

*Summary of Aggregate Revenue Requirement (ARR) and
Determination of Bulk Supply Price (BSP) for the FY 2026-27 and
Truing-up of the FY 2024-25 & Revisit of Truing-up Order of the
FY 2023-24 Submitted by GRIDCO*

1. Background

- 1.1. 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.
- 1.2. 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.
- 1.3. Sub Section 5 (k) of Section 15 of the Orissa Electricity Reform Act, 1995 mandates GRIDCO to file its 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, 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 and the Commission is empowered under Section 86 (1) (a) & (b) and other applicable provisions of the Electricity Act, 2003, to determine the power purchase quantum and cost for the DISCOMs. The Bulk Supply Price (BSP) represents the procurement price of DISCOMs at which GRIDCO has to supply power in bulk to DISCOMs. Therefore, it is the statutory requirement for GRIDCO to submit its Aggregate Revenue Requirement (ARR) & BSP 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 2026-27 to enable it to carry out its functions of bulk supply to DISCOMs.

2. Simultaneous Maximum Demand (SMD)

2.1. The Simultaneous Maximum Demand (SMD) of DISCOMs for the FY 2026-27 has been projected by GRIDCO based on the data received from the DISCOMs which has been estimated considering the maximum SMD observed during the period from April' 25 to September' 25 and the additional load growth as estimated for the FY 2026-27 over FY 2025-26 for each DISCOM. The maximum SMD recorded during first six months of FY 2025-26 and DISCOMs projection for FY 2026-27, as submitted by GRIDCO in its BSP and ARR application are given in Table below.

Table 1: Projection of Simultaneous Maximum Demand (SMD) for FY 2026-27

(MVA/Month)

| DISCOMs | OERC approval for 2025-26 | Highest SMD recorded during FY 2025-26 | DISCOMs Projection of SMD for FY 2026-27 |
|---------|---------------------------|--|--|
| | | (Apr.'25 to Sept'25) | |
| TPCODL | 2650 | 2539.50 | 2752 |
| TPNODL | 1622 | 1478.56 | 1641 |
| TPWODL | 1904 | 1963.15 | 1989 |
| TPSODL | 861 | 792.08 | 900 |

2.2. GRIDCO has submitted that the SMD projected by DISCOMs seems to be higher as compared to the actual occurrence in the summer months of the current financial year. Moreover, the rate of increase in the projected SMD is much higher to the energy requirement of the State DISCOMs projected for FY 2026-27. GRIDCO has requested the Commission to approve the SMD for the FY 2026-27 on monthly basis considering the actual SMD of the DISCOMs during the current year as per SLDC data and a proportionate increase corresponding to the rise in monthly energy demand for FY 2026-27.

3. STU/OPTCL Transmission Losses (%):

3.1. GRIDCO has submitted that, the Commission had approved the transmission loss of STU/ OPTCL @ 3.00% for the FY 2025-26. The same figure of 3% has been provisionally considered by GRIDCO towards Intra-state transmission loss for FY 2026-27. However, GRIDCO has requested the Commission to consider the STU

Transmission loss for the FY 2026-27 to be approved in the ARR & Transmission Tariff order of OPTCL.

4. Quantum of Energy Requirement:

4.1. Basing on the projected demand of 39,103.47MU of DISCOMs and considering 100 MU (NALCO-70 MU and IMFA-30 MU) towards emergency supply of power to Captive Generating Plants (CGPs), GRIDCO has proposed 39,203.47 MU of energy consumption for the FY 2026-27. Accordingly, GRIDCO has planned to procure total energy of 40,415.95 MU including transmission loss of 1,212.48 MU (considering the Transmission Loss @ 3%) to meet the projected energy requirement of 39,203.47 MU for the FY 2026-27. The Summary of energy requirement vis-a-vis the energy availability projected by GRIDCO for the FY 2026-27 is shown in the Table below:

Table 2: Projected Energy Requirement vis-à-vis Availability of GRIDCO for FY 2026-27

| Sl. No. | Particulars | Projection for FY 2026-27 (MU) |
|----------------|--|---------------------------------------|
| 1 | Sales to DISCOMs | 39,103.47 |
| 2 | Emergency sales to CGPs | 100.00 |
| 3 | Transmission Loss @ 3% | 1,212.48 |
| 4 | Energy to be purchased by GRIDCO to meet the State demand | 40,415.95 |
| 5 | Availability of power estimated by GRIDCO | 46,334.13 |
| 6 | Estimated Surplus Power | 5,918.18 |

5. Projected Energy Availability to GRIDCO during FY 2026-27

5.1. GRIDCO has projected energy availability of 46,334.13 MU during FY 2026-27 from different generating stations considering the Generation plan submitted/shared by the generating stations, PAF & normative auxiliary consumption of the power plant and ISTS loss of 3.61% & STU loss of 3%. However, GRIDCO has proposed to procure 40,415.95 MU of energy to meet the State requirement the FY 2026-27 considering merit order dispatch (MoD) and it has estimated an availability of surplus power to the tune of 5918.18 MU during FY 2026-27.

5.2. GRIDCO has estimated to avail (a) hydro power of 5446.59 MU from OHPC including 1477.09 MU from Upper Indravati & 259.35 MU from Machhkund, (b) thermal power of 11658.61 MU from OPGC (2395.04 MU from Units 1& 2 and 9263.57 MU from Units 3 & 4), (c) 5208.66 MU from Renewable Energy sources (521.97 MU from small

hydro, 1015.69 MU from wind, and 3671.00 MU from Solar), (d) 6643.75 MU from thermal IPPs (M/s Vedanta Ltd, M/s GKEL, M/s GMR Kamalanga Energy Ltd, M/s NAVA Ltd., M/s. JIPL, M/s. JSWE(U)L, & M/s. MTPCL). Further, GRIDCO has proposed to purchase Odisha share of 15796.53 MU from Central Thermal Power Stations and 1580.00 MU from Central Hydro Power Stations viz. Tala, Chukha, Mangdechhu, Rangit, Kurichhu, Punatsangchhu-II and Teesta-V .

