

**Summary of OPTCL's Aggregate Revenue  
Requirement (ARR) & Transmission Tariff (TT)  
Application for FY 2025-26  
&  
Truing-up for FY 2023-24**

**SUMMARY OF OPTCL'S ARR & TARIFF PROPOSAL FOR THE FY 2025-26 &**  
**TRUING UP FOR FY 2023-24**

In the exercise of powers conferred under Sections 39,131,133 and 134 of the Electricity Act, 2003 read with Sections 23 & 24 of the Orissa Electricity Reform Act, 1995, the State Government published the Orissa Electricity Reform (Transfer of Transmission and Related Activities) Scheme, 2005 ("Transfer Scheme") in the Gazette dated 09.06.2005 which was effective retrospectively from 01.04.2005 wherein the Transmission Undertaking (the Undertaking related to the activities of Transmission, State Transmission Utility and State Load Dispatch Centre and acts incidental and ancillary thereto) of the Grid Corporation of Odisha Limited (Transferor), (now renamed GRIDCO Ltd.- "GRIDCO") has been transferred and vested in Odisha Power Transmission Corporation Limited ("OPTCL").

2. As per Clause 10 of the Transfer Scheme, OPTCL is a deemed Transmission Licensee under Section 14 of the Electricity Act 2003 for undertaking the business of transmitting electricity in the State of Odisha. OPTCL has also been notified as the State Transmission Utility and accordingly, shall discharge the State Load dispatch functions from the date of transfer till further orders of the State Government.
3. The Commission (hereinafter referred to as 'OERC') has issued License Conditions of OPTCL effective from 01.11.2006 vide order dated 27.10.2006 passed in Case No 22 of 2006 to undertake the activities relating to transmission of electricity in the State of Odisha.
4. Consequent upon transfer of Transmission undertaking and related functions to OPTCL as per the Transfer Scheme, all the obligations under Bulk Supply Agreement executed on 24.05.1999 between GRIDCO & WESCO (now Tata Power Western Odisha Distribution Limited - "TPWODL"), GRIDCO & NESCO (now Tata Power Northern Odisha Distribution Limited - "TPNODL") and GRIDCO & SOUTHCO (now Tata Power Southern Odisha Distribution Limited -"TPSODL") and the same was executed on 18.09.1999 between GRIDCO & CESCO (now Tata Power Central Odisha Distribution Limited -"TPCODL"), including all other contracts of GRIDCO with any party other than those four Distribution Licensees, in so far they relate to transmission of electricity and matter connected therewith including the provisions dealing with operating arrangements, connections & metering, rights of access, non-interfering with the equipment etc. is required to be discharged by OPTCL in the same manner as GRIDCO was doing / performing under the said agreements and also as per the Regulations, orders and directions of OERC made from time to time and all such services shall be rendered by OPTCL to GRIDCO. Since, CESU has been vested with TPCODL (Tata Power Central Odisha

Distribution Limited) w.e.f. 01.06.2020 by order dated 26.05.2020 of OERC in Case No. 27/2020, Bulk Power Transmission and SLDC Agreement between OPTCL and TPCODL was executed on 30.07.2020. WESCO has been vested with TPWODL (Tata Power Western Odisha Distribution Limited) w.e.f. 01.01.2021 by order dated 28.12.2020 of OERC in Case No. 82/2020, Bulk Power Transmission and SLDC Agreement between OPTCL and TPWODL was executed on 29.04.2021. NESCO has been vested with TPNODL (Tata Power Northern Odisha Distribution Limited) w.e.f. 01.04.2021 by order dated 25.03.2021 of OERC in Case No. 09/2021, Bulk Power Transmission and SLDC Agreement between OPTCL and TPNODL was executed on 27.04.2021. SOUTHCO has been vested with TPSODL (Tata Power Southern Odisha Distribution Limited) w.e.f. 01.01.2021 by order dated 28.12.2020 of OERC in Case No. 83/2020, Bulk Power Transmission and SLDC Agreement between OPTCL and TPSODL was executed on 29.04.2021.

