

**Before the Maharashtra Electricity Regulatory Commission
Mumbai**

Case No.: 209 of 2025

IN THE MATTER OF

The Petition of Nidar Utilities Panvel LLP for approval of Final Truing up of FY 2018-19 to FY 2024-25 and Determination of Aggregate Revenue Requirement (ARR) from FY 2025-26 to FY 2029-30 and Tariff for the Multi-Year Tariff period from FY 2026-27 to FY 2029-30 for its Distribution Business in accordance with Regulation 5.1 (a) and (b) of the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2015, Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019 and Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2024

AND

IN THE MATTER OF
THE APPLICANT

Nidar Utilities Panvel LLP (NUPLLP)

Unit No. 101, 1st Floor, BG House, Lake Boulevard Street,
Hiranandani Gardens, Powai, Mumbai, Mumbai, Mumbai,
Maharashtra, India, 400076

Email id : regulatory@tuc0.in

(Petitioner)

PETITIONER, UNDER SECTIONS 61, 62 and 64 OF THE ELECTRICITY ACT, 2003 AND UNDER THE MERC (CONDUCT OF BUSINESS) REGULATIONS 2004, FILES FOR APPROVAL BY THE HON'BLE COMMISSION OF ITS PETITION FOR FINAL TRUING UP OF FY 2018-19 AND 2019-20 UNDER THE MERC (MULTI YEAR TARIFF) REGULATIONS, 2015, FINAL TRUING UP OF FY 2020-21 TO FY 2024-25 UNDER THE MERC (MULTI YEAR TARIFF) REGULATIONS, 2019, DETERMINATION OF AGGREGATE REVENUE REQUIREMENT FOR FY 2025-26 TO FY 2029-30 AND DETERMINATION OF TARIFF FOR FY 2026-27 TO FY 2029-30 UNDER THE MERC (MULTI YEAR TARIFF) REGULATIONS, 2024, FOR ITS DISTRIBUTION BUSINESS

Executive Summary

1 Overview

1.1 Background

M/s. Nidar Utilities Panvel LLP (hereinafter referred to as “NUPLLP” or “Petitioner”) was incorporated on 7 August, 2015 under the Limited Liability Partnership Act, 2008 registered with the Registrar of Companies, Mumbai and having its registered office at 514, Dalamal Towers, Nariman Point, Mumbai – 400021.

The Petitioner was approved as a Co-Developer for the Multiservices SEZ vide letter dated 9 September, 2016 issued by the Department of Commerce, Ministry of Commerce and Industry, Government of India. Persipina Developers Private Limited (“PDPL”) is a developer and the Petitioner / NUPLLP is a Co-developer developing a Multi-Services Special Economic Zone (“SEZ”) at Panvel, District Raigad, Maharashtra (“Project”) under the provisions of the Special Economic Zones Act, 2005 (“SEZ Act”).

The Hon’ble Commission vide its Order dated 10 February, 2017 has taken on its record the Deemed Distribution Licensee status of NUPLLP. This Order is followed by issuance of Maharashtra Electricity Regulatory Commission (Specific Conditions of Distribution Licence applicable to Nidar Utilities Panvel LLP for Multi-Services SEZ at Panvel, District Raigad, Maharashtra) Regulations, 2017 (“MERC Specific Conditions Regulations”) dated 26 May, 2017 which, inter alia, specified the area of supply as 139.83 hectares (345 acres) over which the multi-services SEZ at Panvel, District Raigad, Maharashtra was being developed.

1.2 Denotification of SEZ

Based on application filed by PDPL, the Ministry of Commerce and Industry, Government of India (GoI), vide its Notification dated 17 January 2019, de-notified an area of 134.79 Hectares and PDPL intimated the same to NUPLLP vide its letter dated 25 January 2019. NUPLLP intimated the Hon’ble Commission about the de-notification of part of the SEZ area vide its letters dated 1 February 2019 and 1 March 2019.

The Hon’ble Commission vide order dated 15 March 2021 in Case No. 111 of 2019 and

204 of 2020 has dismissed the prayer of NUPLLP as non-maintainable and taken on record the denotification of SEZ area of 134.79 Hectares out of 139.83 Hectares which is part of existing Distribution Licence area of Nidar Utilities Panvel LLP. The matter is currently under Appeal with the Hon'ble Appellate Tribunal for Electricity ("Hon'ble APTEL") and is subjudice whereby the Hon'ble APTEL vide daily Order dated 23 April 2021 has stated that the directions given in the impugned Order dated 15 March 2021 by the State Commission for Petition to be filed by NUPLLP by 30 April 2021 for seeking approval of the State Commission for alternate arrangement for supply to consumers in the de-notified area, is suspended till further orders. Accordingly, NUPLLP is continuing to supply the power in the de-notified area as per the Order dated 15 March 2021 issued by the Hon'ble Commission till the said Appeal is decided upon / further orders are issued by the Hon'ble APTEL.

1.3 Filing under MERC MYT Regulations, 2024

NUPLLP is filing the Petition for Final Truing-up for FY 2018-19 to FY 2019-20 in accordance with the MERC MYT Regulations, 2015, as specified in Regulation 5.1 (a) & (b) (i), Truing up of FY 2020-21 to FY 2024-25 in accordance with the MERC MYT Regulations, 2019, as specified in Regulation 5.1 (b) (ii) of the MERC MYT Regulations, 2019. Further, NUPLLP is filing the Multi Year Tariff Petition for Approval of ARR for the Control Period from FY 2025-26 to FY 2029-30 and determination of Tariff for FY 2026-27 to FY 2029-30 in accordance with Regulation 5.1 (a) of the MERC MYT Regulations, 2024.

2 Truing-up of FY 2018-19 and FY 2019-20

NUPLLP would like to submit that since the operations as a Distribution Licensee have commenced from 1 October, 2018, i.e. in FY 2018-19, the relevant accounts and details provided in the tariff formats are only for 6 months i.e. from 1st October 2018 to 31st March 2019 for FY 2018-19.

Accordingly, NUPLLP has considered the Truing-up of FY 2018-19 and FY 2019-20 in line with the provision of MYT Regulations, 2015 amended from time to time. The following Table shows the summary of ARR for Truing-up of FY 2018-19 and FY 2019-20.

Table 1: ARR Summary for Wires Business for FY 2018-19 and FY 2019-20 (Rs. Crore)

Sr. No.	Particulars	FY 2018-19	FY 2019-20
		Actual for Truing up	
1	O&M Expenses	1.637	2.863
2	Depreciation	1.226	2.769
3	Interest on Loan Capital	2.102	4.464
4	Interest on Working Capital	0.012	0.043
5	Interest on CSD	0.001	0.006
6	Provision for bad and doubtful debts	-	-
7	Contribution to Contingency Reserves	-	0.139
8	Income Tax	-	-
9	Sharing of Gains/(Losses)	(0.008)	(0.029)
10	Total Revenue Expenditure	4.970	10.255
11	Add: Return on Equity Capital	1.291	2.852
12	Aggregate Revenue Requirement	6.261	13.107
13	Less: Non-Tariff Income	0.039	0.125
14	Total Aggregate Revenue Requirement	6.222	12.982

Table 2: ARR Summary for Retail Supply Business for FY 2018-19 and FY 2019-20 (Rs. Crore)

Sr. No.	Particulars	FY 2018-19	FY 2019-20
		Actual for Truing up	
1	Power Purchase Expenses	0.758	1.715
2	O&M Expenses	0.881	1.541
3	Depreciation	0.037	0.094
4	Interest on Loan Capital	0.028	0.099
5	Interest on Working Capital	-	-
6	Interest on CSD	0.010	0.056
7	Provision for bad and doubtful debts	-	-
8	Contribution to Contingency Reserves	-	0.002
9	Intra-State Transmission Charges	0.911	2.455
10	MSLDC Fees & Charges	0.050	0.134
11	Prompt Payment Discount	-	0.023
12	Income Tax	-	-
13	Sharing of Gains/(Losses)	-	-
14	Total Revenue Expenditure	2.676	6.119
15	Add: Return on Equity Capital	0.020	0.074
16	Aggregate Revenue Requirement	2.696	6.193
17	Less: Non-Tariff Income	0.360	1.144
18	Aggregate Revenue Requirement from Retail Supply	2.336	5.049

The Revenue Gap/(Surplus) for FY 2018-19 and FY 2019-20 based on the above ARR and actual revenue for respective years, is shown in the Table below:

Table 3: Revenue Gap/(Surplus) for FY 2018-19 and FY 2019-20 (Rs. Crore)

Particulars	FY 2018-19	FY 2019-20
	Actual for Truing up	
ARR for Distribution Wires Business	6.222	12.982
Revenue from Wire Business	0.101	0.268
Revenue Gap/(Surplus) from Wire Business	6.121	12.714
ARR for Retail Supply Business	2.336	5.049
Revenue from Retail Business	1.425	4.023
Revenue Gap/(Surplus) from Supply Business	0.911	1.027
Combined ARR for Wires and Retail Supply Business	8.558	18.031
Less: Revenue from sale of electricity	1.526	4.291
Revenue Gap/(Surplus)	7.032	13.740

NUPLLP requests the Hon'ble Commission to approve the Revenue Gap in the truing up for FY 2018-19 and FY 2019-20, as shown in the above Table.

