

BEFORE
THE HON'BLE CHHATTISGARH STATE ELECTRICITY REGULATORY
COMMISSION,
RAIPUR, CHHATTISGARH

Petition for Determination of ARR/ Tariff of
CSPGCL's Small/ Mini Hydro Plants
For FY 2026-27 TO FY 29-30

December 2025



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BEFORE
THE CHHATTISGARH STATE ELECTRICITY REGULATORY COMMISSION
RAIPUR, CHHATTISGARH

IN THE MATTER OF: Petition for Determination of ARR/ Tariff of CSPGCL's
Small/ Mini Hydro Plants for FY 26-27 to FY 29-30

BY Chhattisgarh State Power Generation Company
Limited (hereinafter referred as "**CSPGCL**" or "**the**
petitioner" or '**Applicant**')

The Applicant respectfully submits as under: -

1. Present Petition has been prepared in accordance with Section 62 of the Electricity Act 2003, provisions of the CSERC (Terms and conditions for determination of tariff for Renewable Energy sources) Regulations, 2025 herein referred as RE Regulations, 2025 and orders / directions of the Hon'ble Commission.
2. The previous order was issued by the Hon'ble Commission on dtd. 14.03.2024 in the petition no 81of 2023. The order clause 26 stated "*The tariff approved in this order is applicable from April 1st 2024 and will remain in force till March 31st 2025 or till the issue of the next Tariff Order, whichever is later.*" Thus, the approved tariff continues to be in force for FY 25-26.
3. The new Regulation is notified in the Gazette on 07.12.2025 and the same shall remain in force up to 31st March 2030. Further, vide letter dtd. 04.12.2025 Hon'ble CSERC has permitted to file petition for FY 26-27 onwards by 31st December 2025.
4. Accordingly, the instant petition is for the period 01.04.2026 to 31.03.2030.
5. CSPGCL has made genuine efforts for compiling all relevant information relating to this petition and has also made every effort to ensure that information submitted to the Hon'ble Commission is accurate and free from material errors. However, there may be inadvertent deficiencies. CSPGCL humbly prays for allowing further submissions, clarifications and amendments during the course of proceedings.

PRAYER TO THE HON'BLE COMMISSION.

The Petitioner respectfully prays to the Commission:

- a. To consider the submissions and determine the ARR and Tariff of its Small/ Mini Hydro plants and also allow other reliefs as prayed in the petition.
- b. To Allow recovery of petition filing fee and advertisement expenses separately as a pass through.
- c. To Exercise the 'Power to Relax' and 'Power to Remove Difficulty' along-with 'Deviation from norms' and such other powers including the inherent powers vested with the commission as specifically pleaded / prayed in relevant sections.
- d. To condone any inadvertent omissions/errors/shortcomings and permit CSPGCL to add/change/modify/alter this filing and make further submissions as may be required at a future date.
- e. To pass any other such relief to the petitioner as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.

Date:

Petitioner
For CSPGCL, Raipur.

Notes and Abbreviations

✓ All currency figures in this Petition, unless specifically stated otherwise, are in Rs. Lakhs

Abbreviation	Full Description
A&G Expenses	Administrative and General Expenses
AEC	Auxiliary Energy Consumption
Capex	Capital Expenditure
CIP	Capital Investment Plan
CERC	Central Electricity Regulatory Commission
COD	Commercial Operation Date
CSERC	Chhattisgarh State Electricity Regulatory Commission
CSPGCL	Chhattisgarh State Power Generation Company Limited
CUF	Capacity Utilisation Factor
EA 2003	Electricity Act 2003
E&M	Electrical & Mechanical
FY	Financial Year
GFA	Gross Fixed Asset
GoCG	Government of Chhattisgarh
HEP	Hydro Electric Plant
kV	Kilovolt
MoEF	Ministry of Environment & Forest
MYT	Multi Year Tariff
MW	Megawatt
MU	Million Units
O&M	Operations and Maintenance
PAF	Plant Availability Factor
PLF	Plant Load Factor
PFC	Power Finance Corporation
R&M Expenses	Repair & Maintenance Expenses
RoE	Return on Equity
SHP	Small Hydro Plant
SLDC	State Load Dispatch Centre
WRD	Water Resource Department