### **OPTCL's ARR & TARIFF PROPOSAL FOR THE FY 2025-26 & TRUING UP FOR THE FY 2023-24**

5. As provided under Regulation 53 (1) at Chapter VIII of OERC (Conduct of Business) Regulations, 2004, Clause 19.3 of License Conditions of OPTCL and Regulation 5.2 of the OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014, OPTCL is required to submit its Aggregate Revenue Requirement (ARR) application by 30th November for the ensuing year before OERC for approval. The Commission, in its order dated 21.04.2020, in case number 72 of 2019, exercising the power conferred under Regulation 9.1 of the aforesaid Regulation, had extended the applicability of OERC's Transmission Tariff Regulations, 2014 until further orders. In compliance with the provisions of OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014, OPTCL has submitted its Aggregate Revenue Requirement & Transmission Tariff application for the FY 2025-26 along with truing-up application for the FY 2023-24 before the Commission for approval.

#### **Categorisation of Customers**

6. OPTCL is responsible for the planning and development of the intra-state transmission system of the State. All the customers seeking access to OPTCL's Transmission System are classified under three categories:
  - (a) **Long-Term Open Access Customers (LTOA Customers)** A Long-Term Access Customer means the right to use the Intra-State Transmission System for a period exceeding 12 years but not exceeding 25 years. Based on such premise, four DISCOMs,

NALCO, IMFA, ABREL SPL, ABERL SPV, MCL and BEL happen to be the long-term customers of OPTCL.

- (b) Medium Term Open Access Customers (MTOA Customers):** Medium Term Open Access means the open access for a period exceeding three (3) months but not exceeding three (3) years.

M/s Dhamra Port Company Limited is the only Medium-Term Open Access Customer (MTOA Customer).

- (c) Short Term Open Access Customers (STOA Customers):** Short Term Open Access means open access for a period up to one (1) month at a time.

Medium-term open access or short-term open access shall be granted if the resultant power flow can be accommodated in the existing transmission system or the transmission system under execution, provided no augmentation shall be carried out to the transmission system for the sole purpose of granting such short-term open access.

## **ARR & TARIFF PROPOSAL FOR FY 2025-26**

### **Formulation and Computation of Transmission Charges:**

7. The Commission has framed OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 (hereinafter called “OERC Transmission Tariff Regulations, 2014”) which has been published in the Extra-Ordinary issue of the Odisha Gazette on 04.12.2014 and made effective from that date. OPTCL, the Transmission Licensee, has submitted the ARR & Transmission Tariff application for the FY 2025-26 in line with the above Regulations of OERC. Regulation 5 of the OERC’s Transmission Tariff Regulations, 2014 specifies the procedure for Tariff Determination and Regulation 8 specifies the Principles for Determination of ARR. As per the Regulation 8.1, the ARR for the Transmission Business for each year shall contain the following items:
  - i. Operation and Maintenance expenses;
  - ii. Interest and Financial Charges;
  - iii. Depreciation;
  - iv. Return on Equity;
  - v. Income Tax;
  - vi. Less: Deposits from Transmission System Users;

- vii. Less: Non-Tariff Income
- viii. Less: Income from Other Business as specified in these Regulations

The various costs involved in carrying out transmission business by OPTCL for FY 2025-26 while formulating the ARR and Transmission Tariff have been categorized under the following heads:

**I. Fixed Cost**

- Operation & Maintenance (O & M) Expenses
- Interest and Financial Charges
- Depreciation
- Return on Equity
- Interest on Working Capital

**II. Others:**

- Incentive for System Availability

**DETAILS OF FIXED COST**

**O&M Expenses**

8. As per Regulation 8.2 of the OERC Regulations, 2014, Operation and Maintenance (O&M) expenses shall include:
- (a) Salaries, wages, pension contribution and other employee costs;
  - (b) Administrative and General Expenses;
  - (c) Repairs and Maintenance;
  - (d) Expenses related to auxiliary energy consumption in the sub-station for the purpose of air-conditioning, lighting, technical consumption, etc.; and
  - (e) Other miscellaneous expenses, statutory levies and taxes (except corporate income tax).

