

***Summary of Aggregate Revenue Requirement (ARR) and
Determination of Bulk Supply Price (BSP) Filings***

Submitted by

GRIDCO

For

FY-2025-26

BULK SUPPLY PRICE (BSP) PROPOSAL OF GRIDCO FOR THE FY 2025-26

Background:

1. GRIDCO Limited (hereinafter called as 'GRIDCO') is a Deemed Trading Licensee under the 5th Proviso to Section 14 of the Electricity Act, 2003. GRIDCO, a wholly State-owned Company, is engaged in the business of purchase of electricity in bulk from various generators located inside Odisha and the State's share of power from the Central Generators for supply in bulk to the four Electricity Distribution and Retail Supply Companies (hereinafter called as 'DISCOMs') in the State and also performs trading of available surplus power after meeting the State demand. GRIDCO's existence as the "State Designated Entity" to procure power on behalf of the State of Odisha for bulk supply to the DISCOMs for onward retail sale to the end consumers of the State is consistent with the provisions of the Electricity Act, 2003 under section 14. The Odisha Electricity Regulatory Commission (hereinafter called as 'Commission') in the Annual Revenue Requirement (ARR) & Bulk Supply Price (BSP) Orders dated 18.03.2011 for FY 2011-12 & 23.03.2012 for FY 2012-13 has extensively dealt with the issues relating to the "Legal Status" of GRIDCO and concluded that the continuance of GRIDCO is sustainable in law and essential in the overall interest of the people of Odisha and state power sector in particular.
2. Under the existing Bulk Supply Agreements between the DISCOMs and GRIDCO, the DISCOMs are to purchase power from GRIDCO at a regulated price to be determined by the Commission. The Commission is empowered under section 86 (1) (a) and (b) of the Electricity Act, 2003 to determine the power purchase cost for the DISCOMs. This procurement price of DISCOMs happens to be the Bulk Supply Price at which GRIDCO supplies power in bulk to the DISCOMs.
3. Under Sub Section 5 (k) of Section 15 of the Orissa Electricity Reform Act, 1995 GRIDCO requires to file Tariff/ Annual Revenue Requirement petition in accordance with the statutory requirements for due approval of the Commission. Further, as provided in the OERC (Conduct of Business) Regulations, 2004, as amended up to May 2011 and other related Regulations and as per Section 86 (1) (a) & (b) and other applicable provisions of the Electricity Act, 2003, GRIDCO is required to submit its Aggregate Revenue Requirement (ARR) and Bulk Supply Price (BSP)/ Tariff Petition to the Commission for approval, before 30th November of each year for the ensuing year. Therefore, it is a statutory requirement for GRIDCO to submit its Aggregate

Revenue Requirement (ARR)/ Tariff Petition before the Commission for determination and approval of the procurement price of the DISCOMs. In this above backdrop, GRIDCO has filed an application for approval of its proposed Annual Revenue Requirement (ARR) and revision of Bulk Supply Price (BSP) for the FY 2025-26 to enable it to carry out its functions of bulk supply to DISCOMs.

Energy Demand of DISCOMs for FY 2025-26:

4. GRIDCO has proposed 38,814 MU of energy consumption of DISCOMs based on their projected demand for FY 2025-26. Further, it has proposed 100 MU (NALCO-70 MU and IMFA-30 MU) towards emergency supply of power to Captive Generating Plants (CGPs) for FY 2025-26. For the FY 2025-26, the energy demand of DISCOMs & CGPs have been forecasted to grow at the rate of 7.59% over revised sales projection of 36170 MU for FY 2024-25. The year wise actual energy demand during FY 2019-20 to FY 2023-24, actual for first six months of FY 2024-25, revised projection for FY 2024-25 and projection for FY 2025-26 as submitted by GRIDCO are shown in the Table-1 given below:

**Table-1
Actual sales to Discoms Vs. Projection for FY 2025-26 (MU)**

DISCOM	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2024-25			2025-26	Discom YOY
	(Actual)	(Actual)	(Actual)	(Actual)	Actual	(Approval)	Apr'24 to Sept'24	Oct'24 to March'25	Revised Projection	(Projection)	Growth (%)
TPCODL	8,160	8,370	8,814	9,899	11,306	12,513	6833	5,622	12454	13,823	10.99%
TPNODL	5,439	4,941	5,327	6,476	7,047	8,163	4087	3,729	7816	8,378	7.20%
TPSODL	3,504	3,616	3,942	4,204	4,347	4,924	2447	2,253	4700	5,062	7.70%
TPWODL	7,512	7,619	8,967	11,176	11,006	11940	5765	5323	11088	11,550	4.17%
TOTAL	24,615	24,546	27,050	31,754	33,707	37,540	19,131	16,927	36,058	38,814	7.64%
IMFA	9	16	34	51	29	30	15		15	30	100.00%
NALCO	36	66	39	55	155	70	96.45		96	70	-27.42%
Total including Emergency Sale	24,660	24,628	27,123	31,860	33,890	37,640	19,243	16,927	36,170	38,914	7.59%
YoY Sales growth	-3.40%	-0.13%	10.13%	17.47%	6.37%	11.06%			6.73%	7.59%	

* TPWODL has TPA sale of **611 MU** from Apr'24 to Oct'24. TPWODL has not projected any quantum towards TPA sales from Nov'24 to Mar'25 for FY 2024-25 and FY 2025-26.

Simultaneous Maximum Demand (SMD) of DISCOMs:

5. GRIDCO has submitted that the projected SMD seems to be higher as compared to the actual occurrence in the summer months of the current FY 2024-25. Moreover, the rate of increase in the SMD is much higher to the energy requirement of the State DISCOMs

for the FY 2025-26. GRIDCO has requested the Commission to approve monthly SMD for FY 2025-26 considering the actual SMD of the DISCOMs as per SLDC data for the FY 2024-25 and the additional increment proportionate to the increase in projected energy demand on monthly basis during FY 2025-26. This shall enable the Petitioner GRIDCO for optimizing the generation plan in advance. It has also submitted that, the Commission to allow for recovery of charges on account of any excess drawl of energy by a Distribution Supply Licensee (DISCOM) during a month over and above the monthly approved energy quantum and the SMD at actual power purchase cost incurred for such excess drawl (including transmission, deviation charges, transmission losses etc.) or at approved BSP rate applicable for respective DISCOMs, whichever is higher on a monthly basis as the drawl pattern in the peak hours exceeds the state's availability commensurate with higher rate in the market/ UI Pool. The year wise actual SMD during FY 2020-21 to FY 2023-24, actual for first six months of FY 2024-25, revised projection for last six months of FY 2024-25 and projection for FY 2025-26 as submitted by GRIDCO are shown in the Table-2 given below:

**Table -2
Actual SMD Vs. Projection for FY 2025-26**

DISCOMs	FY 2020-21 (Actual)	FY 2021-22 (Actual)	FY 2022-23 (Actual)	FY 2023-24 (Actual)	FY 2024-25 (Approval)	FY 2024-25 (Actual)	FY 2024-25 (Oct'24 to Mar'25)	FY 2025-26 (Projected)
						(Apr'24 to Sept'24)	(Projected)	
TPCODL	1,532	1697 (11%)	1895 (12%)	2,244 (18%)	2,853 (27%)	2,482 (11%)	2,323	2,795 (13%)
TPNODL	909	991 (9%)	1155 (17%)	1,267 (10%)	1,394 (10%)	1,405 (11%)	1,374	1,546 (10%)
TPSODL	610	663 (9%)	722 (9%)	711 (-2%)	863 (21%)	791 (11%)	702	870 (10%)
TPWODL	1,423	1528 (7%)	1796 (18%)	1,702 (-5%)	1,900 (12%)	1,780 (5%)	1,701	1,855 (4%)
Total	4,474	4,879 (9%)	5,568 (14%)	5,924 (6%)	7,010 (18%)	5,783 (-2%)	6,100	7,066 (22%)

STU/OPTCL Transmission Losses (%):

6. GRIDCO has submitted that, the Commission approved the transmission loss of STU/ OPTCL @ 3.00% for FY 2024-25. The same figure of 3% is provisionally considered to project Intra State transmission loss for FY 2025-26. Accordingly, the Commission may consider the Transmission loss as per the figure to be approved based on ARR order in respect of OPTCL for the FY 2025-26.

