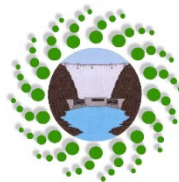


**BEFORE
MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION
SHILLONG**

**PETITION
FOR
TRUE UP OF ANNUAL REVENUE REQUIREMENT
(ARR) FOR FY 2021-22**

FILED BY



MePGCL

Generating Clean And Green Energy

**MEGHALAYA POWER GENERATION CORPORATION
LIMITED
LumJingshai, Short Round Road,
Shillong - 793 001**

BEFORE THE HON'BLE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION SHILLONG

At its office at Lower Lachumiere, Shillong – 793001

File/Petition No.: _____

IN THE MATTER OF

TRUING UP OF ARR FOR FY 2021-22, UNDER THE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION (MULTI YEAR TARIFF) REGULATIONS, 2014 AND UNDER SECTIONS 62 & 64 READ WITH SECTION 86 OF THE ELECTRICITY ACT 2003.

AND IN THE MATTER OF

MEGHALAYA POWER GENERATION CORPORATION LIMITED, LUMJINGSHAI, SHORT ROUND ROAD, SHILLONG – 793001, MEGHALAYA

PETITIONER

The Petitioner respectfully submits as under:

1. In exercising its powers conferred under section 131 and 133 of the Electricity Act 2003, the State Government of Meghalaya notified “The Meghalaya Power Sector Reforms Transfer Scheme 2010” on 31st March 2010 leading to restructuring and unbundling of erstwhile Meghalaya State Electricity Board (MeSEB) into four entities, namely,
 - a) **Meghalaya Energy Corporation Limited (MeECL):** Holding Company;
 - b) **Meghalaya Power Distribution Corporation Limited (MePDCL):** Distribution Utility;
 - c) **Meghalaya Power Generation Corporation Limited (MePGCL):** Generation Utility;
 - d) **Meghalaya Power Transmission Corporation Limited (MePTCL):** Transmission Utility.
2. However, the holding company –MeECL-carried out the functions of Distribution, Generation And Transmission utilities from 1st April 2010 onwards, even after restructuring. Therefore, through notification dated 31st March 2012, the State Government notified an amendment to The Power Sector Reforms Transfer Scheme leading to effective unbundling of MeECL into MeECL (Holding Company), MePGCL (Generation utility), MePTCL (Transmission Utility) and MePDCL (Distribution Utility), from 1st April 2012.
3. On 23rd December 2013, the Government of Meghalaya issued the latest transfer scheme notification thereby notifying the Assets and Liabilities as on 1st April 2010 to be vested in MeECL. Subsequently, the Government of Meghalaya issued the 4th Amendment to the Notified Transfer Scheme dated 31st March 2010 on 29th April 2015, wherein the opening balances of all the four entities, namely, MePGCL, MePTCL, MePDCL and MeECL as on 1st April 2012 were notified.
4. MePGCL began segregated commercial operation as an independent entity from 1st April 2013 onwards.
5. The expenses of the holding company, MeECL, are apportioned equally among the generation, transmission and distribution utilities since MeECL is an administrative setup for all the three subsidiaries and undertakes common corporate functions of the three companies.
6. The **Meghalaya State Electricity Regulatory Commission** (hereinafter referred to as “MSERC” or “the Hon’ble Commission”) is an independent statutory body constituted under the provisions of Part – X (Sections 82 to 109) of the Electricity Act, 2003. The Hon’ble Commission is vested with the authority of regulating the power sector in the State, inter alia, including determination of tariff for electricity consumers.

7. In accordance with the directives of the Hon'ble Commission and MSERC Tariff Regulations 2014, the MePGCL is filing separate claims for 1) Old plants including Sonapani, 2) MyndtuLeshka H.E Project (hereinafter referred to as "MLHEP"), 3) New Umtru H.E Project (hereinafter referred to as NUHEP) and 4) Lakroh Mini Hydel Project (hereinafter referred to as Lakroh MHP).
8. Now, based on the provisions of clause 11 and 6.2 (b) of the MSERC MYT Regulations, 2014, MePGCL files this petition for approving the True-up of FY 2021-22 for 1) Old Plants including Sonapani, 2) MLHEP, 3) NUHEP & 4) Lakroh MHP. Copies of the Audited Statement of Accounts and Statutory Audit Reports of MePGCL and MeECL for FY 2021-22, are appended as **Annexure-A1, Annexure-A2, Annexure-B1, Annexure-B2**, respectively. Abstracts of GFA of the individual projects/stations without Ind AS adjustment on which the Depreciation and Return on Equity (RoE) are based are also enclosed.
9. The Board of Directors of MePGCL has accorded approval for filing of this petition and authorized the undersigned to file the petition accordingly. A copy of the Board's resolution is enclosed as **Annexure C**.
10. The applicant, therefore, humbly prays before the Hon'ble Commission to pass appropriate orders on the following:
 - a) To approve the True-up of expenses and revenue for 1) Old Plants including Sonapani 2) MLHEP 3) NUHEP and 4) Lakroh MHP of MePGCL for FY 2021-22
 - b) To pass such orders, as Hon'ble Commission may deem fit and proper and necessary, in view of the facts and circumstances of the case.
 - c) To condone any inadvertent omissions, errors & shortcomings and permit the applicant to add/ change/ modify/ alter this filing and make further submissions as required.

(Smti M. Lyngdoh)
Superintending Engineer (C), P&RM,
For and on behalf Meghalaya Power Generation Corporation Ltd

Table ofContents

Introduction 5

Company Profile and Performance Overview 7

Operational Norms 10

Section 4- TRUE UP OF ARR FOR MYNTDU LESHKA H.E. PROJECT (MLHEP) FOR FY 2021-22 16

Section 5- TRUE UP OF ARR FOR NUHEP FOR FY 2021-22 23

Section 6- TRUE UP OF ARR OF LAKROH MHP FOR FY 2021-22 27

Section 7- TRUE UP OF ARR FOR OLD STATIONS INCLUDING SONAPANI FOR FY 2021-22 30

1. Introduction

1.1. Provisions of Law for True-up

- 1.1.1.** The Meghalaya State Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2014 were notified on 25th September 2014. It is submitted that the Regulation 1.4 of the Meghalaya State Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2014 states as under:
"1.4 These Regulations shall be applicable for the determination of tariff in all cases covered under Regulations from April 1, 2015 or from the date the Commission may decide in this respect. However, for all purpose including the review matters pertaining to the period prior to notification of these Regulations, the issues related to determination of tariff shall be governed by regulation MSERC (Terms and Conditions for Determination of Tariff) Regulations, 2011."
- 1.1.2** It is submitted that this Petition for True up for FY 2021-22 is hereby filed, based on the information received from Accounts wing of MeECL, Audited Statements of Accounts and Tariff Orders for MLHEP, NUHEP, Lakroh MHP and Old Plants including Sonapani.
- 1.1.3** The Meghalaya State Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2014 are applicable for determination of tariff effective from 1stApril 2015. Regulations 6.2 & 11 of the said Regulations lays down the general guiding principles for truing up and the provisions of the said Regulations are reproduced below for reference:
"6.2 (b) From the first year of the control period and onwards, the petition shall comprise of:
- i. Truing Up for previous years under Meghalaya State Electricity Regulatory Commission (Terms and conditions for Determination of Tariff) Regulations, 2011 in accordance with this Regulations;*
 - ii. Revenue from sale of power at existing tariffs and charges for the ensuing year;*
 - iii. Revenue gap for the ensuing year calculated based on ARR approved in the Tariff Order or MYT Order and truing up for the previous year;*
 - iv. Application for revision of tariff for the ensuing year*

"11. Truing-Up

11.1 Where the Aggregate Revenue Requirement and expected revenue from tariff and charges of a Generating Company or Transmission Licensee or Distribution Licensee is covered under a Multi-Year Tariff framework, then such Generating Company or Transmission Licensee or Distribution Licensee, as the case may be, shall be subject to truing up of expenses and revenue during the Control Period in accordance with these Regulations.

11.2 The Generating Company or Transmission Licensee or Distribution Licensee shall file an Application for Truing up of the previous year and determination of tariff for the ensuing year, within the time limit specified in these Regulations:

11.3 Provided that the Generating Company or Transmission Licensee or Distribution Licensee, as the case may be, shall submit to the Commission information in such form as may be prescribed by the Commission, together with the Audited Accounts including audit report by CA&G, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges:

11.4 Provided further that once the Commission notifies the Regulations for submission of Regulatory Accounts applications for tariff determination and truing up shall be based on the Regulatory Accounts.

11.5 The scope of the truing up shall be a comparison of the performance of the Generating Company or Transmission Licensee or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise of the following:

- a) a comparison of the audited performance of the applicant for the previous financial year with the approved forecast for such previous financial year, subject to the prudence check including pass-through of impact of uncontrollable factors;
- b) Review of compliance with directives issued by the Commission from time to time;
- c) Other relevant details, if any.

11.6 In respect of the expenses incurred by the Generating Company, Transmission Licensee and Distribution Licensee during the year for controllable and uncontrollable parameters, the Commission shall carry out a detailed review of performance of an applicant vis-a-vis the approved forecast as part of the truing up.

11.7 Upon completion of the truing up under Regulation 11.4 above, the Commission shall attribute any variations or expected variations in performance for variables specified under Regulation 12 below, to factors within the control of the applicant (controllable factors) or to factors beyond the control of the applicant (uncontrollable factors):

Provided that any variations or expected variations in performance, for variables other than those specified under Regulation 12.1 below shall be attributed entirely to controllable factors.