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1: BACKGROUND

- 1.1 Subsequent to reorganization of Chhattisgarh State Electricity Board by the Govt. of Chhattisgarh, Chhattisgarh State Power Generation Company Limited (CSPGCL) became functional w.e.f. 1st January 2009.
- 1.2 CSPGCL has diversified generation capacity comprising of conventional Thermal & Hydro plants and Renewable Energy based power plants (RE plants.). The details of CSPGCL RE plants are Tabulated below :-

Sr. I	Name of the plant	Unit no. & Capacity
1	Gangrel HEP ,Gangrel, Distt- Dhamtari (C.G.)	4x2.5 MW
2	Sikasar HEP , Sikasar , District- Gariyaband (C.G.)	2x3.5 MW
3	Mini Hydel Plant KW, Korba Distt- Korba (C.G.)	2x0.85 MW

- 1.3 The previous order for CSPGCL RE plants was issued by the Hon'ble Commission on 14.03.2024 in the petition no 81of 2023. The order stated *"The tariff approved in this order is applicable from April 1st 2024 and will remain in force till March 31st 2025 or till the issue of the next Tariff Order, whichever is later."* Thus the approved tariff continues to be in force for FY 25-26.
- 1.4 The new Regulation has been notified in the Gazette on 17.12.2025 and the same shall remain in force up to 31st March 2030.
- 1.5 On or around 04th December 2025, in response to previous request by CSPGCL for guidelines / directions, Hon'ble Commission directed for filing of petition for the period FY 26-27 to FY 29-30. It also affirmed that till disposal of petition the prevailing tariff shall continue.
- 1.6 Accordingly, the instant petition is being filed for FY 26-27 to FY 29-30. In accordance to the Regulation, The current petition seeks the determination of ARR/ tariff for its three Small / Mini Hydro plants. In the instant petition, first the financial principles relied as per provisions of CSERC RE Regulation 2025 have been dealt and thereafter the plant wise norms of operation have been dealt.

2: DETERMINATION OF AGGREGATE REVENUE REQUIREMENT & TARIFF FOR FY 2026-27 TO FY 2029-30.

2.1 In the instant petition, financial principles as laid down in the relevant provisions of RE Regulations, 2025 have been relied. Reliance is also placed on the previous order dated 14.03.2024 in the petition no 81 of 2023 and other orders of the Hon'ble Commission.

2.2 **Capital Cost & Additional Capitalisation:** In the instant petition, in general, CSPGCL is not pleading any additional capitalisation. With no change in capital cost during FY 24-25 and FY 25-26, the capital cost as approved by the Hon'ble Commission in the Tariff order dated 14th March 2024 has been relied as opening capital cost for FY 26-27. Further, the capital structure also remains same as considered in the previous order. The Capital cost and Capital Structure as considered in the instant petition is tabulated hereunder:

All Figures in Rs lakhs

Particulars	SHP Gangrel	SHP Sikasar	Mini Hydro Korba
Opening Capital Cost	4817.00	2614.00	1247.00
Capital Grant/ Subsidy	0.00	300.00	0.00
Capital Cost (Excluding subsidy)	4817.00	2314.00	1247.00
Normative Equity @30%	1445.10	694.20	374.10
Normative Gross Debt@70%	3371.90	1619.80	872.90

2.3 **Depreciation:** Depreciation has been dealt as per Regulation 16 of the RE Tariff Regulations 2025. The relevant provisions are quoted as under:

“16.1 The value base for the purpose of depreciation shall be the Capital Cost of the asset admitted by the Commission.

16.2 The Salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the Capital Cost of the asset.

16.3 The depreciation rate for the first 15 years of the Tariff Period shall be 4.67% per annum and the remaining depreciation shall be spread over the remaining useful life of the project from 16th year onwards on 'Straight Line Method'.