5.3. The station-wise details in respect of availability of power including surplus power are given in the Table below:

Table 3: Summary of Proposed Energy Availability to GRIDCO for FY 2026-27

| Sl No | Station Name | Proposed Energy Availability (MU) |
|-----------|--|-----------------------------------|
| 1 | Hirakud | 816.90 |
| 2 | Chiplima | 277.28 |
| 3 | Rengali | 779.17 |
| 4 | Upper Kolab | 628.22 |
| 5 | Balimela | 1,208.58 |
| 6 | Sub-total State Hydro-Old OHPC (1 to 5) | 3,710.15 |
| 7 | Indravati | 1,477.09 |
| 8 | Machkund | 259.35 |
| 9 | Total State Hydro-OHPC (6+7+8) | 5,446.59 |
| 10 | OPGC - 1 & 2 | 2,395.04 |
| 11 | OPGC - 3 & 4 | 9,263.57 |
| 12 | Total OPGC (10+11) | 11,658.61 |
| 13 | M/s. Vedanta Ltd. | 2,880.51 |
| 14 | M/s. GKEL | 1,898.00 |
| 15 | M/s JSWE(U)L | 970.22 |
| 16 | M/s. NAVA Ltd (Unit-1) | 36.80 |
| 17 | M/s. NAVA Ltd (Unit-2) | 46.06 |
| 18 | M/s. JTPL | 544.91 |
| 19 | M/s. MTPCL | 48.25 |
| 20 | M/s. MTPCL(Mid-term) | 219.00 |
| 21 | Total IPP (13 to 20) | 6,643.75 |
| 22 | Total State Thermal (12+21) | 18,302.36 |
| 23 | Solar | 3,671.00 |
| 24 | SHEP | 521.97 |
| 25 | Wind | 1,015.69 |
| 26 | Non-Solar (24+25) | 1,537.66 |
| 27 | Total Renewables (23+26) | 5,208.66 |
| 28 | Total State (9+22+27) | 28,957.61 |
| 29 | Chukha HEP | 163.00 |

| Sl No | Station Name | Proposed Energy Availability (MU) |
|-----------|---|-----------------------------------|
| 30 | Tala HEP | 59.00 |
| 31 | Mangdechhu HEP | 278.00 |
| 32 | Rangit HEP | 6.00 |
| 33 | Kurichhu HEP | 1.00 |
| 34 | Punatsangchhu-II HEP | 524.00 |
| 35 | Teesta-V HEP | 549.00 |
| 36 | Total Central Hydro (29 to 35) | 1,580.00 |
| 37 | Talcher STPS-I | 2,254.30 |
| 38 | Talcher STPS-II | 1,352.90 |
| 39 | Darlipali STPS-I | 5,608.33 |
| 40 | North Karnapura STPS-I | 662.81 |
| 41 | Sub-total Central Thermal (37 to 40) | 9,878.34 |
| 42 | Total Central (36+41) | 11,458.34 |
| 43 | MOD applied to meet the State Demand (28+42) | 40,415.95 |
| 44 | FSTPS-I & II | 189.15 |
| 45 | FSTPS-III | 610.14 |
| 46 | KhSTPS-I | 89.75 |
| 47 | KhSTPS-II | 343.16 |
| 48 | Muzaffarpur TPS-II | 205.51 |
| 49 | Nabinagar STPS-I | 64.30 |
| 50 | Barh STPS-I | 2,035.77 |
| 51 | Barh STPS-II | 134.40 |
| 52 | North Karnapura STPS-I | 2,246.00 |
| 53 | Total Surplus Power (44 to 52) | 5,918.18 |
| 54 | Total Energy Availability (43+53) | 46,334.13 |

6. Power Purchase Cost Estimated for FY 2026-27:

6.1. GRIDCO has estimated total power purchase cost of Rs.16104.33 Cr. (@ 347.57 Paise/Unit) for total projected energy availability of 46334.13 MU for FY 2026-27. However, to meet the State energy demand of 40415.95 MU on Merit Order Dispatch (MoD) basis, GRIDCO has estimated the Power purchase cost of Rs.14503.08 Cr. (@ 358.85 Paise/Unit). The generating station wise energy availability and power purchase cost as proposed by GRIDCO for FY 2026-27 is shown in the Table below:

Table 4: Summary of Proposed Power Procurement Cost for the FY 2026-27

| Sl No | Station Name | Proposed for FY 2026-27 | | |
|-----------|--|--------------------------|--------------------|-------------------|
| | | Energy Availability (MU) | Total Cost (Rs.Cr) | Rate (Paise/Unit) |
| 1 | Hirakud | 816.90 | 99.33 | 121.60 |
| 2 | Chiplima | 277.28 | 45.66 | 164.68 |
| 3 | Rengali | 779.17 | 70.77 | 90.83 |
| 4 | Upper Kolab | 628.22 | 83.07 | 132.23 |
| 5 | Balimela | 1,208.58 | 107.84 | 89.23 |
| 6 | Sub-total State Hydro-Old OHPC (1 to 5) | 3,710.15 | 406.68 | 109.61 |
| 7 | Indravati | 1,477.09 | 170.24 | 115.25 |
| 8 | Machkund | 259.35 | 37.16 | 143.28 |
| 9 | Total State Hydro-OHPC(6+7+8) | 5,446.59 | 614.08 | 112.74 |
| 10 | OPGC - 1 & 2 | 2,395.04 | 761.45 | 317.93 |
| 11 | OPGC - 3 & 4 | 9,263.57 | 3,460.60 | 373.57 |
| 12 | Total OPGC (10+11) | 11,658.61 | 4,222.05 | 362.14 |
| 13 | M/s. Vedanta Ltd. | 2,880.51 | 874.48 | 303.59 |
| 14 | M/s. GKEL | 1,898.00 | 655.06 | 345.13 |
| 15 | M/s JSWE(U)L | 970.22 | 325.99 | 336.00 |
| 16 | M/s. NAVA Ltd (Unit-1) | 36.80 | 7.57 | 205.71 |
| 17 | M/s. NAVA Ltd (Unit-2) | 46.06 | 10.96 | 238.02 |
| 18 | M/s. JIPL | 544.91 | 111.16 | 204.00 |
| 19 | M/s. MTPCL | 48.25 | 14.70 | 304.66 |
| 20 | M/s. MTPCL(Mid-term) | 219.00 | 120.01 | 547.99 |
| 21 | Total IPP (13 to 20) | 6,643.75 | 2,119.94 | 319.09 |
| 22 | Total State Thermal (12+21) | 18,302.36 | 6,341.99 | 346.51 |
| 23 | Solar | 3,671.00 | 1,166.79 | 317.84 |
| 24 | SHEP | 521.97 | 236.23 | 452.57 |
| 25 | Wind | 1,015.69 | 285.38 | 280.97 |
| 26 | Non-Solar (24+25) | 1,537.66 | 521.61 | 339.22 |
| 27 | Total Renewables (23+26) | 5,208.66 | 1,688.40 | 324.15 |
| 28 | Total State (9+22+27) | 28,957.61 | 8,644.46 | 298.52 |
| 29 | Chukha HEP | 163.00 | 51.41 | 315.40 |
| 30 | Tala HEP | 59.00 | 13.89 | 235.42 |
| 31 | Mangdechhu HEP | 278.00 | 132.96 | 478.27 |
| 32 | Rangit HEP | 6.00 | 2.94 | 490.00 |
| 33 | Kurichhu HEP | 1.00 | 0.24 | 240.00 |
| 34 | Punatsangchhu-II HEP | 524.00 | 281.05 | 536.35 |
| 35 | Teesta-V HEP | 549.00 | 138.14 | 251.62 |
| 36 | Total Central Hydro (29 to 35) | 1,580.00 | 620.63 | 392.80 |
| 37 | Talcher STPS-I | 2,254.30 | 663.98 | 294.54 |

