

Summary of
Aggregate Revenue
Requirement (ARR) & Bulk Supply Price
(BSP) for FY 2026-27

filed by
**Odisha Power Generation Corporation
Limited**

for approval

before

**The Hon'ble Odisha Electricity
Regulatory Commission**

Bhubaneswar

January 2026

Summary of OPGC ARR & BSP Filings for FY 2026-27

1.1. Generations tariff proposal of OPGC for the FY 2026-27 (Till 30 June 2026)

1.1.1. Odisha Power Generation Corporation Limited (OPGC), incorporated under the Companies Act, 1956, supplies power from Units 1 & 2 (420 MW) of IB Thermal Power Station to GRIDCO under the Bulk Power Supply Agreement dated 13.08.1996, supplemented by a Tripartite Agreement with the Government of Odisha dated 18.10.1998 and an Escrow and Security Agreement dated 30.11.1998; disputes arising under these agreements were resolved pursuant to a Task Force constituted by the Government of Odisha and Notification dated 21.06.2008, leading to amended agreements executed in September and December 2012, which were approved by OERC on 27.04.2015. OERC thereafter determined generation tariff for FY 2016-17, which was upheld by APTEL but set aside by the Hon'ble Supreme Court on 19.04.2018 with directions to primarily follow PPA norms for the entire subsistence of the PPA up to 30.06.2026, pursuant to which tariffs for FY 2016-17 to FY 2020-21 were re-determined through multiple petitions and orders issued between 2017 and 2020. Under the OERC Generation Tariff Regulations, 2020, OPGC's annual tariff petitions for FY 2021-22, FY 2023-24 and FY 2024-25 have been disposed of by the Commission, while issues relating to additional capitalization for FY 2015-16 to FY 2018-19 are pending adjudication before Hon'ble APTEL in Appeal No. 335 of 2021; accordingly, OPGC filed the present Petition without considering additional capitalization, with liberty granted by OERC to file a separate petition post APTEL judgment, and the instant Petition is based on the PPA and Amended PPA, Tripartite and Amended Tripartite Agreements, Government of Odisha Notification dated 21.06.2008, and the Escrow and Securitization Arrangement, all duly approved by OERC.

1.2. Capital Cost

1.2.1. OPGC has considered capital cost of the Project as Rs. 1060 Crore for FY 2026-27 as per the Amended PPA signed between OPGC and GRIDCO.

1.3. Additional Capitalization for FY 2026-27

1.3.1. In the instant Petition, OPGC has not projected additional capitalization for FY 2026-27 till 30 June 2026. Based on the outcome of the Appeal filed against the Hon'ble Commission's Order in Case No. 54 of 2018, OPGC will approach the Hon'ble Commission for approval of actual additional capitalization for FY 2015-16 to FY 2025-26 and projected additional capitalization upto 30 June 2026, if any, through a separate Petition.

1.4. Components of Annual Fixed Cost

1.4.1. OPGC submitted that, the Annual Fixed Cost, as per Clause 3.0 of Schedule II of the Amended PPA, shall consist of the following components:

- a. Depreciation;

- b. Return on Equity;
- c. Interest on Loan;
- d. Operation and Maintenance Expenses;
- e. Interest on Working Capital.

1.5. Depreciation

- 1.5.1. As the assets corresponding to Original Capital Cost of Generating Station are fully depreciated by the financial year ending March 31, 2009, OPGC has not claimed any amount towards depreciation for FY 2026-27.

1.6. Debt – Equity Ratio

- 1.6.1. OPGC has submitted that while approving the Amended PPA vide Order dated April 27, 2015, the Commission has approved the equity of Rs. 450 Crore and loan of Rs. 610 Crore. OPGC has considered actual debt: equity ratio, as approved in Amended PPA, for the purpose of determination of tariff for FY 2026-27 till 30.06.2026..