16.4 Depreciation shall be chargeable from the first year of commercial operation:

Provided that for determination of project specific tariff, in case of commercial operation of the project for part of the year, depreciation shall be computed on pro rata basis.

16.5 Depreciation shall not be allowed to the extent of grant or capital subsidy received for the project.”

With no change in capital cost and capital structure, the Depreciation for FY 25-26 has been considered same as determined by the Hon’ble Commission for FY 24-25. The accumulated depreciation upto 31st March 2025, computed as above, has been considered as under:

All Figures in Rs lakhs

Particulars	SHP Gangrel	SHP Sikasar	Mini Hydro Korba
Approved Accumulated Depreciation till FY 24-25 (A)	3149.19	1631.26	1040.80
Yearly Depreciation for FY 25-26 (B)	59.31	21.49	3.40
Total Accumulated Depreciation till FY 25-26 (A+B)	3208.50	1652.75	1044.20

2.4 Interest & Financial Charges: The Interest charges have been computed in accordance to the Regulation 15 of the RE Tariff Regulation 2025. The relevant portion is reproduced:

“15.1 For the purpose of determination of tariff, loan/debt tenure of 15 years shall be considered.

15.2 The loans/debts arrived at in accordance with Regulation 14, shall be considered as gross normative loan for calculation of interest on loan: Provided that, the normative loan outstanding as on April 1st of every year shall be worked out by deducting the cumulative repayment up to March 31st of previous year from the gross normative loan.

15.3 For the purpose of determination of tariff, the normative interest rate of two hundred (200) basis points above the average State Bank of India Marginal Cost of Funds based Lending Rate (MCLR) (one-year tenor) prevalent during the last available six months shall be considered.

15.4 Notwithstanding any moratorium period availed by the generating company, the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.”

Following the settled methodology in the previous orders, the accumulated depreciation has been reduced from the gross normative loan and yearly repayment has been considered equal to the depreciation computed for the year.

Further, the applicable interest rate has been derived in accordance to the Regulation 15.3 and for computing the same CSPGCL has placed reliance on the rates published by SBI on its website <https://sbi.co.in/web/interest-rates/interest-rates/mclr-historical-data>.

- 2.5 **Return on Equity:** The Return on Equity has been computed in accordance to the Regulation 17. The relevant provision is reproduced as under:

“17.1 The value base for the equity shall be 30% of the capital cost or actual equity (in case of project specific tariff determination) as determined under Regulation 14.

17.2 The normative Return on Equity for renewable energy projects other than small hydro projects shall be 14%, and that for the small hydro projects shall be 15%, to be grossed up by latest available notified Minimum Alternate Tax (MAT) rate for the first 20 years of the Tariff Period and by the latest available notified Corporate Tax rate for the remaining Tariff Period:

Provided that in respect of plants, for which actual income tax is allowed to be recovered separately for company as a whole through applicable MYT Regulations or Tariff Orders for conventional plants, the grossing up of MAT with Return on Equity shall not be applicable.”

As CSPGCL is covered in the first proviso to the Regulation 17.2, and all the RE Plants of CSPGCL are Small Hydro Plants, the ROE is not grossed up and is claimed at the flat rate of 15%.

- 2.6 **Interest on Working Capital:** The normative interest on working capital has been computed in accordance to the Regulation 18. The relevant provision is reproduced as under:

“18.1 The Working Capital requirement in respect of wind energy projects, small hydro power, solar PV, Floating Solar Projects, Solar

thermal power projects, MSW Projects including RDF based projects, and Renewable Energy with Storage projects shall be computed as per following:

I. Operation & Maintenance expenses for one month;

II. Receivables equivalent to 45 days of energy charges for sale of electricity calculated on the normative PLF or CUF, as the case may be;

III. Maintenance spares @ 15% of operation and maintenance expense”

Regarding the normative interest rate regulation 18.4 specifies: -

“18.4 Interest on Working Capital shall be at interest rate equivalent to the normative interest rate of three hundred twenty-five (325) basis points above the average State Bank of India MCLR (one-year tenor) prevalent during the last available six months for the determination of tariff.”

The MCLR has been computed in the same manner as detailed in the pre para for the Interest on Loan.

