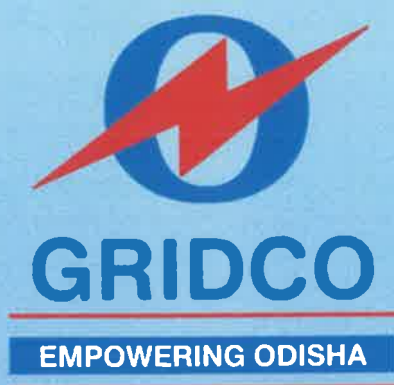


Before the

Hon'ble

Odisha Electricity Regulatory Commission

Bhubaneswar



**Application for Determination of
Aggregate Revenue Requirement (ARR)
and
Bulk Supply Price (BSP)
for
FY 2026-27
November'2025**

ACRONYMS AND ABBREVIATIONS

AEC	Auxiliary Energy Consumption
APGENCO	Andhra Pradesh Power Generation Corporation Ltd.
APPC	Average Power Purchase Cost
APTEL	Appellate Tribunal for Electricity
ARR	Aggregate Revenue Requirement
BSP	Bulk Supply Price
CD	Contract Demand
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CGPs	Captive Generation Plants
CGSs	Central Generating Stations
CoD	Commercial Operation Date
CPSUs	Central Public Sector Undertakings
Cr	Crore (Indian Rupees)
CTO	Consent To Operate
CTU	Central Transmission Utility
CVPF	Calorific Value of Primary Fuel
CVSF	Calorific Value of Secondary Fuel
DISCOMs	Distribution Companies
DSM	Deviation Settlement Mechanism
DSTPS	Darlipali Super Thermal Power Station
DVC	Damodar Valley Corporation
EA 2003	Electricity Act, 2003
ECR	Energy Charge Rate
ED	Evidential Document
EHT	Extra High Tension
EPS	Electric Power Survey
ESO	Energy Sent-out
FGD	Flue Gas Desulphurization
FSA	Fuel Supply Agreement
FSPV	Floating Solar Photovoltaic
FSTPS	Farakka Super Thermal Power Station

FY	Financial Year
GCV	Gross Calorific Value
GEDCOL	Green Energy Development of Odisha Limited
GDP	Gross Domestic Product
GHR	Gross Station Heat Rate
GKEL	GMR Kamalanga Energy Limited
GoI	Government of India
GoO	Government of Odisha
GRIDCO	Grid Corporation of Odisha Ltd.
GW	Giga-Watt
HEP	Hydro Electric Project
HPO	Hydro Power Obligation
IMFA	Indian Metals & Ferro Alloys Limited
IPPs	Independent Power Producers
ISTS	Inter-State Transmission System
JITPL	Jindal India Thermal Power Limited
JNNSM	Jawaharlal Nehru National Solar Mission
KBUNL	Kanti Bijli Utpadan Nigam Limited
KhSTPS	Kahalgaon Super Thermal Power Station
kVA	Kilo Volt Ampere
kW	Kilo Watt
kWh	Kilo Watt Hour or Unit
LPPF	Landed Price of Primary Fuel
LTA	Long Term Agreement
MHEP	Machhkund Hydro Electric Project
MOC	Market Operation Charges
MoD	Merit Order Despatch
MoP	Ministry of Power, India
MPERC	Madhya Pradesh Electricity Regulatory Commission
MTC	Monthly Transmission Charges
MUs	Million Units
MVA	Mega Volt Ampere
MW	Mega Watt
NALCO	National Aluminium Company

NCLT	National Company Law Tribunal
NHPC	National Hydro Power Corporation
NTPC	National Thermal Power Corporation
NVVNL	NTPC Vidyut Vyapar Nigam Limited
NKSTPS	North Karnapura Super Thermal Power Stations
OERC	Odisha Electricity Regulatory Commission
OHPC	Odisha Hydro Power Corporation
OPGC	Odisha Power Generation Corporation
OPTCL	Odisha Power Transmission Corporation Limited
OREDA	Odisha Renewable Energy Development Agency
OSEB	Odisha State Electricity Board
PGCIL	Power Grid Corporation India Limited
PLF	Plant Load Factor
POSOCO	Power System Operation Corporation
PPAs	Power Purchase Agreements
PSA	Power Sale Agreement
P/U	Paise/Unit
Rs.	Indian Rupees
REA	Regional Energy Account
REC	Renewable Energy Certificate
RIL	Reliance Infrastructure Limited
RENA	Renewable Energy Nodal Agency
RCO	Renewable Consumption Obligation
RPO	Renewable Purchase Obligation
RPSSGP	Rooftop PV Small Solar Generation Program
RST	Retail Supply Tariff
RTC	Round-the-Clock
RTS	Roof Top Solar
SDE	State Designated Entity
SECI	Solar Energy Corporation of India
SERC	State Electricity Regulatory Commission
SFC	Specific Fuel Consumption
SHAKTI	Scheme for Harnessing and Allocating Koyla (Coal) Transparently in India.

SHEP	Small Hydro Electric Plants
SLDC	State Load Despatch Centre
SMD	Simultaneous Maximum Demand
SOC	System Operation Charges
SPO	Solar Power Obligation
ToD	Time-of-Day
TPCODL	Tata Power Central Odisha Distribution Limited
TPNODL	Tata Power Northern Odisha Distribution Limited
TPSODL	Tata Power Southern Odisha Distribution Limited
TPWODL	Tata Power Western Odisha Distribution Limited
TSTPS	Talcher Super Thermal Power Station
UIHEP	Upper Indravati Hydro Electric Project
WPI	Wholesale Price Index
VGf	Viability Gap Funding
YoY	Year on Year

Notes

1. In this Application, the term “**Year**” refers to the **Financial Year 2026–27**.
2. Unless otherwise specified, all **monetary figures** presented in this Application are expressed in **Rupees Crore (₹ Crore)**.
3. Unless otherwise indicated, all **energy quantities** mentioned in this Application are stated in **Million Units (MU)**.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
PLOT NO.4, CHUNUKOLI, SHAILASHREEVIHAR, CHANDRASEKHARPUR
BHUBANESWAR - 751021**

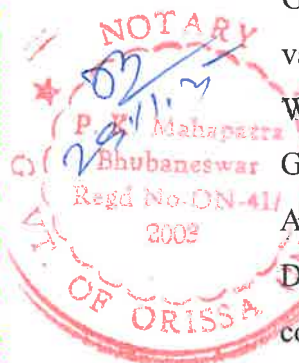
IN THE MATTER OF: Application for approval of Aggregate Revenue Requirement (ARR) and Determination of Bulk Supply Price (BSP) for FY 2026-27 for GRIDCO Limited under Section 86 (1) (a) & (b) and all other applicable provisions of the Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004, OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2022 and other related Rules and Regulations.

APPLICANT: GRIDCO Limited, Janpath, Bhubaneswar-751022, Odisha

The humble Applicant GRIDCO Limited, **MOST RESPECTFULLY SHEWETH:**

GRIDCO Limited (hereinafter called as "GRIDCO") is a Deemed Trading Licensee under 5th proviso to Section 14 of the Electricity Act, 2003 (hereinafter called as "the Act"). GRIDCO, a wholly State-owned Undertaking, is engaged in the business of purchase of electricity in bulk from various generators located inside & outside the State of Odisha and the State share of power from the Central Sector Generators for supply of power in bulk to the four Electricity Distribution Utilities in the State of Odisha and also performs trading of surplus power (if any) as per the directives of the Hon'ble Commission.

1. The Applicant GRIDCO has been notified as the "State Designated Entity" by the Government of Odisha for execution of Power Purchase Agreements (PPAs) with various developers generating energy from various sources such as Hydro Power, Wind Power, Power from Agricultural waste etc. along with Thermal Power vide Government of Odisha Notification No. PPD-II-2/05 (pt.) 7947, dated 17th August, 2006. A true copy of the said Notification is filed herewith as Evidential Document (ED-1). The Applicant GRIDCO has statutory obligations to make comprehensive planning & accordingly responsible for procurement of power for ensuring energy security in the State and acts as the Bulk Supplier to supply power to

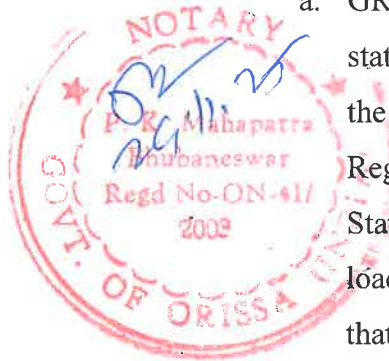


By the person concerned

DISCOMs for meeting the electricity demand in the State on Round-the-Clock (RTC) basis.

2. The Applicant GRIDCO shall be required to meet the projected demand of **39,103.47 MU** during FY 2026-27 based on projections submitted by the four DISCOMs of the State and **100 MU** for two embedded CGPs for availing emergency supply of power. Considering the Intra-State transmission loss of 3% for FY 2026-27 as approved by the Hon'ble Commission for OPTCL for FY 2025-26, the gross energy requirement of GRIDCO for FY 2026-27 works out to be **40,415.95 MU** to meet the State demand.
3. In order to fulfil its statutory obligations, the Applicant, GRIDCO, has executed various long-term PPAs with public and private sector generating companies to cater to the energy requirement of the State. The long-term PPAs have been signed with NTPC generating stations under the State's allocated share and with the IPPs in accordance with the State Thermal Policy'2008, for availing power towards the State's entitlement. In addition, GRIDCO has entered into PPAs with multiple RE Generators to integrate RE power into the State's overall power portfolio.
4. With a view to ensuring energy security for the State, the Applicant, GRIDCO, undertakes long-term power procurement planning to meet the projected demand. Such planning is carried out based on the Electric Power Survey (EPS) published by the Central Electricity Authority (CEA), the demand projections submitted by the DISCOMs, and the historical drawal patterns of the DISCOMs. Accordingly, GRIDCO has executed several Power Purchase Agreements (PPAs) with different generating companies from time to time to meet the anticipated energy requirements of the State. As per the subsisting contractual obligations,
 - a. GRIDCO is required to pay Capacity Charges to all the tied-up generating stations in accordance with their availability. Further, as per the provisions of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, the technical minimum for operation of a Central Generating Station (CGS) or Inter-State Generating Station (ISGS) is 55% of the MCR loading or installed capacity of the unit of the generating station. In the event that the scheduled generation falls below the normative level, compensation charges are payable by GRIDCO and other beneficiaries, in proportion to their

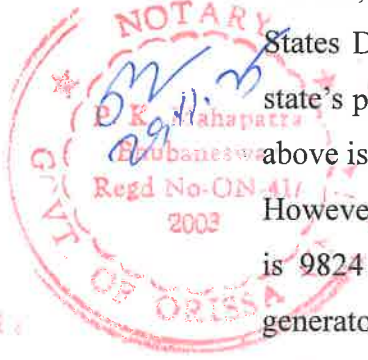
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respective allocations. The Hon'ble Commission is therefore requested to allow such compensation, if any, that may accrue and be payable to the generating companies during FY 2026-27, based on the actual drawal of energy.

- b. Apart from the Capacity Charges and Energy Charges, Year-end charges including reimbursement of other related permissible expenses including taxes, levies, duties, ash transportation charges etc. need to be paid to the generators as per the applicable Tariff Regulations.
5. The total projected energy availability towards the State share during FY 2026-27 is estimated at **46,334.13 MU**, considering the projections for procurement from generators based on various operational factors such as reservoir level and water availability of hydro stations, %PLF, %CUF, auxiliary consumption, R&M schedules, normative availability, and other relevant parameters of the stations with which GRIDCO has tied up long-term contracted capacity through PPAs. However, actual energy availability may vary from the projections during real-time operation due to contingencies such as outage of power plants, poor monsoon or hydrology failure, breakdown of large thermal units, shortfall in linkage coal supply, strikes in power plants, and other unforeseen circumstances. In such situations, the Applicant, GRIDCO, is duty-bound to arrange power through banking arrangements, costlier sources, and the power market to meet the State's demand. Therefore, it is humbly prayed before the Hon'ble Commission to consider the additional costs that may arise on account of such contingencies and to accord approval for the resultant change in the energy mix due to the unavoidable situations stated above.
6. Further, a contingency of 10% spinning reserve is mandatory as per extant law to meet States Demand on RTC basis. During the 1st half of the current financial year the state's peak demand occurrence was 6466 MVA. As per the licensee, 10% reserve on above is around 650 MVA & hence total ideal requirement will be around 7116 MVA. However, the existing contracted and commissioned capacity with different generators is 9824 MVA. Keeping the provision of annual overhauling maintenance of the generators and cushion towards unforeseen breakdown, the existing capacity is sufficient enough to meet the States Demand. However, if the Hon'ble Commission

Rebha power meter rate



desires to keep provision for dedicated capacity of 10% extra, then the attributable additional cost has to be borne by the consumers of the state.

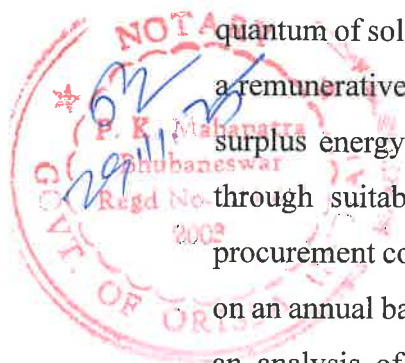
The details of contracted & commissioned capacity as on 30.09.2025 from various generating sources are as follows:

Table 1: Existing Energy Capacity of State as on 30th Sept'2025

Sl. No.	Description	Existing Capacity (MW)
	Fossil	
1	State Thermal	1,740
2	IPPs	1,253
3	Central Thermal	2,342
4	Total Fossil	5,335
	Non-Fossil	
5	State Hydro	2,095
6	Central Hydro	399
7	SHEP	134
8	Wind Power	322
9	Biomass	0
10	State Solar	416
11	Central Solar	975
12	DRE	148
13	Total Non-Fossil	4,489
14	Total (Fossil+ non-Fossil)	9,824
16	Fossil: Non-Fossil (%)	54%: 46%

7. The Applicant, GRIDCO, submits that against the State's requirement of **40,415.95 MU** (considering transmission loss of 3%), there is a projected availability of **46,334.13 MU**, resulting in an annual surplus of **5,918.18 MU** of power. However, the above estimated surplus may reduce in real-time operation primarily due to outages of large generating units. A major portion of this surplus energy is expected to arise from the additional quantum of solar energy anticipated during the ensuing financial year, which may not fetch a remunerative price in the market during solar hours. The Applicant proposes to sell the surplus energy, if any, in accordance with the Merit Order Despatch (MOD) principle, through suitable market routes, with the objective of optimizing the overall power procurement cost and meeting its repayment obligations. It is further submitted that, while on an annual basis there may appear to be surplus energy on account of overall availability, an analysis of month-wise availability vis-à-vis peak demand indicates that a deficit

Both passed metanals



situation may arise during four months (April to July'2026). During such deficit periods, GRIDCO may be required to procure or arrange power through power banking arrangements or from the power market to meet the State's requirement. Such deficit conditions typically occur during peak demand periods, resulting in additional financial burden on the Applicant due to the higher cost of procurement. The annual surplus quantum available with GRIDCO primarily arises during off-peak periods and due to the influx of solar power, which provides limited relief in addressing the peak deficit.

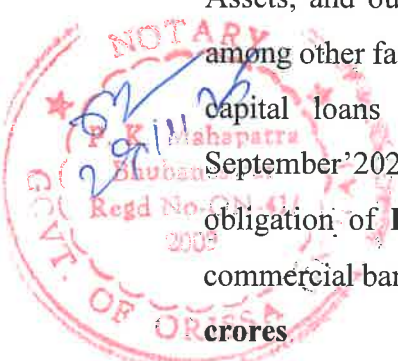
8. From the above contracted capacity, GRIDCO has an estimated available energy of **46,334.13 MU** and the corresponding total power purchase cost for FY **2026-27** has been projected to be **Rs.16,104.33 crores** with the following break-up as mentioned below :

◆ Fixed Charge	: Rs. 6,185.81 Cr.
◆ Energy Charge	: Rs. 8,575.90 Cr.
◆ Transmission(ISTS), ERLDC Charges	: Rs. 698.32 Cr.
◆ Year End Charges	: Rs. 644.30 Cr.
TOTAL	: Rs. 16, 093.28 Cr.

The Applicant, GRIDCO, has considered the uncontrollable costs to be included in the ARR, comprising Interest Cost, Employee Cost, Repair & Maintenance (R&M) Cost and Administrative & General (A&G) expenses. These have been projected based on the trend of actual expenditure incurred up to September 2025, along with the anticipated requirement of expenses for the ensuing FY 2026-27. Further, the Return on Equity (RoE) has been considered in accordance with the prescribed regulatory norms.

The Hon'ble Commission may kindly consider that the Applicant, GRIDCO, has been facing cash deficits over the years on account of a non-cost-reflective Bulk Supply Price (BSP), revenue gaps allowed in the ARR, disallowance of carrying cost on Regulatory Assets, and outstanding BSP dues and other receivables from the erstwhile DISCOMs, among other factors. To bridge these cash deficits, the Applicant has been availing working capital loans as well as long-term borrowings from time to time. As on 30th September'2025, the Applicant has a total outstanding loan liability with a principal obligation of **Rs.5,941.24 crores**. The repayment liability towards loans availed from commercial banks and the securitized dues of OHPC for FY 2026-27 amounts to **Rs.879.40 crores**.

Bibha prasad notary



In view of the foregoing submissions, the projected cost requirement for the ensuing Tariff period pertaining to FY 2026-27 under various approved heads for determination and approval of the Net ARR amounts to **Rs. 15,181.08 crores**.

