

Petition No. of 2024

Trueup Tariff Petition for FY 2023-24.

U/s 62 & 64 of The Electricity Act 2003



MP POWER GENERATING COMPANY LIMITED



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**BEFORE THE M.P. ELECTRICITY REGULATORY COMMISSION
BHOPAL**

Petition No. of 2024

IN THE MATTER OF

True-up of Generation Tariff of Power Stations of MPPGCL for FY 2023-24 determined by MP Electricity Regulatory Commission vide Multi Year Tariff order dated 19.05.2021 read with corrigendum dated 09.09.2021.

M.P. Power Generating Company Ltd, Jabalpur. : Petitioner

Vs

1. **M.P. Power Management Company Ltd., Jabalpur.**
 2. **M.P. Power Transmission Co. Ltd., Jabalpur.**
 3. **Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Jaipur.**
 4. **Uttar Pradesh Power Corporation Ltd., Lucknow.**
 5. **MSEB (Holding Co) & Maharashtra State Transmission Co. Ltd, Mumbai**
- } **: Respondents**

The above named petitioner M.P. Power Generating Company Ltd. respectfully submits as under:-

1. The petitioner is a wholly owned company of Government of M.P. engaged in generation of electricity in the State of Madhya Pradesh. It is a successor entity of erstwhile Madhya Pradesh State Electricity Board (MPSEB).
2. The Company has been incorporated as part of implementation of the power sector reform in M.P. initiated by the Government of MP. The Company has taken over the generation activities of MPSEB. The company while operating and maintaining its existing Units is also constructing new power plants for increase in generating capacity in the State of Madhya Pradesh. The Company is registered under Companies



Act 1956 and was incorporated on 22.11.2001. Its registered office is at Shakti Bhawan, Rampur, Jabalpur.

3. The activities of Generation, Transmission and Distribution have been looked after earlier in the State of M.P. by the integrated utility i.e. MPSEB constituted under Section 5 of Electricity (Supply) Act 1948. The Government of MP enacted M.P. Vidyut Sudhar Adhiniyam 2000 and in the spirit of said Act, the unbundling process of the MPSEB was initiated by registering the following five Companies:-
 - (i) Madhya Pradesh Power Generating Co. Ltd., Jabalpur (MPPGCL) (GENCO).
 - (ii). Madhya Pradesh Power Transmission Co. Ltd., Jabalpur (MPPTCL) (TRANSCO).
 - (iii). Madhya Pradesh PoorvaKshetraVidyutVitaran Company Ltd. Jabalpur (MPPKVCL) (EAST DISCOM).
 - (iv). Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Ltd. Bhopal. (MPMKVVCL) (CENTRAL DISCOM).
 - (v). Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd. Indore (MPPKVCL) (WEST DISCOM).
4. The above mentioned five companies, which were registered in November 2001 entered into Operation & Management Agreement with erstwhile MPSEB. They worked as agent of MPSEB from July 2002 to May 2005. The companies started independent functioning w.e.f. 01.06.2005 under Cash flow mechanism as per order dated 31.5.2005 of State Government.
5. A Sixth Company, namely the MP Power Trading Company Ltd. Was incorporated as per the State Government Notification dated 03.06.2006 specifying functions of TRADECO for purchase of electricity in bulk from Generating Companies / Traders, from within & outside the State and supply electricity in bulk to the Electricity Distribution Companies in the State of Madhya Pradesh.
6. GoMP vide letter No. 6074/13/12/02 dated 29.03.12 has changed the name of MP Power Trading Company Ltd. to MP Power Management



- Company Ltd. It has been made the holding company for all the DISCOMS of MP. Further, GoMP vide its notification dated 26.04.2012 has merged M.P. State Electricity Board with MP Power Management Company Ltd.(MPPMCL).
7. MPPMCL and the three DISCOMS of MP have entered into a management and corporate functions agreement on 05.06.2012, whereby the three DISCOMS have engaged MPPMCL to represent them in all the proceedings relating to power procurement and tariff petitions filed or to be defended before CERC, MPERC and other regulatory authorities, Appellate Tribunals, High Courts, Supreme Court and CEA etc.. Therefore, three DISCOMS have not been made as respondents, separately.
 8. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.(RRVPL), Jaipur, (hereinafter referred as Respondent No. 3) has 50% share in Gandhi Sagar Hydro Power Station operated by MPPGCL. At the same time, MPPGCL has 50% share in the Ranapratap Sagar Hydro Power Station and Jawahar Sagar Hydro Power Station operated by the Respondent No. 3. Similarly, Uttar Pradesh Power Corporation Ltd (UPPCL), Lucknow (hereinafter referred as Respondent No. 4) has 40.32% share in Rajghat Hydro Power Station and MSEB (Holding Co) & Maharashtra State Transmission Co. Ltd, Mumbai (hereinafter referred as Respondent No. 5) has 33.3% share in Pench Hydro Power Station operated by MPPGCL.
 9. GoMP vide its notification dated 03.06.2006 has provided that MP Tradeco, now MP Power Management Company Ltd. (MPPMCL), shall purchase entire power from the Genco (MPPGCL) at the tariff to be determined by MPERC.
 10. MPPGCL entered into Power Purchase Agreements (PPAs) with MP Tradeco (now MPPMCL) on 29.11.2006 for existing power stations and on 04.01.2011 for new Thermal Power Stations. Further, the first amendment to the Power Purchase Agreement (PPA) dated 29.11.2006 towards Purchase of Power from then existing and ongoing Thermal and Hydel Units of M. P. Power Generating Company Limited, has been



signed on 18.07.2017 at Jabalpur. This First Amendment in Agreement provides term period till retirement/ decommissioning of all Thermal and Hydel Power Stations of MPPGCL listed in the agreement. The PPAs for new power stations have also been amended from time to time. These PPAs provides that the tariff payable by Tradeco to Genco and terms & conditions related thereto shall be as determined by the State Commission. MPPGCL has accordingly been raising the bills of energy sold to Tradeco since 1.6.2005 as per the tariff determined by Hon'ble Commission from time to time.

11. Hon'ble Commission notified, MPERC (Terms & Conditions for determination of Generation Tariff) Regulations, 2020{RG-26 (IV) of 2020} on 28.02.2020. This regulation was based on multiyear tariff principles and incorporated norms of operation for control period FY 2019-20 to FY 2023-24.
12. In the instant True up petition, MPPGCL has proposed true up for FY 2023-24 in respect of existing/new stations whose tariff was determined by Hon'ble Commission vide Multi Year Tariff order dated 19.05.2021 for the control period FY 2019-20 to FY 2023-24 read with corrigendum to aforesaid MYT order vide order dated 09.09.2021.
13. Accordingly, MPPGCL has prepared the Books of Accounts for FY 2023-24 and got the same audited by the Statutory Auditor M/s K P R K & Associates LLP, Chartered Accountants, Chhindwara. The Audit Officers from O/o Dy. Accountant General (ES-III), Bhopal, has conducted Supplementary Audit of Annual Statement of Accounts of MPPGCL for FY 2023-24. The Final Comments Certificate from AG Audit to MPPGCL is awaited.

MPPGCL, therefore humbly request Hon'ble Commission to kindly permit to add/ change/modify/ alter this filing and make further submissions as may be required at later stages.

14. MPPGCL is submitting the True up petition for FY 2023-24 based on the Audited Annual Statements of Accounts for FY 2023-24 under section 62 & 64 of the Electricity Act 2003 read with proviso-9 of MPERC Generation Tariff Regulations, 2020.



15. The Annual Statement of Accounts for FY 2023-24 has been prepared on the basis of Indian Accounting Standards (IndAS) prescribed under Section 133 of the Companies Act read with the rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) amendment Rules, 2016.
16. The Petitioner has adopted following approach for True-up of Generation Tariff for FY 2023-24: -
- a) The Energy Charges (Variable Charges) has been billed in accordance with proviso 18, 19 & 43 of MPERC (Terms & Condition for determination of Generation Tariff) (Revision-IV) Regulation, 2020. Therefore, no truing up of Energy Charges has been considered in this petition.
 - b) Other Charges comprising of MPERC Fees, Water Charges, Rent, Rates & taxes, Cost of Chemical & Consumable, Publication Expenses and EL Encashment have been claimed on actuals based on Audited Books of Accounts for FY 2023-24.
 - c) The expense shown in Audited Annual Statements of Accounts for FY 2023-24 pertains to MPPGCL's share. The expenses, as extracted from Audited Annual Statements of Accounts for FY 2023-24 for the shared portion have been factored to represent 100% capacity operated by MPPGCL to match with MPERC's Multi Year Tariff Order dated 19.05.2021.
 - d) The expenses of Rana Pratap Sagar and Jawahar Sagar indicated in the Annual Statements of Accounts for FY 2023-24 of MPPGCL have not been considered in this True up Petition since Hon'ble Commission has not considered these projects in Tariff order, being operated by Rajasthan authorities.
 - e) At present, expenditure towards Pension & Terminal benefits of all the Companies i.e. unbundled entities of MPSEB are being allowed in the MYT/ True up of Transmission Licensee i.e. MPPTCL on '**pay as you go**' principle, subject to true-up in each year on availability of actual figures. Accordingly, MPPGCL has not claimed these expenses in this True-up tariff petition.



f) Hon'ble Commission vide Second amendment to MPERC (Terms and Conditions for determination of Generation Tariff) (Second Amendment) Regulations, 2020 {ARG-26 (IV)(ii) of 2023} dated 21.02.2023 at Para 27 has issued Amendment to Regulation 65 of the principal Regulations, wherein Expenses towards Fly Ash Utilization and transportation shall be payable in accordance to the directives issued by Government of India, Ministry of Environment, Forest and Climate Change vide Notification No. S.O. 5481 (E) dated 31.12.2021 and subsequent amendment issued from time to time.

Accordingly, the details of expenditure incurred on Transportation of Fly Ash as captured in Note 31.1 "Other Expenses" Serial No. 8 of Audited Financial Statements of FY 2023-24 amounts to Rs. 176.41 Crores. MPPGCL humbly request Hon'ble Commission to kindly permit the same.

17. The difference between element wise Annual Capacity (Fixed) Charges approved by the Hon'ble Commission for FY 2023-24 in its MYT order dated 19.05.2021 read with corrigendum dated 09.09.2021 vis-à-vis the true up requirement after applying Actual Availability on fixed cost elements of Thermal power stations and actual Availability applicable on Capacity charges for Hydro Power Stations based on 100% capacity of the plants operated by MPPGCL and detailed in subsequent chapters of instant petition, works out as under:-:-

True Up Requirement for FY 2023-24

Amount in Rs. Crores

Particulars	Elements	Annual Fixed Cost FY 2023-24		
		As per MPERC Orders	As considered by MPPGCL on actual Availability	Diff.
Fixed Cost Elements	O & M Expenses	1635.69	1252.54	-383.15
	Special Allowance	120.55	40.45	-80.11
	Interest on Loan+ Excess Equity	828.25	722.53	-105.73
	Interest on Working Capital	414.45	341.10	-73.35



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Particulars	Elements	Annual Fixed Cost FY 2023-24		
		As per MPERC Orders	As considered by MPPGCL on actual Availability	Diff.
	Depreciation	1024.78	912.50	-112.28
	Return on Equity	816.42	736.88	-79.54
	Less Non-Tariff Income	0.00	23.42	-23.42
	Total	4840.14	3982.57	-857.57

The Power station wise break up of true up amount for FY 2023-24 after applying actual Availability on fixed cost elements of thermal power stations and actual Availability on capacity charges for Hydro Power Stations is worked out as under:-

in Rs. Crores

S. No.	Stations	As per MYT Order	As considered by MPPGCL on actual Availability	Diff.
1	ATPS PH-3	163.60	164.60	1.00
2	STPS PH-2&3	434.33	-0.68	-435.00
3	STPS PH-4	603.99	608.03	4.03
4	SGTPS PH-1&2	498.73	479.50	-19.24
5	SGTPS PH-3	309.32	243.75	-65.57
6	SSTPP PH-1	1246.85	1086.58	-160.27
7	SSTPP PH-2	1314.60	1154.55	-160.05
8	Thermal	4571.43	3736.34	-835.08
9	Gandhi Sagar	16.23	11.89	-4.35
10	Pench	28.48	30.79	2.31
11	Rajghat	15.30	13.10	-2.20
12	Bargi	18.40	19.34	0.94
13	Bansagar PH-1,2&3	155.50	132.55	-22.95
14	Bansagar PH-4	9.63	11.20	1.57
15	Birsinghpur	6.23	5.76	-0.47
16	Madhikheda	18.94	21.61	2.67
17	Hydro	268.72	246.23	-22.49
	Total	4840.14	3982.57	-857.57



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18. Apart from above, Other Charges comprising of MPERC Fees, Water Charges, Rent, Rates & taxes, Cost of Chemical & Consumable, Publication Expenses and EL Encashment have been claimed on actuals based on Audited Books of Accounts for FY 2023-24 on 100% basis as detailed in Chapter 4.3 -Other Charges, are as under: -

in Rs. Crores

S. No.	Particulars	Total
1	Rent, Rates & Taxes	1.43
2	Water Charges	171.53
3	Cost of Chemicals & Consumables	20.39
4	MPERC Fee + Publication Exp.	1.29
5	EL Encashment	23.93
Total		218.57

The Power station wise break up of Other Charges is as under:-

in Rs. Crores

S. No.	Power Station	Amount
1	ATPS PH-3	10.41
2	STPS PH-2&3	0.82
3	STPS PH-4	19.07
4	SGTPS PH-1&2	22.90
5	SGTPS PH-3	13.63
6	SSTPP PH-1	39.84
7	SSTPP PH-2	35.61
8	Total Thermal	142.28
9	Gandhi Sagar HPS	19.56
10	Pench HPS	0.69
11	Rajghat HPS	0.82
12	Bargi HPS	21.30
13	Bansagar PH-1,2&3 HPS	27.42
14	Bansagar PH-4	1.35
15	Birsinghpur HPS	1.64
16	Madhikheda HPS	3.51
17	Total Hydro	76.29
Total		218.57

19. Details of each of the elements covered in Para 17 & 18 have been elaborated in respective Chapters enclosed in this petition.



PRAYER


In view of the above, the petitioner respectfully prays that Hon'ble Commission may kindly:-

- (a) Approve Annual Capacity (Fixed) Charges and Other charges for FY 2023-24 and permit recovery of True up amount as per Para 17 & 18 in six equal monthly installments.
- (b) Allow additional capitalization as per audited Annual Statements of Accounts for FY 2023-24 and accordingly permit additional Depreciation, RoE and Interest on Normative Loan/excess equity. Allow additional Capitalizations of prior period corresponding to Assets Written-off in this Financial year.
- (c) Allow Other Charges comprising of MPERC Fees, Water Charges, Rent, Rates & taxes, Cost of Chemical & Consumable, Publication Expenses and EL Encashment on actual based on Audited Books of Accounts for FY 2023-24.
- (d) Allow additional expenses incurred towards Transportation of Ash amounting to Rs. 176.41 Crores.
- (e) In accordance with proviso 9.11 of Regulations, 2020, allow interest on differential true-up amount, if any.
- (f) On receipt of Final comment certificate from AG Audit, MPPGCL may kindly be permitted to revise the figures submitted in the instant petition at a later stage.
- (g) Condone any inadvertent omissions/ errors/ short comings and permit the applicant to add/ change/modify/ alter this filing and make further submissions as may be required at later stages.
- (h) Condone delay if any in filing the petition.
- (i) Pass such orders as Hon'ble MPERC may deem fit and proper and necessary in the facts and circumstances of the case, to grant relief to petitioner.

Date: 25/11/2024
Place: Jabalpur

(Salil Choudhary)
Superintending Engineer (CS)
Officer-in-Charge
For and on behalf of
MP Power Generating Co. Ltd
Jabalpur.





BEFORE THE HON'BLE MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL

2431
 25/11/24

Filing No. _____
Petition No. _____ of 2024

IN THE MATTER OF

Trueup of Generation Tariff of Power Stations of MPPGCL for FY 2023-24 determined by Hon'ble MPERC vide Multi Year Tariff Order dated 19.05.2021 read with corrigendum dated 09.09.2021.

AND



IN THE MATTER OF

**Madhya Pradesh Power Generating Company Limited,
Shakti Bhawan,
Rampur, Jabalpur.**

AFFIDAVIT

I, Sallil Choudhary, S/o Late Shri B.L. Choudhary, aged about 57 years, Superintending Engineer, O/o Chief Engineer (Corporate Services), M.P. Power Generating Company Limited at Jabalpur (M.P.) do solemnly affirm and say as follows :-

- I. That I am working as Superintending Engineer, O/o Chief Engineer (Corporate Services), MPPGCL, Block No. 9, Shakti Bhawan, Rampur, Jabalpur and I am duly authorized by the MPPGCL to make this affidavit on its behalf.
- II. The statement made in paragraphs (1) to (19) of the petition herein shown to me are true to the best of my knowledge and the statement made are based on available information and I believe them to be true.



25 NOV 2024

III. Solemnly affirm at Jabalpur on this 25th November 2024 that the contents of the above Affidavit are based on available documents and true to the best of my knowledge, no part of it is false and no material has been concealed there from.