Quantum of Energy Available & Requirement for State Consumption:

Energy Availability to GRIDCO for FY 2025-26

7. GRIDCO has projected energy availability of 43949.49MU during FY 2025-26 from different generating stations considering the Generation plan shared by respective stations, PLF, Synchronization issues etc. Considering the state demand and application of merit order dispatch (MoD), GRIDCO has estimated procurement of 40,117.06MU. The estimation for drawal of hydel power from OHPC is 5021.82MU including 259.88 MU from Machhkund and 1387.76 MU from Upper Indravati and thermal power of 11417.28MU from OPGC (Units 1, 2,3 and 4), 6377.76MU from thermal IPPs (M/s Vedanta Ltd and M/s GMR Kamalanga Energy Ltd, M/s NBVL) and Odisha share of 12143.61MU from central thermal power stations. OPGC mentioned that there shall be planned outage for R&M (1st Phase) for a period of 40 days from 01.12.2025 up to 09.01.2026. GRIDCO has proposed to purchase 429.00 MU towards Odisha share from central hydro power stations like Tala, Chukha, Mangdechhu, Rangit and Kiruchu hydel plants. Further, GRIDCO has proposed to procure 4727.60MU from Renewable Energy sources during FY 2025-26 (444.92MU from small hydro, 70 MU from biomass, 1460.61MU from wind, and 3266.99 MU from Solar projects). The station-wise details in respect of availability of power including surplus power are given in the Table-3 below.

Table 3

Summary of Proposed Energy Availability to GRIDCO for FY 2025-26

Station Name	Energy Available (MU)
State Hydro Stations (OHPC)	
HHEP	795.93
CHEP	292.49
Rengali	775.08
Upper Kolab	512.43
Balimela	998.25
Sub-Total OHPC (Old)	3374.18
Upper Indravati	1387.76
Machkund	259.88
Total State Hydro	5021.82
Thermal Stations	
OPGC - 1 & 2	2202.85
OPGC - 3 & 4	9214.43
Renewable Energy	
Small Hydro	444.92
Solar	3266.99
Wind	1015.69
Total Renewables	4727.60

CGP's and Co-generation Plants	-
IPP's (as per Mod)	6377.76
(A) Total State	27,544.46
TSTPS-I	2245.50
TSTPS-II	1355.01
KHSTPS-II	12.86
DSTPS-I	5,617.06
North Karanpura STPS-I (NKSTPS-I)	2913.18
(B) Central Thermal Availability as per MoD	12,143.61
Chukha	142.00
Tala	31.00
Teesta	0.00
Mangdechhu	249.00
Rangit	6.00
Kiruchu	1.00
(C) Total Central Hydro	429.00
(D) Power Purchase (MOD applied to meet the State Demand) (A+B+C)	40,117.06
KHSTPS-II	330.83
MTPS-II	225.82
KHSTPS-I	89.90
NSTPS-I	105.81
BSTPS-II	155.31
BSTPS-I (including upcoming #3)	2103.48
FSTPS-III	631.79
FSTPS-I & II	189.49
(E) Sub-total	3,832.43
(F) Total Energy Availability (D+E)	43,949.49
(G) Surplus Power (F-D)	3,832.43

Projected Energy Requirement for FY 2025-26

8. GRIDCO has estimated to procure total energy requirement of 40,117.06 MU to meet the projected state demand of 38914 MU (DISCOMs -38814MU and emergency sale to CGPs -100MU) and estimated transmission loss of 1203.51MU considering the Transmission Loss rate (i.e. @ 3%) as approved by the Commission for FY 2024-25. The Summary of energy requirement vis-a-vis the availability to GRIDCO for supply to the State for FY 2025-26 are shown in the Table-4 below:

Table-4
Projected Energy Requirement vis-à-vis Availability of GRIDCO for FY 2025-26

Sl. No.	Particulars	Projection for FY 2025-26 (MU)
1	Energy Demand of DISCOMs and emergency sales	38,914.00
3	Transmission Loss @ 3% as approved for FY 2024-25	1,203.51
4	Energy Required to be purchased by GRIDCO to meet the energy demand of DISCOMs & CGPs	40,117.06
5	Available power	43949.49
6	Surplus power	3832.43

Availability and Cost of Power from different Generating Stations

9. GRIDCO has proposed total power purchase cost of Rs.14916.83 Cr. (@ 339.14 Paise/Unit) for total proposed energy availability of 43,949 MU for FY 2025-26. However, to meet the State energy demand of 40,117.06 MU on Merit Order Dispatch (MoD) basis, GRIDCO has projected the Power purchase cost of Rs.13759.74 Cr. (@ 342.99 Paise/Unit). The generating station wise energy availability and e and power purchase cost as proposed by GRIDCO for FY 2025-26 is reproduced in Table -5 below:

Table-1
Summary of Proposed Power Procurement Cost for the FY 2025-26

Station Name	Energy Availability (MU)	Total Cost (Rs Cr.)	Rate (P/U)
HHEP	795.93	97.72	122.78
CHEP	292.49	41.18	140.78
Rengali	775.08	70.46	90.91
Upper Kolab	512.43	64.66	126.18
Balimela	998.25	99.04	99.22
OHPC(Old)	3374.18	373.06	110.56
Indravati	1387.76	166.09	119.68
Machkund	259.88	35.54	136.76
Total State Hydro	5021.82	574.69	114.44
Chukha	142.00	44.72	314.90
Tala	31.00	7.29	235.14
Teesta	0.00	0.00	
Mangdechhu	249.00	118.90	477.52
Rangit	6.00	2.46	410.00
Kiruchu	1.00	0.24	236.17
Total Central Hydro	429.00	173.60	404.67
Renewables			
Solar	3266.99	1057.16	323.59
SHEP	444.92	205.06	460.90
Wind	1015.69	285.37	280.97
Total Non-Solar	1460.61	490.44	335.78
Total Renewables	4727.60	1547.60	327.35
Sub Total (A)	10178.42	2295.89	225.56
OPGC - 1 & 2	2202.85	719.46	326.61
OPGC - 3 & 4	9214.43	3249.00	352.60
M/s. GKEL	1907.00	672.26	352.52
M/s.Vedanta Ltd.	2865.18	876.46	305.90
M/s. NAVA Ltd	39.18	8.93	228.05
M/s. JITPL	972.00	326.59	336.00
M/s JSWE(U)L	546.16	158.39	290.00
M/s.MTPCL	48.25	14.70	304.60
Darlipali STPS-I	5617.06	1740.12	309.79
NKSTPS-I	2913.18	1004.51	344.82
TSTPS-II	1355.01	378.25	279.15
TSTPS-I	2245.50	651.85	290.29
KHSTPS-II	12.86	40.34	
PGCIL Charges		862.89	

SOC & MOC Charges		3.62	
MTPS-II		62.14	
KHSTPS-I		11.07	
NSTPS-I		24.19	
BSTPS-II		31.38	
BSTPS-I (including upcoming #3)		503.52	
FSTPS-III		104.08	
FSTPS-I & II		20.10	
Sub-Total (B)	29,938.64	11,463.85	
Sub Total (A+B) (MOD applied to meet the State Demand)	40,117.06	13,759.74	342.99
Surplus Power			
KHSTPS-II	330.83	85.34	257.96
MTPS-II	225.82	59.07	261.60
KHSTPS-I	89.90	24.84	276.28
NSTPS-I	105.81	30.59	289.14
BSTPS-II	155.31	47.31	304.61
BSTPS-I (including upcoming #3)	2103.48	643.20	305.78
FSTPS-III	631.79	204.54	323.75
FSTPS-I & II	189.49	62.19	328.19
Sub Total (C)	3,832.43	1,157.09	301.92
Total Energy Availability (A+B+C)	43,949.49	14,916.83	339.41

10. GRIDCO requested to the Commission to approve the fixed charges as payable by GRIDCO to the generating stations for all the existing and the upcoming new stations, which should be recovered from DISCOMs through BSP for the ensuing Tariff year 2025-26.

Pass through of Additional Power Purchase Cost

11. GRIDCO requests to consider the claims of Rs 667.29 Cr. as pass-through power purchase cost in the ARR for FY 2025-26. The summary of total pass-through cost claimed by GRIDCO are shown in the Table-6 below:

**Table-6
Summary of Total Pass-through Cost claimed in the ARR for FY 2025-26**

Sl. No.	Name of the Station	Particulars	Amount proposed for Pass Through (Rs. Crore)
1	OPGC	Secondary Fuel Oil Cost, Ash Transportation Expenses and other expense, Electrical Inspection Fees and Tax and Cess on land, paid by OPGC for Stage-I &II	14.19
2	M/s. Vedanta Ltd.	Water Charges for the period from April'2020 to March'2024, Ash Transportation Charges Nov'23 to Mar'25 and Filing Fees for block period 2019-24 vide Case No. 20 of 2020	91.41
3	M/s.GMR Kamalanga Energy Ltd	Electricity Duty, SOC and MOC Charges and Ash Transportation Charges	100.44
4	M/s. NAVA Ltd	Infirm Power Cost and Energy Charges as per OERC directions vide order dated 02.09.2024 in Case No.11 of 2024	6.30

