Chairperson****Shri Arun Goyal, Member****Shri Ramesh Babu V, Member****Date of Order: 2<sup>nd</sup> August, 2024****In the matter of:**

Petition for approval of tariff of Solapur Super Thermal Power Station (1320 MW) for the period 2019-24.

**And****In the matter of:**

NTPC Limited,  
NTPC Bhawan, Core-7,  
Scope Complex,  
Institutional Area, Lodhi Road,  
New Delhi-110 003

**...Petitioner****Vs**

1. Madhya Pradesh Power Management Company Limited,  
Shakti Bhawan, Vidyut Nagar, Jabalpur 482 008.
2. Maharashtra State Electricity Distribution Company Limited,  
Prakashgad, Bandra (East),  
Mumbai 400 051
3. Chattisgarh State Power Distribution Company Limited,  
P.O. Sundar Nagar, Danganiya, Raipur – 492013
4. Electricity Department of Goa,  
Vidyut Bhawan, Panaji, Goa-403001
5. DNH Power Distribution Corporation Limited,  
UT of DNH, Silvassa-396230
6. Electricity Department,  
Administration of Daman & Diu,  
Daman-396210

**...Respondents****Parties Present:**

Shri Karthikeyan Murugan, Advocate, NTPC



Shri. A.S. Pandey, NTPC  
 Shri. Suraj Kumar, NTPC  
 Shri. Sameer Agrawal, NTPC  
 Shri Ravi Sharma, Advocate, MPPMCL

### ORDER

The Petitioner, NTPC Limited, has filed this Petition for the determination of the tariff of Solapur Super Thermal Power Station (2x660 MW) (in short, “the generating station”) for the period 2019-24, in accordance with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (in short 'the 2019 Tariff Regulations'). The generating station, with a total capacity of 1320 MW, comprises two units of 660 MW each, and the dates of commercial operation of the units of the generating station are as under:

Unit- I	25.9.2017
Unit- II	30.3.2019

2. The Commission, vide its order dated 6.1.2020 in Petition No. 178/GT/2017, had determined the tariff of the generating station for the period 2014-19. Subsequently, the Commission vide its order dated 19.5.2024 in Petition No. 582/GT/2020 had approved the revised tariff of the generating station for the period 2014-19 after truing up exercise. Thereafter, the Commission, vide its corrigendum order dated 5.7.2024 in Petition No. 582/GT/2020, revised the tariff of the generating station approved, vide order dated 19.5.2024, after rectification of certain inadvertent errors. Accordingly, the annual fixed charges and capital cost of the generating station approved, vide the corrigendum order dated 5.7.2024 is as under:

#### **Capital cost allowed**

	<i>(Rs. in lakh)</i>		
	2017-18 25.9.2017 to 31.3.2018	2018-19 1.4.2018 to 29.3.2019 30.3.2019 to 31.3.2019	
Opening cost	517436.84	534176.85	883657.22
Add: Additional capital expenditure	16740.02	32076.40	0.00
<b>Closing capital cost</b>	<b>534176.85</b>	<b>566253.26</b>	<b>883657.22</b>
Average capital cost	525806.84	550215.06	883657.22



corresponding to land (right of use) as 3.34% as against 4% claimed by the Petitioner.

Necessary calculations in support of depreciation are as under:

	<i>(Rs. in lakh)</i>				
	2019-20	2020-21	2021-22	2022-23	2023-24
Average capital cost (A)	905414.08	938044.59	981760.95	1014603.66	1014603.66
Value of freehold land included in 'A' above (B)	52395.57	52395.57	52395.57	52395.57	52395.57
Value of IT equipment & software included in 'A' above (C)	628.94	628.94	628.94	628.94	628.94
Depreciable Value [D = (A-B-C) x 90% + C]	767779.55	797147.01	836491.73	866050.17	866050.17
Balance useful life at the beginning of the year (E)	25.00	24.00	23.00	22.00	21.00
Remaining depreciable value at the beginning of the year (F = D - 'J' of the preceding period)	729247.15	714465.22	708069.44	689755.69	640282.05
Weighted Average Rate of Depreciation (G)	4.8762%	4.8762%	4.8762%	4.8762%	4.8762%
Depreciation during the year (H = AxG)	<b>44149.39</b>	<b>45740.51</b>	<b>47872.18</b>	<b>49473.64</b>	<b>49473.64</b>
Cumulative depreciation at the end of the year (J = H + 'J' of preceding period)	82681.79	128422.30	176294.48	225768.12	275241.77

### **Operation & Maintenance Expenses**

54. Regulation 35(1)(a) of the 2019 Tariff Regulations provides for the following O&M expense norms for coal-based generating stations of 600 MW series:

<i>(Rs. in lakh/MW)</i>				
2019-20	2020-21	2021-22	2022-23	2023-24
20.26	20.97	21.71	22.47	23.26

55. The O&M expenses claimed by the Petitioner are as under:

	<i>(Rs. in lakh)</i>				
	2019-20	2020-21	2021-22	2022-23	2023-24
Normative Operation & Maintenance Expenses under Regulation 35(1)(1) of the 2019 Tariff Regulations	26743.20	27680.40	28657.20	29660.40	30703.20
<b>O&amp;M expenses under Regulation 35(1)(6) of the 2019 Tariff Regulations:</b>					
-Water Charges	2119.27	2193.44	2270.21	2349.67	2431.91
-Capital Spares consumed	0.00	0.00	0.00	0.00	0.00
-Security Expenses	1357.67	1405.19	1454.37	1505.27	1557.96
<b>Total O&amp;M Expenses</b>	<b>30220.14</b>	<b>31279.03</b>	<b>32381.78</b>	<b>33515.34</b>	<b>34693.06</b>

56. The normative O&M expenses claimed by the Petitioner are in terms of Regulation 35(1)(1) of the 2019 Tariff Regulations and hence allowed for the purpose of tariff.