The details of O&M Expenses proposed by OPTCL for the FY 2025-26 are as under:

**Salaries, wages, pension contributions and other employee costs**

9. OPTCL has submitted that the Employee Cost includes Basic pay, Dearness Allowance (DA), House Rent Allowance (HRA), Medical Allowance, Conveyance Allowance/Reimbursement, Stipend for New recruitment, Staff Welfare expenses, Ex-gratia, other expenses etc, Terminal benefit liability (Pension, Gratuity and Leave Salary) and employer contribution to NPS.

10. Accordingly, OPTCL proposes **Rs.554.05 Cr.** under the head Employees Cost for the FY 2025-26. The component-wise details are shown in the Table below.

**Table 1**  
**Employee Cost Proposed by OPTCL for FY 2025-26**

(Rs. in Cr)

Particulars	Amount
Employee cost including Salary, Dearness Allowance etc.	340.92
Terminal Benefit Liability of Employees and Existing Pensioners	228.03
Less: Capitalization	14.90
<b>Total</b>	<b>554.05</b>

**Administrative and General (A&G) Expenses**

11. OPTCL has proposed **Rs. 49.80 Cr.** towards A&G Expenses for FY 2025-26. The A&G Expenses include property related expenses, communication, professional charges, conveyance and travelling, SLDC charges, license fee and material related expenses. The A&G expenses show an increasing trend in recent years due to increase in number of establishments (for smooth operation, maintenance and project execution), price rise and inflation being on higher side than the amount approved by the Commission.

**Repair and Maintenance (R & M) Expenses**

12. OPTCL has stated that, it has 194 Nos. Grid Sub-Stations of different voltage classes and 16,508.068 ckt. Kms of EHT transmission lines as on 31.03.2024. The details are shown in the Table given below.

**Table 2**  
**Sub-station and line details of OPTCL**

Sub-Station and Line Details		
400/220/33kV S/S	2	
400/220/132/33kV S/S	3	
220/132/33kV S/S	28	
220/33kV S/S	18	
220/132kV S/S	1	
132kV Sw. Stn.	26	
132/33kV S/S	116	
<b>Total No. of Sub-Stations</b>	<b>194</b>	
Voltage Level	Lines (ckt. km.)	Bays
400kV	1196.872	70
220kV	6831.365	449
132kV	8479.831	1255
33kV		1482
<b>TOTAL</b>	<b>16,508.068</b>	<b>3256</b>

13. Further, OPTCL has proposed that, around 8 Nos. and 10 Nos. new Grid Substations are proposed to be commissioned during FY 2024-25 and 2025-26. The R&M works are being undertaken under different activities namely O&M, Telecom, Civil Works and Information Technology (IT). Accordingly, OPTCL has proposed R&M Expenses of **Rs. 217.70 Cr.** for the FY 2025-26. The details of R & M expenses are given in the Table below:

**Table 3**  
**Repairs and Maintenance Expenses Proposed by OPTCL for the FY 2025-26**  
**(Rs.in Cr)**

Particulars	OERC Approval (FY 2023-24)	OERC Approval (FY 2024-25)	Projection (FY 2025-26)
(i) O&M	<b>135.00</b>	<b>135.00</b>	192.46
(ii) Telecom			3.73
(iii) Civil Works			11.80
(iv) Information Technology & Others			9.71
<b>Total R &amp; M Expenses</b>			<b>217.70</b>

**Grid Coordination Committee (GCC) Expenses:**

14. OPTCL has proposed **Rs. 0.35 Cr.** towards annual GCC Expenses for FY 2025-26 in line with the matters specified in the Chapter-11(2)(2) of the Odisha Grid Code (OGC) Regulations, 2015.
15. Accordingly, OPTCL has proposed **Rs.821.90 Cr.** towards O&M Expenses for the FY 2025-26, details of which is given in the Table 4 below:

**Table 4**  
**O&M Expenses Proposed by OPTCL for the FY 2025-26**  
**(Rs.in Cr.)**

Particulars	Amount
(i) Employees Cost including Terminal Benefits	554.05
(ii) A&G Cost	49.80
(iii) R&M Cost	217.70
(iv) (GCC expenses)	00.35
<b>Total O&amp;M Expenses</b>	<b>821.90</b>

**Interest and Financial Charges**

### **Interest on Loan**

16. OPTCL has estimated total interest on loan capital is Rs. 301.54 Cr. after considering interest on loan capital of Rs. 155.93 Cr. to be capitalised during FY 2025-26, it has proposed net interest on loan capital of **Rs.145.61 Cr.** (Rs. 301.54 Cr.- Rs. 155.93 Cr.) for the FY 2025-26.