S. Choudhary
DEPONENT

VERIFICATION

I, Sallil Choudhary, the above named deponent do hereby verify that the contents of para I to III of this affidavit are true to the best of my personal knowledge. Signed and verified by me at Jabalpur on 25th November 2024. 25 NOV 2024

S. Choudhary
DEPONENT



Solemnly affirmed before me
Declared before me as under
Shri/Smt. *Sallil Choudhary*
S/o, W/o, D/o Shri. *Ravi B. Choudhary*
aged about *57* years Occupation *Supdt Engineer*
Resident of *Ch. Chief Engineer (Corporate Services)*
Who is personally known to me/has
been duly identified by *Mr. Anwar Hameed, Coltd, Jabalpur (Retd)*
Mr. Gupta 25/11/24
Signature of identifier *Uttam Chand Gupta*
Notary
Notarial Register *II*
Sr. No. *2431* Dt. *25/11/24*
Notary
Jabalpur District
M.P. INDIA



MPPGCL - True-up Tariff Petition for FY 2023-24



MP POWER GENERATING COMPANY LTD
O/o EXECUTIVE DIRECTOR (HR&A)
Block No.9, First Floor, Shakti Bhavan, Rampur
CIN:U40109MP2001SGC014882
Jabalpur-482008

Tele No.91-761-2702615
Fax No. 91-761-2685805

Website: www.mppgcl.mp.gov.in
Email: mppocl@mp.nic.in

No. E.D.(HR&A)/MPPGCL/LS/ M-11/ 5733 Jabalpur Date: 25 NOV 2024

ORDER

The Madhya Pradesh Power Generating Company Limited (MPPGCL), Jabalpur is pleased to authorize Shri Salil Choudhary, Superintending Engineer (Corporate Services), MPPGCL, Jabalpur to act as Officer-In-Charge on behalf of Madhya Pradesh Power Generating Company Limited, Jabalpur to execute and authenticate by his signature, all paper and documents to be filed and represent the petition for True up of Generation Tariff of Power Stations of MPPGCL for FY 2023-24, before Madhya Pradesh Electricity Regulatory Commission, Bhopal.

BY ORDER

Chief Engineer (HR&A)
MPPGCL: JABALPUR



1 CAPACITY

1.1 Installed Capacity of Generating Stations of MPPGCL (Existing)

The installed capacity (MPPGCL share) as on 01.04.2023 is 6321.5 MW (including its share in bilateral interstate projects), consisting of 5400 MW Thermal and 921.5 MW Hydro power. The plant wise details are as under:

Table 1.1 Details of Power Plants as on 01.04.2023

Power Station			Installed Capacity (MW)				
			Total		MPPGCL Share		
Thermal Power Stations	1	Amarkantak Thermal Power Station (Chachai)	PH 3	1 x 210 =	210	100%	210
			Complex		210	100%	210
	2	Satpura Thermal Power Station (Sarni)	PH 2	200 + 210 =	410	100%	410
			PH 3	2 x 210 =	420	100%	420
			PH 4	2x250=	500	100%	500
			Complex		1330	100%	1330
	3	Sanjay Gandhi Thermal Power Station (Birsinghpur)	PH 1	2 x 210 =	420	100%	420
			PH 2	2 x 210 =	420	100%	420
			PH 3	1 x 500 =	500	100%	500
			Complex		1340	100%	1340
	4	Sri Singaji Thermal Power Station (Khandwa)	PH 1	2 x 600=	1200	100%	1200
			PH 2	2 x 660=	1320	100%	1320
			Complex		2520	100%	2520
	5	Total Thermal			5400	100%	5400
	Hydro Power Stations	1	Chambal HPS	Gandhi Sagar	5 x 23 =	115	50%
R.P. Sagar				4 x 43 =	172	50%	86
Jawahar Sagar				3 x 33 =	99	50%	49.5
Complex					386	50%	193
2		Pench Totladoh HPS		2 x 80 =	160	66.67%	106.7
3		Bansagar HPS	Tons	3 x 105 =	315	100%	315
			Silpara	2 x 15 =	30	100%	30
			Devlond	3 x 20 =	60	100%	60
			Jhinna (SHP)	2 x 10=	20	100%	20
			Complex		425	100%	425
4		Birsinghpur HPS		1 x 20 =	20	100%	20
5	Bargi HPS		2 x 45 =	90	100%	90	
6	Rajghat HPS		3 x 15 =	45	59.68%	26.9	
7	Madhikheda HPS		3 x 20=	60	100%	60	
8	Total Hydro			1186		921.5	
Total				6586		6321.5	



1.2 Generation Capacity Operated by MPPGCL

As on 01.04.2023, MPPGCL is operating 6315 MW, consisting of 5400 MW thermal and 915.0 MW Hydro power. Out of this 128.9 MW capacity belong to other States. The plant wise details are as under:-

Table 1.2.1 Generation Capacity Operated by MPPGCL

Station	Installed Capacity	MP Share	Other State's Share		
			MW	%	State's Name
ATPS Chachai	210	210	0		
STPS Sarni PH 2,3&4	1330	1330	0		
SGTPS Birsinghpur	1340	1340	0		
SSTPP Khandwa	2520	2520	0		
Total Thermal	5400	5400	0		
Gandhi Sagar	115	57.5	57.5	50.00%	Rajasthan
Pench	160	106.7	53.3	33.31%	Maharashtra
Bansagar Complex	425	425	0		
Birsinghpur	20	20	0		
Madhikheda	60	60	0		
Bargi	90	90	0		
Rajghat	45	26.9	18.1	40.32%	Uttar Pradesh
Total Hydro	915	786.1	128.9		
Total Capacity	6315	6186.1	128.9		

1.3 Share of MPPGCL in Generation Capacity installed in other States

Similarly, MPPGCL also has a share of 135.5 MW in hydro generation capacity installed in neighboring State of Rajasthan as under:-

Table 1.3.1 Generation Capacity installed in other States

Station	Installed Capacity (MW)	MPPGCL Share		Other State's Name
		MW	%	
Rana Pratap Sagar	172.0	86.0	50.00%	Rajasthan
Jawahar Sagar	99.0	49.5	50.00%	Rajasthan
Total	271.0	135.5		

1.4 Annual Statement of Accounts

The Annual Statement of Accounts of MPPGCL for the FY 2023-24 is prepared for the portion actually owned by MPPGCL and not for the



capacity operated by MPPGCL. Therefore, the expenses as extracted from the Annual Statement of Accounts of MPPGCL for the shared portion have been factored to represent 100% capacity operated by MPPGCL to match with Multi Year Tariff order dated 19.05.2021 for the control period FY 2019-20 to FY 2023-24 read with corrigendum order dated 09.09.2021 to aforesaid MYT order.

The Audit Officers from O/o Dy. Accountant General (ES-III), Bhopal, has completed Supplementary Audit of Annual Statement of Accounts of MPPGCL for FY 2023-24. The Final Comments Certificate from AG Audit to MPPGCL is still awaited.

MPPGCL, therefore, humbly requests the Hon'ble Commission to kindly permit to add/ change/modify/ alter this filing and make further submissions as may be required at later stages.

The Annual Statement of Accounts for the FY 2023-24 has been prepared on the basis of Indian Accounting Standards (IndAS) prescribed under Section 133 of the Companies Act read with the rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) amendment Rules, 2016. The copy of Audited Annual Statement of accounts for FY 2023-24 shall be submitted separately, after receipt of final comment certificated from AG Audit.

1.5.1 Capacity Addition, ERP and Future R&M Plans:-

(a) 1x660 MW ATPS, Chachai, Distt. Anuppur (M.P.)

MPPGCL intends to install 1x660 MW coal based Ultra-Supercritical thermal unit in place of already decommissioned units of PH-I (1x20 MW + 1x30 MW) & PH-II (2x120 MW) at Amarkantak Thermal Power Project, Chachai, Distt. Anuppur (M.P.). In this regard, Govt. of M.P. has conveyed their Administrative approval for installation of unit through formation of Joint Venture Company between MPPGCL & SECL, on 11th April'23, at an approved Project cost of



Rs. 4665.87 Cr (of Jan'2019 levels). The major highlights and developments of the projects are as follows:-

- **Coal Linkage:** Coal allocation of 2.824 MTPA obtained from SECL, in Aug'23.
- **Water Linkage:** Water allocations of 17.34 MCM obtained from WRD, GoMP, in March'23; along with permission to construct 10 MCM Reservoir on River Sone.
- **Environmental Clearance:** MoEF&CC, GoI, accorded Environmental Clearance for the project, in May'23.
- **Selection of EPC Contractor:** M/s NTPC, appointed as Project Consultant, in April'23, who has prepared the tender specification for selection of EPC vendor, which was issued on 1st Feb'24. Pre-bid conference against the tender was conducted on 6th July'24 & the Techno Commercial Bid has been opened on 20.11.2024 and case is under process.
- **Revision in Project cost:** Project consultant M/s NTPC updated the project cost to Rs. 8258.64 cr. (May'24 level), which was approved by BoD of MPPGCL, in July'24; which is yet to be approved from GoMP.
- **Loan:** M/s PFC & M/s REC have both issued Loan sanctioning letters, in Sept'23. However, agreement is yet to be executed.
- **PPA:** For procurement of Power from the upcoming unit, Energy Deptt., GoMP has accorded Administrative approval to MPPMCL, in May' 2024, for the execution of PPA.
- **JVA:** Draft Joint Venture agreement (JVA) approved by GoMP on 13th July'23, which is yet to be signed.
- Targeted commissioning is in FY 2029-30.

(b) 1x660 MW STPS, Sarni, Distt. Betul, (MP)

MPPGCL intends to install 1x660 MW coal based Ultra-Supercritical thermal unit in place of already decommissioned units of PH-I (5x62.5 MW) at Satpura Thermal Power Station,



Sarni; Dist: Betul, M.P. The major highlights of developments of the project are as follows:-

- **Administrative approval-** Energy Deptt., GoMP vide letter dtd.30.12.2022 informed that GoMP's administrative approval earlier accorded in July-2012 prevails, with Debt: Equity of GoMP: MPPGCL ratio 80:15:05.
- **Project Cost:** Earlier approved project cost- Rs. 4563.55 Cr (Base Jan'15). Project consultant M/s NTPC updated the project cost to Rs. 8299.76 Cr. (May'24 level), which was approved by BoD of MPPGCL in July'24 and yet to be approved from GoMP.
- **Coal Linkage:** Coal allocation of 1.412 MTPA obtained from SECL & 1.224 MTPA from NCL.
- **Water Linkage:** 17.32 MCM Water allocated by WRD for which agreement executed on 05.01.2024.
- **Environmental Clearance:** MoEF&CC, GoI, accorded Environmental Clearance for the project, in Nov'23.
- **Structural Height Clearance** Granted by Airport Authority of India in Jan'24.
- **Selection of EPC Contractor:** M/s NTPC were appointed as Project Consultant, in March'23, who have prepared the tender specification for selection of EPC vendor, which was issued on 7th Feb'24. Pre-bid conference against the tender was conducted on 5th July'24 & responses against pre-bid queries have been uploaded on 29.08.2024. The Techno Commercial Bid has been opened on 20.11.2024 and case is under process.
- **Loan:** M/s PFC & M/s REC have both issued Loan sanctioning letters considering 80% of project cost, in Sept'23.
- **PPA:** Energy Deptt., GoMP has accorded Administrative approval to MPPMCL for execution of PPA for Procurement of Power; in May' 24.
- Targeted commissioning is in FY 2029-30.



(c) **ERP Project(e-GENCO)**

MPPGCL has initiated Project e-Genco for establishing the necessary Information and Communication Technology (ICT) infrastructure, implementing an ERP solution for automation of its business processes and establishing a Generation Control Centre.

1. **Data Centre:** Memorandum of Understanding (MoU) has been signed between MPPGCL and MPSEDC for establishing MPPGCL's Data Centre in Co-Location Mode at MPSDC, Bhopal. MPPGCL owned hardware & software are installed and commissioned at MPSDC.
2. **Email Solution:** Implemented and Functional.
3. **Video Conferencing Solution:** Implemented and Functional.
4. **WAN Connectivity:**
 - i. Awarded to BSNL.
 - ii. Installation Work has been completed at all sites except Jhinna HPS.
5. **ERP Solution:**
 - i. Contract Agreement signed with M/s Accenture on 11.03.2022 and work of Implementation of ERP Solution commenced in April 2022.
 - ii. Work is towards completion. Go-live phase has been started and handholding of multiple modules is under process. After handholding, system shall be made fully functional.
6. **LAN Solution:**
 - i. Letter of Award (LoA) issued to M/s Takyon on 28th March'2022.
 - ii. The cabling work (passive work) at HQ, Jabalpur and all the power houses has been completed.



- iii. Installation and commissioning work of active material is completed. The work of network connectivity is almost in completion stage and other balance works are likely to be completed shortly.
7. **Consultancy:** M/s Deloitte is Program Management Consultant of MPPGCL for the Project e-Genco.
8. **GCC Solution:** Yet to be implemented

In the instant petition, the expenditure towards project e-GENCO of MPPGCL has not been considered. However, after completion of the project, MPPGCL shall approach Hon'ble Commission through separate Petition for permitting the Capital Expenditure in Tariff.

(d) Renovation and Modernization of Hydel Power Stations.

MPPGCL has proposed Renovation and Modernization of following Hydel Power Stations, which have already completed their Useful life or are at fag end of their respective Useful life as per CEA guidelines for Renovation and Modernization to ensure the reliable and continuous generation from these units in future:-

- a) Gandhi Sagar HPS (5x23MW).
- b) Pench HPS (2x80MW)
- c) Bargi HPS (2x45MW)

As per prevailing MPERC Regulations, MPPGCL shall approach the Hon'ble Commission through separate petitions for obtaining approval of Hon'ble MPERC for carrying out Renovation and Modernization works in these stations.



2. PERFORMANCE PARAMETERS AND OPERATING NORMS

2.1 Thermal Power Stations

2.1.1 Gross Generation

The actual Gross generation in MU of Thermal Power Stations for FY 2023-24 is shown in the table below. The Energy Department vide letter No. F-03-09/2017/13/10 dated 07.11.2024 has informed the Government of Madhya Pradesh has granted approval for retirement/ de-commissioning of PH-2 & 3 of STPS, Sarni w.e.f. 30.09.2024:

Actual Gross Generation (MU) for FY 2023-24

Table 2.1.1.1 in MU

Name of TPS	Actual Gross Generation
ATPS Chachai PH-3	1804
STPS Sarni PH- 2 & 3	0
STPS Sarni PH- 4	3901
SGTPS Birsinghpur PH-1 & 2	5097
SGTPS Birsinghpur PH-3	2895
SSTPP Khandwa PH-1	7074
SSTPP Khandwa PH-2	7857
Total	28628

2.1.2 Plant Availability Factor

The comparison between NAPAF as approved in Regulations,2020 vis-à-vis the actual Annual PAF for FY 2023-24 is shown in the table below:

Normative v/s Actual PAF (%) for FY 2023-24

Table 2.1.2.1 in %

Name of TPS	As per MPERC Regulation,2020	MPPGCL Actual PAF	Difference
ATPS Chachai PH-3	85.0%	99.39%	14.39%
STPS Sarni PH- 2 & 3	70.0%	0.00%	--
STPS Sarni PH-4	85.0%	92.59%	7.59%
SGTPS Birsinghpur PH-1 & 2	75.0%	72.74%	-2.26%
SGTPS Birsinghpur PH-3	85.0%	68.42%	-16.58%
SSTPP Khandwa PH-1	85.0%	74.57%	-10.43%
SSTPP Khandwa PH-2	85.0%	72.67%	-12.33%



2.1.3 Plant Load Factor

The comparison between NAPLF as approved in Regulations, 2020 vis-à-vis the actual Annual PLF for FY 2023-24 is shown in the table below:

Normative v/s Actual PLF (%) for FY 2023-24

Table 2.1.3.1 in %

Name of TPS	As per MPERC Regulation,2020	MPPGCL Actuals APLF	Difference
ATPS Chachai PH-3	85.0%	97.81%	12.81%
STPS Sarni PH- 2 & 3	70.0%	0.00%	--
STPS Sarni PH-4	85.0%	88.81%	3.81%
SGTPS Birsinghpur PH-1 & 2	75.0%	69.08%	-5.92%
SGTPS Birsinghpur PH-3	85.0%	65.91%	-19.09%
SSTPP Khandwa PH-1	85.0%	67.11%	-17.89%
SSTPP Khandwa PH-2	85.0%	67.76%	-17.24%

2.1.4 Auxiliary Consumption

A comparison between auxiliary consumption as approved in Regulations,2020 vis-à-vis the actual auxiliary consumption levels of power stations of MPPGCL is as given below:-

Normative v/s Actual Auxiliary Consumption (%) for FY 2023-24

Table 2.1.4.1 in %

Name of TPS	As per MPERC Regulation,2020	MPPGCL Actuals	Difference
ATPS Chachai PH-3	9.00%	9.21%	0.21%
STPS Sarni PH-2 & 3	10.00%	0.00%	--
STPS Sarni PH-4	8.50%	8.22%	-0.28%
SGTPS Birsinghpur PH-1 & 2	10.00%	9.89%	-0.11%
SGTPS Birsinghpur PH-3	5.75%	6.62%	0.87%
SSTPP Khandwa PH-1	5.75%	5.84%	0.09%
SSTPP Khandwa PH-2	5.75%	5.62%	-0.13%



2.1.5 Station Heat Rate

A comparison of SHR as approved in MPERC Generation Tariff Regulations,2020 vis-a-vis actual SHR for FY 2023-24 is shown in table below:

Normative v/s Actual Station Heat Rates for FY 2023-24

Table 2.1.5.1

in kCal/kWh

Name of TPS	As per MPERC Regulation,2020	MPPGCL Actuals	Difference
ATPS Chachai PH-3	2450	2325	-125
STPS Sarni PH-2 & 3	2850	0	--
STPS Sarni PH-4	2400	2344	-56
SGTPS Birsinghpur PH-1 & 2	2700	2718	18
SGTPS Birsinghpur PH-3	2390	2330	-60
SSTPP Khandwa PH-1	2384	2562	178
SSTPP Khandwa PH-2	2186	2327	141

2.1.6 Specific Oil Consumption

In the table below normative specific oil consumption as approved in MPERC Generation Tariff Regulations,2020 vis-à-vis the actual achieved by MPPGCL during FY 2023-24 have been elaborated.