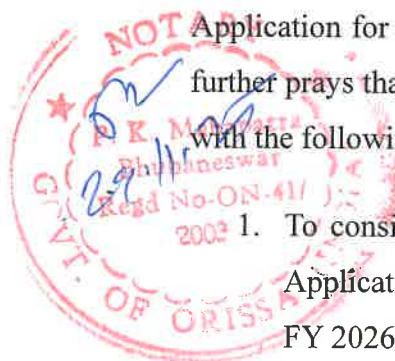
AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2026-27	
Particulars	Amount (Rs Cr.)
Power Purchase cost as per MOD for State (Excluding cost of Surplus power)	14,503.08
Additional Power Purchase Cost (Pass-through)	67.09
Interest cost	370.79
Employee cost	23.01
Repair & Maintenance	3.19
Administrative and General Expenses	16.47
Depreciation	2.87
Carrying Cost on Regulatory Assets	269.08
Aggregate Revenue Requirement (ARR)	15,255.58
Less: Revenue from Emergency sales	74.50
Net Aggregate Revenue Requirement (ARR)	15,181.08
Revenue from Discoms at existing BSP of respective DISCOMS	12,921.39
Units to be sold to Discoms Utilities (MU)	39,103.47
Revenue Deficit at existing BSP of respective DISCOMS	-2,259.69

The Applicant GRIDCO humbly prays before the Hon'ble Commission to allow proposed Net ARR & BSP of **Rs. 15,181.08 crores** and **388.23 P/U** respectively for FY 2026-27.

PRAYER

GRIDCO humbly prays before the Hon'ble Commission to take the ARR and BSP Application for FY 2026-27 on record and approve the same as proposed. The Applicant further prays that the Hon'ble Commission may kindly admit the instant ARR Application with the following submissions:

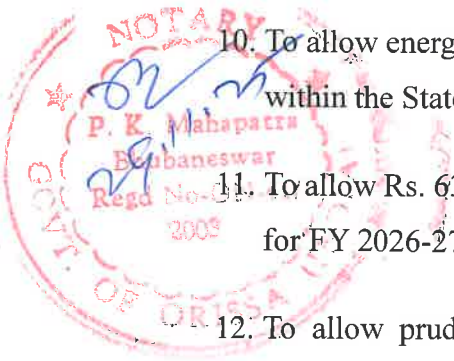
1. To consider all reasonable and uncontrollable costs as proposed in the instant Application and accordingly, approve the ARR and Bulk Supply Price (BSP) for FY 2026-27;



Better proposed notary public

2. To approve the proposed Net Aggregate Revenue Requirement (ARR) of Rs. **15181.08 crores** with BSP @ **388.23 P/U** for FY 2026-27 to meet the State requirement;
3. To approve monthly Simultaneous Maximum Demand (SMD) and monthly quantum of energy for sale of power to each DISCOM on realistic basis instead of the prevailing approval on annual basis by Hon'ble Commission;
4. To approve the Capacity Charge obligations mandatorily payable by the Applicant to all existing and upcoming generating stations having long-term PPAs with GRIDCO, notwithstanding that the energy is not fully scheduled from these stations based on Merit Order Dispatch (MOD) principles;
5. To allow recovery of additional costs arising from over-drawal of energy, Fuel and Power Purchase Adjustment /Surcharge Adjustment (FPPAS) and any statutory increase including reimbursement of Electricity Duty, Water Cess or other applicable levies, duties or taxes, and permit the same to be passed on to GRIDCO;
6. To allow the various initiatives suggested for Tariff rationalization measures for arriving at a cost-reflective tariff through utilization of low-cost power during solar hours;
7. To approve the ToD based BSP as proposed.
8. To allow utilization of surplus revenue earned from trading activities for adjustment of past accumulated losses and regulatory gap over the proposed recovery period;
9. To approve the proposed Amnesty Arrear Clearance Scheme as proposed for recovery of long-pending dues;
10. To allow energy accounting of infirm power injected by CGPs at any voltage level within the State.
11. To allow Rs. 63 crores towards purchase of RECs for meeting the RCO obligations for FY 2026-27 for the shortfall of 1269 MU of Non-Fossil power.
12. To allow prudent accounting and settlement of inter-DISCOM transactions as proposed;

By the proposed notary



13. To issue necessary directions to the DISCOMs to undertake proactive measures to collect the outstanding dues of the pre vesting period;
14. To formulate a suitable mechanism to recover the shortfall towards erstwhile DISCOM's receivable of **Rs.6,395.14 crores** as on **30.09.2025**, arising out of sale of utilities of CESU, WESCO, NESCO and SOUTHCO through regulatory process preferably in the next two to three years;
15. To pass such orders as may be deemed necessary in support of the foregoing prayers. The Applicant further craves leave of the Hon'ble Commission to amend /modify or supplement this Application and make additional submissions, if required, during the course of proceedings;
16. To kindly consider to condone any inadvertent omissions/ errors/ shortcomings/ delays and allow to make further submissions, as may be required at a future date to support this Application in terms of modification / clarification (if any); and
17. Pass such further orders, as the Hon'ble Commission may deem fit and proper, keeping in view of the facts and circumstances of the case.

for which, GRIDCO, as is duty bound, shall ever pray.

By the Applicant Through



Place: Bhubaneswar

Date: 29.11.2025

(Bibhu Prasad Mohapatra)

CGM (PP), GRIDCO Ltd.



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A. Background

1. Odisha was the pioneer State to initiate reforms in the power sector in 1994. The enactment of the Orissa Electricity Reform Act, 1995 led to the unbundling of the erstwhile Orissa State Electricity Board (OSEB) into two separate entities, namely the Odisha Hydro Power Corporation (OHPC), which was vested with the hydro-generating assets of the State, and the Grid Corporation of Orissa Limited (GRIDCO), which was vested with the transmission and distribution functions of the erstwhile OSEB.
2. Subsequently, the distribution business of GRIDCO was segregated and vested in four distribution companies (viz., WESCO, NESCO, CESCO, and SOUTHCO) on 25th November'1998, each incorporated as a separate legal entity under the Companies Act, 1956. Thereafter, these distribution companies were privatized. Following the separation of the distribution business, GRIDCO continued to perform functions related to transmission, bulk procurement and supply of electricity and trading activities.
3. In compliance with the statutory requirement under the Electricity Act, 2003 for separation of the trading and transmission functions into distinct entities, the State Government incorporated the Odisha Power Transmission Corporation Limited (OPTCL) in June'2005 to take over the transmission activities and the SLDC functions from GRIDCO. The Applicant, GRIDCO, is presently mandated to carry out the business of bulk purchase of the State's share of power for onward bulk supply of electricity to the four Distribution Companies (DISCOMs), and also undertakes trading of surplus power, if any, after meeting the State's demand.
4. As per the provisions of the Orissa Electricity Reform Act, 1995, GRIDCO is presently vested with the following residual functions:

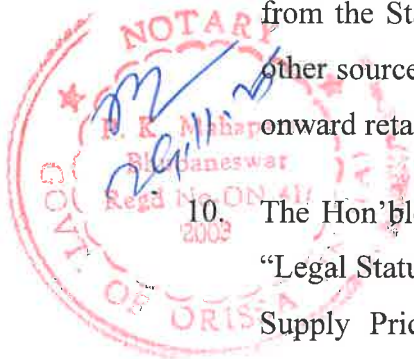
- i. Procurement and Bulk supply of Power to DISCOMs;
- ii. Undertaking long-term power planning, in coordination with the State DISCOMs, to determine the overall energy requirement of the State;



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- iii. Procurement of power in an economical manner through a transparent power purchase procurement process; and
 - iv. Establishment of tariff or determination of charges from time to time, in accordance with the requirements prescribed by the Commission.
5. The Government of Odisha has notified GRIDCO as the “State Designated Entity” (SDE) for execution of Power Purchase Agreements (PPAs) with the various developers engaged in generation of power from different sources such as hydro, wind, agricultural waste etc. along with thermal vide Government of Odisha Notification No. PPD-II-2/05 (pt.) 7947, dated 17th August’2006. A copy of the said Notification is attached herewith as Evidential Document (**ED-1**) for reference.
 6. GRIDCO is empowered to source the State’s share of power from the approved power developers and generators to ensure the availability of reliable and quality power on a 24x7 basis to the Distribution Companies (DISCOMs), for onward retail supply to consumers at the tariff approved by the Hon’ble Commission.
 7. GRIDCO’s existence as the “State Designated Entity” (SDE) for procurement of power on behalf of the State of Odisha, for bulk supply to the DISCOMs of the State for onward retail sale to the end consumers, is consistent with the provisions of Section 14 of the Electricity Act, 2003 (hereinafter referred to as “the Act”).
 8. The aforementioned bulk supply function of GRIDCO in the State power sector has been duly acknowledged and endorsed by the Hon’ble Odisha Electricity Regulatory Commission (referred to as “OERC” or the “Commission”).
 9. In fact, the Hon’ble Commission has recognized GRIDCO as a State-owned organization whose principal objective is to undertake bulk procurement of power from the State’s entitled sources, both within and outside Odisha, as well as from other sources as may be required, and to supply the same to the four DISCOMs for onward retail sale to meet the State’s power demand in the larger public interest.
 10. The Hon’ble Commission has extensively examined various issues relating to the “Legal Status” of GRIDCO in its Aggregate Revenue Requirement (ARR) and Bulk Supply Price (BSP) Orders dated 18th March’2011 for FY 2011-12 and 23rd

By the power of the Hon'ble Commission



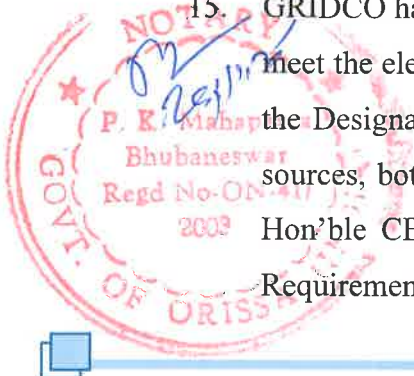
March'2012 for FY 2012-13, respectively. The Hon'ble Commission held that the continuance of GRIDCO is in conformity with the applicable law in force and remains both inevitable and essential in the overall interest of the consumers of Odisha and the State power sector at large.

11. The Government of Odisha, vide Notification dated 15th December'2022, has designated the Applicant, GRIDCO, as the State Nodal Agency (SNA) / Renewable Energy Nodal Agency (RENA) for facilitating large-scale development of the renewable energy sector in the State. A copy of the aforesaid Notification dated 15th December'2022 is enclosed herewith as **(ED-2)** for reference.
12. The Applicant, GRIDCO, having been entrusted with the additional responsibility of promoting and facilitating the development of the RE sector in the State, bears the onus of ensuring compliance with the provisions of the State Renewable Energy Policy, 2022, under the overall supervision of the Government of Odisha.
13. The Applicant, GRIDCO, is making all-out efforts to attract credible investors with genuine intent and invites Expressions of Interest (EoIs) for setting up new projects aimed at the development of RE projects in the State. The State Renewable Energy Policy, 2022 is designed to be developer-friendly and financially remunerative, reflecting a forward-looking approach to encourage bona fide investors to establish and develop RE projects within the State.
14. The Hon'ble Commission has prescribed necessary provisions under the OERC (Terms & Conditions for Determination of Wheeling Tariff and Retail Supply tariff) Regulations, 2022, pertaining to the bulk power procurement functions carried out by GRIDCO through the DISCOMs to meet the power demand of the State.

Bitum present on structure

B. Legal Framework

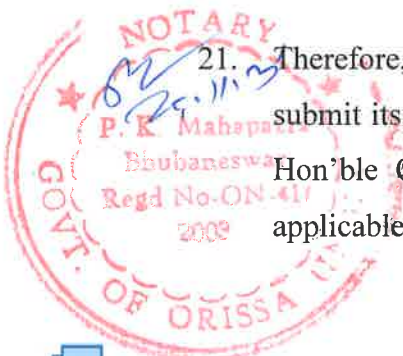
15. GRIDCO has a statutory obligation to procure power and act as the Bulk Supplier to meet the electricity demand of the State through power supply to the DISCOMs. As the Designated Entity for procurement of the State's share of power from various sources, both within and outside the State, at the regulated tariffs approved by the Hon'ble CERC/SERC, the Applicant is obligated to file the Aggregate Revenue Requirement (ARR) application before the Hon'ble Commission for each financial



year. This filing is made considering the State's energy entitlement along with the corresponding approved cost from the various approved sources.

16. The Applicant adheres to the MOD principles and endeavours to operate within the cost approved in the ARR by the Hon'ble Commission each year. GRIDCO functions in close coordination with the SLDC, continuously monitoring and scheduling power from the approved generators and sources based on the demand schedule of the DISCOMs on a 24x7 basis. Furthermore, upon completion of each financial year, the Applicant files the Truing-up Application before the Hon'ble Commission for finalisation of tariff, based on the actual expenses as reflected in the audited accounts.
17. Under the existing Single Buyer Model and the Bulk Supply Agreements between the DISCOMs and GRIDCO, the DISCOMs are obligated to purchase power from GRIDCO at the regulated price as determined and approved by the Hon'ble Commission.
18. The Hon'ble Commission is empowered under Section 86(1)(a) and (b) of the Electricity Act, 2003 to determine the power purchase quantum and cost for the DISCOMs. The Bulk Supply Price (BSP) represents the procurement price at which GRIDCO supplies power in bulk to the DISCOMs.
19. Sub-section 5(k) of Section 15 of the Orissa Electricity Reform Act, 1995 mandates GRIDCO to file its Tariff or Annual/Aggregate Revenue Requirement (ARR) Application in accordance with the statutory requirements for due approval by the Hon'ble Commission.
20. As per the OERC (Conduct of Business) Regulations, 2004, GRIDCO is required to submit its Aggregate Revenue Requirement (ARR) or Tariff Application before the Hon'ble Commission on or before 30th November of each year for determination of tariff for the ensuing financial year.

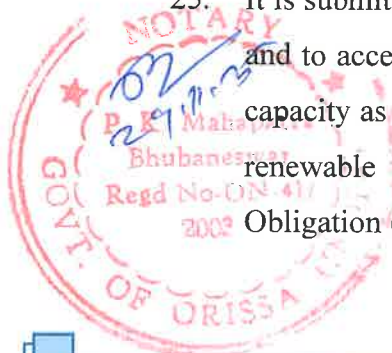
21. Therefore, it is the statutory duty and responsibility of the Applicant, GRIDCO, to submit its Aggregate Revenue Requirement (ARR) or Tariff Application before the Hon'ble Commission for determination and approval of the procurement price applicable to the DISCOMs.



Signature of P. K. Mahapatra

C. GRIDCO: A Catalyst in Power Supply Chain of Odisha

22. It is pertinent to mention that the Hon'ble Commission, vide Order dated 4th March'2015 in Case No. 55 / 2013, revoked the Retail Supply Licenses under Section 19 of the Electricity Act, 2003 of the three Distribution Companies (WESCO, NESCO, and SOUTHCO) formerly managed by Reliance Infrastructure Limited (RIL). The said revocation order was subsequently upheld by the Hon'ble Appellate Tribunal for Electricity (APTEL) and the Hon'ble Supreme Court of India. Pursuant to the directives issued by the Hon'ble Commission from time to time, the management and control of these three Distribution Companies, along with all their assets, interests, liabilities, and rights, were vested with the Chairman, GRIDCO, in his capacity as the Administrator of the said Distribution Companies.
23. The utilities of CESU, WESCO, SOUTHCO, and NESCO were privatized with effect from 1st June'2020, 1st January'2021, 1st January'2021, and 1st April'2021, respectively, and were vested with the Tata Power DISCOMs. The Hon'ble Commission approved the transfer of these utilities to the successor entities with a clean opening balance sheet.
24. It is submitted that, as per Para 25.2 of the Odisha Renewable Energy Policy, 2022, issued vide Notification No. 12284 dated 15th December'2022 by the Department of Energy, Government of Odisha, the Applicant, GRIDCO, has been designated as the Nodal Agency for implementation of the provisions of the said Policy and for facilitation of RE projects in the State. The Policy envisions an ambitious renewable energy capacity addition of approximately 10,000 MW in the State by 2030. It primarily focuses on enabling a "Just Transition" in the energy sector and developing a pipeline of RE projects so that the energy requirements of the State can be met from non-fossil fuel sources in a sustainable manner.
25. It is submitted that, in order to implement the State Renewable Energy Policy, 2022 and to accelerate the growth of renewable energy in the State, the Applicant, in its capacity as the State Nodal Agency, promotes and facilitates developers to establish renewable energy projects within the State to meet the Renewable Purchase Obligation (RPO) / Renewable Consumption Obligation (RCO) targets of the State.



Further, the Applicant also facilitates industries in procuring renewable or green power to enable them to comply with their statutory obligations.

26. That, pursuant to the sale of the utilities under Section 20 of the Electricity Act, 2003, and consequent to the revocation of the licenses of the erstwhile DISCOMs, the successor entities were assigned balance sheets. However, GRIDCO continues to have significant past dues pending recovery for the pre-vesting period. This substantial outstanding amount has an adverse impact on the financial health of the Applicant.
27. The outstanding from the four erstwhile distribution companies in the books of GRIDCO is Rs.6,395.14 crores. as on 30.09.2025.

Responsible to Undertake Capacity Planning

28. As per the provisions of the Orissa Electricity Reform Act, 1995, GRIDCO is required to undertake planning of the State's energy requirement to ensure that the overall demand is adequately met. Accordingly, GRIDCO has been planning the energy requirement of the State from time to time, based on the demand projections received and assessed through various sources.