Sl. No.	Name of the Station	Particulars	Amount proposed for Pass Through (Rs. Crore)
5	M/s. JSW Energy (Utkal) Limited	Monthly energy bills paid and payable to JSWEUL towards power supplied to GRIDCO from Unit#1 i.e. 350 MW Unit from Feb'24 to Sep'24 and to be supplied during the period Oct,2024 to March,2025	65.83
6	M/s. Maadurga Thermal Power Company Limited	Energy Charges for FY 2024-25	7.91
7	NTPC	Additional O&M Charges due to Wage Revision and Water Charges claim of NTPC Station FSTPS -III	6.10
8		Recovery of Cost due to Foreign Exchange Rate Variation (FERV) claim of Darlipalli, Barh-I , TSTPS-I and FSTPS-I	3.55
9	Teesta V	TDS to NHPC and publication and filing fee (Truing up of tariff for the period 2014-19) and publication and filing fee period of FY:2019 to FY: 2023-24	1.38
10	Mangdechu	Tariff Revision of Mangdechu from 22nd July'2024 to Mar'25	7.19
11	Renewable Energy	Samal Barrage SHEP (Differential Energy Charges paid to PTC for the period from FY 2009-10 to FY 2023-24, Additional Charges for FY 2024-25 and Reimbursement of Water Charge and SLDC Charge for FY 2023-24 & FY2024-25)	134.41
12	DSM	Recovery of charges towards deficit in the Deviation and Ancillary Service Pool Account for the period from 16.09.2023 to 15.09.2024	57.43
13	PGCIL	PGCIL charges for FY 2023-24 as per OERC Review Order dated 19.09.2024 for ARR & BSP FY 2024-25 in Case No38/2024	23.26
14	Finance Cost	Additional Cost towards Interest on OHPC Securitized Dues	147.90
Total			667.29

Finance Cost:

Receivable from DISCOMs:

12. GRIDCO has submitted that, the total dues receivable from the erstwhile DISCOMs as on 30.09.2024 stands at **Rs.6,588Cr** which details are shown in the Table-7 below:

Table-7
Receivables from Erstwhile DISCOM Utilities as on 30-09-2024(Incl. DPS)

(Rs. Crore)

Sl. No	Particulars	CESU	WESCO	SOUTHCO	NESCO	Total
1	BSP dues	1,174.34	647.61	787.30	560.57	3,169.82
2	Converted to Equity	-299.95	-299.95	-199.95	- 249.95	-1,049.80
3	Net BSP Dues (1-2)	874.39	347.66	587.35	310.62	2,120.02
4	Securitized Dues (incl. DPS)	1,219.91	239.27	196.12	208.51	1,863.81
5	NTPC Power Bond	-		146.45	48.91	195.36
6	Tr. Scheme dues	118.85	12.10	29.91	6.74	167.60
7	Cash Support	174.00	-	-	-	174.00
8	Total as on Vesting Date (3 to 7)	2,387.15	599.03	959.83	574.78	4,520.79

9	Less paid/ settled post vesting:					
I	Balance BSP of FY 20-21	-225.16	-	-98.88	-	-324.04
Ii	Paid/adjusted till 30.09.2024	-289.86	-276.67	-180.35	-415.59	-1,162.47
Iii	Settled under OTS by DISCOMs	-21.60	-36.53	-20.26	-75.48	-153.87
Iv	Settled under OTS directly by GoO	-18.32	-25.38	-7.59	-10.63	-61.92
	Total Settled	-554.94	-338.58	-307.08	-501.70	-1,702.30
10	Total Receivable excl. DPS	1,832.21	260.45	652.75	73.08	2,818.49
11	DPS on BSP	819.49	1,417.23	647.31	884.99	3,769.02
12	Total receivable incl. DPS	2,651.70	1,677.68	1,300.06	958.07	6,587.51

** BSP dues after adjustment of equity and credit/debit bills.*

***The receivable excludes the receivable on account of CAPEX dues.*

13. GRIDCO highlighted that a substantial outstanding amount of Rs. 6,587.51 Cr. of dues receivable from erstwhile distribution companies as of 30.09.2024. There is no scope for recovery of the arrear dues from the erstwhile Utilities due to vesting of the license along with business operations with the new DISCOMs. Hon'ble Commission in the vesting order has issued directives for collection of arrears by the new DISCOMs and the DISCOMs to fulfil the minimum commitment amount as envisaged in the vesting order. Hon'ble Commission notified the OTS for recovery and settlement of outstanding dues from the defaulting consumers for onward settlement with GRIDCO against past dues receivable from erstwhile DISCOMs/Utilities. However, there is still huge outstanding from the consumers for the erstwhile utility period which is continuing in the consumers ledger. GRIDCO requested to issue suitable advisories /directives for collection of arrears by DISCOMs towards settlement of outstanding dues and also to frame suitable mechanism for recovery of the balance amount through regulatory process preferably in next two to three years.

