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Petition No. 02 of 2026

In the matter of approval of capital investment plan for Chhattisgarh State Power Generation Company Limited (CSPGCL) for FY 2026-27 to FY 2029-30.

M/s Chhattisgarh State Power Generation Company Limited

..... Petitioner

Present: **Vivek Ganodwale, Member (Law)**
Ajay Kumar Singh, Member (Tech)

ORDER

(Passed on 17/04/2026)

This Order is issued on the Petition filed by the Chhattisgarh State Power Generation Company Ltd. (CSPGCL) for approval of Capital Investment Plan (CIP) for the Control Period from FY 2026-27 to FY 2029-30 in accordance with Chhattisgarh State Electricity Regulatory Commission (Terms and conditions for determination of Multi-Year Tariff) Regulations, 2025 (hereinafter referred as 'CSERC MYT Regulations, 2025)'.

2. Regulation 7 of the CSERC MYT Regulations, 2025 specifies for filing of CIP by the CSPGCL. The relevant para of the Regulations is reproduced below:

"7. CAPITAL INVESTMENT PLAN

7.1 The generating company, STU/ transmission licensee, SLDC, and distribution licensee shall file the capital investment plan for approval of the Commission by 30th November 2025.

7.2. The capital investment plan shall cover the entire Control Period, with separate details for each year of the Control Period.

7.3. The capital investment plan may be in respect of new generation projects or transmission/ distribution schemes (for lines, sub stations, bays, etc.) or system operation for capacity addition/ enhancement or renovation of existing capacities on completion of useful life or work required for compliance of law or expenditure incurred to comply with revised emission standards or deferred execution of work included in original scope or efficiency *improvement or such works, which may be expedient for operation of the system:*

(a) The capital investment plan shall show separately, on-going projects that will spill over into the Control Period, and such new projects (along with justification) which will commence in the Control Period but may be completed within or beyond the Control Period.

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7.7 The licensee or the generating company, as the case may be, in case, where urgent action is required to mitigate threat to life and property take up urgent work, subject to prior intimation of the nature of urgency, brief about the proposed work and cost estimate. In such cases, ex-post facto approval of the Commission may be obtained."

3. Regulation 19 of the MYT Regulations, 2025 specifies for additional capitalization. Relevant para is reproduced below:

"19. ADDITIONAL CAPITALIZATION

19.1. The capital expenditure 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 to the extent of discharge of such liabilities by actual payments;

ii. Works deferred for execution;

iii. Procurement of initial capital spares within the original scope of work, subject to the provisions of Regulation 18.6;

iv. Liabilities to meet award of arbitration or for compliance of the order or decree of a court or any statutory authority;

v. Change in law or compliance of any laws; and

vi. Force Majeure;

19.2. The capital expenditure incurred on the following counts after the cut-off date may, in its discretion, be admitted by the Commission, subject to prudence check:

i. Liabilities to meet award of arbitration or for compliance of the order or decree of a court or any statutory authority;

ii. Liability for works admitted by the Commission to the extent of discharge of such liabilities by actual payments; and

iii. Change in law or compliance of any laws;

iv. Force Majeure;

v. Deferred works relating to ash pond or ash handling system or raising of ash dyke;

vi. Capital Investment for water conservation works including Usage of water from sewage treatment plant in thermal generating station.

vii. Need for higher security and safety of the plant in line with approvals accorded by the Central Commission;

viii. In case of hydro generating stations, any investment which has become necessary on account of damage caused by natural calamities (but not due to flooding of power house attributable to the negligence of the generating company) including due to geological reasons after adjusting for proceeds from any insurance scheme, and investment of more than Rs. 1 Crore, which is considered indispensable by the Commission for running the generating station; and

ix. In case of transmission /distribution system any additional investment on items such as relays, control and instrumentation, computer system, power line carrier communication, DC batteries, replacement of switchyard equipment due to increase of fault level, emergency restoration system, insulators cleaning infrastructure, replacement of damaged equipment not covered by insurance and

any other investment more than Rs. 1 Crore, which has become necessary for successful and efficient operation of transmission/ distribution system;

x. Any investment of more than Rs. 30 lakh of capital nature or spares, which is considered indispensable by the Commission for running the generating station:

Provided that, at the time of tariff determination, a provisional consideration of capitalisation at the rate of Rs. One (1) lakh per MW per year shall be made, and the generating company shall submit the details of such capitalisation at the time of true-up and the Commission may allow the same after prudence check:

Provided further that, any expenditure on acquiring the minor items or the assets like tools and tackles, furniture, air-conditioners, voltage stabilizers, refrigerators, coolers, fans, heat convectors, computer, mattresses, carpets, etc., brought after the cut-off date shall not be considered for additional capitalization for determination of tariff and/or fees and charges as the case maybe;

xi. Investment on coal transport system required for ensuring availability of coal;

xii. Any capital investment, which may lead to overall reduction in cost of generation."

4. Regulation 20 of the MYT Regulations, 2025 specifies as follows:

"In-principle approval in specific circumstances: *The generating company or the licensee planning any additional capitalization, which otherwise meets the qualifying criteria for consideration as additional capitalization under these Regulations, however, the cost and time projections may not be possible beforehand for the uncontrollable reasons beyond the control of the generating company or the licensee, as the case may be, may file Petition for in-principle approval for incurring such expenditure after prior notice to the beneficiaries or the* *long-term customers, as the case may be, along with underlying assumptions, and justification for such expenditure."*

5. Regulation 21 and 22 of the MYT Regulations, 2025 deals with the Renovation and Modernization schemes and special allowances, as under:

"21. RENOVATION AND MODERNISATION

21.1. The generating company intending to undertake renovation and modernisation of the generating station or Unit for the purpose of extension of life beyond the Useful Life of the generating station or a Unit thereof, shall make an application before the Commission for approval of the proposal with a Detailed Project Report giving complete scope, justification, cost-benefit analysis, estimated life extension from a reference date, financial package, phasing of expenditure, schedule of completion,

reference price level, estimated completion cost including foreign exchange component, if any, specific Board approval, and any other information considered to be relevant by the generating company or the transmission licensee or the distribution licensee:

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22. SPECIAL ALLOWANCE FOR COAL-BASED THERMAL GENERATING STATIONS

In case the generating station decides to operate any of its coal-based thermal generating unit(s), which has completed Useful Life without investment in Renovation and Modernisation, and meets the operational performance benchmark in accordance with the norms specified in these Regulations, then such generating station shall be eligible for annual Special Allowance @ Rs. 10.75 lakh/ MW/ year as compensation for meeting the requirement of expenses towards any additional capital expenditure covered in Regulations 19 and 21, except for capital expenditure arising out of change in law, award of arbitration or for compliance of the directions or order of any statutory authority, or order or decree of any court of law, and force majeure, after completion of 25 years from the date of commercial operation of the generating station or a unit thereof:.

Provided that, no upward revision of the capital cost shall be allowed and the applicable operational norms shall not be relaxed but the Special Allowance shall be included in the annual fixed cost:

Provided also that, the Special Allowance may be carried over from one year to another depending on the status of capital works:

Provided also that, Special Allowance shall not be available for a generating station or Unit thereof for which Renovation and Modernisation has been undertaken and the expenditure has been admitted by the Commission before the commencement of these Regulations, or for a generating station or Unit, which is in a depleted condition or operating under relaxed operational and performance norms."

6. In compliances to the above provisions, CSPGCL submitted the instant Petition for approval of CIP for the Control Period from FY 2026-27 to FY 2029-30 with the following prayers:

"1) To consider the submissions and approve the instant Capital Investment Plan for consideration of tariff impact of proposed capitalisation during the control period as prayed in the instant petition.

2) To exercise the 'Power to Relax' and 'Power to Remove Difficulty' and such other powers including inherent powers vested with the Hon'ble Commission as implied/ pleaded / prayed in relevant sections.

3) To condone any inadvertent omissions/ errors/ shortcomings and permit to add/ change/ modify/ alter this filing and make further submissions as may be required.

4) To allow recovery of petition filing fee and advertisement expenses.

5) To pass such any other suitable relief to the petitioner which Hon'ble Commission may find deem fit."

7. This Petition was registered as Petition No. 02 of 2026 on January 05, 2026. For inviting objections/suggestions as per the procedure laid down in the Regulations, gist of the Petition was published in the newspapers. For this purpose, the Petition was made available in the office of the Commission and the Petitioner. The Petition was also made available on the Commission's and petitioner's website.

8. On the scrutiny of the CIP Petition filed by CSPGCL, the Commission observed certain deficiencies and sought clarifications from CSPGCL.

9. A Technical Validation Session (TVS) was held on 12.02.2026, in the office of Commission. During the TVS, the CSPGCL was asked to submit clarifications/ additional information for prudence analysis of the submission of CSPGCL. In response to the queries of the Commission, CSPGCL submitted the clarifications, which have been discussed at relevant sections of this Order. The Commission conducted Public Hearing on 17.02.2026, 18.02.2026, 19.02.2026 and 20.02.2026. The Commission also held a meeting with Members of the State Advisory Committee on 21.02.2026, to seek their valuable suggestions and comments on this petition.

10. Written objections/suggestions from following stakeholders were received on the CIP filed by CSPGCL.

List of persons who submitted written submissions

S. No.	Name
1.	Shri Sunil Oak, General Secretary, CS Retired Power Engineers – Officers Association, Doongaji Colony, Raipur (02 submissions vide receipt no 601 & 602 dated Feb 20, 2026)
2.	Shri Arun Kumar Thakur, Chhattisgarh Rajya Power Companies Pensioners Association
3.	Shri Vivekanand Pandey, Chief Engineer (Retired), CSPDCL

Objections on construction of New Head Office building at Nava Raipur

11. The Objectors submitted that the proposal for the New Head Office at Naya Raipur at a total estimated cost is around Rs. 250 Crore should be put halt as the scheme is extravagant, unnecessary, likely to result in increased electricity tariffs for the public and bound to cause inconvenience to the employees. Some objectors contended that there is sufficient space available at Danganiya Head Quarter and if even 10% of funds were instead invested, the existing facilities could be significantly upgraded. One objector stated that earlier there were three attempts to shift the present head quarter to Naya Raipur, however after due study by CSPTCL, it was not found financially viable and since CSPTCL had done appropriate financial analysis, this work was entrusted to CSPGCL that too without taking prior approval of the Commission. Some objectors contended that the cost of proposed building may increase by more than Rs. 200 crore. One objector alleged that the cost of project has been intentionally increased by making provision of rapid hardening concrete. Some objectors alleged that there are luxurious provisions related to flooring, air conditioning, furniture etc., which are costlier than normal office infrastructure. One objector stated bus facility, if provided to employees of power companies, will also lead to tariff hike. Some objectors stated that the offices currently located in Gudhiyari will be relocated to Danganiya; however, the fate of the land in Gudhiyari remains unclear. One objector stated that the Chhattisgarh Housing Board intends to construct a commercial complex on Gudhiyari premise. Another quoting a newspaper report submitted that the Chhattisgarh Housing Board is formulating a scheme for the redevelopment of various Government and Semi-Government lands. The objectors quoted provisions under Section 132 of the Electricity Act, 2003 and claimed that this land is the property of the employees of the Electricity Board and to safeguard the interests of employees the ownership should not be changed as all proceeds generated from such transfer must be utilized to cover the retirement expenses and other outstanding dues of the electricity employees. An objector stated that in Punjab, this process has been stalled due to agitation by employees protesting a proposal to sell off the power company's assets. One objector alleged that the Boards of Directors of the three companies now on the verge of retirement have jeopardized everyone's future through this imprudent decision, therefore, an immediate stay must be imposed on this matter.

Petitioner’s Reply

12. CSPGCL categorically refuted the assertions, contentions and allegations made by the objectors. CSPGCL stated that they have already submitted the details in this regard in the petition, reply to data gaps, explanations during TVS and SAC meeting and also in additional submissions. Referring the submissions, it clarified that the building work is undertaken in compliance of a Policy Directive & Transfer Scheme Rules (as amended). Relying on copy of the BoD resolutions of all the three power companies and the tripartite agreement, it submitted that the decision to construct the new building was a joint and well-considered decision arrived at by all three power companies. CSPGCL further clarified that the work is being carried out in accordance to the decision of Empowered committee formed in accordance to the Transfer Scheme Rules (read with amendments thereof). Further, the in view of the BoD approval, the contention that CSPTCL management had rejected the plan is untenable. CSPGCL further submitted that the contention that as currently the work is being catered from existing campus, hence, new building should not be constructed, is a misplaced notion leading to misleading inferences. In fact, there is reasonable ground to presume that new HO building may enable more effective and efficient working contributing to the development process. In additional submission it is also submitted that cost of construction of new building would have remained same irrespective of place. Only land cost is difference and land is not depreciable asset. CSPGCL also refuted the allegation of deliberate increase in cost. It submitted that contention of intentional increase in cost by making provision of rapid hardening concrete is untrue as contract don't provide any such obligation. It is further submitted that most of the building works are based CPWD/State PWD SOR. The price variation is also in accordance to CPWD provisions, which is widely used as an industry practice. As such the whole argument of cost increase by more than Rs. 200 crore is unfounded. Regarding allegation of "luxury" provisions, CSPGCL submitted that standard provisions cannot be termed "luxury". The building will have provisions which any modern office should have. Regarding, allegation of consumption of excessive electricity, CSPGCL countered that the new building will be BEE Five-Star Rated Green building and Energy Conservation Building Code (ECBC) compliant, hence, will be more environment friendly. Regarding land transfer of Gudhiyari complex, CSPGCL submitted that no such decision has been taken and unfounded apprehensions cannot be relied in the proceedings. CSPGCL also contended that citation related to Punjab case is irrelevant and is not applicable in the present case. Regarding personal allegations on directors, CSPGCL took strong exception and requested that no cognizance should be taken of such unfounded allegations.

Commission's View

13. The Commission has noted the divergent views and has taken appropriate view in the relevant section of this Order. Commission do not appreciate personal allegations, accordingly no such cognizance is taken.

Objections on the FGD installation

14. During the proceedings some objectors objected to installation of FGD at Marwa and Korba plant as avoidable expenses and asked for avoidance of the same.

Petitioner's Reply

15. CSPGCL submitted that as detailed in the petition, installation of FGD is beyond the scope and content of the current petition filed by the CSPGCL and hence, such reference does not qualify for admittance.

Commission's View

16. The Commission agrees with the clarifications submitted by CSPGCL and this matter is not being dealt in the instant order. However, the Commission has taken suo-motu initiative on March 23, 2026 in the matter of installation of FGD which is registered as 47 of 2026.

CSPGCL's Submission on Approach & Background of the Instant Petition

17. The Commission approved the CIP for the control period from FY 2022-23 to FY 2024-25 vide Order dated 27.04.2022, issued in Petition No. 73 of 2021. Further, additional CIP for FY 2022-23 to FY 2024-25 was approved by the Commission vide Order dated 15.03.2024, in Petition No. 84 of 2023. CSPGCL filed CIP petition no 99 of 2024 for FY 2025-26 on 03.12.2024 broadly in accordance to the principles specified in prevailing Regulations. In this petition, order was issued on 08.07.2025.