11.8 Upon completion of the Truing Up, the Commission shall pass an order recording:

- a) the approved aggregate gain or loss to the Generating Company or Transmission Licensee or Distribution Licensee on account of controllable factors, and the amount of such gains or such losses that may be shared in accordance with Regulation 14 of these Regulations;
- b) Components of approved cost pertaining to the uncontrollable factors, which were not recovered during the previous year, shall be pass through as per Regulation 13 of these Regulations;
- c) Tariff determined for the ensuing year.”

It may be pointed out that the Hon'ble Commission vide its order dated.15th June, 2021 notified that CAG' Audit Report will no longer be required for filing of true up petition.

1.2. Submissions before the Hon'ble Commission

- 1.2.1.** MePGCL hereby submits the petition under section 61, 62 (1) (a) of the Electricity Act, 2003 and MSERC (Multi Year Tariff) Regulations, 2014 for approval of True Up of FY 2021-22.
- 1.2.2.** M/s SBA&Associates was appointed as Statutory Auditor of MePGCL for FY 2021-22 and M/s PARIK &Co. was appointed as Statutory Auditor of MeECL for FY 2021-22. The firms are Chartered Accountancy firms, appointed as Statutory Auditors for the FY 2021-22 by the Comptroller & Auditor General of India (C&AG). The Income and Expenditure Account of MeECL Pension Trust for the year ended 31.03.2022 was certified by M/s Dadhich& Associates, Chartered Accountants.

2. Company Profile and Performance Overview

2.1. Company Profile

2.1.1. The MePGCL is a Generation Company within the meaning of Section 2 (28) of the Electricity Act 2003. Further, Section 7 and 10 of the Electricity Act 2003 prescribe the following major duties of the Generating Company:

- To establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines connected therewith in accordance with the provisions of this Act or the rules or regulations made thereunder
- To supply electricity to any licensee in accordance with this Act and the rules and regulations made thereunder
- To submit technical details regarding its generating stations to the Appropriate Commission and the Authority.
- To co-ordinate with the Central Transmission Utility or the State Transmission Utility, as the case may be, for transmission of the electricity generated by it.

2.1.2. As per Meghalaya Power Sector Transfer Scheme, MePGCL has been vested with the function of generation of power by the State Government of Meghalaya. The Business Scope of the Company falls within the legal framework as specified in the Act and includes:

- To supply electricity to any licensee in accordance with this Act and the rules and regulations made thereunder,
- To initiate accelerated power development by planning and implementing new power projects,
- To operate the existing generating stations efficiently & effectively,
- To implement Renovation and Modernisation for existing plants to improve performance through constant R & M activities, regular maintenance, etc.,
- Achieve high reliability and safety levels in all operational areas,
- Taking appropriate steps towards ensuring safety and adhering to environmental norms
- Adopt best industry practices to become the best and efficient generating company
- Other associated businesses like providing Training, Technical Consultancy services and O&M related services

2.2. Performance Highlights

2.2.1 The initial installed capacity when the erstwhile Meghalaya State Electricity Board (MeSEB) was bifurcated from the Assam State Electricity Board (ASEB) in 1975 was 65.2 MW. With the commissioning of Stage-III HEP (1979), Stage IV HEP (1992) & Sonapani Mini Hydel and uprating of Umiam Stage-II (from 18MW to 20MW in 2012), MLHEP (3x42 MW) in 2013, New Umtru(2x20 MW) in 2017 and Lakroh (1*1.5 MW) in 2019, the installed capacity increased to 356.2 MW.

All the Generating Stations except Sonapani Mini Hydel Project, MLHEP and Lakroh Mini Hydel Project, as indicated in the Table below are hydel power stations with the main reservoir at Umiam.

2.2.2. MePGCL started functioning as an independent commercial entity from 1st April 2013. The power generated by the MePGCL stations is sold to MePDCL as per the signed Power Purchase Agreements and transmitted to MePDCL through MePTCL interface points. At present, MePGCL is having 9(nine) Hydro Generating stations. The details of existing stations are mentioned below:

Table 1: Existing Generation Capacity

Sl. No.	Name of Station	No. of Units	Capacity (MW)	Total Capacity (MW)	Year of Commissioning
1	Umiam Stage I	I	9	36	21.02.1965
		II	9		16.03.1965
		III	9		06.09.1965
		IV	9		09.11.1965
2	Umiam Stage II	I	10	20*	22.07.1970
		II	10		24.07.1970
3	Umiam-Umtru Stage III	I	30	60	6.01.1979
		II	30		30.03.1979
4	Umiam-Umtru Stage IV	I	30	60	16.09.1992
		II	30		11.08.1992
5	Umtru Power Station	I	2.8	11.2	01.04.1957
		II	2.8		01.04.1957
		III	2.8		01.04.1957
		IV	2.8		12.07.1968
6	Sonapani MiniHydel	I	1.5	1.5	27.10.2009
7	MLHEP (Leshka)	I	42	126	01.04.2012
		II	42		01.04.2012
		III	42		01.04.2013
8	NUHEP (New Umtru)	I	20	40	01.07.2017
		II	20		01.07.2017
9	Lakroh MHP	I	1.5	1.5	01.03.2019
	Total			356.2	

*Upated from 18 MW to 20 MW in FY 2011-2012

MePGCL had commissioned 356.2 MW by the end of FY 2021-22 and all 9(nine) stations were generating at full capacity in FY 2021-22 except Umtru Power Station. All generating Units of Umtru Power Station could not generate on account of aging of Civil and E&M works and increase in the hydraulic head due to increase in FRL of the common reservoir after completion of NUHEP.

2.2.3 **Historical Energy Generation:** All the generating stations, being hydro, the annual generation depends on the rainfall for the year. It is submitted that the target energy for the old plants needs to be determined based on the actual historical generation achieved in the last 5(five) years since the plants are very old and some have even crossed their useful life and the design energy of these old plants cannot be taken as an accurate base for determination of target generation. The yearly generation of last 5 years for the generating stations is shown in the table below:

Table 2: Historical Gross Energy Generation (MU)

Sl. No	Station	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
1	Umiam Stage-I	128.61	85.12	108.32	149.49	64.94
2	Umiam Stage -II	63.92	43.31	55.25	76.09	33.91
3	Umiam Stage -III	132.15	133.83	141.83	163.71	110.19
4	Umiam Stage-IV	217.48	166.61	164.50	188.32	125.26
5	Umtru Power Station	0	0	0	0	0
6	Sonapani MHP	7.47	7.12	3.59	6.08	5.53
7	MyntduLeshka HEP	502.57	363.06	421.65	420.61	380.34
8	New Umtru HEP	167.79	179.82	181.43	229.80	160.79
9	Lakroh MHP	-	0.05	2.11	3.69	3.98
	Total	1219.99	978.92	1078.68	1237.80	884.91

2.2.4 New Generation Capacity

In addition to the existing capacity, MePGCL is also currently executing works of Ganol Small Hydro Project and Riangdo Mini Hydel projects.

Table 3: Details of Upcoming Stations

Sl No.	New Station	Design Energy (MU)	Capex Outlay (INRCrs.)	Debt (INRCrs)	Equity (INRCrs)	Grant (INRCrs)	Year of Commissioning (MM/YY)
1	Ganol SHP	67	507.71	223.11	54.62	229.98	2023-24
2	Riangdo SHP	17	33.99	11.4	2.59	20	2024-25

3. Operational Norms

The following sections outline details of operational norms for computation of energy generation for FY 2021-22 based on Tariff Regulations, 2014 or past trend as the case may be.

3.1 Normative Annual Plant Availability Factor

Table 4: Normative Annual Plant Availability Factor

Sl. No.	Station Particular	Norm
(a)	<i>Storage and pondage type plants: where plant availability is not affected by silt and</i>	
(i)	<i>with head variation between Full Reservoir Level (FRL) and Minimum Draw Down Level (MDDL) of upto 8 %</i>	90%
(ii)	<i>with head variation between FRL and MDDL of more than 8%</i>	$(\text{Head at MDDL}/\text{Rated Head}) \times 0.5 + 0.2$
(b)	<i>Pondage type plant</i>	<i>where plant availability is significantly affected by silt - 85%</i>
(c)	<i>Run-of-River type plants</i>	<i>NAPAF to be determined plant-wise, based on 10-day design energy data, moderated by past experience where available/ relevant.</i>

Note:

- 1) A further allowance may be made by the Hon'ble Commission under special circumstances, e.g. abnormal silt problem or other operating conditions and known plant limitations.
- 2) A further allowance of 5 % may be allowed for difficulties in the North East Region.
- 3) In case of new hydroelectric project, the developer shall have the option of approaching the Hon'ble Commission in advance for further above norms.