**Water Charges**

57. Regulation 35(1)(6) of the 2019 Tariff Regulations provides for the claim for water charges, security expenses and capital spares as under:

*“35(6) The Water Charges, Security Expenses and Capital Spares for thermal generating stations shall be allowed separately after prudence check:*

*Provided that water charges shall be allowed based on water consumption depending upon type of plant and type of cooling water system, subject to prudence check. The details regarding the same shall be furnished along with the Petition and considering the norms of specific consumption notified by Ministry of Environment and Forest and Climate Change.”*

58. In terms of the above proviso, water charges are to be allowed based on the water consumption depending upon the type of plant, type of cooling water system, etc., subject to prudence check. The Petitioner has claimed water charges based on the actual water consumption of the generating station. The details of the water charges for 2018-19 as submitted by the Petitioner is as under:

	<b>Remarks</b>
Type of Plant	Coal based Thermal Power Plant
Type of cooling water system	Closed Circuit Cooling System
Allocation of Water (in MCM)	51.10
Rate of Water charges (in Rs /m <sup>3</sup> )	5.280
Total Water charges paid in 2018-19 (in Rs. Lakh)	2047.60

59. The actual water charges claimed by the Petitioner in Petition No. 582/GT/2020 for the period 2014-19 and allowed by order dated 19.5.2024 is as under:

	<b>(Rs. in lakh)</b>	
	<b>2017-18</b>	<b>2018-19</b>
Water Charges Claimed	1907.74	2047.60
Water Charges Allowed	1246.99	1437.71

60. The Petitioner has claimed the water charges vide Form 3A for the period 2019-24, based on the water charges claimed for 2018-19 with an annual escalation of 3.50%, which are as under:

<b>(Rs. in lakh)</b>				
<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
2119.27	2193.44	2270.21	2349.67	2431.91

61. The Petitioner, vide additional submission dated 29.6.2021, has submitted that



the water charges claimed were on an estimated basis, and the actual water charges incurred for the period 2019-21 are as under:

<i>(Rs. in lakh)</i>	
2019-20	2020-21
2049.10	2933.82

62. The Petitioner has also indicated that the actual water charges paid for 2018-19 were settled in 2019-20 and therefore, the same has been revised from Rs. 2047.60 lakh to Rs. 1990.11 lakh.

63. Respondent MSEDCL has objected to the claim of the Petitioner and submitted that the Petitioner has not provided any valid justification for the escalation of 3.5% every year over the water charges and without any further administrative and scientific proof and hence may be disallowed. It has also submitted the escalation of water charges needs to be considered on a lower side and the cost may be further brought down. The Petitioner, vide its rejoinder, has submitted that in compliance with Regulation 35(1)(6) of the 2019 Tariff Regulations, the details in respect of water charges, such as the type of cooling water system, rate of water charges, have been furnished in para 9 of the petition and hence, the same may be allowed.

64. Respondent MPPMCL has also objected to the rate of Rs. 5.280 per cubic meter claimed by the Petitioner for the tariff period on the ground that there is an excess allocation of water for the generating station at 51.10 MCM. It has also submitted that the MOEF&CC notification dated 28.6.2018 has made it mandatory for all power plants installed after 1.1.2017 to meet the specific water consumption of 3.0 m<sup>3</sup> /MWh, and therefore, the allocation for the generating station for 51.10 MCM is too high. The Respondent has, therefore, prayed that the Commission may direct the Petitioner to submit proper justification for getting the allocation of 51.10 MCM water for the Plant capacity of 1320 MW and to revise the water allocation to 35 MCM. It has further



submitted that the water charges may be allowed in proportion to the actual PLF, limiting to the restriction prescribed by the MOEF&CC. The Respondent has stated that the water charges are not only excessive but also without any logical explanation, and therefore, the excessive allocation of water and the claim for water charges may be disallowed.

65. The Petitioner, in its rejoinder, has submitted that the allocation of 51.10 MCM had been provided by the Petitioner in order 6.1.2020 in Petition No. 178/GT/2017 and the same was allowed by the Commission. The Petitioner has also submitted that as detailed in para 21 of Petition No. 582/GT/2020 for the period 2014-19, the Petitioner continuously strives to optimize the water consumption, and accordingly, the Petitioner, based on clause 11(ii) of the water agreement has revised the quantity from 52.1 MCM to 43.1 MCM for 5 years starting from June 2022, considering all the technical aspects of Plant operation and duly considering the evaporation losses and line losses, etc. The Petitioner has added that the actual water charges may be allowed for the normative annual plant availability of 85%.