29. The Central Electricity Authority (CEA) has published the 20th Electric Power Survey (EPS) Report in November 2022, containing the energy and peak demand projections for all States. The DISCOM-wise projections considered for the State of Odisha, as envisaged in the said report, are extracted as follows:

Table 2: DISCOM Wise Energy Demand from FY 2021-22 to 2031-32 (20th EPS)

Extract of 20 th Electric Power Survey of India											
Table 2.14 (contd.) - Discom Wise Electrical Energy Requirement (in MU) (Pg. 47)											
State/ Discom	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
TPCODL	9126	9788	10320	10955	11637	12354	13107	13886	14795	15454	16027
TPNODL	7470	7996	8418	8959	9550	10172	10830	11510	12360	12784	13166
TPSODL	4052	4191	4354	4555	4773	4999	5236	5480	5778	5940	6055
TPWODL	10274	11331	11949	12788	13734	14761	15881	17075	18617	19376	20086

State DISCOMs	30922	33306	35041	37257	39694	42286	45054	47951	51550	53554	55334
State Demand incl. Open Access	38344	43060	43582	44985	46689	48627	50810	53180	56316	57891	59286

Extract of 20 th Electric Power Survey of India											
Table 2.15 (contd.) – Discom Wise Peak Electrical Demand (in MW) (Pg. 50)											
State/ Discom	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
TPCODL	1664	1789	1887	2005	2131	2263	2403	2547	2715	2838	2945
TPNODL	1082	1157	1219	1298	1384	1475	1571	1670	1794	1857	1913
TPSODL	698	725	754	789	828	868	910	952	1005	1034	1055
TPWODL	1806	1999	2110	2260	2429	2613	2813	3027	3304	3441	3570
State DISCOMs	5250	5670	5970	6352	6772	7219	7697	8196	8818	9170	9483
State Demand incl. Open Access	5645	6490	6635	6918	7252	7630	8053	8514	9107	9456	9782

30. Section 13 of the Orissa Electricity Reform Act, 1995 requires GRIDCO to plan and coordinate the energy requirements of the State in consultation with generating companies and the State Government, while adhering to the guidelines issued by the CEA and other competent authorities. As the sole State Designated Entity, GRIDCO bears the responsibility for meeting the overall power purchase requirements of the State.

31. Considering the operation of four distribution companies in the State and the implementation of a uniform retail supply tariff across Odisha, GRIDCO has been discharging a pivotal role in the State power sector by ensuring comprehensive power planning and maintaining energy security through the supply of power to the DISCOMs. Therefore, it is imperative that the financial stability and sustainability of GRIDCO are duly ensured by the Hon'ble Commission to facilitate uninterrupted power supply within the State.

32. Hon'ble Commission vide order dated 14.09.2023 in Case no. 43, 44, 45 and 46 of 2023, while approving the Business Plan of DISCOMs for the period up to FY 2027-28, have observed as follows:

"30 Sales/Demand Forecast

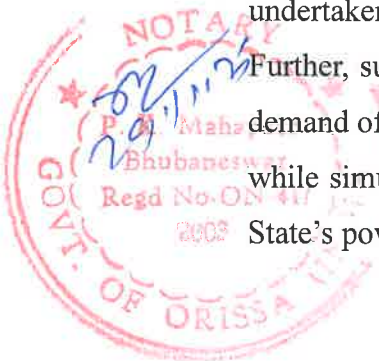
(f) The Commission in view of the submissions made by the DISCOMs observes that DISCOMs have projected their sales growth during the control period based on the present trend of rising consumers strength and sales growth under various categories of consumer. On the basis of the 5-year CAGR most of the DISCOMs have projected an overall growth ranging from 5% to 6 % during the control period. All four DISCOMs have followed different methodology for assessing future sales projection. We approve in principle the sales projected by the DISCOMs as follows:

Energy Sales approved by the Commission for FY 2025-28 (MU)

DISCOMs	OERC Approved in ARR Order for	Approved for FY 2025-28			
	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
TPCODL	8,868.41	9,147.00	9,644.00	10,171.00	10,728.00
TPWODL	10,883.72	9,398.58	9,962.50	10,460.62	10,983.65
TPNODL	6,287.99	6,731.12	7,300.76	7,822.85	8,153.47
TPSODL	3,690.14	3,947.00	4,222.00	4,518.00	4,837.00
Total	29,730.26	29,223.70	31,129.26	32,972.47	34,702.12

However, there may be some variation in a particular year due to change in load mix. The Commission during the tariff exercise of relevant year will scrutinize the projection for the next year and shall approve the same in the respective years tariff order. GRIDCO being the shareholder in the DISCOMs may be consulted by DISCOMs before filing the sales projection with the Commission during the annual tariff proceeding".

33. In order to meet the growing demand for power in the State, arising from accelerated economic development, substantial industrial investments under restructured policies, and increasing urbanisation of smaller towns, capacity planning needs to be undertaken well in advance to ensure timely addition of generation capacities. Further, such capacity planning is carried out keeping in view the rising electricity demand of the State, the need to meet the RCO and resource adequacy requirements, while simultaneously optimising the overall cost of energy procurement within the State's power portfolio.



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34. It is submitted that the Applicant, GRIDCO, has executed PPAs with various RE developers and agencies for procurement of power within the State from multiple sources, including SHEP, solar, and wind power, through PSAs/PPAs signed with SECI and NTPC under various schemes of MNRE, Govt. of India. Such procurement and sourcing of power facilitate compliance with the Renewable Consumption Obligations (RCO) of the State in the long run.

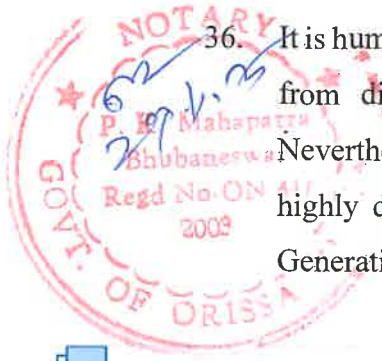
Obligated to Ensure Uninterrupted Power During Forced Outages

35. It is submitted that the Applicant, GRIDCO, has tied up with various power generating stations encompassing diverse sources such as thermal, hydro, solar, and wind to cater to the electricity demand of consumers within the State. It is pertinent to note that GRIDCO's supply portfolio includes large thermal power plants such as OPGC Units#3 and Unit#4 (660 MW each), NTPC Darlipali Unit#1 and Unit#2 (800 MW each), and Vedanta IPP Unit#2 (600 MW), among others. During certain periods, major imbalances arise between the availability of power from these generating stations and the actual system demand due to forced outages of large thermal units, unforeseen spikes in consumption and the inherent variability of RE and hydro generation. To bridge such short-term deficits, GRIDCO procures power from the open market, primarily through power exchanges, particularly during peak demand hours. In extreme cases, these exigencies may lead to inadvertent overdrawal from the Central Grid at substantially high prices, thereby affecting grid discipline and inviting strictures from the ERLDC. It is, therefore, imperative to adopt a structured framework for Demand Side Management supported by appropriate regulatory measures to effectively mitigate such deficit situations. These actions will help maintain grid stability while simultaneously alleviating the financial stress on GRIDCO.

Not to be presented as a separate

Ensures Adequate Contingency Planning

36. It is humbly submitted that GRIDCO has contracted sufficient capacity to avail power from different generating stations to meet the demand growth of the State. Nevertheless, it may kindly be appreciated that, the power availability position is highly dynamic in nature and is influenced by multiple reasons like, availability Generating unit, hydro reservoir levels, climatic conditions, hours of the day, etc. It



is a well-known fact, during the summer months, the State demand is higher than the annual average demand. Hence, it has always been endeavoured by GRIDCO to arrange adequate power to meet the summer demand. Even though, adequate capacity has been tied-up, during contingency situations like, outage of generating stations, restriction on state hydro power generation, unprecedented surge in power demand, etc., there have been instances when the power availability from tied up capacities fails to meet the State demand, mainly the peak hours demand. It is also observed at multiple instances that during the peak hours energy rates in the collective markets of Power Exchanges is remaining around Rs.10/ kWh (current capped rate as approved by Hon'ble CERC for Power Exchange platforms excluding HP-DAM & HP-TAM), which indicates that adequate power is also not available across the country to meet the demand during these hours. Notwithstanding the aforesaid, GRIDCO as always shall strive to meet the demand supply gap by exploring various avenues like power banking arrangement, short term power purchase, etc. Therefore, it is humbly submitted before the Hon'ble Commission to kindly consider to allow any additional costs that may be borne by GRIDCO to meet the State demand.

Prithvi Prasad Mishra



D. Aggregate Revenue Requirement of GRIDCO FY 2026-27

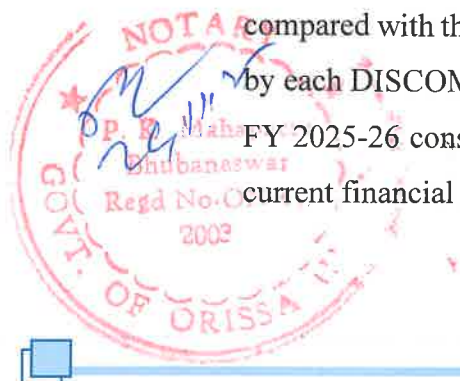
Energy Demand of DISCOMs

37. It is submitted that, pursuant to the request of the Applicant, GRIDCO, the four DISCOMs have furnished their month-wise energy requirement along with the corresponding Simultaneous Maximum Demand (SMD) for FY 2026-27. The DISCOMs have submitted their respective monthly energy projections and SMD (in MVA) for the ensuing financial year (**ED- 3&4**). A summary of the energy projections provided by the DISCOMs is presented in the following table:

Table 3: Projection of Monthly Demand for FY 2026-27 (MU)

Month	TPCODL	TPNODL	TPSODL	TPWODL	Total
Apr-26	1190.39	739.00	464.83	987.27	3381.48
May-26	1335.91	781.97	466.81	971.50	3556.18
Jun-26	1210.07	752.51	436.31	972.47	3371.36
Jul-26	1198.73	746.53	435.22	976.33	3356.81
Aug-26	1232.56	760.12	440.91	1087.60	3521.18
Sep-26	1177.59	732.96	429.68	1105.93	3446.16
Oct-26	1198.77	796.34	448.51	985.26	3428.88
Nov-26	932.80	726.46	364.20	979.24	3002.70
Dec-26	850.93	678.50	347.19	967.20	2843.82
Jan-27	840.16	683.80	352.29	974.40	2850.64
Feb-27	923.66	653.96	395.42	967.58	2940.63
Mar-27	1156.44	801.32	468.63	977.23	3403.62
Total	13248.01	8853.46	5050.00	11952.00	39103.47

38. It is submitted that the historical sales to the DISCOMs during FY 2025-26 have been compared with the projected sales for FY 2026-27, based on the projections furnished by each DISCOM. The DISCOMs have estimated the sales for the balance period of FY 2025-26 considering the actual energy drawal during the first six months of the current financial year. The details of the same are presented in the table below:



**Table 4: Historical Actual Sales to DISCOMs Vs. Projection for FY 2026-27
(in MU)**

DISCOM	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26				2026-27	Discom YOY
	Actual					Approved	Apr'25 to Sept'25	Oct'25 to March'26	Revised Projected	Projected	Growth %
TPCODL	8,370	8,814	9,899	11,306	11,998	13,823	6,950	6,950	5,421	12,371	13,248
TPNODL	4,941	5,327	6,476	7,047	7,390	8,719	4,199	4,199	3,943	8,142	8,853
TPSODL	3,616	3,942	4,204	4,347	4,579	5,062	2,468	2,468	2,213	4,680	5,050
TPWODL	7,619	8,967	11,176	11,006	11,801	12,378	5,764	5,764	5,837	11,601	11,952
TOTAL	24,546	27,050	31,754	33,707	35,768	39,982	19,381	19,381	17,414	36,795	39,103
IMFA	16	34	51	29	29	30	12		30	30	0.00%
NALCO	66	39	55	155	121	70	32		70	70	0.00%
Total including Emergency Sale	24,628	27,123	31,860	33,890	35,918	40,082	19,421	17,414	36,895	39,203	6.26%
YoY Sales growth	-0.13%	10.13%	17.47%	6.37%	5.98%	11.59%			2.72%	6.26%	

39. It is submitted that, the DISCOMs have projected a lower energy demand as compared to that approved by the Hon'ble Commission for FY 2025-26 which may be attributed multiple contributing factors, the foremost among them being the significant increase in open access drawal by industrial consumers, showing nearly a 35% year-on-year rise which can be substantiated from the following table

All Figures In MU

DISCOM	FY 2025-26 (till OCT'25)				FY 2024-25 (till OCT'24)				%GROWTH			
	NORMAL HOURS	SOLAR HOURS	PEAK HOURS	TOTAL	NORMAL HOURS	SOLAR HOURS	PEAK HOURS	TOTAL	NORMAL HOURS	SOLAR HOURS	PEAK HOURS	TOTAL
TPWODL	1051	1476	495	3023	705	666	477	1848	49%	122%	4%	64%
TPNODL	489	493	261	1243	347	318	196	862	41%	55%	33%	44%
TPCODL	167	171	88	426	95	98	54	247	76%	75%	63%	73%
TPSODL	3	17	0.00	20	2	13	0.00	14	50%	31%	0	43%
Total	1710	2158	844	4712	1149	1094	727	2970	49%	97%	16%	59%

Further, the demand reduction is also influenced by other prevailing conditions, non-availability of Tri-Partite Agreement sales to CGP-based industries (>20 MW CD),

climatic moderation in the year including early onset of monsoon leading to suppressed summer demand, and rising adoption of rooftop solar systems across DISCOM jurisdictions, which has increasingly offset consumption from the grid.

40. It is submitted that, as evident from the above table, the aggregate energy demand of the DISCOMs for the ensuing Financial Year 2026-27 has been projected with a growth of 6.26%. It is further submitted that the demand projections furnished by TPWODL does not include any quantum towards TPA sales for FY 2026-27. Moreover, the consumption growth for the ensuing FY 2026-27, as compared to the revised projections for FY 2025-26 has been estimated at 7.09% for TPCODL, 8.73% for TPNODL, 7.99% for TPSODL and 3.02% for TPWODL, respectively. In continuation of the above, the trend of energy sales to DISCOMs by the Applicant GRIDCO during Apr-Sep'2024 to Apr-Sep'2025 is summarized below:

Table 5: Comparison of 6 months sales to DISCOMs (MU)

DISCOM	Apr-Sep'2024	Apr-Sep'2025	Growth
TPCODL	6,833	6,950	1.71%
TPNODL	4,087	4,199	2.74%
TPSODL	5,765	5,764	-0.02%
TPWODL	2,447	2,468	0.86%
DISCOM TOTAL	19,132	19,381	1.30%
IMFA	15	12	1.30%
NALCO	96.45	32	-18.51%
Total including Emergency Sale	19,243	19,426	-66.50%

Based on the actual energy sales recorded for 1st half year of FY 2025-26, a positive growth trend of 0.9% has been observed in comparison with the corresponding period of FY 2024-25. However, the projections submitted by the DISCOMs for FY 2026-27 indicate a YoY growth of 6.26%.

41. The Applicant, GRIDCO, submits before the Hon'ble Commission to approve the projected energy requirement to the extent of 40,415.95 MU, including the transmission loss approved for FY 2025-26. The projection has been made based on the demand estimates furnished by the DISCOMs and the anticipated sale of emergency and backup power to NALCO and IMFA during FY 2026-27.

42. It is submitted that, for comprehensive energy planning for the ensuing FY 2026-27, the Applicant, GRIDCO, requested the DISCOMs to furnish projections of demand during different time blocks, namely evening peak, off-peak, morning peak, and solar hours, along with the average demand (in MW) for both peak and off-peak seasons. The consolidated summary of the projections furnished by the DISCOMs for these respective time periods during the ensuing year is given in **Table-8** for the kind consideration of the Hon'ble Commission, for approval of a suitable Time-of-Day (TOD) tariff aimed at curbing over-drawal situations during peak hours.

Simultaneous Maximum Demand (SMD) of DISCOMs

43. The DISCOM wise SMD projections for FY 2026-27 are submitted as follows:

Table 6: SMD Projections by DISCOMs for FY 2026-27 (MVA/month)

DISCOMs	OERC Approval for 2025-26	Highest SMD recorded during FY 2025-26 during summer months	DISCOMs Projection SMD
		(Apr.'25 to June'25)	FY 2026-27
	MVA	MVA	MVA
TPCODL	2650	2539.50	2752
TPNODL	1622	1478.56	1641
TPWODL	1904	1963.15	1989
TPSODL	861	792.08	900

It is evident from **Table-6** above that the projected SMD for FY 2026-27 is higher than the actual SMD recorded during the summer months of the current FY 2025-26. Furthermore, the percentage increase in projected SMD for FY 2026-27 is significantly higher compared to the corresponding growth observed in energy requirement of the State DISCOMs. It has been observed that the projected SMD reflects an increase of around 7.5%, which appears to be on the higher side and commensurate with the realistic trend demand growth. Accordingly, the Applicant, GRIDCO, humbly submits that the Hon'ble Commission may kindly determine the SMD of each DISCOM for FY 2026-27 on a prudent and realistic basis with due consideration to actual performance and overall cost optimization.



Submitted for consideration

44. It is respectfully submitted before the Hon'ble Commission that, to meet the maximum demand in the State at any point of time during the financial year, it is imperative to maintain adequate contractual capacity available for scheduling in each time block to ensure energy security for the State. During the year, there are periods when certain generating stations undergo shutdowns for maintenance. Further, the availability of solar and non-solar energy does not always coincide with the timing of maximum demand across various intervals. Under such circumstances, the Applicant, GRIDCO, is required to schedule power from all approved thermal stations with which it has long-term tied-up capacities. It is pertinent to note that the thermal generating stations within the State occasionally remain out of operation due to technical contingencies, leading to non-supply of the contracted quantum of power. Such occurrences have been witnessed in the past, often continuing for several days, fortnights, or even months, thereby posing challenges in meeting the demand, particularly during peak hours. Hence, the thermal power stations having subsisting contracts with GRIDCO are indispensable for meeting the State's maximum demand throughout the year without resorting to load shedding or power regulation. The Applicant requests the Hon'ble Commission may kindly give due and appropriate consideration to this aspect while determining the power purchase cost. It is further submitted that, beyond the quantum approved by the Hon'ble Commission, scheduling of power as per the merit order becomes inevitable to meet the State's demand in real-time operation. During periods of all-India power shortages or crisis situations, scarcity in the power exchanges persists even at the capped market rate. Therefore, the Applicant humbly prays before the Hon'ble Commission to kindly allow recovery of full capacity charges for all tied-up thermal stations to ensure reliable and uninterrupted power supply to consumers of the State.