Interest & Financial Charges:

14. GRIDCO has submitted that, due to the uncontrollable factors including non- settlement of BSP dues by the erstwhile DISCOMs, lack of cost reflective Tariff, non-amortization of approved Regulatory Asset, absence of carrying cost up to FY: 2022-23 the Petitioner had to borrow funds from external sources and now borrowing from Govt. of Odisha. Accordingly, GRIDCO has proposed the Commission to approve total interest and financial charges obligations to the tune of Rs.428.55 Cr. in its ARR & BSP order for FY 2025-26 which details are shown in the Table-8 below:

Table -8
Interest & Finance Charge Proposed for the FY 2025-26

Sl. No.	Particulars	Interest (Rs. Cr.)
1	OHPC Loan 619 crore	23.47
2	Odisha GB III 25cr	0.76
3	Odisha Gramya Bank IV 40 CR	0.01
4	Odisha Gramya Bank V 35 CR	0.19
5	Andhra Bank VIII 300CR	6.36
6	Andhra Bank IX 400CR	10.23
7	Punjab National Bank 600 CR	22.40
8	Bank of Baroda TL-5	4.23
9	Bank of Baroda TL-6	6.03
10	Bank of Baroda TL-7	17.95
11	Canara Bank TL-1	3.57
12	Canara Bank TL-3	6.99
Sl. No.	Particulars	Interest (Rs. Cr.)
13	Canara Bank TL-4	2.63
14	Canara Bank TL-5	18.28
15	Canara Bank TL-7	19.70
16	Canara Bank TL-9	19.70
17	Soft Loan from GoO	111.45
18	Add: Proposed Soft Loan for FY 24-25	27.30
19	Add: Proposed Soft Loan for FY 25-26	26.25
	Total	327.50
20	Add: Financial Charges (Inc. Interest on SOD)	85.66
21	Add: Guarantee Commission	15.39
	Total	428.55

15. GRIDCO has submitted that, total interest and finance charges for FY 2025-26 is estimated to be Rs **428.55** Crore based on existing loan liabilities along with securitized dues to be paid to OHPC. GRIDCO submitted that the reasons for borrowing working capital loans in the past were predominantly due to non-cost reflective BSP, delay in truing up exercise, disallowances of carrying cost on regulatory assets in the past period, huge outstanding receivables from erstwhile DISCOMs and mandate to supply power as “State Designated entity” irrespective of recovery of uncontrollable cost from sale of power to State DISCOMs as approved in the ARR. Further, GRIDCO has borrowed working capital loan to avail rebate from generators and also to reduce its late payment surcharge obligations which carries higher interest in the form of penalty. The benefit of rebate on power purchase cost and lower LPS is ultimately passed on to end consumers. GRIDCO submitted that the cost of raising the fund to earn the rebate, resulted in avoiding the late payment surcharge, needs to be considered by the Hon’ble Commission in the ARR. GRIDCO requested the Hon’ble Commission to consider the above benefits and approve interest accrued for the ensuing FY 2025-26 on loans availed during the past periods.

OHPC Securities Dues:

16. GRIDCO submitted that in view of interim order of the Hon'ble Commission dated 23.05.2023 (Petition No 35/2023), an amicable settlement was agreed upon in the meeting held on 26.06.2023 regarding OHPC Securitized dues under the Chairmanship of Additional Chief Secretary, Energy Department. The Hon'ble Commission has approved the settlement in the final order in Case No. 35/2023 dated 11.07.2023. GRIDCO submitted that considering the settlement process, total interest payable on settlement of OHPC Securitized dues for FY 2025-26 comes to Rs 23.47 crore and requested the Hon'ble Commission to consider it favorably under interest and finance charges for FY 2025-26

Other Expenses:

17. GRIDCO has proposed Rs. 39.39 Cr towards expenses on account of Employees Cost, A&G Expenses, R &M Expenses & depreciation for the FY 2025-26 which details are shown in the Table-9 below:

Table- 9
Other expenses Proposed for FY 2025-26

Particulars	Amounts (Rs. Cr.)
Employee Cost	22.69
A&G Cost	12.25
Repair & Maintenance Cost	2.05
Depreciation	2.40
Total	39.39

Other Income / Miscellaneous Receipts

18. GRIDCO expects to earn an amount of Rs. **74.60** Crore during FY 2025-26 (at approved emergency power rate of Rs.7.46 /kWh for FY 2024-25) from proposed emergency sale of 100 MU to long term customers like NALCO (70 MU) and IMFA (30MU).