1.7. Return on Equity

- 1.7.1. OPGC has proposed Return on Equity considering the actual amount of equity capital of Rs. 450 Crore and Return on Equity at the rate of 16% as per Clause 8.0 (10) of Schedule II of PPA. Accordingly, OPGC claimed Return on Equity of Rs. 17.95 Crore for FY 2026-27 till 30 June 2026.

1.8. Interest on Loan

- 1.8.1. OPGC submitted that Clause 8.0 (7) and (11) of Schedule II of the Amended PPA provides loan amount of Rs. 610 Crore and interest on loan as per actuals. Since loan amount has been fully repaid by financial year ending March 31, 2012, OPGC has not claimed any interest on loan capital for FY 2026-27.

1.9. O&M Expenses

- 1.9.1. OPGC submitted that Clause 3.0 (d) and (e) of Schedule II of the Amended PPA provides that O&M expenses for first year of operation at the rate of 2.50% of the capital cost which shall be escalated by 8% each year from April 1, 1996. OPGC submits the O&M Expenses for FY 2026-27 till 30 June 2026 considering the escalation factor of 8% as per the methodology prescribed in Amended PPA. Accordingly, OPGC has proposed Rs. 64.60 Crore for FY 2026-27 till 30 June 2026 considering the annual escalation factor of 8% as per the methodology prescribed in Amended PPA.

1.10. Interest on Working Capital

- 1.10.1. OPGC claimed that, Clause 3.0 (f) of Schedule II of the Amended PPA provides the details of interest on working capital. As OPGC has started availing working capital from external sources, the actual interest rate for the Working Capital facility availed by OPGC in FY 2025-26 as on September 2025 is 8.95%, which is considered for FY 2026-27. Accordingly, OPGC claimed interest on working capital as Rs. 16.86 Crore for FY 2026-27 till 30 June 2026. The details are given below.

Table 1: Computation of interest on working capital (Rs. Crore)

| Particulars | Formula | FY 2026-27 (till 30 June 2026) |
|---|------------------|-----------------------------------|
| Cost of Coal for one and half months | A | 55.76 |
| Cost of Secondary Fuel Oil for two months | B | 0.84 |
| O&M Expenses for one month | C | 21.59 |
| Receivables equivalent to two months | D | 133.53 |
| Total Working Capital Requirement | E=A+B+C+D | 211.72 |
| Interest Rate % | F | 8.95% |
| Interest on Working Capital | G=E*F | 4.72 |

1.11. Summary of Annual Fixed Cost

1.11.1. Considering mentioned annual fixed cost components, OPGC proposed the Annual Fixed Cost of Rs. 87.27 Crore for FY 2026-27 till 30 June 2026 corresponding to the original project cost. The details are given in the Table 2 below.

Table 2: Annual Fixed Cost of OPGC for (Rs. Crore)

| Particulars | Formula | Amount FY 2026-27 |
|--------------------------------|--------------------|----------------------|
| Depreciation | A | 0.00 |
| Return on Equity | B | 17.95 |
| Interest on Loan Capital | C | 0.00 |
| O&M Expenses | D | 64.60 |
| Interest on Working Capital | E | 4.72 |
| Total Annual Fixed Cost | F=A+B+C+D+E | 87.27 |

1.12. Operational Performance Parameters

1.12.1. The norms of operation proposed for FY 2026-27 by OPGC as per Clause 8 of Schedule II of the approved Amended PPA are given in Table 3 below.

Table 3: Operational Performance Parameters for FY 2026-27

| Particulars | Unit | Value |
|--|----------|--------|
| Normative Availability | % | 68.49% |
| Target Plant Load Factor for incentive | % | 80.00% |
| Auxiliary Consumption | % | 9.50% |
| Station Heat Rate | kcal/kWh | 2,500 |
| Specific Oil Consumption | ml/ kWh | 3.50 |

1.13. Plant Load Factor (PLF)

1.13.1. As per Clause 3.0(g) of schedule II of the Amended PPA, Normative level of generation. Accordingly, OPGC has considered the PLF of 68.49%, equal to normative Availability.