### **Interest on Working Capital:**

17. OPTCL has not proposed any amount towards interest on working capital for FY 2025-26. However, OPTCL has requested the Commission to consider the interest on working capital if any availed during FY 2025-26 in the truing up exercise.

### **Rebate**

18. As per Regulation 8.49 of the OERC Transmission Tariff Regulations, 2014, OPTCL has proposed **Rs. 27.97 Cr.** towards rebate @ 2% on the projected ARR for the FY 2025- 26.

### **New Projects**

19. OPTCL has proposed **Rs. 2272.07 Cr.** for FY 2025-26 towards Capital Expenditure (CAPEX) on new projects under different activities like Construction, O&M, Telecom, IT and Civil Works. The details of expenditure proposed under CAPEX are given in the Table below.

**Table 5**  
**CAPEX Proposed by OPTCL for FY 2025-26**

<b>Particulars</b>	<b>Amount</b>
(i) New Transmission Projects (Construction Wing)	1639.79
(ii) Existing Assets (O&M Wing)	413.14
(iii) Telecom Wing	102.00
(iv) Information Technology (IT Wing) & others	51.59
(v) Civil Wing	65.55
<b>Total Capital Expenditure [(i)+(ii)+(iii)+(iv)+(v)]</b>	<b>2272.07</b>

### **Depreciation**

20. OPTCL has submitted that after excluding the grant, beneficiary & deposit works assets of Rs. 1847.86 Cr. and fully depreciated (90% of Asset value) assets value of Rs. 1858.82 Cr. from the gross original book value of fixed assets of Rs. 9015.83 Cr., its own transmission assets become Rs. 5309.30 Cr. as on 01.04.2023. OPTCL has requested the Commission not to deduct the up-valued assets of Rs.512.71 Cr. while calculating the transmission assets as the same has fully depreciated in 27 years from 1996. Further, after adjustment/deletion, fixed assets of Rs.538.29 Cr. (Rs.563.38 Cr. -Rs. 25.09 Cr.) have been added during FY 2023-24 which includes assets value of Rs. 206.09 Cr. towards grant, beneficiary and deposit works. OPTCL has reported that



during FY 2023-24, fixed assets of Rs. 39.68 Cr. have been fully depreciated (90%). Accordingly, OPTCL has estimated the gross original book value of fixed assets as on 31.03.2024 is Rs. 5601.67Cr. (Rs. 5309.15 Cr. + Rs.538.29 Cr. - Rs.39.68 Cr. - Rs. 206.09 Cr.) excluding the grant, beneficiary & deposit works and fully depreciated assets.

Further, OPTCL has projected that, transmission assets (excluding Deposits works & Grant assets etc.) of Rs. 526.26 Cr. and Rs. 1605.73 Cr. to be added during FY 2024-25 and FY 2025- 26 respectively. Considering the same, the original book value of transmission fixed assets will become Rs. 6127.93 Cr. as on 31.03.2025 and Rs. 7733.67 Cr. as on 31.03.2026. Basing on the above-projected capitalisation, OPTCL has proposed **Rs. 356.57 Cr.** towards depreciation for FY 2025-26.

### **Return on equity (RoE)**

21. OPTCL has submitted that at the time of the de-merger of GRIDCO, its opening equity share capital as on 01.04.2005 was Rs.60.07 Cr. Thereafter, the State Government has infused equity share capital of Rs.2746.52 Cr. till date against various transmission projects including Rs.647.00 Cr. towards conversion of bonds with interest into equity. Further, it has projected that another Rs.140.30 Cr. will be received by Mar-2025 from the planned budget of the Energy Department for FY 2024-25 and as expected, the State Government will further infuse Equity Share Capital of Rs. 954.53 Cr. during FY 2025- 26 against the various transmission projects. Considering the above, OPTCL has projected that its total Equity Capital will be Rs. 3901.53 Cr as on 31.03.2026.