The NAPAF's for all generating stations during FY 2021-22 as per the MSERC Tariff Regulations, 2014 are summarized below:

Table 5: Normative Annual Plant Availability Factor for FY 2021-22

Station	As per actual
Umiam Stage-I	59.83%
Umiam Stage-II	85.00%
Umiam Stage-III	63.67%
Umiam Stage-IV	61.79%
Umtru	80.00%
Sonapani	45.00%
MLHEP	39.00%
NUHEP	62.60%

3.1.1 Capacity Utilization Factor (CUF) for Lakroh MHP

Based on the Regulation 32 of the Meghalaya State Electricity Regulatory Commission (Terms and Conditions for determination of Tariff for Generation from Renewable Energy Sources) Regulations, 2014, CUF for Lakroh MHP is 85%. The computation of CUF is furnished as below:

$$\begin{aligned} \text{CUF (\%)} &= \frac{11.01 \times 10^6}{1.5 \times 1000 \times (100 - 1.5) / 100 \times 24 \times 365} \\ &= 85\% \end{aligned}$$

3.2 Auxiliary Consumption and Transformation Loss:

Table 6: Auxiliary Consumption

Sl. No	Station Particular	Norm
1	Surface hydroelectric power generating stations with rotating exciters mounted on the generator shaft	0.7% of energy generated
2	Surface hydroelectric power generating stations with static excitation system	1.0% of energy generated
3	Underground hydroelectric power generating stations with rotating exciters mounted on the generator shaft	0.9% of energy generated
4	Underground hydroelectric power generating stations with static excitation system	1.2% of energy generated

The Hon'ble Commission in the earlier orders has approved auxiliary consumption and transformation losses as per the following table:

Table 7: Auxiliary Consumption and Transformation Loss approved by the Hon'ble Commission

Name of the Plant	Auxiliary consumption (%)	Transformation losses (%)	Total Loss (%)
Umiam Stage I	0.7	0.5	1.2
Umiam Stage II	0.7	0.5	1.2
Umiam Stage III	0.7	0.5	1.2
Umiam Stage IV	1	0.5	1.5
Umtru	0.7	0.5	1.2
Sonapani	0.7	0.5	1.2
MyntduLeshka HEP	1	0.5	1.5
New Umtru HEP	1	0.5	1.5
Lakroh MHP	1	0.5	1.5

The Auxiliary consumption and Transformation losses, as actual for MePGCL for FY 2021-22 are furnished below:

Table 8: Auxiliary Consumption and Transformation Loss for FY 2021-22 (Actual)

Name of the Plant	Auxiliary consumption + Transformation losses (MU)
Umiam Stage I	0.55
Umiam Stage II	0.20
Umiam-Umtru Stage III	0.63
Umiam-Umtru Stage IV	0.85
Umtru	0.04
Sonapani	0.06
MLHEP	3.63
New Umtru HEP	1.12
Lakroh MHP	0.05

Thus, MePGCL has operated its plants efficiently and under the norms specified by the Hon'ble Commission and has been able to limit the auxiliary consumption for plants below the limit set by the Hon'ble Commission in the tariff order for FY 2021-22.

3.3 Design Energy – Existing Generating Stations

The design energy as approved by Hon'ble Commission for MePGCL power stations is provided in the table below:

Table 9: Design Energy as approved by MSERC in Tariff Order FY 2021-22

Name of Power Station	Design Energy (MU)
Umiam Stage I	116
Umiam Stage II	46
Umiam-Umtru Stage III	139
Umiam-Umtru Stage IV	207
Umtru	39
SonapaniMiniHydel	5
MLHEP	486
NUHEP	235
Lakroh MHP	11.01
Total	1284.01

3.4 Computation of Energy Generation - Existing Stations:

The technical details of MePGCL's generating plants are as shown below:

Table 10: MePGCL Plant Technical Details

Sl. No	Particulars	Umtru	Umiam Stage-I	Umiam Stage-II	Umiam-Umtru Stage-III	Umiam-Umtru Stage-IV	SonapaniM iniHydel	MyntduLeshka HEP	New Umtru HEP	Lakroh MHP
1	Type of Station									
1.a	Surface/ Under Ground	Surface	Surface	Surface	Surface	Surface	Surface	Surface	Deep set	Surface
1.b	Purely RoR/ Pondage/ Storage	RoR	Storage	Power Channel (Pondage)	Pondage	Pondage	RoR	RoR	Pondage	RoR
1.c	Peaking/ Non-Peaking	Non-Peaking	Non-Peaking	Non-Peaking	Non-Peaking	Non-Peaking	Non-Peaking	Non-Peaking	Non-Peaking	Non-Peaking
1.d	No of Hours Peaking	NA	NA	NA	NA	NA	NA	NA	NA	NA
1.e	Overload Capacity (MW) and Peaking	NIL	NIL	NIL	NIL	NIL	NIL	NIL	10%	NIL
2	Type of Excitation									
2.a	Rotating exciters on Generator	Rotating exciters on Generator	Rotating exciters on Generator	Rotating exciters on Generator	Rotating exciters on Generator	NA	Rotating exciters on Generator	NA	NA	NA
2.b	Static Excitation	NA	NA	NA	NA	Static Excitation	NA	Static Excitation	Static Excitation	Static Excitation

The station-wise actual Generation approved for FY 2021-22 and actual generation are provided in the table below:

Table 11: Actual Generation Source Wise

Sl. No	Name of the Power Station	Approved by the Hon'ble Commission in Multi Year Tariff Order for FY 2021-22						Actual generation for FY 2021-22		
		Gross Generation (MU)	Aux Cons (%)	Transformation Loss (%)	Total Loss (Aux + Transformation) (%)	Aux Cons & Transformation Loss (MU)	Net Generation (MU)	Gross Generation (MU)	Aux Cons & Transformation Loss (MU)	Net Generation (MU)
1	Umiam Stage- I	116	0.7%	0.5%	1.2%	1.39	114.61	64.92	0.55	64.37
2	Umiam Stage- II	46	0.7%	0.5%	1.2%	0.55	45.45	33.89	0.20	33.69
3	Umiam –Umtru Stage-III	139	0.7%	0.5%	1.2%	1.67	137.33	110.19	0.63	109.56
4	Umiam-Umtru Stage-IV	207	1.0%	0.5%	1.5%	3.11	203.9	125.26	0.85	124.4
5	Umtru Power Station	39	0.7%	0.5%	1.2%	0.47	38.53	0	0	0
6	Mini Hydrel (Sonapani)	5	0.7%	0.5%	1.2%	0.06	4.94	5.55	0.06	5.49
7	MyntduLeshka HEP	486.23	1.0%	0.5%	1.5%	7.29	478.94	380.34	3.63	376.71
8	New Umtru HEP	235	1.0%	0.5%	1.5%	3.52	231.48	160.79	1.12	159.67
9	Lakroh MHP	11.01	1.0%	0.5%	1.5%	1.15	9.86	4.04	0.05	3.99
	Total	1284.24				19.21	1265.04	884.95	7.13	877.88

3.5 Calculation Methodology

- 3.5.1 The Audited Statement of Accounts and the audited Statement of Accounts are available for FY 2021-22 for MePGCL and MeECL, as such, MePGCL is claiming the truing up of ARR of FY 2021-22 based on the actual figures as per the audited account statements with necessary justifications as required. Copies of the Audited Statements of Accounts and Statutory Audit Reports of MePGCL and MeECL for FY 2021-22 are appended as **Annexure-A1, Annexure-A2, Annexure-B1, Annexure-B2**, respectively. Abstracts of GFA and expenses for each project / station separately are attached at **Annexure D**, since the SOA's show the Assets and Expenses of MePGCL as a whole without breakup, while truing up has to be done for each station separately.
- 3.5.2 Based on the figures of the Audited Statements of Accounts, MePGCL has computed the Annual Fixed Cost and arrived at net Gap/ Surplus of the AFC components. Further, MePGCL has considered equal proportion of AFC components of the holding company, MeECL, among the three subsidiaries companies, i.e., 1/3rd each in MePGCL, MePTCL and MePDCL. The total asset in the MePGCL's audited accounts for FY 2021-22 consists only of assets for MLHEP, NUHEP, Lakroh MHP and Old Plants including Sonapani. The plant-wise asset break-up without Ind AS adjustment for MLHEP, NUHEP, Lakroh MHP and Old Plants including Sonapani, is attached as **Annexure D**.
- 3.5.3 In accordance with the MSERC MYT Regulations, 2014, the tariff for supply of electricity from Power Generating Stations shall comprise of two parts, namely, Capacity Charge and Energy Charge. The AFC shall comprise of the following components:
- Operation and Maintenance Expenses
 - Depreciation
 - Interest on Loan Capital
 - Return on Equity
 - Interest on Working Capital
 - Taxes on Income.

3.6 Separate Petition for State Generation Plants

Clause 41.2 of the MSERC MYT Regulations, 2014 states that

“Tariff in respect of a Generating Station under these Regulations may be determined Stage-wise, Unit-wise or for the whole Generating Station. The terms and conditions for determination of tariff for Generating Stations specified in this Part shall apply in like manner to Stages or Units, as the case may be, as to Generating Stations”

As per the recent tariff orders as well as the applicable regulations, MePGCL needs to file separate petitions for the different generating plants or stations. In accordance with the directives of the Hon'ble Commission and MSERC MYT Regulations 2014, MePGCL has filed separately true up gap claims for

- 1) Myntdu-LeshkaHEP.
- 2) New Umtru HEP
- 3) Lakroh MHP
- 4) Old plants (including Sonapani)

SECTION-4**4.0 TRUE UP OF ARR FOR MYNTDU LESHKA H.E. PROJECT (MLHEP) FOR FY 2021-22****4.1. Capital Cost and Asset Base of MLHEP****4.1.1 Capital Cost of MLHEP**

The Hon'ble Commission in its order dated 25th March 2021, had approved the closing GFA for MLHEP at Rs.1289.99 Cr. for FY 2021-22.

Given below is the summary of the value asset of MLHEP for FY 2021-22 as per the segregated Accounts of MePGCL (**Annexure D**).

