

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL**

**Subject: In the matter of MPPTCL's petition regarding provisional tariff for FY 2024-25 and FY 2025-26.**

**Petition No. 10 / 2024**

**ORDER**

**(Hearing through Video Conferencing)**

**(Date of Motion Hearing: 12<sup>th</sup> March, 2024)**

**(Date of Order: 15<sup>th</sup> March, 2024)**

M. P. Power Transmission Co. Ltd., Jabalpur - Petitioner  
V/s.

1. M. P. Poorv Kshetra Vidyut Vitaran Co. Ltd. Jabalpur
  2. M. P. Madhya Kshetra Vidyut Vitaran Co. Ltd. Bhopal
  3. M. P. Paschim Kshetra Vidyut Vitaran Co. Ltd. Indore
  4. M. P. Industrial Development Corporation Ltd. Indore
  5. West Central Railways, Jabalpur
- Respondents

Shri V. S. Pani, CE, Shri Anand Kumar Dubey, SE and Shri Rajeev Adlakha, EE appeared on behalf of the petitioner.

MPPTCL has filed the subject petition in the matter of application regarding provisional tariff for FY 2024-25 and FY 2025-26. The petitioner has broadly submitted as under:

- i. *The Commission determined the transmission charges on the petition of MPPTCL vide order dated 19.05.2021. The transmission charges approved were for FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23 & FY 2023-24. Besides tariff elements stipulated in Tariff Regulations, the Terminal Benefits (Pension & Gratuity) of all retirees of successor companies of MPSEB are also claimed in the Tariff petition by MPPTCL. The Terminal Benefits are allowed as per MPERC (Terms & conditions for allowing Pension & Terminal Benefits liabilities of Personnel of the Board and successor entities) Regulations, 2012 (G-38 of 2012) on "Pay as you go" basis.*
- ii. *In the Financial Year 2023-24, the provision of Rs. 2125.78 Crore has been approved on Terminal Benefits vide MYT order dated 19.05.2021. It is submitted that during FY 2023-24, actual expenditure on Terminal Benefits is anticipated to the tune of Rs. 3000 Crore, thus incurring a gap of Rs. 875 Crore. In the year FY 2024-25 too, this amount of Terminal Benefits will continue since the Transmission Charges applicable for FY 2023-24 shall be applicable in FY 2024-25 in absence of MYT order for new control period. Considering an expenditure of Rs. 3000 Crore in FY 2024-25 also, the gap will be Rs. 875 Crore in this year also. The True-up charges for FY 2023-24 and FY 2024-25 for Terminal Benefits only will be approximately Rs. 1750 Crore, which will be recovered from Long Term Open Access customers which include three Discoms.*
- iii. *The recovery of True-up charges for FY 2023-24 & FY 2024-25 in all likelihood will be effected in FY 2026-27, by such time the actual deficit in amount of Terminal Benefits will be of the magnitude Rs. 1750 Crore which will have to be recovered from LTOA customers which in turn passed on the electricity consumers.*

- iv. *Clause 5 regarding Power to remove difficulties of MPERC (Terms & Conditions for allowing Pension & Terminal liabilities of personnel of the Board and Successor Entities) Regulations, 2012 stipulates as under:*

*“If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by general or special order, do or undertake or direct the licensee to or undertake things, which in the opinion of the Commission is necessary or expedient for the purpose of removing the difficulties”.*

- v. *The Board of Directors of MPPTCL in its 122<sup>nd</sup> Meeting held on 20.12.2023 has approved for filing of an application/petition regarding approval to provisional Tariff for FY 2024-25 and FY 2025-26 before MPERC.*

2. MPPTCL broadly prayed the following in the subject petition:

*“Accord approval for filing the petition regarding approval to provisional tariff for FY 2024-25 and FY 2025-26 in absence of Multi Year Tariff Regulations”.*

3. Motion hearing in the matter was held on 12/03/2024, during which the petitioner was heard and the case was reserved for Order on admissibility of the petition. Daily Order dated 12/03/2024 was issued accordingly.

4. The Commission has already issued Order in Suo Motu Petition No. 14/2024 on the 5<sup>th</sup> March 2024 directing that:

*“Till issuance of the Transmission MYT Order for control period commencing 01/04/2024, the Licensee shall continue to bill provisionally the beneficiaries at the tariff approved by the Commission and applicable as on 31/03/2024.*

*The difference between the bills at tariff to be determined by the Commission in accordance with the MYT Regulations for next control period commencing 01/04/2024 and the above provisional bills so raised by the Licensee to beneficiary shall be recovered from or refunded to, the beneficiary with simple interest at the rate equal to the bank rate prevailing as on 1<sup>st</sup> April of the financial year of the beginning of the multi- year tariff control period, in six equal monthly instalments. ”*

5. In view of the above Order passed by the Commission, the subject petition has become infructuous and is hereby dismissed.

**(Prashant Chaturvedi)**  
Member

**(Gopal Srivastava)**  
Member (Law)

**(S. P. S. Parihar)**  
Chairman