18. CSPGCL has filed the present petition for approval of CIP for FY 2026-27 to FY 2029-30 in accordance with the principles specified in the CSERC MYT Regulations, 2025. CSPGCL has submitted that the schemes related to all such capital nature works, which qualify for additional capitalization having a bearing on the tariff/ARR of the plant as covered in Regulation 7.5, but excludes schemes covered under Regulation 5.8 & 5.9. As per the Regulations, for such schemes, separate petition will be filed at the time of determination of provisional tariff or the supplementary tariff, as the case may be. For each of the Generating plants, GP III Mine and Head Office, the schemes are proposed in the following categories:

a) Spill Over Schemes – Schemes approved by the Commission in the previous Order/s and which are expected to continue/be completed in the ensuing year.

b) New Schemes for the ensuing control period. Such schemes also include the schemes, which are expected to commence during the control period, but completion is expected in future years.

c) Schemes for "in-principle" approval under Regulation 20 of the MYT Regulations 2025. Leave is craved for submission of cost and/or time estimates for such schemes, as may become available during the proceedings.

19. CSPGCL has submitted the CIP petition was compiled during October & November 2025 and in the interest of more realistic projections CSPGCL, on its own has reviewed the status of all the schemes, particularly the schemes approved in the previous capital investment plan vide order dated 08.07.2025. CSPGCL submitted that post review of status; there are changes in some of the schemes. These are categorized as under:

a) Some of the schemes which were earlier expected to be fully capitalized in the FY 2025-26 are now expected to be capitalized in the ensuing financial year. As such, these schemes are now added to the 'Spill Over Schemes', with corresponding deletion from the estimated Capitalization in FY 2025-26. Furthe,r one pre-approved scheme (upgradation of AC system at DSPM TPS), was earlier deferred as some changes in the schemes were under deliberation, but with finalization of the proposal, the scheme has now been included in the CIP.

b) Some other schemes which were submitted as spill over schemes have undergone minor changes regarding the scheme cost or capitalization expected in FY 2025-26 and FY 2026-27. Mostly these minor revisions are based on the market discovered prices through open transparent competitive bidding and it may be appreciated that schemes with minor upward revision are much lower than the downward revision. On aggregate basis the total capital cost under the CIP (including the capitalization estimated for FY2025-26) is lower than what was submitted in the original petition.

c) Further, for comprehensive submission, it is re-iterated that as the cost estimate for one of the 'new schemes' (Plantation at Korba West) is now under review (with exploration of more economic options); the scheme has been converted from Estimate based capital scheme" to the scheme for "in-principle approval" as per provisions specified in Regulation 20.

20. Apart from this generic categorization, plant-specific prayers have been made in light of the typical constraints and circumstances. As regards capital structure, CSPGCL submitted that the debt-equity structure has been considered at 70:30 on normative basis. The Cost indicated in this plan is without Price Variation (PV) and 'interest during construction' (IDC).

21. In additional submission, CSPGCL also submitted that BOD resolution for ex-post facto approval of the CSPGCL petition for the CIP for FY 2026-27 to 2029-30.

22. Plant wise capital investment plan as submitted by CSPGCL is discussed

<u>Capital Investment Plan for 4 x 210 MW Hasdeo Thermal Power Station (HTPS), Korba West</u>

CSPGCL's Submission

23. CSPGCL has proposed a total of seven schemes for FY 2026-27 to FY 2029-30, out of which four schemes are Spillover schemes, and rest are new schemes. Among the proposed schemes, one spillover scheme and one new scheme are for in-principle approval only.

24. CSPGCL submitted that the 4 x 210 MW HTPS Korba West Plant is providing cheapest power to the State. The last unit of the plant was Commissioned in March 1986. The TG (Turbine-Generator) of all the four units is BHEL make while boilers of two units (i.e., Unit-I & II) are BHEL make and the other two units have boilers of ABL make. The plant has completed about 40 years of continuous satisfactory service without any package base Renovation and Modernization which may lead to PI (Performance Improvement) and LE (Life Extension). Earlier, due to infeasibility (space constraint) of installation of ECS, the plant was scheduled for retirement by 2024-25. However, with post Covid resurgence in demand and also with the challenges of large scale RE integration, MoP has directed not to retire any thermal plant till March 2030. Accordingly, in compliance of the Government directive, the plant continues to be in operation.

25. CSPGCL, further, submitted that earlier plant was scheduled to retire by the end of year 2024, exercising prudence and conservatism, CSPGCL claimed half of the special allowance. However, later on MoP directed not to retire any units till 2030. Consequently, in the very next petition, CSPGCL prayed for enhancement of special allowance to full value so as to ensure that units may survive up to year 2030 and comply with the directives. The Commission considered the submission and enhanced the special allowance to full value i.e., Rs 9.5 Lakh per MW per Year. Taking cognizance of the inflation, the Central Commission in its tariff regulations, 2024 has enhanced the special allowance from Rs 9.5 Lakh per MW per Year to Rs

10.75 Lakh per MW per Year. The same has been adopted in CSERC MYT Regulations 2025.

26. CSPGCL also submitted that as per the settled regulatory principle and practice adopted in the previous order/s, all capital works required for need based rolling renovation for the 4 X 210 MW HTPS (excluding already settled exceptions such as Compliance/Change of law, Compliance of statutory directions, deferred works related to Ash dyke, force majeure etc.) are to be carried out through the "Special Allowance" at the rate of Rs. 10.75 Lakh per MW per Year. Hence, in the instant petition, prayer for approval of only such specific schemes is included which fall in criterion of such exceptions.

27. With the above, it is prayed that for HTPS for the period from FY 2026-27 to FY 2029-30 special allowance of Rs 10.75 Lakh per MW i.e., Rs 90.30 crore per year may please be allowed. As submitted in the previous petitions, CSPGCL submitted that throughout country, there are number of units which have completed their useful life and have to undergo need-based renovation/life extension. Major works require COH/partial outages/ planned outages for a considerable time. To avoid bunching of such works at number of plants, at a particular time, leading to shortages in the grid particularly looking to the challenges of large scale RE integration and post pandemic demand surge, CEA has prepared a phasing plan. As per the CEA phasing plan, HTPS units are expected to undertake major work (requiring unit outages) during FY 2026-27 & FY 2027-28. Further, as a measure of prudent and pragmatic planning, CSPGCL also plans to undertake major works related to renovation/ life extension of the Long-Distance Coal Conveyor (LDCC) system catering to the coal requirement of Korba West complex. The system has been continuously in operation for more than 40 years. Major works would require outages of streams affecting coal supply to the plant. Hence, undertaking such works along with major outages/ COH of 210 MW sets will lead to synergy in operation and reduced impact on energy availability to the grid. As per approval by the Commission 60% of the cost of LDCC is to be met from special allowance. Therefore, it is estimated that during these two years, on account of bunching of a lot of capital works, the actual capex may be much higher than the special allowance earmarked for those years.

28. The carryover proviso in the Regulation well appreciates that while avoidance of tariff shock prefers a constant normative loading in ARR, the physical execution of capital works can never be equally distributed to a number of years. It is for this purpose that the current regulations (MYT Regulations 2021) as well as the regulations for next control period both allow carryover of special allowance from one year to another. It is also prayed that CSPGCL may be allowed to incur additional capex in a particular year through the balance special allowance carried forward from previous year/control period. Further, in case the expense exceeds, in a particular year, advance against future years may also be allowed. CSPGCL clarifies that the aforesaid prayer is only an in-principle prayer and any claim for carryover of the previous period or advance against future years shall be submitted at the time of true-up subject to actual incurrence of expenditure and prudence check by the Hon'ble Commission. For the purpose of the

ARR/Tariff, the prayer is limited to grant of special allowance in accordance to the Regulation.

29. CSPGCL further submitted that as per prevailing environment provisions, all thermal power plants are expected to install cooling towers and some other ECS. HTPS is about 40 years old plant. There is space constraint which makes such installation infeasible. It was for this very reason that the plant was scheduled for retirement. However, in compliance of the MoP direction in the wake of post-pandemic demand surge and large-scale RE integration, the plant has been kept in operation. As MoP directive is akin to law, CSPGCL prays that being compliance of law, in case any compensation charges are to be paid, as allowed in previous orders, in principle pass through may please be continued. Further, if the MoP or any other statutory authority directs for early closure, CSPGCL crave leave to submit revised depreciation based on such revised life during true up of respective year/s.

30. CSPGCL submitted the CIP for HTPS for the Control Period as shown in the Table below:

Table 1: CIP for HTPS as submitted by CSPGCL (Rs. Crore)

SN.	Description	Scheme cost	EXPECTED CAPITALISATION					
			Upto FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Spill Over Schemes								
1	2nd stage Raising of Lagoon I A from R.L. 313.00 M to 318.00 M. at Ash Dyke Jhabu (Regulation i.e. 19.2(v))	6.88	0.00	3.00	3.88	0.00	0.00	0.00
2	Installation of Brick manufacturing unit in compliance of CTO by CECB	In Principle						
3	Ash Water Recirculation System (AWRS) at Jhabu Ash Dyke	40.00	0.00	0.00	40.00	0.00	0.00	0.00
4	Providing & installation of 02 number weigh bridge of 100 Ton capacity at ash dyke Jhabu.(Regulation 19.2 (iii))	0.45	0.00	0.00	0.45	0.00	0.00	0.00
Sub-Total		**47.33**	**0.00**	**3.00**	**44.33**	**0.00**	**0.00**	**0.00**
New Schemes								
5	Construction of Cement Concrete Road over starter dykes and ramps for ash transportation work from Jhabu Ash Dyke HTPS (Regulation 19.2 (iii))	2.72	0.00	0.00	1.32	1.40	0.00	0.00
6	Height raising of ash dyke i.e deferred works of ash dyke (Regulation 19.2 (v) & Regulation 113 & 115)	4.57	0.00	0.00	3.15	1.42	0.00	0.00
7	Plantation in compliance	In Principle						

SN.	Description	Sche	EXPECTED CAPITALISATION					
	of directions of MoEF & CC							
Sub-Total		7.29	0.00	0.00	4.47	2.82	0.00	0.00
Grand Total		54.62	0.00	3.00	48.80	2.82	0.00	0.00

Commission's View

31. The Commission notes that CSPGCL has proposed Capital Investment of Rs. 51.62 crore for HTPS for the Control Period from FY 2026-27 to FY 2029-30, which includes expenditure of Rs. 44.33 crore against carryover of pre-approved schemes and Rs. 7.29 crore against the new schemes proposed for the Control Period.

32. The spillover scheme regarding height of raising lagoon is related to Ash handling, was originally approved in the CIP Order dated 27.04.2022 in Petition No. 73 of 2021 at Rs. 7.16 crore which was later on reduced by CSPGCL to Rs 6.45 crore. As the scheme was already approved and considering the justification, the updated estimate of total cost of Rs 6.88 crore with the capitalisation of Rs. 3 crore in FY 2025-26 and the balance Rs. 3.88 crore in FY 2026-27 is approved under Regulation 19.2 (v).

33. Regarding installation of brick manufacturing plant, agreeing with the submission of CSPGCL, the Commission grants in-principal approval under Regulation 19.2 (iii) & Regulation 20 and allows CSPGCL to approach the Commission after the capitalization is incurred.

34. The Commission vide order dated 08.07.2025, approved installation of Ash Water Recirculation System (AWRS) at Jhabu Ash Dyke. The Commission also notes that the AWRS scheme was originally planned for completion in FY 2025-26, however, for the reasons beyond control, the work may spill over to FY 2026-27. CSPGCL submitted that to strike a balance between the statutory requirements, technological challenges and interest of the end beneficiary, CSPGCL is reviewing the design of the system so that the capital cost may be rationalized to the best possible extent. Though the final cost can be ascertained only after finalization of revised design, however, for the purpose of instant petition, cost of Rs 40 crore as submitted previously is being retained. Accordingly, Commission approves the spillover of the scheme to the next control period under Regulation 19.2 (iii).

35. The Commission notes that work order for installation of two numbers weigh bridge of 100 ton capacity, has already been issued on 05.01.2026 which is now expected to be capitalized in FY 2026-27. The scheme is included in the present petition with the capital cost of Rs. 0.45 crore and full capitalization in FY 2026-27. The Commission approves the spillover of this scheme to the next control period under Regulation 19.2 (iii).

36. New schemes proposed by CSPGCL are analysed as below:

a) Construction of cement concrete road over starter dykes and ramps for ash transportation work from Jhabu Ash Dyke HTPS.

CSPGCL submitted that the MOEF & CC notification requires the thermal plants to achieve 100% ash utilisation. It implies huge quantity of ash transportation from the ash dykes. As conventionally roads to dyke are built for LCV movement for inspection purpose only. Now for compliance of law, ash transportation, movement of bulkers/heavy trucks/dumpers is required, for which construction of cement concrete roads for approach/ramp/top is required. Accordingly, CSPGCL submitted following proposals for construction ramps at Jhabu Dyke.

i.i. Construction of cement concrete Road over starter dyke at 313.00 M and ramps of (RL 313.00 M to 318.00 M) Lagoon-1A of ash Dyke – Estimated cost of the scheme is Rs 1.32 crore and capitalisation is expected in FY 2026-27.

ii.ii. Construction of cement concrete road over starter dyke at 308.00 M and ramps of (RL 308.00 M to 313.00 M) Lagoon-2 of Ash Dyke – Estimated cost of the scheme is Rs 1.40 crore and capitalisation is expected in FY 2027-28.

Considering the submission of CSPGCL, the Commission provisionally approves the above scheme under Regulation 19.2 (iii) subject to prudence check during true-up.

b) Height raising of ash dyke

The Commission notes that the height raising of ash bunds is undertaken in phased manner till the thermal plant remains in operation. The height raising is undertaken in phases right from the initial years of the plant to the far end of the plant. CSPGCL prayed to approve 2nd stage Raising of Lagoon I B from R.L. 313.00 M to 318.00 M. at Ash Dyke Jhabu. The expected cost is Rs. 4.57 crore with capitalization of Rs 3.15 crore in FY 2026-27 and Rs 1.42 crore in FY 2027-28. The Commission provisionally approves the same subject to prudence check at the time of True up.

c) Plantation in compliance of directions of MoEF & CC

The Commission notes that the MoEF & CC current guidelines prescribe that for environment clearance a thermal plant requires plantation over 33% of the total land required for the project. Further, in case of brown-field projects MoEF & CC considers the total campus area instead of the specific land required for the extension/new units. With the proposed 2X660 MW units at Korba West, the MoEF & CC has applied the aforesaid criteria on the whole campus, which has resulted to a very peculiar situation deserving a thorough consideration and prudent and rational approach so that the cost implication is spread to all the units and remains beneficial to the end-consumer also. The estimated cost submitted in the petition is based on offer received from CG Van Vikas Nigam on June 25, 2025. However, currently CSPGCL is exploring further more options. As such, CSPGCL is no more insisting on the cost and in compliance of Regulation 20 of CSERC MYT Regulation 2025. Hence, CSPGCL prayer is being revised for "In-principle" approval in additional submission with the leave for claiming the actual capitalization (keeping the inter-plant share intact) during respective true-up subject to prudence check. In view this, the Commission grants in-principal approval under Regulation 20 for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

37. The prayer for carryover of special allowance is allowed and necessary impact be considered in the petition for determination of ARR of CSPGCL of FY 2026-27 to FY 2029-30.