However, based on the projected original book value of transmission fixed assets of Rs. 6127.93 Cr. as on 31.03.2025, OPTCL has proposed a Return on Equity (RoE) of **Rs. 284.95 Cr.** (@ 15.5% on 30% of Rs. 6127.93 Cr.) for the FY 2025-26.

### **Income Tax**

22. As per Regulation 8.43 of the OERC's Transmission Tariff Regulations, 2014, Income tax of the Transmission Licensee shall be recovered from the beneficiaries. As per the Audited Accounts of the FY 2023-24, OPTCL has paid Income Tax of Rs.10.77 Cr. Accordingly, it has proposed the same amount of **Rs. 10.77 Cr.** towards income tax for FY 2025-26. Further, the petitioner has stated that any variation in the proposed amount shall be adjusted during the true-up exercise based on audited accounts as per Regulations 8.43 and 8.44 of the OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014.

### **Incentive for System Availability:**

23. Regulation 6.4 of the OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 specifies the “Operational Norm” applicable for the transmission system for recovery of full annual transmission charge by the Transmission Licensee. Further, the Normative Annual Transmission System Availability Factor (NATAF) shall be 98.50% for the AC system for recovery of full Annual Transmission Charges. OPTCL has filed the calculation of TAFY for the FY 2023-24 as 99.98%. The computation and TAFY figures have been verified and certified by SLDC. In accordance with the formula prescribed in Regulation 6.5, OPTCL has worked out an incentive of Rs.13.46 Cr. towards system availability for the year 2023-24. Accordingly, OPTCL proposed **Rs.13.46 Cr.** towards Incentive for System Availability for the ensuing FY 2025-26.

#### **Total Transmission Cost**

24. Considering the proposed cost/expenses under different heads and incentives, OPTCL has submitted that, the total transmission cost will be **Rs. 1663.33 Cr.** for the ensuing FY 2025-26.

#### **Miscellaneous Receipt**

25. OPTCL has submitted that, in line with the trend of revenue of previous years and earnings during 1<sup>st</sup> six months of FY 2024-25, it has proposed **Rs.264.62 Cr.** for FY 2025-26 towards Miscellaneous Receipts such as Inter-State Transmission charges, STOA & MTOA charges, Bank interest, Supervision Charges, lease rent, Scrap Sale and Other receipts.

#### **Summary of Aggregate Revenue Requirement of OPTCL for FY 2025-26 (Rs. Cr.)**

26. Considering all the aforesaid proposed transmission costs and miscellaneous receipts, OPTCL has proposed its Net Aggregate Revenue Requirement (ARR) of **Rs.1398.71 Cr.** for FY 2025-26 before the Commission for approval. The Summary of ARR is shown in the Table below:

**Table:6**  
**Summary of ARR Proposed by OPTCL for FY 2025-26**

(Rs.in Cr.)

Particulars	Amounts	
<b>1. O&amp;M Expenses</b>		<b>821.90</b>
a. Employees Cost including Terminal Benefits	554.05	
b. A&G Cost	49.80	
c. R&M Cost	217.70	
d. Expenses related to auxiliary energy consumption	-	
e. Other misc. expenses, statutory levies and taxes (GCC)	0.35	
<b>2. Interest &amp; Financial Charges</b>		<b>175.68</b>
f. Interest on Loan Capital	145.61	
g. Interest on Working Capital	-	

<b>Particulars</b>	<b>Amounts</b>	
h. Rebate	27.97	
i. Exemption as per OERP-2022	2.10	
<b>3. Depreciation &amp; amortisation expense</b>		<b>356.57</b>
<b>4. Return on Equity</b>		<b>284.95</b>
<b>5. Income Tax</b>		<b>10.77</b>
<b>6. Incentive for system availability</b>		<b>13.46</b>
<b>7.Total Transmission Cost (1+2+3+4+5+6)</b>		<b>1663.33</b>
8. Less Misc. Receipts		264.62
<b>9.Net ARR proposed to recover from LTA Customers</b>		<b>1398.71</b>