Normative V/s Actual Specific Oil Consumption for FY 2023-24

Table 2.1.6.1

in ml/kWh

Name of TPS	As per MPERC Regulation,2020	MPPGCL Actuals	Difference
ATPS Chachai PH-3	0.50	0.10	-0.40
STPS Sarni PH-2 & 3	1.75	0.00	--
STPS Sarni PH-4	0.50	0.29	-0.21
SGTPS Birsinghpur PH-1 & 2	1.15	0.73	-0.42
SGTPS Birsinghpur PH-3	0.50	0.70	0.20
SSTPP Khandwa PH-1	0.50	0.59	0.09
SSTPP Khandwa PH-2	0.50	0.75	0.25



2.1.7 Transit and Handling losses.

In the table below, the Normative Transit and Handling Losses as approved in MPERC Generation Tariff Regulations,2020 vis-à-vis the actual achieved by MPPGCL during FY 2023-24 have been elaborated

Normative V/s Actual Transit and Handling losses for FY 2023-24

Table 2.1.7.1

in %

Name of TPS	As per MPERC Regulation,2020	MPPGCL Actuals	Difference
ATPS Chachai PH-3	0.80%	0.29%	-0.51%
STPS Sarni PH-2 & 3	0.80%	0.00%	--
STPS Sarni PH-4	0.80%	0.70%	-0.10%
SGTPS Birsinghpur PH-1 & 2	0.80%	0.54%	-0.27%
SGTPS Birsinghpur PH-3	0.80%	0.54%	-0.27%
SSTPP Khandwa PH-1	0.80%	0.17%	-0.63%
SSTPP Khandwa PH-2	0.80%	0.17%	-0.63%

2.1.8 Gains from Controllable Parameters

It is to humbly submit that Regulations 56.1 & 56.2 provides that the financial gains by the generating company on account of controllable parameters shall be shared between generating company and the beneficiaries on annual basis.

From the above, it is noted that the Regulations clearly specify that the gain achieved by the Company need to be shared with beneficiary. As such, since MPPGCL, as a Company, in totality has not achieved any financial gains on account of controllable parameters, therefore in accordance with regulations 56.2, no sharing of gains with the beneficiaries is required. MPPGCL humbly requests Hon'ble Commission to kindly consider the same.

However, it is also to submit that at ATPS PH-3 minor gain of Rs. 19.58 Crores, at STPS PH-4 gain of Rs. 30.53 Crores, SGTPS PH-1&2 gain of R. 6.31 Crores and SGTPS PH-3 gain of Rs. 7.57 Crores approx. has been achieved individually in FY 2023-24, therefore, the total sharable



gain (50%) works out to Rs. 31.99 Crores, whereas rests of the Power stations have not achieved any Financial Gains on account of Controllable parameters as per the regulation.

2.2 Hydro Stations

The generation from Hydro power stations depends upon the rains in catchments area of dams of respective power stations. The actual Gross generation in MU of Hydro Power Stations for FY 2023-24 is shown in the table below:

Actual Gross Generation (MU) for FY 2023-24

Hydro Power Station / Units	Design Energy	Actual Gross Generation	Diff.
Gandhi Sagar HPS	420.48	295	-125
Pench HPS	315.36	367	52
Rajghat HPS	87.60	102	15
Bargi HPS	508.08	452	-56
Bansagar 1,2&3 HPS	1156.00	1070	-86
Bansagar 4 HPS	80.10	133	53
Birsinghpur HPS	52.00	44	-8
Madhikheda HPS	74.12	49	-25

The Normative Plant Availability Factor of Hydro plants stations as approved in Regulations, 2020 vis-a-vis actual achieved by MPPGCL during FY 2023-24 have been elaborated below.

Normative v/s Actual Plant Availability Factor

Hydro Power Station / Units	As per MPERC Regulation, 2020	MPPGCL Actuals	Difference
Gandhi Sagar HPS	85.00%	42.18%	-42.82%
Pench HPS	85.00%	88.23%	3.23%
Rajghat HPS	60.00%	70.80%	10.80%
Bargi HPS	85.00%	97.54%	12.54%
Bansagar 1,2&3 HPS	85.00%	84.96%	-0.04%
Bansagar 4 HPS	85.00%	106.69%	21.69%
Birsinghpur HPS	85.00%	81.86%	-3.14%
Madhikheda HPS	85.00%	99.71%	14.71%



3. ENERGY CHARGES (VARIABLE CHARGES)

The Energy Charges (Variable Charges) have been billed in accordance with proviso 18, 19 & 43 of MPERC (Terms & Condition for determination of Generation Tariff) (Revision-IV) Regulations, 2020. Therefore, no truing up of Energy Charges has been considered in this petition.



4. CAPACITY (FIXED) CHARGES -

4.1 O&M EXPENSES

4.1.1 The Hon'ble Commission, in "MPERC (Terms and Conditions of Generation Tariff) Regulations, 2020 {RG-26 (IV) of 2020}" clause no. 40.1 & 40.2, has specified the rate for O&M expenses for Thermal stations for FY 2019-20 to FY 2023-24, as given below.

"The Operation and Maintenance expenses admissible to the thermal power stations declared under commercial operation prior to 01.04.2012 comprise of employee cost, Repair & Maintenance (R&M) cost and Administrative and General (A&G) cost.

"40.1 These norms for O&M exclude Pension and Terminal Benefits, EL encashment, and arrears to be paid to employees, taxes payable to the Government, and fees payable to MPERC. The generating company shall claim the rate, rent & taxes payable to the Government, cost of chemicals and consumables, fees to be paid to MPERC, EL encashment and any arrears paid to employees separately as actual. If the O&M expenses as per norms provided in these Regulations are more than the actual total O&M expenses including arrears if any, as per audited accounts of generating company, the O&M expenses to the extent of normative O&M expenses shall be allowed.

The claim of pension and Terminal Benefits shall be dealt as per Regulation 39.4 of these Regulations."

O&M Norms for Thermal Generating Units achieved CoD prior to 01.04.2012

Table 4.1.1.1

Rs. In Lakhs/MW

Thermal Units (Old) (MW)	FY 20	FY 21	FY 22	FY 23	FY 24
200/210/250	28.30	29.29	30.32	31.39	32.49
500	22.72	23.52	24.34	25.2	26.08



4.1.2 The Operation and Maintenance Expenses norms of Thermal Power Stations commissioned on or after 01.04.2012 are: -

O&M Norms for Thermal Generating Units achieved CoD on or after 01.04.2012

Table 4.1.2.1 Rs. In Lakhs/MW

Thermal Units (MW)	FY 20	FY 21	FY 22	FY 23	FY 24
200/210/250	32.96	34.12	35.31	36.56	37.84
600/660	20.26	20.97	21.71	22.47	23.26

4.1.3 Hon'ble Commission, in "MPERC (Terms and Conditions of Generation Tariff) Regulations, 2020 {RG-26 (IV) of 2020}" clause no. 41.1 & 41.2, has proposed the rate for O&M expenses for Hydro stations for FY 2019-20 to FY 2023-24, as given below.

" 40.1 The Operation and Maintenance expenses admissible to existing hydro power stations comprise of employee cost, Repair & Maintenance (R&M) cost and Administrative and General (A&G) cost. These norms for O&M exclude Pension and Terminal Benefits, EL encashment, and arrears to be paid to employees, taxes payable to the Government, and fees payable to MPERC.

The generating company shall claim the rate, rent & taxes payable to the Government, cost of chemicals and consumables, fees to be paid to MPERC, EL encashment and any arrears paid to employees separately as actual. If the O&M expenses as per norms provided in these Regulations are more than the actual total O&M expenses including arrears if any, as per audited accounts of generating company, the O&M expenses to the extent of normative O&M expenses shall be allowed.

The claim of pension and Terminal Benefits shall be dealt as per Regulation 39.4 of these Regulations."



“ 41.2 The following operations and maintenance expenses norms shall be applicable for the existing hydro generating stations which have achieved COD prior to 01.04.2019:”

O&M Norms for Hydel Power Stations

Table 4.1.3.1. Rs. In Lakhs/MW

Hydro Units	FY 20	FY 21	FY 22	FY 23	FY 24
All capacity	11.34	11.74	12.16	12.58	13.02

4.1.4 The Power Station wise O&M expenditure for FY 2023-24 as per Hon’ble Commission’s Multi Year Tariff order dated 19.05.2021 before applying Actual Availability is tabulated below:

Table No. 4.1.4.1 in Rs. Crores

S.No.	Station	Order for Petition No.	Page No.	As per MPERC orders/ Norms	As considered by MPPGCL on Norms	Diff. Rs. Crs.
1	ATPS PH-3	53/2020	59	68.23	68.23	0.00
2	STPS PH-2&3	53/2020	59	269.67	269.67	0.00
3	STPS PH-4	53/2020	59	189.20	189.20	0.00
4	SGTPS PH-1&2	53/2020	59	272.92	272.92	0.00
5	SGTPS PH-3	53/2020	59	130.40	130.40	0.00
6	SSTPP PH-1	53/2020	59	279.12	279.12	0.00
7	SSTPP PH-2	53/2020	59	307.03	307.03	0.00
8	Total Thermal			1516.56	1516.56	0.00
9	Gandhi Sagar	53/2020	59	14.97	14.97	0.00
10	Pench	53/2020	59	20.83	20.83	0.00
11	Rajghat	53/2020	59	5.86	5.86	0.00
12	Bargi	53/2020	59	11.72	11.72	0.00
13	Bansagar PH-1,2&3	53/2020	59	52.73	52.73	0.00
14	Bansagar PH-4	53/2020	59	2.60	2.60	0.00
15	Birsinghpur	53/2020	59	2.60	2.60	0.00
16	Madhikheda	53/2020	59	7.81	7.81	0.00
17	Total Hydro			119.12	119.12	0.00
Total				1635.70	1635.70	0.00



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4.1.5 The Power Station wise O&M expenditure for FY 2023-24 as per Hon'ble Commission's Multi Year Tariff order dated 19.05.2021, and that after applying Actual Availability is tabulated below:

Table No. 4.1.5.1

in Rs. Crores

S. No.	Station	Order for Petition No.	Page No.	As per MPERC orders/ Norms	As considered by MPPGCL on Actual Availability	Diff.
1	ATPS PH-3	53/2020	59	68.23	68.23	0.00
2	STPS PH-2&3	53/2020	59	269.67	0.00	-269.67
3	STPS PH-4	53/2020	59	189.20	189.20	0.00
4	SGTPS PH-1&2	53/2020	59	272.92	264.70	-8.22
5	SGTPS PH-3	53/2020	59	130.40	104.96	-25.44
6	SSTPP PH-1	53/2020	59	279.12	244.87	-34.25
6	SSTPP PH-2	53/2020	59	307.03	262.49	-44.54
7	Total Thermal			1516.56	1134.45	-382.12
8	Gandhi Sagar	53/2020	59	14.97	11.20	-3.77
9	Pench	53/2020	59	20.83	21.23	0.40
10	Rajghat	53/2020	59	5.86	6.39	0.53
11	Bargi	53/2020	59	11.72	12.58	0.86
12	Bansagar PH-1,2&3	53/2020	59	52.73	52.72	-0.01
13	Bansagar PH-4	53/2020	59	2.60	2.93	0.33
14	Birsinghpur	53/2020	59	2.60	2.55	-0.05
15	Madhikheda	53/2020	59	7.81	8.49	0.68
16	Total Hydro			119.12	118.08	-1.04
Total				1635.70	1252.54	-383.15



At present, Hon'ble Commission has permitted MPPTCL (STU) to make payment of Pension & Terminal Benefits to retired employees of erstwhile MPSEB/MPEB including companies on "Pay as you go basis", The expenses towards Pension & Terminal Benefits have not been covered in the instant petition, in case MPPGCL in future is vested with such responsibilities, it shall approach Hon'ble Commission for allowance of the same in tariff.

- 4.1.6** MPPGCL humbly request Hon'ble Commission to kindly consider the O&M expenses as elaborated above.



4.2 SPECIAL ALLOWANCE: -

4.2.1 The proviso 30 of “MPERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020 {RG-26 (IV) of 2020}” provides that the Generating Company, in case of thermal generating stations, instead of availing R&M may opt to avail a “special allowance” in accordance with the norms specified in the Regulations, as compensation for meeting the requirement of expenses including renovation and modernization beyond the useful life of the generating station or a unit thereof, and in such an event, upward revision of the capital cost shall not be allowed and the applicable operational norms shall not be relaxed but the special allowance shall be included in the annual fixed cost.

The Hon’ble Commission vide MTY order dated 19.05.2021 in petition No. 53 of 2020 has permitted Special Allowance for Units of PH-2 &3 STPS, Sarni upto FY 2019-20 to FY 2023-24. Accordingly, the Truing up of the same has been considered in the instant petition.

Further, Hon’ble Commission vide order dated 27.07.2023 in Petition No.11 of 2023, has permitted recovery of Special Allowance (w.e.f. 01.04.2023) for PH-1, SGTPS, Birsinghpur on completion of Useful life. Similarly, Hon’ble Commission vide order dated 17.01.2024 in Petition No.52 of 2023 has permitted Special Allowance (w.e.f. 27.02.2024) for Unit No.3, PH-2, SGTPS, Birsinghpur on completion of Useful life.

Accordingly, Special allowance for these Power Stations have been worked out at Normative Availability is elaborated in the table below: -



Table No.4.2.1.1

Amount in Rs. Crores.

S. No	Particulars	As per MPERC Orders for FY 24	MPPGCL as per Norms	Diff.
1	STPS PH 2&3	78.85	78.85	0.00
2	SGTPS PH-1	39.90	39.90	0.00
3	SGTPS Unit-3	1.804	1.804	0.00
Total Thermal		120.55	120.55	0.00

The total amount of Special Allowance after applying Actual Availability is elaborated in the table below: -

Table No. 4.2.1.2

Amount in Rs. Crores.

S. No	Particulars	As per MPERC Orders for FY 24	MPPGCL as per Actual Availability	Diff.
1	STPS PH 2&3	78.85	0.00	-78.85
2	SGTPS PH-1	39.90	38.70	-1.20
3	SGTPS Unit-3	1.804	1.75	-0.05
Total Thermal		120.55	40.45	-80.11

4.2.2 MPPGCL humbly request Hon'ble Commission to kindly consider the Special Allowances as elaborated above.



4.3 OTHER CHARGES

Other Charges comprises of MPERC Fees & Publication Charges, Rent, Rates & Taxes, and Cost of Chemical & Consumable and Water Charges which are payable to Government have been paid based on rates specified by GoMP.

4.3.1 MPERC Fees & Publication Expenses

Proviso 65.1 of MPERC Generation Tariff Regulations, 2020 provides claim of MPERC Fee and Publication Expenses on actuals. The details of Fees actually paid to MPERC for various petitions and Publication expenses (Rs. 0.02 Crores booked in ATPS PH-3) thereof incurred during FY 2023-24 are shown in table below:

Table No.4.3.1.1 in Rs. Crores

S.No.	Power Station	MPERC Fee + Publication Exp.
1	ATPS PH-3	0.06
2	STPS PH-2&3	0.17
3	STPS PH-4	0.10
4	SGTPS PH-1&2	0.17
5	SGTPS PH-3	0.10
6	SSTPP PH-1	0.24
7	SSTPP PH-2	0.27
8	Total Thermal	1.11
9	Gandhi Sagar HPS	0.02
10	Pench HPS	0.03
11	Rajghat HPS	0.01
12	Bargi HPS	0.02
13	Bansagar PH-1,2&3 HPS	0.08
14	Bansagar PH-4	0.00
15	Birsinghpur HPS	0.00
16	Madhikheda HPS	0.01
17	Total Hydro	0.18
Total		1.29



4.3.2 Cost of Chemicals & Consumables:

The Regulation 40.1 & 41.1 provides for claiming Cost of Chemicals and Consumables, separately on actual. Accordingly the cost of Chemicals and Consumables as captured in audited Books of accounts for FY 2023-24 at Note No. 27.2 “Other Cost of generation” Sl. No. 2 & 3 page 78, factored to represent 100% capacity operated by MPPGCL has been worked out.

The Power station wise details of Cost of Chemicals and Consumables in FY 2023-24 are shown in Table below: -

Table No.4.3.2.1 in Rs. Crores

S.No.	Power Station	Cost of Chemicals, Lubricants & Consumables
1	ATPS PH-3	1.09
2	STPS PH-2&3	0.00
3	STPS PH-4	1.59
4	SGTPS PH-1&2	3.30
5	SGTPS PH-3	1.97
6	SSTPP PH-1	7.92
7	SSTPP PH-2	2.10
8	Total Thermal	17.97
9	Gandhi Sagar HPS	0.45
10	Pench HPS	0.04
11	Rajghat HPS	0.43
12	Bargi HPS	0.00
13	Bansagar PH-1,2&3 HPS	1.39
14	Bansagar PH-4	0.07
15	Birsinghpur HPS	0.00
16	Madhikheda HPS	0.05
17	Total Hydro	2.42
Total		20.39



4.3.3 Rent, Rates & Taxes

Rent, Rates and Taxes for power stations of MPPGCL has been taken on actual basis. The Regulation 40.1 & 41.1 provides for claiming Rent, Rate & Taxes separately on actual. Accordingly, the Rent, Rate & Taxes as captured in audited Books of accounts for FY 2023-24 at Note No. 31.1 "Other Expenses" Sl. No. 1 & 3 at page 83, factored to represent 100% capacity operated by MPPGCL has been worked out.

The Power station wise details Rent, Rate & Taxes in FY 2023-24 are shown in table below:

Table No.4.3.3.1 in Rs. Crores

S.No.	Power Station	Rent, Rates & Taxes
1	ATPS PH-3	0.00
2	STPS PH-2&3	0.00
3	STPS PH-4	1.14
4	SGTPS PH-1&2	0.03
5	SGTPS PH-3	0.02
6	SSTPP PH-1	0.00
7	SSTPP PH-2	0.00
8	Total Thermal	1.20
9	Gandhi Sagar HPS	0.01
10	Pench HPS	0.00
11	Rajghat HPS	0.01
12	Bargi HPS	0.00
13	Bansagar PH-1,2&3 HPS	0.19
14	Bansagar PH-4	0.01
15	Birsinghpur HPS	0.00
16	Madhikheda HPS	0.01
17	Total Hydro	0.23
Total		1.43



4.3.4 Water Charges

Water Charges are payable to Government on rates specified by GoMP. The Regulation 65.2 provides for claiming Water Charges separately on actual. Accordingly the Water Charges as captured in audited Books of accounts for FY 2023-24 at Note No. 27.2 "Other Cost of generation" Sl. No. 1 page 78, factored to represent 100% capacity operated by MPPGCL has been worked out.