2.7 **Normative O&M Expenses:** The normative O&M expenses have been computed in accordance to the Regulation 19 read with Regulation 31.1. Annual escalation @5.25% has been considered in accordance to Regulation 19.3 & 31.2.

2.8 **Statutory Charges:** Regulation 24 of the CSERC RE Tariff Regulations 2025 stipulates:

“24.1 Tariff determined under these Regulations shall be exclusive of cess and duties on generation, auxiliary consumption and sale of electricity as may be levied by the appropriate Government:

Provided that, the cess and duties levied by the appropriate Government shall be allowed as pass through on actual incurred basis.

24.2 In case of hydro projects, water charges as levied by the State Government shall not be included in the tariff. It is to be paid separately and shall be pass through on actual incurred basis.”

The above has been expressly allowed by the Hon'ble Commission in the order dated 14th March 2024. CSPGCL prays for continuation of the same.

3: PLANT WISE OPERATIONAL PARAMETERS

- 3.1 CSPGCL submits that the Operational norms for the three Small Hydro Plants have been deliberated in detail in the order dated 14th March 2024 in the petition no 81 of 2023 read with previous order dated 31st July 2021 on the petition no 16 of 2021. The orders are unchallenged settled orders. The order dated 14th March 2024 is in vogue and except for the express pleading submitted hereunder, there is no material change.
- 3.2 Accordingly, in order to avoid reiteration and for the sake of transparency & simplicity, CSPGCL prays that the norms as allowed in the aforesaid orders, may be continued for ensuing Tariff Period i.e. FY 26-27 to FY 29-30. Leave is craved for referring to the previous petitions, additional submissions and the orders, as and when the same may be required.
- 3.3 Accordingly, the normative operational parameters for the petition are proposed as under: -

Particulars	SHP Gangrel	SHP Sikasar	Mini Hydro Korba
Capacity Utilization Factor (CUF)	30%	20%	40%
Auxiliary Consumption	1.5%	1.0%	3.0%

- 3.4 At this juncture, in the interest of fairness and truthfulness it is respectfully submitted that the instant Regulation has departed from the previous Regulation as far as it concerns the auxiliary consumption for the hydro power projects. The generic AEC as allowed in the previous Regulation was 1.5% which in the new Regulation has been revised to 1%. While CSPGCL has computed the ARR and tariff for SHP Sikasar by considering the AEC of 1% as provided in the Final Regulation (without any prejudice, whatsoever it may be, on the matter of unilateral revision), it is constrained to pray for allowing AEC of 1.5%, as prevailing in the current order. The detailed grounds for the same are submitted herewith.

a. The factual matrix :-

- the normative AEC for the hydro projects as allowed in the RE Regulations 2022 was 1.5%. In the Regulation 30 of the draft RE Regulations 2025 as published in the Commission's website on 16th June 2025, it was also 1.5%.

- During public hearing dated 07.07.2025, none of the stakeholders raised any objection or suggestion for reduction in the normative AEC.
- To the best of knowledge and faith, otherwise also none of the stakeholders raised any objection or suggestion for reduction in the normative AEC.
- As nothing uploaded or presented in the hearing, there was nothing available for CSPGCL to comment upon.
- However, in the final Regulations as published on the Commission's website in or around mid-November 2025, in the Regulation 30, the normative AEC for the hydro projects has been specified as 1% only.
- The HEP Gangrel was the first SHP commissioned in the state (2004).
- The two main auxiliaries namely cooling water pump and the Governing oil pump (also called as Oil Pressurize Unit or OPU) consume more than 1.05% of gross generation. Apart from the above, there are many other auxiliaries such as drainage-dewatering pumps, Compressors, Air conditioning & Ventilation system, Fire pumps and the Plant lighting system which are essential for operation of the plant.