### **Transmission Loss**

27. OPTCL has submitted that the transmission loss is purely a technical loss and dependent on the location of generation sources, system configuration and power flow requirements at different load centres. Further due to the increasing demand for power on account of industrialization and implementation of central & state-sponsored schemes like ODSSP, SCRIPS, RRCP, LVMS, DRPS etc. in Odisha, the flow of power in the transmission network contributes to increased transmission loss. OPTCL further mentioned that its transmission loss is already very low and further reduction in loss becomes difficult. OPTCL has been able to reduce transmission loss over the years by commissioning several new transmission projects strategically and adopting innovative schemes under the Master Maintenance Plan during the last few years. The actual transmission loss in the OPTCL's transmission system from April 2024 to September 2024 is 3.09% against the Commission's approval of 3.00% for FY 2024-25. OPTCL expects the loss level to remain around 3.08% in the current year. Accordingly, OPTCL proposes 3.05% transmission loss during FY 2025-26.

### **OPTCL Revenue Receipt and Deficit in the Proposed ARR for the FY 2025-26:**

28. OPTCL has stated that it has taken the recent realistic demand projection of all four DISCOMs 38537.40 MU (4399.24 MW) for FY 2025-26. Further, the energy of 440 MU (50.23 MW) is likely to be transacted in 33kV & 11kV networks of DISCOMs for which OPTCL is not entitled to get any transmission charge as per the Commission's order. Hence, excluding this, the petitioner has estimated that net 38097.40 MU (i.e., 38537.40 MU - 440 MU) will be transmitted over the OPTCL's network for DISCOMs. Further OPTCL has projected 561.94 MU for wheeling and supply of Emergency/Backup power to IMFA, NALCO, ABREL & BEL. Accordingly, the projected energy transaction over its network would be about 38659.34 MU (i.e., 38097.4 MU+ 561.94 MU).

Further, OPTCL has projected energy transmission of 104.95 MU (24.95 MU for M/s ABREL

(Odisha) SPV Limited and 80 MU for M/s MCL) through the OPTCL network for FY 2025-26 which will get an exemption of twenty (20) paise per unit on STU charges as per clause No. 10(4) of the Odisha Renewable Energy Policy-2022. Taking the above energy requirement into consideration, OPTCL has projected the transaction of 38764.29 MU (38659.34 MU + 115.49 MU) over its network.

29. Regarding recovery of transmission charges from the LTA Customers during FY 2025-26, OPTCL has proposed as follows:

- i. By charging at the rate applicable to DISCOMs for transmission of 38097.40 MU (4349.01 MW).
- ii. By charging at the rate applicable to LTA customers like IMFA & NALCO for transmission and supply of Emergency/Backup power of 527.60 MU (60.23 MW).
- iii. By charging at the rate applicable to RE LTA customers like M/s ABREL SPL (25.88 MU) & M/s BEL (8.46 MU) for transmission power of 34.34 MU as per OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023.
- iv. By charging at the rate (exemption of twenty-20 paise per unit) applicable to LTA customers like M/s ABREL (Odisha) SPV Limited (24.95 MU) and M/s MCL (80 MU) for transmission power of 104.95 MU as per Odisha Renewable Energy Policy-2022.

OPTCL has estimated that the existing transmission tariff @ 24 P/U would generate revenue of Rs. 927.82 Cr. from the projected units of 38659.34 MU and @ 04 P/U (after 20 P/U exemption) can earn Rs.2.52 Cr from projected units of 104.95 MU. Accordingly, OPTCL has estimated to earn a total revenue of **Rs. 930.34 Cr.** from LTA customers by transmitting 38764.29 MU during FY 2025-26.

**Excess/Deficit of Revenue Requirement:**

30. OPTCL has projected a revenue deficit of **Rs.468.37 Cr.** for FY 2025-26 by considering the proposed ARR of Rs.1398.71 Cr. and the estimated revenue of Rs. 930.34 Cr. to be earned at the existing transmission tariff @24 P/U.