45. The energy forecast for the State carries higher importance for the energy planning. Maximum Demand, as the primary objective of energy planning contributes significantly, the data for the preceding four years and six months along with the projection for the ensuing year are analysed herewith for kind consideration of the Hon'ble Commission. .

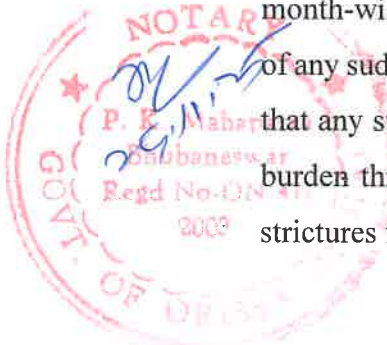


Prayer for recovery of full capacity charges

Table 7 : SMD Approval, Actual & Projection

DISCOMs	SMD Approval, Actual & Projection							
	FY 2021-22 (Actual)	FY 2022-23 (Actual)	FY 2023-24 (Actual)	FY 2024-25 (Actual)	FY 2025-26 (Approval)	FY 2025-26 (Actual) (Apr'25 to Sept'25)	FY 2025-26 (Oct'25 to Mar'26) (Projected)	FY 2026-27 (Projected)
TPCODL	1,697	1,895	2,244	2,452	2,650	2,539	2,361	2,752
YoY SMD growth		12%	18%	9%	8%	4%		8%
TPNODL	991	1,155	1,267	1,406	1,622	1,479	1,461	1,641
YoY SMD growth		17%	10%	11%	15%	5%		11%
TPSODL	663	722	711	798	861	792	800	900
YoY SMD growth		9%	-2%	12%	8%	-1%		14%
TPWODL	1,528	1,796	1,702	1,781	1,904	1,963	1,770	1,989
YoY SMD growth		18%	-5%	5%	7%	10%		1%
Total DISCOMs	4,879	5,568	5,924	6,437	7,037	6,773	6,392	7,282
YoY SMD growth		14%	6%	9%	9%	5%		7.5%
State Peak Demand(excl. Vedanta)	4,909	5,312	5,508	6,242		6,466		
State Peak as % of Total DISCOMs	101%	95%	93%	97%		95%	-	-

46. It is humbly prayed before the Hon'ble Commission to kindly approve the SMD on a monthly basis, taking into account the actual load pattern of the DISCOMs for FY 2024-25 and FY 2025-26, so as to ensure optimal utilization of the State's share of power within the permissible cost levels approved in the ARR. Further, approval of month-wise SMD will enable avoidance of high-cost power procurement in the event of any sudden surge in demand by a DISCOM on a real-time basis. It is also submitted that any such unforeseen escalation in demand could impose an additional financial burden through the Deviation Settlement Mechanism (DSM) and may also attract strictures from statutory authorities in case it adversely impacts grid stability.



Bibhansu Kumar Mishra

47. The Applicant humbly prays before the Hon'ble Commission to kindly consider that the quantum of surplus power is estimated to reduce significantly in FY 2026-27 on real-time basis. While on an annual basis there may be surplus power on the energy account, analysis of monthly availability vis-à-vis peak demand indicates a possible deficit during the summer months. During such deficit periods, GRIDCO may have to procure or arrange power through banking or from the market in order to meet the State's requirement. Invariably, such deficits occur during peak periods when exchange prices remain elevated, and thus the Applicant may be adversely impacted due to the additional costs incurred, if any.

Table 8: Peak Demand of DISCOMs (MW)

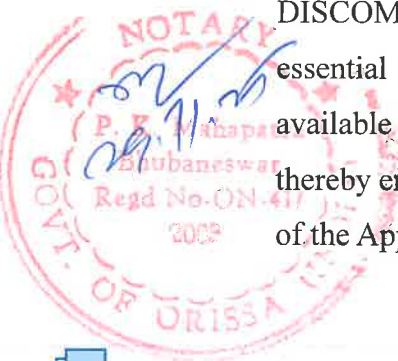
Summary of Projections Furnished by Discoms for Different Time Periods During the Ensuing FY 2026-27													
	PEAK DEMAND (MW)							PEAK DEMAND (MW)					
	FY 2025-26	TPCODL	TPNODL	TPWODL	TPSODL	DISCOMS		FY 2026-27	TPCODL	TPNODL	TPWODL	TPSODL	DISCOMS
SUMMER	APRIL	2286	1294	1767	752	6099	SUMMER	APRIL	2495	1441	1697	852	6485
	MAY	2362	1270	1009	724	5365		MAY	2585	1410	1826	802	6623
	JUNE	2413	1347	1004	726	5491		JUNE	2615	1495	1652	800	6562
	JULY	2145	1291	1283	699	5418		JULY	2376	1433	1508	769	6087
	AUG	2213	1305	1220	685	5423		AUG	2401	1449	1481	749	6079
	SEP	2168	1354	1512	685	5719		SEP	2360	1503	1420	747	6030
	OCT	2243	1241	1472	691	5647		OCT	2367	1378	1526	746	6017
	Max.	2413	1354	1767	752	6099		Max.	2615	1503	1826	852	6623
	Min.	2145	1241	1004	685	5365		Min.	2360	1378	1420	746	6017
	Average	2261	1300	1324	709	5595		Average	2457	1444	1587	781	6269
WINTER	NOV	1676	1177	1436	651	4941	WINTER	NOV	1823	1307	1427	689	5246
	DEC	1545	1010	1386	639	4580		DEC	1675	1121	1498	676	4970
	JAN	1573	1118	1575	673	4939		JAN	1667	1241	1545	711	5164
	FEB	1677	1112	1593	690	5072		FEB	1761	1234	1575	747	5317
	MAR	2204	1364	1584	760	5912		MAR	2354	1514	1688	820	6375
	Max.	2204	1364	1593	760	5912		Max.	2354	1514	1688	820	6375
	Min.	1545	1010	1386	639	4580		Min.	1667	1121	1427	676	4970
	Average	1735	1156	1515	683	5089		Average	1856	1283	1547	729	5414
OVERALL	MAX.	2413	1364	1767	760	6099	OVERALL	MAX.	2615	1514	1826	852	6623
	AVG.	2042	1240	1403	698	5384		AVG.	2207	1377	1570	759	5913
	20th EPS	2131	1384	2429	828	6772		20th EPS	2263	1475	2613	868	7219

48. Hon'ble Commission is respectfully requested to consider that during peak demand seasons, higher drawal by DISCOMs leads to increased financial burden on the

Applicant due to over-drawal penalties levied under the Deviation Settlement Mechanism (DSM), which are computed at the prevailing market price at the time of such deviation. Consequently, GRIDCO is required to make payments at higher rates, resulting in a significant deficit on account of these additional and unforeseen costs, which cannot be sufficiently recovered through the approved Bulk Supply Price (BSP). The Applicant submits that all necessary measures are taken, in coordination with SLDC, to minimize any over-drawal from the grid and to comply with operational limits prescribed by ERLDC/ERPC. However, on certain occasions, such overdrawals occur inadvertently and beyond the Applicant's control due to an unexpected and sustained surge in demand. In view of the above, the Hon'ble Commission is humbly requested to approve the monthly SMDs of DISCOMs on a prudent and realistic basis, duly considering the State's overall power availability. Such an approach will help avoid high-cost power procurement and facilitate an appropriate tariff mechanism within the BSP framework to address deviations and financial differentials arising from overdrawals, thereby ensuring grid stability and financial prudence.

49. In light of the foregoing submissions, the Applicant respectfully prays before the Hon'ble Commission to approve the determination of SMD on a monthly basis, taking into account the actual SMD of the DISCOMs as per SLDC data for the year 2025, and permitting a proportionate increase corresponding to the rise in monthly energy demand during FY 2026-27. Such approval will enable GRIDCO to effectively optimize its generation and procurement plan in advance. The Applicant further submits that the Hon'ble Commission may kindly allow recovery of charges for any excess drawal of energy by a DISCOM during a month, over and above the monthly approved quantum and SMD, at the actual power purchase cost incurred for such excess drawal (inclusive of transmission charges, deviation charges, transmission losses, etc.) or at the approved BSP rate applicable to the concerned DISCOM, whichever is higher, on a monthly settlement basis. This arrangement is essential since the drawal pattern during peak hours frequently exceeds the State's available generation and coincides with higher prevailing market/UI Pool prices, thereby ensuring recovery of legitimate costs and maintaining the financial neutrality of the Applicant.

P. K. Mahapatra



STU / OPTCL Transmission Losses (%)

50. Hon'ble Commission had approved the transmission loss of STU/OPTCL at 3.00% for FY 2025-26. The same figure of 3% has been provisionally considered for projecting the intra-state transmission loss for FY 2026-27. The Applicant submits before the Hon'ble Commission to consider the transmission losses as per the figure to be approved in the ARR order of OPTCL for FY 2026-27.

Quantum of Energy Requirement for State Consumption

51. It is submitted that, the Applicant GRIDCO submits the energy requirement based on the projected demand by DISCOMs and estimated/provisional transmission loss as follows:

Table 9: Summary of Energy Requirement by GRIDCO for FY 2026-27

Sl. No.	Particulars	Projection for FY 2026-27 (MU)
1	Energy Demand of DISCOMs to meet state demand	39,103.47
2	Energy Demand towards emergency sales to NALCO & IMFA	100.00
3	Transmission Loss @ 3% as approved for FY 2025-26	1,212.48
4	Energy requirements for FY 2026-27	40,415.95

52. The Applicant, GRIDCO, submits that power procurement planning is undertaken based on the demand estimates provided by the DISCOMs, and the BSP is computed accordingly by considering the estimated demand of the DISCOMs along with the corresponding estimated cost from various approved sources for the entire financial year. Accordingly, the Applicant respectfully submits before the Hon'ble Commission that the DISCOM's drawal projections are required to be maintained on a monthly basis, failing which the Applicant shall incur additional costs in the event of excess drawal by any DISCOM beyond the monthly approved quantum. It is further submitted that, in the absence of an Intra-State DSM framework, the Hon'ble Commission may kindly consider approving a suitable mechanism for recovery of additional costs arising from any such over-drawal by the DISCOMs.

After passed overdraw



E. Estimated Availability & Cost of Power from Different Generating Stations

I. Non-Fossil Fuel Sources

53. It is submitted that in line with the national commitment towards sustainable growth and the State Government's clean energy vision, GRIDCO has been playing a pivotal role in augmenting renewable energy (RE) capacity in Odisha. GRIDCO has been facilitating renewable power procurement, ensuring Renewable Purchase Obligation (RPO) on behalf of the State DISCOMs as specified by the Hon'ble Commission under Section 86 (1) (e) of the Electricity Act, 2003 and facilitating development of renewable energy projects in the State through RE Nodal Agency (RENA) in line with the Odisha RE Policy 2022.
54. Exercising the powers conferred by clauses (n) and (x) of section 14 of the Energy Conservation Act, 2001 (52 of 2001), vide Gazette Notification dated 20.10.2023, the Ministry of Power, GoI in consultation with the Bureau of Energy Efficiency (BEE), has specified the minimum share of energy consumption of non-fossil sources by designated consumers (DCs) under different categories such as Wind RE, Hydro RE, Distributed RE & Other RE. The specified RCO target as per the notification dated 20.10.2023 is as follows:

Table 10: RCO Targets as per Ministry of Power, GoI

Financial Years	RCO targets as per MoP				
	Wind RE	HRE	DRE	Other RE	Total RCO
2024-25	0.67%	0.38%	1.50%	27.35%	29.90%
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	35.95%
2027-28	2.45%	1.42%	3.30%	31.64%	38.81%
2028-29	2.95%	1.42%	3.90%	33.10%	41.37%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

55. This Notification is again revised vide MoP, GoI Gazette Notification dated 27th September 2025 with the target remaining the same. However, there are some modifications in the calculation of the RCO compliance and also certain clarification,

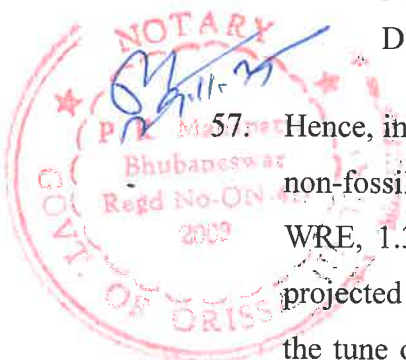
which were in vogue under the earlier notification dated 20.10.2023. This Notification came in to force w.e.f. 1st April'2024.

56. This Revised Gazette RCO Notification dated 27.09.2025, clarifies the following:

- i. For all the designated consumers under the Energy Conservation Act, 2001, no additional Renewable Purchase Obligation shall apply under EA, 2003 and the State level RPO targets shall be subsumed within the RCO targets.
- ii. The Bureau of Energy Efficiency (BEE) shall monitor the RCO compliance and submit periodic report to the Central Government with a copy to the respective SERCs.
- iii. As per the said notification any shortfall in meeting the RE consumption targets shall be treated as non-compliance and penalty shall be imposed as such rate specified under sub-section (3) of Section 26 of the Energy Conservation Act, 2001. The Bureau of Energy Efficiency (BEE) has been entrusted for compliance of the obligation and submit the report to Central Government.
- iv. The RCO shall exclude electricity consumed from Nuclear Power sources.
- v. Obligations under Wind, Hydro and Other RE components are fungible, whereas Distributed RE is non-fungible but the surplus may offset other components.
- vi. The last date of submission of the RCO compliance to BEE for FY 2024-25 is 31st October 2025 and 31st July for each subsequent year. The last date for submitting the compliance report after meeting the shortfall through REC or payment of buyout price, if any, for FY 24-25 is 31st March'2026 and 31st December for each subsequent year.

57. Hence, in line with the above, GRIDCO has considered to purchase power from the non-fossil fuel sources @ 35.95 % RCO target specified for FY 2026-27 (with 1.97% WRE, 1.34 % HRE, 2.70% DRE & 29.94 % Other RE categories) of the total projected energy requirement in the State for sale through the DISCOM Utilities to the tune of 39,687 MU along with the energy of 584 MU from the Rooftop Solar

Pitlu prasad mallick



Systems (RTS). The Applicant hereby submits the proposed procurement of energy from the non-fossil fuel sources by GRIDCO for FY 2026-27 as indicated below:

Table 11: Proposed Procurement of energy from non-fossil fuel sources during FY 2026-27

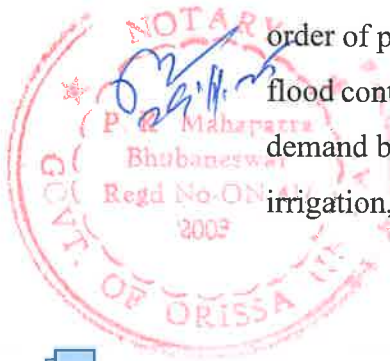
Sl. No.	RCO Category	Target %	DISCOM (MU)	Target (MU)	Expected availability (MU)
1	WRE	1.97%	39,687	782	5
2	HRE	1.34%		532	618
3	Other RE	29.94%		11,882	11,613
5	DRE	2.70%		1,072	764
6	Total	35.95%		14,268	12,999

*Note: In the projected renewable energy availability of 12,999 MU for FY 2026-27, GRIDCO has considered the following sources to meet the RCO target for the said year: **WRE**- 5 MU from ISTS Wind Projects (Tranche-XI), **HRE**- 93.98 MU from Shaheed Lakhman Nayak SHEP and 524 MU from Punatsangchhu-II, **Other RE**-(Solar- 3,671 MU, Wind sources commissioned before 1st April'24- 1011 MU, SHEP commissioned before 1st April'2024- 428.02 MU, Large Hydro commissioned before 1st April'24- 6503 MU) and **DRE** (180 MU from PM-KUSUM schemes, 0.144 MU from 40 kW Bio-Methanation, 584 MU from Rooftop Solar (RTS))*

Hydroelectric Power

State Hydro Power Stations

58. Odisha Hydro Power Corporation (OHPC), a wholly owned undertaking of the Government of Odisha, owns and operates six Hydro Power Stations, namely Hirakud, Chiplima, Rengali, Upper Kolab, Balimela, and Upper Indravati Hydro Electric Project (UIHEP). These Hydro Power Stations are multi-purpose projects designed to fulfil multiple objectives such as (i) Drinking water supply, (ii) Irrigation, (iii) Flood control, and (iv) Power generation. In accordance with Government of Odisha Letter No. 1430 dated 19.02.2010, power generation ranks fourth (4th) in order of priority, after meeting the requirements of water for drinking, irrigation, and flood control. Therefore, generation of hydropower is not directly correlated with grid demand but is dependent upon other factors such as water requirements for drinking, irrigation, and flood control, which are accorded higher priority.



Notary Seal of P. Q. Mahapatra

59. In addition to the above six Hydro Electric Power Stations of the State, the Machhkund Hydro Electric Project is a joint scheme of the Governments of Andhra Pradesh and Odisha, as per the Inter-State Supplementary Agreement signed in the year 1978 between the two State Governments. The revised Power Purchase Agreement dated 23.10.2020, executed among the Government of Odisha, OHPC, and the Government of Andhra Pradesh/APGENCO, stipulates an equal sharing ratio of 50:50 for drawal of power, with payment of the differential fixed cost by OHPC, which is subsequently reimbursed by the Applicant.
60. Annual rainfall, being a natural phenomenon, directly influences the reservoir levels of hydro power plants and consequently affects the quantum of hydroelectric power generated during a financial year. The comparative reservoir levels, along with the availability status of various units of the OHPC hydro power stations as on 20.11.2025, are presented below.