In the above factual backdrop, CSPGCL humbly submits that:

- The powers of State Commission to make Regulations lie in the Section 181 of the Electricity Act 2003. However, the powers are subject to a rider. Subsection 3 of the Section 181 states "*All regulations made by the State Commission under this Act shall be subject to the condition of previous publication.*" As the AEC @ 1% for small hydro projects do not satisfy the rider provided in the Act itself, with all the humility at its command, CSPGCL respectfully submits that reduction of normative AEC from 1.5% to 1% is infructuous and contrary to the dictum of the Act.
- The aggregate AEC of SHP Gangrel under any condition cannot presumed to be 1%. It needs to be appreciated that for an old plant without under-going any major revamp its simply impossible to reduce the AEC by 1/3 (1% from 1.5%). The fact that the plant has not undergone any capital investment is a testimony that no technological revamp has taken place.
- Even if the technicality regarding previous publication is kept aside, on the ground of infeasibility alone, SHP Gangrel, for the purpose of project

specific tariff determination deserves a separate consideration than the generic norm provided in the Regulation. Kind reference is invited to the legal maxim "*Impossibilium nulla obligatio est*" meaning "No one is under obligation to do the impossible". It is submitted that the instant case fully & squarely satisfies the criteria for application of the maxim.

- It is submitted that as per tariff policy also, which is one of the guiding principles, listed in Section 61 of the Act, setting up a non realistic norm is not in the interest of any of the stakeholders.
- It was also not the case that the draft regulations were silent on the issue, contrarily the draft regulations specifically provided AEC @1.5%. Thus, there was no opportunity at all for CSPGCL to make any representation, what so ever it may be, regarding inadequacy of the normative AEC and the need for carving an exception in the same. The instant petition is the first opportunity for CSPGCL to raise the issue.
- It is pertinent to submit that the instant Regulations do not in any way pose any restriction regarding consideration of CSPGCL prayer. It is for resolution of such issues only that specific enablers are embedded in the Regulations. Kind reference is invited to the Regulations "Deviation from norms" (Regulation 79), "Power to Relax" (Regulation 80) and "Power to remove difficulties" (Regulation 81). In addition to the above, Hon'ble Commission also have inherent powers vested with it. Hon'ble Commission is prayed to exercise all such powers to meet the ends of justice and allow 1.5% normative AEC for HEP Gangrel. It may also be relevant to submit that doctrine of "Power coupled with Duty" also require that the authority vested with powers must exercise those powers for the purpose of which they are vested.
- CSPGCL also crave leave to submit that exercise of the aforesaid powers will be in the larger interest of the all the stakeholders as the project provides cheap green energy to the grid and maintaining its commercial viability is also required in light of the preamble of the EA 2003.
- Last but not the least, it need to be appreciated that CSPGCL in this petition is not pleading for a generic revision / relaxation in the regulation rather instant case is limited to a specific prayer related to a particular plant which merits consideration on technical grounds as well as on the basis of natural justice.

- 3.5 Apart from the above, in deviation to the generic norms, AEC for Mini Hydro Korba has also been considered 3% for the reasons already settled in the previous orders mainly on account of transformation losses (the generation is at 0.4 kV and injection to the grid is at 220 KV). Leave is craved for submission of details (including references to previous submissions/orders) if need arises.
- 3.6 In addition to submissions on the norms of operation, CSPGCL also craved leave regarding balance life of Mini Hydro Plant Korba. It is submitted that the plant is a unique plant, which does not operate independently but runs on the discharge of old 4x210 MW HTPS plant. Benefit of such arrangement has been well appreciated; however, it has its own limitations also. A hydro plant can operate only to the extent till the water source survives. In the instant case, once the HTPS plant will be de-commissioned, operation of mini hydro plant will naturally end. Such foreclosure is uncontrollable and unavoidable. In the previous orders related to conventional plants, Commission has already acknowledged the extended life of HTPS up to 2030 only and has allowed depreciation accordingly. As the HTPS plant is the mother plant and Mini Hydro act as child, the closure of HTPS will have a “superior force” over which by any means, the Mini Hydro Korba Plant cannot have any control. Thus, the closure by 2030 well qualifies under the phrase “*Force majeure and uncontrollable condition*”. Hon’ble commission is humbly prayed for adoption of the same treatment for the mini hydro plant, which has been imparted to HTPS as far as recovery of fixed cost by way of depreciation is concerned.
- 3.7 Before summing up, CSPGCL very humbly acknowledges the second and third proviso to the Regulation 9.2 (ii) which allow additional capitalisation under some conditions. As the Act and the Rules both stress that timely recovery of costs is in the wider interest of all the stakeholders, leave is humbly craved that CSPGCL may be permitted for filing of tariff resetting petition during the Tariff Period after incurring some pre-defined threshold level of capitalisation.
- 3.8 Lastly it is submitted that though all the costs are increasing, with this petition the per unit rate for FY 26-27 are generally lower than the prevailing rate for the current year. The details are submitted in the formats prescribed by Hon’ble Commission.