1.14. Fuel Prices & GCV

1.14.1. During FY 2026-27, coal requirement for OPGC Units 1 & 2 is proposed to be met through existing FSAs with MCL (Lakhanpur mines) and OCPL (Manoharpur mines), and in accordance with the Hon'ble Supreme Court judgment dated 18.04.2018, variable cost has been computed as per the PPA by considering the actual GCV of coal and oil delivered at the power station. As the tariff petition for FY 2026-27 is being filed before completion of FY 2025-26, auditor-certified annual data is unavailable; accordingly, actual delivered fuel prices and GCV for the period April–September 2025, certified by the Statutory Auditor and reflected in the Half-Yearly Fuel Price Adjustment Bill dated 17.10.2025 raised on GRIDCO, have been considered for tariff computation, with weighted average secondary fuel oil price taken in the 90:10 ratio of HFO to LDO as provided in the Amended PPA.

1.14.2. The detailed calculation of the Weighted Average GCV of Coal considered for computation of base Energy Charge Rate based on the methodology and formula provided at Para 14 of Hon'ble OERC Order dated 28.10.2020 in Case No. 43/2017 is presented below:

Table 4: Gross Calorific Value of Coal (kCal/Kg)

| Month | Source | Quantity of Coal as Received (MT) | GCV of Coal (kCal/Kg.) |
|--------------|----------|-----------------------------------|------------------------|
| Apr-25 | MCL+OCPL | 2,28,254 | 3216 |
| May-25 | MCL+OCPL | 2,27,361 | 3225 |
| Jun-25 | MCL+OCPL | 2,26,541 | 3216 |
| Jul-25 | MCL+OCPL | 2,07,561 | 3178 |
| Aug-25 | MCL+OCPL | 2,29,669 | 3210 |
| Sep-25 | MCL+OCPL | 2,61,884 | 3177 |
| Total | | 13,81,270 | 3203 |

1.14.3. Accordingly, GCV and Price of Coal and Oil considered for tariff computation is summarized below:

Table 5: Price and Gross Calorific Value of Coal and Oil proposed for FY 2026-27

| Sl. No. | Source of Coal | Base for FY 2026-27 (till 30 June 2026) |
|---------|--|---|
| 1 | Price of Coal (Rs. /MT) | 1,715.91 |
| 2 | Price of LDO (Rs./kL) | 74,141.58 |
| 3 | Price of HFO (Rs./kL) | 61,971.48 |
| 4 | Gross Calorific Value of Coal (kCal/kg) | 3,202.58 |
| 5 | Gross Calorific value of LDO (kCal/ltr.) | 10,600.00 |
| 6 | Gross Calorific value of HFO (kCal/ltr.) | 10,000.00 |

1.15. Energy charges

1.15.1. OPGC proposed that, in accordance with Clause 7.0 of Schedule II of the Amended PPA, it has considered the norms of operation, GCV and prices of the fuel for computation of Energy Charge for FY 2026-27. Accordingly, it has proposed

Variable charges of 170.36 paise/kWh for FY 2026-27. The details are given in table 6 below.

Table 6: Computation of Energy Charge for 2026-27

| Particulars | Unit | FY 2026-27 (till 30.06.2026) |
|---|------------------|---------------------------------|
| Auxiliary Consumption | % | 9.50% |
| Gross Station Heat Rate | kCal/kWh | 2,500.00 |
| GCV of Coal | kCal/kg | 3,202.58 |
| GCV of Oil (LDO) | kCal/ltr | 10,600.00 |
| GCV of Oil (HFO) | kCal/ltr | 10,000.00 |
| Specific Coal Consumption | kg /kWh | 0.77 |
| Specific Oil Consumption-LDO | ml/kWh | 0.35 |
| Specific Oil Consumption-HFO | ml/kWh | 3.15 |
| Price of Coal | Rs. / MT | 1,715.91 |
| Price of Secondary Oil-LDO | Rs. / kL | 74,141.58 |
| Price of Secondary Oil-HFO | Rs. / kL | 61,971.48 |
| Variable Charges per kWh(base value) | Paisa/kWh | 170.36 |