**Table 12- OHPC Hydro Plants: Reservoir Level & Availability of Units
(As on 20.11.2025)**

Nov 20, 2025			RESERVOIR LEVEL			Previous Day's				Nov 20, 2025	
Name Of P.H	Frl	Mddl	Previous Day	Today	This Day Of Previous Year	Avg. Gen. (Mw)	Equivalent Energy (Mu)	Peak (Mw)	Water Utilized For Gen	Units Available (Today)	Remarks
BHEP, BALIMELA	1516 Ft	1440 Ft	1508.7	1508.6	1505.3	130.042	3.121	248 (21 Hr.)	169.3407 MCft. / 1959.9622 Cusecs	1,2,3,7	#5:(R&M), #6:(R&M), #4:F.O. (Turbine guide bearing high temperature), #8:P.O. (SRV Bypass valve repair).
HHEP, BURLA	630 Ft	590 Ft	629.62	629.62	626.29	59.75	1.434	205 (20 Hr.)	636.8777 MCft. / 7371.2700 Cusecs	1,2,3,4,5,6	#7:F.O. (Abnormal sound with heavy sparking near slip-ring).
CHEP, CHIPILMA	***** ***	***** **	***** **	***** **	***** **	35.375	0.849	42 (03 Hr.)	583.1369 MCft. / 6749.2700 Cusecs	2,3	#1:P.O.(Capital Maintenance).
RHEP, RENGALI	123.5 M	109.72 M	122.24	122.19	120.59	78.0167	1.8724	249.8 (20 Hr.)	18.1159 MCM / 209.6734 Cumecs	All	***** *****
UIHEP, MUKHIGUDA	642 M	625 M	640.73	640.74	634.43	68.7083	1.649	544.0 (19 Hr.)	1.9788 MCM / 22.9028 Cumecs	All	***** *****



Bibhu prasad Mishra

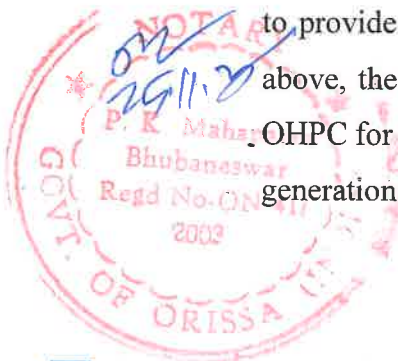
Nov 20, 2025			RESERVOIR LEVEL			Previous Day's				Nov 20, 2025	
Name Of P.H	Frl	Mddl	Previous Day	Today	This Day Of Previous Year	Avg. Gen. (Mw)	Equivalent Energy (Mu)	Peak (Mw)	Water Utilized For Gen	Units Available (Today)	Remarks
UKHEP, BARINIPUT	858 M	844 M	856.07	856.07	855.25	82.7083	1.985	270 (19 Hr.)	3.7303 MCM / 43.1751 Cumecs	All	*****
MHEP, MACHHKUND	2750 Ft	2685 Ft	2748.05	2748	2747.7	46.9583	1.127	61 (18 Hr.)	*****	1,3,4,5,6	Under APGENCO control machines available.
TOTAL						501.558	12.0374				

61. It is submitted that OHPC, in its Anticipated Generation Plan for FY 2026-27, has submitted the major outage plan of its different units for FY 2026-27 as follow:

Table 13: Outage Plans for OHPC Stations for FY 2026-27

Units Under Outage	Installed Capacity (in MW)	Tentative Outage Period (in Days)	Remarks
Balimela-V	60	76	R & M Work
Balimela-VI	60	76	R & M Work
Chiplima-II	24	93	Capital Maintenance
Upper Kolab-II	80	30	Capital Maintenance
UIHEP-II	150	30	Capital Maintenance
Balimela-VII	75	183	Capital Maintenance
Balimela-VIII	75	182	Capital Maintenance

62. Considering the requirement of hydro power during peak hours, OHPC needs to take all proactive measures to ensure early operation of the above units for optimal utilization of available hydro potential. The outages of various hydro units in FY 2026-27 are expected to significantly impact energy availability during peak hours, particularly in the event of simultaneous outages of multiple units. Therefore, proper maintenance and efficient operation of all OHPC stations are of utmost importance, as the Applicant primarily depends on hydro power due to its lower cost and its ability to provide instant generation during peak and contingency periods. In view of the above, the Hon'ble Commission is requested to kindly issue suitable directives to OHPC for the proper upkeep and maintenance of all hydro stations to ensure optimal generation of low-cost hydro power.



Balimela presented on 11/11/25

63. OHPC supplies its entire power to GRIDCO, excluding the corresponding generation of 5 MW (five MW) representing the share of Chhattisgarh State Power Distribution Corporation Limited (CSPDCL) from Hirakud, as per the Minutes of Meeting dated 24.12.2004 signed between the Department of Energy, Government of Odisha, GRIDCO, OHPC, MPSEB, and CSEB under the chairmanship of the Chief Secretary, Government of Odisha, in pursuance of the interim judgment passed by the Hon'ble High Court of Jabalpur, Madhya Pradesh in Writ Petition No. 1241/2002 dated 16.12.2004 and in accordance with the Order dated 17.08.2006 of the Ministry of Power, Government of India, regarding transfer of the said 5 MW share from the erstwhile MPSEB to the erstwhile CSEB (presently CSPDCL).
64. In pursuance of the ARR and BSP application for FY 2026-27, OHPC has furnished its Energy Generation Plan vide letter dated 06.10.2025 (**ED-5**) for consideration of the Hon'ble Commission. As per the said plan, **OHPC has projected an anticipated generation of 5356 MU during FY 2026-27** from its various stations, excluding Machhkund HEP. However, a review of the past three years indicates that the actual drawal of energy from OHPC stations (except Machhkund HEP) has generally remained lower than the generation levels projected by OHPC.

FY	Projected Anticipated Generation by OHPC (in MU)	Actual Drawl by GRIDCO (in MU)
2022-23	5225	4786.12
2023-24	5639	5147.63
2024-25	5684	5628.25

65. In view of the above, the Applicant, GRIDCO, has considered the average of the last three years actual drawal of power from various hydro stations of OHPC for approval by the Hon'ble Commission in the ARR of GRIDCO for FY 2026-27. **Further, it is requested that the Hon'ble Commission may kindly consider approval of 5187.24 MU to be procured by GRIDCO from OHPC stations (excluding Machhkund) during FY 2026-27, i.e., based on the average of the last three years actual drawal instead of the design energy.**



Bhupendra Mahapatra

Table 14: 3 years Actual Energy drawal of OHPC Stations (MU)

OHPC	FY 2022-23	FY 2023-24	FY 2024-25	3 Years Avg. of OHPC Stations	GRIDCO Projection for FY 2026-27 (Based on 3 years Avg. Drawal)
HHEP	869.91	833.60	747.18	816.90	816.90
CHEP	319.53	294.70	217.60	277.28	277.28
Rengali	732.53	754.79	850.17	779.17	779.17
Upper Kolab	531.95	565.33	787.39	628.22	628.22
Balimela	980.72	1012.07	1632.93	1208.58	1208.58
Sub-Total	3434.64	3460.49	4235.27	3710.15	3710.15
Upper Indravati	1351.49	1687.00	1392.77	1477.09	1477.09
Total	4786.13	5147.49	5628.04	5187.24	5187.24

66. The Applicant makes estimation of hydropower to the tune of **5187.24 MU** for FY 2026-27. Details of projected drawal, design energy along with other requisite details are provided in the Table below for kind consideration of the Hon'ble Commission:

Table 15: Power Purchase Projections Of State Hydro Stations (MUs)

Power House	Design Energy (MU)	GRIDCO Share %	OERC Approval for FY 2025-26 (After Loss)	Actual Drawal during 1st Six Months (April'25 to Sept.'25)	Anticipated Generation for Oct'25 to Mar'26 as submitted by OHPC	Anticipated Drawal for FY-2025-26	Generation Plan submitted by OHPC for FY 2026-27 (Incl. Loss)	OHPC Projection for FY 2026-27 (After 0.5% Trans. Loss, 0.5% Aux. Cons. & sale to CSEB)	GRIDCO Projection for FY 2026-27 (Based on 3 years Avg. Drawal)
HHEP*	684.00	100*	660.52	586.25	250	836.25	755	730.81	816.90
CHEP	490.00	100	484.12	141.95	117	258.95	301	297.99	277.28
Rengali	525.00	100	519.75	531.45	278	809.45	812	803.88	779.17
Upper Kolab	832.00	100	823.68	387.63	316	703.63	723	715.77	628.22
Balimela	1183.00	100	1171.17	703.98	575	1278.98	1325	1311.75	1208.58
Sub-Total	3714.00	100	3659.24	2351.26	1536	3887.26	3916	3860.20	3710.15

Power House	Design Energy (MU)	GRIDCO Share %	OERC Approval for FY 2025-26 (After Loss)	Actual Drawal during 1st Six Months (April'25 to Sept.'25)	Anticipated Generation for Oct'25 to Mar'26 as submitted by OHPC	Anticipated Drawl for FY-2025-26	Generation Plan submitted by OHPC for FY 2026-27 (Incl. Loss)	OHPC Projection for FY 2026-27 (After 0.5% Trans. Loss, 0.5% Aux. Cons. & sale to CSEB)	GRIDCO Projection for FY 2026-27 (Based on 3 years Avg. Drawal)
Upper Indravati	1962.00	100	1942.38	761.28	826	1587.28	1440	1425.60	1477.09
Sub-Total	5676.00		5601.62	3112.54	2362	5474.54	5356	5285.80	5187.24

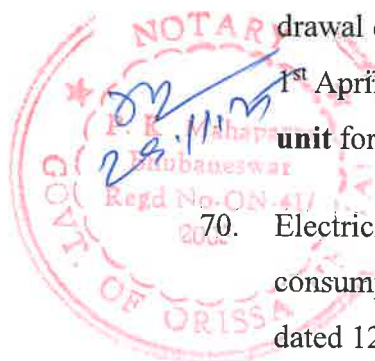
Note: * There is 5 MW allocation from Hirakud HPS i.e. 16.644 MU in favour of CSEB

** Drawal from the OHPC stations have been projected considering the avg. drawl for the preceding three years.

OHPC Stations - Power Procurement Costs

67. The Applicant submits herewith the projected power purchase cost of various OHPC stations based on the Tariff for FY 2025-26 as approved by the Hon'ble Commission in Case No. 59 of 2024 vide Order dated.24.03.2025.
68. The Applicant submits that SLDC charges have been forecasted based on the average available capacity of OHPC Power Stations as intimated by OHPC for FY 2026-27 furnished to GRIDCO vide letter No. 9199 dated 03.11.2025 (ED-6). Hon'ble Commission's order for SOC & MOC Charges for FY-2025-26 would revise the costs projected by GRIDCO for FY 2026-27 due to consequential change based on ARR order of OHPC for FY 2026-27 to be approved by Hon'ble Commission.
69. It is submitted that, as per the Odisha Gazette Notification dated 01.10.2010 and the amendment made to Rule 23-A(f) of the Odisha Irrigation Rules, the licence fee for drawal or allocation of water shall be enhanced at the rate of 10% per annum w.e.f. 1st April each year. Accordingly, the water cess has been calculated at **₹0.0209 per unit** for FY 2026-27.
70. Electricity duty has been considered at the rate of **55 P/U** towards auxiliary energy consumption of the respective stations, as per Odisha Gazette Notification No. 912 dated 12.05.2017.

Ritika Jena



Machhkund - Power procurement cost

71. The Applicant submits that, as per the original Inter-State Agreement of 1945 signed between the Governments of Andhra Pradesh and Odisha, the Machhkund Hydro Electric Project (MHEP) is a joint scheme of the two States with a sharing ratio of 70% and 30%, respectively, along with an option for the Government of Odisha to draw an additional 20% power.
72. On 23rd October'2020, an inter-state agreement was executed between the Government of Odisha/OHPC and the Government of Andhra Pradesh/APGENCO for acquisition of an additional 20% share of the joint scheme by OHPC from APGENCO, upon payment of Rs. 27.42 Crores towards the present depreciated cost of the project. Accordingly, GRIDCO is presently availing the State's share of power to the extent of 50% from the Machhkund Hydro Electric Project.
73. The energy drawal from the Machhkund Hydro Electric Project (Joint Scheme) by the State of Odisha from FY 2020-21 to FY 2025-26 (up to September 2025) is presented below for the kind appraisal of the Hon'ble Commission:

Table 16: Energy drawal from Machhkund Joint HEP

FY	TOTAL GENERATION (11 KV) (in MU)	NET DRAWAL (132 KV) (in MU)	50% of NET DRAWAL (in MU)	ODISHA DRAWAL (MU)	AP DRAWAL (MU)	SHORT DRAWAL (OF ODISHA) (in MU)
2020-21 (Dec'20 to March'21)	N. A	227.660	113.830	105.141	122.519	8.689
2021-22	718.461	691.523	345.7615	315.241	376.31	30.525
2022-23	543.734	516.296	258.148	254.597	262.127	3.551
2023-24	863.008	831.686	415.843	386.489	445.078	29.354
2024-25	481.05	456.926	228.463	213.117	243.937	15.346
2025-26 (Up to Sept'25)	373.513	358.699	179.35	170.076	188.688	9.274
Total	2979.766	3082.79	1541.3955	1444.661	1638.659	96.739

From the table above, it may be inferred that there has been a short drawal of energy of about **96.739 MU** by the State of Odisha from December'2020 to September'2025 under the Machhkund Joint Scheme. Efforts are presently underway to avail the said shortfall of energy through due consultation and coordination among OHPC, SLDC

and APGENCO, so that the entire entitled quantum of energy is duly realized at the earliest.

75. The Applicant submits that the power purchase cost of Machhkund for FY 2026-27 has been computed by applying an annual escalation factor of 5.47% on 50% of the total O&M expenses of ₹66.81 Crores, as reflected in the audited accounts of FY 2024-25. This amounts to ₹37.16 Crores, representing the projected share of O&M expenses for the Government of Odisha/OHPC for FY 2026-27, payable to the Government of Andhra Pradesh/APGENCO.
76. The Applicant requests the Hon'ble Commission to approve an amount of ₹37.16 Crores to be paid to OHPC towards 50% of the O&M expenses for procurement of the State's share of power from the Machhkund Hydro Electric Project for FY 2026-27. The Auditor's Certificate and the final bill for the State's share of O&M expenditure are enclosed herewith **(ED-7)** for kind consideration of the Hon'ble Commission.

Table 17: Power purchase cost of Machhkund for FY 2026-27

Particulars	Unit	FY 2026-27
Present Installed Capacity of MHEP (Jt.) Scheme (MW)	MW	120
(50%) Odisha Share as per revised Agreement dated 23.10.2020 (MW)	MW	60
Design Energy of MHEP for Generation (MU)	MU	525
Normative Auxiliary Energy Consumption (AUX) (%)	%	1.2%
Normative Auxiliary Energy Consumption (AUX) (MU)	MU	6.30
Saleable Design Energy for sharing between Andhra Pradesh & Odisha (MU)	MU	518.70
(50%) Saleable Design Energy Share of Odisha (MU)	MU	259.35
Drawal of Total Share of Odisha Energy by GRIDCO (MU)	MU	259.35
O&M Escalation factor @ 5.47 % for two years over the O&M Bill of MHEP for FY 2026-27.	-	1.11239209
Total Audited Cost of O&M Bill of MHEP (Jt.) for the FY-2024-25	Rs. Cr.	66.81
50% O&M Expenditure share (Orissa share of Actual O&M Expenditure for 2024-25)	Rs. Cr.	33.408
O&M Expenditure for FY 2026-27 applying the escalation factor	Rs. Cr.	37.1627
Tariff per Unit	(P/U)	143.29

77. The Hon'ble Commission may kindly consider approving the power purchase cost for OHPC stations amounting to **₹614.08 Crores**, as per the computations indicated

in the table above, including reimbursement and all other allowable costs, while determining and approving the power purchase cost of the Applicant for FY 2026-27.

The power purchase costs from OHPC stations are summarized below:

Table 18 : Projected Power purchase cost of Hydro Power Stations of OHPC and Machhkund for FY 2026-27

Name of the Power Stations	OHPC Projection for FY 2026-27	GRIDCO Projection for FY 2026-27	Annual Fixed Cost approved for FY 2025-26	Projection of annual Fixed Cost for FY2026-27 (As approved for FY 2025-26)	ED on Aux. Consumption	Water Cess Paid /payable to Govt.	SLDC Charges (SOC & MOC)	Total Projected Cost for FY 2026-27	Unit Rate for FY-2026-27
	(MU)	(MU)	(Rs. Cr.)	(Rs. Cr.)	(Rs. Cr.)	(Rs. Cr.)	(Rs. Cr.)	(Rs. Cr.)	(P/U)
HHEP	755	816.90	96.92	96.92	0.45	1.71	0.26	99.33	121.60
CHEP	301	277.28	44.87	44.87	0.15	0.58	0.06	45.66	164.68
Rengali	812	779.17	68.49	68.49	0.43	1.63	0.23	70.77	90.83
Upper Kolab	723	628.22	81.12	81.12	0.35	1.31	0.29	83.07	132.23
Balimela	1325.	1208.58	104.27	104.27	0.66	2.53	0.38	107.84	89.23
Sub-Total	3916	3710.14	395.67	395.67	2.04	7.75	1.22	406.68	109.61
Upper Indravati	1440	1477.09	165.80	165.80	0.81	3.09	0.54	170.24	115.25
Total	5356	5187.24	561.47	561.47	2.85	10.84	1.76	576.92	111.22
Machhkund		259.35	35.37	37.16				37.16	143.27
Total		5446.59	596.84	598.63	2.85	10.84	1.76	614.08	112.75



P. K. Mahapatra

Central Hydro Power Stations

Chukha HEP- Bhutan

78. GRIDCO has a share of 14.61% (Firm Allocation: 12.96% and Unallocated Share: 1.65%) in the Chukha Hydro Electric Project as per the latest ERPC Allocation Order dated 16.09.2025 (**ED-8**), which is effective from 18.09.2025. It is observed that the drawal pattern of power from Chukha HEP has been showing a declining trend from FY 2020-21 onwards. In view of this, the Applicant has projected a quantum of 172 MU from Chukha HEP for the ensuing year, considering the average drawal pattern of the last three financial years, i.e., FY 2022-23, FY 2023-24 and FY 2024-25, after deducting Central Transmission Loss of 3.61%. The detailed drawal pattern from Chukha HEP is furnished below:

Table 19: Drawl from Chukha HEP (in MU)

FY	April-Sept	Oct-Mar	Total
2022-23	192.092468	47.930307	240.02278
2023-24	119.894793	21.413865	141.30866
2024-25	125.206617	26.880703	152.08732
2025-26	164.935121	-	-
Average Drawal (Corresponding Period, Previous 3- Year Rolling Avg.)	136.678843	32.074958*	168.753802
Proposed Drawl for FY-2026-27 after deducting Central Transmission Loss @3.61%			162.66
Proposed Drawl for FY2026-27 (Rounded Off)			163

* Oct '25-Mar '26 average is based on corresponding period data of the previous three years (FY 2022-23 to FY 2024-25), as actual figures are not yet available.