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4: PETITION FORMATS

Determination of ARR/ Tariff for FY 2026-27 to FY 2029-30

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Form 1.1 Tariff parameters for the Period FY 26-27 to FY 29-30

SHP GANGREL (4X2.5 MW)					
SN	Assumption Head	Sub- Head	Sub Head (2)	Unit	Parameter values
1	Power Generation				
		Capacity			
			Installed Power Generation Capacity	MW	10.00
			Auxiliary Consumption	%	1.50%
			CUF	%	30.00%
			COD	Date	23-May-05
			Useful Life	Years	40.00
			Completed Life of Plant as on 31/03/26	Years	21.00
2	Project Cost				
		Capital Cost	Capital Cost	Rs lakh	4817.00
			Capital Subsidy	Rs lakh	0.00
			Net Capital Cost	Rs lakh	4817.00
3	Financial Assumption				
			Tariff Period	Years	5.00
		Debt equity			
			Debt	%	70%
			Equity	%	30%
			Total Debt Amount	Rs lakh	3371.90
			Total Equity Amount	Rs lakh	1445.10
		Debt Components			
			Gross Normative Loan Amount	Rs lakh	3371.90
			Regulatory Repayment till FY31/03/26	Rs lakh	3208.50
			Interest rate	%	10.80%
		Equity Components			
			Equity Amount	Rs lakh	1445.10
			Base Return on equity	%	15.00%
		Depreciation			
			Depreciation rate	%	SLM

SHP GANGREL (4X2.5 MW)					
SN	Assumption Head	Sub- Head	Sub Head (2)	Unit	Parameter values
			Accumulated Depreciation till FY 25-26		3208.50
			Balance Depreciation on 31/03/26		1126.80
4	Operation & Maintenance				
		Normative O&M	(For first year of Tariff Period - FY 25-26)	Rs Lakh/ MW	35.41
		Normative O&M	For FY 25-26	Rs Lakh	354.10
		Escalation factor for O&M	Per Annum	%	5.25%
		O&M per annum	For FY 26-27	Rs Lakh	372.69
5	Working capital				
		O&M expenses		Months	1.00
		Maintenance spares	% of O&M Expenses	%	15.00%
		Receivables		Days	45.00
		Interest rate on working capital		%	12.05%

Petitioner

FORM-1.2 - DETERMINATION OF TARIFF COMPONENTS

SHP GANGREL (4X2.5 MW)					
Particulars	Unit	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Installed Capacity	MW	10.00	10.00	10.00	10.00
Net Generation	MU	25.89	25.96	25.89	25.89
Completed Life of Plant	Year	21	22	23	24
Tariff Components (Fixed Charge)					
O&M Expense	Rs lakh	372.69	392.26	412.85	434.52
Depreciation	Rs lakh	59.31	59.31	59.31	59.31
Interest on Term Loan	Rs lakh	14.45	8.04	2.42	0.00
Interest on Working Capital	Rs lakh	20.64	21.37	22.21	23.12
Return on Equity	Rs lakh	216.77	216.77	216.77	216.77
Total Fixed Cost	Rs lakh	683.84	697.73	713.55	733.71
Total ARR	Rs lakh	683.84	697.73	713.55	733.71
Per Unit Tariff Components (Fixed)					
PU O&M Expense	Rs/ kWh	1.44	1.51	1.59	1.68
PU Depreciation	Rs/ kWh	0.23	0.23	0.23	0.23
PU Interest on Term Loan	Rs/ kWh	0.06	0.03	0.01	0.00
PU Interest on Working Capital	Rs/ kWh	0.08	0.08	0.09	0.09
PU Return on Equity	Rs/ kWh	0.84	0.84	0.84	0.84
PU Tariff Components(Fixed)	Rs/ kWh	2.642	2.688	2.757	2.834
PU Tariff Components (Total)	Rs/ kWh	2.642	2.688	2.757	2.834