38. The Commission also notes that CSPGCL submitted that as per prevailing environment provisions, all thermal power plants are expected to install cooling towers and some other ECS. HTPS is about 40 years old plant. There is space constraint which makes such installation infeasible. It was for this very reason that the plant was scheduled for retirement. However, in compliance of the MoP direction in the wake of post-pandemic demand surge and large-scale RE integration, the plant has been kept in operation. CSPGCL prays that if in compliance of law, any compensation charges are to be paid then in principle pass through may please be continued as allowed in previous orders. Further, if the MoP or any other statutory authority directs for early closure, CSPGCL crave leave to submit revised depreciation based on such revised life during true up of respective year. In light of above deliberation, the Commission approves for aforesaid proposal.

39. Summary of CIP as approved by the Commission for HTPS for the Control Period is as follows:

Table 2: Approved CIP for HTPS for the Control Period (Rs. Crore)

Particulars	FY 26-27	FY 27-28	FY 28-29	FY 29-30	Total
Pre Appr. Scheme	44.33	0.00	0.00	0.00	44.33
New Scheme	4.47	2.82	0.00	0.00	7.29
Total	**48.80**	**2.82**	**0.00**	**0.00**	**51.62**

Capital Investment Plan for 2 x 250 MW Dr. Shyama Prasad Mukherjee (DSPM) TPS

CSPGCL's Submission

40. CSPGCL has proposed a total of twenty six schemes for FY 2026-27 to FY 2029-30, out of which eighteen schemes are spillover schemes, and rest are new schemes. Among the proposed Schemes, two spillover schemes are for in-principle approval only.

41. CSPGCL submitted that 2 X 250 MW DSPM TPS, commissioned in year the 2008. The plant has completed more than 15 years of service and is one of the best performing plants of CSPGCL.

42. CSPGCL submitted the CIP for DSPM for the control period as shown in the Table below:

Table 3: CIP for DSPM as submitted by CSPGCL (Rs. Crore)

SN.	Description	Scheme cost	EXPECTED CAPITALISATION					
			Up to FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Spill Over Schemes								
1	Second Raw Water Line	12.66	0.00	1.89	4.51	6.26	0.00	0.00

SN.	Description	Scheme	EXPECTED CAPITALISATION					
	for DSPM TPS from KTPS and installation of filters & laying of drinking water lines (Regulation 19.2 (x))							
2	Colony CC TV Network (Regulation 19.2 (vii))	2.00	0.00	0.00	2.00	0.00	0.00	0.00
3	Numerical Protection Relays in 0.6 & 0.4 KV Auxiliaries (Regulation 19.3 c)	1.60	0.00	0.30	1.00	0.30	0.00	0.00
4	VFD drive for CEP (Regulation 19.2(iii))	3.84	0.00	0.00	1.28	2.56	0.00	0.00
5	One number complete new BFP Cartridge (Regulation 19.2(x))	2.00	0.00	0.00	2.00	0.00	0.00	0.00
6	One number Complete Impeller Assembly of FD Fan (Regulation 19.2(x)))	1.90	0.00	0.00	1.90	0.00	0.00	0.00
7	Renovation of ESP Fields of Unit#1	1.60	0.00	0.00	1.60	0.00	0.00	0.00
8	High mast along with PCC Poles & AB Cables for Ash Dyke located at Godhi Ash Dam (Regulaiton 19.2 (iii))	0.46	0.00	0.00	0.46	0.00	0.00	0.00
9	Replacement of Railway line (Regulation 19.2 (x))	33.18	0.00	0.00	19.91	13.27	0.00	0.00
10	Construction of occupational health centre and workshop	0.65	0.00	0.27	0.38	0.00	0.00	0.00
11	4th stage raising of Lagoon no. II from RL 319m to 322m of ash dyke at vill-Gorhi/Pandripani (Regulation 19.2(v))	2.57	0.00	0.25	2.32	0.00	0.00	0.00
12	Construction of RCC peripheral drains & chute drains in buttressing, Phase-I & Phase-II of Podimar ash dyke (Regulation 19.2(v))	1.97	0.00	0.50	1.47	0.00	0.00	0.00
13	Construction of RCC drain at JPS side, tower line side, Pandripani side at Ash Dyke of village Gorhi / Pandripani (Regulation 19.2(v))	2.59	0.00	0.50	2.09	0.00	0.00	0.00
14	Strengthening of embankment of Lagoon No.-1 & 2 of Gorhi/ Pandripani ash dyke (Regulation 20)	In principle						

SN.	Description	Scheme	EXPECTED CAPITALISATION					
15	Revamping, Upgradation & Augmentation of Fire Alarm, smoke & heat detection system at CHP, Oil Pump house, Admin building & Fire Station	In principle						
16	Construction of 02 No.s Weighbridge of 100 Ton capacity each at Gorhi/Pandripani ash dyke.(Regulation 19.2(iii))	0.45	0.00	0.00	0.45	0.00	0.00	0.00
17	Construction of CC Roads at ash dykes. (Regulation 19.2(iii))	1.72	0.00	1.00	0.72	0.00	0.00	0.00
18	Upgradation of compressor of plant AC system due to Environmental laws - Already approved in CIP order dated 08.07.25 (SN 13, Page 17) , however value now being cosnidered is slightly lower i.e Rs 4.17 Cr instead of Rs 4.32 crore.(Regulation 19.2(iii))	4.17	0.00	0.00	4.17	0.00	0.00	0.00
Sub-Total		**73.36**	**0.00**	**4.71**	**46.26**	**22.39**	**0.00**	**0.00**
New Schemes								
19	Replacement of 24 Volt Dual FCBC Battery Chargers of DCS Panels & PLC Panels of Unit No-01 & 02 (Regulation 19.3(a) & (c))	2.00	0.00	0.00	2.00	0.00	0.00	0.00
20	Replacement of Battery Bank of UPS/24 V of DCS (Regulation 19.3(a))	1.10	0.00	0.00	0.00	1.10	0.00	0.00
21	Upgradation of Input - Output modules (I/O modules) of PLC of DM plant (Regulation 19.3(a) & (c))	0.80	0.00	0.00	0.80	0.00	0.00	0.00
22	Replacement of Rectifier Transformer for KTPS Hydrogen Plant (Regulation 19.3(a) & (c))	0.55	0.00	0.00	0.55	0.00	0.00	0.00
23	Numerical Generation Protection Relays (Regulation 19.3 (c))	2.00	0.00	0.00	1.00	1.00	0.00	0.00
24	Capital Spares (Regulation 19.2 (x))	20.00	0.00	0.00	5.00	5.00	5.00	5.00
25	Upgradation of existing	1.00	0.00	0.00	0.00	1.00	0.00	0.00

SN.	Description	Scheme	EXPECTED CAPITALISATION					
	CC road from Gorhi-Bhaisma road to Gorhi barrier at Gorhi/Pandripani ash dyke (Regulation 19.2(iii))							
26	5th stage raising of Lagoon No.01 of Ash dyke from RL 322m to 325m at village Gorhi/Pandripani (Regulation 19.2(v))	4.32	0.00	0.00	2.16	2.16	0.00	0.00
Sub-Total		**31.77**	**0.00**	**0.00**	**11.51**	**10.26**	**5.00**	**5.00**
Grand Total		**105.13**	**0.00**	**4.71**	**57.77**	**32.65**	**5.00**	**5.00**

Commission's View

43. The Commission notes that CSPGCL has proposed capital investment of Rs. 100.42 crore for DSPM for the control period from FY 2026-27 to FY 2029-30, which includes expenditure of Rs. 68.65 crore against carryover of pre-approved schemes and Rs. 31.77 crore against the new schemes proposed for the Control Period.

44. The Commission has previously approved the spillover schemes claimed by CSPGCL. The same are summarized as below:

(1) Second Raw Water Line for DSPM TPS from KTPS and installation of filters & laying of drinking water lines

The Commission notes that the scheme was approved with carry over beyond FY 2025-26 in CIP order for FY 2025-26, thus, there is no deviation. The cost of the scheme is Rs. 12.66 crore (same as in CIP for FY 2025-26). As per additional submission of CSPGCL, the updated estimate of the capitalization is Rs. 1.89 crore in FY 2025-26 followed by Rs. 4.51 crore in FY 2026-27 and Rs. 6.26 crore in FY 2027-28. Hence, the Commission approves the same under Regulation 19.2 (x).

(2) Colony CC TV Network

The Commission notes that in-principle approval was granted for the scheme subject to implied capping of Rs. 2 crore in CIP for FY 2025-26. It may be pertinent to submit that Electricity (Removal of Difficulty) (Fourth) Order 2005 dated June 08, 2005 provides that the housing to the operating staff at generating station in the vicinity of the generating station is essential for operation and maintenance of generating station and forms an integral part of generating station. Tendering for the work is under progress. Capitalisation is expected in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2 (vii).

(3) Numerical Protection Relays in 6.6 KV & 0.4 KV Auxiliaries

The Commission notes that the scheme was expected to be fully capitalised during FY 2025-26 as per CIP order for FY 2025-26. Tender was floated but due to lack of participation, the bid has to be extended. Though there is still hope that Commissioning & capitalisation may be achieved in FY 2025-26. However, depending upon the time taken by bidders to respond, commissioning is getting delayed, therefore, the spill over has been prayed with the same cost and under the same Regulation. As per additional submission of CSPGCL, the updated estimate of the capitalisation is Rs. 0.3 crore in FY 2025-26 followed by Rs. 1 crore in FY 2026-27 and the balance Rs. 0.3 crore in FY 2027-28. Hence, the Commission approves the same under Regulation 19.3 (c).

(4) VFD drive for CEP

The Commission notes that the scheme was approved as carry over beyond FY 2025-26 in CIP Order for FY 2025-26. As per status submitted by CSPGCL the tender has been opened, and order is expected in FY 2025-26. However, looking to the delivery period and time required for interconnection and commissioning, the phasing is now planned in FY 2026-27 & FY 2027-28, depending on the outage schedules. The cost of the scheme is unchanged at Rs. 3.84 crore with capitalization of Rs 1.28 crore in FY 2026-27 and Rs 2.56 crore in FY 2027-28. Hence, the Commission approves the same under Regulation 19.2 (iii).

(5) One number complete new BFP Cartridge

The Commission notes that the scheme was approved at the cost of about Rs 2 crore in CIP order for FY 2025-26 and capitalisation was considered beyond FY 2025-26. Accordingly, no tariff impact was considered in the Tariff of FY 2025-26. As such, the scheme has no deviation. CSPGCL submitted that LoI has been placed. Spill over to FY 2026-27 is prayed with the same cost and under the same Regulation. Hence, the Commission approves the same under Regulation 19.2 (x).

(6) One number Complete Impeller Assembly of FD Fan

The Commission notes that the scheme was approved in CIP order for FY 2025-26 and capitalisation was considered beyond FY 2025-26 and accordingly no tariff impact was considered in the Tariff of FY 2025-26. As such, the scheme has no deviation. CSPGCL submitted that LoI has been placed and capitalisation is expected in FY 2026-27 depending upon the outage availability. The cost of the scheme is Rs. 1.90 crore. (Same as in additional submission in CIP FY 2025-26). Hence, the Commission approves the same under Regulation 19.2 (x).

(7) Renovation of ESP (Unit-1)

The Commission notes that the order for material has been placed and work was planned to be carried out during AOH, however, due to system constraints recently AOH has been shifted to next control period. Accordingly spill over to FY 2026-27 is prayed with same estimated cost of Rs. 1.60 crore. Hence, the Commission approves the same under Regulation 19.2 (x) & 19.3(a).

(8) High mast along with PCC Poles & AB Cables for Ash Dyke located at Godhi Ash Dam

The Commission notes that the scheme at the estimated cost of about Rs.1.16 crore was submitted for installation of high masts along the complete periphery in CIP Order for FY 2025-26. However, after careful review, specification for the high mast was standardized and it has been decided that in the first phase only two number high masts along with PCC poles, LDB, bus bar terminal box (with cables) may be erected. Accordingly, cost has come down from Rs. 1.16 crore to about Rs. 0.46 crore and capitalization is now expected in FY 2026-27. As the installation of high mast at ash dyke is required under the Guidelines for Annual Certification of Coal Ash Ponds and subjected to statutory annual certification, hence, the Commission approves the same under Regulation 19.2 (iii).

(9) Replacement of Railway line

The Commission notes that in-principle approval was granted for the scheme in CIP order for FY 2025-26. It is pertinent to submit that Railways has advised for replacement of the 52 kg track by 60 kg track for safe and smooth operation of the railway system. Railways have almost replaced all the tracks by 60 kg or higher rating rails. As the Indian railways is a Government organization, its advice / directive qualifies as change in law. As such, in addition to Regulation 19.2(x) & 19.3 (b), the scheme also qualifies under Regulation 19.2(iii). The estimated cost is Rs. 33.18 crore with expected capitalisation of Rs. 19.91 crore and Rs. 13.27 crore in FY 2026-27 & FY 2027-28 respectively. Hence, the Commission approves the same under Regulation 19.2 (x), 19.3(b) & 19.2(iii) subject to prudence check at the time of True up.

(10) Construction of occupational health center and workshop

The Commission notes that the scheme for construction of occupational health center was approved in CIP Order for FY 2025-26 with an estimate of Rs. 0.65 crore. Now, along with the same, it is proposed to construct a workshop to facilitate relocation of machines from the de-commissioned KTPS to the DSPM TPS premises. The relocation is required for safe and smooth working of the workshop and qualifies under Regulation 19.2(x). CSPGCL submitted that the total scheme cost is expected to remain same with capitalisation of Rs 0.27 crore in FY 2025-26 and Rs 0.38 crore in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(x).

(11) 4th stage raising of Lagoon no.-II from RL 319 m to 322 m of ash dyke at vill-Gorhi/Pandripani

The Commission notes that the scheme cost was Rs. 3.15 crore (approved in CIP Order for FY 2025-26), which is revised to Rs. 2.57 crore. As per additional submission of CSPGCL, the updated estimate of the capitalisation is Rs. 0.25 crore in FY 2025-26 followed by Rs. 2.32 crore in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(v).

(12) Construction of RCC peripheral drains & chute drains in buttressing, Phase-I & Phase-II of Podimar ash dyke

The Commission notes that the scheme was approved as carryover beyond FY 2025-26 in CIP Order for FY 2025-26. Post tendering and placement of LoI in Dec' 2025, the cost has come down from Rs. 2.23 crore to Rs 1.97 crore. The updated estimate of the capitalisation is Rs.0.50 crore in FY 2025-26 followed by Rs. 1.47 crore in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(v).

(13) Construction of RCC drain at JPS side, tower line side, Pandripani side at Ash Dyke of village Gorhi / Pandripani

The Commission notes that the scheme was approved as carry over beyond FY 2025-26 in CIP Order for FY 2025-26. Post tendering and placement of LoI in Jan' 2026, the cost has come down from Rs. 3.74 crore to Rs 2.59 crore. The updated estimate of the capitalisation is Rs. 0.50 crore in FY 2025-26 followed by Rs. 2.09 crore in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(v).