66. The matter has been examined. In terms of the proviso to Regulation 35 (6) of the 2019 Tariff Regulations, the Petitioner is entitled to the claim of the actual water charges incurred. The Petitioner has claimed the water charges for Rs. 2119.27 lakhs and Rs. 2193.44 lakhs for the years 2019-20 and 2020-21, respectively. However, the Petitioner, in its additional submission vide affidavit dated 29.6.2021, has submitted that actual water expenses incurred are Rs. 2049.10 lakh and Rs 2933.82 lakh during the years 2019-20 and 2020-21. The Commission, vide its order dated 19.5.2024 in Petition No.582/GT/2020, had allowed the water charges only to the tune of Rs 1437.71 lakh in 2018-19, after excluding the pre-commissioning expenses, domestic water charges, and power charges. Considering the above submissions of the Petitioner, the rate of water



charges effective for the period 2019-24 is Rs. 5.280 per cubic meter, and also considering the actual water consumption for the period 2018-19, we provisionally allow the water charges for the period 2019-24 as under:

<i>(Rs. in lakh)</i>				
2019-20	2020-21	2021-22	2022-23	2023-24
1437.71	1437.71	1437.71	1437.71	1437.71

67. The Petitioner shall, at the time of truing up of tariff, furnish the details of the actual water consumption (in cubic meters), rate (Rs/ cubic meter), etc., separately along with the charges incurred, clearly bifurcating the water charges paid, the quantum used for the generating station and for the domestic/ township purposes. The Petitioner is also directed to submit the excel sheet showing the detailed working of water charges. The water charges allowed, as above, are subject to the truing up, as per actual water charges paid and the ceiling limit of water consumption as per Regulation 35 of the 2019 Tariff Regulations, on prudence check.

### **Security Expenses**

68. The second proviso to Regulation 35(6) of the 2019 Tariff Regulations provides for the claim for Security expenses as under:

*“35(6) The Water Charges, Security Expenses and Capital Spares for thermal generatingstations shall be allowed separately after prudence check:*

*xxxx;*

*Provided further that the generating station shall submit the assessment of the securityrequirement and estimated expenses;*

*xxxx”*

69. The security expenses claimed by the Petitioner vide Form 3A are as under:

<i>(Rs. in lakh)</i>				
2019-20	2020-21	2021-22	2022-23	2023-24
1357.67	1405.19	1454.37	1505.27	1557.96

70. The Petitioner has submitted that the security expenses have been claimed, based on the estimated expenses for the period 2019-24, and are subject to adjustment, based on actuals, at the time of truing up of tariff. The Petitioner, has, vide affidavit dated 29.6.2021, submitted the actual security expenses incurred for the years 2018-19, 2019-



20, and 2020-21 as Rs. 753.14 lakhs, Rs. 1513.88 lakhs and Rs. 1606.89 lakhs, respectively. The Petitioner has further submitted that there was additional deployment (around 50%) of Security persons from 2018-19 to 2019-20, and there was a wage revision for Township security by around 30%.

71. The Respondents have submitted that a prudence check may be done for the security expenses on the basis of the actual security expenses incurred. The Respondent MPPMCL has submitted that the Petitioner has not submitted any details of the security requirements at the generating station and that the expenses claimed are much higher as compared to the expenses in respect of Sipat STPS Stage- I of the Petitioner.

72. The matter has been considered. The Petitioner has claimed the total Security expenses of Rs. 7280.46 lakhs (i.e., Rs. 1357.67 lakhs in 2019-20, Rs. 1405.19 lakhs in 2020-21, Rs. 1454.37 lakhs in 2021-22, Rs.1505.27 lakhs in 2022-23 and Rs. 1557.96 lakhs in 2023-24) in terms of the second proviso to Regulation 35(1)(6) of the 2019 Tariff Regulations. It has, however, not furnished any justification and the assessment of security, for the expenses claimed. The Petitioner, in its additional submission, vide affidavit dated 29.6.2021, has however, prayed to allow the Security expenses for Rs. 1513.88 lakh in 2019-20 and Rs.1606.89 lakh in 2020-21 based on the actual expenses incurred. From the perusal of the above details, it is evident that there is an escalation of expenses amounting to 50.25% from 2018-19 to 2019-20 and 5.79 % from 2019-20 to 2020-21. The escalation with respect to the security expenses for 2019-20 is noticed to be very high. However, the variation is reasonable considering the fact that the COD of the generating station is 30.3.2019, and it is a new station. The Petitioner has submitted that there was additional deployment (around 50%) of Security persons from 2018-19 to 2019-20, and there was also a wage revision for the Township security by around 30%. Considering



the actual expenditure incurred towards the Security expenses for the period 2019-20 and 2020-21, we allow the security expenses for the period 2021-24 by considering the security expense of 2020-21 as under:

<i>(Rs. in lakh)</i>				
2019-20	2020-21	2021-22	2022-23	2023-24
1513.88	1606.89	1606.89	1606.89	1606.89

73. The Security expenses allowed as above is subject to the assessment of the security requirement along with the expenses, to be furnished by the Petitioner at the time of truing-up of tariff.