1.16. Reimbursement of Other Charges

1.16.1. OPGC proposed for reimbursement of the different charges and expenses which comprise of Electricity duty, water cess and charges, tax and cess on land, SOC and MOC paid to SLDC, EPRC charges, annual inspection fees, Income tax, recovery of ARR and tariff petition fees and publication expenses and expenses towards ash transportation and other expenses for ash utilization as per Clause 10 of the approved amended PPA considering either the projected figures for the year. The details are given in Table 7 below:

Table 7: Other Charges for FY 2026-27, considering original project cost (Rs. Crore)

| Particulars | Formula | Total FY 2026-27 |
|---|-----------------------------|---------------------|
| | | Estimated |
| Electricity Duty | A | 15.64 |
| SOC and MOC of SLDC | B | 0.41 |
| Inspection Fees | C | 0.57 |
| Ash Utilization Expenses including Transportation Charges | D | 6.91 |
| Water Cess and Water Charges | E | 12.22 |
| ARR & Tariff Petition fee and publication expenses | F | 0.25 |
| Income Tax | G | 0.00 |
| Total | H=A+B+C+D+E+F +G | 36.01 |

1.16.2. OPGC requested to provisionally approve other charges of Rs. 36.01 Crore and further requested to direct GRIDCO to reimburse other charges on actual basis.

1.17. Summary of Tariff proposal for FY 2026-27

1.17.1. The Summary of tariff proposed by OPGC for FY 2026-27 is given in table 8 below.

Table 8: Summary of Tariff Proposal of OPGC for FY 2026-27

| Particulars | UoM | Formula | Till 30 June 2026 | From 01 July 2026 |
|---------------------------------------|-----------|--------------------------|-------------------|-------------------|
| Depreciation | Rs. Crore | A | 0.00 | 0.88 |
| Interest on Term Loans & Fin. Charges | Rs. Crore | B | 0.00 | 0.90 |
| Return on Equity | Rs. Crore | C | 17.95 | 33.95 |
| Interest on Working Capital Loans | Rs. Crore | D | 4.72 | 16.59 |
| O & M Expenses | Rs. Crore | E | 64.60 | 142.92 |
| Ash Handling and Utilization Expenses | Rs. Crore | F | 0.00 | 0.00 |
| Tax on Income | Rs. Crore | G | 0.00 | 0.00 |
| Less: Non Tariff Income | Rs. Crore | H | 0.00 | 0.00 |
| Annual Fixed Cost | Rs. Crore | I=A+B+C+D+E+F+G-H | 87.27 | 195.23 |
| Energy Charge Rate | Paisa/kWh | J | 170.36 | 153.93 |
| Other Charges | Rs. Crore | K | 36.01 | |

2. Generation tariff proposal of OPGC for the FY 2026-27 (from 01 July 2026)

OPGC is filing instant petition for approval of Generation Tariff from 01 July 2026 onwards in line with the OERC Generation Tariff Regulations, 2024 as the PPA (SC Order in CA 9485/2017) is set to expire by 30 June 2026. Regulation 9 (7) of OERC Tariff Regulation, 2024 reproduced below:

“9 (7) Notwithstanding anything contained above OHPC and OPGC (UNIT-I & II) may make application (in the Format prescribed by the Commission) by November 30th of every year for determination of tariff in respect of their existing generating station as a whole or unit(s) thereof.”