Table 12: Audited Capital Cost of MLHEP for FY 2021-22 (Rs.in Crore)

SL No	Particulars	Value of Assets at the beginning of the year	Addition during the year	Withdrawn during the year	Asset Value at the end of the year
1	Land	23.9	0	0	23.9
2	Buildings	146.67	0	0	146.67
3	Hydraulic Works	622.91	0	0	622.91
4	Other Civil Works	122.62	0	0	122.62
5	Plant & Machinery	364.11	0	0	364.11
6	Lines & cables	4.57	0	0	4.57
7	Vehicles	0.46	0	0	0.46
8	Furniture	0.08	0	0	0.08
9	Office Equipment	0.18	0	0	0.18
	Total	1285.51	0	0	1285.51

4.2. Asset Base of MLHEP

The opening and closing GFA of MLHEP for FY 2021-22, as per the segregated Statement of Accounts of MePGCL is shown in the table below.

Table 13: Gross Fixed Assets (GFA) of MLHEP (INR Cr.)

Particulars	As per petition	As per order (pg.131)
Opening GFA	1285.51	1287.01
Addition during the year	-	2.89
Closing GFA	1285.51	1289.9
Average GFA	1285.51	

MePGCL submits before the Hon'ble Commission to kindly approve Gross Fixed Assets of Rs. 1285.51 Cr. for MLHEP as reflected in the segregated accounts for FY 2021-22 (**Annexure D**).

4.3 Depreciation

The Hon'ble Commission had approved depreciation of Rs. 39.56 Cr. for MLHEP for FY 2021-22 in its tariff order (pg.143). As per the segregated Accounts, the depreciation of MLHEP for the year FY 2021-22 is given below:

Table 14: Depreciation as per SOA for MLHEP for FY 2021-22 (INR Cr.)

Particulars	As per petition	As per Order (pg.143)
Land and land rights	-	-
Buildings	4.90	4.42
Hydraulic Works	32.89	29.67
Others Civil Works	4.10	3.69
Plant and Machinery	19.23	17.34
Lines and Cable Network	0.24	0.22
Vehicles	0.04	0.04
Furniture and Fixtures	0.005	0.004
Office Equipment	0.01	0.01
Total	61.40	55.39
Average depreciation (%)		4.87%

Particulars	As per petition	As per Order (pg.143)
Grants available		325.04
Less: depreciation on grants		15.83
Net Depreciation		39.56

The Hon'ble Commission arrived at Rs. 39.56 Cr as per order by considering the grant amount of Rs. 325.04 Cr. However, there is no grant for MLHEP, since all grants for MLHEP have been converted into equity. **Therefore, the grants amount of Rs. 325.04 Cr as shown in the order is not clear as to how they appear here and the Hon'ble Commission may kindly consider for review of the same.**

MePGCL, therefore, submits before the Hon'ble Commission to kindly approve Depreciation of Rs.61.40 Cr. for FY 2021-22 as submitted in the True Up petition.

Details of depreciation schedule for FY 2021-22 is provided as **Annexure D**.

4.4 Return on Equity

It is submitted that the return on equity is computed as per Regulation 27 and 31 of the MSERC MYT Regulations, 2014. MLHEP was funded with 30% equity component. The Hon'ble Commission has approved the ROE for MLHEP for FY 2021-22 at Rs.40.47 Cr. (pg. 139). However, in arriving at this figure, the Hon'ble commission has taken into account the grant amount of Rs. 325.04 Cr when there is no grant involves in MLHEP. Therefore, MePGCL submits the petition for review.

As per the above provisions of MSERC MYT Regulations, 2014, and the asset base of MLHEP, the Return on Equity for MLHEP for FY 2021-22 is computed below:

Table 15: Return on Equity for MyntduLeshka HEP for FY 2021-22 (Rs. In Cr.)

Particulars	As per petition	Approved by MSERC (pg.139)
Audited Capital Cost of MLHEP (INR Cr) (a)	1285.51	40.47
Equity Considered for RoE (INR Cr) (b=a*30%) (30% of funding is equity)	385.65	
RoE (%) (c)	14%	
RoE (INR Cr.) (d=b*c)	54.00	

It is therefore prayed before the Hon'ble Commission to kindly approve the Return on Equity of **Rs. 54.00 Cr** for MyntduLeshka HEP as computed above.

4.5 Operation and Maintenance Expenses

Regulation 56 of MSERC Tariff Regulations, 2014 provides for Operation and Maintenance Expenses and is reproduced as under:

"56 (7) "In case of hydro generating stations declared under commercial operation on or after 01/04/2009, O&M expenses shall be fixed at 2% of the original project cost (excluding cost of rehabilitation and resettlement works) and shall be subject to annual escalation at 5.72% for the subsequent years."

The Hon'ble Commission had approved O&M Expenses of Rs. 41.11 Cr for FY 2021-22. The O&M expenses of MePGCL for FY 2021-22 are shown in the table below:

Table 16: O&M Expenses for MyntduLeshka HEP (INR Cr.) for FY 2021-22 (Rs. In Cr.)

O&M expenses	As per petition	As per Order (pg.134)
1. Employees benefits expenses	41.11 (as per order)	41.11
(a) Salaries and wages		
2. Other Expenses		
(a) Repairs and maintenance		
(b) Administrative and General Expenses		
Total	41.11	

$$\begin{aligned} &= 62.19/1262.84 \\ &= 4.92 \% \end{aligned}$$

The weighted average depreciation rate for MLHEP's assets is, therefore, 4.92 %.

The average loan approved by the Hon'ble Commission for MLHEP for FY 2013-14 is INR (712.88 + 720.40)/2, or INR 716.64 Crore including the INR 170 Crore Power Bonds while the total equity approved was INR 334.87 Crore. The average loan taken from financial institutions excluding the Power Bonds is, therefore, INR 546.64 Crore (i.e., INR 716.64 Crore – INR 170.00 Crore). For this total loan amount of INR 716.64 Crore, taking the repayment period of 12 years (as allowed under Regulation 33.1 (f)) and weighted average rate of depreciation at 4.92%, the accrued depreciation which is meant for repayment of loan principal is derived as shown below:-

Total Amount = INR 716.64 Cr. (average loan) + INR 334.87 Cr. (approved equity) = INR 1051.64 Cr.

Depreciation for 12 years = INR 1051.64 Cr. x 0.0492 x 90% x 12 years = INR 558.80 cr.

This total depreciation of INR 558.80 Cr. on loans (including the INR 170 cr. Power Bonds) and approved equity is just sufficient to meet the principal repayment of the loans taken from financial institutions only, i.e., INR 546.64 crore, while only INR 12.16 crore will be left for repayment /redemption of the Power Bonds, assuming their maturity period at 12 years from FY 2013-14.

Since the depreciation accrued from FY 2013-14 to FY 2017-18 and FY 2018-19 when the Power Bonds become matured was much less, MePGCL was unable to meet the repayment of the bonds through depreciation which might lead to default in payment by MePGCL and breach of agreement made with all stakeholders.

MePGCL was thus compelled to avail take-out financing of INR 170 crore to redeem the bonds in FY 2017-18 & FY 2018-19, which is permissible as per RBI Guidelines dated 2nd June, 2016 for Refinancing of Project Loans (**Annexure E**).

As per guidelines of RBI, Refinancing of loan was availed from PFC to redeem the bonds. In the recent True up Order the Hon'ble Commission has not considered for refinancing of loan. Therefore, refinancing of loan is required to be admitted by the Hon'ble Commission so that repayment of loan can be taken up by the utility.

MePGCL, therefore, prays before the Hon'ble Commission to kindly approve the loan of INR 170 crore taken for redemption of the Power Bonds and interest accrued thereon.

- 4.6.2.** The Hon'ble Commission had approved the Capital Cost of MLHEP at INR 1134.28 Crore as on 31.03.2013 in its order for Approval of Capital Cost and True Up of FY 2013-14 & Provisional True Up of FY 2014-15 and AFC and Generation Tariff for MYT Control Period FY 2015-16 to FY 2017-18 for MLHEP. It has also stated that interest on loan capital shall be allowed on the outstanding balance of borrowed loans of INR 794.00 Crore which is 70% of the project cost of INR 1134.28 Crore excluding cost of infirm power (Page-65 of the order). However, it may be mentioned that the project cost of INR 1134.28 Crore was on accrual basis, i.e., though the expenditure is fully accounted, yet the actual payment for the full amount of INR 1134.28 Crore was not made due to fund constraints. Therefore, as per the books of accounts for FY 2013-14 the Hon'ble commission had approved the loan opening balance of INR 712.88 crore and loan closing balance of INR 720.40 Crore (average loan being INR 716.64 Crore), which is less than the approved loan of INR 794.00 Crore. Therefore, MePGCL was losing the interest on this loan shortfall during FY 2013-14, which was a gain to the consumers.