The said Revenue Gap is proposed to be passed through to the consumers, over the next MYT Control Period, as elaborated in the Chapter on Tariff Philosophy.

3 Truing-up of FY 2020-21 to FY 2024-25

NUPLLP has sought final Truing up of the ARR for FY 2020-21 to FY 2024-25 in accordance with the MYT Regulations, 2019 and as specified in Regulation 5.1 (b) (ii) of the MYT Regulations, 2019, based on the actual expenditure and revenue as per the audited Annual Accounts. The following Table shows the summary of ARR for Truing-up of FY 2020-21 to FY 2024-25.

Table 4: ARR Summary for Wires Business for FY 2020-21 to FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	O&M Expenses	2.870	3.404	3.981	3.165	4.906
2	Depreciation	2.765	3.120	3.148	3.156	3.159
3	Interest on Loan Capital	4.411	3.972	3.684	3.377	3.069
4	Interest on Working Capital	0.055	0.044	0.056	0.062	0.009
5	Interest on CSD	0.012	0.022	0.026	0.044	0.086
6	Provision for bad and doubtful debts	-	-	-	-	-
7	Contribution to Contingency Reserves	0.168	0.171	0.173	0.173	0.173
8	Income Tax	-	-	-	-	-

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
9	Sharing of Gains/(Losses)	-0.037	-0.029	-0.037	-0.041	-0.006
10	Total Revenue Expenditure	10.243	10.704	11.031	9.934	11.396
11	Add: Return on Equity Capital	3.049	3.195	3.210	3.006	3.113
12	Aggregate Revenue Requirement	13.292	13.899	14.241	12.941	14.509
13	Less: Non-Tariff Income	0.591	0.009	0.136	0.048	0.113
14	Total Aggregate Revenue Requirement	12.701	13.889	14.105	12.892	14.395

Table 5: ARR Summary for Retail Supply Business for FY 2020-21 to FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	Power Purchase Expenses	4.094	8.489	11.923	21.224	48.260
2	O&M Expenses	1.545	1.833	2.144	1.704	2.642
3	Depreciation	0.204	0.218	0.229	0.283	0.286
4	Interest on Loan Capital	0.125	0.108	0.139	0.158	0.132
5	Interest on Working Capital	-	-	-	-	-
6	Interest on CSD	0.107	0.201	0.232	0.396	0.776
7	Provision for bad and doubtful debts	-	-	-	-	-
8	Contribution to Contingency Reserves	0.005	0.005	0.006	0.009	0.009
9	Intra-State Transmission Charges	0.405	0.671	1.247	1.826	3.739
10	MSLDC Fees & Charges	0.094	0.059	0.064	0.035	0.015
11	Prompt Payment Discount	0.030	0.058	0.110	0.073	0.105
12	Income Tax	-	-	-	-	-
13	Sharing of Gains/(Losses)	-	-	-	-	-
14	RPO Incentive	-	-	-	0.219	-
15	Total Revenue Expenditure	6.609	11.641	16.095	25.925	55.964
16	Add: Return on Equity Capital	0.107	0.115	0.156	0.178	0.191
17	Aggregate Revenue Requirement	6.716	11.757	16.251	26.103	56.155
18	Less: Non-Tariff Income	1.390	0.179	1.522	0.854	1.336
19	Aggregate Revenue Requirement from Retail Supply	5.327	11.578	14.729	25.249	54.819

The Revenue Gap for FY 2020-21 to FY 2024-25 based on the above ARR and actual revenue for respective years, is shown in the Table below:

Table 6: Revenue Gap/(Surplus) for FY 2020-21 to FY 2024-25 (Rs. Crore)

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	ARR for Distribution Wires Business	12.701	13.889	14.105	12.892	14.395
2	Revenue from Wire Business	0.576	1.143	1.738	2.699	5.225

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
3	Revenue Gap/(Surplus) from Wire Business	12.125	12.747	12.367	10.194	9.171
4	ARR for Retail Supply Business	5.327	11.578	14.729	25.249	54.819
5	Revenue from Retail Business	10.823	13.450	20.047	38.172	68.747
6	Revenue Gap/(Surplus) from Supply Business	(5.497)	(1.872)	(5.317)	(12.923)	(13.929)
7	Combined ARR for Wires and Retail Supply Business	18.028	25.467	28.834	38.141	69.214
8	Less: Revenue from sale of electricity	11.399	14.593	21.785	40.870	73.972
9	Revenue Gap/(Surplus)	6.629	10.875	7.050	(2.729)	(4.758)

NUPLLP requests the Hon'ble Commission to approve the Revenue Gap in the truing up for FY 2020-21 to FY 2024-25, as shown in the above Table.

The said Revenue Gap is proposed to be passed through to the consumers, over the next MYT Control Period, as elaborated in the Chapter on Tariff Philosophy.

4 ARR for MYT Control Period FY 2025-26 to FY 2029-30

NUPLLP has projected the ARR for each year of the Control Period from FY 2025-26 to FY 2029-30 in line with Regulation 5.1 (i) of MYT Regulations, 2024. The following Tables shows the summary of ARR for the MYT Control Period:

Table 7: ARR Summary for Wires Business for FY 2025-26 to FY 2029-30 (Rs. Crore)

Sr.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	O&M Expenses	5.294	5.717	6.176	6.675	7.219
2	Depreciation	3.446	3.457	3.454	3.448	3.448
3	Interest on Loan Capital	2.752	2.423	2.083	1.741	1.399
4	Interest on Working Capital	0.057	0.344	0.408	0.488	0.511
5	Interest on CSD	0.110	0.127	0.146	0.167	0.193
6	Provision for bad and doubtful debts	0	0	0	0	0
7	Contribution to Contingency Reserves	0.173	0.174	0.174	0.174	0.174
8	Total Revenue Expenditure	11.833	12.241	12.440	12.694	12.943
9	Add: Return on Equity Capital	3.224	3.232	3.234	3.234	3.234
10	Aggregate Revenue Requirement	15.057	15.473	15.674	15.927	16.177
11	Less: Non-Tariff Income	0.113	0.113	0.113	0.113	0.113
12	Total Aggregate Revenue Requirement	14.944	15.360	15.560	15.814	16.064

Table 8: ARR Summary for Retail Supply Business for FY 2025-26 to FY 2029-30 (Rs. Crore)

Sr.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Power Purchase Expenses	84.562	106.465	134.701	164.423	180.595
2	O&M Expenses	2.851	3.078	3.325	3.594	3.887
3	Depreciation	0.194	0.196	0.202	0.212	0.230
4	Interest on Loan Capital	0.113	0.105	0.103	0.108	0.117
5	Interest on Working Capital	-	-	-	-	-
6	Interest on CSD	0.991	1.140	1.311	1.507	1.734
7	Provision for bad and doubtful debts	-	-	-	-	-
8	Contribution to Contingency Reserves	0.009	0.009	0.010	0.011	0.012
9	Intra-State Transmission Charges including Additional Charges	8.003	11.311	13.088	15.424	15.536
10	MSLDC Fees & Charges	1.240	1.420	1.820	2.250	2.730
11	MSTU Charges	0.350	0.420	0.480	0.520	0.560
12	Prompt Payment Discount	0.185	0.222	0.262	0.307	0.325
13	Total Revenue Expenditure	98.498	124.367	155.303	188.357	205.726
14	Add: Return on Equity Capital	0.194	0.203	0.216	0.236	0.259
15	Aggregate Revenue Requirement	98.69	124.57	155.52	188.59	205.98
16	Less: Non-Tariff Income	1.018	1.018	1.018	1.018	1.018
17	Aggregate Revenue Requirement from Retail Supply	97.67	123.55	154.50	187.57	204.97