2.1. Additional Capitalization for FY 2026-27 (From 01 July 2026)

2.1.1. OPGC has submitted the claim of additional capitalization beyond the cut-off date and on accounts of works beyond the original scope except for Additional Capitalization due to installation of Solar PV Panels as the same is installed to meet the internal consumption of the Units and some minor expenses incurred. The summary of Additional Capitalization proposed for FY 2026-27 is as below:

Table 9: Additional Capitalization (Rs. Crore)

| Particulars | Formula | FY 2026-27 (from 01 July 2026) |
|--------------------------------------|------------------|--------------------------------|
| Opening capital cost | A | 1060.00 |
| Add: Addition during the year/period | B | 38.90 |
| Closing capital cost | C=A+B | 1098.90 |
| Average Capital Cost | D=(A+C)/2 | 1079.45 |

2.1.2. Further, OPGC has proposed to fund the entire additional capitalization proposed for FY 2026-27 from internal sources. However, in line with Regulation 26 of the OERC Tariff Regulation, 2024, OPGC proposes to consider the additional capitalization to be funded through equity upto 30% and proposes considering the remaining amount to be funded through normative loan.

2.1.3. The financing of Additional Capitalization proposed is summarized below:

Table 10: Funding of Additional Capitalization (Rs. Crore)

| Particulars | Formula | FY 2026-27 (from July 2026) |
|---------------------------------------|--------------|--------------------------------|
| Amount capitalized in Work/ Equipment | A | 38.90 |
| Financing Details | | |
| Total Loan | B | 27.23 |
| Internal Resources/ Equity | C | 11.67 |
| Total | D=B+C | 38.90 |

2.2. Components of Annual Fixed Cost

2.2.1. OPGC submitted that, the Annual Fixed Cost, as per Clause 3.0 of Schedule II of the Amended PPA, shall consist of the following components:

- f. Depreciation;
- g. Return on Equity;
- h. Interest on Loan;
- i. Operation and Maintenance Expenses;
- j. Interest on Working Capital.

2.3. Depreciation

2.3.1. Assets corresponding to Original Capital Cost of Generating Station are fully depreciated by the financial year ending March 31, 2009. Since, the original capital cost is already depreciated completely, OPGC proposes to recover the depreciation towards 90% value of complete additional capitalization within the extended life of 15 years in straight line method at the rate of 6% per annum. Accordingly, the depreciation claimed for FY 2026-27 (from 01 July 2026) is as under:

Table 11: Depreciation (Rs. Crore)

| Particulars | Formula | FY 2026-27 (from 01 July 2026) |
|--------------------------------|----------------------|--------------------------------|
| Opening GFA | A | 0.00 |
| Net Addn. | B | 38.90 |
| Closing GFA | C=A+B | 38.90 |
| Avg. GFA | D=(A+C)/2 | 19.45 |
| WAROD (%) | E | 6.00% |
| Depreciation | F=D*E | 1.17 |
| Depreciation (274 days) | G=(274/365)*F | 0.88 |

2.4. Debt – Equity Ratio

2.4.1. In Accordance to the OERC Generation Tariff Regulations 2024 for consideration of equity for the generating station which has completed its useful life and for additional capital expenditure is as follows: .

“26. DEBT-EQUITY RATIO

(1) *For new project the debt-equity ratio of 70:30 as on date of commercial operation shall be considered. If the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:*

Provided that where actual equity deployed is less than 30%, the actual debt and equity shall be considered for determination of tariff;

.....
(3) *In case of the generating station declared under commercial operation prior to 01.04.2024, debt-equity ratio allowed by the Commission for determination of tariff for the period ending 31.03.2024 shall be considered.*

Provided that in case of a generating station which has completed its useful life as on 01.04.2024, or is completing its useful life during the 2024-29 tariff period, if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall not be taken into account for tariff computation;

(4) *Any expenditure incurred or projected to be incurred on or after 01.04.2024 as may be admitted by the Commission as additional capital expenditure for determination of tariff, and Renovation and Modernisation expenditure for life extension, the debt-equity ratio shall be considered in the manner specified in Clause (1) of this Regulation.*

(5)

2.5. Return on Equity

2.5.1. In accordance to the Regulation 26 (3) of the OERC Generation Tariff Regulations, 2024 provide for the consideration of the equity component at 30% of the capital cost for plants completing its useful life. Further, Regulation 28 of the OERC Generation Tariff Regulation, 2024, specifies the base rate of RoE as 14.00%.