The capital cost approved for MLHEP, the loan component approved by the Hon'ble Commission and actual average loan from FY 2013-14 to FY 2017-18 are shown in the table below:-

Table 17: Additional Loan Eligible for Take-out financing by MePGCL for MLHEP (Rs. Crore)

FY	Capital Cost Approved	Loan Component (@ 70% of Project Cost)	Loan Component after Principal repayment (Loan tenure of 12 Years)	Actual Average Loan (as per SOA's)	Additional Loan eligible for take-out financing	Remarks
2013-14	1134.28	794.00	727.83	716.64	1.19	As per Tariff order dated 30.03.2017 on Approval of Capital Cost and True up of FY 2013-14 & Provisional True up of FY 2014-15 And AFC and Generation Tariff for MYT Control Period FY 2015-16 to FY 2017-18
2014-15	1278.62	895.03	828.86	718.70	110.16	
2015-16	1279.11	895.38	812.49	698.73	113.76	
2016-17	1279.41	895.59	805.31	644.71	160.60	
2017-18	1279.41	895.59	794.93	520.71	274.22	

Average additional loan eligible for take-out financing by MePGCL= $\frac{\text{INR } 659.93 \text{ Crore}}{5} = \text{INR } 131.99 \text{ Crore}$
Say = INR 132.00 Crore

MePGCL, therefore, is eligible for availing an average additional loan of INR 132.00 Crore during FY 2013-14 to FY 2017-18 as shown above. From FY 2013-14 to FY 2017-18, MePGCL had not availed this loan amount resulting in the gain to the consumers and loss to the Corporation. As stated before, the project cost of MePGCL was finalized on accrual basis, i.e., the accrued expenditure was booked in full to the project cost while the actual payment is less than the accrued expenditure because MePGCL was facing acute financial crunch and could not pay the outstanding dues of the project which were accounted in full in the project cost of MLHEP.

Regulation 32.1 which governs the interest and finance charges states as under:-

32.1 Interest and finance charges on loan capital shall be computed on the outstanding loans, duly taking into account the schedule of loan repayment, terms and conditions of loan agreements, bond or debenture and the lending rate specified therein.

Provided that the outstanding loan capital shall be adjusted to make it consistent with the loan amount determined in accordance with regulation 27.

Regulation 27 which governs the Debt-Equity Ratio specifies that equity in excess of 30% of the project cost shall be treated as normative loan. The loan component of the project is fixed at 70% of the approved project cost. Therefore, in accordance with the above regulations, MePGCL is entitled to avail loan upto 70% of the approved project cost as shown in Table-17 above and can claim interest on this loan amount as permitted by the above regulations.

The Hon'ble Commission in its order dated 25.03.2021 on ARR for Control Period FY 2021-22 to FY 2023-24 & Generation Tariff for FY 2021-22, has stated that "any borrowings after achieving COD shall not be taken into consideration for interest Computation".

In this connection, it may be pointed out that the Hon'ble Commission did not take into consideration the amount of loan which MePGCL is eligible to avail (i.e., 70% of approved project cost) as shown in Table-17 above and as permitted by Regulations 32.1 and 27 of the MSERC MYT Regulations, 2014. It has also not considered the fact that the project cost of MLHEP was arrived at on accrual basis, i.e., the accrued expenditure is more than the actual payment made on account of the fact that MePGCL was facing acute financial crisis and could not clear the outstanding dues like payment for land acquired and works completed before commissioning of the project which were lying pending for quite a number of years. It was only in FY 2017-18 that the Corporation opted to avail take-out financing of INR 60.00 Crore to clear the outstanding dues though it is eligible to avail an additional average loan of more than INR 60.00 Crore as shown in Table-17 above and as permitted by Regulations 32.1 and 27 of the MSERC MYT Regulations, 2014. This take-out

financing is also in line with the RBI Guidelines dated 2nd June, 2016 for Refinancing of Project Loans (**Annexure E**).

MePGCL, therefore, prays before the Hon'ble Commission to kindly approve the take-out financing of Rs. 60 Crore and interest accrued thereon, which is in line with the RBI Guidelines for clearing the outstanding dues and as permitted by the regulations.

4.7 Interest on Working Capital

In accordance with the regulations, the Interest on Working Capital for MLHEP is computed below:

Table 18: Interest on Working Capital for FY 2021-22 (Rs. In Cr.)

Particulars	As per petition	As per Order(pg.152)	Gap
O&M expenses for one month (INR Cr.) (1) (41.11 Cr /12)	3.425	4.33 Cr	2.43
Maintenance spares @ 15% of O&M expenses (2) (41.11*15%*1.06)	6.54		
Receivables equivalent to two months of Fixed cost (INR Cr.) (3)	35.576		
Total Working Capital Requirements (INR Cr.) (4=1+2+3)	45.54		
SBI PLR as on 15 th March, 2023 (%) (5)	14.85%		
Interest on Working Capital (INR Cr.) (6=4*5)	6.76		

MePGCL submits before the Hon'ble Commission to kindly approve the Interest on Working Capital of **Rs. 6.76 Cr.** with Gap of Rs. 2.43 Cr. as computed above for FY 2021-22 for MLHEP.

4.8 Prior Period Expenses

MLHEP has nil prior period expenses during FY 2021-22.

4.9 Non-Tariff Income

The total non-tariff income for MLHEP during FY 2021-22 is NIL.

4.10 Revenue from Operations

MePGCL has received Revenue of Rs. 84.66 Cr. for MLHEP from MePDCL towards sale of power for FY 2021-22.

4.11 Summary of Annual Fixed Cost – MyndtuLeshka HEP (MLHEP)

The summary of Annual Fixed Cost approved by the Hon'ble Commission for MLHEP vis-à-vis actuals as per the Audited Statement of Accounts for FY 2021-22 is given below:

Table 19: Summary of Annual Fixed Cost FY 2021-22 (INR CR)

Particulars	Actual	Approved	GAP/ Surplus (+)/ (-)
Depreciation (a)	61.40	39.56	21.84
Return on Equity (b)	54.00	40.47	13.53
O&M Expenses (c)	41.11	41.11	0
Interest and Finance Charges (d)	51.14	32.71	18.43
Interest on working capital (e)	6.76	4.33	2.43
SLDC Charges (f)	-	-	-
Net Prior Period Items: Income (-)/ Expense (g)	0.00	0.00	0
Total Annual Fixed Cost (AFC) (h)	214.41	158.18	56.24
Less: Non-Tariff Income (i)	-	0.014	
Net AFC (j)	214.41	158.17	

Particulars	Actual	Approved	GAP/ Surplus (+)/ (-)
<i>AFC calculated for tariff allocated based on total approved AFC of MePGCL(k)</i>		98.05	
Revenue from Operation (l)	84.66		
Gap(+)/(Surplus)(-) (m=j-l)	129.75	73.51	(+) 56.24

MePGCL humbly prays before the Hon'ble Commission to kindly pass through the revenue gap of Rs. (+) 56.24Cr. for MLHEP under the truing up of FY 2021-22 and to be adjusted in the ARR of FY 2024-25.

SECTION-5**5.0. TRUE UP OF ARR FOR NUHEP FOR FY 2021-22**

The Hon'ble Commission had passed an order on ARR for control period FY2021-22 to FY 2023-24 & generation tariff for FY 2021-22 on 25.03.2021.

5.1. Capital Cost and Funding Pattern of New Umtru HEP**5.1.1 Capital Cost of New Umtru**

The New Umtru HEP achieved its CoD on 1st July 2017.

The Opening and closing GFA of New Umtru HEP for FY 2021-22 are based as per the segregated accounts of MePGCL attached as **Annexure D**. Given below is the Gross Fixed Asset as on 31.03.2022:

Asset-wise break up of NUHEP asset base is given below :

Table 20: Actual Capital Cost of NUHEP for the FY 2021-22 (Rs. In Crore)

S. No	Name of the Asset	Value of Assets at the beginning of the year	Addition during the year	Withdrawn during the year	Value of Assets at the year
1	Land & Land rights	1.66	-	-	1.66
2	Buildings	95.16	-	-	95.16
3	Hydraulic Works	311.64	-	-	311.64
4	Other Civil Works	33.23	0.41	-	33.64
5	Plant & Machinery	159.93	-	-	159.93
6	Lines & Cable Network	3.62	-	-	3.62
7	Vehicles	0.04	-	-	0.04
8	Furniture & Fixtures	0.07	-	-	0.07
9	Office Equipment	0.02	-	-	0.02
10	Assets not in use	-	-	-	-
	Total	605.38	0.41	-	605.79

The asset value of NUHEP for FY 2021-22 in asset-wise break-up is attached as **Annexure D**.

5.2 Funding Pattern of NUHEP

The New Umtru HEP was funded by a mix of Loan and Equity. The total loan amount of NUHEP is Rs. 440.30 cr. As it can be clearly seen, there is no grant component in the NUHEP project. The Govt. of Meghalaya vide Notification No. PE.73/97/vol IV/217, dated. 13th December, 2012 has notified the Equity infused by the State Govt. in NUHEP (**Annexure-F**) at INR 32.59 crore. The State Government has also vide Notification No. POWER.44/2011/659, dated 26th November, 2021 (**Annexure G**) converted grants and loans amounting to INR 132.00 crore into equity for NUHEP. **The total amount of equity infused in NUHEP by the State Government is therefore INR 164.59 crore (i.e., 32.59 Cr. + INR 132.00 Cr.)**

5.3 Asset Base of New Umtru HEP

The opening and closing GFA of NUHEP for FY 2021-22, as per the Audited Statement of Accounts of MePGCL is shown in the table below:

Table 23: Gross Fixed Assets (GFA) of NUHEP (Rs.in Crore)

Particulars	FY 2020-21
Opening GFA	605.38
Closing GFA	605.79
Average GFA	605.58

The details of assets of NUHEP as stated above are attached as **Annexure D**. MePGCL submits before the Hon'ble Commission to kindly approve Gross Fixed Assets for NUHEP as submitted in the above table.