| Sl No | Station Name | Proposed for FY 2026-27 | | |
|-----------|---|--------------------------|--------------------|-------------------|
| | | Energy Availability (MU) | Total Cost (Rs.Cr) | Rate (Paise/Unit) |
| 38 | Talcher STPS-II | 1,352.90 | 383.92 | 283.78 |
| 39 | Darlipali STPS-I | 5,608.33 | 1,954.33 | 348.47 |
| 40 | North Karnapura STPS-I | 662.81 | 743.50 | 1,121.74 |
| 41 | KhSTPS-II | - | 38.81 | - |
| 42 | KhSTPS-I | - | 11.44 | - |
| 43 | FSTPS-I & II | - | 23.51 | - |
| 44 | FSTPS-III | - | 111.55 | - |
| 45 | Muzaffarpur TPS-II | - | 56.45 | - |
| 46 | Nabinagar STPS-I | - | 14.76 | - |
| 47 | Barh STPS-I | - | 510.86 | - |
| 48 | Barh STPS-II | - | 26.57 | - |
| 49 | Sub-total Central Thermal (37 to 48) | 9,878.34 | 4,539.67 | 459.56 |
| 50 | Total Central (36+49) | 11,458.34 | 5,160.30 | 450.35 |
| 51 | PGCIL Charges | | 694.91 | - |
| 52 | SOC & MOC Charges | | 3.41 | - |
| 53 | MOD applied to meet the State Demand (28+50+51+52) | 40,415.95 | 14,503.08 | 358.85 |
| 54 | FSTPS-I & II | 189.15 | 67.13 | - |
| 55 | FSTPS-III | 610.14 | 210.33 | - |
| 56 | KhSTPS-I | 89.75 | 29.03 | - |
| 57 | KhSTPS-II | 343.16 | 103.91 | - |
| 58 | Muzaffarpur TPS-II | 205.51 | 64.75 | - |
| 59 | Nabinagar STPS-I | 64.30 | 19.37 | - |
| 60 | Barh STPS-I | 2,035.77 | 633.53 | - |
| 61 | Barh STPS-II | 134.40 | 41.00 | - |
| 62 | North Karnapura STPS-I | 2,246.00 | 432.20 | - |
| 63 | Total Surplus Power (54 to 62) | 5,918.18 | 1,601.25 | 270.56 |
| 64 | Total Energy Availability (53+63) | 46,334.13 | 16,104.33 | 347.57 |

7. GRIDCO has requested the Commission to approve the fixed charges as payable by GRIDCO to the all tied-up thermal generating stations, which would be recovered from DISCOMs through BSP for the ensuing FY 2026-27.

Pass through of Additional Power Purchase Cost

8. The summary of total pass-through cost claimed by GRIDCO are shown in the Table below:

Table 5: Summary of Total Pass-through Cost claimed in the ARR for FY 2026-27

| Sl. No. | Name of the Station | Particulars | Amount proposed for Pass Through (Rs. Crore) |
|---------|---------------------|---|--|
| 1 | OPGC | Electrical Inspection fees arrear for the period from FY 2022 to FY 2025 in respect of Units-3 & 4 | 0.06 |
| | | CTO Expenses amounting to Rs.72,00,000.00 claimed by OPGC in respect of Units-3 & 4 | 0.72 |
| 2 | M/s. Vedanta Ltd. | Water Charges for the period from April'2024 to March'2025 | 6.09 |
| 3 | Rangit HEP | Shortfall in energy for FY : 2023-24 & FY 2024-25 to GRIDCO (As per Clause No.65(7) of CERC Regulation 2024) | 0.23 |
| | | NAPAF Revision as per 1st Amendment of Regulation 2024 (April'24 to Dec'24 and Jan'25) respectively to GRIDCO in line with CERC Regulation 2024 | |
| 4 | Kurichhu HEP | O&M Charges for FY 2023-24 , FY 2024-25 & FY 2025-26 (up to Dec'25) | 0.05 |
| | | Insurance Charges (Period:09.09.2022-08.09.2023,09.09.2023-08.09.2024 & 09.09.2024-08.09.2025) | |
| 5 | Renewable Energy | Samal Barrage SHEP (Reimbursement of Water Charge and SLDC Charge for the FY 2024-25 paid in FY 2025-26) | 0.19 |
| | | Lower Baitarani SHEP of M/s BPPPL (Reimbursement of SLDC Charge for the FY 2024-25 to be paid in FY 2025-26) | |
| | | Shaheed Lakhan Nayak SHEP 25 MW : Energy purchase from Shaheed Lakhan Nayak SHEP during FY 2025-26 | 25.09 |
| | | Deviation and Ancillary Service Pool Account for the period from 07.07.2025 to 12.10.2025 | |
| 6 | DSM | | 34.63 |
| 7 | Total | | 67.09 |

Finance Cost:

Receivable from Erstwhile DISCOMs:

- GRIDCO has submitted that the total dues receivable from the erstwhile DISCOMs as on 30.09.2025 stands at Rs. 6,395.14 Cr. as detailed in the Table below:

Table 6: Receivables from Erstwhile DISCOM Utilities as on 30-09-2025 (including. DPS) (Rs. Crore)

| Sl. No | Particulars (in Rs. Cr) | 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 |

| Sl. No | Particulars (in Rs. Cr) | CESU | WESCO | SOUTHCO | NESCO | Total |
|--------|--|-----------------|-----------------|-----------------|----------------|------------------|
| 4 | Securitize Dues (incl. interest) | 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 30.09.2025 | -324.56 | -332.35 | -203.42 | -494.51 | -1,354.84 |
| 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 |
| 10 | Total Settled | -589.64 | -394.26 | -330.15 | -580.62 | -1,894.67 |
| 11 | Total Receivable excl. DPS | 1,797.51 | 204.77 | 629.68 | -5.84 | 2,626.12 |
| 12 | DPS on BSP | 819.49 | 1,417.23 | 647.31 | 884.99 | 3,769.02 |
| 13 | Total receivable incl. DPS | 2,617.00 | 1,622.00 | 1,276.99 | 879.15 | 6,395.14 |

Note: (1) BSP dues after adjustment of equity and credit/debit bills.

(2) The receivable excludes the receivable on account of CAPEX dues.

10. GRIDCO has highlighted about substantial outstanding amount of Rs. 6,395.14 Cr. receivable from erstwhile distribution companies as of 30.09.2025. There is no scope for recovery of the arrear dues from the erstwhile Utilities due to vesting of the license and business operations with the new DISCOMs. The Commission in the vesting order had issued directives to the new DISCOMs for collection of past arrears stipulating the minimum commitment amount. The Commission had also notified the OTS for recovery and settlement of outstanding dues from the defaulting consumers against past dues receivable from erstwhile DISCOMs/Utilities and to pass on to GRIDCO. 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 to present DISCOMs for collection of past arrears 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:

11. GRIDCO has submitted that in view of interim order of the 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 Commission has approved the settlement in the final order in Case No. 35/2023 dated 11.07.2023. GRIDCO has submitted that

considering the settlement process, total interest payable on settlement of OHPC Securitized dues for the FY 2026-27 comes to Rs.17.28 Cr. and requested the Commission to consider it favourably under interest and finance charges for FY 2026-27.

12. GRIDCO has submitted that, due to the uncontrollable factors like 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 borrowing from Govt. of Odisha. Accordingly, GRIDCO has proposed the Commission to approve total interest and financial charge obligations to the tune of Rs.370.79 Cr. in its ARR & BSP order for FY 2026-27 which details are shown in the Table below:

Table 7: Interest & Finance Charge Proposed for the FY 2026-27

| Sl. No. | Particulars | Principal O/S as on 30.09.2025 (Rs. Cr) | Rate of Interest | Interest Claimed (Rs. Cr.) |
|----------------|--|--|-------------------------|-----------------------------------|
| A | Bank Loan | | | |
| 1 | Union Bank (e-Andhra Bank VIII) 300CR | 70.58 | 8.15% | 1.26 |
| 2 | Union Bank (e-Andhra Bank IX) 400CR | 114.17 | 8.45% | 3.06 |
| 3 | Punjab National Bank 600 CR | 259.92 | 8.00% | 11.6 |
| 4 | Bank of Baroda TL-5 | 48.44 | 8.00% | 1.01 |
| 5 | Bank of Baroda TL-6 | 69.68 | 8.00% | 2.5 |
| 6 | Bank of Baroda TL-7 | 208.18 | 8.00% | 9 |
| 7 | Canara Bank TL-3 | 78.60 | 8.20% | 1.62 |
| 8 | Canara Bank TL-4 | 29.64 | 8.20% | 0.79 |
| 9 | Canara Bank TL-5 | 208.27 | 8.20% | 9.23 |
| 10 | Canara Bank TL-7 | 224.76 | 8.20% | 10.58 |
| 11 | Canara Bank TL-9 | 224.71 | 8.20% | 10.57 |
| 12 | Proposed Term Loan for FY 25-26* | | | 20.74 |
| 13 | Proposed Term Loan for FY 26-27# | | | 21.25 |
| 14 | Financial Charges (Inc. Interest on SOD) | | | 80.94 |
| | Sub-Total (1 to 14) | 1,536.95 | | 184.15 |
| B | Govt. Loan & OHPC | | | |
| 15 | Soft Loan from GoO | 3,213.00 | 4.25%~5.25% | 159.26 |
| 16 | OHPC Loan 619 crores | 386.87 | 6.00% | 17.28 |
| 17 | Guarantee Commission | | | 10.1 |
| | Sub-Total (15 to 17) | 3,599.87 | | 186.64 |
| | Total Finance Cost (A+B) | 5,136.82 | | 370.79 |

13. GRIDCO has submitted that, total interest and finance charges for FY 2026-27 is estimated to be Rs.370.79 Crore based on existing loan liabilities including securitized dues of OHPC. GRIDCO has 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 being passed on to end consumers. GRIDCO has 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 Commission in the ARR. GRIDCO has requested the Commission to consider the above benefits and approve interest accrued for the ensuing FY 2026-27 on loans availed during the past periods.

Other Expenses:

14. GRIDCO has proposed Rs.314.62 Cr. towards expenses on account of Employees Cost, A&G Cost, R &M Cost, Depreciation & Carrying Cost on Regulatory Asset for the FY 2026-27 which details are shown in the Table below:

Table 8: Other expenses Proposed for FY 2026-27

| Particulars | Amounts (Rs. Cr.) |
|-----------------------------------|------------------------------|
| Employee Cost | 23.01 |
| A&G Cost | 16.47 |
| Repair & Maintenance Cost | 3.19 |
| Depreciation | 2.87 |
| Carrying Cost on Regulatory Asset | 269.08 |
| Total | 314.62 |

Other Income / Miscellaneous Receipts

15. GRIDCO has estimated to earn an amount of Rs.74.50 Cr. under miscellaneous revenue head during FY 2026-27 towards proposed sale of emergency power of 100 MUs (NALCO - 70 MU) and IMFA -30 MU) at approved rate of Rs.7.45 /kWh for FY 2025-26.