Table 12: RoE (Original Scope) (Rs. Crore)

| Particulars | Formula | FY 2026-27 (From 01July 2026) |
|--|-------------------------|-------------------------------|
| Opening Equity | A | 318.00 |
| Equity Addition | B | 0.00 |
| Deletion | C | 0.00 |
| Closing Equity | D=A+B-C | 318.00 |
| Average Equity | E=(A+D)/2 | 318.00 |
| Rate of Return of Equity | F | 14.00% |
| Return on Equity (for 274 days) | G= (274/365)*E*F | 33.42 |

Table 13: RoE (Beyond the Original Scope) (Rs. Crore)

| Particulars | Formula | FY 2026-27 (From 01July 2026) |
|--|--------------------------------------|-------------------------------|
| Opening Equity | A | 0.00 |
| Equity Addition | B | 11.67 |
| Deletion | C | 0.00 |
| Closing Equity | D=A+B-C | 11.67 |
| Average Equity | E=(A+D)/2 | 5.84 |
| Rate of Return of Equity | F | 12.00% |
| Return on Equity (for 274 days) | $G= (274/365)*E*F$ | 0.53 |

2.5.2. The total ROE is as follows:

Table 14: RoE (Rs. Crore)

| Particulars | Formula | Amount |
|---------------------------|---------------------------|--------------|
| RoE Original Scope | A | 33.42 |
| RoE Beyond Original Scope | B | 0.53 |
| Total RoE | $C=A+B$ | 33.95 |

2.6. Interest on Loan

2.6.1. OPGC submitted that the opening loan balance for FY 2026-27 (from 01 July 2026) has been considered as zero since all the actual loans due to the original capital cost is paid out. The normative repayment has been considered as equivalent to the depreciation in accordance with the provisions of OERC Tariff Regulation, 2024. The interest on loan has been calculated on the normative average loan for the respective period by applying the actual rate of interest applicable for FY 2024-25. The interest on loan claimed for FY 2026-27 (from 01 July 2026) is as shown in the Table below:

Table 15: Interest on Loan (Rs. Crore)

| Particulars | Formula | FY 2026-27 (from 01 July 2026) |
|---|-----------------------------------|--------------------------------|
| Gross Loan- Opening | A | 0.00 |
| Cumulative repayments of Loans upto previous year | B | 0.00 |
| Net loan - Opening | $C=A-B$ | 0.00 |
| Receipts during the year | D | 27.23 |
| Repayment during the year | E | 1.17 |
| Net loan - Closing | $F=C+D-E$ | 26.06 |
| Average Net Loan | $G=(C+F)/2$ | 13.03 |
| Rate of Interest on Loan | H | 9.22% |
| Interest on loan | $I=G*H$ | 1.20 |
| Interest on loan (for 274 days) | $J=(274/365)*I$ | 0.90 |

2.7. O&M Expenses

2.7.1. The O&M expenses claimed for FY 2026-27 (from 01 July 2026) is as shown in the Table below:

Table 16: O&M Expenses

| Particulars | Units | Formula | FY 2026-27 (from 01 July 2026) |
|---|----------------|----------------------|--------------------------------|
| O&M Expense norms for Unit (per MW) | Rs. Lakh | A | 45.33 |
| Unit size | MW | B | 210 |
| No of Units | No. | C | 2 |
| Normative O&M expense | Rs. Cr. | D | 190.39 |
| Total Normative O&M Expense (for 274 days) | Rs. Cr. | E=(274/365)*D | 142.92 |

2.7.2. The Water Charges and Ash Utilization Expenses for the whole year including for the period since 01 July 2026 are claimed as a part of the Other Charges since the same are claimed as reimbursement as per the PPA for partial year till 30 June 2026.