(14) Strengthening of embankment of Lagoon No.-1 & 2 of Gorhi/ Pandripani ash dyke

The Commission notes that the safety and stability of the ash dyke is very sensitive matter and need periodic review by the experts. CSPGCL submitted that looking to the criticality, it has contacted Dr. Patra of NIT Rourkela, a well-known expert in the field, based on report, the works required for strengthening of embankment of Lagoon No.-1 & 2 of Gorhi/ Pandripani ash dyke shall be carried out in accordance to the identified priorities. At this juncture, the cost and phasing are not certain, hence, CSPGCL is prayed to continue the in-principle approval under Regulation 20 as accorded earlier. Hence, the Commission grants in-principal approval under Regulation 20 for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

(15) Revamping, Upgradation & Augmentation of Fire Alarm, smoke & heat detection system at CHP, Oil Pump house, Admin building & Fire Station

The Commission notes that as there have been technological changes in the fire alarm and protection system technologies, the concerned authorities are reviewing the whole arrangement and after due deliberation the scheme is expected to be finalised soon. As the need for Revamping, Upgradation & Augmentation of the system is well-appreciated Hence, the Commission grants in-principal approval under Regulation 20 for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

(16) Installation of two number weigh bridge of 100 Ton capacity at ash dyke at Gorhi- Pandripani

The Commission notes that in the additional submission of CSPGCL, capitalisation is now expected during the ensuing year. LoI for the work has already been issued on 19.01.2026. In view of the above, the scheme is added to the main petition with the capital cost of Rs.

0.45 crore and full capitalisation in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(iii).

(17) Construction of CC Roads at ash dykes

The Commission notes that after LOI, the cost came down to Rs 1.72 crore. The LoI has been placed on 04.09.2025, and the work is in progress. Earlier, it was expected that the work will be completed and capitalised before 31.03.2026. However, vide additional submissions CSPGCL stated that capitalisation on cash basis in FY 2025-26 may be limited to about Rs. 1 crore and the balance Rs. 72 lakh may be capitalised in FY 2026-27 (after royalty clearances and final bill payment). Hence, the Commission approves the same under Regulation 19.2(iii).

(18) Upgradation of compressor of plant AC system due to Environmental laws

The Commission notes that in the CIP order dated July 08, 2025, one scheme related to upgradation of AC system was approved with the estimated cost of Rs 4.32 crore. Vide additional submission dated February 13, 2026, CSPGCL submitted the after resolution of some technical issues, new proposal has been prepared with the estimated capital cost of Rs. 4.17 crore. Prayers has been made for allowing the scheme as spill over scheme with the lower estimated capital cost. Hence, the Commission approves the same and the scheme is added to the main petition with the capital cost of Rs.4.17 crore and full capitalisation in FY 2026-27 under Regulation 19.2(iii).

45. The Commission also notes that CSPGCL has proposed some new schemes too. The Commission has analysed the same as below:

(1) Replacement of 24 Volt Dual FCBC Battery Chargers of DCS Panels & PLC Panels of Unit No-01 & 02

The Commission notes that the plant is equipped with "DCS" for Main Plant Control System and "PLC" for DM Plant Control System. The control panels of DCS and PLC are powered by 24 Volt "Dual Float Cum Boost Chargers (Dual FCBC)" of different capacities i.e., 550A, 460A, 35A and 145A respectively and running continuously since commissioning in FY 2007-08. The manufacturer has discontinued Analog Type Battery Chargers manufacturing in the year 2009 itself and their spare part items are obsolete now. The healthiness of FCBC chargers is essential for smooth running of the plant. Failure of any of the battery chargers may lead to severe generation loss, therefore, it is proposed to replace the old version 24 V Analog Battery Chargers with new advance DSP (Digital Signal Processing) based "Dual FCBC Chargers" of different capacities (550A, 460A, 35A, 145A). The scheme cost is approximately Rs. 2 crore and expected capitalisation in FY 2026-27. The Commission provisionally approves the same under Regulation 19.3 (a) & (c) subject to prudence check at the time of True up.

(2) Replacement of Battery Bank of UPS/24 V of DCS of Unit No.1

The Commission notes that the battery banks and chargers for DCS have a crucial role in safe and smooth operation of the plant. Existing Battery Banks have rendered services of more than 18 years. Thus, battery has completed its life. Accordingly, it is planned that existing battery banks will be replaced by FY 2027-28. The estimated cost is about Rs 1.10 crore and expected capitalisation in FY 2027-28. Hence, the Commission provisionally approves this under Regulation 19.3(a) subject to prudence check at the time of True up.

(3) Upgradation of Input - Output modules (I/O modules) of PLC of DM plant

The Commission notes that the DM plant PLC system at DSPM comprises of HMI, CPU and IO modules. The operating system of HMI of DM plant was upgraded to Windows 11 in 2024, old computers were replaced with latest compatible computers & old CPUs were replaced with upgraded CPU SX201. Existing IO modules and IO racks have been utilized. To avoid and resolve intermittent "Communication Error" M/s FMPL, OEM recommended to upgrade the IO modules and accessories of DM plant. The scheme cost is Rs.0.80 crore and is expected to capitalised in FY 2026-27. The Commission provisionally approves the same under Regulation 19.3(a) & (c) subject to prudence check at the time of True up.

(4) Replacement of Rectifier Transformer for KTPS Hydrogen Plant

The Commission notes that there are two rectifier transformers along with control panels at Hydrogen plant situated at KTPS Campus which caters requirement of DSPM TPS. Both the transformers run simultaneously for hydrogen generation. They were initially commissioned about 60-70 years back. One got replaced in 2015, and the other one is facing frequent tripping due to miscellaneous faults. As the equipment is too old, control cards are obsolete and even the OEM is not able to provide AMC service. Hence, the Commission provisionally approves the replacement in FY 2026-27 at the estimated cost of about Rs. 55 lakh under Regulation 19.3(a) & (c).

(5) Numerical Protection Relays for Generator

The Commission notes that old design static type relays are installed for protection of 250 MW Generator, GT, and UAT in GRP panels since the Commissioning of DSPM TPS. Being very old & outdated, spares of these relays are not available. The new generation microprocessor based numerical relay allows isolation of faulty part within few milliseconds, time stamping, parameters and cause of tripping. Hence, CSPGCL has prayed replacement at the estimated cost of about Rs. 2 crore with capitalisation of Rs. 1 crore in FY 2026-27 & Rs 1 crore in FY 2027-28. The Commission provisionally approves the same under Regulation 19.3(c) subject to prudence check at the time of True up.

(6) Capital Spares

The Commission notes that Regulation 19.2 (x) specifies that capital spares of more than Rs. 30 Lakh will qualify for additional capitalisation. Further, as forecasting of such spares may not be feasible and prudent, hence advance filing of the same has been exempted and the generating company is allowed to submit the details of such works at the time of true-up. It also provides that at the time of tariff determination, a provisional consideration of capitalisation at the rate of Rs. 1 lakh per MW per year shall be made. Accordingly, CSPGCL prayed for additional capitalisation of Rs. 5 crore per year for capital nature spares. Hence, the Commission provisionally approves the same subject to prudence check at the time of True up.

(7) CC Road from Gorhi-Bhaisma road to Gorhi barrier at Gorhi/Pandripani ash dyke

The Commission notes that the scheme is required to ensure uninterrupted ash transportation, particularly in summer and rainy season. As such, the schemes are covered under Regulation 19.2(iii) i.e., compliance of law. The estimated cost is about Rs. 1 crore and will be carried out in FY 2027-28. The Commission provisionally approves the same subject to prudence check at the time of True up.

(8) 5th stage raising of Lagoon No.01 of Ash dyke from RL 322 m to 325 m at village Gorhi/Pandripani

The Commission notes that the additional capitalization is on account of works under Regulation 19.2 (v). The estimated cost is about Rs. 4.32 crore with capitalisation of Rs 2.16 crore is expected in FY 2026-27 and Rs. 2.16 crore in FY 2027-28. Hence, the Commission provisionally approves the same subject to prudence check at the time of True up.

46. Summary of CIP as approved by the Commission for DSPM for the Control Period is as follows:

Table 4: Approved CIP for DSPM for the Control Period (Rs. Crore)

Particulars	FY 26-27	FY 27-28	FY 28-29	FY 29-30	Total
Pre Appr. Scheme	46.26	22.39	0.00	0.00	68.65
New Scheme	11.51	10.26	5.00	5.00	31.77
Total	**57.77**	**32.65**	**5.00**	**5.00**	**100.42**

Capital Investment Plan for 1 x 500 MW KWTPP

CSPGCL's Submission

47. CSPGCL has proposed a total of 26 schemes for FY 2026-27 to FY 2029-30, out of which 12 schemes are spillover schemes, and rest are new schemes. Among the proposed schemes, 1 spillover scheme and 2 new schemes are for in-principal approval only.

48. CSPGCL submitted that 1 X 500 MW KWTPP was commissioned in year 2013. By the end of current financial year, the plant will complete more than 50% of the useful life and is a steady performer.

49. CSPGCL submitted the CIP for KWTPP for the Control Period as shown in the Table below:

Table 5: CIP for KWTPP as submitted by CSPGCL (Rs. Crore)

SN.	Description	Scheme cost	EXPECTED CAPITALISATION					
			Up to FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Spill Over Schemes								
1	Colony CC TV Network (Regulation 19.2 (vii))	2.00	0.00	0.00	2.00	0.00	0.00	0.00
2	HMI upgradation (Regulation 19.3 (a), (b) and (c))	11.00	0.00	0.00	11.00	0.00	0.00	0.00
3	New Generator Rotor (Regulation 19.2 (x))	52.51	0.00	0.00	0.00	0.00	52.51	0.00
4	ICT 220/400 KV (Regulation 19.2 (x) & 19.3 (a) & (d))	12.50	0.00	0.00	12.50	0.00	0.00	0.00
5	CEP-VFD (Regulation 19.2 (iii))	6.50	0.00	0.00	6.50	0.00	0.00	0.00
6	Fire Tender (Regulation 19.2 (vii), 19.2(x) and 19.3(a))	3.20	0.00	1.60	1.60	0.00	0.00	0.00
7	LDCC Renovation (Regulation 19.2 (x), 19.3(a) & (d))	44.00	0.00	2.20	15.40	26.40	0.00	0.00
8	Laying of 300 mm dia main drinking water pipeline from W.T. plant to OHT at colony and grid renovation of water supply system of colony (Regulation 19.2 (x), 19.3(a) & (d))	4.35	3.34	0.50	0.51	0.00	0.00	0.00
9	Construction of CC road for ash transportation works at Dindolbhata ash dyke (Regulation 19.2 (iii))	2.66	0.00	0.80	1.86	0.00	0.00	0.00
10	3rd stage raising the height of Pond 1B from RL 316 M to 319 M at Dindolbhata Ash Dyke (Regulation 19.2 (v))	3.88	0.00	0.00	3.88	0.00	0.00	0.00
11	Installation of fly ash brick / block manufacturing unit (Regulation 20)	In Principle						
12	01 no. weigh bridge of 100 Ton capacity. (Regulation 19.2 (iii))	0.23	0.00	0.00	0.23	0.00	0.00	0.00
Sub-Total		**142.83**	**3.34**	**5.10**	**55.48**	**26.40**	**52.51**	**0.00**
New Schemes								
13	166.7 MVA, 400/220/33 kV Interconnecting Transformer (Regulation 19.2 (x), 19.3 (a) & (d))	12.70	0.00	0.00	0.00	12.70	0.00	0.00
14	Replacement of 100 AH Switchyard Battery Bank	0.60	0.00	0.00	0.60	0.00	0.00	0.00

SN.	Description	Scheme	EXPECTED CAPITALISATION					
	(Regulation 19.2 (iii) & 19.3 (a) &(b))							
15	Replacement of 2 nos. Microprocessor based Transformer protection relay for station transformer feeder (Regulation 19.2 (iii) & 19.3 (b))	0.13	0.00	0.00	0.13	0.00	0.00	0.00
16	Replacement of 3 nos. Battery banks 220V, 100AH (02 Sets)/ 225AH (one set) (One set of battery bank consists of 110 nos. cells of 2V) along-with supply for CHP INT Control room (Regulation 19.3 (a))	0.92	0.00	0.00	0.92	0.00	0.00	0.00
17	Procurement of 02 Nos. new Bull Dozer, BEML Make as replacement of old Bulldozers (Regulation 19.3 (a))	6.66	0.00	3.33	0.00	3.33	0.00	0.00
18	Upgradation/Replacement for GE Fanuc PLC at Hydrogen Generation Plant (Regulation 19.3 (a) & (c))	0.80	0.00	0.00	0.80	0.00	0.00	0.00
19	Procurement of 04 Nos Unbalance Motors for vibrating feeders of CHP Int (Regulation 19.2 (x) & 19.3 (a))	1.42	0.00	0.00	0.71	0.71	0.00	0.00
20	Capital Spares	20.00	0.00	0.00	5.00	5.00	5.00	5.00
21	Providing RCC boundary wall for safety of company's land from Jailgaon chowk gate to old SP type quarters to road towards CIPEAT (Regulation 19.2 (x))	1.50	0.00	0.00	1.00	0.50	0.00	0.00
22	Construction of CC road for ash transportation works at different locations at ash dyke Dindolbhata (Regulation 19.2 (iii))	0.83	0.00	0.00	0.83	0.00	0.00	0.00
23	Construction of Boundry wall from Railway siding to Jail no. 02 along Darri road side.	1.50	0.00	0.00	1.5	0.00	0.00	0.00
24	3rd Stage Raising the height of Pond – 1A from RL 316.00 M to 319.00 M of Ash Dyke Dindolbhata (Regulation 19.2 (v))	3.33	0.00	0.00	3.33	0.00	0.00	0.00
25	Buttressing of Pond- 2 of ash dyke Dindolbhata 1X500 MW Extn. HTPS,	In Principle						

SN.	Description	Scheme	EXPECTED CAPITALISATION					
	CSPGCL, Korba West (Regulation 20)							
26	Plantation in compliance of directions of MoEF & CC (regulation 19.2(iii))	In Principle						
Sub-Total		50.39	0.00	3.33	14.82	22.24	5.00	5.00
Grand Total		193.22	3.34	8.43	70.30	48.64	57.51	5.00

Commission's View

50. The Commission notes that CSPGCL has proposed capital investment of Rs. 181.45 crore for KWTPP for the Control Period from FY 2026-27 to FY 2029-30, which includes expenditure of Rs. 134.39 crore against carryover of pre-approved schemes and Rs. 47.06 crore against the new schemes proposed for the Control Period.

51. The Commission has approved the spillover schemes claimed by CSPGCL previously. The same are summarised as below:

(1) Colony CC TV Network

The Commission notes that the tender evaluation is in process. The work completion is expected in FY 2026-27. The cost is Rs. 2 crore (same as in CIP order for FY 2025-26). Hence, the Commission approves the same under Regulation 19.2(vii).

(2) HMI upgradation

The Commission notes that the upgradation case is same for all the three 500 MW sets, the details related to the scheme as submitted in the section related to ABVTPS are applicable for this unit also. In the instant case capitalisation of the estimated cost of Rs. 11 crore is expected in FY 2026-27. Hence, the Commission approves the same under Regulation 19.3 (a), (b), & (c).