The Power station wise details of Water Charges paid in FY 2023-24 are shown in Table below:-

Table No.4.3.4.1 in Rs. Crores

S.No.	Power Station	Water Charges
1	ATPS PH-3	6.73
2	STPS PH-2&3	0.00
3	STPS PH-4	10.80
4	SGTPS PH-1&2	15.29
5	SGTPS PH-3	9.10
6	SSTPP PH-1	28.93
7	SSTPP PH-2	31.82
8	Total Thermal	102.66
9	Gandhi Sagar HPS	18.55
10	Pench HPS	0.03
11	Rajghat HPS	0.00
12	Bargi HPS	20.76
13	Bansagar PH-1,2&3 HPS	24.34
14	Bansagar PH-4	1.20
15	Birsinghpur HPS	0.92
16	Madhikheda HPS	3.07
17	Total Hydro	68.87
Total		171.53



4.3.5 EL Encashment.

The Regulation 40.1 & 41.1 provides for claiming EL Encashment separately on actual. Accordingly the EL Encashment as captured in audited Books of accounts for FY 2023-24 Note No. 28 “Employees Benefit Expenses”, Sl. No. 13 page 80, factored to represent 100% capacity operated by MPPGCL has been worked out.

The Power station wise details of Leave Encashment in FY 2023-24 are shown in table below:

Table No.4.3.5.1 in Rs. Crores

S.No.	Power Station	EL Encashment
1	ATPS PH-3	2.53
2	STPS PH-2&3	0.65
3	STPS PH-4	5.45
4	SGTPS PH-1&2	4.11
5	SGTPS PH-3	2.45
6	SSTPP PH-1	2.74
7	SSTPP PH-2	1.42
8	Total Thermal	19.35
9	Gandhi Sagar HPS	0.52
10	Pench HPS	0.59
11	Rajghat HPS	0.37
12	Bargi HPS	0.53
13	Bansagar PH-1,2&3 HPS	1.42
14	Bansagar PH-4	0.07
15	Birsinghpur HPS	0.72
16	Madhikheda HPS	0.37
17	Total Hydro	4.58
Total		23.93



4.3.6 Total Other Charges

Considering the above elements, the overall Other Charges work out to be Rs.218.57 Crores. MPPGCL humbly prays before Hon'ble Commission to permit the same:-

Table No.4.3.6.1 in Rs. Crores

S. No.	Particulars	Total
1	Rent, Rates & Taxes	1.43
2	Water Charges	171.53
3	Cost of Chemicals & Consumables	20.39
4	MPERC Fee + Publication Exp.	1.29
5	EL Encashment	23.93
Total		218.57

Power station wise details of Other Charges

Table No.4.3.6.2 in Rs. Crores

S.No.	Power Station	Rent,Rates & Taxes	Water Charges	Cost of Chemicals & Consumables	MPERC Fee + Publication Exp.	EL Encashment	Total
1	ATPS PH-3	0.00	6.73	1.09	0.06	2.53	10.41
2	STPS PH-2&3	0.00	0.00	0.00	0.17	0.65	0.82
3	STPS PH-4	1.14	10.80	1.59	0.10	5.45	19.07
4	SGTPS PH-1&2	0.03	15.29	3.30	0.17	4.11	22.90
5	SGTPS PH-3	0.02	9.10	1.97	0.10	2.45	13.63
6	SSTPP PH-1	0.00	28.93	7.92	0.24	2.74	39.84
7	SSTPP PH-2	0.00	31.82	2.10	0.27	1.42	35.61
8	Total Thermal	1.20	102.66	17.97	1.11	19.35	142.28
9	Gandhi Sagar HPS	0.01	18.55	0.45	0.02	0.52	19.56
10	Pench HPS	0.00	0.03	0.04	0.03	0.59	0.69
11	Rajghat HPS	0.01	0.00	0.43	0.01	0.37	0.82
12	Bargi HPS	0.00	20.76	0.00	0.02	0.53	21.30
13	Bansagar PH-1,2&3	0.19	24.34	1.39	0.08	1.42	27.42
14	Bansagar PH-4 HPS	0.01	1.20	0.07	0.00	0.07	1.35
15	Birsinghpur HPS	0.00	0.92	0.00	0.00	0.72	1.64
16	Madhikheda HPS	0.01	3.07	0.05	0.01	0.37	3.51
17	Total Hydro	0.23	68.87	2.42	0.18	4.58	76.29
Total		1.43	171.53	20.39	1.29	23.93	218.57

MPPGCL humbly request Hon'ble Commission to kindly permit the same.



4.4 ADDITIONAL CAPITALIZATION / DE-CAPITALIZATION & FUNDING THEREOF-

4.4.1. As per MPERC (Terms and Conditions of Generation Tariff) Regulations, 2020 {RG-26 (IV) of 2020} proviso 26, 27 & 28, the Thermal & Hydro power stations are eligible for claiming Additional Capital Expenditure in respect of New/ Existing projects. The provisos are reproduced hereunder :-

“26. Additional Capitalization within the original scope and upto cut-off date:

26.1 The additional capital expenditure in respect of the new project or an existing project incurred or projected to be incurred, on the following counts within the original scope of work, after the date of commercial operation and up to the cut-off date may be admitted by the Commission, subject to prudence check:

- (i) Un-discharged liabilities recognized to be payable at a future date;*
- (ii) Works deferred for execution;*
- (iii) Procurement of initial capital spares within the original scope of work, in accordance with the provisions of Regulation 25 of these Regulations;*
- (iv) Liabilities to meet award of arbitration or for compliance of the directions or order of the any statutory authority or the order or decree of a court of law;*
- (v) Change in law or compliance of any existing law; and*
- (vi) Force Majeure events:*

Provided that in case of any replacement of the assets, the additional capitalization shall be worked out after adjusting the gross fixed assets and cumulative depreciation of the assets replaced on account of de-capitalization.



26.2 *The generating company shall submit the details of works asset wise/work wise included in the original scope of work along with estimates of expenditure, liabilities recognized to be payable at a future date and the works deferred for execution along with the application for determination of tariff.*

27. Additional Capitalization within the original scope and after the cut-off date:

27.1 *The additional capital expenditure incurred or projected to be incurred in respect of an existing project or a new project on the following counts within the original scope of work and after the cut-off date may be admitted by the Commission, subject to prudence check:*

- (i) Liabilities to meet award of arbitration or for compliance of the directions or order of any statutory authority, or order or decree of any court of law;*
- (ii) Change in law or compliance of any existing law: 36*
- (iii) Deferred works relating to ash pond or ash handling system including ash transportation facility in the original scope of work;*
- (iv) Liability for works executed prior to the cut-off date;*
- (v) Force majeure events;*
- (vi) Liability for works admitted by the Commission after the cut-off date to the extent of discharge of such liabilities by actual payment; and*
- vii) Additional capitalization on account of raising of ash dyke as a part of ash disposal system.*

27.2 *In case of replacement of assets deployed under the original scope of the existing project after cut-off date, the additional capitalization may be admitted by the Commission, after making necessary adjustments in the gross fixed assets and the cumulative depreciation, subject to prudence check on the following grounds:*



- (a) The useful life of the assets is not commensurate with the useful life of the project and such assets have been fully depreciated in accordance with the provisions of these Regulations;*
- (b) The replacement of the asset or equipment if necessary, on account of change in law or Force Majeure conditions;*
- (c) The replacement of such asset or equipment is necessary on account of obsolescence of technology; and*
- (d) The replacement of such asset or equipment has otherwise been allowed by the Commission.*

28. Additional Capitalization beyond the original scope:

28.1 *The capital expenditure in respect of existing generating station incurred or projected to be incurred on the following counts beyond the original scope, may be admitted by the Commission, subject to prudence check:*

- (a) Liabilities to meet award of arbitration or for compliance of the order or directions of the any statutory authority, or order or decree of any court of law;*
- (b) Change in law or compliance of any existing law;*
- (c) Force Majeure Events;*
- (d) Any capital expenditure to be incurred on account of need for higher security 37 and safety of the plant as advised or directed by appropriate Government Agencies or statutory authorities responsible for national security/ internal security;*
- (e) Deferred works relating to ash pond or ash handling system in addition to the original scope of work, on case to case basis: Provided that if any expenditure has been claimed under Renovation and Modernization (R&M) or repairs and maintenance under O&M expenses, the same expenditure cannot be claimed under this Regulation; and*
- (f) Usage of water from sewage treatment plant in thermal generating station."*



Considering above, MPPGCL has claimed additional capital expenditure as per Audited Books of Accounts for FY 2023-24. The Station wise details are as under:-

ATPS 210MW PH-3

- 4.4.2.** The extension Unit No.5 (210MW) ATPS was commissioned on 10.09.2009. The Hon'ble Commission vide order dated 01.05.2012 has determined the Final Generation Tariff for said unit for FY 2009-10 & FY 2010-11 on actual basis and FY 2011-12 on projected basis.
- 4.4.3.** Further, in its True up order for respective years, the Hon'ble Commission has approved the additional Capitalization in accordance with provisions of MPERC Regulations.
- 4.4.4.** The additional asset capitalization at ATPS PH-3 (210MW) as per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are detailed hereunder:

Table No.4.4.4.1

Rs. Crores

A/c Code	Description	Amount
10.101	Land Owned Under Full Title	0.06
10.102	Land held under lease	0.05
10.322	Drainage And Sewerage Residential Colony	0.01
10.520	Instrumentation And Control	0.18
10.523	Switch Yard	0.04
10.800	Furniture And Fixtures	0.01
10.904	Others office Equipments	0.05
10.905	Computers	0.07
Total		0.47



STPS PH-2&3

4.4.5. MPPGCL has opted for Special Allowance for STPS PH-2&3. The Hon'ble Commission vide order dated 14.07.2016 in petition No. 08 of 2016 has permitted Special Allowance for Units of PH-2 & 3 STPS, Sarni upto FY 2018-19.

4.4.6. Further, the Hon'ble Commission vide MTY order dated 19.05.2021 in petition No. 53 of 2020 has permitted Special Allowance for Units of PH-2 & 3 STPS, Sarni for the Control Period from FY 2020-21 to FY 2023-24.

Accordingly, MPPGCL is not claiming any additional capitalization on these Units.

STPS PH-4

4.4.7. The Unit No.10 & 11 (2x250MW) of STPS PH-4 was commissioned on 18.08.2013 and 16.03.2014 respectively. The Hon'ble Commission vide order dated 07.01.2016 has determined the Final tariff of STPS PH-4(2x250MW) for FY 14 on actual basis and FY 15 & FY 16 on projected basis.

4.4.8. Further, in its True up order for respective years, the Hon'ble Commission has approved the additional Capitalization in accordance with provisions of MPERC regulations.

4.4.9. The additional asset capitalization at STPS PH-4(2x250MW) as per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are detailed hereunder:

Table No.4.4.9.1

in Rs. Crores

A/c Code	Description	Amount
10.102	Land held under lease	0.77
10.401	Pucca roads-With RCC	2.87
10.501	Boiler Plant and equipments	0.65
10.507	Ash handling plant	0.58



A/c Code	Description	Amount
10.520	Instrumentation And Control	0.47
10.523	Switch Yard	0.19
10.543	Other transmission plant, transformer kiosks, sub-station equipment and other fixed apparatus	0.41
10.551	Material handling equipments-Earth-movers, Bulldozers	3.34
10.588	Chemical Lab Equipment	0.10
10.800	Furniture And Fixtures	0.01
10.904	Others office Equipments	0.04
10.905	Computers	0.02
11.603	Capital Over Haul Turbine & Generator	3.69
Total		13.14

SGTPS PH-1&2

4.4.10. The Hon'ble Commission vide order dated 27.07.2023 in Petition No.11 of 2023, has permitted recovery of Special Allowance (w.e.f. 01.04.2023) for PH-1, SGTPS, Birsinghpur on completion of Useful life.

Similarly, Hon'ble Commission vide order dated 17.01.2024 in Petition No.52 of 2023 has permitted Special Allowance (w.e.f. 27.02.2024) for Unit No.3, PH-2, SGTPS, Birsinghpur on completion of Useful life.

Accordingly, MPPGCL is not claiming any additional capitalization on these Units.

SGTPS PH-3

4.4.11. The extension Unit No. 5 (500MW) SGTPS was commissioned on 28.08.2008. The Hon'ble Commission vide order dated 26.02.2013 has determined the Final Generation Tariff for FY 2008-09,



FY 2009-10 & FY 2010-11 on actual basis and FY 2011-12 on projected basis.

4.4.12. Further, vide True up order for respective years; the Hon'ble Commission has approved the additional Capitalization for said years in accordance with MPERC Regulations.

4.4.13. The additional asset capitalization at SGTPS PH-3 (500MW) as per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are detailed hereunder:

Table No.4.4.13.1 in Rs. Crores

A/c Code	Description	Amount
10.520	Instrumentation And Control	2.65
10.905	Computers	0.02
11.300	Capital Spares	0.05
Total		2.72

SSTPP PH-1:-

4.4.14. The unit No.1 & 2 (2x600MW) of SSTPP PH-1 was commissioned on 01.02.2014 and 28.12.2014 respectively. The Hon'ble Commission vide order dated 30.12.2017 in petition No. 09 of 2015 has determined the Final Generation Tariff of SSTPP PH-1 from CoD of respective units to 31.03.2016.

4.4.15. Further, vide True up order for respective years; the Hon'ble Commission has approved the additional Capitalization for said years in accordance with MPERC Regulations.

4.4.16. The additional asset capitalization at SSTPP PH-1 (2x600MW) as per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are detailed hereunder:

Table No.4.3.16.1 in Rs. Crores

A/c Code	Description	Amount
10.101	Land owned under full title	2.98
10.102	Land held under lease	0.20



A/c Code	Description	Amount
10.233	Other buildings	0.47
10.412	Railway sidings	0.88
10.420	Boundary wall for civil building	0.40
10.426	Ash Bund for thermal power station	2.99
10.515	Coal handling plant and handling equipments	0.84
10.520	Instrumentation And Control	0.45
10.578	Air-Conditioning & Ventilation System	0.54
10.588	Chemical Lab Equipment	0.01
10.800	Furniture And Fixtures	0.03
10.904	Others office Equipments	0.18
10.905	Computers	0.07
11.300	Capital Spares	0.20
11.603	Capital Over Haul Turbine & Generator	3.57
Total		13.81

SSTPP PH-2

4.4.17. The unit No.1 & 2 (2x660MW) of SSTPP PH-2 was commissioned on 18.11.2018 and 27.03.2019 respectively. The Hon'ble Commission vide order dated 18.05.2021 in petition No. 25 of 2020 has determined the Final Generation Tariff of SSTPP PH-2 from CoD of respective units to 31.03.2019. Further, vide True up order for respective years; the Hon'ble Commission has approved the additional Capitalization for said years in accordance with MPERC Regulations.

4.4.18. The additional asset capitalization at SSTPP PH-2 (2x660MW) as per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are detailed hereunder:



Table No.4.4.18.1

in Rs. Crores

A/c Code	Description	Amount
10.412	Railway sidings	1.01
10.515	Coal handling plant and handling equipments	0.62
10.588	Chemical Lab Equipment	0.29
10.904	Others office Equipments	0.01
10.905	Computers	0.01
11.300	Capital Spares	0.44
Towards Price Variation		
10.233	Other buildings	0.20
10.401	Pucca roads-With RCC	0.20
10.412	Railway sidings	0.54
10.426	Ash Bund for Thermal Power Station	0.01
10.507	Ash handling plant	0.14
10.509	Auxiliaries in steam power plant	0.03
10.515	Coal handling plant and handling equipments	0.21
10.516	Oil storage tanks, oil handling plant and equipments	0.13
10.522	Misc. Pump	0.002
10.523	Switch Yard	0.01
10.542	Other transformers- Power House	0.22
10.578	Air-Conditioning & Ventilation System	0.02
10.585	DG Set for Emergency Power	0.01
10.599	Other misc. equipments including fire protection system	0.0005
Total		4.09

Gandhi Sagar HPS

4.4.19. Asset addition as captured in the Annual Statement of Accounts of MPPGCL for FY 2023-24 at Gandhi Sagar Hydro Power Station amounts to Rs. 0.21 Crores. The same is considered in the instant petition. The account code details of assets capitalized are as under:-

Table No.4.4.19.1

in Rs. Crores

A/c Code	Description	Amount
10.211	Office buildings	0.03
10.572	Communication equipments-Telephone lines & Telephones	0.004



A/c Code	Description	Amount
10.579	DG Set for Emergency Power	0.16
10.599	Other misc. equipments including fire protection system	0.01
Total		0.21

Pench HPS

4.4.20. The Asset capitalization was carried out at Pench Hydro Power Station during FY 2023-24 were mainly on account of Need based essential capital works. The details of additional asset capitalization at Pench Hydro Power Station per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are as under:-

Table No.4.4.20.1

in Rs. Crores

A/c Code	Description	Amount
10.531	Hydel Power Generation Plant	5.73
10.542	Other transformers- Power House	0.10
10.563	Batteries including charging equipments	0.01
10.571	Communication equipment-radio & high frequency carrier system	0.002
10.599	Other misc. equipments including fire protection system	0.002
10.904	Other office equipments	0.004
10.905	Computers	0.03
Total		5.87

Rajghat HPS

4.4.21. The Asset capitalization was carried out at Rajghat Hydro Power Station during FY 2023-24 were mainly on account of Need based essential capital works. The Asset addition as captured in the Annual Statement of Accounts of MPPGCL for FY 2023-24 at Rajghat Hydro Power Station amounts to Rs. 1.51 Crores and same is considered in instant petition. The account code details of assets capitalized is as under:-



Table No.4.3.21.1

in Rs. Crores

A/c Code	Description	Amount
10.531	Hydel Power Generation Plant	0.14
10.542	Other transformers- Power House	0.43
10.563	Batteries including charging equipments	0.04
10.583	Tools and tackles	0.01
10.599	Other misc. equipments including fire protection system	0.01
10.904	Other office equipments	0.03
10.905	Computers	0.02
11.603	Capital Over Haul Turbine & Generator	0.82
Total		1.51