2.8. Interest on Working Capital

2.8.1. OPGC claimed that the rate of interest on working capital has been considered as 12.00% in line with the one-year MCLR as on April 1, 2025. The IoWC claimed for FY 2026-27 (from 01 July 2026) is as follows:

Table 17: Interest on Working Capital (Rs. Crore)

| Particulars | Norms Considered | | Formula | FY 2026-27 (from 01 July 2026) |
|---|------------------|-------|----------------------|--------------------------------|
| Cost of coal | 40 | days | A | 43.98 |
| Cost of secondary fuel oil | 1 | month | B | 1.89 |
| Maintenance spares (as % of O&M expenses) | 20% | | C | 38.08 |
| Receivables | 45 | days | D | 84.34 |
| O&M expenses | 1 | month | E | 15.87 |
| Working Capital Loan Requirement | | | F=A+B+C+D+E | 184.15 |
| Rate of Interest | | | G | 12.00% |
| Interest on Working Capital (for 274 days) | | | H=(274/365)*G | 16.59 |

* The one year MCLR of SBI as on April 1, 2025 is 9.0 %.

2.9. Tax on Income

2.9.1. Accordingly, OPGC has not claimed the Tax on Income in the instant Petition as part of AFC. Rather, OPGC prays before the Hon'ble Commission to allow reimbursement of Tax on Income from the Generation Business for the whole year including for the period since 01 July 2026 in line with the principle adopted by the Commission in its Order dated 07.01.2023 in Case No 96 of 2021.

2.10. Summary of Annual Fixed Cost

2.10.1. Considering mentioned annual fixed cost components, OPGC proposed the Annual Fixed Cost of Rs. 87.27 Crore for FY 2026-27 till 30 June 2026 corresponding to the original project cost. The details are given in the Table 18 below:

Table 18: Annual Fixed Cost of OPGC for (Rs. Crore)

| Particulars | Formula | FY 2026-27 (from 01 July 2026) |
|---|---|--------------------------------------|
| Depreciation | A | 0.88 |
| Interest on Term Loans & Fin. Charges | B | 0.90 |
| Return on Equity | C | 33.95 |
| Interest on Working Capital Loans | D | 16.59 |
| O & M Expenses | E | 142.92 |
| Tax on Income | F | 0.00 |
| Total Annual Fixed Cost (for 274 days) | $G=(274/365)*(A+B+C+D+E+F)$ | 195.23 |

2.11. Operational Performance Parameters

2.11.1. The norms of operation proposed for FY 2026-27 by OPGC as per Clause 8 of Schedule II of the approved Amended PPA are given in 19 below:

Table 19: Operational Performance Parameters for FY 2026-27 (from 01 July 2026)

| Particulars | UoM | FY 2026-27 (from 01 July 2026 till 31 March 2027) |
|------------------------------|----------|---|
| Total Capacity | MW | 420 |
| Availability | % | 83.00% |
| PLF | % | 83.00% |
| Gross Generation | MU | 3053.74 |
| Auxiliary Energy Consumption | % | 9.80% |
| Heat Rate | kcal/kWh | 2415.00 |

2.12. Plant Load Factor (PLF)

2.12.1. OPGC has submitted that it has considered 83.00% as PLF for FY 2026-27 (from 01 July 2026 till 31 March 2027).

2.13. Energy charges

2.13.1. OPGC proposed that, it has computed the base Energy Charge Rate/Variable Charge for FY 2026-27 (from 01 July 2026) in line with the OERC Generation Tariff Regulations, 2024. The computation of base Energy Charge Rate for FY 2026-27 (from 01 July 2026) is given in the Table below:

Table 20: Computation of Energy Charge for 2026-27

| Tariff Period | UoM | FY 2026-27 (from 01 July 2026) |
|---------------------------------|----------------|--------------------------------|
| GCV of Coal (CVPF) | kcal/kg | 3139 |
| GCV of LDO | kcal/L | 10,600 |
| Avg . CVSF | kcal/mL | 10.60 |
| Sp. Oil Consumption- LDO | mL/kWh | 1.00 |
| Coal Price | Rs/MT | 1715.91 |
| Avg. LPSFi | Rs/kL | 74141.58 |
| Station Heat Rate (SHR) | kcal/kWh | 2415 |
| Energy Charge rate (ECR) | Ps./kWh | 153.93 |

2.14. Summary of Tariff proposal for FY 2026-27

2.14.1. The Summary of tariff proposed by OPGC for FY 2026-27 is given in the Table-21 and other charges for FY 2026-27 in the Table 21 below.