Table 9: Projected ARR for Distribution Business for the 5th MYT Control Period (Rs. Crore)

Sr.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	Power Purchase Expenses	84.562	106.465	134.701	164.423	180.595
2	O&M Expenses	8.145	8.795	9.501	10.270	11.106
3	Depreciation	3.640	3.654	3.657	3.660	3.678
4	Interest on Loan Capital	2.865	2.528	2.186	1.849	1.516
5	Interest on Working Capital	0.057	0.344	0.408	0.488	0.511
6	Interest on CSD	1.101	1.266	1.456	1.675	1.926
7	Provision for bad and doubtful debts	-	-	-	-	-
8	Contribution to Contingency Reserves	0.182	0.183	0.184	0.185	0.186
9	Intra-State Transmission Charges including Additional Charges	8.003	11.311	13.088	15.424	15.536
10	MSLDC Fees & Charges	1.240	1.420	1.820	2.250	2.730
11	MSTU Charges	0.350	0.420	0.480	0.520	0.560
12	Prompt Payment Discount	0.185	0.222	0.262	0.307	0.325
13	Total Revenue Expenditure	110.330	136.608	167.743	201.051	218.668

Sr.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
14	Add: Return on Equity Capital	3.418	3.435	3.450	3.469	3.492
15	Aggregate Revenue Requirement	113.75	140.04	171.19	204.52	222.16
16	Less: Non-Tariff Income	1.131	1.131	1.131	1.131	1.131
17	Aggregate Revenue Requirement from Distribution business	112.62	138.91	170.06	203.39	221.03

5 Approach considered for Bifurcation of ARR into SEZ and Non-SEZ area

NUPLLP has filed Multi Year Tariff Petition on 3 January 2022, being Case No. 19 of 2022 for Final Truing up of FY 2018-19, FY 2019-20 and FY 2020-21 under Section 61, 62 and 64 of Electricity Act, 2003 (EA,2003) and as per prevailing MYT Tariff Regulations and Annual Revenue Requirement (ARR) & Tariff for the Multi-Year Tariff period from FY 2021-22 to FY 2024-25 as per MYT Tariff Regulations, 2019. The Hon'ble Commission vide email dated 4 January, 2022 raised data gaps seeking segregation of category wise data for SEZ area and de-notified area. Further, the Hon'ble Commission vide letter dated 15 February, 2022 directed NUPLLP to file MYT Petition restricted to SEZ area by 30 November, 2022. NUPLLP in its letter dated 1 April 2022, replied that the Hon'ble APTEL vide its Order dated 23 April, 2021 in IA No. 611 of 2021 has provided interim relief to NUPLLP and suspended the directions given by the Commission in its Order dated 15 March, 2021 for the alternate arrangement for supply of power in the denotified area, till further orders. In view of the said Order, NUPLLP is presently responsible for supply of power to consumers in its entire license area including the de-notified area.

The Hon'ble Commission vide its Order dated 26 August 2022 in Case No. 19 of 2022 has stated that NUPLLP supplying the power in in de-notified area is an interim arrangement and cannot be used to claim distribution licensee status in perpetuity. The Hon'ble APTEL has only stayed direction to submit alternate arrangement for de-notified area and has not set aside Order. Hence the Hon'ble Commission rejected NUPLLP petition requesting distribution licence outside notified area of SEZ. Also, the Hon'ble Commission in the said order has provided liberty to NUPLLP to approach afresh once the pending litigation is finalised.

However, considering that the appeal filed by NUPLLP with Hon'ble APTEL is pending for long time and considerable time has been lapsed, resulting in the pending of procedure for truing up for last 7 years i.e. from FY 2018-19 to FY 2024-25 which may unnecessary

burden the consumers with carrying / holding cost and accumulated gap / surplus, NUPLLP decided to file the Tariff petition with segregation of SEZ and Non-SEZ area. The brief summary of principles for allocation of cost is outlined as below:

Table 10: Principles for Allocation of ARR into SEZ and Non-SEZ area

Bifurcation of ARR into SEZ and Non-SEZ	Basis
Power Purchase Expenses (including Inter-State Transmission Charges)	Energy Input
Operation & Maintenance Expenses	
<i>Employee Expenses</i>	Connected Load
<i>A&G Expenses</i>	Connected Load
<i>R&M Expenses</i>	
<i>Wire Business</i>	GFA Ratio
<i>Supply Business</i>	GFA Ratio
Depreciation	
<i>Wire Business</i>	GFA Ratio
<i>Supply Business</i>	GFA Ratio
Interest on Loan Capital	
<i>Wire Business</i>	GFA Ratio
<i>Supply Business</i>	GFA Ratio
Interest on Working Capital	Sales
Interest on Consumer Security Deposit	Sales
Write-off of Provision for bad and doubtful debts	Sales
Contribution to contingency reserves	GFA Ratio
Intra-State Transmission Charges	Energy Input
MSLDC Fees & Charges	Energy Input
MSTU Charges	Energy Input
Prompt Payment Discount	Revenue
Income Tax	
Add: Return on Equity Capital	GFA Ratio
<i>Wire Business</i>	GFA Ratio
<i>Supply Business</i>	GFA Ratio
Less: Non-Tariff Income	Sales
Gross Fixed Assets	Actual and Common Assets in ratio of average Sales

Based on the above described principles of allocation of ARR into SEZ and Non-SEZ area, the arrived ratio is outlined as below:

Table 11: ARR bifurcation into SEZ and Non-SEZ Area for FY 2018-19 to FY 2024-25

Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Distribution Business - SEZ Area							
ARR	8.558	7.691	8.915	14.374	17.123	26.214	54.934
Revenue	1.526	0.867	7.876	9.921	16.364	32.313	64.247
Revenue Gap / (Surplus)	7.032	6.824	1.039	4.454	0.759	(6.098)	(9.313)
Distribution Business - Non-SEZ Area							
ARR	-	10.340	9.113	11.093	11.711	11.927	14.280
Revenue	-	3.424	3.523	4.672	5.421	8.558	9.725
Revenue Gap / (Surplus)		6.917	5.590	6.421	6.290	3.369	4.555
Distribution Business - Total Area							
ARR	8.558	18.031	18.028	25.467	28.834	38.141	69.214
Revenue	1.526	4.291	11.399	14.593	21.785	40.870	73.972

Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Revenue Gap / (Surplus)	7.032	13.740	6.629	10.875	7.050	(2.729)	(4.758)

Table 12: ARR bifurcation into SEZ and Non-SEZ Area for 5th MYT Control Period

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
ARR of SEZ area	97.329	122.344	153.510	184.135	201.411
ARR of Non-SEZ area	15.289	16.569	16.552	19.254	19.619
ARR of NUPLLP	112.618	138.912	170.062	203.389	221.030

6 Revenue Gap and Recovery during MYT Control Period

6.1 Revenue Gap / (Surplus) for FY 2025-26 with Existing Tariff

NUPLLP has projected the Provisional Revenue Gap / (Surplus) for FY 2025-26 with existing tariff in following Table:

Table 13: Revenue Gap / (Surplus) for FY 2025-26 (Rs. Crore)

Particulars	SEZ	Non-SEZ	Total
ARR for Distribution Wires Business	8.148	6.795	14.944
Revenue from Wire Business as per existing tariff	9.395	1.293	10.688
Revenue Gap/(Surplus) from Wire Business	(1.247)	5.502	4.255
ARR for Retail Supply Business	89.181	8.494	97.675
Revenue from Retail Business as per existing tariff	107.493	11.793	119.285
Revenue Gap/(Surplus) from Supply Business	(18.312)	(3.299)	(21.611)
Combined ARR for Wires and Retail Supply Business	97.329	15.289	112.618
Less: Revenue from sale of electricity as per existing tariff	116.888	13.086	129.974
Revenue Gap/(Surplus)	(19.559)	2.203	(17.356)

6.2 Treatment of Revenue Gap along with Carrying Cost on account of Truing-up of FY 2018-19 to FY 2024-25 and Projected for FY 2025-26

NUPLLP has computed the gap separately for Distribution Wire and Retails Supply Business as well as for SEZ and Non-SEZ Area, as outlined in the following table:

Table 14: Revenue Gap for Distribution Wire and Supply Business for FY 2018-19 to FY 2025-26 (Rs. Crore)

Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
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	SEZ Business								
Wire Business	6.121	6.678	5.863	5.907	5.429	4.148	2.673	(1.247)	35.571
Supply Business	0.911	0.146	(4.824)	(1.453)	(4.669)	(10.246)	(11.986)	(18.312)	(50.434)
Total	7.032	6.824	1.039	4.454	0.759	(6.098)	(9.313)	(19.559)	(14.863)
	Non-SEZ Business								
Wire Business	-	6.036	6.262	6.840	6.938	6.046	6.498	5.502	44.122
Supply Business	-	0.880	(0.673)	(0.419)	(0.648)	(2.676)	(1.943)	(3.299)	(8.777)
Total	-	6.917	5.590	6.421	6.290	3.369	4.555	2.203	35.345
	Distribution Business								
Wire Business	6.121	12.714	12.125	12.747	12.367	10.194	9.171	4.255	79.693
Supply Business	0.911	1.027	(5.497)	(1.872)	(5.317)	(12.923)	(13.929)	(21.611)	(59.211)
Total	7.032	13.740	6.629	10.875	7.050	(2.729)	(4.758)	(17.356)	20.482

As can be seen from the above table, the major contributor to the revenue gap is Wire Business due to low recovery of wheeling charges as compared to ARR of the respective years. Also, since the load within the Non-SEZ area is not substantial enough to cover the cost of whole distribution business resulted into total Revenue Gap of Rs. 35.345 Crore in Non-SEZ area and Net Revenue Gap of Rs. 20.482 Crore. This was due to the lower realisation of sales in FY 2018-19 to FY 2022-23 as compared to the envisaged sales on the basis of which the distribution infrastructure was prepared so as to cater the envisage load and due to levy of wheeling charges as per MSEDCL (due to ceiling tariff) resulting in under recovery of Revenue from Wire business.

The resultant huge Revenue Gap for Non-SEZ Area, if passed on to Non-SEZ area, will result in a tariff shock to the consumers considering the expected load to be around 2 to 3 MW within the 5th MYT control period. Therefore, considering such a huge Revenue Gap of Non-SEZ area, NUPLLP requests the Hon'ble Commission to allow the recovery of past revenue gap of Non-SEZ Area (i.e. from FY 2018-19 to FY 2025-26) alongwith the carrying cost to be adjusted in ARR of SEZ Area. The Petitioner has considered the Revenue Gap/(Surplus) of the Wires Business and Supply Business against the respective Revenue Requirement in the MYT Control Period wholly in SEZ Area, rather than consider in a combined manner.

6.3 Carrying Cost on Past Gap

Regulation 32 of the MYT Regulations, 2015, Regulations 33 of the MYT Regulations 2019 and 2024, specifies that Carrying Cost or Holding Cost shall be allowed on the admissible amounts, with simple interest, at the weighted average Base Rate prevailing during the

concerned Year, plus 150 basis points.

Accordingly, NUPLLP has computed the Carrying Cost by applying prevalent interest rate as specified in the table as outlined below:

Table 15: Carrying Cost Computations for Truing up year (Rs. Crore)

Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Opening Gap/(Surplus)	-	7.03	20.77	27.40	38.28	45.33	42.60	37.84	37.84
Gap/(Surplus) during the Year	7.03	13.74	6.63	10.87	7.05	(2.73)	(4.76)		
Gap/(Surplus) passed on to consumers									37.84
Closing Gap/(Surplus)	7.03	20.77	27.40	38.28	45.33	42.60	37.84	37.84	-
Average Gap/(Surplus)	3.52	13.90	24.09	32.84	41.80	43.96	40.22	37.84	18.92
Interest Rate	9.89%	9.66%	8.57%	8.50%	9.30%	10.04%	10.28%	10.30%	10.30%
Carrying/(Holding) Cost for the Year	0.17	1.34	2.06	2.79	3.89	4.41	4.14	3.90	1.95
	24.65								

As seen from the above Table, NUPLLP has arrived at total carrying cost of Rs. 24.65 Crore against the Revenue Gap / (Surplus) for FY 2018-19 to FY 2024-25 and request the Hon'ble Commission to approve the same.

6.4 Accumulated Revenue Gap / (Surplus) alongwith carrying cost

Based on the above submission in the related para of computation of past Revenue Gap / (Surplus) and carrying cost, the accumulated Revenue Gap / (Surplus) alongwith the carrying cost to be claimed in 5th MYT Control Period between period FY 2026-27 to FY 2029-30 is outlined as below:

Table 16: Accumulated Revenue Gap / (Surplus) to be claimed in 5th MYT Control Period (Rs. Crore)

Particulars	Wire	Supply	Total
Revenue Gap / (Surplus) of FY 2018-19	6.121	0.911	7.032
Revenue Gap / (Surplus) of FY 2019-20	12.714	1.027	13.740
Revenue Gap / (Surplus) of FY 2020-21	12.125	(5.497)	6.629
Revenue Gap / (Surplus) of FY 2021-22	12.747	(1.872)	10.875
Revenue Gap / (Surplus) of FY 2022-23	12.367	(5.317)	7.050
Revenue Gap / (Surplus) of FY 2023-24	10.194	(12.923)	(2.729)
Revenue Gap / (Surplus) of FY 2024-25	9.171	(13.929)	(4.758)
Carrying/(Holding) Cost for Revenue Gap/(Surplus) of FY 2018-19 to FY 2024-25	36.382	(11.730)	24.652
Revenue Gap / (Surplus) of FY 2025-26	4.255	(21.611)	(17.356)
Total	116.075	(70.940)	45.135

As can be analysed from the above Table, the major contributor of Revenue gap is Wire Business resulting in the gap of Rs. 116.075 Crore whereas there is a Revenue Surplus in

Retail Supply business of Rs. 70.940 Crore resulting in a Net Revenue Gap of Rs. 45.135 Crore. NUPLLP proposed to adjust the Total Revenue Gap / (Surplus) of Wire and Supply business in ARR of SEZ area.

6.5 Consolidated Revenue Gap/(Surplus) at existing tariff for MYT Control Period

NUPLLP has computed the Revenue Gap/(Surplus) at the existing tariff based on the projected ARR of the Distribution Wires and Retail Supply Business, and the revenue from wheeling and Retail Supply business separately of SEZ and Non-SEZ area respectively. Revenue has been calculated based on the projected category-wise sales and tariff presently being charged to the consumers as per the Tariff Schedules attached in Annexure 4 i.e. within the Ceiling Tariff approved by the Hon'ble Commission for MSEDCL in Case No. 322 of 2019 dated 30 March 2020 (from 1 April 2025 to 30 June 2025) and Case No. 75 of 2025 dated 25 June 2025. (from 1 July 2025 to 31 March 2026).

Based on the above submission, the standalone projected Revenue Gap/(Surplus) of Distribution business, based on projected ARR and Revenue from existing tariff for each year of the Control Period, for SEZ and Non-SEZ area respectively is summarised in the Table below:

Table 17: Consolidated Revenue Gap / Surplus of the 5th Control Period at existing tariff for SEZ Area (Rs. Crore)

Sr.	Particulars	2026-27	2027-28	2028-29	2029-30
Distribution Business of SEZ Area					
1	ARR of Distribution Business	122.344	153.510	184.135	201.411
2	Past Recovery including carrying cost	45.135	-	-	-
3	Total ARR of Distribution Business	167.478	153.510	184.135	201.411
4	Revenue from Existing Tariff	148.411	184.174	220.072	237.092
5	Revenue Gap / (Surplus)	19.067	(30.664)	(35.937)	(35.681)

Table 18: Consolidated Revenue Gap / Surplus of the 5th Control Period at existing tariff for Non-SEZ Area (Rs. Crore)

Sr.	Particulars	2026-27	2027-28	2028-29	2029-30
Distribution Business of Non-SEZ Area					
1	ARR of Distribution Business	16.569	16.552	19.254	19.619
2	Past Recovery including carrying cost*	-	-	-	-
3	Total ARR of Distribution Business	16.569	16.552	19.254	19.619
4	Revenue from Existing Tariff	15.539	15.660	20.360	20.533
5	Revenue Gap / (Surplus)	1.029	0.892	(1.106)	(0.914)

*As submitted, past Revenue Gap/(Surplus) of Non-SEZ Area claimed in SEZ ARR

Table 19: Consolidated Revenue Gap / Surplus of the 5th Control Period at existing tariff for whole

Distribution Area (Rs. Crore)

Sr.	Particulars	2026-27	2027-28	2028-29	2029-30
Distribution Business of Total Area					
1	ARR of Distribution Business	138.912	170.062	203.389	221.030
2	Past Recovery including carrying cost*	45.135	-	-	-
3	Total ARR of Distribution Business	184.047	170.062	203.389	221.030
4	Revenue from Existing Tariff	163.951	199.834	240.432	257.625
5	Revenue Gap / (Surplus)	20.096	(29.771)	(37.043)	(36.595)

6.6 Deferment of Revenue Gap Recovery

NUPLLP submits that the past revenue gap of Rs. 116.075 Crore for FY 2018-19 to FY 2025-26 of Wire Business, including the carrying cost, if is proposed to be recovered in FY 2026-27 itself, then the required tariff increase works out to be very high for Wire Business, followed by a sharp dip in the tariffs in the remaining years of the Control Period. Similarly, if the consolidated Revenue Surplus of Rs. 70.940 Crore is proposed to be adjusted in FY 2026-27, then same will result in huge tariff advantage to consumer in first year but may result in tariff shock for remaining period of the control period.