### **Capital Spares**

74. The Petitioner has not claimed any capital spares of the period 2019-24 but has submitted that the same shall be claimed on actual consumption at the time of truing up of tariff, in terms of the proviso to Regulation 35(1)(6) of the 2019 Tariff Regulations. Accordingly, the same has not been considered in this order. The claim of the Petitioner if any, towards capital spares, at the time of truing up, shall be considered on merits, after prudence check.

75. Accordingly, the total O&M expenses allowed to the generating station for the period 2019-24 are summarized below:

	<i>(Rs. in lakh)</i>				
	2019-20	2020-21	2021-22	2022-23	2023-24
Normative O&M expenses claimed under Regulation 35(1)(1) of the 2019 Tariff Regulations <b>(a)</b>	26743.20	27680.40	28657.20	29660.40	30703.20
Normative O&M expenses allowed under Regulation 35(1)(1) of the 2019 Tariff Regulations <b>(b)</b>	26743.20	27680.40	28657.20	29660.40	30703.20
Water Charges claimed under Regulation 35(6) of the 2019 Tariff Regulations <b>(c)</b>	2049.10	2933.82	2270.21	2349.67	2431.91
Water Charges allowed under Regulation 35(6) of the 2019 Tariff Regulations <b>(d)</b>	1437.71	1437.71	1437.71	1437.71	1437.71
Security Expenses claimed under Regulation 35(6) of the 2019 Tariff Regulations <b>(e)</b>	1513.88	1606.89	1454.37	1505.27	1557.96



Security Expenses allowed under Regulation 35(6) of the 2019 Tariff Regulations (f)	1513.88	1606.89	1606.89	1606.89	1606.89
<b>Total O&amp;M expenses claimed (a +c +e)</b>	<b>30220.14</b>	<b>31279.03</b>	<b>32381.78</b>	<b>33251.34</b>	<b>34693.07</b>
<b>Total O&amp;M expenses allowed (b +d +f)</b>	<b>29694.79</b>	<b>30725.00</b>	<b>31701.80</b>	<b>32705.00</b>	<b>33747.80</b>

### **Fly Ash Transportation Expenses**

76. The Petitioner, vide an additional affidavit dated 25.5.2021, has submitted the actual fly ash transportation expenses incurred during the years 2019-20 and 2020-21 after adjusting the ash sales as 'nil'. It has further, vide affidavit dated 1.7.2022, submitted the projected expenses for fly ash transportation charges in 2022-23 and 2023-24 as under:

Year	Expected Ash Generation	Utilization in Ash (in any other Product Manufacturing)	Avenues (Cement mfg., ready mix concrete, some bricks, AAC blocks mfg.)	Total Utilization	Estimated Ash utilization in %	Ash Disposal Cost
	(Lakh Ton)	(Lakh Ton)		(Lakh Ton)		(Rs. Lakhs)
2022-23	12.75	3.40	7.18	10.58	83%	82.60
2023-24	12.75	3.74	8.06	11.80	93%	66.08

77. It is pertinent to mention that in Petition 205/MP/2021, filed by the Petitioner for recovery of the additional expenditure incurred due to Fly Ash transportation charges for the period 2019-24, consequent to the Ministry of Environment and Forest & Climate Change, GOI notifications dated 3.11.2009, notification dated 25.1.2016, and Notification dated 31.12.2021 the Commission has observed as under:

*“25. Thus, the MOEF & CC notifications dated 25.1.2016 and 31.12.2021, has created an absolute obligation on the Petitioner, for timely disposal of fly ash. In other words, while the notification dated 25.1.2016 (which was declared as a change in law event during the period 2014-19), was necessarily required to be complied by the Petitioner during the period from 1.4.2019 till 30.12.2021, the issuance of notification dated 31.12.2021, was also required to be complied by the Petitioner from 31.12.2021 till 31.3.2024, as the same is a change in law event in terms of the above provision. Though the Respondents MSEDCL and BRPL have submitted that the notification dated 31.12.2021 is required to be reviewed in terms of the order dated 10.5.2022 of the Hon’ble Supreme Court, we notice that the said notification is still valid and subsisting. In this background, we hold that the Petitioner is entitled to seek additional cost towards fly ash transportation charges during the period 2019-24, in terms of compliance to MOEF&CC Notification dated 25.1.2016 and as a change in law in terms of the MOEF&CC Notification dated 31.12.2021.*

Xxx



corresponding to NAPAF					
Energy charges for 45 days	46452.06	46452.06	46452.06	46452.06	46452.06

### **Energy Charge Rate (ECR)**

108. The Petitioner has claimed the ECR (ex-bus) of 4.388 Rs/kWh, based on the weighted average price, GCV of coal & oil procured and burnt for the preceding months of October 2018, November 2018, and December 2018.