Aggregate Revenue Requirement (ARR) proposed for FY 2026-27

16. The Summary of Aggregate Revenue Requirement proposed by GRIDCO for the FY 2026-27 is shown in the Table below.

Table 9: Aggregate Revenue Requirement Proposed for FY 2026-27

| Particulars | Amount (Rs Cr.) |
|--|----------------------------|
| Power Purchase Cost as per MOD for State (Excluding cost of Surplus power) | 14,503.08 |

| Particulars | Amount (Rs Cr.) |
|---|------------------|
| Additional Power Purchase Cost (Pass-through) | 67.09 |
| Interest Cost | 370.79 |
| Employee Cost | 23.01 |
| Repair & Maintenance Cost | 3.19 |
| Administrative and General Cost | 16.47 |
| Depreciation | 2.87 |
| Carrying Cost on Regulatory Assets | 269.08 |
| Aggregate Revenue Requirement (ARR) | 15,255.58 |
| Less: Revenue from Emergency sales | 74.50 |
| Net Aggregate Revenue Requirement (ARR) | 15,181.08 |
| Revenue from DISCOMs at existing BSP of respective DISCOMs | 12,921.39 |
| Units to be sold to DISCOMs Utilities (MU) | 39,103.47 |
| Revenue Deficit at existing BSP of respective DISCOMs | -2,259.69 |

Proposed Bulk Supply Price (BSP) for the FY 2026-27:

17. GRIDCO has submitted that, it would generate revenue of Rs.12,921.39 Cr. during FY 2026-27 towards sale of energy to the four Distribution Companies (TPWODL, TPNODL, TPSODL & TPCODL) at the existing BSP and there would be a net revenue deficit of Rs. 2,259.69 Cr. against the Net Aggregate Revenue Requirement of Rs. 15,181.08 Cr for FY 2026-27. GRIDCO has contended that the current BSP structure would not be sufficient to recover estimated net aggregate revenue requirement of FY 2026-27. To address the deficit, GRIDCO has requested for an upward revision of Bulk Supply Price from April 1, 2026, as shown in the Table below:

Table 10: Proposed ARR & BSP for FY 2026-27

| Sl. No | Components | Proposed ARR & BSP for FY 2026-27 |
|--------|---|-----------------------------------|
| A | Net ARR to be recovered through BSP (Rs. Cr.) | 15,181.08 |
| B | Units to be sold to DISCOMs Utilities (MU) | 39,103.47 |
| C | Proposed Average BSP(P/U) to recover the Net ARR [A/B*1000] | 388.23 |

18. Further, GRIDCO has submitted that it has paid-up capital of Rs. 3,611.84 crores (up to 31.03.2025). Considering the Return on Equity (RoE) @16% it has estimated as Rs.577.89 Crores. After considering aforesaid RoE, it has estimated that the BSP will be 403.11 P/u.

Demand Charges for excess SMD

19. Demand Charge: To establish monthly control measure, the Simultaneous Maximum Demand (SMD) at 105% and the existing annual basis may be revised to monthly basis.

This adjustment will determine the monthly SMD for DISCOMs towards the recovery of charges for any excess energy drawn during a month beyond the approved monthly SMD. The 105% SMD limit will be applied and charged on a monthly basis on the annual average SMD being within the approved SMD. The Commission may consider to levy demand charges @ Rs.250/KVA/Month from distribution companies on the excess SMD based on the following conditions:

When the actual SMD of a DISCOM in a month exceeds the permitted monthly SMD (105% of the approved SMD), the respective DISCOM shall be billed by GRIDCO @ Rs.250/kVA/Month for the excess SMD.

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

Over Drawl Charges

20. To issue necessary suitable guidelines to the DISCOMs to adhere to the approved drawl quantum of energy and SMD limit fixed and approved by Hon'ble Commission so as to prevent any kind of additional cost burden on the Applicant, GRIDCO.

Rebate Policy

21. As proposed below, the following rebate policy for payment of BSP may be approved in the ARR order for FY 2026-27:
 - a. For crediting the BSP bill amount 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 from the date of presentation of the bill, a rebate of 1.0% shall be allowed. The DISCOMs may avail the rebate only if the total current BSP dues are fully settled within the twenty-fifth (25th) day from the date of presentation of the BSP bill.
 - c. The DISCOMs may avail the rebate only if the total current BSP dues are fully settled within the twenty-fifth (25th) day from the date of presentation of the BSP bill

Delayed Payment Surcharge (DPS)

22. 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 by the Hon'ble Commission to be levied at the rate of 1.50% per month

Sale of Power through Specialised Tariff Scheme under Tripartite Agreement

23. 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. However, in the instant application for FY 2026-27, GRIDCO has proposed to consider the Special Tariff Scheme under TPA with minimum off-take of 60% of CD during the TPA period.

Additional Proposal by GRIDCO

Introduction of Time-of-Day (ToD)-Based Bulk Supply Price (BSP) for DISCOMs

24. GRIDCO proposes a reduction of 15 P/U during the solar hours for TPWODL, TPCODL and TPNODL, and 10 P/U for TPSODL from the existing BSP. Similarly, a hike of 10 P/U in the existing BSP of all DISCOMs during non-solar hours is proposed.

Re-structuring of ToD based RST

25. GRIDCO has proposed for adoption of the ToD-based RST with effect from 01st April, 2024, there has been a gradual increase in load shifting from non-solar hours to solar hours. TOD based RST may be adopted on a revenue-neutral basis, where rebates with lower RST during solar hours are offset by surcharges with higher RST during other hours, ensuring no revenue shortfall to the DISCOM while improving load management. Further, the DISCOMs may be directed to devise suitable schemes to bring other consumer categories such as commercial establishments and government buildings under the ambit of the ToD-based RST so that the ToD benefits are also passed on to these categories of consumers.

Low-Cost Power for CGP-Based Industries During Solar Hours

26. GRIDCO has proposed to introduce a minimum contract demand drawl of 20 % for Industries with CGP having CD 1 MW and above during Solar Hours (08:00 hrs - 16:00 hrs) on a monthly basis. Apart from aforesaid, suitable increase in demand charges may also be considered for all category of consumers those who are paying monthly demand charges @ Rs. 250/ kVA/ month to arrive at a cost reflective tariff.