79. The Applicant submits that it has considered a rate of 315.38 P/U (including Trading Margin @ 4 P/U and Central Transmission Loss of 3.61%) for the energy proposed to be availed from Chukha HEP, in accordance with the Office Memorandum issued by the Ministry of External Affairs, Government of India. Copies of the relevant Office Memorandum dated 08.03.2018 issued by the Ministry of External Affairs,

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Government of India, along with PTC's letter No. C/PTC/Chukha/7388 dated 13.03.2018 in this regard, are annexed as **ED-9**.

80. The effective power purchase cost from Chukha Hydro Station for the projected drawal of **163 MU** works out to **Rs. 51.41 Crores @ 315.38 P/U** for FY 2026-27, as indicated in the following table:

Table 20: Proposed Power Purchase Quantum & Cost for Chukha HEP for FY 2026-27

Particulars	Unit	Amount
Proposed Energy Drawal	MU	163
Energy Charge including PTC INDIA charge P/U	P/U	304
Effective Energy Charge rate considering CTU Loss @3.61%	P/U	315.38
Power Purchase Cost	Rs. Crores	51.41

Tala HEP

81. It is submitted that GRIDCO has a share of 4.25% from the installed capacity of 1020 MW in the Tala Hydro Electric Project as per the latest ERPC Allocation Order dated 16.09.2025 (**ED-8**), which came into effect from 18.09.2025. It is observed that the drawal of power from Tala HEP has been showing a declining trend since FY 2020-21. Accordingly, the Applicant has projected a drawal of **59 MU** from Tala HEP for the ensuing year, based on the average drawal pattern of the last three financial years, i.e., FY 2022-23, FY 2023-24, and FY 2024-25, after accounting for Central Transmission Loss of 3.61%. The year-wise drawal pattern from Tala HEP is furnished below:

Table 21 : Drawl from Tala HEP (in MU)

FY	April-Sept	Oct-Mar	Total
2022-23	87.40	13.55	100.9481
2023-24	49.75	2.75	52.51
2024-25	30.07	4.311	34.381
2025-26	83.80	-	-
Average Drawal (Corresponding Period, Previous 3-Year Rolling Avg.)	54.54	6.87*	61.41

Proposed Drawl for FY-2026-27 after deducting Central Transmission Loss @3.61%		59.19
Proposed Drawl for FY2026-27 (Rounded Off)		59

* Oct '25-Mar '26 average is based on corresponding period data of the previous three years (FY 2022-23 to FY 2024-25), as actual figures are not yet available.

82. GRIDCO has considered a power purchase rate of **235.50 P/U** (including Trading Margin @ 4 P/U and Central Transmission Loss of 3.61%) for drawal of power from Tala HEP, based on PTC letter No. C/PTC/Tala/14169 dated 11th November'2021, enclosed as **ED-10**.
83. The effective power purchase cost from Tala HEP for the projected drawal of **59 MU @ 235.50 P/U** works out to **Rs. 13.89 Crores** for the ensuing year. The detailed calculation is presented in the table below:

Table 22: Proposed Power Purchase & Cost of Tala HEP for FY 2026-27

Particulars	Unit	Amount
Proposed Energy Drawal	MU	59
Energy Charge including PTC INDIA charge P/U	P/U	227
Effective Energy Charge rate considering CTU Loss @3.61%	P/U	235.50
Power Purchase Cost	Rs. Crores	13.89

Mangdechhu HEP

84. It is submitted that GRIDCO has a share of 10.796% (Firm Allocation: 9.33% and Unallocated Share: 1.47%) of the installed capacity of 720 MW, equivalent to a capacity share of 77.736 MW, in the Mangdechhu Hydro Electric Project as per the latest ERPC Allocation Order dated 16.09.2025 (**ED-8**), which came into effect from 18.09.2025. It is observed that the drawal of power from Mangdechhu HEP has been showing a declining trend since FY 2020-21. Accordingly, the Applicant has projected a drawal of **278 MU** from Mangdechhu HEP for the ensuing year, based on the average drawal pattern over the last three financial years, i.e., FY 2022-23, FY 2023-24, and FY 2024-25. The detailed calculation of power proposed to be availed by GRIDCO from Mangdechhu HEP is furnished below.



Ritika Jaiswal

Table 23 : Drawl from Mangdechhu HEP (in MU)

FY	April-Sept	Oct-Mar	Total
2022-23	236.46	59.40	295.87
2023-24	229.27	34.09	263.36
2024-25	224.28	59.24	283.52
2025-26	259.98	-	-
Average Drawal (Corresponding Period, Previous 3- Year Rolling Avg.)	237.84	50.91*	288.75
Proposed Drawl for FY-2026-27 after deducting Central Transmission Loss @3.61%			278.33
Proposed Drawl for FY2026-27 (Rounded Off)			278

* Oct '25-Mar '26 average is based on corresponding period data of the previous three years (FY 2022-23 to FY 2024-25), as actual figures are not yet available.

85. GRIDCO has considered a power purchase rate of 478.27 P/U (including Trading Margin @ 4 P/U and Central Transmission Loss of 3.61%) for the drawal of power from Mangdechhu HEP, based on the Protocol to the Agreement between the Government of the Republic of India and the Royal Government of Bhutan regarding Mangdechhu HEP dated 23rd April'2019, and the Power Sale Agreement executed between PTC and GRIDCO dated 30th August'2019. Copies of the aforesaid documents are enclosed as **ED-11**.

86. The effective power purchase cost from Mangdechhu HEP for the projected drawal of 278 MU @ 478.27 P/U works out to **Rs. 132.96 Crores** for FY 2026-27. The detailed computation is presented in the following table:

Table 24 : Proposed Power Purchase & Cost of Mangdechhu HEP for FY 2026-27

Particulars	Unit	Amount
Proposed Energy Drawal	MU	278
Energy Charge including PTC INDIA charge P/U	P/U	461
Effective Energy Charge rate considering CTU Loss @3.61%	P/U	478.27
Power Purchase Cost	Rs. Crores	132.96

Kurichhu HEP

87. ERPC, vide its letter dated 15.02.2023, has reallocated the power from Central Generating Stations of the Eastern Region and Bhutan Hydro Power Stations through uniform distribution of unallocated power among Eastern Region beneficiaries from the Eastern Region Pool. This reallocation has been carried out as per the directives of the Central Electricity Authority (CEA) and the Ministry of Power. Accordingly, GRIDCO has been allotted an unallocated share from the Kurichhu Hydro Electric Project of Bhutan, from which it previously had no firm allocation. As per the latest ERPC allocation Order dated 16.09.2025, which came into effect from 18.09.2025, GRIDCO has been allocated an unallocated share of 1.02%, corresponding to 0.611 MW from Kurichhu HEP of Bhutan. It is observed that the drawal of power from Kurichhu was nil during FY 2024-25. However, the drawal up to September'2025 in FY 2025-26 amounts to 1.06659 MU. In view of this, the Applicant has proposed a drawal of 1 MU from Kurichhu HEP for the ensuing year.

Table 25 : Proposed Drawal from Kurichhu HEP for FY 2026-27

Financial Year 2025-26	Drawal (MU)
Proposed drawl (MU)	1.0

88. The effective power purchase cost from Kurichhu HEP for the projected drawal of 1 MU @ 236.54 P/U (including Trading Margin @ 4 P/U and Central Transmission Loss of 3.61%) works out to **Rs. 0.237** Crores for FY 2026-27. The detailed computation is presented in the following table:

Table 26 :Proposed Power Purchase & Cost of Kurichhu HEP for FY 2026-27

Particulars	Unit	Amount
Proposed Energy Drawal	MU	1.00
Energy Charge including PTC INDIA charge P/U	P/U	228.00
Effective Energy Charge rate considering CTU Loss @3.61%	P/U	236.54
Power Purchase Cost	Rs. Crores	0.237

89. As per Clause 5.3 of the Power Purchase Agreement executed between PTC and GRIDCO on 09.08.2024 and duly approved by the Hon'ble OERC:

Bhutan power purchase

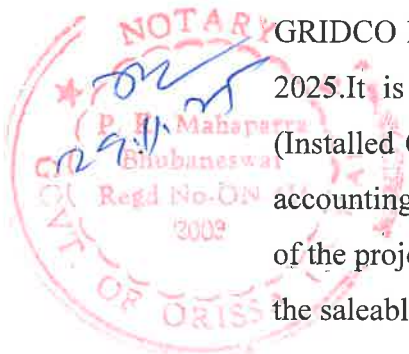
“xxxxx Further, the Bulk Power Customer(s) shall also pay to PTC the charges incidental to Clause 4.3 above for operation & maintenance, insurance etc. of the 132 kV Deothang-Rangia transmission line as may be payable to POWERGRID.”

In compliance with the above provision, GRIDCO is making quarterly payments of Rs. 48,050/- towards Operation and Maintenance charges of the 132 kV Deothang-Rangia transmission line of PGCIL. Accordingly, the Applicant submits that an amount of Rs. 1,92,200/- may kindly be approved in the ARR of GRIDCO for FY 2026-27 towards O&M charges of the Deothang-Rangia line.

Punatsangchhu-II HEP

90. GRIDCO has been allocated 104 MW of power from the Punatsangchhu-II Hydro Electric Project (HEP) as per the Ministry of Power, Government of India, Allocation Order dated 01.09.2025. A copy of the said MoP Order is enclosed as **ED-12**. Further, as per the latest ERPC Allocation Order dated 16.09.2025 (**ED-8**), GRIDCO has been allocated a total share of 12.033514% (Firm Allocation: 10.20% and Unallocated Share: 1.83%) from Punatsangchhu-II HEP, equivalent to 122.742 MW (comprising Firm: 104.04 MW and Unallocated: 18.702 MW). The Ministry of Power, Government of India, has designated NVVN as the Nodal Agency for procurement of power from Punatsangchhu-II HEP. NVVN, vide its e-mail dated 15.09.2025, has communicated an indicative first-year tariff of Rs. 5.10 per unit (exclusive of Trading Margin of Rs. 0.07 per unit), pending finalisation of the protocol between the Government of India and the Royal Government of Bhutan. A copy of the said e-mail of NVVN is enclosed as **ED-13**. The Power Purchase Agreement between the two governments is currently under process, following which the Power Supply Agreements (PSAs) will be executed with the respective beneficiaries. The scheduling of power from Punatsangchhu-II HEP commenced at 00:00 hours on 20th September'2025. As per the final schedule published on the ERLDC website, GRIDCO has drawn 26 MU of power during the period from 20.09.2025 to 30.09.2025. It is submitted that the Annual Design Energy of Punatsangchhu-II HEP (Installed Capacity: 1020 MW = 6x170 MW) located in Bhutan is 4575 MU. After accounting for 1.20% towards Auxiliary Consumption, the Annual Saleable Energy of the project works out to 4520.1 MU. Considering GRIDCO's share of 12.033% of the saleable energy, the Applicant proposes a drawal of 500.29 MU during FY 2026-

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27 after factoring in Central Transmission Loss of 3.61%. The detailed computation of the proposed energy drawal from Punatsangchhu-II HEP is presented in the table below:

Table 27 : Proposed Drawl from Punatsangchhu-II HEP for FY 2026-27

Particulars	MU
Design Energy	4575
Annual saleable Energy available considering 1.20% Auxiliary energy consumption	4520.1
GRIDCO Share (%)	12.033
Availability	543.90
Proposal drawl after deducting Central Transmission Loss @ 3.61%	524.27
Proposed drawl (MU)	524

91. The effective power purchase cost from Punatsangchhu-II HEP for the projected drawal of **524 MU @ 536.36 P/U** (including Trading Margin @ 7 P/U and Central Transmission Loss of 3.61%) works out to **Rs. 281.05 Crores** for FY 2026-27. The detailed computation is presented in the following table:

Table 28: Proposed Power Purchase & Cost of Punatsangchhu-II HEP for FY 2026-27

Particulars	Unit	Amount
Proposed Energy Drawl	MU	524
Energy Charge including NVVN charge P/U (7 P/U)	P/U	517
Energy Charge including CTU Loss of 3.61%	P/U	536.36
Power Purchase Cost	Rs. Crores	281.05

Teesta - V HEP

92. It is submitted that the Annual-Design Energy of the Teesta-V Hydro Electric Project (Installed Capacity: 510 MW) located in Sikkim is 2572.67 MU. After accounting for 12% free energy to the Home State, Sikkim, and 1.20% towards Auxiliary Consumption, the Annual Saleable Energy of the project is estimated at 2236.78 MU.

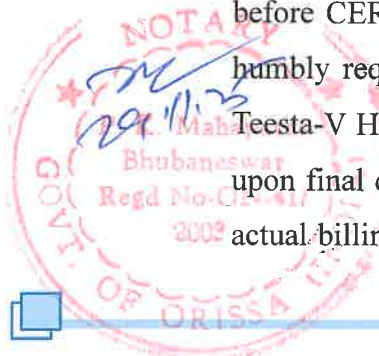
GRIDCO has a share of 22.42% (Firm Allocation: 20.59% and Unallocated Share: 1.83%) in the Teesta-V Hydro Electric Project as per the latest ERPC Allocation Order dated 16.09.2025 vide **ED-8**. Including the 12% free power to the home state Sikkim, the effective share of GRIDCO works out to 25.48%. As per the prevailing methodology, the proposed drawal from Teesta-V HEP for FY 2026-27 is estimated at 549 MU after accounting for Central Transmission Loss of 3.61%. However, due to the heavy rainfall and subsequent damage to the power station on 4th and 5th October'2023, the Teesta-V HEP was rendered non-operational. As per the communication received from NHPC, enclosed herewith as **ED-14**, the Teesta-V HEP is expected to resume operation by March 2026. In view of the above, it is humbly submitted before the Hon'ble Commission to consider and approve the proposed Energy Drawal as well as the corresponding Power Purchase Cost of Teesta-V HEP for FY 2026-27 as detailed below:

Table 29 : Proposed Drawl from Teesta-V HEP for FY 2026-27

Particulars	MU
Design Energy	2572.67
Annual saleable Energy available considering 1.20% Auxiliary energy consumption and 12% free energy for home State	2236.78
GRIDCO Share (%)	25.48
Availability	569.93
Proposal drawl after deducting Central Transmission Loss @ 3.61%	549.35
Proposed drawl (MU) (Rounded Off)	549

93. It is submitted that the CERC has notified the CERC Tariff Regulations, 2024, which came into force with effect from 01.04.2024 for the control period 2024-29. In pursuance of the said Regulations, NHPC has filed tariff petitions before CERC for determination of tariff in respect of its central hydro generating stations.

94. It is submitted that the Applicant has relied upon the tariff petition filed by NHPC before CERC to derive the fixed cost for FY 2026-27. Accordingly, the Applicant humbly requests the Hon'ble Commission to approve the power purchase cost of Teesta-V HEP based on the petition filed by NHPC with CERC, subject to revision upon final determination of tariff by CERC. It is further submitted that reliance on actual billing data of NHPC would not have been an appropriate approach, as such



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data pertains to the tariff determined for the previous control period, whereas the tariff determination for the current control period remains sub-judice.

95. The Annual Fixed Cost (AFC) of Teesta-V Station, as proposed in the tariff petition filed by NHPC for the control period 2024-2029, is **Rs. 541.6290 Crores**. Considering GRIDCO's share of 25.48% (comprising the State share of 22.42% and 12% free power to Sikkim), the procurement of energy from Teesta-V Station is estimated at around **549 MU**, involving a total power purchase cost of Rs. 138 crores for FY 2026-27. Of this, **Rs. 69 Crores** is considered towards fixed cost and the balance **Rs. 69 Crores** towards variable cost.
96. Thus, the Hon'ble Commission is humbly requested to approve the power purchase cost of Teesta-V HEP based on the tariff petition filed by NHPC before the Hon'ble CERC, subject to revision upon pronouncement of the final order by CERC in this regard.

Table 30 : Power purchase cost of Teesta-V for FY-2026-27

Station	Energy (MU)	Energy Charges (50% of AFC) (Rs. Cr.)	Capacity Charges (50% AFC) (Rs. Cr.)	Year End charges (RLDC Charges) (Rs Cr.)	Total Cost (Rs. Cr.)	Average Rate (P/U)
Teesta-V	549	69	69	0.13	138.14	251.62

Rangit HEP

97. ERPC, vide its letter dated 15.02.2023, has reallocated the power from Central Generating Stations of the Eastern Region and Bhutan Hydro Power Stations through uniform distribution of unallocated power among the Eastern Region beneficiaries from Eastern Region pool. This reallocation has been undertaken as per the directives of the CEA and the Ministry of Power. Accordingly, GRIDCO has been allocated an unallocated share from the Rangit Hydro Power Station of NHPC Ltd., from which it previously had no firm allocation. As per the latest ERPC Allocation Order dated 16.09.2025, effective from 18.09.2025, GRIDCO has been allotted an unallocated share of 1.83%, corresponding to 1.10 MW from the Rangit Hydro Electric Project of NHPC. Including the 12% free power to the Home State of Sikkim, the overall

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share of GRIDCO works out to 2.08%. Based on the design energy of the station, 12% free power to the Home State, Central Transmission Utility (CTU) losses of 3.61%, and the latest share allocation made by ERPC, the Applicant proposes a drawal of around **6 MU** from Rangit HEP during FY 2026-27.