Bargi HPS

4.4.22. The Asset capitalization was carried out at Bargi Hydro Power Station during FY 2023-24 were mainly on account of Need based essential capital works. The details of additional asset capitalization at Bargi Hydro Power Station per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are as under:-

Table No.4.4.22.1

in Rs. Crores

A/c Code	Description	Amount
10.520	Instrumentation And Controls	0.18
10.542	Other transformers- Power House	0.99
10.543	Other transmission plant, transformer kiosks, sub-station equipment and other fixed apparatus	0.17
10.561	Switchgear including cable connections	0.08
10.567	Lighting arrestors	0.08
10.599	Other misc. equipments including fire protection system	0.02
10.904	Other office equipments	0.005
Total		1.54



Bansagar PH-1, 2 & 3 HPS:-

4.4.23. The Asset capitalization was carried out at Bansagar PH-1, 2 & 3 HPS during FY 2023-24 were mainly on account of Need based essential capital works. The details of additional asset capitalization at Bansagar PH-1, 2 & 3 HPS per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are as under :-

Table No.4.4.23.1

in Rs. Crores

A/c Code	Description	Amount
10.531	Hydel Power Generation Plant	6.02
10.535	Auxiliaries in hydel power plant	0.20
10.542	Other transformers- Power House	1.92
10.543	Other transmission plant, transformer kiosks, sub-station equipment and other fixed apparatus	0.15
10.563	Batteries including charging equipments	0.42
10.572	Communication equipments-Telephone lines & Telephones	0.10
10.905	Computers	0.01
11.603	Capital Over Haul Turbine & Generator	26.70
Total		35.53

Bansagar PH-4 HPS:-

4.4.24. The Asset capitalization was carried out at Bansagar PH-4 HPS during FY 2023-24 were mainly on account of Need based essential capital works. The details of additional asset capitalization at Bansagar PH-4 HPS per the Audited books of Accounts for FY 2023-24 & considered in instant True up petition are as under :-

Table No.4.4.24.1

in Rs. Crores

A/c Code	Description	Amount
10.531	Hydel Power Generation Plant	0.24
10.535	Auxiliaries in hydel power plant	0.12
10.543	Other transmission plant, transformer kiosks, sub-station equipment and other fixed apparatus	0.24
10.572	Communication equipments-Telephone lines & Telephones	0.11
Total		0.71



Madhikheda HPS

4.4.25. Asset addition at Madhikheda HPS as captured in the Annual Statement of Accounts of MPPGCL for FY 2023-24 amounts to Rs. 0.02 Crores. The same is considered in the instant petition. The account code wise details of assets capitalized is as under:-

Table No.4.4.25.1

in Rs. Crores

A/c Code	Description	Amount
10.904	Others office equipments	0.02
Total		0.02

4.4.26. Considering above, the Power Station wise summary of Asset additions considered in the Instant petition is as under:

Asset Additions FY 2023-24

Table No.4.3.26.1

In Rs Crores

Station		Amount
1	ATPS PH-3	0.47
2	ATPS Chachai	0.47
3	STPS PH-2&3	0.00
4	STPS PH-4	13.14
5	STPS Total	13.14
6	SGTPS PH-1&2	0.00
7	SGTPS PH-3	2.72
8	SGTPS Total	2.72
9	SSTPP PH-1	13.81
10	SSTPP PH-2	4.09
11	Total Thermal	34.22
12	Gandhi Sagar	0.21
13	Pench	5.87
14	Rajghat	1.51
15	Bargi	1.54
16	Bansagar PH-1,2&3	35.53
17	Bansagar PH-4	0.71
18	Birsinghpur	0.00
19	Madhikheda	0.02
20	Total Hydro	45.38
Total		79.61

Note: No asset additions claimed at STPS PH-2&3 & SGTPS PH-1&2 as Special Allowance is allowed by Hon'ble Commission for said units



4.4.27. The power station wise funding details w.r.t. additional capitalization are summarized as under :-

Table No.4.4.27.1

in Rs. Crores

Stations		Additional Capitalization	Funding Through		
			Loan	Equity/ internal Resources	Total
1	ATPS PH-3	0.47	0.00	0.47	0.47
2	STPS PH-2&3	0.00	0.00	0.00	0.00
3	STPS PH-4	13.14	1.92	11.22	13.14
4	SGTPS PH-1&2	0.00	0.00	0.00	0.00
5	SGTPS PH-3	2.72	0.00	2.72	2.72
6	SSTPP PH-1	13.81	0.00	13.81	13.81
7	SSTPP PH-2	4.09	4.09	0.00	4.09
8	Total Thermal	34.22	6.01	28.21	34.22
9	Gandhi Sagar	0.21	0.00	0.21	0.21
10	Pench	5.87	0.00	5.87	5.87
11	Rajghat	1.51	0.00	1.51	1.51
12	Bargi	1.54	0.00	1.54	1.54
13	Bansagar PH-1,2 &3	35.53	0.00	35.53	35.53
14	Bansagar PH-4	0.71	0.00	0.71	0.71
15	Birsinghpur	0.00	0.00	0.00	0.00
16	Madhikheda	0.02	0.00	0.02	0.02
17	Total Hydel	45.38	0.00	45.38	45.38
Total		79.61	6.01	73.59	79.61

4.4.28. MPPGCL humbly request the Hon'ble Commission to permit the additional Capitalization at Thermal & Hydro power Stations along with funding thereof.



4.4.29. Details of Asset Written off/De-capitalized /Adjustments etc:

The Power Station wise details of written off/ adjustments as per Audited Books of Accounts for FY 2023-24 are as under:

Table No.4.4.29.1 in Rs. Crores

Station		Amount
1	ATPS PH-3	-0.81
2	ATPS Chachai	-0.81
3	STPS PH-2&3	-0.02
4	STPS PH-4	-0.06
5	STPS Total	-0.07
6	SGTPS PH-1&2	-0.09
7	SGTPS PH-3	-7.78
8	SGTPS Total	-7.87
9	SSTPP PH-1	-0.09
10	SSTPP PH-2	-
11	Total Thermal	-8.84
12	Gandhi Sagar	-
13	Pench	-1.12
14	Rajghat	-
15	Bargi	-
16	Bansagar PH-1,2&3	-1.05
17	Bansagar PH-4	-
18	Birsinghpur	-
19	Madhikheda	-
20	Total Hydro	-2.18
Total		-11.02

The aforesaid assets have been reduced from the Gross Block of respective stations in the chapter of Assets & depreciation for the purpose of claiming depreciation for FY 2023-24. As these assets are funded through Loan/Equity Component, the Normative loan/Equity Balance has been reduced, proportionately as tabulated hereunder:-



Table No.4.4.29.2

in Rs. Crores

Power Station		Assets write off /Adjustments/ Transfer	Adjustment	
			Normative loan	Normative Equity
1	ATPS PH-3	-0.81	-0.57	-0.24
2	STPS PH-2&3	-0.02	-0.01	-0.005
3	STPS PH-4	-0.06	-0.04	-0.02
4	SGTPS PH-1&2	-0.09	-0.06	-0.03
5	SGTPS PH-3	-7.78	-5.45	-2.33
6	SSTPP PH-1	-0.09	-0.06	-0.03
7	Total Thermal	-8.84	-6.19	-2.65
8	Pench HPS	-1.12	-0.79	-0.34
9	Bansagar PH-1,2&3 HPS	-1.05	-0.74	-0.32
Total		-11.02	-7.72	-3.31

Kindly refer the chapter of Interest and Finance Charges & Return on Equity, wherein the deduction of Normative Loan & Equity is made while calculating the Interest and Finance Charges and Return on Equity respectively.

Further, the Hon'ble Commission in the previous True Up Orders have not allowed the asset additions claimed by MPPGCL on account of replacement of assets on the ground that the corresponding existing asset has not been written off. In this regard, it is humbly requested that wherein the assets has been written off in current Financial Year(2023-24), where replacement has not been allowed in earlier years may kindly be considered/admitted by Hon'ble Commission based on requisite supporting details/documents being submitted shortly.

MPPGCL humbly requests the Hon'ble Commission to kindly consider the same.



4.5 ASSETS & DEPRECIATION –

4.5.1. The Power house wise details of Opening Gross Block for FY 2023-24 is the Closing Gross Block as admitted by Hon'ble MPERC in the True up order for FY 2022-23 and considered in instant petition is tabulated hereunder:-

Opening Gross Block

Table No. 4.5.1.1

in Rs. Crores

Station		Opening Gross Block 01-04-2023
1	ATPS PH-3	1132.52
2	ATPS Chachai	1132.52
3	STPS PH-2&3	562.43
4	STPS PH-4	3276.58
5	STPS Total	3839.01
6	SGTPS PH-1&2	2208.07
7	SGTPS PH-3	2049.95
8	SGTPS Total	4258.02
9	SSTPP PH-1	7328.49
10	SSTPP PH-2	6761.07
11	Total Thermal	23319.11
12	Gandhi Sagar	11.14
13	Pench	119.44
14	Rajghat	107.43
15	Bargi	92.48
16	Bansagar PH-1,2&3	1175.45
17	Bansagar PH-4	116.85
18	Birsinghpur	53.15
19	Madhikheda	218.16
20	Total Hydro	1894.10
Total		25213.21



4.5.2. The Power Station wise Opening Accumulated depreciation for FY 2023-24 as admitted by Hon'ble MPERC in True up order for FY 2022-23 and considered in instant petition is as under:-

Accumulated Depreciation as on 01.04.2023

Table No. 4.5.2.1

in Rs. Crores

Station		Opening Acc. Dep. 01-04-2023	As % of GB
1	ATPS PH-3	690.22	61%
2	ATPS Chachai	690.22	61%
3	STPS PH-2&3	511.63	90%
4	STPS PH-4	1507.81	46%
5	STPS Total	2019.44	136%
6	SGTPS PH-1&2	1921.32	87%
7	SGTPS PH-3	1340.05	65%
8	SGTPS Total	3261.37	152%
9	SSTPP PH-1	3166.70	43%
10	SSTPP PH-2	1426.90	21%
11	Total Thermal	10564.62	414%
12	Gandhi Sagar	9.67	87%
13	Pench	88.13	74%
14	Rajghat	68.56	64%
15	Bargi	74.32	80%
16	Bansagar PH-1,2&3	897.29	76%
17	Bansagar PH-4	86.62	74%
18	Birsinghpur	42.89	81%
19	Madhikheda	133.41	61%
20	Total Hydro	1400.90	
Total		11965.52	



4.5.3. During FY 2023-24, asset capitalization was carried out at the Power Stations of MPPGCL as elaborated in the Chapter-4.4 “Additional Capitalization / de-capitalization and Funding thereof. “The power station wise summary of Asset additions made as per Audited Books of account for FY 2023-24 is as under:

Asset Additions during FY 2023-24

Table No. 4.5.3.1 in Rs. Crores

Station		Amount
1	ATPS PH-3	0.47
2	ATPS Chachai	0.47
3	STPS PH-2&3	0.00
4	STPS PH-4	13.14
5	STPS Total	13.14
6	SGTPS PH-1&2	0.00
7	SGTPS PH-3	2.72
8	SGTPS Total	2.72
9	SSTPP PH-1	13.81
10	SSTPP PH-2	4.09
11	Total Thermal	34.22
12	Gandhi Sagar	0.21
13	Pench	5.87
14	Rajghat	1.51
15	Bargi	1.54
16	Bansagar PH-1,2&3	35.53
17	Bansagar PH-4	0.71
18	Birsinghpur	0.00
19	Madhikheda	0.02
20	Total Hydro	45.38
Total		79.61



4.5.4. The Write off /adjustments of Assets was made in the Gross Block of Fixed assets of the various power stations as reflected in the Audited Books of Accounts of MPPGCL for FY 2023-24 as elaborated in the Chapter-4.4 Additional Capitalization/de-capitalization and Funding thereof. The power station wise summary is as under:

Asset deductions during FY 2023-24

Table No. 4.5.4.1

in Rs. Crores

Station		Asset Deletion	Acc. Dep reduction towards write off/ adjustment
1	ATPS PH-3	-0.81	-0.50
2	ATPS Chachai	-0.81	-0.50
3	STPS PH-2&3	-0.02	-0.01
4	STPS PH-4	-0.06	-0.03
5	STPS Total	-0.07	-0.04
6	SGTPS PH-1&2	-0.09	-0.08
7	SGTPS PH-3	-7.78	-5.09
8	SGTPS Total	-7.87	-5.16
9	SSTPP PH-1	-0.09	-0.04
10	SSTPP PH-2	-	-
11	Total Thermal	-8.84	-5.74
12	Gandhi Sagar	-	-
13	Pench	-1.12	-0.83
14	Rajghat	-	-
15	Bargi	-	-
16	Bansagar PH-1,2&3	-1.05	-0.62
17	Bansagar PH-4	-	-
18	Birsinghpur	-	-
19	Madhikheda	-	-
20	Total Hydro	-2.18	-1.45
Total		-11.02	-7.19



4.5.5. Considering the above mentioned asset additions and deductions, the Closing Gross Block and the Average Gross Block for FY 2023-24 works out as under:-

Closing and Average Gross Block for FY 2023-24

Table No. 4.5.5.1

in Rs. Crores

Station		Opening Gross Block 01-04-2023	Asset Additions FY 24	Asset Deductions	Closing Gross Block 31-03-2024	Average Gross Block
1	ATPS PH-3	1132.52	0.47	-0.81	1132.17	1132.35
2	ATPS Chachai	1132.52	0.47	-0.81	1132.17	1132.35
3	STPS PH-2&3	562.43	0.00	-0.02	562.41	562.42
4	STPS PH-4	3276.58	13.14	-0.06	3289.66	3283.12
5	STPS Total	3839.01	13.14	-0.07	3852.08	3845.54
6	SGTPS PH-1&2	2208.07	0.00	-0.09	2207.98	2208.02
7	SGTPS PH-3	2049.95	2.72	-7.78	2044.89	2047.42
8	SGTPS Total	4258.02	2.72	-7.87	4252.87	4255.44
9	SSTPP PH-1	7328.49	13.81	-0.09	7342.21	7335.35
10	SSTPP PH-2	6761.07	4.09	0.00	6765.16	6763.12
11	Total Thermal	23319.11	34.22	-8.84	23344.49	23331.80
12	Gandhi Sagar	11.14	0.21	0.00	11.35	11.25
13	Pench	119.44	5.87	-1.12	124.18	121.81
14	Rajghat	107.43	1.51	0.00	108.94	108.19
15	Bargi	92.48	1.54	0.00	94.02	93.25
16	Bansagar PH-1,2&3	1175.45	35.53	-1.05	1209.92	1192.69
17	Bansagar PH-4	116.85	0.71	0.00	117.56	117.20
18	Birsinghpur	53.15	0.00	0.00	53.15	53.15
19	Madhikheda	218.16	0.02	0.00	218.18	218.17
20	Total Hydro	1894.10	45.38	-2.18	1937.31	1915.70
Total		25213.21	79.61	-11.02	25281.79	25247.50



4.5.6. In the instant petition, the depreciation on the Gross Block has been worked out based on weighted Average Rate of depreciation as reflected in the Power House wise Asset cum Depreciation registers of MPPGCL. The approach is in line with the methodology adopted by Hon'ble Commission in the past Tariff/True up orders of MPPGCL.

The following principles are considered for depreciation calculation purpose:-

- The rates for depreciation are considered as approved by Hon'ble Commission in Appendix-I of MPERC Regulations, 2020.
- The salvage value of assets is considered as 10% i.e. none of the assets are depreciated more than 90% of the gross value.
- Proviso 37.6 of MPERC Regulations, 2020 specifies that the remaining depreciable value as on 31st March of the year closing after a period of 12 years from the effective date of commercial operation of the station shall be spread over the balance useful life. In this regard it is to submit as under:-
 - i. In accordance aforesaid said proviso, MPPGCL has worked out the depreciation rate for balance life of assets for the stations which have completed the useful life of 12 years.
 - ii. Gandhisagar HPS & SGTPS PH-1 Birsinghpur have outlived their useful life, accordingly, estimated useful life has been considered for working out the depreciation rate for balance life for asset additions made at these stations.
- In case of asset addition made during the year, the depreciation is charged on pro-rata basis based on the commercial operation of the assets for part of the year.



- The Assets additions on account of need based R&M works at STPS PH-2&3 & SGTPS PH-1 are not considered as Special Allowance has been opted for these units.
- The assets in the records of MPPGCL are only for its own share therefore depreciation is computed for MPPGCL share only.