Sale of intermittent surplus power under TPA Arrangement with minimum offtake of 60% CD:

27. GRIDCO has proposed for approval of special Tariff Scheme under TPA at a suitable ToD based tariffs for FY 2026-27 with minimum offtake of 60% CD during the TPA period. Further, the CGP based industry may opt for green certification of the energy availed under TPA for its RCO compliance through payment of Green Tariff Premium as approved by the Commission.

Green Tariff Framework for Sale of Renewable Power to Obligated Entities

28. GRIDCO proposes to introduce a scheme for sale of renewable energy (RE) power to interested industries through the respective DISCOMs at a special rate during the solar hours. GRIDCO shall act as the aggregator of renewable energy available from various sources Interested entities shall place day-ahead requisitions through their DISCOMs, indicating desired quantum and time-blocks of purchase limited to solar hours. The energy accounting shall be carried out on schedule basis and billed at Rs. 4.10/ kVAh* with revenue sharing as follows:

GRIDCO - Rs. 3.80/ kWh, OPTCL - Rs. 0.255/ kWh, Balance with the DISCOM

Mechanism for adjustment of past losses borne by GRIDCO

29. GRIDCO has submitted to kindly consider allowing utilization of the margin earned (either fully or partly with certain percentage) through **trading activities** towards adjustment of past accumulated losses over the next six years.

Amnesty arrear clearance scheme

30. GRIDCO has proposed that the arrear amount realized would be utilized for meeting past liabilities of the erstwhile utilities and, in the process, the interest burden on GRIDCO will be reduced.

Recovery of BSP through Quarterly Adjustments in Cases of Inter-DISCOM's transactions:

31. GRIDCO has proposed for a Standard Operating Procedure for kind approval of the Hon'ble Commission to standardize the procedure for identification, reporting, and settlement of inter-DISCOM energy transactions to ensure correct BSP recovery and appropriate revenue recognition.

Sale mechanism for drawl by the CGP based industries on interim basis

32. GRIDCO proposes that the Hon'ble Commission may permit supply of interim or additional power beyond the approved contract demand for a period up to three (3) months, subject to availability of power with GRIDCO.

Sourcing of power by the DISCOMs from the CGPs for Retail Sale

33. Permit GRIDCO to compute inadvertent power injected at 33 kV and below as inadvertent power injected from the CGPs connected at 132 kV and above in the intra-state network belongs to GRIDCO in its capacity as the bulk power purchaser and is treated as ZERO cost power.

Adjustment of the Electricity Duty paid by different generators having PPA with GRIDCO against the repayment of the principal amount of the loan availed by GRIDCO from the State Govt.

34. The Electricity Duty (ED) paid by various generators located within the State and reimbursed by GRIDCO as part of power-purchase obligations may be adjusted against the repayment of the principal amount of the soft loan availed by GRIDCO from the Government of Odisha through yearly adjustment. Allowing such adjustment of such amounts against GRIDCO's repayment of principal amount to the Government would therefore have a fiscally neutral impact for the State, while substantially improving GRIDCO's cash position.

Prayers

35. GRIDCO has prayed before the Commission to approve the following for FY 2026-27 and make the same effective from 1st April, 2026:

- a. All reasonable and uncontrollable costs as proposed in the instant Application and accordingly, approve the ARR and Bulk Supply Price (BSP) for FY 2026-27;
- b. The proposed Net Aggregate Revenue Requirement (ARR) of Rs. 15181.08 crores with BSP @ 388.23 P/U for FY 2026-27 to meet the State requirement;
- c. Monthly Simultaneous Maximum Demand (SMD) and monthly quantum of energy for sale of power to each DISCOM on realistic basis instead of the prevailing approval on annual basis by Hon'ble Commission;
- d. The Capacity Charge obligations mandatorily payable by the Applicant to all existing and upcoming generating stations having long-term PPAs with GRIDCO, notwithstanding that the energy is not fully scheduled from these stations based on Merit Order Dispatch (MOD) principles;
- e. Recovery of additional costs arising from over-drawal of energy, Fuel and Power Purchase Adjustment /Surcharge Adjustment (FPPAS) and any statutory increase including reimbursement of Electricity Duty, Water Cess or other applicable levies, duties or taxes, and permit the same to be passed on to GRIDCO;

- f. The various initiatives suggested for Tariff rationalization measures for arriving at a cost-reflective tariff through utilization of low-cost power during solar hours;
- g. The ToD based BSP as proposed.
- h. Utilization of surplus revenue earned from trading activities for adjustment of past accumulated losses and regulatory gap over the proposed recovery period;
- i. The proposed Amnesty Arrear Clearance Scheme as proposed for recovery of long-pending dues;
- j. Energy accounting of infirm power injected by CGPs at any voltage level within the State.
- k. Allow Rs. 63 crores towards purchase of RECs for meeting the RCO obligations for FY 2026-27 for the shortfall of 1269 MU of Non-Fossil power.
- l. Allow prudent accounting and settlement of inter-DISCOM transactions as proposed;
- m. Issue necessary directions to the DISCOMs to undertake proactive measures to collect the outstanding dues of the pre vesting period;
- n. Formulate a suitable mechanism to recover the shortfall towards erstwhile DISCOM's receivable of Rs.6,395.14 crores as on 30.09.2025, arising out of sale of utilities of CESU, WESCO, NESCO and SOUTHCOP through regulatory process preferably in the next two to three years;

TRUING-UP APPLICATION FOR THE FY 2024-25

36. GRIDCO has also submitted application for Truing-up of its expenses for FY 2024-25. In its Truing-up application, GRIDCO has sought to set out its entitlements based on the actual audited accounts. This truing-up application has been registered in Case No.123 of 2025. The summary of truing-up application is stated in the following paragraphs:

Power purchase cost

37. GRIDCO has submitted that the State's power purchase requirement is primarily fulfilled from various generation sources, for which GRIDCO has long-term tie-up for allocated capacities through PPAs. The main sources of power procurement are State Hydro Generating Stations (through OHPC), State Thermal Generating Stations (through OPGC), Central Hydro Generating Stations (Chukha, Tala, Teesta, Mangdechhu, Rangit & Kurichu), Central Thermal Generating Stations of NTPC, IPPs (Vedanta Ltd., JITPL, GMR Kamalanga Ltd., IBUL & NBVL), Renewable Energy Sources (Solar, Small Hydro, Biomass, Wind). In addition to the above sources, GRIDCO also procures power on short-term basis through power exchanges, trading and also through banking, in case of shortfall

from regular sources or to meet the deviation from estimated demand depending on the availability of power on real time basis.