Table 21: Summary of Tariff Proposal of OPGC for FY 2026-27

| Particulars | UoM | Formula | From 01 July 2026 |
|---------------------------------------|-----------|--------------------------|-------------------|
| Depreciation | Rs. Crore | A | 0.88 |
| Interest on Term Loans & Fin. Charges | Rs. Crore | B | 0.90 |
| Return on Equity | Rs. Crore | C | 33.95 |
| Interest on Working Capital Loans | Rs. Crore | D | 16.59 |
| O & M Expenses | Rs. Crore | E | 142.92 |
| Ash Handling and Utilization Expenses | Rs. Crore | F | 0.00 |
| Tax on Income | Rs. Crore | G | 0.00 |
| Less: Non Tariff Income | Rs. Crore | H | 0.00 |
| Annual Fixed Cost | Rs. Crore | I=A+B+C+D+E+F+G-H | 195.23 |
| Energy Charge Rate | Paisa/kWh | J | 153.93 |

2.14.2. The summary of other charges for FY 2026-27 is as shown in the Table below:

Table 22: Other Charges for FY 2026-27

| Particulars | UoM | FY 2026-27 |
|---------------|-----------|------------|
| Other Charges | Rs. Crore | 36.01 |

2.15. Status of Directives

2.15.1. OPGC has provided following compliance of directives of the Commission:

i. Status of new Ash Pond:

Steps for land acquisition for construction of Ash Pond-D have been initiated to ensure continuity of disposal capacity; the SIA study has been completed, public hearing conducted in March 2024, Section 15(2) formalities for 56 acres of private land concluded with valuation in progress, proclamation for about 49 acres of government land completed, possession is expected by June 2027, and construction is proposed in FY 2027-28.

ii. Renewable Energy for reduction of carbon footprint and RGO Compliance:

The 50 MW Solar PV project is scheduled for COD in June 2027, as communicated to GRIDCO vide letter dated 08.09.2025, with PPA execution underway. For compliance with RGO in respect of the proposed Unit-5 & 6 expansion, OPGC has requested GRIDCO to allocate land/water bodies for development of solar, wind and PSP projects; however, the Ministry of Power has clarified vide notification dated 06.08.2025 that such RE capacity addition or procurement is voluntary and not mandatory

iii. Allotment of mine void space for disposal of ash

OPGC is pursuing 100% ash utilisation as per MoEF&CC norms; however, mine void allocation for backfilling has been denied by MCL since 2006, leading OPGC to engage C-FARM, coordinate with MCL/CMPDI, issue notices under the Fly Ash Notification (31.12.2021), enter long-term cement off-take agreements, and implement logistical and infrastructure measures, securing utilisation avenues of about 30 LMT of ash.

2.16. Prayer

2.16.1. OPGC has prayed to the Commission to approve the following for FY 2026-27:

- a. Admit the instant Petition.
- b. Approve the tariff, including Annual Fixed Cost and base Energy Charge Rate, for FY 2026-27 (till 30 June 2026 and from 01 July 2026) as claimed in the Petition.
- c. Approve the other charges for FY 2026-27 as claimed in the Petition and recovery of other charges on actual basis during FY 2026-27.
- d. Approve the recovery of FPA in accordance with the approved PPA during FY 2026-27.

- e. Condone any inadvertent omissions, errors, short comings and permit OPGC to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date; and
- f. Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.