Hence NUPLLP proposes to defer the consolidated Revenue Gap/(Surplus) along with the carrying cost of past years, in such a manner that the annual tariff increase/decrease does not result in tariff spikes and the load in the licensee area gets stabilise in future. Also, an effort has been made by NUPLLP to achieve the uniform tariff hike / relaxation for all the remaining period of the MYT Control Period. Further, with respect to Wheeling Business, in order to get consistent and uniform Wheeling Charges over the balance control period, NUPLLP has deferred the recovery.

Also, with respect to tariff to be determined for SEZ and Non-SEZ Area, NUPLLP submits that as per the Hon'ble Commission, the supply of power in Non-SEZ area is an intermittent arrangement till the final order of the Hon'ble APTEL against the pending APTEL. Therefore, NUPLLP propose to have two set of tariff for SEZ and Non-SEZ Area as follows:

1. Tariff for SEZ Area:

- Consolidated Revenue Gap / Surplus alongwith carrying / holding cost of Wire and Supply business of Distribution area (SEZ + Non-SEZ area) is adjusted in SEZ Area.

- Such Revenue Gap / Surplus has been deferred in the balance years of the MYT Control period to avoid any tariff advantage or shock to consumers.
- Tariff is determined based on the Average Cost of Supply of Retail Supply Business so as to also determining cross-subsidy of consumer category as per Regulations 111.4 of MYT Regulations 2024.

2. Tariff for Non-SEZ Area (Interim Arrangement):

- Past Revenue Gap of Non-SEZ area claimed in SEZ Area.
- Standalone ARR has been claimed to be recovered from the consumers of Non-SEZ area so as to avoid any tariff shock.
- Also, part of the ARR has been deferred so as to have a tariff rationalisation and maintain uniformity in discount offered as compared to MSEDCL Tariff within Non-SEZ area.
- Being an intermittent arrangement, NUPLLP propose to recover ARR as per MSEDCL Tariff as determined by the Hon'ble Commission in Case No. 75 of 2025 with discount so as to remain revenue neutral.

The overall projected Revenue Gap / (surplus) based on projected ARR and Revenue from existing tariff for Wire Business and Retail Supply Business for each year of the Control Period is summarised in the Table below which includes also the carrying cost for the deferment of the recovery of revenue gap:

Table 20: Projected Revenue Gap/(Surplus) of SEZ area at existing Tariff for the Control Period (Rs. Crore)

Sr.	Particulars	2026-27	2027-28	2028-29	2029-30
Distribution Business					
1	ARR of Distribution Business	122.344	153.510	184.135	201.411
2	Past Recovery including carrying cost	17.143	14.493	12.156	7.219
3	Total ARR of Distribution Business	139.487	168.003	196.291	208.631
4	Revenue from Existing Tariff	148.411	184.174	220.072	237.092
5	Revenue Gap / (Surplus)	(8.925)	(16.171)	(23.781)	(28.461)

Table 21: Projected Revenue Gap/(Surplus) of Non-SEZ Area at existing Tariff for the Control Period (Rs. Crore)

Sr.	Particulars	2026-27	2027-28	2028-29	2029-30
Distribution Business					
1	ARR of Distribution Business	16.569	16.552	19.254	19.619
2	Past Recovery including carrying cost	(0.224)	(0.288)	0.510	0.100
3	Total ARR of Distribution Business	16.344	16.264	19.764	19.719
4	Revenue from Existing Tariff	15.539	15.660	20.360	20.533
5	Revenue Gap / (Surplus)	0.805	0.604	(0.595)	(0.814)

Table 22: Projected Revenue Gap/(Surplus) of Distribution Area at existing Tariff for the Control

Period (Rs. Crore)

Sr.	Particulars	2026-27	2027-28	2028-29	2029-30
Distribution Business					
1	ARR of Distribution Business	138.912	170.062	203.389	221.030
2	Past Recovery including carrying cost	16.919	14.205	12.666	7.319
3	Total ARR of Distribution Business	155.831	184.267	216.055	228.350
4	Revenue from Existing Tariff	163.951	199.834	240.432	257.625
5	Revenue Gap / (Surplus)	(8.120)	(15.566)	(24.377)	(29.275)

7 Projected Average Cost of Supply

Based on the above submission, the following Table shows the projected Revenue Requirement and Average Cost of Supply for each year of the Control Period from FY 2025-26 to FY 2029-30

Table 23: Projected Revenue Requirement and ACoS for FY 2025-26 to FY 2029-30

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
SEZ Area				
Net ARR of Licensed Business (Wire + Supply) - Rs. Crore	139.49	168.00	196.29	208.63
Energy Sales (MU)	162.930	203.504	244.260	265.284
Average Cost of Supply (ACoS) (Rs./kWh)	8.56	8.26	8.04	7.86
Average Annual Tariff Increase/(Decrease)(%)*	-4%	-4%	-3%	-2%
Retail Cost of Supply (Rs/kWh)	6.52	6.27	6.04	5.84
*- Considering ABR of Rs.8.94/kWh as per existing tariff for FY 2025-26				
Non-SEZ				
Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Net ARR of Licensed Business (Wire + Supply) - Rs. Crore	16.344	16.264	19.764	19.719
Energy Sales (MU)	11.637	11.637	15.455	15.455
Average Cost of Supply (ACoS) (Rs./kWh)	14.045	13.976	12.789	12.759
Average Annual Tariff Increase/(decrease)(%)^s	4%	-0%	-9%	-0%
Retail Cost of Supply (Rs/kWh)	8.34	8.42	8.68	8.60
\$- Considering ABR of Rs. 13.45/kWh as per existing tariff for FY 2025-26				
Total Distribution Area				
Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Net ARR of Licensed Business (Wire + Supply) - Rs. Crore	155.831	184.267	216.055	228.350
Energy Sales (MU)	174.568	215.141	259.715	280.739
Average Cost of Supply (ACoS) (Rs./kWh)	8.93	8.56	8.32	8.13
Average Annual Tariff Increase/(Decrease) (%)	-4%	-4%	-3%	-2%
Retail Cost of Supply (Rs/kWh)	6.65	6.38	6.19	5.99
#- *- Considering ABR of Rs.9.26/kWh as per existing tariff for FY 2025-26				

The tariff proposed by NUPLLP in the Control Period is designed in a way to minimise any tariff shock on consumers or major tariff benefit to any category of consumers, maintain the Cross subsidy as per Tariff Policy and to be competitive. NUPLLP proposes the tariff revision in the Control Period, as discussed below.

8 Tariff Proposal for FY 2026-27 to FY 2029-30

8.1 Wheeling Charges

Considering the configuration of existing distribution network, the loss level in the area of supply is very low. Since, the primary distribution voltage is 11 kV, it would not be appropriate to segregate such lower quantum of loss into HT level and LT level.

Hence, common Wheeling charges have been proposed for HT and LT category based on the ARR for Wires Business of SEZ Area and projected energy sales, as under:

Table 24: Proposed Wheeling Charges for SEZ Area for FY 2026-27 to FY 2029-30

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Net Adjusted Revenue Requirement of Distribution Wires Business - (Rs. Crore)	33.177	40.443	48.827	53.741
Energy Sales (MU)	162.930	203.504	244.260	265.284
Wheeling Charges (Rs./kWh)	2.04	1.99	2.00	2.03
Wheeling Charges (Rs./kVAh)	2.02	1.97	1.98	2.01

For Non-SEZ Area, as elaborated in the earlier section of this Petition, NUPLLP proposed the wheeling charges as approved for MSEDCL in Case No. 75 of 2025 for FY 2026-27 to FY 2029-30.