38. Further, GRIDCO has submitted that power procurement from different sources has been undertaken by adopting Merit Order Despatch (MoD) principle on real time basis in consultation with SLDC for optimal utilization of the available energy sources ensuring procurement of power at least variable cost from approved Generators. The power purchase cost of Rs. 12454.05 Cr. (for 38804.13 MU @ 320.95 Paise/Unit) was approved by the Commission in the Tariff Order for FY 2024-25 whereas the actual power procurement cost of Rs. 13775.64 Cr. (for 42695.17 MU @326.45 Paise/Unit) is incurred by GRIDCO. Accordingly, GRIDCO has requested the Commission to approve the power procurement cost of Rs. 13775.64 Cr as per the audited accounts for the FY 2024-25.

Finance and Other Cost

39. GRIDCO has submitted the approved and actual cost with respect to employees, R&M, A&G, Depreciation and interest on loan as given in the Table below.

Table 11: Approved and Actual Finance and Other Cost of GRIDCO for FY 2024-25
(Rs. Crore)

| Sl. No. | Particulars | Commission's Approval | Actual (As per Audited Accounts) |
|----------------|--|------------------------------|---|
| 1 | Net Employee Cost | 22.30 | 16.87 |
| 2 | R & M Cost | 0.98 | 1.94 |
| 3 | A & G Expenses | 11.19 | 39.53 |
| 4 | Depreciation | 2.47 | 1.50 |
| 4 | Finance cost (interest on loan & amortized cost) | 0.00 | 434.21 |
| | Total | 36.94 | 494.05 |

Revenue from Operation:

40. GRIDCO has submitted that, it has earned total operational revenue of Rs. 14510.61 Cr. including revenue from trading (Rs. 1799.77 Cr.) and DSM (Rs. 216.90 Cr.) activities during FY 2024-25. Further excluding the provision written back of Rs.13.36 Cr, GRIDCO has proposed to consider Rs.92.82Cr. (Rs.106.18Cr. - Rs.13.36Cr) as other Miscellaneous income for the FY 2024-25. However, after considering Power Purchase Cost of Rs. Rs. 1406.29 Cr. towards trading and DSM purpose, GRIDCO has excluded net trading & DSM revenue of Rs. 610.38 Cr. (i.e. Rs. 1799.77 Cr. + Rs. 216.90 Cr. – Rs. 1406.29 Cr.) for funding the past losses.

Summary of Truing-up Proposed for the FY 2024-25:

41. GRIDCO has proposed to consider Power Purchase Cost of Rs. 12,369.34 Cr. (Rs. 13775.63 Cr.– Rs. 1406.29 Cr.) for truing-up purpose after deducting the variable cost of

Rs. 1406.29 Cr towards surplus power from costly stations. Further, rebate received from generators and allowed to DISCOMs has been excluded in its proposal considering that the same has not been considered by the Commission in the ARR. Further, Pass Through cost of Rs. 595.79 Cr towards reimbursement to OPGC, OHPC, STU charges for Solar power, wage revision of Teesta-V HEP etc. as approved by the Commission in the ARR Order of FY 2024-25 has been included in the power purchase cost on actual basis. The net revenue surplus of Rs.610.38Cr. earned from Trading & DSM after considering Variable Cost (Rs.1406.29 Cr) of surplus power availed from various power stations has been proposed towards repayment of loan obligations for the FY 2024-25. Accordingly, the summary of Truing up proposed by GRIDCO as against the approval of the Commission for the FY 2024-25 are given in the Table below:

Table 12: GRIDCO's Proposed Truing-up for the FY: 2024-25

(Rs. Crore)

| Sl No | Particulars | Approved by OERC | Actual as per Audited Accounts of GRIDCO | Proposed for Truing-up |
|-------|--|------------------|--|------------------------|
| 1 | Total Power Purchase Cost | 12,454.03 | 13,775.63 | 13,775.63 |
| 2 | Less: Rebate received | - | 158.01 | 158.01 |
| 3 | Less: Variable Power Purchase Cost for Trading | - | - | 1,406.29 |
| 4 | Net Power Purchase Cost {1-(2+3)} | 12,454.03 | 13,617.62 | 12,211.33 |
| 5 | Employee Costs | 22.30 | 16.87 | 16.87 |
| 6 | Repair & Maintenance | 0.98 | 1.94 | 1.94 |
| 7 | Administrative & General Expenses | 11.19 | 39.53 | 39.53 |
| 8 | Depreciation | 2.47 | 1.50 | 1.50 |
| 9 | Interest Chargeable to Revenue | - | 485.79 | 434.21 |
| 10 | Carring Cost on Regulatory Assets | 108.30 | - | 269.08 |
| 11 | Sub-total (5 to 10) | 145.24 | 545.63 | 763.13 |
| 12 | Pass Through of Power Purchase Dues | 595.79 | - | - |
| 13 | Total Revenue Requirement (4+11+12) | 13,195.06 | 14,163.25 | 12,974.46 |
| 14 | Revenue from Sale of Power to DISCOM | 12,320.65 | 11,511.00 | 11,511.00 |
| 15 | Surcharge from TPWODL@35P/U | 409.15 | 389.80 | 389.80 |
| 16 | Additional Revenue from TPWODL towards sale of power through TPA | 18.75 | 305.31 | 305.31 |
| 17 | Less: Rebate to DISCOMs | - | 113.61 | 113.61 |
| 18 | Sub-total (14+15+16-17) | 12,748.55 | 12,092.50 | 12,092.50 |
| 19 | Revenue from Trading & DSM | - | 2,016.67 | - |
| 20 | Other Income | 74.60 | 388.08 | 299.89 |
| 21 | Provision Written Back | - | 13.36 | - |

| Sl No | Particulars | Approved by OERC | Actual as per Audited Accounts of GRIDCO | Proposed for Truing-up |
|-------|--------------------------------------|------------------|--|------------------------|
| 22 | Total Revenue (17+18+19+20) | 12,823.15 | 14,510.61 | 12,392.39 |
| 23 | Surplus/(deficit) GAP (21-12) | (371.91) | 347.36 | (582.07) |

42. Considering the above proposal, GRIDCO has requested the Commission to amortize the truing-up GAP of Rs. 5357.09 Cr. of FY 2024-25 allowed to recover through tariff.