**Proposal for revision of Transmission Tariff/ Wheeling Charges**

31. OPTCL has submitted that as the deficit cannot be met at the existing rate of transmission tariff (i.e., @24 P/U), it has requested before the Commission to approve:

- Aggregate Revenue Requirement of Rs.1398.71 Cr.
- Recovery of Transmission Charge @ Rs. 8660/MW-Day i.e. 36.08 Paise/unit.
- Transmission Loss for wheeling as 3.05% on energy drawl for FY 2025-26.

### Open Access Charges:

32. Para 20(2), chapter 5 of Regulation “OERC (Terms and conditions of Intra state open access) Regulations 2020” (effective from 18.11.2021) specifies the details of Open Access Charges and transmission charges shall be payable on the basis of contracted capacity in case of long-term and medium-term open access consumers and on the basis of scheduled load in case of short-term open access consumers.
33. The Commission, vide Letter No. DIR(T)-332/2008/77 dated 01.02.2021, had clarified that the DISCOMs do not come under the new regulation “OERC (Terms and conditions of Intra state open access) Regulations 2020” and they are governed under OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014. Therefore, the transmission charges for the LTA customers are to be recovered as under:
- (i) From four DISCOMs (i.e. TPCODL, TPWODL, TPNODL & TPSODL) as per the OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014.  
**[For FY 2025-26, the DISCOMs projection is 38097.4 MU (4349.01MW)]**  
and
- (ii) From other LTOA customers (i.e. NALCO, IMFA & BEL) as per OERC (Terms and conditions of Intra state open access) Regulations 2020.
- (iii) From RE LTOA customers (i.e. ABREL SPL, BEL, ABREL SPV & MCL) as per OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations 2023.  
**[For FY 2025-26, NALCO, IMFA, ABREL SPL, BEL, ABREL SPV & MCL have projected their respective demands as 147.6 MU (10 MW), 380 MU (41.09 MW), 25.88 MU (18.75 MW), 8.46 MU (7.50 MW), 24.95 MU (15.62 MW) & 80 MU (50 MW).**
34. OPTCL has proposed the short-term Open Access for FY 2025-26 as per the table below.

**Table 7**  
**Open Access Charges proposed by OPTCL for the FY 2025-26**

DETAILS	In Rs. Per Unit approach
Proposed Energy to be transmitted in OPTCL Network (MU)	38,764.29
Power Flow (Equivalent of 36645 MU) in MWs	4425.15
Proposed Transmission Tariff (Rs./MW-Day)	8660
Proposed Transmission Charges (Paise/unit)	36.08

### Reactive Energy Charges

35. OPTCL has submitted that the Commission in Para 16 (page 5) of the order dated 05.02.2019 in Case No. 50/2017 has inter alia viewed that the provisional reactive energy charges of 3 paise/KVARh as allowed in ARR 2018-19 order continue for time being till a final justification is submitted by OPTCL in consultation with the stakeholders. In view of the above, OPTCL has provisionally proposed 3paise/KVARh as Reactive Energy Charges FY 2025-26.

**Levy of Grid Support Charges (GSC)**

36. OPTCL had filed an application (Case No 44 of 2024) before the Commission on 26.06.2024 for determination and approval for levy of Grid Support Charges for industries having Captive Generating / Cogeneration plants and running in parallel with the Grids of OPTCL subsequent to order dated 06.07.2023 of Hon'ble Orissa High Court in W.P(C) No-2220 of 2021 & W.P(C) No-16513 of 2021 filed by M/s Vedanta Limited and M/s CCPPO Odisha respectively. The Commission vide order dated 09.07.2024 in Case No. 44 of 2024 has directed to submit a consolidated report considering certain queries. OPTCL is in the process of submitting the report complying with the suggestions of the Commission. If the levy of GSC is decided in favour of the petitioner (OPTCL), the major portion of accrual from GSC shall be passed on to the end users resulting in further reduction in transmission cost.