5.4 Depreciation

The petitioner presents the depreciation of NUHEP for the year FY 2021-22 true up as follows:

Table 24: Depreciation for NUHEP**(Rs.in Crore)**

Particulars	As per true up petition	As per Order	Loss/ (Gain)
Land and land rights	-	-	
Buildings	3.17		
Hydraulic Works	16.4		
Others Civil Works	1.11		
Plant and Machinery	8.44		
Lines and Cable Network	0.19		
Vehicles	0.0037		
Furniture and Fixtures	0.0049		
Office Equipment	0.0012		
Total	29.40	16.33	13.07

The Commission in its order considered grant amount of Rs. 187.30 Cr for calculation of Depreciation of NUHEP. However, there is no grant for NUHEP, since all the grants has been converted into equity. Therefore, the Hon'ble Commission may kindly consider review for considering the grant.

MePGCL, therefore, submits before the Hon'ble Commission to kindly approve Depreciation of Rs. 29.40 Cr for NUHEP for FY 2021-22 with a gap of Rs. 13.07 Cr.

5.5 Return on Equity

It is submitted that the return on equity is computed as per Regulation 27 and 31 of the MSERC MYT Regulations, 2014. As per the above provisions of MSERC MYT Regulations, 2014, and the asset base of NUHEP, the Return on Equity for NUHEP for FY 2021-22 is computed as shown below:

Table 25: Return on Equity for New Umtru HEP (Rs. in Cr)

Particulars	FY 2021-22	Approved	Loss/(Gain)
Actual Equity Base (Rs. Cr.),i.e. 32.59+132	164.59		
Actual Loan (Rs. Cr)	440.30		
Equity based on GFA minus loan (Rs. Cr) (605.58-440.30) (a)	165.28		
30% of Capital Cost, i.e. 30% of GFA(b)	181.67		
Equity to be considered for RoE Calculations (c=lower of a and b)	165.28		
RoE (%) (d)	14%		
Return on Equity (INR Cr.) (e=c*d)	23.14	16.52	6.62

It is therefore prayed before the Hon'ble Commission to kindly approve the Return on Equity of Rs. 23.14 Cr.for true up of FY 2021-22 for NUHEP with gap of Rs. 6.62 Cr. as computed above.

5.6 Operation and Maintenance Expenses

Regulation 56 of MSERC Tariff Regulations, 2014 provides for Operation and Maintenance Expenses and is reproduced below:

"56 (7) "In case of hydro generating stations declared under commercial operation on or after 01/04/2009, O&M expenses shall be fixed at 2% of the original project cost (excluding cost of rehabilitation and resettlement works) and shall be subject to annual escalation at 5.72% for the subsequent years."

NUHEP achieved CoD after 1.07.2017 and, therefore, its O & M expenses are fixed as per Regulation 56 (7) at 2% of ProjectCost. For truing up,the O & M expenses are based as per order on approval of Capital cost of NUHEP.

Table 26: O&M Expenses for New Umtru HEP for FY 2021-22 (INR Crore)

Particulars	As per true up petition	Approved	Gap/(Surplus)
Employee Benefits Expense	17.62		
Repairs and Maintenance			
Administrative and General Expenses			
Total	17.62	17.62	0

MePGCL submits before the Hon'ble Commission to kindly approve the O&M expenses of Rs.17.62 Cr.forNUHEP for FY 2021-22which is the same as in the tariff order.

5.7 Interest & Finance Charges

Regulation 32 read with regulation 27 of the MYT Regulations, 2014 provides the guidelines for computation of interest and finance charges. The relevant section of the regulation is reproduced below:

“32 Interest and finance charges on loan capital

32.1 Interest and finance charges on loan capital shall be computed on the outstanding loans, duly taking into account the schedule of loan repayment, terms and conditions of loan agreements, bond or debenture and the lending rate specified therein.

Provided that the outstanding loan capital shall be adjusted to make it consistent with the loan amount determined in accordance with regulation 27.”

As shown in the section 5.2 (Table-22) above, loan component for Capital cost of NUHEP is INR 440.30 Cr and the utility is fulfilling the interest obligations as on date.

The Interest on Loan is computed by considering interest obligation for the project loan. The interest on loan as per the order approved by the hon'ble Commission for FY 2021-22 is Rs. 22.43 cr. The loan statement along with repayment schedule is shown below. This is as per the audited accounts of **MePGCL (Note 16 - Financial Liabilities (Borrowings): NUHEP Head)**.The loan detail is given in the segregated account at **Annexure-D**.

Table 27: Details of Loans for FY 2021-22for New Umtru HEP (Rs. in Cr)

Sl. No	Particulars	Opening Balance (a)	Rate of Interest (b)	Addition during the year (c)	Repayment made (d)	Closing Balance (e=a+c-d)	Interest Accrued
1	PFC Loan NUHEP	384.33	11.75%-12.00%	0.0	32.16	352.17	44.04

The Interest on loan for NUHEP for FY 2021-22 approved by Hon'ble Commission is Rs.22.43 Cr. **MePGCL prays before the Hon'ble Commission to kindly approve Rs.44.04 Cr as interest on loan for NUHEP in the true up for FY 2021-22 with a gap of Rs.21.61 Cr.**

5.8 Interest on Working Capital

In accordance with the regulations, the Interest on Working Capital for NUHEP is computed below:

Table 28: Interest on Working Capital for FY 2021-22

Particulars	As per petition	As per Order	Gap/(Surplus)
O&M expenses for one month (INR Cr.) (17.62/12) (a)	1.47		
Maintenance spares @ 15% of O&M expenses (INRCr) (17.62*15%*1.06) (b)	2.80		
Receivables equivalent to two months of Fixed cost (INR Cr.) (101.04 *2/12) (c)	19.52		
Total Working Capital Requirements (INR Cr.) (d=a+b+c)	23.79		

SBI PLR as on 15 th March, 2023 (%) (e)	14.85%		
Interest on Working Capital (INR Cr.) (f=d*e)	3.53	1.99	1.54

MePGCL submits before the Hon'ble Commission to kindly approve the gap of Rs. 1.54 Cr on Interest on Working Capital as computed above for FY 2021-22 for NUHEP.

5.9 Revenue from Operations

MePGCL has received Revenue of Rs. 35.65 Cr. for NUHEP from MePDCL towards sale of power for FY 2021-22 based on the AFC as per MYT order dated 25-03-21.

5.10 Prior Period Expenses

The Prior expenses of NUHEP for FY 2021-22 is NIL.

5.11 Non Tariff Income

The Non Tariff income of NUHEP for FY 2021-22 was Rs.0.015 crore.

5.12 Summary of Annual Fixed Cost – New Umtru HEP

The summary of Annual Fixed Cost approved by the Hon'ble Commission for NUHEP vis-à-vis actuals as per the Audited Statement of Accounts for FY 2021-22 is given below:

Table 29: Summary of Annual Fixed Cost (Approved vis-à-vis Actual) FY 2021-22 (INR Cr.)

Particulars	As per petition	As per Order	Loss/ (Gain)
Depreciation	29.40	16.33	
Return on Equity	23.04	16.52	
O&M Expenses	17.62	17.62	
Interest and Finance Charges	44.04	22.43	
Interest on working capital	3.53	1.99	
SLDC Charges	-	-	
Total Annual Fixed Cost (AFC)	117.63	74.89	
Less: Prior period expenses	-		
Less: Non-Tariff Income	(-) 0.015	0.06	-
Net AFC	117.615	74.83	
AFC as per order for calculation of tariff based on the total AFC allocated station-wise		44.64	
Revenue from operations	35.65		
Gap/ (Surplus)	81.965	39.18	42.785

MePGCL humbly prays before the Hon'ble Commission to pass through the additional gap of Rs.42.785Cr. for NUHEP under the trueing up of FY 2021-22 to be adjusted in the AFC of FY 2024-25

SECTION 6**6.0. TRUE UP OF ARR OF LAKROH MHP FOR FY 2021-22**

The COD of Lakroh MHP was declared on 1st March, 2019. The Hon'ble Commission passed an order for approval of final capital cost for Lakroh MHP and ARR for 2nd MYT control period for FY 2018-19 to FY 2020-21 and ARR for 3rd MYT control period for FY 2021-22 to FY 2023-24 on 25th March, 2021.

6.1. Gross Fixed Assets & Depreciation

The GFA of Lakroh MHP for FY 2021-22, as per the Segregated Accounts is Rs. 26.48 Cr. The asset value and Depreciation is shown in **Annexure D**.

Table 30: Value of Asset and Depreciation for Lakroh MHP for FY 2021-22

Name of Assets	(Rs. in Cr.)							
	Value of Asset at the beginning of the year (Actual)	Addition during the year (Actual)	Withdrawn during the year (Actual)	Value of Asset at the end of the year (Actual)	Rate of Depreciation (%)	Depreciation		
						True up Petition	Approved as per order	Gap/(Surplus)
Land and land rights	0.0027	-	-	0.0027	-	-		
Buildings	2.44	-	-	2.43	3.34	0.08		
Hydraulic Works	9.62	0.006	-	9.68	5.28	0.50		
Others Civil Works	2.21	0.26	.004	2.43	3.34	0.07		
Plant and Machinery	10.01	0.29	0.000	10.31	5.28&6.33	0.54		
Lines and Cable Network	1.41	0.16	-	1.57	5.28	0.07		
Vehicles	-	-	-	-	9.5	-		
Furniture and Fixtures	0.001	-	-	0.001	6.33	0.007		
Office Equipment	0.0096	-	-	0.0009	6.33	0.006		
Assets not in use	-	-	-	-	-	-		
Total	25.72	0.79	0.004	26.48		1.28	0.33	0.95

MePGCL prays before the Hon'ble Commission to kindly allow a true up gap of Rs.0.95Cr as Depreciation gap for Lakroh MHP in the true up of FY 2021-22.