109. Respondent MSEDCL has submitted that the ECR of the generating station has varied widely from Rs. 2.613/kWh to 4.824/kWh since the COD (from September 2017 to March 2021). It has also been submitted that for the period from 2017-18 to 2020-21, the Plant Load Factor (PLF) has varied from 36.93% to 33.52%, while the Plant Availability Factor (PAF) has varied from 49.67% to 96.08%. The Respondent has stated that even though the Petitioner has declared high availability, the Plant was hardly scheduled by the beneficiaries due to high ECR, resulting in low PLF. It has also been pointed out that despite having a permanent coal linkage, the Petitioner has claimed a high ECR of Rs. 4.282/kWh, as the base rate for the period 2019-24, and such a high rate is not viable. In response, the Petitioner has clarified that the issue of high ECR for the generating station is outside the purview in the present case. The Petitioner has, however, submitted that it has been making all-out efforts to minimize the ECR by optimizing coal logistics and adopting other measures. It has also submitted that the arrangement of fuel is the prime responsibility of the generating company, and the Petitioner has not only arranged adequate fuel for its station but also taken various steps to lower the coal prices by looking at other options like entering into an agreement with SCCL, etc. The Petitioner has further submitted that the Respondent MSEDCL has benefited by way of SCED gain to the tune of Rs 44.11 crore in 2019-20 and Rs 26.94 crore in 2020-21 from all its generating stations.

110. The matter has been considered. The Petitioner has not revised Form 15B in



terms of the revised Form-15 and Form 15A submitted by it. However, the ECR, as worked out, based on the operational norms specified under the 2019 Tariff Regulations and on “as received” GCV of coal for the preceding three months, i.e., October 2018 to December 2018, has been considered for allowing 45 days of energy charge in working capital as under:

	Unit	2019-24
Capacity	MW	1320
Gross Station Heat Rate	Kcal/kWh	2236.74
Auxiliary Energy Consumption	%	6.25
Weighted average price of coal	Rs. /MT	5733.21
Weighted average GCV of Coal	kcal/kg	3359.90
Weighted average price of oil	Rs. /KL	50432.29
Weighted average GCV of oil	kcal/L	9744.00
Rate of energy charge ex-bus Rs/kWh	Rs/kWh	4.089

111. The Petitioner shall provide the audited documents to establish the cost and GCV of Coal and Oil (with bifurcation of LDO and HFO details) received during the months of October 2018, November 2018, and December 2018 at the time of truing-up of the tariff.

### **Maintenance Spares**

112. Regulation 34(1)(a)(iv) of the 2019 Tariff Regulations provides for the maintenance spares @ 20% of the O&M expenses (including water charges and security expenses). Accordingly, the maintenance spares allowed are as under:

<i>(Rs. in lakh)</i>				
2019-20	2020-21	2021-22	2022-23	2023-24
5938.96	6145.00	6340.36	6541.00	6749.56

### **Receivables**

113. Regulation 34(1)(a)(v) of the 2019 Tariff Regulations provides for receivables for 45 days. Accordingly, after considering the mode of operation of the generating station on secondary fuel, the receivable component of working capital is allowed as under:

<i>(Rs. in lakh)</i>					
	2019-20	2020-21	2021-22	2022-23	2023-24
Energy charge for 45 days corresponding to NAPAF	46452.06	46452.06	46452.06	46452.06	46452.06
Fixed charge for 45 days	22420.37	22735.97	23159.38	23475.19	23297.75



corresponding to NAPAF					
<b>Total</b>	<b>68872.44</b>	<b>69188.03</b>	<b>69611.45</b>	<b>69927.25</b>	<b>69749.81</b>

**Working Capital for O&M Expenses (1 month)**

114. The O&M expenses for 1 month, as claimed by the Petitioner (in the master sheet) are as under:

<i>(Rs. in lakh)</i>				
<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
2518.34	2606.59	2698.48	2792.95	2891.09

115. Regulation 34(1)(a)(vi) of the 2019 Tariff Regulations provides for the O&M expenses, including water charges and security expenses for one month. Accordingly, the O&M expenses (1 month) component of working capital is allowed as under:

<i>(Rs. in lakh)</i>				
<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
2474.57	2560.42	2641.82	2725.42	2812.32

116. As per Regulation 34(2) of the 2019 Tariff Regulations, the cost of coal shall be based on the landed fuel cost (considering the normative transit and handling losses) in terms of Regulation 39 of the 2019 Tariff Regulations and the Gross Calorific Value of fuel as per the actual weighted average for the third quarter of the preceding financial year. Hence, the Petitioner is directed to furnish the details of the quantity of coal as per Regulation 34(2) of the 2019 Tariff Regulations at the time of the truing-up of the tariff. The Petitioner is also directed to submit the details strictly in line with in Forms/ Annexures attached to the 2019 Tariff Regulations. Further, in terms of the 2019 Tariff Regulations, the Petitioner is directed to submit the year-wise Form-15, excluding the opening stock, along with CIMFR / third-party reports, and actual blending ratio. In addition, the Petitioner shall furnish the details regarding grade slippages, moisture content, adjustment made, reasons for the higher difference in GCV billed and GCV received of domestic coal, justification for claiming diesel charges for coal supplied through the MGR system at the time of truing up of tariff.

117. The Petitioner shall, on a month-to-month basis, compute and claim the energy



charges from the beneficiaries based on the formulae given under Regulation 43 of the 2019 Tariff Regulations.