(3) New Generator Rotor

The Commission notes that at present there is no standby Generator rotor for the three 500 MW units. In the previous orders, looking to the criticality of such insurance spare and also looking to the very long gestation period, the Commission first granted in-principle approval vide Order dated March 15, 2024 and thereafter, approved the same in the Order dated July 08, 2025 with estimated capital cost of about Rs 50 crore. CSPGCL submitted that against the estimated cost of Rs. 50 crore, the final cost as per the PO is Rs. 44.50 crore and with GST 18%, the total cost is Rs. 52.51 crore. The order has been placed on M/s BHEL. With 30 months' delivery period capitalisation is expected in FY 2028-29. Hence, the Commission approves the same under Regulation 19.2(x) & 19.3 (d).

(4) ICT 220/400 KV

The Commission notes that as approved in previous order, LOI has been placed on M/s BHEL at Rs.11.42 crore (excluding Oil cost &

Erection & Commissioning charges). Total approved scheme cost is Rs.12.50 crore (excluding PV). The delivery is scheduled in August-26; hence capitalisation is expected in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2 (x), 19.3 (a) & (d).

(5) CEP-VFD

The Commission notes that LOI issued and tender for civil works is under process. The approved cost is about Rs. 6.5 crore and Capitalisation is expected in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(iii).

(6) Fire Tender

The Commission notes that the order has been placed. The two fire tenders approved at the cost of about Rs 3.20 crore in the previous CIP order, delivery of one fire tender is on FY 2025-26, and the other one is expected in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(vii), 19.2(x) & 19.3 (a).

(7) LDCC Renovation

The Commission notes that as submitted in the original petition and approved in the Order too, it is long gestation multiyear scheme which involves renovation and life extension of the Long-Distance Coal Conveyor system. In the previous order the total cost for LDCC renovation was approved at about Rs. 110 crore with cost sharing between HTPS and KWTPP in the ratio 60:40. Accordingly, the KWTPP share is about Rs. 44 crore. Further as submitted in the section related to HTPS, in light of the CEA directions major works will be carried out in FY 2026-27. Therefore, the earlier planned scheduling of 30%, 30% and 40% Capex/ capitalization in FY 2025-26, FY 2026-27, FY 2027-28 has now been revised to 5%, 35% and 60%. The work is being undertaken in phased manner, with best efforts to minimize impact on coal supply. Therefore, the expected capitalisation of Rs. 2.20 crore in FY 2025-26 followed by Rs. 15.40 crore in FY 2026-27 and Rs. 26.40 crore in FY 2027-28. Hence, the Commission approves the same under Regulation 19.2(x), 19.3 (a) & (d).

(8) Laying of 300 mm dia main drinking water pipeline from W.T. plant to OHT at colony and grid renovation of water supply system of colony

The Commission notes that the approved scheme cost is Rs. 4.35 crore. Work for laying of main drinking water pipeline has been completed and Rs. 3.34 crore has been capitalized upto FY 2024-25. Work related to grid renovation of water supply system of colony is expected to be capitalized partly with estimated capitalisation of Rs 0.50 crore in FY 2025-26 and balance in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(x), 19.3 (a) & (d).

(9) Construction of CC road for ash transportation works at Dindolbhata ash dyke

The Commission notes that in the previous order dated 8th July 2025, the scheme was approved under the head "In-principle" approval. The scheme is required to facilitate highly loaded dumpers/ bulkers (30 - 50 tonnes) for compliance of the MOEF & CC rules related to the ash utilisation. As per additional submission of CSPGCL, the updated estimate of the capitalisation is Rs. 0.80 crore in FY 2025-26 followed by Rs. 1.86 crore in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(iii) subject to prudence check at the time of True up.

(10) 3rd stage raising the height of Pond 1B from RL 316 M to 319 M at Dindolbhata Ash Dyke

The Commission notes that the approved scheme cost is Rs. 3.88 crore. LOI has been issued. Work for major portions will be completed and capitalised in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(v).

(11) Installation of fly ash brick / block manufacturing unit

The Commission notes that the scheme is submitted for "in-principle approval" only. The need and justification for "in-principle approval" has been dealt in detail in the section related to old 4 X 210 MW HTPS. As facts and circumstances in the two cases were same. Hence, the Commission grants in-principal approval under Regulation 20 for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

(12) Installation of one weigh bridge of 100 Ton capacity at ash dyke Dindolbhata

The Commission notes that the scheme was approved in the CIP order dated July 08, 2025 under Regulation 19.2 (iii) of CSERC MYT Regulations, 2021. Vide the additional submission, CSPGCL submitted that putting the weigh bridge in service after completion of installation and stamping by the authorities may take some time resulting in capitalisation during the ensuing year. LoI for the work has already been issued on January 05, 2026. In view of the above, the scheme is added to the main with the capital cost of Rs.0.23 crore and full capitalisation in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2(iii).

52. The Commission also notes that CSPGCL has proposed some new schemes. The Commission has analysed the same as below:

(1) 166.7 MVA, 400/220/33 kV Interconnecting Transformer

The Commission notes that there is set of single-phase four ICTs. Procurement of three ICTs for replacement of old transformers has been approved by the Commission in previous Orders. This will be the fourth one. Initially, the ICT was installed for old 4 X 210 MW plant, however, the ICT will remain in service even after de-commissioning of the old plant. In the previous orders, Commission has duly deliberated that capitalisation to HTPS will be detrimental to the end consumer as it will allow full capital cost recovery in the balance life of HTPS. Hence, capitalisation has been allowed in KWTPP books while de-capitalisation takes place in HTPS books.

The scheme cost is Rs. 12.70 crore and the capitalisation is expected in FY 2027-28. Hence, the Commission provisionally approves the same under Regulation 19.2 (x), 19.3 (a) & (d) subject to prudence check at the time of True up.

(2) Replacement of 100 Ah Switchyard Battery Bank

The Commission notes that the switchyard protection has critical significance for the grid, it is subjected to 'Protection Audit' by an external team constituted in accordance to WRPC guidelines. In the last audit, team has suggested to replace both sets of the battery bank (being very old, 2011- make). The protection committee recommendations are binding. The scheme cost is Rs. 0.60 crore and the capitalisation is expected in FY 2026-27. Hence, the Commission provisionally approves the same under Regulation 19.2 (iii) & 19.3 (a) & (b) subject to prudence check at the time of True up.

(3) Replacement of 2 nos. Microprocessor based Transformer protection relay for station transformer feeder

The Commission notes that the protection audit team also recommended replacement of second differential relay M2 for station transformers 5A and 5B. The scheme cost is Rs. 0.13 crore and the capitalisation is expected in FY 2026-27. Hence, the Commission provisionally approves the same under Regulation 19.2 (iii) & 19.3 (b) subject to prudence check at the time of True up.

(4) Replacement of 3 nos. Battery banks 220V, 100Ah (02 Sets)/ 225Ah (one set) for CHP INT Control room

The Commission notes that there are two sets of battery bank installed at CHP-INT for PLC & associated auxiliaries and one set is installed at CHP-INT- HT/LT switchgear operational purpose. These batteries are installed since 2012-13 and have completed more than twelve years of service. These cells are installed for providing back up to DC supply of CHP-INT-1 X 500 MW for PLC & associated auxiliaries; in case of black out or failure of battery chargers/UPS. The service engineer of OEM, M/s Excide Industries Ltd, during site visit has recommended to replace the battery sets to ensure reliability. The scheme cost is Rs. 0.92 crore and the capitalisation is expected in FY 2026-27. Hence, the Commission provisionally approves the same under Regulation 19.3 (a) subject to prudence check at the time of True up.

(5) Procurement of 02 Nos. new Bull Dozer, as replacement of old Bulldozers

The Commission notes that the 4 X 210 MW HTPS and 1 X 500 MW KWTPP share a common coal yard. The coal yard area is about 85,832 M^2 and capacity is about 6 Lakh MT. Along with the purpose of coal stocking and recovery, dozers are also required for fire cutting, heap collection and compacting the coal stock (to prevent degradation and spontaneous fire). As such, availability of healthy dozers is essential for safe and smooth coal handling operations in the yard. Looking to the need and essentiality, the Commission approves procurement of two number dozers under Regulation 19.3 (a) out of which the capital investment and capitalisation for one dozer is allowed in FY 2025-26 by exercising powers under Regulation 113 and 115. For the other dozer, the capitalisation is allowed in FY 2027-28. The total scheme cost is allowed at Rs. 6.66 crore @ Rs. 3.33 crore per dozer. Further, in-principle approval is granted for procurement of one more dozer, subject to prior intimation, if an exigency arises during the control period, subject to prudence check at the time of True up.

(6) Upgradation for PLC at Hydrogen Generation Plant

The Commission notes that the installed PLC Controller (90-30 series) has become obsolete. OEM, M/s Emerson, has declared Genius Bus hardware (I/O block, bus controllers, adapter) as end of life. Due to technological advancement and obsolescence of various components, OEM has discontinued the S90-30 Series products. Additionally, Operator Workstation (OWS), Engineering Workstation (EWS) and SCADA software currently running on Windows 7 OS, which is no longer supported by Microsoft Corporation. Hence, Upgradation / replacement is proposed. The scheme cost is Rs. 0.80 crore and the capitalisation is expected in FY 2026-27. Hence, the Commission provisionally approves the same under Regulation 19.3 (a) & (c) subject to prudence check at the time of True up.

(7) Procurement of 04 Nos Unbalance Motors for vibrating feeders of CHP:INT

The Commission notes that total 03 Nos. Vibrating Feeders (VF) are installed in crusher house of CHP:INT for coal supply to each of 3 Nos. secondary crushers. Each vibrating feeder is installed with one set (2 Nos.) of unbalance motors (one on each side) to generate vibration in VF tray. Existing old motors (installed at the time of commissioning of plant in 1984), have rendered about forty years of service and served their useful life. Multiple rewinded motors cannot be relied. Phased replacement is essential. It is proposed that two motors will be replaced in FY 2026-27 with two more in FY 2027-28. Total estimated cost is about Rs 1.42 crore with equal capitalisation in FY 2026-27 and FY 2027-28. Further, as the CHP feeds coal to old 210 MW sets as well as the new 500 MW set and will remain in operation even after retirement of old HTPS units. Hence, in line with the principle adopted by the Commission for the ICTs, the capitalisation is considered on the books of KWTPP. Hence, the Commission provisionally approves the same under Regulation 19.2 (x) & 19.3 (a) subject to prudence check at the time of True up.

(8) Capital Spares

As deliberated in case of DSPM TPS, the Commission allows additional capitalisation towards capital spares at the rate of Rs. 1 lakh per MW per year under Regulation 19.2 (x). Hence, the Commission provisionally approves additional capitalisation for capital spares as Rs. 5 crore per year subject to prudence check at the time of True up.

(9) Providing RCC boundary wall for safety of company's land from Jailgaon chowk gate to old SP type quarters to road towards CIPET

The Commission notes that the HTPS colony is divided into four zones (AB, CD, EF and FG), the premises of the colony are open at many places. To ensure the safety and security of the colony, it is important to build a boundary wall around the colony premises. It will also prevent encroachment and boundary disputes in future. The scheme cost is Rs. 1.50 crore. and the scheme is expected to capitalise Rs 1 crore in FY 2026-27 and Rs 0.50 crore in FY 2027-28. Hence, the Commission provisionally approves the same under Regulation 19.2(x) subject to prudence check at the time of True up.

(10) Construction of Boundary wall from Railway gate to Jali no. 02 along Darri roadside with rerouting of existing nallah

The Commission notes that the original boundary wall has become too old and got dismantled at many places. Construction of new boundary wall is essential for the safety and security of the coal handling plant of 1 X 500 MW KWTPP and also to avoid exposure to roadside. Estimated scheme cost is Rs. 1.50 crore. The capitalisation is expected in FY 2026-27. Hence, the Commission provisionally approves the same under Regulation 19.2 (vii) and (x) subject to prudence check at the time of True up.

(11) Construction of CC road for ash transportation works at different locations at ash dyke Dindolbhata

The Commission notes that one such identified scheme is from Murit Dai ramp to stilling pond 2 at the cost of Rs 0.83 crore and expected to capitalise in FY 2026-27. As the schemes are required for ash transportation/ utilisation they are covered under Regulation 19.2 (iii). Hence, the Commission provisionally approves the same under Regulation 19.2(iii) subject to prudence check at the time of True up.

(12) 3rd Stage raising the height of pond – 1A from RL 316.00 M to 319.00 M of Ash Dyke Dindolbhata

The Commission notes that the scheme is proposed under Regulation 19.2 (v) i.e., deferred work related to ash pond/ dyke at the cost of Rs. 3.33 crore. The scheme is expected to capitalize in FY 2026-27. Hence, the Commission provisionally approves the same under Regulation 19.2(v) subject to prudence check at the time of True up.

(13) Buttressing of Pond- 2 of ash dyke Dindolbhata

The Commission notes that for ensuring dam safety, buttressing of the ash pond is critical. It is pertinent to note that in the recent past, the ash pond has witnessed some damages. Though the same were arrested to prevent loss of life and property, however, strengthening of the ash pond by way of buttressing is felt essential. CSPGCL has already engaged Dr. Patra from NIT Rourkela, a known expert in the field for expert opinion. Restoration and strengthening work shall be soon undertaken in accordance to the expert report. Hence, the Commission grants in-principal approval for the same under Regulation 20 and allows CSPGCL to approach the Commission after the capitalization is incurred.

(14) Plantation in compliance of directions of MoEF & CC

The Commission notes that plantation is required to be undertaken in compliance of direction of MoEF &CC. CSPGCL submitted that Hon'ble Commission to allow 40% share of KWTPP i.e Rs 16.53 crore to be booked to the CIP of 1X500 MW KWTPP under Regulation 19.2 (iii). Hence, CSPGCL prayer is being revised for "In-principle" approval in additional submission with the leave for claiming the actual capitalisation (keeping the inter-plant share intact) during respective true up subject to prudence check. In view of the above, the Commission Grants in-principal approval for the same under Regulation 20 and allows CSPGCL to approach the Commission after the capitalization is incurred.

53. Summary of CIP as approved by the Commission for KWTPP for the Control Period is as follows:

Table 6: Approved CIP for KWTPP for the Control Period (Rs. Crore)

Particulars	FY 26-27	FY 27-28	FY 28-29	FY 29-30	Total
Pre Appr. Scheme	55.48	26.40	52.51	0.00	134.39
New Scheme	14.82	22.24	5.00	5.00	47.06
Total	**70.30**	**48.64**	**57.51**	**5.00**	**181.45**

<u>Capital Investment Plan for 2 x 500 MW ABVTPS</u>

CSPGCL's Submission

54. CSPGCL has proposed a total of 23 schemes for FY 2026-27 to FY 2029-30, out of which 12 schemes are spillover schemes, and rest are new schemes. Among the proposed schemes, 1 spillover scheme and 2 new schemes are for in-principal approval only.

55. CSPGCL submitted that 2 X 500 MW ABVTPS was commissioned in the year 2016. The plant has shown a remarkable turnaround in FY 2023-24.