4.5.7. Considering the above , the depreciation on various power stations has been worked out and is tabulated below:-

Depreciation computation for FY 2023-24

Table No. 4.5.7.1

in Rs. Crores

	Station	Average Gross Block	Wt. Av.Rate of Dep.	Dep. Amount for FY 24
1	ATPS PH-3	1132.35	2.39%	27.01
2	ATPS Chachai	1132.35		27.01
3	STPS PH-2&3	562.42	0.00%	0.00
4	STPS PH-4	3283.12	5.18%	170.01
5	STPS Total	3845.54		170.01
6	SGTPS PH-1&2	2208.02	1.33%	29.29
7	SGTPS PH-3	2047.42	2.01%	41.16
8	SGTPS Total	4255.44		70.45
9	SSTPP PH-1	7335.35	5.06%	371.21
10	SSTPP PH-2	6763.12	5.22%	352.91
11	Total Thermal	23331.80		991.58
12	Gandhi Sagar	11.25	0.60%	0.07
13	Pench	121.81	1.22%	1.48
14	Rajghat	108.19	1.58%	1.71
15	Bargi	93.25	1.29%	1.20
16	Bansagar PH-1,2&3	1192.69	1.44%	17.17
17	Bansagar PH-4	117.20	1.14%	1.34
18	Birsinghpur	53.15	0.95%	0.50
19	Madhikheda	218.17	1.14%	2.48
20	Total Hydro	1915.70		25.95
	Total	25247.50		1017.53



4.5.8. Accordingly, the Closing Accumulated Depreciation for FY 2023-24 works out as under:

Closing Accumulated Depreciation for FY 2023-24

Table No. 4.5.8.1

in Rs. Crores

Station		Opening Balance of Acc. Dep. 01-04-2023	Dep. Amount for FY 24	Acc. Dep. reduction towards write off/ adjustment	Closing Balance of Acc. Dep. 31-03-2024	As % of GB
1	ATPS PH-3	690.22	27.01	-0.50	716.73	63%
2	ATPS Chachai	690.22	27.01	-0.50	716.73	
3	STPS PH-2&3	511.63	0.00	-0.01	511.62	90%
4	STPS PH-4	1507.81	170.01	-0.03	1677.80	51%
5	STPS Total	2019.44	170.01	-0.04	2189.41	
6	SGTPS PH-1&2	1921.32	29.29	-0.08	1950.53	88%
7	SGTPS PH-3	1340.05	41.16	-5.09	1376.12	67%
8	SGTPS Total	3261.37	70.45	-5.16	3326.65	
9	SSTPP PH-1	3166.70	371.21	-0.04	3537.87	48%
10	SSTPP PH-2	1426.90	352.91	0.00	1779.80	26%
11	Total Thermal	10564.62	991.58	-5.74	11550.47	
12	Gandhi Sagar	9.67	0.07	0.00	9.74	86%
13	Pench	88.13	1.48	-0.83	88.78	71%
14	Rajghat	68.56	1.71	0.00	70.27	65%
15	Bargi	74.32	1.20	0.00	75.52	80%
16	Bansagar PH-1,2&3	897.29	17.17	-0.62	913.83	76%
17	Bansagar PH-4	86.62	1.34	0.00	87.96	75%
18	Birsinghpur	42.89	0.50	0.00	43.40	82%
19	Madhikheda	133.41	2.48	0.00	135.89	62%
20	Total Hydro	1400.90	25.95	-1.45	1425.40	
Total		11965.52	1017.53	-7.19	12975.86	



4.5.9. The Hon'ble Commission has permitted depreciation for FY 2023-24 in the MYT order for FY-20 to FY-24 dated 19.05.2021. The Power Station wise break up of depreciation approved by Hon'ble Commission for FY 2023-24 is detailed as under:

Approved by Hon'ble Commission

Table No. 4.5.9.1

in Rs. Crores

Station		As per MYT order
1	ATPS PH-3	27.03
2	STPS PH-2&3	0.00
3	STPS PH-4	165.93
4	SGTPS PH-1&2	32.53
5	SGTPS-PH-3	45.46
6	SSTPP PH-1	368.22
7	SSTPP PH-2	332.02
8	Total Thermal	971.20
9	Gandhi Sagar	0.04
10	Pench	1.59
11	Rajghat	4.62
12	Bargi	1.74
13	Bansagar PH-1,2&3	40.96
14	Bansagar PH-4	1.05
15	Birsinghpur	0.90
16	Madhikheda	2.68
17	Total Hydro	53.58
Total		1024.78

4.5.10. Accordingly, the true up of depreciation claimed in the instant True up petition before applying Normative Annual Plant Availability Factor (NAPAF%) works out as under:-



True up of Depreciation for FY 2023-24

Table No. 4.5.10.1

in Rs. Crores

Station		As per MYT order	MPPGCL as per norms	Diff. True Up Amount
1	ATPS PH-3	27.03	27.01	-0.02
2	STPS PH-2&3	0.00	0.00	0.00
3	STPS PH-4	165.93	170.01	4.08
4	SGTPS PH-1&2	32.53	29.29	-3.24
5	SGTPS-PH-3	45.46	41.16	-4.30
6	SSTPP PH-1	368.22	371.21	2.99
7	SSTPP PH-2	332.02	352.91	20.89
8	Total Thermal	971.20	991.58	20.38
9	Gandhi Sagar	0.04	0.07	0.03
10	Pench	1.59	1.48	-0.11
11	Rajghat	4.62	1.71	-2.91
12	Bargi	1.74	1.20	-0.54
13	Bansagar PH-1,2&3	40.96	17.17	-23.79
14	Bansagar PH-4	1.05	1.34	0.29
15	Birsinghpur	0.90	0.50	-0.40
16	Madhikheda	2.68	2.48	-0.20
17	Total Hydro	53.58	25.95	-27.63
Total		1024.78	1017.53	-7.25

4.5.11. The true up of depreciation claimed in the instant True up petition after applying Actual Annual Plant Availability Factor (PAF%) works out as under:



True up of Depreciation for FY 2023-24(after applying NAPAF)

Table No. 4.5.11.1

in Rs. Crores

Station		As per MYT order	As considered by MPPGCL on actual Availability	Diff. True Up Amount
1	ATPS PH-3	27.03	27.01	-0.02
2	STPS PH-2&3	0.00	0.00	0.00
3	STPS PH-4	165.93	170.01	4.08
4	SGTPS PH-1&2	32.53	28.41	-4.12
5	SGTPS-PH-3	45.46	33.13	-12.33
6	SSTPP PH-1	368.22	325.66	-42.56
7	SSTPP PH-2	332.02	301.71	-30.31
8	Total Thermal	971.20	885.93	-85.27
9	Gandhi Sagar	0.04	0.05	0.01
10	Pench	1.59	1.51	-0.08
11	Rajghat	4.62	1.86	-2.76
12	Bargi	1.74	1.29	-0.45
13	Bansagar PH-1,2&3	40.96	17.16	-23.80
14	Bansagar PH-4	1.05	1.51	0.46
15	Birsinghpur	0.90	0.50	-0.40
16	Madhikheda	2.68	2.69	0.01
17	Total Hydro	53.58	26.57	-27.01
Total		1024.78	912.50	-112.28

4.5.12. MPPGCL humbly requests the Hon'ble Commission to kindly permit the same.



4.6 INTEREST AND FINANCE CHARGES-

4.6.1. The Power Station wise Normative Opening Loan Balances as on 01.04.2023 per True up order issued by MPERC for FY 2022-23 and considered in instant petition is as under:-

Table No. 4.6.1.1 in Rs. Crores

Stations		Normative Loan Opening Balance 1-4-2023
1	ATPS PH-3	173.56
2	STPS PH-2&3	0.00
3	STPS PH-4	1137.53
4	SGTPS PH-1&2	0.00
5	SGTPS PH-3	124.49
6	SSTPP PH-1	2743.41
7	SSTPP PH-2	4300.10
8	Total Thermal	8479.09
9	Gandhi Sagar	0.21
10	Pench	7.53
11	Rajghat	0.00
12	Bargi	0.00
13	Bansagar PH-1,2 &3	0.00
14	Bansagar PH-4	0.00
15	Birsinghpur	0.00
16	Madhikheda	13.01
17	Total Hydel	20.75
Total		8499.84

4.6.2. During FY 2023-24, asset additions were made in existing as well as in new projects. The details of Power Station wise asset additions along with their funding through Loan & Equity Component is detailed in the Chapter - 4.4 Additional Capitalization/ de-capitalization& Funding thereof.



The summary of assets additions and funding thereof along with working of Normative & excess Equity to be treated as loan is tabulated as under:

Additions & Funding Details

Table No. 4.6.2.1

in Rs. Crores

Stations	Additional Capitalization	Funding Through			Permissible Equity 30% of GB	Normative Equity	Balance Excess Equity treated as Loan
		Loan	Equity/ internal Resources	Total			
1 ATPS PH-3	0.47	0.00	0.47	0.47	0.14	0.14	0.33
2 STPS PH-2&3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 STPS PH-4	13.14	1.92	11.22	13.14	3.94	3.94	7.28
4 SGTPS PH-1&2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5 SGTPS PH-3	2.72	0.00	2.72	2.72	0.82	0.82	1.90
6 SSTPP PH-1	13.81	0.00	13.81	13.81	4.14	4.14	9.67
7 SSTPP PH-2	4.09	4.09	0.00	4.09	1.23	0.00	0.00
8 Total Thermal	34.22	6.01	28.21	34.22	10.27	9.04	19.17
9 Gandhi Sagar	0.21	0.00	0.21	0.21	0.06	0.06	0.15
10 Pench	5.87	0.00	5.87	5.87	1.76	1.76	4.11
11 Rajghat	1.51	0.00	1.51	1.51	0.45	0.45	1.06
12 Bargi	1.54	0.00	1.54	1.54	0.46	0.46	1.08
13 Bansagar PH-1,2 &3	35.53	0.00	35.53	35.53	10.66	10.66	24.87
14 Bansagar PH-4	0.71	0.00	0.71	0.71	0.21	0.21	0.49
15 Birsinghpur	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16 Madhikheda	0.02	0.00	0.02	0.02	0.01	0.01	0.02
17 Total Hydel	45.38	0.00	45.38	45.38	13.62	13.62	31.77
Total	79.61	6.01	73.59	79.61	23.88	22.65	50.94

4.6.3. During FY 2023-24, Assets were written-off/adjusted as reflected in Audited Books of Accounts for FY 2023-24. The same are elaborated in the Chapter 4.4 Additional Capitalization/De capitalization and funding thereof.

The details of Normative Loan/Equity adjustment are detailed hereunder:-



Normative Loan/Equity adjustment due to Assets Write off /Adjustments

Table No. 4.6.3.1 in Rs. Crores

Power Station		Assets write off /Adjustments/ Transfer	Adjustment	
			Normative loan	Normative Equity
1	ATPS PH-3	-0.81	-0.57	-0.24
2	STPS PH-2&3	-0.02	-0.01	-0.005
3	STPS PH-4	-0.06	-0.04	-0.02
4	SGTPS PH-1&2	-0.09	-0.06	-0.03
5	SGTPS PH-3	-7.78	-5.45	-2.33
6	SSTPP PH-1	-0.09	-0.06	-0.03
7	Total Thermal	-8.84	-6.19	-2.65
8	Pench	-1.12	-0.79	-0.34
9	Bansagar PH1,2&3	-1.05	-0.74	-0.32
10	Total Hydel	-2.18	-1.53	-0.65
Total		-11.02	-7.72	-3.31

4.6.4. Considering above, the Power station wise Closing and Average balances of loan considering the repayment equal to depreciation charged during FY 2023-24 as per proviso 36 of MPERC Regulations, 2020 are indicated below:-

Power Station wise Closing & Average Balances

Table No. 4.6.4.1 in Rs. Crores.

Stations		Normative Loan Opening Bal 1-4-2023	Additions		Deletion towards Write-off etc	Principal repayment (Dep)	Closing Bal 31-03-2024	Average Bal
			Loan	Excess Equity treated as loan				
1	ATPS PH-3	173.56	0.00	0.33	-0.57	27.01	146.31	159.93
2	STPS PH-2&3	0.00	0.00	0.00	-0.01	0.00	0.00	0.00
3	STPS PH-4	1137.53	1.92	7.28	-0.04	170.01	976.68	1057.10
4	SGTPS PH-1&2	0.00	0.00	0.00	-0.06	0.00	0.00	0.00
5	SGTPS PH-3	124.49	0.00	1.90	-5.45	41.16	79.79	102.14
6	SSTPP PH-1	2743.41	0.00	9.67	-0.06	371.21	2381.81	2562.61
7	SSTPP PH-2	4300.10	4.09	0.00	0.00	352.91	3951.28	4125.69
8	Total Thermal	8479.09	6.01	19.17	-6.19	962.29	7535.86	8007.48



MPPGCL - True-up Tariff Petition for FY 2023-24

Stations		Normative Loan Opening Bal 1-4-2023	Additions		Deletion	Principal repayment (Dep)	Closing Bal 31-03-2024	Average Bal
			Loan	Excess Equity treated as loan	towards Write-off etc			
9	Gandhi Sagar	0.21	0.00	0.15	0.00	0.07	0.29	0.25
10	Pench	7.53	0.00	4.11	-0.79	1.48	9.37	8.45
11	Rajghat	0.00	0.00	1.06	0.00	1.06	0.00	0.00
12	Bargi	0.00	0.00	1.08	0.00	1.08	0.00	0.00
13	Bansagar PH-1,2 &3	0.00	0.00	24.87	-0.74	17.17	6.97	3.48
14	Bansagar PH-4	0.00	0.00	0.49	0.00	0.49	0.00	0.00
15	Birsinghpur	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Madhikheda	13.01	0.00	0.02	0.00	2.48	10.55	11.78
17	Total Hydel	20.75	0.00	31.77	-1.53	23.82	27.18	23.96
Total		8499.84	6.01	50.94	-7.72	986.11	7563.04	8031.44

*Loan repayment through depreciation is limited upto maximum loan balance.

4.6.5. The Station wise weighted average rate of Interest for FY 2023-24 are indicated below:-

Table No. 4.6.5.1

Particulars		Wt. Avg Rate (%) of Intt.
1	ATPS PH-3	13.02%
2	STPS PH-2&3	12.90%
3	STPS PH-4	10.11%
4	SGTPS PH 1&2	12.22%
5	SGTPS PH 3	13.02%
6	SSTTP PH-1	10.10%
7	SSTTP PH-2	10.03%
8	Total Thermal	10.12%
9	Gandhi Sagar	13.50%
10	Pench	13.50%
11	Rajghat	13.50%
12	Bargi	13.50%
13	Bansagar PH-1,2&3	13.02%
14	Bansagar PH-4	13.50%
15	Birsinghpur	13.50%
16	Madhikheda	13.02%
17	Total Hydro	13.19%
Total		10.14%



4.6.6. Considering above, the Power station wise Interest charges (including Intt. on Excess Equity) for FY 2023-24 has been worked out in accordance to the proviso 36 of the Generation Tariff Regulations, 2020 by applying Weighted Average Rate of Interest on loans as indicated hereunder :

Station wise Interest on Normative Loan

Table No. 4.6.6.1

in Rs. Crores

Stations		Average Balance	Wt. Av. Rate of Interest	Interest Amount
1	ATPS PH-3	159.93	13.02%	20.82
2	STPS PH-2&3	0.00	12.90%	0.00
3	STPS PH-4	1057.10	10.11%	106.89
4	SGTPS PH-1&2	0.00	12.22%	0.00
5	SGTPS PH-3	102.14	13.02%	13.30
6	SSTPP PH-1	2562.61	10.10%	258.86
7	SSTPP PH-2	4125.69	10.03%	413.73
8	Total Thermal	8007.48		813.59
9	Gandhi Sagar	0.25	13.50%	0.03
10	Pench	8.45	13.50%	1.14
11	Rajghat	0.00	13.50%	0.00
12	Bargi	0.00	13.50%	0.00
13	Bansagar PH-1,2 &3	3.48	13.02%	0.45
14	Bansagar PH-4	0.00	13.50%	0.00
15	Birsinghpur	0.00	13.50%	0.00
16	Madhikheda	12.77	13.02%	1.53
17	Total Hydel	24.95		3.16
Total		8032.43		816.75



4.6.7. The Hon'ble Commission has determined Interest & Finance Charges (including Intt. on excess equity) for FY 2023-24 in the MYT order for FY 20 to FY 24 dated 19.05.2021. The power Station wise break up of Interest on Normative Loan approved by Hon'ble Commission for FY 2023-24 is detailed as under:

Interest on Normative Loan Permitted by MPERC

Table No. 4.6.7.1 in Rs. Crores

S. No.	Station	As per MYT Order
1	ATPS PH-3	17.57
2	STPS PH-2&3	0.00
3	STPS PH-4	108.60
4	SGTPS PH-1&2	0.00
5	SGTPS PH-3	13.96
6	SSTPP PH-1	274.69
7	SSTPP PH-2	413.04
8	Total Thermal	827.86
9	Gandhi Sagar	0.04
10	Pench	0.00
11	Rajghat	0.00
12	Bargi	0.00
13	Bansagar PH-1,2&3	0.00
14	Bansagar PH-4	0.00
15	Birsinghpur	0.00
16	Madhikheda	0.35
17	Total Hydro	0.39
Total		828.25



4.6.8. Accordingly, the true up of Interest & Finance Charges (including Intt. on excess Equity) claimed in the instant True up petition at Normative Annual Plant Availability Factor (NAPAF%) works out as under:-

True up of Interest & Finance Charges

Table No. 4.6.8.1

in Rs. Crores

S. No.	Station	As per MYT Order	MPPGCL as per Norms	Diff. True up Amount
1	ATPS PH-3	17.57	20.82	3.25
2	STPS PH-2&3	0.00	0.00	0.00
3	STPS PH-4	108.60	106.89	-1.71
4	SGTPS PH-1&2	0.00	0.00	0.00
5	SGTPS PH-3	13.96	13.30	-0.66
6	SSTPP PH-1	274.69	258.86	-15.83
7	SSTPP PH-2	413.04	413.73	0.69
8	Total Thermal	827.86	813.59	-14.27
9	Gandhi Sagar	0.04	0.03	-0.01
10	Pench	0.00	1.14	1.14
11	Rajghat	0.00	0.00	0.00
12	Bargi	0.00	0.00	0.00
13	Bansagar PH-1,2&3	0.00	0.45	0.45
14	Bansagar PH-4	0.00	0.00	0.00
15	Birsinghpur	0.00	0.00	0.00
16	Madhikheda	0.35	1.53	1.18
17	Total Hydro	0.39	3.16	2.77
Total		828.25	816.75	-11.50



4.6.9. The true up of Interest & Finance Charges (including Intt. on excess equity) claimed in the instant True up petition after applying Actual Annual Plant Availability Factor (PAF%) works out as under:-

True up of Interest & Finance Charges
(After Applying actual PAF)

Table No. 4.6.9.1 in Rs. Crores

S. No.	Station	As per MYT Order	As considered by MPPGCL on Actual Availability	Diff. True up Amount
1	ATPS PH-3	17.57	20.82	3.25
2	STPS PH-2&3	0.00	0.00	0.00
3	STPS PH-4	108.60	106.89	-1.71
4	SGTPS PH-1&2	0.00	0.00	0.00
5	SGTPS PH-3	13.96	10.70	-3.26
6	SSTPP PH-1	274.69	227.09	-47.60
7	SSTPP PH-2	413.04	353.72	-59.32
8	Total Thermal	827.86	719.22	-108.64
9	Gandhi Sagar	0.04	0.03	-0.019
10	Pench	0.00	1.16	1.16
11	Rajghat	0.00	0.00	0.00
12	Bargi	0.00	0.00	0.00
13	Bansagar PH-1,2&3	0.00	0.45	0.45
14	Bansagar PH-4	0.00	0.00	0.00
15	Birsinghpur	0.00	0.00	0.00
16	Madhikheda	0.35	1.67	1.32
17	Total Hydro	0.39	3.31	2.91
Total		828.25	722.53	-105.73

4.6.10. MPPGCL humbly requests to kindly permit the same.



4.7 INTEREST ON WORKING CAPITAL

4.7.1. The Working capital has been determined in Hon'ble Commission's MYT order dated 19.05.2021 in accordance with proviso 38.1(A) & 38.1(B) of MPERC (Terms and Conditions of Generation Tariff) Regulations, 2020 {RG-26 (IV) of 2020}" as elaborated below:-

THERMAL STATIONS

- Cost of coal towards stock, if applicable, for 15 days for pit-head generating stations and 30 days for non-pit-head generating stations for generation corresponding to the normative annual plant availability factor or the maximum coal stock storage capacity whichever is lower;
- Advance payment for 30 days towards cost of coal for generation corresponding to the normative annual plant availability factor;
- Cost of secondary fuel oil for two months for generation corresponding to the normative annual plant availability factor, and in case of use of more than one secondary fuel oil, cost of fuel oil stock for the main secondary fuel oil;
- Maintenance spares @ 20% of operation and maintenance expenses specified in Regulation 39 and 40 of these Regulations;
- Receivables equivalent to 45 days of capacity charges and energy charges for sale of electricity calculated on the normative annual plant availability factor; and
- Operation and maintenance expenses for one month.