Table 25: Proposed Wheeling Charges for Non-SEZ Area for FY 2026-27 to FY 2029-30

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
HT Category – Rs./kVAh	0.81	0.82	0.81	0.80
LT Category – Rs./kVAh	1.60	1.63	1.62	1.59
LT Category – Rs./kWh	1.52	1.55	1.54	1.51

8.2 Retail Supply Business

Accordingly, with respect to Retail Supply Business, to avoid any major tariff shock or tariff advantage to any consumers, NUPLLP has proposed to defer the recovery of the past gaps alongwith the carrying cost of past years and spread it in FY 2027-28 to FY 2029-30.

NUPLLP also proposes the following tariff philosophy for the determination of Retail Supply Tariff for the Control Period:

1. Demand Charges

NUPLLP has proposed the Fixed/Demand Charges for each of the consumer categories similar to the Fixed / Demand Charges as approved by the Hon’ble Commission in Case No. 75 of 2025 vide Order dated 25 June 2025 for MSEDCL.

2. Energy Charges

NUPLLP has proposed kVAh billing for all its consumers in SEZ area as per prevalent approach approved by the Hon’ble Commission from the MYT Order for all other SEZ Distribution licensee.

With respect to Non-SEZ area, since as per the Hon’ble Commission, the supply of power by NUPLLP in Non-SEZ area is an intermittent arrangement till the final disposal of appeal pending with Hon’ble APTEL, NUPLLP has proposed the similar tariff of MSEDCL as approved in Case No. 75 of 2025 for the consumers in Non-SEZ Area. However, due to levy of tariff of MSEDCL results into Revenue Surplus and Distribution Licensee ARR needs to be Revenue Neutral. Hence, NUPLLP proposed following discount in tariff for each category of consumers in Non-SEZ area compared to the tariff as applicable to MSEDCL Category of consumers so as to match the ARR And Revenue:

Table 26: Discount Rate applicable to Non-SEZ Consumers from MSEDCL Tariff

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Discount Rate	11%	11%	15%	15%

NUPLLP has proposed category-wise energy charges for the Control Period from FY 2026-27 to FY 2029-30 with the objective of ensuring that RCoS is equal to the Average Billing Rate of the Supply Business.

3. Cross subsidy

NUPLLP has charted out a trajectory of the cross-subsidy for the consumers over the fifth MYT Control Period in line with the applicable provision of Electricity Act and Tariff Policy which mandates the gradual reduction of cross-subsidies in a progressive manner

in the area of supply of the Licensee and needs to within the range of $\pm 20\%$ of the average cost of supply.

Since NUPLLP has proposed to continue with MSEDCL tariff structure for Non-SEZ Area, it has computed the Cross Subsidy for all categories in SEZ Area during the Control Period from FY 2026-27 to FY 2029-30 in such a way that the resultant impact of the tariff doesn't result into tariff shock or major benefit due to reduction in tariff to any consumers. Also, moving ahead, NUPLLP has tried the Cross Subsidy to be equated around zero, i.e., the Average Billing Rate (excluding Wheeling Revenue) for all categories is almost equal to the Average Cost of Supply of Retail Supply Business (RCoS) except for Commercial consumers as per Regulations 111.4 of MYT Regulations 2024.

Table 27: Projected Cross Subsidy for SEZ Area for FY 2026-27 to FY 2029-30

Category	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
	Projected	Projected	Projected	Projected
HT Category				
HT - Industry	100%	100%	100%	100%
HT - Commercial	150%	159%	144%	150%
LT Category				
LT - Industry - (0-20 kW)	100%	100%	100%	100%

4. ToD Tariff

In the MYT Regulations, 2024 the Hon'ble Commission has specified the contours ToD in Regulation 115. However, NUPLLP intends to discontinue ToD tariffs for NUPLLP, as there is no shift of load on account of ToD tariffs and the peak of the Petitioner remains constant throughout the day. Further, the Petitioner has contracted for the power in accordance with its load curve, and hence, there is no benefit of continuing with the ToD tariffs, with the intention of shifting the load. Also, the power procurement for SEZ and Non-SEZ area has been done collectively and due to flat load of data center, NUPLLP is able to procure RTC power and hence, TOD implementation for SEZ or Non-SEZ Area may not be efficient to carry out considering the same as Demand Side Management (DSM) measure.

Further introduction of ToD tariff will result in additional CAPEX of Rs. 3 Crore with respect to replacement of the existing meters procured/installed meters (~2500 Nos.) with TOD Competent meter.

5. kVAh Tariff

NUPLLP submits the estimated category-wise energy consumption for the Control period in kVAh terms based on Power factor considered for each category of consumers for SEZ area only. With respect to Non-SEZ Area, NUPLLP proposes similar tariff pattern as approved for MSEDCL in Case No. 75 of 2025 for 5th MYT Control Period.

6. Green Energy Tariff

In recent tariff orders of all distribution licensee, issued on 28th March 2025, the Hon'ble Commission has approved the Green Tariff of Rs 0.25/kWh to be applicable for 5th MYT Control Period for FY 2025-26 to FY 2029-30 which may be reviewed at the time of MTR Petition to be filed by the Distribution Licensee in November, 2027. NUPLLP requests the Hon'ble Commission to approve the Green Energy tariff of Rs. 0.25/kWh as approved for Other distribution licensee.

7. Categorisation of Tariff

NUPLLP submits that the Tariff Categorisation and nomenclature of the consumers will be identical to the Tariff categorisation as provided for MSEDCL in Case No. 75 of 2025 and no change is proposed.

8.3 Proposed Tariff for FY 2026-27 to FY 2029-30

Accordingly, the following Tables shows the category-wise Tariffs proposed by NUPLLP from FY 2026-27 to FY 2029-30.

Table 28: Proposed Tariff Schedule for FY 2026-27

Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges	Energy Charges	Wheeling Charges	Energy Charges
		(Rs. /kVAH)		(Rs/kWh)	
SEZ Area					
HIGH TENSION CATEGORIES					
HT- Industry	Rs. 650 per kVA	2.02	5.37		
HT Commercial	Rs. 650 per kVA	2.02	4.20		
LOW TENSION CATEGORIES					
LT Industry					
0-20 kW	Rs. 650 per Connection	2.02	6.45		
Above 20 kW	Rs. 420 per kVA	2.02	6.45		
Non-SEZ Area					

Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges	Energy Charges	Wheeling Charges	Energy Charges
		(Rs. /kVAH)		(Rs/kWh)	
HIGH TENSION CATEGORIES					
HT-INDUSTRIAL	Rs. 650 per kVA	0.81	7.51		
HT-COMMERCIAL	Rs. 650 per kVA	0.81	12.21		
LOW TENSION CATEGORIES					
LT-DOMESTIC					
0-100	Rs. 435 per Connection			1.60	3.52
100-300				1.60	9.61
300-500				1.60	13.38
Above 500				1.60	15.60
LT-COMMERCIAL					
0-20 kW	Rs. 540 per Connection			1.60	7.57
20-50 kW	Rs. 550 per kVA	1.52	11.04		
Above 50 kW	Rs. 550 per kVA	1.52	13.25		
LT-INDUSTRIAL					
0-20 kW	Rs. 650 per Connection			1.60	5.57
Above 20 kW	Rs. 420 per kVA	1.52	6.82		
LT-PWW and STP (URBAN)					
0-20 kW	Rs. 170 per kVA			1.60	3.46
20-40 kW	Rs. 210 per kVA	1.52	4.93		
Above 40 kW	Rs. 250 per kVA	1.52	6.93		
LT - Public Services					
0-20 kW	Rs. 525 per Connection			1.60	4.21
20-50 kW	Rs. 525 per kVA	1.52	8.34		
Above 50 kW	Rs. 525 per kVA	1.52	8.57		
LT-EV CHARGING STATIONS	Rs. 0 per kVA	1.52	6.88		
TOD Tariffs (in addition to above Base Tariffs)					NIL