Table 31: Proposed Drawl from Rangit HEP for FY 2026-27

Particulars	MU
Design Energy	338.61
Annual saleable Energy available considering 1.20% Auxiliary energy consumption and 12% free energy for home State	294.40
GRIDCO Share (%)	2.08%
Availability	6.1235
Proposal drawl after deducting Central Transmission Loss @ 3.61%	5.904
Proposed drawl (MU) (Rounded Off)	6.00

98. NHPC has filed the tariff petition for the control period 2024-29 before the Hon'ble CERC. Accordingly, the Applicant humbly requests the Hon'ble Commission to approve the power purchase cost of Rangit HEP based on the tariff petition filed by NHPC before CERC, subject to revision upon issuance of the final tariff order by CERC. The Annual Fixed Cost (AFC) of Rangit HEP for FY 2026-27, as proposed in the tariff petition filed by NHPC, is **Rs. 141.3976 Crores**. Considering GRIDCO's share of 2.08% (comprising the State share of 1.833% and 12% free power to the Home State, Sikkim), the procurement of energy from Rangit HEP is estimated at around **6 MU**, involving a total cost of **Rs. 2.94 Crores** for FY 2026-27. Out of this, Rs. 1.47 Crores is considered towards fixed cost and the balance Rs. 1.47 Crores towards variable cost.

Table 32 : Power purchase cost of Rangit HEP for FY-2026-27

Station	Energy (MU)	Energy Charges (50% of AFC) (Rs. Cr.)	Capacity Charges (50% AFC) (Rs. Cr.)	Year End charges (RLDC Charges) (Rs Cr.)	Total Cost (Rs. Cr.)	Average Rate (P/U)
Rangit	6.00	1.47	1.47	0.0013	2.94	490

99. The summary of the estimated power purchase quantum and corresponding cost from Chukha, Tala, Mangdechhu, Kurichhu, Punatsangchhu-II, Teesta-V, and Rangit Hydro Electric Projects has been presented in the table below. The Hon'ble Commission is humbly requested to consider and approve the same.

Table 33: Summary of Purchase Quantum & Cost from Central Hydro Stations for FY 2026-27

Central Hydro Stations	Energy (MU)	Fixed charges (Rs Cr.)	Variable charges (Rs Cr.)	Year End charges (Rs Cr.)	Total projected Cost (Rs Cr)	Rate P/U
Chukha	163.00		51.41		51.41	315.39
Tala	59.00		13.89		13.89	235.50
Mangdechhu	278.00		132.96		132.96	478.27
Punatsangchhu-II HEP	524.00		281.05		281.05	536.36
Kurichhu	1.00		0.24		0.24	236.54
Rangit	6.00	1.47	1.47	0.0013	2.94	490.40
Teesta-V	549.00	69.00	69.00	0.13	138.14	251.62
Total Central Hydro	1580.00	70.47	550.02	0.131	620.63	392.80



Subin Prasad Mishra

Solar Energy

100. It is submitted that presently, GRIDCO is procuring around 1391 MW of solar capacity from the projects commissioned both in State (416 MW) and outside the State (975 MW).
101. The Applicant submits that based on the last three years of solar generation pattern, it has estimated to procure around **3671 MU** of Solar energy during FY 2026-27 from the following stations as summarised in the Table below:

Table 34: Proposed Drawl of Solar Power during FY 2026-27

Sl. No.	Solar RE Sources	Energy Proposed for FY 2026-27 (MU)
1	8 Nos. of Solar PV projects of 1 MW each under RPSSGP	10
2	20 MW from NVVN through 'New Projects scheme' under JNNM, Phase-1	28
3	10 MW through NTPC from 5 MW Solar PV project at Dadri & Faridabad	13
4	5 MW from M/s Alex Green Energy Ltd. through OREDA State Scheme	8
5	25 MW from M/s. ACME Odisha Solar Power Private Limited	46
6	70MW through Solar Energy Corporation of India (SECI) under JNNM, Phase -II, Batch-I	117
7	270MW through Solar Energy Corporation of India (SECI) VGF Scheme under JNNM, Phase -II, Batch-IV	450
8	75 MW from M/s Aditya Birla Renewables Ltd. procured through GRIDCO e-bidding process	145
9	300 MW Solar power through SECI under ISTS-Connected Solar Power projects scheme	710
10	200 MW Solar power through SECI under ISTS-Connected Solar Power projects scheme	474
11	8 MW from GEDCOL implemented in un-utilized surplus land	12
12	400 MW through NTPC under ISTS Solar	854
13	333 MW through SECI under manufacturing linked Scheme	730
14	40 MW from NHPC	74
Total		3671

13.6 bn proposed investment

102. GRIDCO has executed a Power Sale Agreement on 22.07.2021 with SECI towards procurement of power from 500 MW Solar Projects under the ISTS-connected Manufacturing Linked Scheme. Out of the total contracted solar capacity of 500 MW,



333 MW of solar capacity will be available from M/s Adani Green Energy Twenty Six Ltd. in December'2025, as intimated by SECI. However, the availability of the balance 167 MW is still dubious, as M/s Azure Power Fifty Two Pvt. Ltd., the SPD has expressed its inability to execute the project. SECI has yet to confirm a replacement developer although GRIDCO has already provided consent to SECI to procure the balance 167 MW of solar capacity from another developer under the same tariff of Rs.2.61/kWh and on identical terms and conditions of the Power Sale Agreement. Accordingly, GRIDCO is expected to avail around 730 MU of energy from the 333 MW solar project, which is likely to achieve CoD in December' 2025.

103. The Solar tariffs mentioned in the respective agreements executed with the Developers/Agencies and duly approved by the Hon'ble Commission have been considered for the Solar projects.

104. GRIDCO proposes to procure solar power during FY 2026-27 from various sources and schemes as detailed below:

a. Under RPSSGP Scheme:

◆ 10 MU from 8 Nos. of 1 MW Solar PV Projects at a rate of 628 P/U.

b. Through NVVN Ltd. under the New Project Scheme:

◆ 28 MU at a rate of 1065 P/U.

c. Under OREDA State Schemes:

◆ 8 MU of solar power from M/s Alex Green Energy Pvt. Ltd. at 700 P/U.

◆ 46 MU of solar power from M/s ACME Odisha Solar Power Pvt. Ltd. at 728 P/U.

d. Through SECI:

◆ 117 MU under VGF Scheme, Phase-II, Batch-I at 550 P/U, at a total cost of Rs. 64.35 crore.

◆ 450 MU under VGF Scheme, Phase-II, Batch-IV at 450 P/U, at a total cost of Rs. 202.50 crore.

e. From NTPC-Bundled Scheme:

◆ 6 MU from the 5 MW Faridabad SPV Project at 935 P/U, amounting to Rs. 5.61 crore.

◆ 7 MU from the 5 MW Dadri SPV Project at 1294 P/U, amounting to Rs. 9.06 crore.



Biggest investor not expected

f. Under GRIDCO e-bidding Scheme (M/s Aditya Birla Renewables Ltd.):

◆ 145 MU of solar power from three SPV projects located at:

- ❖ Boudh @ Rs. 3.06/kWh (306 P/U)
- ❖ Bargarh @ Rs. 3.06/kWh (306 P/U)
- ❖ Bolangir @ Rs. 2.99/kWh (299 P/U)

g. Under SECI ISTS-connected Solar Power Projects:

- ◆ 710 MU @ 260 P/U under Tranche-I Scheme.
- ◆ 474 MU @ 265 P/U under Tranche-III Scheme.

h. From GEDCOL Solar PV Projects:

◆ Around 12 MU of energy export is expected from the 8 MW Solar PV Projects developed by GEDCOL at five locations:

- ❖ Three OPTCL substations - Baripada, Jayanagar, and New Bolangir.
- ❖ OHPC Mukhiguda Power House.
- ❖ GEDCOL Manamunda Solar Plant premises.

i. NTPC ISTS Solar Projects:

- ◆ Around 854 MU @ 250 P/U is expected to be procured by GRIDCO, at a total cost of Rs.213.50 Crores. No ISTS charges or transmission losses are applicable for the said solar project.

105. In addition to the above, it is submitted that GRIDCO is expecting to avail power from the upcoming solar projects scheduled to be commissioned by the end of March'2026, the details are as follows

a. SECI 500 MW ISTS Solar Tranche-1 of the Manufacturing Linked Scheme of MNRE:

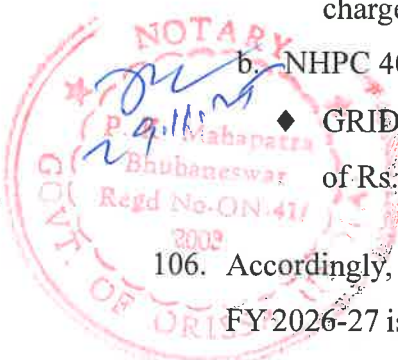
- ◆ Around **730 MU** of solar energy @ 261 P/U is expected to be procured during FY 2026-27, at a total cost of 190.53 Crores. There shall be a waiver of ISTS charges for availing this solar power.

b. NHPC 40 MW Solar Project:

- ◆ GRIDCO also expects to buy around 74 MU energy @ 275 P/U at a total cost of Rs.20.35 Crores.

106. Accordingly, the estimated procurement of around **3671 MU** of solar power during FY 2026-27 is expected to be made available at a total cost of around **Rs. 1139 Crore**, at an average proposed rate of **310 P/U**.

Bidder proposed mechanism



107. The details of projected procurement and cost of Solar Power by GRIDCO for FY 2026-27 is given in the Table below:

Table 35: Proposed Quantum & Power Purchase Cost from Solar Power Plants during FY 2026-27

Sl. No	Solar RE Sources	Energy Proposed for FY 2026-27 (MU)	Year of Commissioning	OERC Approved Rates for FY 2025-26 (P/U)	Proposed Rates for FY 2026-27 (P/U)	Estimated Total Cost for FY 2026-27 (Rs. Cr.)
EXISTING PROJECTS						
1	8 Nos. of Solar PV projects of 1MW each under RPSSGP*	10	FY 2011-12	628	628	6.28
2	20 MW through NVVN under 'New Projects scheme' under JNNM, Ph-1	28	FY 2013-14	1065	1065	29.82
3	10 MW through NTPC from each 5 MW Solar PV projects at Dadri & Faridabad	13	FY 2013-14	1294 & 935	7 MU @1294 P/U & 6 MU @935 P/U	14.67
4	5 MW from M/s Alex Green Energy Ltd. through OREDA State scheme	8	FY 2014-15	700	700	5.60
5	25 MW from ACME Odisha Solar Power Private Ltd.	46	FY 2015-16	728	728	33.49
6	70MW through Solar Energy Corporation of India (SECI) under JNNM, Phase -II, Batch-I	117	FY 2015-16	550	550	64.35
	270MW through SECI under JNNM, Phase - II, Batch-IV	450	FY 2018-19	450	450	202.50

Bottom provided not provided



Sl. No	Solar RE Sources	Energy Proposed for FY 2026-27 (MU)	Year of Commissioning	OERC Approved Rates for FY 2025-26 (P/U)	Proposed Rates for FY 2026-27 (P/U)	Estimated Total Cost for FY 2026-27 (Rs. Cr.)
8	75 MW from M/s. Aditya Birla Renewables Ltd. under GRIDCO e-bidding.	145	FY 2020-21	306	306	44.37
9	300 MW through SECI under ISTS - Connected Solar Power Projects Scheme	710	FY 2020-21	260	260	184.60
10	200 MW through SECI under ISTS - Connected Solar Power Projects Scheme	474	FY 2021-22	265	265	125.61
11	8 MW from GEDCOL implemented in un-utilized surplus land	12	FY 2023-24	284	284	3.41
12	400 MW through NTPC under ISTS Solar under two PSAs	854	FY 2025-26	250	250	213.50
	Sub Total	2867				928.19
UPCOMING PROJECTS						
15	333 MW through SECI under manufacturing linked Scheme	730	SCOD during December 2025	261	261	190.53
16	40 MW from NHPC	74	SCOD during December 2025	275	275	20.35
	Sub Total	804				210.88
	Total	3671			310.29	1,139.07

Pidm passed notary



108. Distributed Renewable Energy Sources:

Distributed Renewable Energy (DRE) refers to decentralized renewable energy systems, typically small-scale generation sources connected to the distribution network (below 33 kV) or operating off-grid, such as:

- A. Rooftop solar systems under PM Surya Ghar and Phase-II Rooftop Solar programs
- B. Agricultural feeder and pump solarization projects under PM-KUSUM
- C. Small ground-mounted solar plants and community-based microgrids

The DRE component in the MoP's RCO trajectory ensures a balanced and inclusive renewable transition, complementing large-scale renewable projects with distributed generation at the consumer and community level. Its inclusion reflects a forward-looking policy measure that not only supports national energy goals but also strengthens Odisha's decentralized clean energy ecosystem.

Implementation of PM-KUSUM SCHEME

- ◆ The Hon'ble Commission may kindly note that, to meet the Distributed Renewable Energy (RE) target, GRIDCO has executed Tri-partite Agreements for a total capacity of around 80.50 MW under the PM-KUSUM Scheme. This includes 40 MW under Component-A at a tariff of 440 P/U (out of the OERC-approved capacity of 50 MW) and 40.50 MW under Component-C2 at a tariff of 376 P/U (out of the aggregated solar capacity of 74.16 MW). These projects are expected to be commissioned by March'2026.
- ◆ Further, MNRE has also allocated an additional 50 MW under the PM KUSUM Scheme-A, thereby taking the total solar capacity for Odisha to 90 MW. As per the Petition filed by the DISCOMs under Case No.96/2025 before the Hon'ble Commission, it is observed that the tariff discovered in the 2nd phase for procurement of power under this Scheme is 376 P/U.
- ◆ In view of the above, GRIDCO is expecting to avail around 69 MU of energy @ Rs.4.40/kWh at a total cost of Rs.30.28 Crore and around 55 MU of energy @Rs.3.76/kWh at a cost of Rs.20.70 Crore during the financial year under Category "A", subject to approval of the Hon'ble OERC.

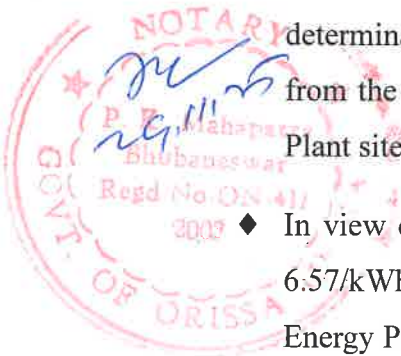
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- ◆ Similarly, with TPPA capacity of 40.50 MW under PMKUSUM-C Scheme, GRIDCO is expected to procure around 56 MU of energy @376 P/U (as approved by the Hon'ble Commission vide Order dated 19.12.2024 in Case No.48/2024) at a total cost of Rs.21.22 crore for FY 2026-27.
- ◆ It is submitted that the implementation of PM-KUSUM Scheme in the State will ensure energy security for farmers by providing reliable daytime solar power for irrigation, thereby reducing dependence on grid supply and costly diesel. Additionally, farmers will have the opportunity to earn supplementary income by selling surplus solar power (under Component-A), making agriculture more remunerative and sustainable.

40 kW Bio-methanation Power Plant at Rourkela

- ◆ In line with the Government of India's Waste-to-Energy Policy and the Odisha Renewable Energy Policy, 2022, GRIDCO is planning to procure power from the 40 kW Biomethanation Waste-to-Energy (WtE) Power Plant being established under the initiative of the Rourkela Municipal Corporation at Rourkela, Odisha, as the first pilot project under WtE technology. This project aims to demonstrate scientific waste management and renewable power generation through biomethanation technology, thereby contributing to the State's Renewable Consumption Obligation (RCO) under DRE category and supporting the objectives of the Swachh Bharat Mission.
- ◆ The proposal for the said project was approved by the SWC in 2023 and the commissioning timeline has been extended to 30th November'2025. GRIDCO is in the process of finalising the draft PPA in coordination with M/s RMC with a provisional tariff of Rs.6.57/kWh, subject to approval of the Hon'ble OERC and determination of the tariff under Section 62 of EA,2003 within the three months from the CoD. The Municipal Solid Waste will be provided by the RMC at the Plant site at Zero cost to be used as fuel for generation of electricity.
- ◆ In view of the above, GRIDCO proposes to procure around 0.144 MU @ Rs. 6.57/kWh at a total cost Rs. 0.09 Crore for FY 2026-27 from the 40 kW Waste-to-Energy Project.



B-Block proposed not to start

- ◆ Further, under the PM Surya Ghar Muft Bijli Yojana, as per data received from the DISCOMs, around 158 MW of rooftop solar projects have been installed across the State under the net metering regulations by the end of October'2025, contributing to the DRE component of the Renewable Consumption Obligation of the DISCOMs. Additionally, this Scheme empowers households to become “prosumers” (producers + consumers), thereby reducing dependence on grid supply and alleviating peak demand pressure by generating power at the consumer end. In view of the above, GRIDCO is expecting to avail power of around 400 MW (estimated energy of around 584 MU) under the PM Surya Ghar Muft Bijli Yojana and other off grid projects. Furthermore, GRIDCO anticipates additional energy from the Projects being implemented by OREDA such as PM KUSUM-B Scheme, Micro grids, rooftop solar systems (RTS) without net metering and off grid projects, solarised street lights, if any under the DRE category.
- ◆ It is kindly submitted that under DRE category excluding the RTS, GRIDCO is proposing to procure around 180 MU @401 P/U at the total cost of Rs.72.29 Crore for FY 2026-27.