6.2. Return on Equity

The equity- debt ratio is determined as per MSERC (Terms and Conditions for determination of tariff for generation from Renewable Energy Sources), Regulations, 2014

"17. Debt – Equity Ratio

(1). For determination of generation tariff, the debt-equity ratio shall be 70:30....."

The GFA of Lakroh MHP for FY 2021-22 shown below is based as per the segregated account at **Annexure D**.

Table 31: Return on Equity for Lakroh MHP for FY 2021-22 (Rs. in crore)

Particulars	True up Petition	Approved as per order	Gap/(Surplus)
Opening GFA	25.72		
Closing GFA	26.48		
Average GFA	26.10		
Grant	11.75		

Particulars	True up Petition	Approved as per order	Gap/(Surplus)
GFA without Grant	14.35		
Debt (70% GFA)	10.04		
Equity (30% of GFA)	4.31		
RoE (%)	14%		
Return on Equity (in INR Cr.)	0.60	0.32	0.28

MePGCL humbly prays before the Hon'ble Commission to allow true up gap of Rs.0.28Cr. as ROE for FY 2021-22 for Lakroh MHP.

6.3. Operation and Maintenance Expenses

Since the segregated O&M expenses of Lakroh MHP are not available, the O&M expense for Lakroh MHP is calculated as approved by the Hon'ble Commission in its order dated 25-03-2021, i.e., at Rs.0.57 crore.

Table 32: O & M expenses for Lakroh MHP for FY 2021-22 (Rs.in crore)

O & M expenses for Lakroh MHP	True up Petition	Approved as per order	Gap/(Surplus)
O&M expenses for FY 2021-22 (escalated at 5.72%)	0.57	0.57	-

MePGCL prays before the Hon'ble Commission to allow the O&M expenses of Rs.0.57 Cr for Lakroh MHP for FY 2021-22.

6.4. Interest & Finance Charges

The Hon'ble Commission has approved the Interest & Finance Charges of Rs. 0.63 Cr. Based on the segregated Accounts for Lakroh MHP, **MePGCL humbly prays before the Hon'ble Commission to allow Rs.0.62 Cr. towards Interest & Finance Charges for FY 2021-22** as shown in the following table:

Table 33: Details of loan for Lakroh MHP for FY 2021-22 (Rs. in Crore)

Sl No	Particulars	Opening Balance	Rate of interest	Addition during the year	Repayment during the year	Closing balance	Interest Accrued
1	2	3	4	5	6	7	8
1	PFC Loan Lakroh	6.17	10.15%-10.75%	0	0.41	5.76	0.62
	Total	6.17			0.41	5.76	0.62

Detailed Statement of Loan is given in **Annexure D**.

6.5. Interest on Working Capital (IWC)

The IWC is calculated on normative basis as provided in the regulations. The Interest on Working Capital for true up of FY 2021-22 for Lakroh MHP is presented in the table below:

Table 34: Interest on Working Capital (Rs. In Cr.)

Sl. No.	Particulars	True up Petition	Approved as per order	Gap/(Surplus)
1	O&M Expense for 1 month (0.57/12)	0.047		
2	Maintenance Spare at 15% O&M*1.06	0.09		
3	Receivables for 2 months	0.52		
4	Total Working Capital (1+2+3)	0.66		
5	SBI short term PLR as on 15 th March, 2023	14.85%		
6	Interest on Working Capital	0.09	0.05	0.04

MePGCL humbly prays before the Hon'ble Commission to allow a true up gap of Rs.0.04 Cr. as Interest on Working Capital for true up of FY 2021-22 for Lakroh MHP.

6.6. Prior Period Items & Non-Tariff Income

The Prior Period Expense & Non-Tariff Income for Lakroh MHP for FY 2021-22 is NIL.

6.7. Revenue from Operations

As per the segregated Account, therevenue for FY 2021-22 isRs. 0.80 Cr for Lakroh MHP.

6.8. Annual Fixed Cost and Revenue Gap/Surplus for FY 2021-22

The summary of Annual Fixed Cost approved by the Hon'ble Commission for Lakroh MHP vis-à-vis actuals as per the Statement of Accounts for FY 2021-22 is given below:

Table 35: Summary of Annual Fixed Cost (Approved vis-à-vis Actual) FY 2021-22

Particulars	Actual as per Statement received from Accounts	Approved	Gap/ (Surplus)
a	b	c	d=(b-c)
Depreciation	1.28		
Return on Equity	0.60		
O&M Expenses	0.57		
Interest and Finance Charges	0.62		
Interest on working capital	0.09		
SLDC Charges	-		
Net Prior Period Items: Income (-)/ Expense	-		
Total Annual Fixed Cost (AFC)	3.16		
Less: Non-Tariff Income			
Net AFC	3.16	1.90	
Revenue from operation	0.80		
GAP/SURPLUS	2.36	1.10	(+) 1.26

MePGCL humbly prays before the Hon'ble Commission to pass through the revenue gap of Rs.1.26 Cr. under the truing up of FY 2021-22 for LakrohMHP to be adjusted in the Tariff for FY 2024-25

SECTION-7

7.0. TRUE UP OF ARR FOR OLD STATIONS INCLUDING SONAPANI FOR FY 2021-22

MePGCL had filed petition for revision of tariff for Old Stations including Sonapani & MLHEP for the control period for FY 2021-22. However, in its order dated 25-03-2021 for FY 2021-22, the Hon'ble Commission had approved the ARR of MLHEP including ARR of Old stations and Sonapani. The true up of Old Stations and Sonapani is presented in the succeeding paragraphs.

7.1. Gross Fixed Assets

As per the recent True Up Order for FY 2020-21, the Hon'ble Commission approved the GFA for old stations including Sonapani at Rs.51.42 Cr.

The GFA of MePGCL filed in the petition is the asset based without IND AS adjustment for FY 2021-22 (as per Note 2 of SOA). The GFA of Old stations including Sonapani is arrived after deduction GFA of MLHEP, MUHEP, Lakroh from the GFA of MePGCL.

As per the Directives in the Tariff order for FY 2023-24, the assets of Sonapani as on 31.03.2022 is Rs. 9.72 Cr., this is as per the historical assets of Sonapani MHP submitted to Hon'ble Commission on 07.06.2022. It may be mentioned that the Hon'ble Commission has approved the GFA of Sonapani MHP at Rs. 10.60 Cr in the tariff order for FY 2013-14, which is the capital project cost of Sonapani MHP. Therefore, MePGCL request the Hon'ble Commission to kindly consider the capital cost of Sonapani MHP as Rs. 10.60 cr. as approved capital cost.

The opening and closing GFA of Old Plants including Sonapani for FY 2021-22, is the total GFA of MePGCL as per the Audited Statement of Accounts minus GFA of MLHEP, NUHEP & Lakroh as per the segregated accounts of MePGCL is shown in the table below:

Table 36: Gross Fixed Assets of MePGCL's Old Plants (Including Sonapani) for FY 2021-22

Particulars	(Rs. In Cr.)				
	MePGCL as a whole	MLHEP	NUHEP	Lakroh MHP	MePGCL's Old Plants (including Sonapani)
	(a)	(b)	(c)	(d)	(e=a-b-c-d)
Opening GFA	2346.31	1285.52	605.38	25.72	429.69
Closing GFA	2348.01	1,285.52	605.79	26.48	430.22
Average GFA	2347.16	1285.52	605.58	26.10	429.96

a: As per abstract from MePGCL's SOA for FY 2021-22 without Ind AS adjustment (**Annexure D**)

b: MLHEP asset as per section 4.0 of the petition

c: NUHEP asset as per Section 5.0 of the petition

d: Lakroh asset as per Section 6.0 of the petition

7.2. Depreciation

The Hon'ble Commission had considered Rs.0.43 Cr. towards Depreciation for Old projects including Sonapani for FY 2021-22. Now based on the actual figures and assets capitalized, **MePGCL humbly prays before the Hon'ble Commission to kindly allow the actual depreciation of Rs.13.46Cr. for true up of FY 2021-22 for Old Plants & Sonapani as shown below:**

Table 37: Depreciation of Assets for FY 2021-22 (INR Cr.)

Particulars	MePGCL (a)	Leshka (b)	New Umtru (c)	Lakroh (d)	Old Plants + Sonapani (a-b-c-d)	Approved by MSERC
Depreciation on Land and land rights	-	-	-	-	-	The approved amount of depreciation was Rs.0.43
Depreciation on Buildings	8.38	4.90	3.17	0.08	0.23	
Depreciation on Hydraulic Works	50.49	32.89	16.4	0.50	0.70	

Particulars	MePGCL (a)	Leshka (b)	New Umtru (c)	Lakroh (d)	Old Plants + Sonapani (a-b-c-d)	Approved by MSERC
Depreciation on Others Civil Works	6.04	4.10	1.11	0.07	0.76	Cr. vide order dated 25-03-2021, for Old projects
Depreciation on Plant and Machinery	39.76	19.23	8.44	0.54	11.55	
Depreciation on Lines and Cable Network	0.59	0.24	0.19	0.07	0.09	
Depreciation on Vehicles	0.06	0.04	0.0037	-	0.017	
Depreciation on Furniture and Fixtures	0.11	0.005	0.0049	0.007	0.09	
Depreciation on Office Equipment	0.10	0.01	0.0012	0.006	0.08	
Apportioned Depreciation from MeECL	0.09	-	-	-	0.09	
Total	105.54	61.40	29.40	1.28	13.46	

Depreciation schedule for the MePGCL's assets is as per abstract from the SOA of MePGCL for FY 2021-22. Depreciation schedule for MLHEP, NUHEP and Lakrohis as per sections 4,5& 6, respectively. Depreciation for Old plants including Sonapani is arrived at after adjusting depreciation of NUHEP,MLHEP and Lakrohin MePGCL's total Depreciation.