56. CSPGCL submitted the CIP for ABVTPS for the control period as shown in the Table below:

Table 7: CIP for ABVTPS as submitted by CSPGCL (Rs. Crore)

SN.	Description	Scheme cost	EXPECTED CAPITALISATION					
			Upto FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
<u>Spill Over Schemes</u>								
1	Flexible operation (Regulation 20)	In Principle						
2	HMI upgradation (Regulation 19.3 (a), (b) and (c))	22.00	0.00	11.00	11.00	0.00	0.00	0.00
3	Upgradation of 400/220 KV Switchyard Substation Automation System (SAS) with HMI and its	4.70	0.00	0.00	4.70	0.00	0.00	0.00

SN.	Description	Schem	EXPECTED CAPITALISATION					
	application software (Regulation 19.2 (iii) & (vii) and Regulation 19.3 (a) & (c))							
4	VFD drive for CEP (Regulation 19.2 (iii) and (x))	13.10	0.00	0.00	6.55	6.55	0.00	0.00
5	Upgradation of service road from silo gate of Powerhouse to Auraikala ash dyke (Regulation 19.2 (iii))	3.23	0.00	0.75	2.48	0.00	0.00	0.00
6	1st stage raising of HCSD Lagoon-II(A) from RL-279 to 284 of Auraikala ash dyke (Regulation 19.2(v))	5.82	0.00	0.50	5.32	0.00	0.00	0.00
7	Construction of RCC Pedestals, additional chute drains at outer periphery of the ash dyke & renovation of drainage system of Auraikala ash dyke (Regulation 19.2 (iii) & (v))	1.00	0.00	0.15	0.85	0.00	0.00	0.00
8	Construction of starter dyke at village Auraikala (Regulation 19.2 (v))	1.60	0.00	0.00	1.60	0.00	0.00	0.00
9	Construction of CC road over TBL of Bottom Ash Lagoon and on various approaches along with truck lay-by at Auraikala ash dyke (Regulation 19.2(v))	2.39	0.00	0.72	1.67	0.00	0.00	0.00
10	Construction of 02 No.s Weighbridge of 100 Ton capacity at Pali Ramp and Sarkhon Ramp at Auraikala dyke. (Regulation 19.2 (iii))	0.45	0.00	0.00	0.45	0.00	0.00	0.00
11	Supply, Installation and Commissioning of Online DC Earth Fault Locator system for Switchyard 220V DCDB. Total qty 03 Nos. (switchyard+BTG U#1&2). (Regulation 19.2(vii) & Regulation 19.2(x))	1.80	0.00	0.00	1.80	0.00	0.00	0.00
12	CCTV colony campus. (Regulation 19.2(vii))	2.00	0.00	0.00	2.00	0.00	0.00	0.00
Sub-Total		**58.09**	**0.00**	**13.12**	**38.42**	**6.55**	**0.00**	**0.00**
New Schemes								
13	Replacement of station battery bank capacity 220V 2250 AH for Unit#1 (Regulation 19.3(a) & Regulation 20)	3.70	0.00	0.00	0.00	3.70	0.00	0.00

SN.	Description	Schem	EXPECTED CAPITALISATION					
14	Replacement of 220V, 300 AH for batteries for AHP (1 set 108 nos.) (Regulation 19.3 (a))	0.50	0.00	0.00	0.50	0.00	0.00	0.00
15	Upgradation of GE-Emerson Make PLC System of various location of BOP-C&I ABVTPS (Regulation 19.3(c))	1.30	0.00	0.00	1.30	0.00	0.00	0.00
16	Main 2 numerical distance Protection Relay for line feeders of 400 KV and 200 KV switchyard (Regulation 19.2(iii) & Regulation 19.3(b))	0.61	0.00	0.00	0.61	0.00	0.00	0.00
17	Replacement of Thermo-vision Camera (Regulation 19.3 (c))	0.46	0.00	0.00	0.46	0.00	0.00	0.00
18	30 m high mast along with PCC Poles & AB Cables for Ash Dyke located at Auraikala	0.42	0.00	0.00	0.42	0.00	0.00	0.00
19	HP Module (Regulation 19.2(x) & Regulation 20)	In Principle						
20	Capital Spares (Regulation 19.2 (x))	40.00	0.00	0.00	10.00	10.00	10.00	10.00
21	NDCT Work (Regulation 20)	In Principle						
22	First stage raising of Bottom Ash Lagoon from RL 284.5 to RL 289.5 of Auraikala ash dyke (Regulation 19.2(v))	11.71	0.00	0.00	11.71	0.00	0.00	0.00
23	Air Heater basket of Unit 2 (for ex post factor approval) (Regulation 19.2 (x))	6.13	6.13	0.00	0.00	0.00	0.00	0.00
Sub-Total		**64.83**	**6.13**	**0.00**	**25.00**	**13.70**	**10.00**	**10.00**
Grand Total		**122.92**	**6.13**	**13.12**	**63.42**	**20.25**	**10.00**	**10.00**

Commission's View

57. The Commission notes that CSPGCL has proposed capital Investment of Rs. 103.67 crore for ABVTPS for the Control Period from FY 2026-27 to FY 2029-30, which includes expenditure of Rs. 44.97 Crore against carryover of pre-approved schemes and Rs.58.70 Crore against the New schemes proposed for the Control Period.

58. The Commission has approved the spillover Schemes claimed by CSPGCL previously. The same are summarised as below:

(1) Flexible Operation

The Commission notes that the Marwa Unit 2 falls in the CEA phasing plan -1st phase followed by Unit 1 in phase 2, however as per the logic adopted in the plan, it should be in the 2nd phase.

Nevertheless, during the control period both the units are expected to achieve flexibilisation as per TMM provisions. At present there are no precedents where the conversion of an old plant (design / specifications prior to issue of CEA's 2010 guidelines) has achieved settled O&M practices. As such, the capital investment plan for achievement of flexible operation in accordance to the CEA Regulation depends on a unit/ plant specific studies and at present is in the stage of evolution. At the same time, CSPGCL craved leave to submit that as per the budgetary offer received from the OEM M/s BHEL the capital investment required may be in excess of about Rs. 21 crore per unit. CSPGCL also submitted that this cost does not involve the changes which may have to be incorporated on the boiler side and the consequential effect on capex due to thermal stresses. Therefore, at this stage, looking to the national scenario and industry trend, neither the complete details are available, nor the time frame can be confirmed because all major suppliers' capacities are already tied up for new projects. Hence, in light of the detailed justification in additional submission, considering it a fit and perfect case for continuation of "in-principle" approval under Regulation 20, the Commission grants in-principal approval for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

(2) HMI upgradation

The Commission notes that the tentative cost was estimated as Rs. 10 crore per unit as mentioned in the CIP order dt March 15, 2024. However, later on looking to the cyber threat, as per the updated protocol and industry practice, cyber suits have also been integrated in HMI package. With persuasive negotiation, composite package cost, which was otherwise expected to be much higher, is now about Rs 33 crore (Rs 11 crore per unit for 2 units of 500 MW each in ABVTPS and 1 unit of 500 MW at KWTPP). LOI has been issued to M/s BHEL. Unit 1 work will be carried out during overhauling in FY 2025-26 and Unit 2 will be in FY 2026-27. Hence, the Commission approves the same under Regulation 19.3 (a), (b) & (c).

(3) Upgradation of 400/220 KV Switchyard Substation Automation System (SAS) with HMI and its application software

The Commission notes that NIT issued, tendering process is in progress. Work completion and capitalisation is expected in FY 26-27 depending upon outage availability. The cost is Rs.4.70 crore (Same as in CIP FY 25-26). Hence, the Commission approves the same under Regulation 19.2 (iii) & (vii) and 19.3 (a) & (c).

(4) VFD drive for CEP

The Commission notes that tendering is in progress and Unit 2 work is expected during AOH in FY 26-27 followed by Unit 1 work completion in AOH during FY 2027-28. The scheme cost is Rs. 13.10 crore The expected capitalization is in the next control period. Hence, the Commission approves the same under Regulation 19.2 (iii) & (x).

(5) Upgradation of service road from silo gate of Powerhouse to Auraikala ash dyke

The Commission notes that LOI issued on September 04, 2025. The approved cost was Rs. 4.35 crore After tendering cost revised to Rs. 3.23 crore. As per additional submission, the updated estimate of the capitalisation is Rs. 0.75 crore in FY 25-26 followed by Rs. 2.48 crore in FY 26-27. Hence, the Commission approves the same under Regulation 19.2 (iii).

(6) 1st stage raising of HCSD Lagoon-II (A) from RL-279 to 284 of Auraikala ash dyke

The Commission notes that the approved cost was Rs. 6.77 Crore in CIP order for FY 2025-26. After tendering, the cost revised to Rs. 5.82 crore. As per additional submission, the updated estimate of the capitalisation is Rs. 0.50 crore in FY 2025-26 followed by Rs. 5.32 crore in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2 (v).

(7) Construction of RCC Pedestals, additional chute drains at outer periphery of the ash dyke & renovation of drainage system of Auraikala ash dyke

The Commission notes that as per additional submission of CSPGCL, post tendering the LoI has been placed on January 09, 2026 at Rs. 1 crore. The updated estimate of the capitalisation is Rs. 0.15 crore in FY 2025-26 followed by Rs. 0.85 crore. in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2 (iii) & (v).

(8) Construction of starter dyke at village Auraikala

The Commission notes that the tender has been floated. The scheme cost is Rs. 1.60 crore and is expected to be capitalised in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2 (v).

(9) Construction of CC road over TBL of Bottom Ash Lagoon and on various approaches along with truck lay-by at Auraikala ash dyke

The Commission notes that the approved cost was Rs. 2.8 Crore in CIP Order for 25-26. LOI has been issued for Rs. 2.39 Crore. Part capitalisation of Rs 0.72 Cr expected in FY 25-26 and balance in FY 26-27. Hence, the Commission approves the same under Regulation 19.2 (v) subject to prudence check at the time of True up.

(10) Installation of 02 numbers weigh bridge of 100 Ton capacity at ash dyke at Pali Ramp and Sarkhon Ramp at Auraikala ash dyke

The Commission notes that the scheme was approved in the CIP order dated July 08, 2025 under Regulation 19.2 (iii) of CSERC MYT Regulations, 2021. Vide additional submission, CSPGCL submitted that earlier it was envisaged that the work will be completed and fully capitalized in the current financial year, however, now it appears that putting the weigh bridge in service after completion of installation and stamping by the authorities may take some time resulting in capitalisation during the ensuing year. LoI for the work has already been issued on January 29, 2026. In view of the above, the scheme is added to the main petition in additional submission with the capital cost of Rs. 0.45 crore and full capitalisation in FY 2026-27. Hence, the Commission approves the same under Regulation 19.2 (iii).

(11) Supply, Installation and Commissioning of Online DC Earth Fault Locator system for 220V DCDB od Switchyard and BTG

The Commission notes that the scheme was approved in the CIP order dated July 08, 2025 under Regulation 19.2 (vii) and Regulation 19.2 (x) of CSERC MYT Regulations, 2021. The tender has been floated, however, due to some procedural issues, it is now envisaged that the capitalisation may slip to early FY 2026-27. In view of the above, the scheme is added to the main petition in additional submission with the approved capital cost of Rs. 1.80 crore and full capitalisation in FY 26-27. Hence, the Commission approves the same.

(12) CCTV colony campus

The Commission notes that the scheme was approved in the CIP order dated July 08, 2025. The tender is in final stage of approval and now the capitalisation is considered in FY 2026-27. In view of the above, the scheme is added to the main petition in additional submission with the capital cost of Rs. 2.00 crore and full capitalisation in FY 26-27. Hence, the Commission approves the same under Regulation 19.2 (vii).

59. The Commission also notes that CSPGCL has proposed some new Schemes. The Commission has analysed the same as below:

(1) Replacement of station battery bank capacity 220V 2250 Ah for Unit#1

The Commission notes that the station batteries are critical for safe and smooth operation of the plant. At ABVTPS, there are four sets of such batteries (two sets for each unit). The batteries at ABVTPS were commissioned in or around 2012 and as such have completed generic life. Some of the batteries of one set of Unit no. 1 are already encountering problems and as such the bank need to be replaced. Healthy cells, as may be available, may be used in other sets against faulty cells. Accordingly, replacement of one set at the cost of Rs.3.70 crore under Regulation 19.3(a) is prayed. Capitalisation is expected in FY 27-28. CSPGCL has also prayed for in-principle approval under Regulation 20 for replacement of additional battery bank sets, as and when the need arises during the control period. In view of the above, the Commission grants in-principal approval for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

(2) Replacement of 220V, 300 Ah batteries for AHP

The Commission notes that to meet the emergency requirement (including DC supply to control systems) of ash handling plant, separate battery banks have been provided. However, this battery bank has no standby arrangement. For the reasons as stated above, the battery bank need replacement. It is also submitted that currently installed batteries are Exide make YKP-25 model manufactured in 2011. OEM has also recommended replacement. Estimated scheme cost is Rs. 0.50 crore with capitalisation in FY 26-27. Hence, the Commission provisionally approves the same under Regulation 19.3 (a) subject to prudence check at the time of True up.

(3) Upgradation of GE-Emerson Make PLC System of various locations of BOP-C&I

The Commission notes that GE make PLC systems are installed at BOP area. As some of the old configuration controller have been discontinued, they need upgradation/ replacement. Such systems are PLC systems / HMI quick panels in Fire hydrant System, Intake Pump house and FOPH. The estimated scheme cost is Rs. 1.30 end and the capitalisation is expected in FY 26-27. Hence, the Commission provisionally approves the same under Regulation 19.3 (c) subject to prudence check at the time of True up.

(4) Numerical distance Protection Relay for line feeders of 400 KV and 200 KV switchyard

The Commission notes that the plant has total 10 no. line feeder bays are Commissioned in 400 KV and 220 KV switchyard. Third party protection audit as per WRPC directive was carried out for 400/220 KV switchyard. As at present the Main I and Main II protections both are of same make and CEA recommendation along with WRPC/audit directive require both the protections of different makes or employ different fault protection algorithm, hence it is proposed to replace Main 2 numerical protection relays for line feeders of 400 KV and 220 KV switchyard. The scheme cost is Rs. 0.61 crore and the capitalisation is expected in FY 26-27. Hence, the Commission provisionally approves the same under Regulation 19.2 (iii) read with Regulation 19.3 (b) subject to prudence check at the time of True up.

(5) Replacement of Thermo-vision Camera

The Commission notes that thermal imaging camera measures temperature of hot spots in 400/220 KV switchyard, power transformers, LT/HT switchgear etc. Regular monitoring of temperature rise of any connector/ equipment is necessary and should be attended at the earliest. Available Thermo vision camera Model TP-85 has become faulty and outdated. It is also not able to communicate with the laptop. Hence, procurement of Thermo-vision camera is proposed. The scheme cost is Rs. 0.46 crore and the capitalisation will be done in FY 26-27. Hence, the Commission provisionally approves the same under Regulation 19.3 (c) subject to prudence check at the time of True up.

(6) High mast along with PCC Poles & AB Cables for Ash Dyke located at Ash Dam

The Commission notes that the installation of high mast at ash dyke is required under the Guidelines for Annual Certification of Coal Ash

Ponds and subjected to statutory annual certification, hence, procurement of high mast is necessary. The estimated cost of the scheme is Rs. 0.42 crore. Looking to the criticality of ash transportation, the work has been awarded high priority and work completion and capitalisation is expected in FY 26-27. Hence, the Commission provisionally approves the same under Regulation 19.2 (iii) subject to prudence check at the time of True up.