Petitioner

Form 1.1 Tariff parameters for the Period FY 26-27 to FY 29-30

SHP SIKASAR (2X3.5 MW)					
SN	Assumption Head	Sub- Head	Sub Head (2)	Unit	Parameter values
1	Power Generation				
		Capacity			
			Installed Power Generation Capacity	MW	7.00
			Auxiliary Consumption	%	1%
			CUF	%	20.00%
			COD	Date	3-Sep-06
			Useful Life	Years	40.00
			Completed Life of Plant as on 31/03/26	Years	20.00
2	Project Cost				
		Capital Cost	Capital Cost	Rs lakh	2614.00
			Capital Subsidy	Rs lakh	300.00
			Net Capital Cost	Rs lakh	2314.00
3	Financial Assumption				
			Tariff Period	Years	5.00
		Debt equity			
			Debt	%	70%
			Equity	%	30%
			Total Debt Amount	Rs lakh	1619.80
			Total Equity Amount	Rs lakh	694.20
		Debt Components			
			Gross Normative Loan Amount	Rs lakh	1619.80
			Regulatory Repayment till FY31/03/26	Rs lakh	1619.80
			Interest rate	%	10.80%
		Equity Components			
			Equity Amount	Rs lakh	694.20
			Base Return on equity	%	15.00%
		Depreciation			

SHP SIKASAR (2X3.5 MW)					
SN	Assumption Head	Sub- Head	Sub Head (2)	Unit	Parameter values
			Depreciation rate	%	SLM
			Accumulated Depreciation till FY 25-26		1652.75
			Balance Depreciation on 31/03/26		429.85
4	Operation & Maintenance				
		Normative O&M	(For first year of Tariff Period - FY 25-26)	Rs Lakh/ MW	35.41
		Normative O&M	For FY 25-26	Rs Lakh	247.87
		Escalation factor for O&M	Per Annum	%	5.25%
		O&M per annum	For FY 26-27	Rs Lakh	260.88
5	Working capital				
		O&M expenses		Months	1.00
		Maintenance spares	% of O&M Expenses	%	15.00%
		Receivables		Days	45.00
		Interest rate on working capital		%	12.05%

Petitioner

FORM-1.2 - DETERMINATION OF TARIFF COMPONENTS

SHP SIKASAR (2X3.5 MW)					
Particulars	Unit	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Installed Capacity	MW	7.00	7.00	7.00	7.00
Net Generation	MU	12.14	12.17	12.14	12.14
Completed Life of Plant	Year	20	21	22	23
Tariff Components (Fixed Charge)					
O&M Expense	Rs lakh	260.88	274.58	288.99	304.17
Depreciation	Rs lakh	21.49	21.49	21.49	21.49
Interest on Term Loan	Rs lakh	0.00	0.00	0.00	0.00
Interest on Working Capital	Rs lakh	13.27	13.85	14.50	15.16
Return on Equity	Rs lakh	104.13	104.13	104.13	104.13
Total Fixed Cost	Rs lakh	399.78	414.06	429.12	444.95
Total ARR	Rs lakh	399.78	414.06	429.12	444.95
Per Unit Tariff Components (Fixed)					
PU O&M Expense	Rs/ kWh	2.15	2.26	2.38	2.51
PU Depreciation	Rs/ kWh	0.18	0.18	0.18	0.18
PU Interest on Term Loan	Rs/ kWh	0.00	0.00	0.00	0.00
PU Interest on Working Capital	Rs/ kWh	0.11	0.11	0.12	0.12
PU Return on Equity	Rs/ kWh	0.86	0.86	0.86	0.86
PU Tariff Components(Fixed)	Rs/ kWh	3.293	3.401	3.534	3.665
PU Tariff Components (Total)	Rs/ kWh	3.293	3.401	3.534	3.665