HYDRO STATIONS

- Receivables equivalent to 45 days of Annual fixed cost;



- Maintenance spares @ 15% of operation and maintenance expenses specified in Regulation 39 and 41 of these Regulations;
- Operation and Maintenance expenses for one month.

4.7.2. The Rate of interest on working capital shall be on normative basis and shall be considered as the bank rate as on 01.04.2021. Whereas, the Bank Rate as per definition means the one-year Marginal Cost of Lending Rate (MCLR) of the State Bank of India issued from time to time plus 350 basis points.

4.7.3. The Power Station wise Working Capital approved by MPERC vide Tariff order dated 19.05.2021 read with Corrigendum date 09.09.2021 is detailed in the table below:-

Table No. 4.7.3.1 in Rs. Crores

S.No.	Station	Working Capital for FY-24
1	ATPS PH-3	97.68
2	STPS PH-2&3	515.69
3	STPS PH-4	357.69
4	SGTPS PH-1&2	444.83
5	SGTPS PH-3	263.32
6	SSTPP PH-1	942.47
7	SSTPP PH-2	1001.45
8	Total Thermal	3623.13
9	Gandhi Sagar	5.49
10	Pench	8.36
11	Rajghat	3.21
12	Bargi	5.00
13	Bansagar PH-1,2&3	31.42
14	Bansagar PH-4	1.79
15	Birsinghpur	1.37
16	Madhikheda	4.15
17	Total Hydro	60.79
	Total	3683.92



4.7.4. At the time of determination of Interest towards Working Capital in MYT Order dated 19.05.2021 read with corrigendum dated 09.09.2021, Hon'ble Commission had considered then prevailing SBI MCLR as 7.75%, accordingly the Interest worked out as (7.75%+3.50%= 11.25%).

However, at present the Normative Interest Rate towards Working Capital considering Interest rate MCLR of SBI as 8.50% + 350 points as on 01.04.2023 works out to be 12.00%.

Therefore, before applying Normative Availability Factor, the Interest on Working Capital on norms works out as under:-

Interest in Working Capital

Table 4.7.4.1

in Rs. Crores

S.No.	Station	As per MPERC Order (7.75%+3.5%) = 11.25%	As considered by MPPGCL on Norms (8.5%+3.5%) = 12.00%	Diff.
1	ATPS PH-3	10.99	11.72	0.73
2	STPS PH-2&3	58.02	61.88	3.86
3	STPS PH-4	40.24	42.92	2.68
4	SGTPS PH-1&2	50.04	53.38	3.34
5	SGTPS PH-3	29.62	31.60	1.98
6	SSTPP PH-1	106.03	113.10	7.07
7	SSTPP PH-2	112.66	120.17	7.51
8	Total Thermal	407.60	434.78	27.18
9	Gandhi Sagar	0.62	0.66	0.04
10	Pench	0.94	1.00	0.06
11	Rajghat	0.37	0.39	0.02
12	Bargi	0.56	0.60	0.04
13	Bansagar PH-1,2&3	3.54	3.77	0.23
14	Bansagar PH-4	0.20	0.21	0.01
15	Birsinghpur	0.15	0.16	0.01
16	Madhikheda	0.47	0.50	0.03
17	Total Hydro	6.85	7.29	0.44
Total		414.45	442.07	27.62



4.7.5. After applying Actual Availability Factor, the Normative Interest on Working Capital, considering Interest rate as 12.00% (MCLR of SBI - 8.50% + 350 points as on 01.04.2023) works out as under:

Interest in Working Capital
(After applying Actual PAF)

Table 4.7.5.1

in Rs. Crores

S.No.	Station	As per MPERC Order	As considered by MPPGCL on actual availability	Diff.
1	ATPS PH-3	10.99	11.72	0.73
2	STPS PH-2&3	58.02	0.00	-58.02
3	STPS PH-4	40.24	42.92	2.68
4	SGTPS PH-1&2	50.04	51.77	1.73
5	SGTPS PH-3	29.62	25.43	-4.19
6	SSTPP PH-1	106.03	99.22	-6.81
7	SSTPP PH-2	112.66	102.74	-9.92
8	Total Thermal	407.60	333.81	-73.79
9	Gandhi Sagar	0.62	0.49	-0.13
10	Pench	0.94	1.02	0.08
11	Rajghat	0.37	0.42	0.05
12	Bargi	0.56	0.64	0.08
13	Bansagar PH-1,2&3	3.54	3.77	0.23
14	Bansagar PH-4	0.20	0.24	0.04
15	Birsinghpur	0.15	0.16	0.01
16	Madhikheda	0.47	0.54	0.07
17	Total Hydro	6.85	7.29	0.44
Total		414.45	341.10	-73.35

4.7.6. MPPGCL humbly requests Hon'ble Commission to kindly permit the same.



4.8 RETURN ON EQUITY:-

4.8.1. The proviso 33.1 of MPERC (Terms and Conditions for determination of Generation Tariff) Regulations, 2020 specifies debt Equity ratio of 70:30 of capital cost for the purpose of determination of Return on Equity.

4.8.2. In accordance with above, the normative Equity as on 01.04.2023 as admitted by Hon'ble MPERC in True up order for FY 2022-23 including equity additions towards assets within original scope of work & considered in instant True Up petition is tabulated hereunder:-

Normative Equity as on 01.04.2023

Table No.4.8.2.1

(in Rs. Crores)

Station		Normative Equity as on 1-4-2023
1	ATPS PH-3	258.86
2	STPS PH-2&3	166.66
3	STPS PH-4	662.83
4	SGTPS PH-1&2	655.88
5	SGTPS PH-3	578.02
6	SSTPP PH-1	1414.65
7	SSTPP PH-2	1033.93
8	Total Thermal	4770.82
9	Gandhi Sagar	3.37
10	Pench	35.77
11	Rajghat	27.03
12	Bargi	27.77
13	Bansagar PH-1,2 &3	352.38
14	Bansagar PH-4	35.05
16	Birsinghpur	15.65
15	Madhikheda	46.30
17	Total Hydro	543.32
Total		5314.14



4.8.3. On account of Asset additions at power stations of MPPGCL, there is infusion of Equity during FY 2023-24. The details regarding asset additions and funding thereof during FY 2023-24 were already provided in the Chapter-4.4 Additional Capitalization/de-capitalization and funding thereof. The table indicating the source of funding towards additional capitalization along with the calculation of normative Equity addition during FY 2023-24 is detailed as follows:-

Normative Equity addition during FY 2023-24

Table No.4.8.3.1

(in Rs. Crores)

Stations	Additional Capitalization	Funding Through			Permissible Equity 30% of GB	Normative Equity	Balance Excess Equity treated as Loan	
		Loan	Equity/ internal Resources	Total				
1	ATPS PH-3	0.47	0.00	0.47	0.47	0.14	0.14	0.33
2	STPS PH-2&3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	STPS PH-4	13.14	1.92	11.22	13.14	3.94	3.94	7.28
4	SGTPS PH-1&2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	SGTPS PH-3	2.72	0.00	2.72	2.72	0.82	0.82	1.90
6	SSTPP PH-1	13.81	0.00	13.81	13.81	4.14	4.14	9.67
7	SSTPP PH-2	4.09	4.09	0.00	4.09	1.23	0.00	0.00
8	Total Thermal	34.22	6.01	28.21	34.22	10.27	9.04	19.17
9	Gandhi Sagar	0.21	0.00	0.21	0.21	0.06	0.06	0.15
10	Pench	5.87	0.00	5.87	5.87	1.76	1.76	4.11
11	Rajghat	1.51	0.00	1.51	1.51	0.45	0.45	1.06
12	Bargi	1.54	0.00	1.54	1.54	0.46	0.46	1.08
13	Bansagar PH-1,2 &3	35.53	0.00	35.53	35.53	10.66	10.66	24.87
14	Bansagar PH-4	0.71	0.00	0.71	0.71	0.21	0.21	0.49
15	Birsinghpur	0.00	0.00	0.00	0.00	0.000	0.000	0.00
16	Madhikheda	0.02	0.00	0.02	0.02	0.01	0.01	0.02
17	Total Hydel	45.38	0.00	45.38	45.38	13.62	13.62	31.77
Total		79.61	6.01	73.59	79.61	23.88	22.65	50.94



4.8.4. During FY 2023-24, Assets were written-off /adjustments as reflected in Audited Books of Accounts for FY 2023-24. The same is elaborated in the Chapter 4.4 Additional Capitalization/De capitalization and funding thereof. The details of Normative Equity/Loan adjustments on account of above is tabulated hereunder :

Table No.4.8.4.1 (in Rs. Crores)

Power Station		Assets write off /Adjustments/ Transfer	Adjustment	
			Normative loan	Normative Equity
1	ATPS PH-3	-0.81	-0.57	-0.24
2	STPS PH-2&3	-0.02	-0.01	-0.005
3	STPS PH-4	-0.06	-0.04	-0.02
4	SGTPS PH-1&2	-0.09	-0.06	-0.03
5	SGTPS PH-3	-7.78	-5.45	-2.33
6	SSTPP PH-1	-0.09	-0.06	-0.03
7	Total Thermal	-8.84	-6.19	-2.65
8	Pench	-1.12	-0.79	-0.34
9	Bansagar PH-1,2&3	-1.05	-0.74	-0.32
Total		-11.02	-7.72	-3.31

4.8.5. Considering above, the closing normative Equity balance along with the Average Equity works out as under:-

Normative Closing & Average Equity

Table No.4.8.5.1 (in Rs. Crores)

Station		Normative Equity as on 1-4-2023 (Op. Bal.)	Normative Equity addition w.r.t. Asset addition	Normative Equity deletion w.r.t. Asset Write off etc	Normative Equity as on 31-3-2024 (Cl. Bal.)	Average Equity
1	ATPS PH-3	258.86	0.14	-0.24	258.76	258.81
2	STPS PH-2&3	166.66	0.00	-0.005	166.66	166.66
3	STPS PH-4	662.83	3.94	-0.02	666.75	664.79
4	SGTPS PH-1&2	655.88	0.00	-0.03	655.85	655.87
5	SGTPS PH-3	578.01	0.82	-2.33	576.49	577.25
6	SSTPP PH-1	1414.65	4.14	-0.03	1418.77	1416.71
7	SSTPP PH-2	1033.93	0.00	0.00	1033.93	1033.93
8	Total Thermal	4770.82	9.04	-2.65	4777.21	4774.01



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Station		Normative Equity as on 1-4-2023 (Op. Bal.)	Normative Equity addition w.r.t. Asset addition	Normative Equity deletion w.r.t. Asset Write off etc	Normative Equity as on 31-3-2024 (Cl. Bal.)	Average Equity
9	Gandhi Sagar	3.37	0.06		3.43	3.40
10	Pench	35.77	1.76	-0.34	37.19	36.48
11	Rajghat	27.03	0.45	0.00	27.48	27.26
12	Bargi	27.77	0.46		28.23	28.00
13	Bansagar PH-1,2 &3	352.38	10.66	-0.32	362.72	357.55
14	Bansagar PH-4	35.05	0.21		35.26	35.16
16	Birsinghpur	15.65	0.00		15.65	15.65
15	Madhikheda	46.30	0.01		46.31	46.30
17	Total Hydro	543.32	13.62	-0.65	556.28	549.80
Total		5314.14	22.65	-3.31	5333.49	5323.81

4.8.6. As per proviso 34.2 of MPERC (Terms and Conditions for determination of Generation Tariff) Regulations, 2020, the Return on Equity is to be computed at a base rate of 15.50 % for thermal for stations & 16.50% for Hydel Power stations which is to be grossed up by the tax rate.

Since MPPGCL has not paid any Corporate tax during FY 2023-24, MPPGCL has worked out the Return on Equity on pre tax basis at a base rate of 15.50 % for thermal for stations & 16.50% for Hydel Power stations. The same tabulated below:-

Return on Equity for FY 2023-24

Table No.4.8.6.1

(in Rs. Crores)

Station		Average Equity	Return on Equity @ 15.5%/16.5%
1	ATPS PH-3	258.81	40.12
2	STPS PH-2&3	166.66	25.83
3	STPS PH-4	664.79	103.04
4	SGTPS PH-1&2	655.87	101.66
5	SGTPS PH-3	577.25	89.47
6	SSTPP PH-1	1416.71	219.59
7	SSTPP PH-2	1033.93	160.26
8	Total Thermal	4774.01	739.97
9	Gandhi Sagar	3.40	0.56



Station		Average Equity	Return on Equity @ 15.5%/16.5%
10	Pench	36.48	6.02
11	Rajghat	27.26	4.50
12	Bargi	28.00	4.62
13	Bansagar PH-1,2 &3	357.55	59.00
14	Bansagar PH-4	35.16	5.80
16	Birsinghpur	15.65	2.58
15	Madhikheda	46.30	7.64
17	Total Hydro	549.80	90.72
Total		5323.81	830.69

4.8.7. Further, as proviso 34.2 of 2nd amendment of Regulations 2020 provides for calculating Return on Equity (RoE) on Equity component of additional capital expenditure incurred and admitted after cut-off date and beyond original scope of work considering Wt. Average Rate of Interest with ceiling limit of 14%.

Accordingly, the Hon'ble Commission in the True Order for 2022-23 at Table -66, Page-108, has determined/permitted the Normative Equity towards asset additions beyond original scope of work, the same is tabulated hereunder-

Table No.4.8.7.1

(in Rs. Crores)

Station		Normative Equity as on 1-4-2023 for asset additions beyond original scope of work
1	ATPS PH-3	0.21
2	STPS PH-2&3	0.00
3	STPS PH-4	2.72
4	SGTPS PH-1&2	0.05
5	SGTPS PH-3	1.30
6	SSTPP PH-1	1.76
7	SSTPP PH-2	0.00
8	Total Thermal	6.04
9	Gandhi Sagar	0.00
10	Pench	0.07
11	Rajghat	0.003
12	Bargi	0.003
13	Bansagar PH-1,2 &3	0.26



Station		Normative Equity as on 1-4-2023 for asset additions beyond original scope of work
14	Bansagar PH-4	0.00
16	Birsinghpur	0.22
15	Madhikheda	0.00
17	Total Hydro	0.57
Total		6.61

4.8.8. Considering above, the RoE on Normative Equity towards asset additions beyond original scope of work admitted by Hon'ble Commission, is tabulated hereunder :

Table No.4.8.8.1

(in Rs. Crores)

Station	Normative Equity as on 1-4-23 (Op. Bal.) beyond Org. scope of work	Normative Equity addition w.r.t. Asset addition beyond Org. scope of work	Normative Equity as on 31-3-2024 (Cl. Bal.)	Average Equity	Wt. Av. Rate of Interest	Return on Equity @ Wt. Av. Rate of Interest beyond Org. scope of work	
1	ATPS PH-3	0.21	-	0.21	0.21	13.02%	0.03
2	STPS PH-2&3	0.00	-	0.00	0.00	12.90%	0.00
3	STPS PH-4	2.72	-	2.72	2.72	10.11%	0.28
4	SGTPS PH-1&2	0.05	-	0.05	0.05	12.22%	0.01
5	SGTPS PH-3	1.30	-	1.30	1.30	13.02%	0.17
6	SSTPP PH-1	1.76	-	1.76	1.76	10.10%	0.18
7	SSTPP PH-2	0.00	-	0.00	0.00	10.03%	0.00
8	Total Thermal	6.04	0.00	6.04	6.04		0.66
9	Gandhi Sagar	0.00	-	0.00	0.00	13.50%	0.00
10	Pench	0.07	-	0.07	0.07	13.50%	0.01
11	Rajghat	0.003	-	0.00	0.00	13.50%	0.00
12	Bargi	0.003	-	0.00	0.00	13.50%	0.00
13	Bansagar -1,2 &3	0.26	-	0.26	0.26	13.02%	0.03
14	Bansagar PH-4	0.00	-	0.00	0.00	13.50%	0.00
16	Birsinghpur	0.22	-	0.22	0.22	13.50%	0.03
15	Madhikheda	0.00	-	0.00	0.00	13.02%	0.00
17	Total Hydro	0.57	0.00	0.57	0.57		0.08
Total		6.61	0.00	6.61	6.61		0.73

4.8.9. Based on above, the Total Return on Equity, in accordance with clause 34.2 of MPERC (Terms and Conditions for determination of Generation Tariff) Regulations, 2020 read with proviso 34.2 of 2nd amendment of Regulations 2020 works out as under :



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Table No.4.8.9.1

(in Rs. Crores)