### **Rate of Interest on Working Capital**

118. In line with the Regulation 34(3) of the 2019 Tariff Regulations, the rate of interest on working capital is considered as 12.05% (i.e. 1 year SBI MCLR of 8.55% as on 1.4.2019 + 350 bps) for 2019-20, 11.25% (i.e. 1 year SBI MCLR of 7.75% as on 1.4.2020 + 350 bps) for 2020-21, 10.50% (i.e. 1 year SBI MCLR of 7.00% as on 1.4.2021 / 1.4.2022 + 350 bps) for the years 2021-22 and 2022-23, and 12.00% (i.e. 1 year SBI MCLR of 8.50% as on 1.4.2023 + 350 bps) for the year 2023-24. Accordingly, the Interest on working capital has been computed and allowed as under:

	<i>(Rs. in lakh)</i>				
	2019-20	2020-21	2021-22	2022-23	2023-24
Working capital for Cost of Coal towards Stock (20 days generation corresponding to NAPAF) <b>(A)</b>	20510.44	20510.44	20510.44	20510.44	20510.44
Working capital for Cost of Coal towards Generation (30 days generation corresponding to NAPAF) <b>(B)</b>	30765.66	30765.66	30765.66	30765.66	30765.66
Working capital for Cost of Secondary fuel oil (2 months generation corresponding to NAPAF) <b>(C)</b>	414.20	413.07	413.07	413.07	414.20
Working capital for Maintenance Spares (20% of O&M expenses) <b>(D)</b>	5938.96	6145.00	6340.36	6541.00	6749.56
Working capital for Receivables (45 days of sale of electricity at NAPAF) <b>(E)</b>	68872.44	69188.03	69611.45	69927.25	69749.81
Working capital for O&M expenses (1 month of O&M expenses) <b>(F)</b>	2474.57	2560.42	2641.82	2725.42	2812.32
<b>Total Working Capital (G = A+B+C+D+E+F)</b>	<b>128976.26</b>	<b>129582.61</b>	<b>130282.79</b>	<b>130882.83</b>	<b>131001.98</b>
<b>Rate of Interest (H)</b>	12.05%	11.25%	10.50%	10.50%	12.00%
<b>Interest on Working Capital (I = GxH)</b>	<b>15541.64</b>	<b>14578.04</b>	<b>13679.69</b>	<b>13742.70</b>	<b>15720.24</b>

### **Annual Fixed Charges approved for the period 2019-24**

119. Accordingly, the annual fixed charges approved in respect of the generating station for the period 2019-24 are summarized as under:

	<i>(Rs in lakh)</i>				
	2019-20	2020-2021	2021-22	2022-23	2023-24
Depreciation	44149.39	45740.51	47872.18	49473.64	49473.64
Interest on Loan	41950.10	40515.34	39276.35	37319.65	33377.80
Return on Equity	51016.46	52855.06	55318.30	57168.86	57168.86



Interest on Working Capital	15541.64	14578.04	13679.69	13742.70	15720.24
O&M Expenses	29694.79	30725.00	31701.80	32705.00	33747.80
<b>Total annual fixed charges allowed</b>	<b>182352.38</b>	<b>184413.95</b>	<b>187848.33</b>	<b>190409.84</b>	<b>189488.34</b>

**Note:** (1) All figures are on annualized basis. (2) All figures under each head have been rounded. The figure in total column in each year is also rounded. As such the sum of individual items may not be equal to the arithmetic total of the column.

120. The annual fixed charges approved above are subject to truing-up in terms of Regulation 13 of the 2019 Tariff Regulations.

#### **Application Fee and Publication expenses**

121. The Petitioner has sought the reimbursement of the filing fees paid by it for the filing of the tariff Petition for the period 2019-24 and towards the publication expenses. The Petitioner shall be entitled to reimbursement of the filing fees and publication expenses in connection with the petition directly from the beneficiaries on a pro-rata basis, in accordance with Regulation 70(1) of the 2019 Tariff Regulations.

122. Similarly, RLDC Fees & Charges paid by the Petitioner in terms of the Central Electricity Regulatory Commission (Fees and Charges of Regional Load Dispatch Centre and other related matters) Regulations, 2019, shall be recovered from the beneficiaries. In addition, the Petitioner is entitled to recovery of statutory taxes, levies, duties, cess, etc., levied by the statutory authorities in accordance with the 2019 Tariff Regulations.

123. Petition No. 246/GT/2021 is disposed of in terms of the above.

**Sd/-**  
**(Ramesh Babu V)**  
**Member**

**Sd/-**  
**(Arun Goyal)**  
**Member**

**Sd/-**  
**(Jishnu Barua)**  
**Chairperson**



**Certified true copy of resolution passed by the Committee of Directors on December 18, 2024**

"RESOLVED that a Power of Attorney be and is hereby granted to Mr. Dilip Kumar, Group Head - Regulatory of the Company.

FURTHER RESOLVED that the Common Seal of the Company be affixed to the said Power of Attorney in accordance with its Articles of Association."

For The Tata Power Company Limited



Vispi S. Patel  
Company Secretary  
FCS: 7021

**TATA POWER**

**The Tata Power Company Limited**

Registered Office : Bombay House 24 Horni Mody Street Mumbai 400 001

Tel 91 22 6665 8282 Fax 91 22 6665 8801

Website : [www.tatapower.com](http://www.tatapower.com) Email : [tatapower@tatapower.com](mailto:tatapower@tatapower.com) CIN : L28920MH1919PLC000567





महाराष्ट्र MAHARASHTRA

CW 801252



प्रधान मुद्रांक कार्यालय, मुंबई  
 प.मु.वे.क ८००००९०  
 12 DEC 2024  
 सक्षम अधिकारी  
 श्री. विनायक ब. जाधव

This stamp paper forms an integral part of the Power of Attorney dated  
19<sup>th</sup> December 2024 granted to Mr. Dilip Kumar.