43. Accordingly, GRIDCO has prayed before the Commission to:

- a) Consider the present Application of GRIDCO towards the truing up of revenue and expenses based on Audited Accounts for FY 2024-25 on record;
- b) Allow the net margin earned after meeting the State demand; from trading & DSM to fund the past losses of GRIDCO.
- c) Allow the uncontrollable expenditures and finance costs in full.
- d) Allow recovery of the revenue gap along with carrying cost through BSP of subsequent year or through appropriate regulatory mechanism;
- e) Allow for amortization of regulatory gap / deficit in tariff along with carrying cost thereof as per the directives of Hon'ble APTEL in OP No. 01/2011 and Hon'ble Supreme Court of India order dated 05.08.2025.
- f) Approve the revised truing up of FY 2024-25 as proposed.
- g) Allow the Applicant to submit the requisite information/details prior/subsequent to the hearing and to make further submissions/addendum in support of the present application; and
- h) Pass any other order(s) as the Hon'ble Commission may deemed fit and proper in interest of justice.

Proposal of GRIDCO to revisit of True-up order passed by the Commission for FY 2023-24

44. GRIDCO has also submitted application for Truing-up of its expenses for FY 2023-24. In its proposal, GRIDCO has sought to set out its entitlements based on the actual audited accounts. The summary of Truing up proposed by GRIDCO as against the approval of the Commission for the FY 2023-24 are given in the Table below:

Table 13: GRIDCO's Proposed Truing-up for the FY: 2023-24
(Rs. Crore)

| Sl. No. | Particulars | OERC Approval | Audited Accounts | Previous submission | Approved by OERC | Revised Submission |
|-----------|--|-----------------|------------------|---------------------|------------------|--------------------|
| A | Expenditure | | | | | |
| 1 | Cost of Power Purchase (incl. Passthrough Cost) (40,206.10MU) | 12746.44 | 13163.68 | 12255.89 | 13163.68 | 13163.68 |
| 2 | Less: Rebate | 0 | -160.22 | | -160.22 | -160.22 |
| 3 | Less: Variable Cost of power availed for Trading Purpose (3,434.78 MU) | | | | | -907.8 |
| 4 | Power Purchase Cost (Net of rebate) (1-2-3) | 12746.44 | 13003.46 | 12255.89 | 13003.46 | 12095.66 |
| 5 | Employee Costs | 20.14 | 15.67 | 15.67 | 15.67 | 15.67 |
| 6 | Repair & Maintenance | 0.81 | 0.37 | 0.37 | 0.37 | 0.37 |
| 7 | Administrative & General Expenses | 5.79 | 119.95 | 119.95 | 6.37 | 119.95 |
| 8 | Interest chargeable to Revenue | 15.73 | 585.89 | 585.89 | 5.21 | 585.89 |
| 9 | Depreciation | 1.31 | 0.52 | 0.52 | 0.52 | 0.52 |
| 10 | Carrying Cost on Regulatory Asset | 94.1 | | 0 | 95.34 | 95.34 |
| 11 | Adj. in Statement of Profit & Loss towards Changes in Fair Value of Loans, Bonds & Debentures during FY2023-24 | 0 | 26.66 | | | 0 |
| 12 | Sub-total (5+6+7+8+9+10+11) | 137.88 | 749.06 | 722.4 | 123.48 | 817.74 |
| 13 | Total Expenditure (A) | 12884.32 | 13752.52 | 12978.29 | 13126.94 | 12913.4 |
| | Revenue | | | | | |
| 14 | Revenue : Sale of Power to DISCOM | 12163 | 11008.44 | 11008.44 | 11008.44 | 11008.44 |
| 15 | Less: Rebate to DISCOMs | | -123.57 | | -123.57 | -123.57 |
| 16 | Revenue from Surcharge from TPWODL@30P/U | 386.58 | 330.17 | 330.17 | 330.17 | 330.17 |
| 17 | Additional Revenue from TPWODL towards sale of power through TPA | 26 | 800.57 | 800.57 | 800.57 | 800.57 |
| 18 | Sub-Total (14-15+16+17) | 12575.58 | 12015.61 | 12139.18 | 12015.61 | 12015.61 |
| 19 | Other Income | 52.22 | 329.98 | 329.98 | 329.98 | 329.98 |
| 20 | Provision Written Back | | 42.29 | | | |
| 21 | Total Revenue (Excl. Trading income) (B=18+19+20) | 12627.80 | 12387.88 | 12469.16 | 12345.59 | 12345.59 |

| Sl. No. | Particulars | OERC Approval | Audited Accounts | Previous submission | Approved by OERC | Revised Submission |
|---------|---|---------------|------------------|---------------------|------------------|--------------------|
| C | Revenue from Trading & DSM | | 1625.07 | | 1625.07 | |
| 22 | GAP(+) / Surplus(-) (A-B-C) | 256.52 | -260.43 | 509.13 | -843.72 | 567.81 |
| 23 | Cumulative Truing up gap up to the end of FY 2022-23 (As considered by OERC) | | | | | 1590.26 |
| 24 | Regulatory gap allowed for amortization but not passed through till FY 2012-13 | | | | | 2616.95 |
| 25 | Cumulative Truing up gap up to the end of FY 2023-24 | | | | | 4775.02 |

45. Accordingly, GRIDCO has prayed before the Commission to:

- a) Consider the present Application of GRIDCO towards the revised Truing-up for FY 2023-24 on record;
- b) Allow the net margin earned after meeting the State demand; from trading & DSM to fund the past losses of GRIDCO.
- c) Allow the uncontrollable expenditures and finance costs in full.
- d) Allow recovery of the revenue gap along with carrying cost through BSP of subsequent year or through appropriate regulatory mechanism;
- e) Allow for amortization of regulatory gap / deficit in tariff along with carrying cost thereof as per the directives of Hon'ble APTEL in OP No. 01/2011 and Hon'ble Supreme Court of India order dated 05.08.2025.
- f) Approve the revised truing up of FY 2023-24 as proposed.