I. Aggregate Revenue Requirement (ARR) proposed for FY 2025-26

19. The Summary of Annual Revenue Requirement proposed by GRIDCO for the FY 2025-26 is shown in the Table-10 below.

Table-10
Aggregate Revenue Requirement Proposed for FY 2025-26

Particulars	Amount (Rs in Cr.)
Power Purchase cost as per MOD for State requirement	13,759.74
Additional Power Purchase Cost	667.29
Finance cost	428.55
Employee cost	22.69
Repair & Maintenance	2.05
Administrative and General Expenses	12.25

Depreciation	2.40
Aggregate Revenue Requirement (ARR)	14,894.97
Less: Revenue from Emergency sales of 100MU	74.60
Net Aggregate Revenue Requirement (NARR)	14,820.37
Revenue from DISCOMs at existing BSP of respective DISCOMs including Surcharge @35P/U from TPWODL	13,092.36
Units to be sold to DISCOMs (MU)	38,814
Revenue Deficit at existing BSP of respective DISCOMs	-1,728.01

Proposed ARR & BSP for the FY 2025-26:

20. GRIDCO has submitted that, during FY 2025-26 revenue of Rs 13,092.36Crore can be generated from the sale of energy to the four Distribution Companies with the present Bulk Supply Price (BSP). Despite this, there is a net revenue deficit of Rs. 1,728.01Crore against the Net Aggregate Revenue Requirement of Rs.14,820.37 Crore. GRIDCO contended that the current Bulk Supply Price structure couldn't cover estimated costs. To address the deficit, GRIDCO requested an upward revision of Bulk Supply Price from April 1, 2025, as shown in the Table-11 below:

**Table-11
Proposed ARR & BSP for FY 2025-26**

Sl. No	Components	Proposed ARR & BSP for FY 2025-26
A	Net ARR to be recovered through BSP (Rs. Cr.)	14,820.37
B	Units to be sold to DISCOMs Utilities (MU)	38,813.55
C	Proposed Average BSP to recover the Net Total Aggregate Revenue (P/U) [C= A*1000/B]	381.84

21. Further, GRIDCO has Submitted that Return on Equity (RoE) has not been considered in the application, and intends to seek a waiver of RoE for the FY 2025-26 from the State Govt. GRIDCO humbly submitted that, considering the Return on Equity (ROE) as Rs.526.64 Crores (@16% on the Equity Capital of Rs.3291.48Crores as on 31.03.2024), the proposed average BSP works out to 395.40 P/U.

Demand Charges for excess SMD:

22. GRIDCO proposed that the Demand Charges may be levied @ Rs.250/kVA/Month from DISCOM Utilities on the excess SMD based on the following condition:
- a. When the actual SMD of a DISCOM in a month exceeds the permitted monthly SMD (105% of the approved SMD), the respective distribution company will be billed by GRIDCO @ Rs.250/kVA/Month for the excess SMD.

- b. Such charges shall not be adjusted at the end of the year even if the actual monthly SMD remains within the permitted monthly SMD in any other month(s) of the same financial year.

Over Drawl Charges:

23. GRIDCO has submitted that the energy bills are raised on the DISCOMs at approved BSP Rate(s) during a Financial Year in terms of the Hon'ble APTEL Judgement dated 07.05.2018 in Appeal No. 55 of 2015. This practice may need to continue till Deviation Settlement Mechanism (DSM) Regulation by the Hon'ble Commission (OERC) is pronounced and implemented in the State of Odisha.
24. GRIDCO has submitted that for maintaining grid discipline depending on stability in the drawal pattern by the DISCOMs, the Commission may issue necessary suitable guidelines to the DISCOMs to adhere to the approved drawal quantum of energy and SMD limit fixed and approved by the Commission so as to prevent any kind of additional cost burden on the petitioner GRIDCO.