## जोडपत्र - २ Annexure - II

दस्तावा प्रकार	POWER OF ATTORNEY
दस्त नोंदणी करणार आहेत का ?	YES/NO
मिळकतीचे वर्णन -	
मुद्रांक विकत घेणाऱ्याचे नाव	
दुसऱ्या पक्षकाराचे नाव	Dilip Kumar
हस्ते असल्यास त्याचे नाव व पत्ता	
मुद्रांक शुल्क रक्कम	
मुद्रांक विक्री नोंद वही अनु. क्रमांक/दिनांक	263
मुद्रांक विकत घेणाऱ्याची सही	
मुद्रांक विक्रेत्याची सही	10/11/24
परवाना क्रमांक : ८००००९०	
मुद्रांक विक्रीचे नाव/पत्ता : श्री. कल्पेश प्रेमजी गाला	
अप नं.४, भग्योदय बिल्डींग, ७९ नवीनवाडी रोड, मुंबई - ४०० ००१	
न्याय कारणासाठी ज्यांनी मुद्रांक खरेदी केल्या त्यांनी त्याच कारणामुळे	
मुद्रांक खरेदी केल्या ६ महिन्यांत वापरणे बंधनकारक आहे	

The Tata Power Co. Ltd.  
Bombay House,  
24, Homi Mody Street,  
Mumbai - 400 001.

17 DEC 2024



**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS THAT THE TATA POWER COMPANY LIMITED, a Company incorporated under the Indian Companies Act, VII of 1913 and having its Registered Office at Bombay House, 24, Horni Mody Street, Mumbai 400 001 (hereinafter called "the Company") hereby nominates, constitutes and appoints Mr. Dilip Kumar, an Attorney of the Company in the name and on behalf of the Company to do and perform the following acts and deeds:



1. To commence any action or legal proceedings in any court of law and to defend for and on behalf of the Company all actions, suits, proceedings, applications or appeals arising under the provisions of the Electricity Act, 2003 (including the rules & regulations issued thereunder), and for such purposes to retain Advocates, Attorneys, Counsels and other legal practitioners, and appear for and represent the Company before Judge, Magistrate, tribunal, regulatory commission or any other public authority constituted under the Electricity Act, 2003 (including the rules and regulations issued thereunder), as occasion shall require, and thereupon to make any application, affidavit, petition including the signing of any appeal, revision, application or other document that may be required by the abovementioned authorities, or to do, execute and performs such acts, deeds, matters and things and shall be requisite or expedient according to law and in the interest of the Company.
2. To commence any action or legal proceedings in any Court of law including any judicial/ quasi-judicial authority or institution, Regulatory Commission/Tribunal constituted under any Special Act and/or any of its Appellate forums, and to defend for and on behalf of the Company all actions including but not limited to Petitions, Suits, Writs or any other proceedings, applications or appeals arising under the various provisions of the Law/Act/ Rules/Regulations, etc as may be applicable and for such purposes to retain Advocates, Attorneys, Counsels and other legal practitioners, and to appear for and represent the Company before any Court or judicial/quasi-judicial forums, Regulatory Commission/ Tribunal or any other public authority constituted under applicable Law/act including the rules and regulations issued thereunder, as occasion shall require, and thereupon to make any application, affidavit, petition or any other pleadings, documents including the signing and execution of such or any other documents as may be required by the abovementioned authorities/bodies or to do execute and performs such acts, deeds, matters and things and shall be requisite or expedient according to law and/or in the interest of the Company.
3. AND to do and execute or cause to be done and executed all documents and assurances, acts, deeds, matters or things ancillary or incidental to the abovementioned matters and all and whatsoever the Attorney shall do or cause to be done in or about the premises by virtue of the aforesaid powers or any of them, the Company doth hereby for itself, its successors and assigns covenant with the said Mr. Dilip Kumar, his heirs, executors and administrators to allow, ratify and confirm.
4. AND it is hereby declared that the said Mr. Dilip Kumar, when signing on behalf of the Company shall sign "For and on behalf of THE TATA POWER COMPANY LIMITED by its Constituted Attorney/s".

AND GENERALLY to do and execute all acts, matters, instruments and things in or about the business of the Company as the Company could do or would have done touching these premises and that as amply and effectually to all intents and purposes as the Company could do or would have done, the Company hereby ratifies and confirms and agrees to ratify and confirm all and whatsoever the said Attorney shall lawfully do or cause to be done in and about the premises by virtue of these presents.

IN WITNESS WHEREOF the Common Seal of THE TATA POWER COMPANY LIMITED has hereunto been affixed this 19<sup>th</sup> day of December Two thousand and twenty four.