7.3. Return on Equity

As per Audited Statement of Accounts for MePGCL for FY 2021-22, the equity base has been considered as Rs. 918.77 Cr. Based on this, Equity base for Sonapani and old plants is Rs. 50.50 Cr as shown in the tables below:

Table 38: Return on Equity for MePGCL FY 2021-22

Particulars	MePGCL
Equity Share Capital as on 31st March 2021 (Rs. Cr) (Note 14 of MePGCL Accounts)	803.95
Addition during the year (Rs. Cr.)	114.82
Equity Share Capital as on 31st March 2022 (a) (Rs. Cr) (Note 14 of MePGCL Accounts)	918.77
RoE (%) (b)	14%
Return on Equity (in INR Cr.) (c=a*b) (INR Cr)	128.63

Table 39: Return on Equity for Old Plants & Sonapani (Rs. in Cr) FY 2021-22

Particulars	MePGCL (a)	Leshka HEP (b)	New Umtru HEP (c)	Lakroh (d)	Old Plants + Sonapani (a=b-c-d)	As per Order
Equity considered for true up (1) (Rs. Cr)	918.77	385.65	164.59	4.31	364.22	The approved amount of ROE was Rs. 0.43 Cr. vide order dated 25-03-2021, for Old Projects
RoE (%) (2)	14%	14%	14%	14%		
Return on Equity (Rs. Cr.) (3=1*2)	128.63	54.00	23.04	0.60	50.99	

MePGCL would like to submit that the issue of Return on Equity of MeECL& its subsidiaries vs. methodology of MSERC (APTEL Case no 46 of 2015& 367 of 2017) is still subjudice. The utility is reiterating the fact that the claim of MePGCL is in line with the MSERC MYT Regulations. For the sake of brevity, MePGCL is not reiterating the grounds and the justification for the claim here since the matter is subjudice. Hence, the utility would like to retain its methodology as per the past petitions & stand on equity base determination which is in line with MSERC Regulations and the Transfer Notification Scheme of the State Government.

It is, therefore, prayed before the Hon'ble Commission to kindly approve the Return on Equity of Rs. 50.99Cr for true up of FY 2021-22for Old plants including Sonapani as computed above.

7.4. Operation and Maintenance Expenses

The Hon'ble Commission had approved Rs. 44.71 Cr. towards O&M Expenses for AFC of FY 2021-22 for MePGCL's Old Plants and Sonapani. The O&M expenses of MePGCL as a whole based on the audited statement of Accounts for FY 2021-22 are shown in the tables below. The Apportionment of terminal benefit of MePGCL has been added to O & M expenses of Old stations including Sonapani.

Based on the total MePGCL's O&M expenses, the O&M expenses for Old Plants including Sonapani is arrived at by deducting the O&M expenses for NUHEP, MLHEP and Lakroh, as shown in the table below:

Table 40: O&M Expenses for Old Plants including Sonapani (Rs. In Cr) for FY 2021-22

Particulars	For MePGCL (including apportionment MeECL)	For Myntd u- Leshka	For NUH EP	For Lakr oh MH P	Total Claim for Old Plants & Sonapani (including MeECL apportioned)	Approved in the True up order for Old Stations (Sonapani)	Additi onal claim
	(a)	(b)	(c)		(d)=a-b-c		
Employee Cost	i).Salaries & wages: MePGCL=76.47 MeECL=12.85 ii).Contribution to provident and other funds: MePGCL=1.45 MeECL=0.06 iii).ApportionmentTer minal Benefit: 56.59+18.86/3=62.88* Total= 153.71	41.11	17.62	0.57	116.41	46.79	69.62
R&M Expenses	14.18+(0.19*0.33)=14.24						
A&G Expenses	7.34+(1.27*0.33)=7.76						
Total	175.71						

*Apportionment of Terminal Benefit of MePGCL for FY 2021-22

The details of MeECL Pension Trust is attached at Annexure H.

MePGCL humbly prays before the Hon'ble Commission to allow Rs. 116.41 Cr of O&M expenses for Old Plants including Sonapani as shown in the table above in the true up of FY 2021-22.

7.5. Interest & Finance Charges

Based on the MePGCL's Statement of Accounts for FY 2021-22 (Note 16.9) and MeECL's Statement of Accounts for FY 2021-22 (Note 23& 23.1), **MePGCL humbly prays before the Hon'ble Commission to allow Rs.18.27 Cr. towards Interest & Finance Charges** as shown below:

Table41: Interest and Finance Charges for Old Plants including Sonapani

Rs. in Cr.				
Particulars	MePGCL Old stations as per MePGCL's SOA (a)	MeECL SOA (b)	Total Old Plants c=(a+b)	As per Order
Amount of interest paid	1.39	16.88 (33% of 51.16)	18.27	The approved amount of Interest and finance charges was Rs.5.10 Cr. vide order dated 25-03-2021, for Old Projects.

Detailed Statement of all the Loans along with the purpose of loans is given in Note 16.7 of MePGCL 's SOA and Note 23 & 23.1 of MeECL's SOA for FY 2021-22.

7.6. Interest on Working Capital (IWC)

The Hon'ble Commission had allowed Rs. 2.20 Cr. for MePGCL's Old Plants & Sonapani towards Interest on Working Capital for AFC of FY 2021-22. As per the relevant norms for working capital provided in MSERC MYT Regulations 2014, **MePGCL humbly prays before the Hon'ble Commission to allow Rs. 7.59 Cr. as Interest on Working Capital for true up of FY 2021-22 for old plants & Sonapani.**

Table 42: Interest on Working Capital (INR Cr.) FY 2021-22

Sl.No.	Particulars	MePGCL	As per Order
1	O&M Expense for 1 month (A) (116.41/12)	9.70	The approved amount of Interest on working capital was Rs. 2.19 Cr. vide order dated 25-03-2021, for Old projects.
2	Maintenance Spare at 15% O&M*1.06(B)	18.51	
3	Receivables for 2 months ©	34.75	
4	Total Working Capital (A+B+C)	62.96	
5	SBI short term PLR as on March, 2023	14.85%	
6	Interest on Working Capital	9.35	

7.7. SLDC and Connectivity Charges

As per the Audited Statement of Accounts (Note 26) of MePGCL for FY 2021-22, SLDC's charge is Rs. 1.85 Cr. Hence, **MePGCL prays before the Hon'ble Commission to kindly consider Rs.1.85 Cr for True up of FY 2021-22** as SLDC's charges.

7.8. Prior Period Items

As per the Audited Statement of Accounts, MePGCL the Prior Period Expense for MePGCL's old plants & Sonapani is NIL

7.9. Non-Tariff Income

Based on the Statements of Accounts for **MePGCL (Note 25)**, the utility humbly prays before the **Hon'ble Commission to approve Rs.14.69 Cr.** as Non tariff income for true up of FY 2021-22 for Old Plants & Sonapani as shown below:

Table 43: Non Tariff Income (Rs. In Cr.) FY 2021-22

Particulars	MePGCL (a)	Leshka (b)	New Umtru (c)	Lakroh (d)	Old Plants + Sonapani (e=a-b-c-d)
Non tariff income	14.69	0	0.015	0	14.675

7.10. Revenue from Operations

As per the Audited Statement of Accounts of MePGCL for FY 2021-22, MePGCL had received Revenue of Rs. 144.50 Cr.

Table 44: Revenue from Operations for Old Plants including Sonapani (Rs in crore)

Particulars	MePGCL (a)	Leshka (b)	New Umtru (c)	Lakroh (d)	Old Plants + Sonapani (e=a-b-c-d)
-------------	------------	------------	---------------	------------	-----------------------------------

Particulars	MePGCL (a)	Leshka (b)	New Umtru (c)	Lakroh (d)	Old Plants + Sonapani (e=a-b-c-d)
Revenue from Operations for True Up(Rs. Cr)	144.50	84.65	35.66	0.80	23.38

7.11. Annual Fixed Cost and Revenue Gap/Surplus for FY 2021-22

Table 45: Summary of Annual Fixed Cost (Approved vis-à-vis Actual) FY 2021-22

Particulars	True Up of Old Plants and Sonapani	Approved AFC (Old Plants + Sonapani)	GAP/SURPLUS (+)/(-)
Depreciation	13.46	0.43	13.18
Return on Equity	50.99	0.79	49.71
O&M Expenses	116.41	44.71	2.08
Interest and Finance Charges	18.27	5.10	13.17
Interest on working capital	9.35	2.19	2.09
SLDC Charges	1.85	1.85	0
Net Prior Period Items: Income (-)/ Expense	-	-	0
Total Annual Fixed Cost (AFC)	210.33	55.07	80.23
Less: Non-Tariff Income	14.675	9.78	
Net AFC	195.66	45.29	150.36
Revenue from operations	23.38		
Revenue Gap/ (Surplus)	172.275	21.91	150.36

MePGCL humbly prays before the Hon'ble Commission to kindly pass through the revenue gap of (+) Rs. 150.36 Cr. under the truing up of FY 2021-22 for Old Plants including Sonapani to be adjusted in the ARR of FY 2024-25.