Rebate Policy

25. GRIDCO has Proposed that, the following rebate policy for payment of BSP may be approved by the Commission in the in the ARR order for FY 2025-26:
 - a. For crediting the BSP bill of the DISCOM to GRIDCO's designated current bank account through Letter of Credit on presentation or through NEFT/RTGS within a period of five (5) working days, a rebate of 1.5 % shall be allowed.
 - b. Where the amount is credited on any day after five (5) working days and within a period of twenty-five (25) days of presentation of bill, a rebate of 1.00% shall be allowed.
 - c. The DISCOMs may pay their BSP dues for eligibility of rebate provided total current BSP dues needs to be settled by the DISCOM within 25th day of presentation of BSP bill.

Delayed Payment Surcharge (DPS)

26. GRIDCO proposed that the surcharge for delayed payment of Bulk Power Supply bills i.e. payment after 30 days from the date of submission of bills, may be allowed to be levied at 1.50% per month.

Sale of Power through Specialised Tariff Scheme under Tripartite Agreement

27. A special scheme was devised by the OERC allowing industry having CGP with CD above 20 MW who are willing to avail power from DISCOMs and operating at load factor more than 80% to draw power through Tri-Partite Agreement (TPA) at a rate approved in the BSP/ RST order for the respective FY and the said scheme has been in place since FY 2021-22.
28. The renewable energy available with the DISCOMs remaining unutilised, after meeting the requirement of Green Consumer Certification, can be allotted to the CGP based industries, availing power under the TPA scheme, without any premium considering the benefits of the scheme and to make the scheme more attractive. It is prayed before the Commission to allow the surplus renewable energy with one DISCOM to be shared with the other DISCOM having deficit renewable power under intimation to GRIDCO.

Prayers:

29. GRIDCO has prayed before the Commission to approve the following for FY 2025-26 and make the same effective from 1st April, 2025:
 - (a) Consider all reasonable and uncontrollable costs as proposed in the Petition and accordingly, approve the ARR and Bulk Supply Price (BSP) for FY 2025-26 and make the same effective from 1st April 2025;
 - (b) To approve the proposed Net Aggregate Revenue Requirement (ARR) of **Rs. 14,820.37** Crores with BSP @ **381.84 P/U** for FY 2025-26 to meet the State requirements.
 - (c) Approve monthly Simultaneous Maximum Demand (SMD) and monthly quantum of energy for sale to each of the DISCOMs on realistic basis in lieu of the prevailing practices on annual basis;
 - (d) Approve the Capacity Charges mandatorily payable by the Petitioner GRIDCO to the different generating stations i.e. for all existing and new stations with whom it has long term PPAs notwithstanding that the energy is not fully scheduled from stations based on Merit Order Dispatch (MoD) principles and change in demand trend of the State. Such uncontrollable costs/charges need to be recovered through BSP;
 - (e) Allow the carrying cost on Regulatory Assets and amortization of the Regulatory Asset through BSP;

- (f) Allow recovery of the additional cost/s due to over-drawal of energy, Fuel Price Adjustment/Surcharge Adjustment, on account of any other statutory increase/s, reimbursement of Electricity Duty/ Water Cess levied by the Government of Odisha and any other Statutory levy/ Duty/ Taxes, etc. if any, be passed on to GRIDCO;
- (g) To approve the proposed TOD tariff (RST) in the State so as to incentivize the industrial and commercial tariff for electricity consumption during the off peak hours and with a higher tariff during peak hours as per the guidelines issued by Govt. of India so as to manage the State peak demand without resorting to availing power from DSM pool and the Power exchanges at high cost;
- (h) To issue necessary directions to the DISCOMs to undertake proactive measures to collect the outstanding dues from the defaulting consumers for the pre vesting period and pay GRIDCO's share of past arrear collection on monthly basis along with monthly MIS reports;
- (i) To formulate a suitable mechanism to recover the shortfall towards erstwhile DISCOMs' receivable of **Rs.6,587.51 Cr.** as on **30.09.2024**, arising out of sale of utilities of CESU, WESCO, NESCO and SOUTHCO through regulatory process preferably in the next two to three years;
- (j) To consider the re-submission of the proposal as per the directives of the Commission vide order dated 19.09.2024 in Case No. 38 of 2024 towards DPS on PGCIL dues of **Rs 23.26 Cr.**
- (k) To consider the proposal for framing methodologies towards TPA sales to optimize the power cost.