(7) Refurbishment of HP Module

The Commission considers the submissions made CSPGCL regarding HP Module. In the past, the Commission has allowed such capitalisation under Regulation 19.2(x). The cost of refurbishment is estimated to be about Rs. 17 crore. The Commission grants in-principal approval for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

(8) Capital Spares

As detailed in the sections related to DSPM TPS, the Commission notes that Regulation 19.2 (x) specifies that at the time of tariff determination, for capital spares of more than Rs 30 Lakh, a provisional consideration of capitalisation at the rate of Rs. One lakh per MW per year shall be made. Same will qualify for additional capitalisation. Accordingly, CSPGCL prayer for the additional capitalisation of Rs. 10 crore per year for capital nature spares is provisionally approves the same shall be subject to prudence check at the time of True up.

(9) NDCT & Ash Silo Work

The Commission notes the submission about some cracks in the Raker columns of Natural Draft Cooling Tower (NDCT) & ash silo columns of both the units have been noticed. The premium institute in India, CSIR-SERC Chennai have been requested for examination of cracks through test and to suggest remedial measures. However, as all experts had prior engagement, National Council for Cement and Building Materials, (NCCBM), Ballabhgarh, under administrative control of Ministry of Commerce & Industry, Government of India, has been approached. A preliminary site visit for preparation of suitable scheme for Condition Assessment of both the NDCTs is under finalisation. Once the plan is finalised, the damage control work will be immediately initiated. In view of the above, the Commission Grants in-principal approval for the same under Regulation 20 and allows CSPGCL to approach the Commission after the capitalization is incurred.

(10) First stage raising of Bottom Ash Lagoon from RL 284.5 to RL 289.5 of Auraikala ash dyke

The Commission notes that the estimated scheme cost is Rs. 11.71 crore and the capitalisation is expected in FY 26-27. Hence, the Commission provisionally approves the same subject to prudence check at the time of True up under Regulation 19.2 (v).

(11) Air Heater basket of Unit no.2

The Commission notes that CSPGCL prays for ex-post facto approval of one capital scheme related to ABVTPS. The Commission has also noted the merits of the submissions made by the petitioner.

As the scheme qualifies under Regulation 19.2 (x) read with Regulation 19.3 (a) & (d), the Commission approves the same.

60. Apart from above, there are some schemes for which work order have issued and work is expected to be completed in FY 2025-26. The Commission has analysed the same as below:

(1) Work related to replacement/defect rectification etc. under risk and cost of vender as per the contract provision

The Commission notes that in the CIP order dated July 08, 2025 the cost of such works was estimated to be about Rs 3.50 crore however, the revised estimates (based on balance BBU values) for additional capitalisation against such schemes (expected to be completed by March 31, 2026) is Rs 2 crore only. The same has been accounted for in the Tariff computation too, with leave for balance submission as and when the same occurs. Hence, the Commission allows the same subject to prudence check at the time of True up.

(2) Miscellaneous balance works under project scope

The Commission notes that in the in the CIP order dated 08th July 2025 the cost of such works was approved as Rs 20 crore. However, with deferment of some works due to technical constraints, the revised estimates for additional capitalisation during FY 25-26 against such schemes (expected to be completed by March 31, 2026) is Rs 2 crore only. CSPGCL submitted that for tariff computation same has been considered and prayed that the Commission may please allow the balance deferred capitalisation as and when such works are taken up, after settlement of the technical issues involved. Hence, the Commission allows the same subject to prudence check at the time of True up.

61. Summary of CIP as approved by the Commission for ABVTPS for the Control Period is as follows:

Table 8: Approved CIP for ABVTPS for the Control Period (Rs. Crore)

Particulars	FY 26-27	FY 27-28	FY 28-29	FY 29-30	Total
Pre Appr. Scheme	38.42	6.55	0.00	0.00	44.97
New Scheme	25.00	13.70	10.00	10.00	58.70
Total	**63.42**	**20.25**	**10.00**	**10.00**	**103.67**

Capital Investment Plan for 3 x 40 MW Hasdeo Bango Hydro Station (HBPS)

CSPGCL's Submission

62. CSPGCL has proposed a total of 8 schemes for FY 2026-27 to FY 2029-30, out of which 5 schemes are spillover schemes, and rest are new schemes.

Among the proposed Schemes, 2 Spillover Schemes are for in-principal approval only.

63. CSPGCL submitted that it is about 30-year-old. It provides cheapest power to the grid at the tariff of less than Rs 1 per unit.

64. CSPGCL submitted the CIP for HBPS for the Control Period as shown in the Table below:

Table 9: CIP for HBPS as submitted by CSPGCL (Rs. Crore)

SN.	Description	Scheme cost	EXPECTED CAPITALISATION					
			Upto FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Spill Over Schemes								
1	Refurbishment of old runner of Main Turbine (Regulation 19.2 (x) & 19.3 (a))	In Principle						
2	Complete replacement of existing Generator CO2 fire protection system (CO2 flooding system) new microprocessor based CO2/clean gas based fire protection system (Regulation 19.2 (vii) & Reg. 19.3(c))	1.10	0.00	0.00	1.10	0.00	0.00	0.00
3	Retrofitting / renovation of oil lubricant based turbine guide bearing with water lubricated TGB system of one unit	4.00	0.00	0.00	4.00	0.00	0.00	0.00
4	Fire Tender (Regulation 19.2(vii), (x) & 19.3 (a))	1.60	0.00	0.00	1.60	0.00	0.00	0.00
5	Renovation of DCS SCADA based control system (Regulation 20)	In Principle						
Sub-Total		**6.70**	**0.00**	**0.00**	**6.70**	**0.00**	**0.00**	**0.00**
New Schemes								
6	Supply & retrofitting of 4 sets Line Feeder Relay system with Real Time Online Remote monitoring system (Regulation 19.3 (c))	0.73	0.00	0.00	0.00	0.73	0.00	0.00
7	Replacement of 220V, 600 Ah Station Battery Bank (Regulation 19.3 (a))	0.75	0.00	0.00	0.75	0.00	0.00	0.00
8	Capital Spares	4.80			1.20	1.20	1.20	1.20
Sub-Total		**6.28**	**0.00**	**0.00**	**1.95**	**1.93**	**1.20**	**1.20**
Grand Total		**12.98**	**0.00**	**0.00**	**8.65**	**1.93**	**1.20**	**1.20**

Commission's View

65. The Commission notes that CSPGCL has proposed capital investment of Rs. 12.98 Crore for HBPS for the Control Period from FY 2026-27 to FY 2029-30, which includes expenditure of Rs. 6.70 Crore against carryover of pre-approved schemes and Rs.6.28 Crore against the new schemes proposed for the Control Period.

66. The Commission has approved the spillover schemes claimed by CSPGCL previously. The same are summarized as below:

(1) Refurbishment of old runner of Main Turbine

The Commission notes from the submission that from FY 93-94 to FY 95-96, every year one unit was commissioned. During COH of unit no 3, heavy pitting and erosion in runner blades was observed. Repair of Hydro Turbine runner is possible only at OEM (BHEL) works, which require large span of time. As no spare rotor is available, to avoid long outages procurement of a spare rotor was essential. The same was submitted in petition no 10 of 2021, the Commission vide order dated July 31, 2021 approved procurement of spare runner. It is further submitted that in the recent COH of unit 2, the runner was not found damaged to the same extent as was observed in unit 3, therefore exercising prudence, CSPGCL has not replaced the same. Next COH at Bango HEP will be of Unit 3, which is due in FY 26-27. As Unit 3 rotors is already suffering from wear and tear, in the COH the same will be replaced by new one and taken out rotor will be sent to BHEL works for repair. Thereafter, FY 27-28, COH of unit 1 shall be taken up in which the refurbished rotor may have to be used. The taken-out rotor in turn may be refurbished in FY 27-28, for which the capex may take place in FY 27-28 & 28-29 while capitalisation may be in FY 28-29. As the need and cost of refurbishment will depend upon the condition of the rotor taken out during COH, at this point of time, year & cost of such refurbishment cannot be estimated precisely. CSPGCL submitted that though the above justification qualifies under Regulation 19.2 (x) & 19.3 (a), however, due to cost and time uncertainty approval is prayed under Regulation 20. In view of the above, the Commission Grants in-principal approval for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

(2) Complete replacement of existing Generator CO_2 fire protection system (CO_2 flooding system) new microprocessor-based CO_2/clean gas-based fire protection system

The Commission notes that the original proposal and the estimated cost, which was planned for execution in 2024-25, was initially limited. Following extensive consultation with other Hydro Electric Projects and a comprehensive review of the best practices in generator safety, the scope of the work has widened significantly to incorporate complete replacement of the existing system with a new microprocessor-based CO_2/ clean gas fire protection system. This better configured system is necessary to provide superior safety and security to the generator, addressing the obsolescence of spare parts of the current old system. The revised cost estimate scheme is Rs. 1.10 crore and the capitalisation is expected in FY 26-27. Hence, the Commission approves the same under Regulation 19.2 (vii) and 19.3 (c).

(3) Retrofitting / renovation of oil lubricant based turbine guide bearing with water lubricated TGB system of one unit

The Commission notes that for the work to be undertaken as per the CEA recommendation, the approved scheme cost is Rs. 4 crore and the capitalisation is expected in FY 26-27. It is further submitted that after installation of water lubricated turbine guide bearing in Unit no. 3 during COH in FY 26-27, based on the feedback action will be initiated for replacement of TGB in other two units. CSPGCL submitted that in the instant petition, prayer is limited for one unit only and a leave is craved for inclusion of the prayer for other two units in the additional CIP petition/s to be filed in the future years. Hence, the Commission approves the same under Regulation 19.2 (iii), 19.2(viii) and 19.3 (b).

(4) Fire Tender

The Commission notes that Hon'ble Commission has approved the procurement of fire tender in the order dated 8th July 2025. LOI has been placed at the rate of about Rs. 1.60 Cr per fire tender. As the delivery period for fire tender is 10 months, the actual capex and capitalisation is expected in FY 26-27. Hence, the Commission approves the same under Regulation 19.2 (vii), 19.2(x) and 19.3 (a).

(5) Renovation of DCS SCADA based control system

The Commission notes that in CIP 25-26, in-principle approval was granted for the scheme. The estimated cost is around Rs.36.50 crore. and capex will take place in FY 2027-28 and FY 2028-29. Correspondence is being made with M/s BHEL, Jabalpur, EDN Bengaluru and BHEL, Bhopal to finalise the technical requirements and related terms and conditions. Price and commercial offers awaited. It is also being envisaged that consequent to implementation of the scheme, the HEP Bango may be planned for "Black Start" from remote control. Looking to the large scale RE integration and the challenges in grid management, such conceptualisation may be useful in future. As the cost may vary substantially during finalisation of scope and negotiation, CSPGCL is prayed approval under Regulation 20. Hence, the Commission Grants in-principal approval under Regulation 20 for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

67. The Commission also notes that CSPGCL has proposed some new Schemes. The Commission has analysed the same as below:

(1) Line Feeder Relay system with Real Time Online Remote monitoring system

The Commission notes that in HBHPS, 4 nos. 132 KV line feeders exist and in every feeder one set of numerical relays and electromagnetic backup protection relays are installed. The response of electromagnetic relay is slow as compared to numerical relays, as well as there are number of hardware components installed in electromagnetic relays, due to which there is always a chance of failure or malfunctioning of protection which may cause heavy damage to the equipment. In electromagnetic relays, there is no provision of record storage during faults, while in numerical relays, disturbance and event recorders are inbuilt which makes fault tracing easier, reducing system downtime. Looking to the above, it is essential to replace all electromagnetic relays along with auxiliary relays of all 132 KV feeders at HBHPS, Bango. The estimated scheme cost is Rs. 0.73 crore and the expected capitalisation is in FY 27-28. Hence, the Commission provisionally approves the same under Regulation 19.3 (c) subject to prudence check at the time of True up.

(2) Replacement of 220V, 600 AH Station Battery Bank

The Commission notes that due to ageing, the battery parameters are deteriorating. Therefore, replacement of 2nd set station battery bank is necessary. The scheme cost is Rs. 0.75 crore and the capitalisation is expected in FY 2026-27. Hence, the Commission provisionally approves the same under Regulation 19.3 (a) subject to prudence check at the time of True up.

(3) Capital Spares

The Commission notes that Regulation 19.2 (x) specifies that capital spares of more than Rs 30 Lakh will qualify for additional capitalisation. Further, as forecasting of such spares may not be feasible and prudent, hence advance filing of the same has been exempted and the generating company is allowed to submit the details of such works at the time of true-up. It also provides that at the time of tariff determination, a provisional consideration of capitalisation at the rate of Rs. One lakh per MW per year shall be made. Accordingly, CSPGCL submitted that the additional capitalisation is Rs. 1.2 crore per year for capital nature spares. Hence, Commission provisionally approves the same subject to prudence check at the time of True up.

68. Summary of CIP as approved by the Commission for HBPS for the Control Period is as follows:

Table 10: Approved CIP for HBPS for the Control Period (Rs. Crore)

Particulars	FY 26-27	FY 27-28	FY 28-29	FY 29-30	Total
Pre Appr. Scheme	6.70	0.00	0.00	0.00	6.70
New Scheme	1.95	1.93	1.20	1.20	6.28
Total	**8.65**	**1.93**	**1.20**	**1.20**	**12.98**

Capital Investment Plan for GP III Mine

CSPGCL's Submission

69. CSPGCL submitted that as acknowledged in the previous orders, after enactment of the Coal Mine (Special Provisions) Act, 2015, the GP-III coal block was classified under Schedule I of the said Act. In terms of the provisions of Section 5 of the said Act, the GP-III coal block was allocated to CSPGCL for utilization of coal in end-use plant of ABVTPP. The matter of Capital cost of GP III mine has already been dealt with in detail in the MYT order dated April 13, 2022 (petition no 01/2022) with revision in the subsequent CIP orders. Approved Capital cost as on this date stands at Rs 1122.08 crore (after due adjustments). Leave is craved for referring to the previous deliberations/ orders, if the need arises.

70. CSPGCL also submitted that capitalisation incurred against the same and being considered for the purpose of determination of ARR and the input cost of coal at mine end, up to March 31, 2025 is about Rs. 849.86 crore. Further, the additional capitalisation during FY 25-26 expected against the same heads is about Rs. 5.38 crore.

71. CSPGCL submitted the CIP for GP-III for the Control Period as shown in the Table below:

Table 11: CIP for GP III Mine as submitted by CSPGCL (Rs. Crore)

SN.	Description	Scheme cost	EXPECTED CAPITALISATION					
			Up to FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Spill Over Schemes								
1	Capital cost of Gare Pelma III (GP-III)	1122.08	849.86	5.38	247.64	11.00	0.00	0.00
Grand Total		**1122.08**	**849.86**	**5.38**	**247.64**	**11.00**	**0.00**	**0.00**

Commission's View

72. The Commission notes that CSPGCL has proposed Capital Investment of Rs. 258.64 Crore for GP III Mine for the Control Period from FY 2026-27 to FY 2029-30.