The COMMON SEAL of THE TATA POWER COMPANY LIMITED was hereunto affixed pursuant to Resolution passed by its Committee of Directors on the 18<sup>th</sup> day of December 2024 in the presence of Dr. Praveer Sinha, CEO & Managing Director and Mr. Vispi S. Patel, Company Secretary )

*[Handwritten signature]*

Witnesses:

1. *[Handwritten signature]*
2. *[Handwritten signature]*

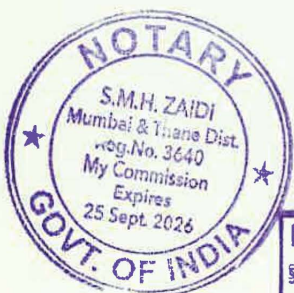
*[Handwritten signature]*

**BEFORE ME**

*[Handwritten signature]*  
**S. M. H. ZAIDI**  
NOTARY

Government of India  
Mumbai & Thane Dist.,

**19 DEC 2024**



**BEFORE THE HON'BLE JHARKHAND STATE ELECTRICITY REGULATORY  
COMMISSION AT RANCHI**

**REVIEW PETITION NO. \_\_\_\_\_ OF 2026**

**In**

**CASE (Tariff) NO. 17 OF 2025**

**IN THE MATTER OF:**

Review of the Order dated 23.03.2026 passed by this Hon'ble Commission in Case (Tariff) No. 17 of 2025 for Petition for MYT Business Plan & MYT Petition for FY 2026-27 to FY 2030-31 in respect of Unit # 2 & 3 (2x120 MW) of Jojobera Power Plant of the Tata Power Company Limited.

**AND IN THE MATTER OF:**

The Tata Power Company Limited

.....Petitioner

-Versus-

Tata Steel Limited

...Respondent

**AFFIDAVIT**


I, Dilip Kumar, S/o Late Shri Tek Narayan Prasad, aged 41 years, R/o. Flat No. 119, Sector 56, Noida, 201301, presently at Noida, do hereby solemnly affirm and state as under:

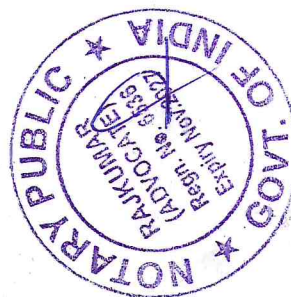
1. That I am working as Group Head- Regulatory ER in The Tata Power Company Limited, the Petitioner in the above matter, and I am duly authorized and competent to swear and depose the present affidavit on behalf of Petitioner.
2. That the Petitioner is filing the Petition in the matter of Review of Order dated 23.03.2026 passed by the Hon'ble Commission in Case (Tariff) 17 of



2025 for Petition for MYT Business Plan & MYT Petition for FY 2026-27 to FY 2030-31 in respect of Unit # 2 & 3 (2x120 MW) of Jojobera Power Plant of the Petitioner.

3. That I state that I have perused the accompanying Petition and the facts stated therein are true and correct to the best of my knowledge and information derived from the official record of the Petitioner, no part of the same is false and nothing material has been concealed therefrom.

  
**DEPONENT**



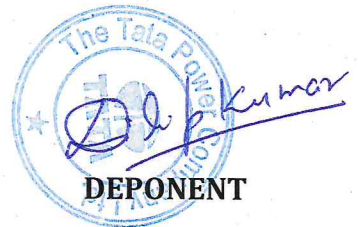
**VERIFICATION**

I, the above-named Deponent, do hereby verify that the contents of this affidavit are true and correct to the best of my knowledge and information derived from the official record of the Petitioner, no part of it is false and nothing material has been concealed therefrom.

Verified at Noida on this \_\_\_\_ day of April 2026.

Place: Noida

Date:



**ATTESTED**

**NOTARY PUBLIC  
GOVT. OF INDIA**

22.04.2026

To-  
The Secretary  
Jharkhand State Electricity Regulatory Commission,  
1<sup>st</sup> Floor, Jharkhand Housing Board (Old Building)  
Harmu Housing Colony,  
Ranchi-834002

**Subject:** Submission of Petition seeking Review of the Order dated 23.03.2026 by the Hon'ble Commission in Case (T) No. 13 of 2025

Sir,

This is in reference to Hon'ble Commission's letter dated 24.03.2026, No. JSERC/ Case(T) No. 13 of 2025/ 790 issuing the copy of the Order by the Hon'ble Commission in Case (T) No. 13 of 2025 filed by the Petitioner for Truing Up of FY 2024-25 and APR of FY 2025-26 in respect of Jojobera Unit 2 and 3.

In respect of the afore mentioned Order, the Petitioner wishes to submit the review Petition, as enclosed herewith.

As per the Schedule of Fees, Fine and Charges of JSERC's Fees, Fines & Charges Regulations, 2024 (SL. No. 25. Application for review of Tariff Order), the Petitioner has made the requisite payment, as per the following details:

Date of Payment : 20.04.2026  
UTR Details : UTR HDFCH00945269335  
Amount : Rs. 700000.00 (Rs. Seven Lakh)

For kind consideration of the Hon'ble Commission, please.

Thanking you,  
Yours Sincerely,

*Richa Sanchita*

Mrs. Richa Sanchita  
(De Lex Advocates and Solicitors)  
E mail: [deLexadvocate@gmail.com](mailto:deLexadvocate@gmail.com)  
Contact: +919431137200

  
22/4/26