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Form 1.1 Tariff parameters for the Period FY 26-27 to FY 29-30

MINI HYDRO KORBA (2X0.85 MW)					
SN	Assumption Head	Sub- Head	Sub Head (2)	Unit	Parameter values
1	Power Generation				
		Capacity			
			Installed Power Generation Capacity	MW	1.70
			Auxiliary Consumption	%	3.00%
			CUF	%	40.00%
			COD	Date	4-Jul-09
			Useful Life	Years	21.00
			Completed Life of Plant on 31/03/25	Years	17.00
2	Project Cost				
		Capital Cost	Capital Cost	Rs lakh	1247.00
			Capital Subsidy	Rs lakh	0.00
			Net Capital Cost	Rs lakh	1247.00
3	Financial Assumption				
			Tariff Period	Years	5.00
		Debt equity			
			Debt	%	70%
			Equity	%	30%
			Total Debt Amount	Rs lakh	872.90
			Total Equity Amount	Rs lakh	374.10
		Debt Components			
			Gross Normative Loan Amount	Rs lakh	872.90
			Regulatory Repayment till FY31/03/26	Rs lakh	872.90
			Interest rate	%	10.80%
		Equity Components			
			Equity Amount	Rs lakh	374.10
			Base Return on equity	%	15.00%
		Depreciation			

MINI HYDRO KORBA (2X0.85 MW)					
SN	Assumption Head	Sub- Head	Sub Head (2)	Unit	Parameter values
			Depreciation rate	%	SLM
			Accumulated Depreciation till FY 25-26		1044.20
			Balance Depreciation on 31/03/26		78.10
4	Operation & Maintenance				
		Normative O&M	(For first year of Tariff Period - FY 25-26)	Rs Lakh/ MW	41.74
		Normative O&M	For FY 25-26	Rs Lakh	70.96
		Escalation factor for O&M	Per Annum	%	5.25%
		O&M per annum	For FY 26-27	Rs Lakh	74.68
5	Working capital				
		O&M expenses		Months	1.00
		Maintenance spares	% of O&M Expenses	%	15.00%
		Receivables		Days	45.00
		Interest rate on working capital		%	12.05%

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FORM-2.2 - DETERMINATION OF TARIFF COMPONENTS

MINI HYDRO KORBA (2X0.85 MW)					
Particulars	Unit	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Installed Capacity	MW	1.70	1.70	1.70	1.70
Net Generation	MU	5.78	5.79	5.78	5.78
Completed Life of Plant	Year	17	18	19	20
Tariff Components (Fixed Charge)					
O&M Expense	Rs lakh	74.68	78.60	82.73	87.07
Depreciation	Rs lakh	19.52	19.52	19.52	19.52
Interest on Term Loan	Rs lakh	0.00	0.00	0.00	0.00
Interest on Working Capital	Rs lakh	4.40	4.56	4.75	4.94
Return on Equity	Rs lakh	56.12	56.12	56.12	56.12
Total Fixed Cost	Rs lakh	154.72	158.81	163.12	167.65
Total ARR	Rs lakh	154.72	158.81	163.12	167.65
Per Unit Tariff Components (Fixed)					
PU O&M Expense	Rs/ kWh	1.29	1.36	1.43	1.51
PU Depreciation	Rs/ kWh	0.34	0.34	0.34	0.34
PU Interest on Term Loan	Rs/ kWh	0.00	0.00	0.00	0.00
PU Interest on Working Capital	Rs/ kWh	0.08	0.08	0.08	0.09
PU Return on Equity	Rs/ kWh	0.97	0.97	0.97	0.97
PU Tariff Components(Fixed)	Rs/ kWh	2.678	2.741	2.823	2.902
PU Tariff Components (Total)	Rs/ kWh	2.678	2.741	2.823	2.902

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