73. The Commission notes that the capitalisation on railway line has been considered in accordance to the expected time of system being put to use. However, the railways being Government entity and also in view of the multiple statutory and other constraints, it is uncontrollable for CSPGCL. Therefore, expected capitalisation may vary. The Commission after going through the merits of the submissions approves the same.

74. Summary of CIP as approved by the Commission for GP III Mine for the Control Period is as follows:

Table 12: Approved CIP for GP III Mine for the Control Period (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
Pre Appr. Scheme	247.64	11.00	0.00	0.00	258.64
New Scheme	0.00	0.00	0.00	0.00	0.00
Total	**247.64**	**11.00**	**0.00**	**0.00**	**258.64**

Capital Investment Plan for Head Office

CSPGCL's Submission

75. CSPGCL has proposed a total of 5 schemes for FY 2026-27 to FY 2029-30, out of which all 5 schemes are new schemes. Among the proposed schemes, 2 new schemes are for in-principal approval only.

76. CSPGCL submitted the CIP for Head Office for the Control Period as shown in the Table below:

Table 13: CIP for Head Office as submitted by CSPGCL (Rs. Crore)

SN.	Description	Scheme cost	EXPECTED CAPITALISATION					
			Up to FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Spill Over Schemes								
1	New HO Complex at Nava Raipur - At a total cost Cr with CSPGCL share of 35.67%	89.18	0.00	0.00	0.00	0.00	89.18	0.00
2	Replacement of Computer Systems and Server - Regulation 19.2 (vii), 19.3 (a) & (c)	4.50	0.00	0.00	2.50	1.00	1.00	0.00
3	Scanners for OT (Operation Technology) Systems at Plants - Regulation 19.2 (vii)	0.90	0.00	0.00	0.90	0.00	0.00	0.00
4	Installation of Data back up System, Cyber Security Operation Centre (CSOC) - Regulation 19.2 (vii)	In Principle						
5	Upgradation of Generation Monitoring System - Regulation 19.3 (c)	In Principle						
Total		94.58	0.00	0.00	3.40	1.00	90.18	0.00

Commission's View

77. The Commission notes that CSPGCL has proposed Capital Investment of Rs. 94.58 crore for Head Office for the Control Period from FY 2026-27 to FY 2029-30.

78. The Commission also notes that CSPGCL has proposed some new Schemes. The Commission has analyzed the same as below:

(1) Head Office Building at Naya Raipur - The Commission notes that CSPGCL submitted the following salient points of the scheme:

- Govt. of Chhattisgarh, General Administration Department issued an order on dated April 04, 2014 that new construction in the Head offices of Nigam/Mandal/Board/Pradhikaran/Ayog should not be done and no new state level offices shall be constructed in Old Raipur. In continuation to above, Energy Department Govt. of Chhattisgarh vide letter dated April 21, 2014 also directed all the Power Companies on same lines.

- It is pertinent to mention that even the Transfer Scheme issued by the GoCG, had a vision of an Administrative office block at newly developing Capital city under then Capital Area Department Authority (CADA) presently known as Nava Raipur Atal Nagar Vikas Pradhikaran (NRANVP).
- Chhattisgarh State Power Companies in the year 2022 decided to take up the project of construction of common Head Office Complex at Nava Raipur Atal Nagar. It is relevant to submit that against earlier JV project of IFFCO Chhattisgarh Power Ltd. (ICPL), CSPGCL had ownership of some land at Nava Raipur Atal Nagar. Additional land was acquired to meet the requirement for common HO building.
- Meanwhile, the State Government issued amendment to the Transfer Scheme Rules as per which the Empowered Committee entrusted CSPGCL, HQ, Raipur to take up the work of creation of asset of Common Head Office Complex of Chhattisgarh State Power Companies at Nava Raipur Atal Nagar.
- Resolution for construction of common Head Office building of Chhattisgarh State Power Companies with grant of administrative approvals for a total estimated cost of Rs. 217.50 Cr was passed by Board of Directors with share the ownership and expenditure of project in a sharing ratio of 31.78%: 35.67%: 32.55% respectively. All the Stakeholder companies resolved to appoint CSPGCL as nodal agency and approved tripartite agreement.
- The existing Vidyut Seva Bhawan at Dangania Campus was built in the year 2007 and has a built-up area of about 6425 sqm. The office building is highly congested and there is space constraint. The same is the case with the old Secretariat building, SLDC building. Therefore, construction of new head office building has become a must, therefore, in light of the GoCG directive, the same hasv to be constructed at Nava Raipur Atal Nagar.
- At present, Land has been acquired in Sector-24). M/s Mandviwala Qutub & Associates, Mumbai (M.H.) has been appointed as the Architect through competitive bidding process. For the construction contract LOA has been placed to M/s Shreejikrupa Project Ltd., Rajkot. The site has been handed over to Contractor. Further, M/s David Adamson India Pvt. Ltd., Mumbai (M.H.) has been appointed as Project Management Consultant. Bhumipujan & Shilanyas has been done on September 03, 2025.
- Capitalization under BAU scenario has been considered in FY 28-29. The project cost is expected to be approximately Rs. 217.50 crore (excluding statutory charges, PV, contingencies, IDC, IEDC and other infra charges). Financing is considered at the normative basis of 70:30 debt equity ratio. For the purpose of CIP and ARR,

provisionally as a conservative estimate total project cost of about Rs 250 crore is being considered.

CSPGCL prayed the Commission to allow their share i.e., about Rs. 89.18 crore (35.67%) in the total estimated cost of about Rs. 250 crore, which will be capitalized in FY 28-29. As the new HO building required to accommodate the advance needs and is being built at Nava Raipur in compliance of referred directive of GoCG, the same qualifies under Regulation 19.2 (iii) read with 19.2 (x).

On Commission's query regarding the least cost analysis for new Head Office Building at Naya Raipur, CSPGCL submitted that the State power companies has need of additional office space. However, the Government has directed all Government / Government owned organisations that all State level new buildings are to be constructed at Naya Raipur through its letter dated April 4, 2014. Hence, the State power companies have proposed a new Head Office Building at Naya Raipur. CSPGCL further submitted that the scheme should be allowed as change in Law. Vide additional submission dated March 06, 2026, regarding least cost analysis, CSPGCL further submitted a comparison of the Rental value of such building with the total cost of construction of own building. For rental rate, CSPGCL submitted a copy of the Notice of Award issued by Nava Raipur Atal Nagar Vikas Pradhikaran for allotment of Built in space to M/s NTPC Ltd. The Comparison shows that for the same office space the 9 years rental is estimated to be more than Rs 251 crore i.e., higher than the cost of new building.

The Commission also notes that in additional submissions of CSPGCL, the construction of the new headquarters building in New Raipur by CSPGCL is firmly grounded in both statutory provisions and transparent, collaborative decision-making. The decision of construction of new office building at Nava Raipur was not made unilaterally by CSPGCL but was overseen by an Empowered Committee comprising senior Government representatives and the Managing Directors of CSPGCL, CSPTCL, and CSPDCL. A detailed cost comparison demonstrates that constructing the building is the most economical option compared to ongoing rental expenses especially considering the long-term appreciation of land value.

The Commission has examined comments and suggestions of the stakeholders and submission of the petitioner. It is noted that the Transfer Scheme Rules, 2010 and its subsequent amendment thereof have provisions for the new Head Office building in the Capital area (Nawa Raipur). It is also noted that the construction of the new building at Nawa Raipur also got force from the Govt. of Chhattisgarh directives. The copy of the BOD resolution of the three companies along with the Tripartite Agreement has also been furnished in this regard. The petitioner has also submitted that construction is being carried out through open transparent bidding process. The cost is being shared by all three State Power Companies in the ratio of their office space requirement.

In view of the above, the Commission in principle approves the proposed Capital Investment Plan for construction of Head Office Building of Chhattisgarh State Power Companies at Nava Raipur, with the hard cost of Rs. 217.50 Cr (exclusive of PV, IDC, IEDC etc.) with proposed intercompany share (i) 31.78% by CSPDCL, (ii) 35.67% by CSPGCL and (iii) 32.55% by CSPTCL. Accordingly, at this stage, CSPGCL share in the total cost of Rs. 217.50 crore is considered as Rs. 77.58 crore. Capitalization (along with PV, IDC, IEDC etc.) shall be considered at the time of True-Up of the respective year in which the asset is actually put to use. Further, the percentage intercompany share of project cost shall be limited in proportion to the final hard cost limitation i.e. Rs. 217.50 Cr.

(2) Replacement of Computer Systems and Server

The Commission notes that after end of Support life for the Operating System "Windows 10" in October-2025, Microsoft is no longer providing security updates for "Windows 10". As such gradually, OS will have to be updated to "Windows 11" to avoid Cyber security risks. Most of installed PCs are too old not compatible configuration for Window-11. In all, approximately 750 nos. Desktop Computer Systems will need to be replaced. In addition, there is a "CSPGCL Power" App that is a monitoring tool for Operation Technology (OT) system's live data. At present, it is installed in normal desktop systems. With continuous running, the systems get slow down & frequently shut down. Therefore, it is proposed to install 2 Servers for reliable & efficient operation. The replacement of servers is proposed in FY 2026-27 itself and the normal PCs in phased manner from FY 2026-27 to FY 2028-29. The estimated cost of the scheme is around Rs. 4.50 crore. Hence, the Commission provisionally approves the same under Regulation 19.2 (vii), 19.3 (a) & (c) subject to prudence check at the time of True up.

(3) Replacement of Computer Systems and Server:

The Commission notes that whenever it is required to update the Operation Technology (OT) systems, OEM/Vendor update the system in offline mode by CD/Pen drive/Laptop or some other media device. Thus, from Cyber Security point of view, it is necessary to scan & sanities these media device before access to our OT system. Hence, it is proposed that total 10 number Portable Specialized Device Scanners should be provided at various control rooms and critical offices to perform targeted scans locally. Total cost of such specialized devices along with Firewall, Internet etc. is required for updating the patches daily is estimated to be about Rs. 90 lakhs in FY 2026-27. Hence, the Commission provisionally approves the same under Regulation 19.2 (vii) subject to prudence check at the time of True up.

(4) Installation of Data backup System, Cyber Security Operation Centre (CSOC):

The Commission notes that the purpose and importance of data backup may not need any deliberation. As per CCMP (Cyber Crisis

Management Plan), backup system must be installed for business continuity. As per Cyber Security Guideline, logs should be stored for 180 days at least, thus back up system also help in this manner also. Further, there is an emerging need of setting up of Cyber Security Operation Centre (CSOC). It is a centralized facility for continuously monitoring, detecting, investigating, and responding to cyber threats and incidents within an organization's network and systems. CSPGCL submitted that the MoP has already recognised these issues and has set up a Computer Emergency Response Team (CERT) under the aegis of CEA. CSPGCL plans to install the CSOC and the data backup plan in accordance to the expert guidelines including the directions of CERT-P. However, as finalisation of these guidelines and plans may take some time, therefore, it may not be prudent to assign specific cost or time schedule at this stage. CSPGCL submitted that Hon'ble Commission is prayed to grant in principle approval under Regulation 19.2 (vii) and 20 for the above two schemes. Hence, the Commission grants in-principal approval for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

(5) Upgradation of Centralised Monitoring System (CMS)

The Commission notes that the existing generation monitoring system at GCC and the plants has become obsolete. Further, it doesn't have the features related to CMS. It is proposed to upgrade/ replace the same. However, as the protocol for cyber security may have some inter relation with the CMS, therefore, the proposal shall be implemented in FY 2026-27 after expert study. CSPGCL prayed to grant in principle approval under Regulation 19.2 (x) and 20. Hence, the Commission Grants in-principal approval for the same and allows CSPGCL to approach the Commission after the capitalization is incurred.

79. Summary of CIP as approved by the Commission for Head Office for the Control Period is as follows:

Table 14: Approved CIP for Head Office for the Control Period (Rs. Crore)

Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
Pre Appr. Scheme	0.00	0.00	0.00	0.00	0.00
New Scheme	3.40	1.00	78.58	0.00	82.98
Total	**3.40**	**1.00**	**78.58**	**0.00**	**82.98**

<u>Other Capital Investment Plan</u>

CSPGCL's Submission

80. CSPGCL submitted that the basic purpose of CIP is to ascertain the Capitalisation for determination of tariff of operational plants hence the instant CIP is limited to the schemes, which will have bearing on the MYT of plants in operation. As determination of tariff for new projects and also the supplementary tariff for Emission Control Systems is governed by separate Tariff determination process hence these schemes are not part of the instant plan. In this reference, kind attention is invited to Regulation 5.8 and 5.9.

"5.8 A generating company may file a Petition for determination of provisional tariff 120 days in advance of the anticipated Date of Commercial Operation of unit or stage or generating station as a whole, or for the emission control systems, as the case may be, based on the capital expenditure actually incurred up to the date of making the Petition or a date prior to making of the Petition, duly audited and/or certified by the statutory auditors/Chartered Accountant/Cost Accountant and the provisional tariff shall be applicable from the date of commercial operation of such Unit or Stage or Generating station , as the case may be.

5.9. The generating company shall file separate generating station-wise petition for supplementary tariff for emission control systems."

81. CSPGCL also submitted that in the previous order in which it is directed that:

"CSPGCL is directed to approach the Commission in a timely manner for approval of completed Capital Cost and tariff approval, after COD."

Commission's View

82. The Commission notes that, at this stage, no submissions are pertinent to the instant petition by CSPGCL. Hence, the Commission approves separate filings on the twin matters in accordance with the Regulations.

Summary of Approved Capitalisation

83. Summary of Capitalisation considered by the Commission for CSPGCL stations for FY 2026-27 to FY 2029-30 is as below:

Table 15: Approved Capitalization for FY 2026-27 to FY 2029-30 (Rs. Crore)

SN	Particulars	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
1	HTPS	48.80	2.82	0.00	0.00	**51.62**
2	DSPM	57.77	32.65	5.00	5.00	**100.42**
3	KWTPP	70.30	48.64	57.51	5.00	**181.45**
4	ABVTPS	63.42	20.25	10.00	10.00	**103.67**
5	HBPS	8.65	1.93	1.20	1.20	**12.98**
6	GP III Mine	247.64	11.00	0.00	0.00	**258.64**
7	Head Office	3.40	1.00	1.00	0.00	**5.40**
	Total	**499.97**	**118.29**	**74.71**	**21.20**	**714.17**

84. In addition to the above, number of schemes submitted for in principle approval and also scheme for HO building has also been approved by the Commission. Capitalisation against all schemes approved by the Commission shall be subject to prudence check at the time of true up.

85. The approvals granted for capital investments are based on broad parameters and estimates submitted by utility. The utility has to adhere to prudence check on technical requirement and detailed specifications and ensure that works are completed at reasonable cost. The responsibility of compliance to statutory provisions rests unfettered on the utility. Also, the timelines for executing the works must be adhered to. All such costs shall be considered for capitalization only after prudence check by the Commission.

86. If, for reasons not beyond the control of the utility, the petitioner fails to initiate the work including tendering process, procurement of land etc., by the year in which capitalization is indicated, the approval shall be deemed to be cancelled.

We order accordingly.

Sd/-	**Sd/-**
(Ajay Kumar Singh)	**(Vivek Ganodwale)**
Member (Tech)	**Member (Law)**