Station		Return on Equity @ 15.5%/16.5%	Return on Equity @ Wt. Av. Rate of Intt	Total Return on Equity
1	ATPS PH-3	40.12	0.03	40.14
2	STPS PH-2&3	25.83	0.00	25.83
3	STPS PH-4	103.04	0.28	103.32
4	SGTPS PH-1&2	101.66	0.01	101.67
5	SGTPS PH-3	89.47	0.17	89.64
6	SSTPP PH-1	219.59	0.18	219.77
7	SSTPP PH-2	160.26	0.00	160.26
8	Total Thermal	739.97	0.66	740.63
9	Gandhi Sagar	0.56	0.00	0.56
10	Pench	6.02	0.01	6.03
11	Rajghat	4.50	0.00	4.50
12	Bargi	4.62	0.00	4.62
13	Bansagar PH-1,2 &3	59.00	0.03	59.03
14	Bansagar PH-4	5.80	0.00	5.80
16	Birsinghpur	2.58	0.03	2.61
15	Madhikheda	7.64	0.00	7.64
17	Total Hydro	90.72	0.08	90.79
Total		830.69	0.73	831.42

4.8.10. The Hon'ble Commission has determined Return on Equity for FY 2023-24 in the MYT order for FY 20 to FY 24 vide its order dated 19.05.2021. The power Station wise break up of Interest on Normative Equity approved by Hon'ble Commission for FY 2023-24 is detailed as under:



RoE as per MYT order for FY-2023-24

Table No.4.8.10.1

(in Rs. Crores)

Station		As per MYT order
1	ATPS PH-3	39.78
2	STPS PH-2&3	27.79
3	STPS PH-4	100.02
4	SGTPS PH-1&2	101.54
5	SGTPS PH-3	89.88
6	SSTPP PH-1	218.79
7	SSTPP PH-2	149.85
8	Total Thermal	727.64
9	Gandhi Sagar	0.56
10	Pench	5.12
11	Rajghat	4.45
12	Bargi	4.38
13	Bansagar PH-1,2&3	58.27
14	Bansagar PH-4	5.78
15	Birsinghpur	2.58
16	Madhikheda	7.63
17	Total Hydro	88.77
Total		816.42



4.8.11. Considering above, the true up of Return on Equity claimed in the instant True up petition at before applying Normative Annual Plant Availability Factor (NAPAF) works out as under:-

True up of RoE (before applying NAPAF)

Table No.4.8.11.1 (in Rs. Crores)

Station		As per MYT order	MPPGCL as per Norms	Diff True up Amount
1	ATPS PH-3	39.78	40.14	0.36
2	STPS PH-2&3	27.79	25.83	-1.95
3	STPS PH-4	100.02	103.32	3.30
4	SGTPS PH-1&2	101.54	101.67	0.13
5	SGTPS PH-3	89.88	89.64	-0.24
6	SSTPP PH-1	218.79	219.77	0.98
7	SSTPP PH-2	149.85	160.26	10.41
8	Total Thermal	727.64	740.63	12.98
9	Gandhi Sagar	0.56	0.56	0.00
10	Pench	5.12	6.03	0.91
11	Rajghat	4.45	4.50	0.05
12	Bargi	4.38	4.62	0.24
13	Bansagar PH-1,2&3	58.27	59.03	0.76
14	Bansagar PH-4	5.78	5.80	0.02
15	Birsinghpur	2.58	2.61	0.03
16	Madhikheda	7.63	7.64	0.01
17	Total Hydro	88.77	90.79	2.02
Total		816.42	831.42	15.00



4.8.12. The true up of Return on Equity claimed in the instant True up petition at after applying Actual Annual Plant Availability Factor (NAPAF) works out as under

True up of RoE (after applying actual PAF%)

Table No.4.8.12.1

(in Rs. Crores)

	Station	As per MYT order	As considered by MPPGCL on Actual Availability	Diff True up Amount
1	ATPS PH-3	39.78	40.14	0.36
2	STPS PH-2&3	27.79	0.00	-27.79
3	STPS PH-4	100.02	103.32	3.30
4	SGTPS PH-1&2	101.54	98.60	-2.94
5	SGTPS PH-3	89.88	72.16	-17.72
6	SSTPP PH-1	218.79	192.80	-25.99
7	SSTPP PH-2	149.85	137.01	-12.84
8	Total Thermal	727.64	644.03	-83.61
9	Gandhi Sagar	0.56	0.42	-0.14
10	Pench	5.12	6.14	1.02
11	Rajghat	4.45	4.90	0.45
12	Bargi	4.38	4.96	0.58
13	Bansagar PH-1,2&3	58.27	59.01	0.74
14	Bansagar PH-4	5.78	6.54	0.76
15	Birsinghpur	2.58	2.56	-0.02
16	Madhikheda	7.63	8.30	0.67
17	Total Hydro	88.77	92.85	4.07
	Total	816.42	736.88	-79.54

4.8.13. MPPGCL humbly requests the Hon'ble Commission to kindly permit the same.



4.9 NON TARIFF INCOME

4.9.1. The Hon'ble Commission in (Terms and conditions for determination of Generation Tariff) Regulations, 2020, MPERC has prescribed for Non- Tariff Income, as per Regulation 58.1:-

“The non-tariff net income in case of generating station on account of following shall be shared in the ratio of 50:50 with the beneficiaries and the generating company on annual basis:

- a) Income from rent of land or buildings;*
- b) Income from sale of scrap;*
- c) Income from sale of fly ash;*
- d) Interest on advances to suppliers or contractors;*
- e) Rental from staff quarters;*
- f) Rental from contractors;*
- g) Income from advertisements; and*
- h) Interest on investments and bank balances:”*

4.9.2. Considering above heads, based on “ Other Income” as captured in audited Books of accounts for FY 2023-24 at Note No. 26, on page 76-77 eligible as Non-Tariff Income, factored to represent 100% capacity operated by MPPGCL has been worked out as under :-

Table No. 4.9.2.1 in Rs. Crores

Particulars	Amount
Interest/ hire charges from Contractors	0.11
Interest From Fixed Deposits	11.06
Interest From Fixed Deposits on Fly Ash	7.06
Rent recoveries - Staff / contractors	4.16
Recoveries for transport facilities etc	0.14
Profit/Income on Sale of Stores / Scrap	7.60
Sale of Fly Ash	1.35
Other Miscellaneous Receipts	14.51
Non Tariff Income(on Shared basis)	45.98
Non Tariff Income(on 100% basis)	46.85
50% to be shared by beneficiary as per proviso of Regulations, 2020	23.42
Claimed in the Instant Petition	23.42



4.9.3. Accordingly, the Powerhouse wise breakup of Non Tariff Income on 100% capacity operated by MPPGCL and its 50% share is tabulated as under:-

Table No. 4.9.3.1 in Rs. Crores

Stations		On 100% Capacity Operated	Non Tariff Income (50% Share)
1	ATPS PH-3	6.64	3.32
2	STPS PH-2&3	1.35	0.68
3	STPS PH-4	8.63	4.31
4	SGTPS PH-1&2	8.85	4.42
5	SGTPS PH-3	5.27	2.63
6	SSTPP PH-1	6.11	3.06
7	SSTPP PH-2	6.26	3.13
8	Total Thermal	43.10	21.55
9	Gandhi Sagar	0.60	0.30
10	Pench	0.55	0.28
11	Rajghat	0.94	0.47
12	Bargi	0.28	0.14
13	Bansagar PH-1,2 &3	1.13	0.57
14	Bansagar PH-4	0.06	0.03
15	Birsinghpur	0.03	0.02
16	Madhikheda	0.15	0.07
17	Total Hydel	3.75	1.87
Total		46.85	23.42

4.9.4. MPPGCL humbly requests before Hon'ble Commission to kindly consider the same.



4.10 ASH TRANSPORTATION EXPENSES

4.10.1. Hon'ble Commission in its order dated 29.11.2021 in Petition No. 26 of 2021 at para 26 & 27 page 20 & 21, has issued guidelines/ conditions for fulfillment towards recovery of expenses incurred / likely to be incurred on Transportation of FLY ASH. The actual additional expenditure incurred/ to be incurred by the coal based thermal power plants towards transportation of fly ash in terms of the MoEF & CC Notification dated 25.01.2016 shall be considered under "**Change in Law**" as statutory expenses.

However, the recovery of the ash transportation expenses by the generating company shall be subject to fulfillment of following conditions by the generating company and verification of the following conditions for each station by the MP Power Management Company Ltd:-

- i. Award of fly ash transportation contract through a transparent competitive bidding procedure. Alternatively, the schedule rates of the respective State Governments, as applicable for transportation of fly ash.
- ii. Details of the actual additional expenditure incurred on Ash transportation after MoEF & CC notification dated 25.01.2016, duly certified by the Auditors.
- iii. Details of the Revenue generated from sale of Fly ash/ Fly ash products and the expenditure incurred towards Ash utilization from 25.1.2016 to till date, separately.
- iv. Revenue generated from sale of Fly Ash is maintained in a separate account as per the MoEF & CC notification.
- v. The generating companies are also required to provide the details to the MPPMCL duly certified by the statutory Auditor.



The generating companies shall provide the copy of the bids if any, floated for disposal of fly ash from their generating station and copy of all the agreements entered into with the fly ash procurer companies to the MPPMCL. The generating companies shall claim the actual expenses towards Ash transportation on Monthly basis with Annual reconciliation based on the Annual Audited Account. The above directives of Hon'ble Commission have been complied by MPPGCL.

4.10.2. Meanwhile, the MoEF&CC vide notification dated 31.12.2021 on ash utilization from coal or lignite thermal power plants has directed generating companies to comply to the mandate. The spirit of the notification is to conserve top soil and natural resources by promoting utilization of ash in road laying, road and flyover embankments, shoreline protection measures, low lying areas of approved projects, back filling of mines, as an alternative for filling of earthen materials to the best possible extent. The notification has been considered as **“Change in Law”**.

Further, the MoEF & CC vide notification dated 31.12.2021 has chosen Projects of National interest and Coal mines as best options for utilization of Ash and provide special provision as supply of ash free of cost to these projects and transportation cost of ash to be borne by generating companies.

4.10.3. Hon'ble Commission vide Second amendment to MPERC (Terms and Conditions for determination of Generation Tariff) (Second Amendment) Regulations, 2020 {ARG-26 (IV)(ii) of 2023} dated 21.02.2023 at Para 27 has issued Amendment to Regulation 65 of the principal Regulations and reproduced as follows:-

“65.3 Expenses towards Fly Ash Utilization and transportation shall be payable in accordance to the directives issued by Government of India, Ministry of Environment, Forest and Climate Change vide Notification No. S.O. 5481 (E) dated



31.12.2021 and subsequent amendment issued from time to time.

Provided that the generating company shall maintain separate accounts/records for expenses towards Fly Ash utilization & transportation reconciled with the Annual Audited Accounts and duly certified by the statutory Auditor. The generating company shall submit complete details of aforesaid expenses to the procurer in FORM TPS 19(A) along with supporting documents."

4.10.4. Accordingly, the Power Stations wise details of expenditure incurred on Transportation of Fly Ash as captured in Note 31.1 Serial No.8 of Audited Financial Statements of FY 2023-24 is as under:

Table 4.10.4.1 in Rs. Crores

Stations	Amount
ATPS PH-3	3.79
STPS PH-2&3	0.00
STPS PH-4	1.04
SGTPS PH-1&2*	1.16
SGTPS PH-3*	0.69
SSTPP PH-1	70.55
SSTPP PH-2	99.18
Total	176.41

** As Ash Dyke and Silo for Ash collection is common for PH-1&2 and PH-3 at SGTPS, Birsinghpur the values have been arrived on MW basis.*

4.10.5. It is humbly requested before Hon'ble Commission to kindly consider it as additional expenses and permit the same.



Requirement for True up of FY 2023-24:-

5.1.1 The instant true up is based on the Annual Statement of Audited accounts for FY 2023-24. The Element wise breakup of difference in amount as per MPERC orders v/s Norms is given below:-

Element wise Breakup

Table No. 5.1.1.1 (Amount in Rs. Crores)

Particulars	Elements	Annual Fixed Cost FY 2023-24		
		As per MPERC Orders	MPPGCL as per norms	Diff.
Fixed Cost Elements	O & M Expenses	1635.69	1635.69	0.00
	Compensation Allowance	0.00	0.00	0.00
	Special Allowance	120.55	120.55	0.00
	Interest on Loan + Excess Equity	828.25	816.75	-11.50
	Interest on Working Capital	414.45	442.07	27.62
	Depreciation	1024.78	1017.53	-7.25
	Return on Equity	816.42	831.42	15.00
Less Non Tariff Income		0.00	23.42	-23.42
Total		4840.14	4840.59	0.45

5.1.2 The Power station wise break up of true up amount for FY 2023-24 at Normative Availability of thermal power stations & Hydro Power Stations is worked out as under:-

Power Station wise Breakup

Table No. 5.1.2.1 Amount in Rs. Crores

S.No.	Station	As per MYT Order	MPPGCL as per norms	Diff.
1	ATPS PH-3	163.60	164.60	1.00
2	STPS PH-2&3	434.33	435.56	1.23
3	STPS PH-4	603.99	608.03	4.03
4	SGTPS PH-1&2	498.73	494.53	-4.20
5	SGTPS PH-3	309.32	303.46	-5.86
6	SSTPP PH-1	1246.85	1238.99	-7.86
7	SSTPP PH-2	1314.60	1350.98	36.38
8	Thermal	4571.43	4596.15	24.72



S.No.	Station	As per MYT Order	MPPGCL as per norms	Diff.
9	Gandhi Sagar	16.23	15.99	-0.24
10	Pench	28.48	30.21	1.73
11	Rajghat	15.30	11.98	-3.32
12	Bargi	18.40	18.00	-0.40
13	Bansagar PH-1,2&3	155.50	132.58	-22.92
14	Bansagar PH-4	9.63	9.93	0.30
15	Birsinghpur	6.23	5.87	-0.36
16	Madhikheda	18.94	19.88	0.94
17	Hydro	268.72	244.44	-24.28
Total		4840.14	4840.59	0.45

5.1.3 The difference between Annual Capacity (Fixed) Charges approved by the Hon'ble Commission for FY 2023-24 in its MPERC orders read with corrigendum dated 09.09.2021 vis-à-vis the true up requirement after applying Actual Availability on fixed cost elements of thermal power stations and actual Availability applicable on capacity charges for Hydro Power Stations based on 100% capacity of the plants operated by MPPGCL worked out is tabulated below:-

Element wise Breakup

Table No. 5.1.3.1

(Amount in Rs. Crores)

Particulars	Elements	Annual Fixed Cost FY 2023-24		
		As per MPERC Orders	As considered by MPPGCL on actual Availability	Diff.
Fixed Cost Elements	O & M Expenses	1635.69	1252.54	-383.15
	Special Allowance	120.55	40.45	-80.11
	Interest on Loan+ Excess Equity	828.25	722.53	-105.73
	Interest on Working Capital	414.45	341.10	-73.35
	Depreciation	1024.78	912.50	-112.28
	Return on Equity	816.42	736.88	-79.54
Less Non Tariff Income		0.00	23.42	-23.42
Total		4840.14	3982.57	-857.57



5.1.4 The Power station wise break up of true up amount after applying actual Availability on fixed cost elements of thermal power stations and actual Availability on capacity charges for Hydro Power Stations worked out as under:-

Power Station wise Breakup

Table No. 5.1.4.1

Amount in Rs. Crores

S.No.	Station	As per MYT Order	As considered by MPPGCL on actual Availability	Diff.
1	ATPS PH-3	163.60	164.60	1.00
2	STPS PH-2&3	434.33	-0.68	-435.00
3	STPS PH-4	603.99	608.03	4.03
4	SGTPS PH-1&2	498.73	479.50	-19.24
5	SGTPS PH-3	309.32	243.75	-65.57
6	SSTPP PH-1	1246.85	1086.58	-160.27
7	SSTPP PH-2	1314.60	1154.55	-160.05
8	Thermal	4571.43	3736.34	-835.08
9	Gandhi Sagar	16.23	11.89	-4.35
10	Pench	28.48	30.79	2.31
11	Rajghat	15.30	13.10	-2.20
12	Bargi	18.40	19.34	0.94
13	Bansagar PH-1,2&3	155.50	132.55	-22.95
14	Bansagar PH-4	9.63	11.20	1.57
15	Birsinghpur	6.23	5.76	-0.47
16	Madhikheda	18.94	21.61	2.67
17	Hydro	268.72	246.23	-22.49
Total		4840.14	3982.57	-857.57

5.1.5 Apart from above, Other Charges comprising of MPERC Fees, Water Charges, Rent, Rates & taxes, Cost of Chemical & Consumable, Publication Expenses and EL Encashment have been claimed on actuals based on Audited Books of Accounts for FY 2023-24 on 100% basis as detailed in Chapter 4.3 - Other Charges, are as under: -



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Table No. 5.1.5.1

Amount in Rs. Crores

S. No.	Particulars	Total
1	Rent, Rates & Taxes	1.43
2	Water Charges	171.53
3	Cost of Chemicals & Consumables	20.39
4	MPERC Fee + Publication Exp.	1.29
5	EL Encashment	23.93
Total		218.57

The Power station wise break up of Other Charges is as under:-

Table No. 5.1.5.2

Amount in Rs. Crores

S.No.	Power Station	Other Charges
1	ATPS PH-3	10.41
2	STPS PH-2&3	0.82
3	STPS PH-4	19.07
4	SGTPS PH-1&2	22.90
5	SGTPS PH-3	13.63
6	SSTPP PH-1	39.84
7	SSTPP PH-2	35.61
8	Total Thermal	142.28
9	Gandhi Sagar HPS	19.56
10	Pench HPS	0.69
11	Rajghat HPS	0.82
12	Bargi HPS	21.30
13	Bansagar PH-1,2&3 HPS	27.42
14	Bansagar PH-4	1.35
15	Birsinghpur HPS	1.64
16	Madhikheda HPS	3.51
17	Total Hydro	76.29
Total		218.57

5.1.6 Kindly permit additional expenses incurred towards Ash Transportation amounting to Rs. 176.41 Crores.

5.1.7 It is humbly requested before the Hon'ble Commission to kindly permit as detailed in above paras.