Table 29: Proposed Tariff Schedule for FY 2027-28

Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges	Energy Charges	Wheeling Charges	Energy Charges
		(Rs. /kVAH)		(Rs/kWh)	
SEZ Area					
HIGH TENSION CATEGORIES					
HT- Industry	Rs. 700 per kVA	1.97	5.10		
HT Commercial	Rs. 700 per kVA	1.97	4.00		
LOW TENSION CATEGORIES					
LT Industry					
0-20 kW	Rs. 700 per Connection	1.97	6.25		
Above 20 kW	Rs. 440 per kVA	1.97	6.25		
Non-SEZ Area					
HIGH TENSION CATEGORIES					
HT-INDUSTRIAL	Rs. 700 per kVA	0.82	7.32		
HT-COMMERCIAL	Rs. 700 per kVA	0.82	11.83		
LOW TENSION CATEGORIES					

Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges	Energy Charges	Wheeling Charges	Energy Charges
		(Rs. /kVAH)		(Rs/kWh)	
LT-DOMESTIC					
0-100	Rs. 440 per Connection			1.63	3.38
100-300				1.63	9.48
300-500				1.63	13.18
Above 500				1.63	15.47
LT-COMMERCIAL					
0-20 kW	Rs. 560 per Connection			1.63	7.40
20-50 kW	Rs. 575 per kVA	1.55	10.88		
Above 50 kW	Rs. 575 per kVA	1.55	13.15		
LT-INDUSTRIAL					
0-20 kW	Rs. 700 per Connection			1.63	5.42
Above 20 kW	Rs. 420 per kVA	1.55	6.68		
LT-PWW and STP (URBAN)					
0-20 kW	Rs. 170 per kVA	1.55	3.36		
20-40 kW	Rs. 210 per kVA	1.55	5.06		
Above 40 kW	Rs. 250 per kVA	1.55	6.67		
LT - Public Services					
0-20 kW	Rs. 525 per Connection			1.63	4.66
20-50 kW	Rs. 525 per kVA	1.55	8.11		
Above 50 kW	Rs. 525 per kVA	1.55	8.35		
LT-EV CHARGING STATIONS	Rs. 0 per kVA	1.55	6.86		
TOD Tariffs (in addition to above Base Tariffs)					NIL

Table 30: Proposed Tariff Schedule for FY 2028-29

Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges	Energy Charges	Wheeling Charges	Energy Charges
		(Rs. /kVAH)		(Rs/kWh)	
SEZ Area					
HIGH TENSION CATEGORIES					
HT- Industry	Rs. 730 per kVA	1.98	4.87		
HT Commercial	Rs. 730 per kVA	1.98	4.00		
LOW TENSION CATEGORIES					
LT Industry					
0-20 kW	Rs. 750 per Connection	1.98	6.00		
Above 20 kW	Rs. 460 per kVA	1.98	6.00		
Non-SEZ Area					
HIGH TENSION CATEGORIES					
HT-INDUSTRIAL	Rs. 730 per kVA	0.81	6.39		
HT-COMMERCIAL	Rs. 730 per kVA	0.81	10.60		
LOW TENSION CATEGORIES					
LT-DOMESTIC					
0-100	Rs. 445 per Connection			1.62	2.52
100-300				1.62	8.93
300-500				1.62	11.62

Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges	Energy Charges	Wheeling Charges	Energy Charges
		(Rs. /kVAH)		(Rs/kWh)	
<i>Above 500</i>				1.62	14.24
LT-COMMERCIAL					
<i>0-20 kW</i>	Rs. 580 per Connection			1.62	6.81
<i>20-50 kW</i>	Rs. 600 per kVA	1.54	10.18		
<i>Above 50 kW</i>	Rs. 600 per kVA	1.54	12.21		
LT-INDUSTRIAL					
<i>0-20 kW</i>	Rs. 750 per Connection			1.62	5.16
<i>Above 20 kW</i>	Rs. 460 per kVA	1.54	6.36		
LT-PWW and STP (URBAN)					
<i>0-20 kW</i>	Rs. 230 per kVA	1.54	3.15		
<i>20-40 kW</i>	Rs. 280 per kVA	1.54	4.71		
<i>Above 40 kW</i>	Rs. 350 per kVA	1.54	6.13		
LT - Public Services					
<i>0-20 kW</i>	Rs. 575 per Connection			1.62	4.21
<i>20-50 kW</i>	Rs. 575 per kVA	1.54	7.51		
<i>Above 50 kW</i>	Rs. 575 per kVA	1.54	7.74		
LT-EV CHARGING STATIONS	Rs. 0 per kVA	1.54	6.56		
TOD Tariffs (in addition to above Base Tariffs)					NIL

Table 31: Proposed Tariff Schedule for FY 2029-30

Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges	Energy Charges	Wheeling Charges	Energy Charges
		(Rs. /kVAH)		(Rs/kWh)	
SEZ Area					
HIGH TENSION CATEGORIES					
HT- Industry	Rs. 750 per kVA	2.01	4.74		
HT Commercial	Rs. 750 per kVA	2.01	4.00		
LOW TENSION CATEGORIES					
LT Industry					
<i>0-20 kW</i>	Rs. 780 per Connection	2.01	5.80		
<i>Above 20 kW</i>	Rs. 480 per kVA	2.01	5.80		
Non-SEZ Area					
HIGH TENSION CATEGORIES					
HT-INDUSTRIAL	Rs. 750 per kVA	0.80	6.33		
HT-COMMERCIAL	Rs. 750 per kVA	0.80	10.40		
LOW TENSION CATEGORIES					
LT-DOMESTIC					
<i>0-100</i>	Rs. 450 per Connection			1.59	2.34
<i>100-300</i>				1.59	8.98
<i>300-500</i>				1.59	11.06
<i>Above 500</i>				1.59	14.11
LT-COMMERCIAL					
<i>0-20 kW</i>	Rs. 600 per Connection			1.59	6.77
<i>20-50 kW</i>	Rs. 625 per kVA	1.51	10.14		

Consumer Category	Fixed/ Demand Charge per month	Wheeling Charges	Energy Charges	Wheeling Charges	Energy Charges
		(Rs. /kVAH)		(Rs/kWh)	
<i>Above 50 kW</i>	Rs. 625 per kVA	1.51	12.17		
LT-INDUSTRIAL					
<i>0-20 kW</i>	Rs. 780 per Connection			1.59	5.19
<i>Above 20 kW</i>	Rs. 480 per kVA	1.51	6.38		
LT-PWW and STP (URBAN)					
<i>0-20 kW</i>	Rs. 270 per kVA	1.51	3.09		
<i>20-40 kW</i>	Rs. 310 per kVA	1.51	4.62		
<i>Above 40 kW</i>	Rs. 385 per kVA	1.51	5.93		
LT - Public Services					
<i>0-20 kW</i>	Rs. 600 per Connection			1.59	3.98
<i>20-50 kW</i>	Rs. 600 per kVA	1.51	7.29		
<i>Above 50 kW</i>	Rs. 600 per kVA	1.51	7.52		
LT-EV CHARGING STATIONS	Rs. 0 per kVA	1.51	6.92		
TOD Tariffs (in addition to above Base Tariffs)					NIL

Further, NUPLLP request that the tariff determination for SEZ area is based on the prevailing category existing in FY 2025-26 and in case of any new category of consumers getting connected in SEZ Area, then tariff of Non-SEZ Area may be allowed to be made applicable.

NUPLLP requests the Hon'ble Commission to kindly approve the Tariffs as proposed in above Tables for respective years.

8.4 Recovery of Gap as per Proposed Tariff

NUPLLP submits that the Tariff Philosophy as adopted for Wire and Retail Supply Business is planned to ensure that following objectives are met:

- a) revising the tariff to meet the proposed ARR for the respective years along with recovery of past period gaps (incl. deferment of Revenue Gap),
- b) smoothen the retail tariff revision trajectory to protect any consumer category from tariff shock as well as to ensure there is no tariff advantage to any category of consumers,
- c) encourage efficient use consumption by industry, commerce, domestic, agriculture and various other consumer segments and to ensure that tariff rates are competitive to continue to attract investment in the state,

d) to meet the goal of gradual reduction in cross-subsidy levels.

It has reworked the modified ARR for revenue recovery and the proposed revenue from above tariff policy so as to highlight that the Revenue gap / (surplus) is adjusted and ACoS is equal to ABR.