**Rebate:**

37. As per the direction of OERC, DISCOMs are governed under OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014. Accordingly, rebate shall be allowed vide Regulation 8.49 & 8.50 i.e. a rebate of 2% on the monthly bills (excluding arrears), if full payment is made within two working days (excluding holidays under N.I Act) of the presentation of the bill and 1% on the monthly bills, if paid within 30 days on the presentation of the bill.
38. Long & Medium-term Open Access Customers other than DISCOMs are governed under OERC (Terms and Conditions of Intra-state Open Access) Regulations, 2020. They shall pay the transmission charges within Seven (07) days from the date of receipt of the bill as mentioned vide Regulation 32(2)(b) of Intra state Open Access Regulations 2020. There is no provision of rebate for early payment in the said Regulations 2020. Necessary directions may please be given in this regard.

**Late Payment Surcharge:**

39. Regulation 8.48 of OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014 shall be followed for DISCOMs. For Long & Medium-Term Open Access

Customers other than DISCOMs, Regulation 33 of the OERC (Terms and Conditions of Intra State Open Access) Regulations, 2020 shall be followed.

**Duty and Taxes:**

40. The Electricity Duty levied by the Government of Odisha and any other statutory levy/ duty/ tax/ cess/ toll imposed under any law from time to time shall be charged over and above the tariff.

**True Up Application for FY 2023-24:**

41. OPTCL has submitted that as per Regulation 7.1 (Truing up of Capital Expenditure and Tariff) of OERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2014, OPTCL may file an application each year for truing-up along with the tariff petition filed for the next tariff period and the Commission shall carry out truing-up exercise along with the tariff petition filed for the next tariff period. OPTCL in the instant application has submitted its truing up the proposal for the FY 2023-24 and has prayed the Commission to carry out the truing- up exercise.
42. OPTCL has submitted that during FY 2023-24, it incurred a net deficit of Rs.139.71 Cr. Therefore, the petitioner requests the Commission to consider the surplus/deficit against each item for the truing-up of ARR for FY 2023-24. The actual figures/ amounts as per audited accounts and truing-up proposed by OPTCL against the approval of the Commission in ARR for the FY 2023-24 is shown in the Table below:

**Table- 8**  
**Truing-up Proposed by OPTCL for the FY 2023-24**

				(Rs. Cr.)
Particulars	OERC Approval	Actual as per Audited Accounts	Truing up	Surplus/ (Deficit)
<b>Expenditure</b>				
<b>Expenditure</b>				
A. Employee Cost (Net)	449.08	493.67	493.67	-44.59
B. R & M Cost	135.00	130.83	130.83	4.17
C. A & G Cost (Including SLDC and GCC)	40.28	46.83	42.81	-2.53
<b>Sub-Total (A+B+C)</b>	<b>624.36</b>	<b>671.33</b>	<b>667.31</b>	<b>-42.95</b>
D. Depreciation	269.54	294.71	294.71	-25.17
E. Interest on long-term liability	111.83	120.96	120.96	-9.13
F. Rebate	17.92	16.23	16.23	1.69
G. Incentive for system availability	5.00		13.46	-8.46
H. GCC Expenses	0.35	-	-	0.35

<b>Particulars</b>	<b>OERC Approval</b>	<b>Actual as per Audited Accounts</b>	<b>Truing up</b>	<b>Surplus/ (Deficit)</b>
<b>Sub-Total (A to H)</b>	<b>1,029.00</b>	<b>1,103.23</b>	<b>1,112.67</b>	<b>-83.67</b>
<b>I. Return on Equity</b>	140.42		172.21	-31.79
<b>J. Income tax</b>	27.21		10.77	16.44
<b>Grand Total (A to J)</b>	<b>1,196.63</b>	<b>1,103.23</b>	<b>1,295.65</b>	<b>-99.02</b>
<i>Less: Inter-state wheeling &amp; Misc. Revenue</i>	300.45	412.67	282.59	17.86
<b>Net Transmission Cost</b>	<b>896.18</b>	<b>690.56</b>	<b>1,013.06</b>	<b>-116.88</b>
Revenue from Transmission Charges	<b>896.18</b>	<b>873.35</b>	<b>873.35</b>	<b>22.83</b>
<b>Difference to be allowed in truing up (FY 2023-24)</b>	-	<b>182.79</b>	<b>-139.71</b>	<b>-139.71</b>

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