Table 32: Modified ARR and Proposed Revenue Recovery (Rs. Crore)

Sr.	Particulars	2026-27	2027-28	2028-29	2029-30
SEZ Area					
1	ARR of Distribution Business	122.344	153.510	184.135	201.411
2	Deferment of Recovery	13.929	12.574	11.412	7.219
3	Holding Cost of Deferment of Recovery	3.214	1.919	0.744	-
4	Total ARR of Distribution Business	139.487	168.003	196.291	208.631
5	Revenue from Proposed Tariff	139.511	168.018	196.256	208.772
6	Revenue Gap / (Surplus)*	(0.024)	(0.015)	0.034	(0.142)
Non-SEZ Area					
1	ARR of Distribution Business	16.569	16.552	19.254	19.619
2	Deferment of Recovery	(0.250)	(0.350)	0.500	0.100
3	Holding Cost of Deferment of Recovery	0.026	0.062	0.010	-
4	Total ARR of Distribution Business	16.344	16.264	19.764	19.719
5	Revenue from Proposed Tariff	16.272	16.294	19.723	19.698
6	Revenue Gap / (Surplus)*	0.072	(0.030)	0.041	0.021
Distribution Business					
1	ARR of Distribution Business	138.912	170.062	203.389	221.030
2	Deferment of Recovery	13.679	12.224	11.912	7.319
3	Holding Cost of Deferment of Recovery	3.240	1.981	0.754	-
4	Total ARR of Distribution Business	155.831	184.267	216.055	228.350
5	Revenue from Proposed Tariff	155.783	184.312	215.980	228.471
6	Revenue Gap / (Surplus)*	0.048	(0.045)	0.075	(0.121)

*- Marginal Figure due to rounding off issue

9 Determination of Cross-Subsidy Surcharge

CSS is calculated based on the Formula stipulated in the revised Tariff Policy notified by Ministry of Power on January 28, 2016. 8.11.4 Further, NUPLLP has limited the CSS to 20% of ACoS, in line with the Electricity (Amendment) Rules, 2022 notified on 29 December 2022.

NUPLLP has computed the category-wise CSS for existing category of consumers which are eligible for Open Access in accordance with the above formula, for each year of the Control Period, as shown in the following Table:

Table 33: Proposed Cross-Subsidy Surcharge for FY 2026-27 to FY 2029-30

Consumer Category	T (ABR)	C	WL	TL	L	D-Wheeling	D- Tx	R	CSS	Cap	CSS	CSS
	Rs./k Wh	Rs./k Wh	%	%	%	Rs./k Wh	Rs./k Wh	Rs./k Wh	Rs/k wh	Rs/k wh	Rs/k wh	Rs/kV Ah
FY 2026-27												
HT-INDUSTRIAL	8.56	5.87	0.44%	3.26%	3.82%	2.04	0.69	1.71	0.00	1.71	-	-
HT-COMMERCIAL	12.87	5.87	0.44%	3.26%	3.82%	2.04	0.69	1.71	2.33	1.71	1.71	1.68
LT-INDUSTRIAL												
0-20 kW	8.53	5.87	0.44%	3.26%	3.82%	2.04	0.69	1.71	0.00	1.71	-	-
FY 2027-28												
HT-INDUSTRIAL	8.26	6.03	0.44%	3.24%	3.80%	1.99	0.64	0.09	0.00	1.65	-	-
HT-COMMERCIAL	13.12	6.03	0.44%	3.24%	3.80%	1.99	0.64	0.09	4.13	1.65	1.65	1.62
LT-INDUSTRIAL												
0-20 kW	8.28	6.03	0.44%	3.24%	3.80%	1.99	0.64	0.09	0.00	1.65	-	-
FY 2028-29												
HT-INDUSTRIAL	8.03	6.10	0.44%	3.22%	3.78%	2.00	0.63	0.03	0.00	1.61	-	-
HT-COMMERCIAL	11.60	6.10	0.44%	3.22%	3.78%	2.00	0.63	0.03	2.61	1.61	1.61	1.58
LT-INDUSTRIAL												
0-20 kW	8.04	6.10	0.44%	3.22%	3.78%	2.00	0.63	0.03	0.00	1.61	-	-
FY 2029-30												
HT-INDUSTRIAL	7.87	6.20	0.44%	3.20%	3.76%	2.03	0.59	-	0.00	1.57	-	-
HT-COMMERCIAL	11.78	6.20	0.44%	3.20%	3.76%	2.03	0.59	-	2.73	1.57	1.57	1.54
LT-INDUSTRIAL												
0-20 kW	7.87	6.20	0.44%	3.20%	3.76%	2.03	0.59	-	0.00	1.57	-	-

With respect to Non-SEZ Area, NUPLLP submits that at present none of the consumers have a contract demand equal to or more than 1 MW and hence, will be eligible only for Green Open Access. Since NUPLLP has proposed to levy MSEDCL Tariff as determined in Case No. 75 of 2025 with discount as specified above, hence NUPLLP request the Hon'ble Commission to allow to charge CSS as determined for MSEDCL in the said order for the respective years.

NUPLLP therefore, requests the Hon'ble Commission to approve the category-wise Cross Subsidy Surcharge for the Control Period as proposed in the Table above.

10 Schedule of Charges

The Hon'ble Commission vide Order dated 3 August 2017 vide Case No. 47 of 2017 has allowed NUPLLP to charge consumers in its Licence area, the tariff applicable to the respective categories of MSEDCL's consumers (which is a two-part tariff) as the ceiling tariff, and apply the same Schedule of Charges as is applicable to the consumers of

MSEDCL.

Also, as per the Regulation 19 of the MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021, Distribution Licensee is required file the schedule of charges (SoC) along with every application for determination of tariff under Section 64 of the Electricity Act 2003. Accordingly, with this tariff petition, NUPLLP is filing the schedule of charges for various activities for approval of the Hon'ble Commission.

Since this is the first tariff petition filed by NUPLLP, it has proposed following Schedule of Charges for its consumers:

- Service Connection Charges for New Underground Connection
- Cost of Meter / Meter Box
- Miscellaneous & General Charges
- Open Access Charges

11 Prayers

NUPLLP prays to the Hon'ble Commission as under:

- i. To admit the MYT Petition as per the provisions of MERC (MYT) Regulations 2015, 2019 and 2024, consider for further proceedings before the Hon'ble Commission;
- ii. To approve the truing up and Revenue Gap/(Surplus) for FY 2018-19 to FY 2019-20 in accordance with the provisions of MERC MYT Regulations, 2015 and recovery of the same through tariff, as proposed by NUPLLP;
- iii. To approve the truing up and Revenue Gap/(Surplus) for FY 2020-21 to FY 2024-25 in accordance with the provisions of MERC MYT Regulations, 2019 and recovery of the same through tariff, as proposed by NUPLLP;
- iv. To approve the ARR for FY 2025-26 to FY 2029-30 and its recovery through revised tariff as proposed by NUPLLP;
- v. To approve the segregated ARR of FY 2019-20 to FY 2029-30 between SEZ and Non-SEZ area as per the proposed Principle of allocation highlighted in this petition.
- vi. To approve the Additional Transmission Charges as claimed for FY 2025-26 to FY 2029-30 as the Base TCR as approved in Case No. 208 of 2024 is lower than the load expected in NUPLLP distribution area in the upcoming years;

- vii. To allow the recovery of Additional Regulatory Charges (ARC) under FAC mechanism.
- viii. To allow recovery of past Revenue Gaps/(Surplus) along with the carrying/(holding) cost as proposed by NUPLLP;
- ix. To allow the adjustment of past accumulated gap from FY 2018-19 to FY 2025-26 of total distribution area within SEZ area so as to avoid any tariff shock to the consumers in Non-SEZ area.
- x. To approve Retail Supply Tariff for the Control Period i.e. FY 2026-27 to FY 2029-30 and the Tariff schedule, as proposed by NUPLLP for SEZ and Non-SEZ area;
- xi. To allow the exemption from the applicability of ToD for SEZ and Non-SEZ area considering the flat load curve for FY 2026-27 to FY 2029-30.
- xii. To allow NUPLLP to use the existing installed meters (~ 2500 in Nos) in its present Phase of Consumers without any additional capitalisation for change in the meter to avoid any tariff shock on the consumers.
- xiii. To approve cross subsidy surcharge and all such other charges including Wheeling Charges for FY 2026-27 to FY 2029-30, as proposed by NUPLLP for SEZ and Non-SEZ area;
- xiv. To approve the Schedule of Charges as proposed by NUPLLP;
- xv. Condone any inadvertent omissions, errors, short comings and permit NUPLLP to add/change/modify/alter this filing and make further submissions as may be required at a future date; and
- xvi. Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.