◆ The details of projected procurement and cost of DRE sources by GRIDCO for FY 2026-27 is given in the Table below:

Table 36: Proposed Quantum & Power Purchase Cost from DRE Sources during FY 2026-27

Sl. No	DRE Sources	Energy Proposed for FY 2026-27 (MU)	Year of Commissioning	OERC Approved Rates for FY 2025-26 (P/U)	Proposed Rates for FY 2026-27 (P/U)	Estimated Total Cost for FY 2026-27 (Rs. Cr.)
1	50 MW under PM KUSUM A Scheme	69	FY 2026-27	-	440	30.36
2	40 MW under PM KUSUM A Scheme	55	SCOD during March 2026	-	376	20.68
3	41 MW under PM KUSUM C2 Scheme	56	SCOD during March 2026	-	376	21.06
4	40 kW Biomethanation cum Waste to Energy project	0.144	SCOD during January 2026	-	657	0.09
	Total	180.144			400.74	72.19

Notary

Small / Mini Hydro Electric Projects

109. It is submitted that currently, GRIDCO is procuring **134.15 MW** of power from the Small/Mini Hydro Electric Projects commissioned within the State.
110. The Hon'ble Commission vide its Order dated 28.07.2025 in Case No. 35/ 2025 approved the procurement of the entire power from the 25 MW Shaheed Lakhman Nayak Small Hydro Electric Project (SHEP) and accorded approval to the draft Power Purchase Agreement (PPA). Accordingly, GRIDCO executed the PPA with M/s Meenakshi Odisha Power Pvt. Ltd. on 01.09.2025. By the time of execution of PPA, the 25 MW SHEP was commissioned and the entire power from the said SHEP was available to GRIDCO.
111. The Hon'ble Commission may kindly note that during FY 2024-25, GRIDCO procured a total of **451.01 MU** from Small / Mini Hydro Projects and around **288.13 MU** during the first six months of FY 2025-26.
112. For the projection of FY 2026-27, the average of the actual energy drawal over the past three years from the 37 MW Lower Kolab & Middle Kolab SHEP, 20 MW Samal Barrage SHEP, 1.15 MW MHPs of OPGC, 24 MW Lower Baitarani SHEP, 18 MW Saptadhara SHEP, and 9 MW Bargarh Head Regulator SHEP has been considered, in accordance with Clause 5.5.3 of the RST Regulation, 2022.
113. As per the Techno Economic Clearance dated 18.06.2021 issued by Govt. of Odisha in favour of the 25 MW Shaheed Lakhman Nayak SHEP, the approved Annual Saleable Energy is 93.98 MU and the same has been considered in the ARR for 2026-27.

114. GRIDCO proposes to draw around **521.97 MU** of Renewable Energy from different SHEPs situated within the state during FY 2026-27, as detailed below:

Table 37: Proposed Drawal from the SHEPs during FY 2026-27

Name of the SHEPs	Installed Capacity	Energy drawal during FY 2024-25	Energy drawal during Apr.-Sept. of FY 2025-26	Proposed Energy procurement for FY 2026-27
	(MW)	(MU)	(MU)	(MU)
Lower Kolab and Middle Kolab SHEP by M/s	37	202.67	115.06	180.98

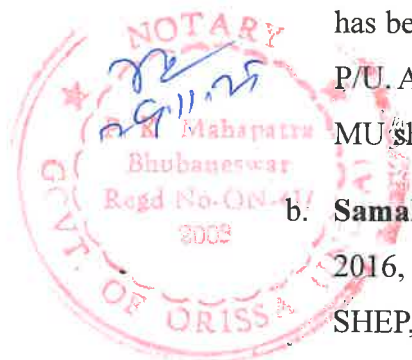
Name of the SHEPs	Installed Capacity	Energy drawal during FY 2024-25	Energy drawal during Apr.-Sept. of FY 2025-26	Proposed Energy procurement for FY 2026-27
Meenakshi Power Ltd. through PTC				
SAMAL Barrage SHEP by M/s OPCL through PTC	20	98.03	43.12	93.91
OPGC MHP	1.15	0.05	-	0.09
Lower Baitarani SHEP by M/s BPPPL	24	78.71	74.29	80.01
Saptadhara SHEP by M/s APPPL	18	37.60	42.95	43.42
Bargarh Head Regulator SHEP by M/s Kakatiya Industries Pvt. Ltd.	9	33.95	12.71	29.58
Shaheed Lakhan Nayak SHEP by M/s Meenakshi Odisha Power Pvt. Ltd.	25	-	-	93.98
Total	134.15	451.01	288.13	521.97

115. It is further submitted that the 22.5 MW Sharvani SHEP developed by M/s Sharvani Energy Pvt. Ltd. and the 16.5 MW Kharagpur SHEP developed by M/s Sidheswari Power Generation Pvt. Ltd. are expected to achieve CoD during the FY 2026-27. Accordingly, the Applicant humbly prays before Hon'ble Commission that, in the event these SHEPs are commissioned during FY 2026-27, any energy procured from them may kindly be allowed as a Pass through in the ARR of FY 2027-28.

116. The details of the power procurement cost for the SHEPs are provided below:

a. **Lower Kolab and Middle Kolab SHEP:** Procurement of **180.98 MU** of power from M/s. Meenakshi Power Pvt. Limited (M/s. MPPL) through PTC India Ltd. has been planned at a rate of **368 P/U**, inclusive of PTC's Trading Margin of 04 P/U. Accordingly, the total cost of power for the proposed procurement of 180.98 MU shall be **Rs. 66.60 crore**.

b. **Samal Barrage SHEP:** As per the Order dated 09.04.2024 in Case No. 63 of 2016, the Hon'ble APTEL has approved a tariff of **480 P/U** for the Samal Barrage SHEP, inclusive of the PTC trading margin of 4 P/U. Accordingly, with the proposed procurement of **93.91 MU** of Samal Barrage SHEP through PTC India Ltd., the total cost of power shall be **Rs. 45.08 crore**.



- c. **Lower Baitarani SHEP:** Procurement of **80.01 MU** of energy from the 24 MW Lower Baitarani SHEP developed by M/s. Baitarani Power Projects Pvt. Ltd. has been planned at a tariff of 565 P/U. Vide interim order dated 05.02.2024 in Appeal No. 25 of 2025 and IA No. 2343 of 2023, the Hon'ble APTEL has directed payment at the tariff of **565 P/U** during the pendency of the Appeal before APTEL. Accordingly, at the said tariff, the cost of procurement of power from M/s. Baitarani Power Projects Pvt. Ltd. shall be **Rs.45.21 Crore**.
- d. **Saptadhara SHEP:** Procurement of **43.42 MU** of energy from 18 MW Saptadhara SHEP of M/s Sri Avantika Power Projects Pvt. Ltd. has been planned at a tariff of **506 P/U**, as approved by Hon'ble Commission vide Order dated 07.05.2022 in Case No. 100/2021. Accordingly, the total cost of power procurement from M/s SAPPPL shall be **Rs. 21.97 crore**.
- e. **Bargarh Head Regulator SHEP:** Procurement of **29.58 MU** energy from 09 MW Bargarh Head Regulator SHEP of M/s Kakatiya Industries Pvt. Ltd. has been planned at a tariff of **506 P/U**, as per the PPA dated 02.12.2015. Accordingly, the total cost of power procurement from M/s KIPL shall be **Rs. 14.97 crore**.
- f. **Biribati & Kendupatna MHPs of OPGC:** As per the order dated 05.01.2019 of the Hon'ble OERC in case No. 35/ 2018, the tariff for procurement of power from the 650 kW Biribati & 500 kW Kendupatna Mini Hydel Projects of OPGC has been fixed at Rs. 3.91 /kWh. Accordingly, it is proposed to procure **0.09 MU** of energy during FY 2026 -27 @ 391 P/U, with a total power purchase cost of **Rs. 0.04 Crore**.
- g. **Shaheed Lakhan Nayak SHEP:** It is proposed to procure around **93.98 MU** of energy from Shaheed Lakhan Nayak SHEP. The Hon'ble Commission, vide Order dated 28.07.2025 in Case No. 35/2025, has approved a tariff of **Rs. 5.82/kWh** for the project up to the normative CUF of 30% (Generic Tariff of the 4th Control Period). Beyond normative CUF, the tariff shall be **25% of Rs. 5.82/kWh**. Based on the said approval of the Hon'ble Commission, the total power purchase cost works out to **Rs. 42.37 Cr**.

Baitarani power projects



117. The details of the proposed power procurement cost of energy from SHEPs during FY 2026-27 are provided in the following table:

Table 38: Procurement & Cost of Power from Mini /Small Hydro Sources for FY 2026-27

Sl. No.	Name of the SHEPs	Installed Capacity (MW)	Proposed Energy (MU)	Rate (P/kWh)	Estimated cost (Rs Cr.)
		A	B	C	C= (B x C)/1000
1	Lower Kolab and Middle Kolab SHEP by M/s Meenakshi Power Ltd. through PTC	37	180.98	368	66.60
2	SAMAL Barrage SHEP by M/s OPCL through PTC	20	93.91	480	45.08
3	OPGC MHP	1.15	0.09	391	0.04
4	Lower Baitarani SHEP by M/s BPPPL	24	80.01	565	45.21
5	Saptadhara SHEP by M/s APPPL	18	43.42	506	21.97
6	Bargarh Head Regulator SHEP by M/s Kakatiya Industries Pvt. Ltd.	9	29.58	506	14.97
7	Shaheed Lakhan Nayak SHEP by M/s Meenakshi Odisha Power Pvt. Ltd.	25	93.98*	582**	42.37
Total		134.15	521.97	452.57	236.23

* As cited in Para 113

** Tariff of 582 p/kWh for the SHEP is applicable up to the normative CUF of 30% (Generic Tariff of the 4th Control Period). Beyond normative CUF the tariff shall be @ 25% of 582 p/kWh (i.e. 145.5 p/kWh)



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Wind Power Projects

118. It is to be submitted that currently, GRIDCO is procuring around 322 MW of Wind power from different Wind Power Projects through PTC (50 MW) and SECI (272 MW).
119. GRIDCO has executed PSA with SECI on date 07.11.2022 to avail 10 MW of wind power under ISTS Connected Wind Power Projects Scheme, Tranche-XI. Out of the contracted capacity of 10 MW, 1.5 MW of wind power is expected to be available during FY 2026-27. Accordingly, it is proposed to procure 4.80 MU of energy during FY 2026-27.
120. The details of the Power Sale Agreements executed with PTC India Limited (1 no.) & SECI (5 nos.) to procure 323 MW of wind power towards meeting the RCO target as mandated by MoP, GoI is provided below:

Table 39: PSA with PTC India & SECI

Sl. No.	Name of Trader	MNRE ISTS - Connected Wind Power Project Scheme	Contracted Capacity	Capacity Commissioned /Expected to be Commissioned	Applicable Tariff *	Date of PSA
			(MW)	(MW)	(Rs/kWh)	
1	PTC	Tranche - I	50	50	3.53	20.07.2017
2	SECI	Tranche - II	100	100	2.72	24.11.2017
3		Tranche - III	50	37.5	2.51	23.03.2018
4		Tranche - IV	100	84	2.58	15.06.2018
5		Tranche - VI	50	50	2.89	22.08.2019
6		Tranche-XI	5.25	1.5	2.76	07.11.2022
		TOTAL	360	323	2.81	

* The applicable tariff is inclusive of PTC/SECI trading margin of Rs. 0.07/kWh.

121. Considering the energy procurement of around **886.3 MU** from various Wind Power Projects during FY 2024-25, the drawl of **567.88 MU** during the first six months of - FY 2025-26 and the expected availability of an additional 1.045 MW of wind power from Tranche-XI, GRIDCO proposes to procure around **1015.69 MU** of wind power during FY 2026-27 at an average rate of **280.97 P/U**.

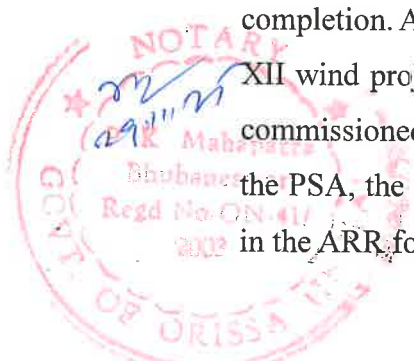
122. The details of the Proposed Power Procurement Cost of Wind Energy during FY 2026-27 are provided below:

Table 40: Proposed Power Procurement Cost of Wind Energy for FY 2026-27

Sl. No.	Wind Project Scheme	Capacity available to GRIDCO	Proposed Energy	Rate	Estimated cost
		(MW)	(MU)	(P/kWh)	(Rs. Crore)
1	MNRE ISTS-Connected Wind Power Project Scheme, Tranche-I through PTC	50	157.68	353	55.66
2	MNRE ISTS-Connected Wind Power Project Scheme, Tranche -II through SECI	100	306.60	272	83.40
3	MNRE ISTS-Connected Wind Power Project Scheme, Tranche -III through SECI	37.5	131.40	251	32.98
4	MNRE ISTS-Connected Wind Power Project Scheme, Tranche -IV through SECI	84	257.55	258	66.45
5	MNRE ISTS-Connected Wind Power Project Scheme, Tranche -VI through SECI	50	157.67	289	45.57
6	MNRE ISTS-Connected Wind Power Project Scheme, Tranche -XI through SECI	1.5	4.80	276	1.32
Total Wind Energy		323	1015.70	280.97	285.38

123. It is further submitted that GRIDCO executed a PSA with SECI on 02.02.2023 for procurement of 390 MW of wind power under ISTS-Connected wind power projects, Tranche-XII, with a Scheduled Commissioning date of 23.01.2026. However, considering the challenges being faced by the wind power developers in executing the projects under this scheme, there is likely to be a substantial delay in their completion. Accordingly, GRIDCO has not considered any energy from this Tranche-XII wind projects for FY 2026-27. In the event that any of these wind projects are commissioned during FY 2026-27 and power is made available to GRIDCO as per the PSA, the corresponding purchase cost may kindly be allowed as a pass through in the ARR for FY 2027-28.

By the present note



RCO Compliance for FY 2026-27

124. From the data presented in **Table 11**, the Hon'ble Commission may kindly note that, based on the DISCOM's projected of total energy requirement of 39,687 MU along with proposed energy of 584 MU under RTS and the expected availability of around 12,999 MU of energy from non-fossil fuel sources, there will be a shortfall of approximately 1270 MU to meet the RCO target for FY 2026-27.

125. It is submitted that, as per the revised RCO Notification dated 27.09.2025 issued by the Ministry of Power (MoP), Government of India, the RCO target can be fulfilled by the designated consumers through the following mechanisms:

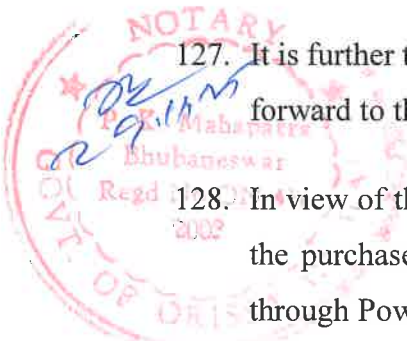
- A. Direct consumption of RE or through an energy storage system;
- B. Purchase or self-generated RECs acquired under a Virtual Power Purchase Agreement (VPPA); and
- C. Payment of buyout price as specified by CERC, in which the fund will be credited to Central Energy Conservation Fund under a separate head with 75% transferred to respective State Energy Conservation Fund to support the development of RE sources.

126. The REC mechanism, as provided under the CERC (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022, offers a market-based instrument for fulfilling renewable obligations in cases where direct procurement of renewable energy is insufficient or not economically viable. The purchase of RECs from the Power Exchanges (IEX/PXIL) will enable GRIDCO to bridge the RCO shortfall for FY 2026-27 and ensure compliance with the targets stipulated by the Ministry of Power (MoP).

127. It is further to be submitted that any surplus RECs purchased in a year can be carried forward to the next year for RCO compliance.

128. In view of the above, GRIDCO proposes to meet the shortfall of **1269 MU** through the purchase of RECs @ 50 P/U, at a total cost of **Rs.63 Crore** for FY 2026-27 through Power Exchanges. The Hon'ble Commission is requested to kindly approve the same. Any surplus, if available, may be carried forward to the next year.

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129. It is understood that the DISCOMs are continuing to procure power from the CGPs connected at the 33/11 kV, in line with the OERC Order dated 02.11.2010 in Case No.34/2010 by executing bilateral PPAs. The Hon'ble Commission is requested to direct the DISCOMs to share the information pertaining purchase of such power from the CGPs to GRIDCO on monthly basis for allocation of power from the non-fossil fuel sources for meeting the RCO compliance for the said year.

Year End Charges of Non-fossil fuel Sources for FY 2026-27

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130. It is submitted that the Year-End Charges comprise costs towards STU charges / SLDC & RLDC charges, Compensation towards Safe Guard Duty (SGD) as claimed from GRIDCO. A total amount of Rs.27.72 Crore is projected to be incurred by GRIDCO during FY 2026-27 and the same may be considered in the ARR for the FY 2026-27. The Year-End Charges have been projected based on the actual Year End Charges as provisionally accepted and paid by GRIDCO during the FY 2025-26. The detailed breakup of the Year End Charges in respect of Solar Stations is submitted below:

Table 41: Proposed Year End Charges of Solar & Non-Solar for FY 2026-27

Sl. No.	Name of Station	Capacity (MW)	Nature of Expenditure	Expected Expenditure for FY 2026-27 (In Crore)
1	Rajasthan and Gujarat through SECI under VGF Scheme Ph-2, Batch-1	50	Re-imbursement towards STU Charges and SLDC charges	12
2	Dadri & Faridabad Solar PV stations through NTPC	10	Re-imbursement towards RLDC & SLDC charges	
3	Bundled Power through NVVN	15	Re-imbursement towards STU Charges and SLDC charges	
4	ISTS Solar Projects Tranche-1 through SECI	300	Compensation towards Safe Guard Duty claims under Change in Law provision of PSA dated 21.08.2018	13.86
5	ISTS Solar Projects Tranche-3 through SECI	200	Compensation towards Safe Guard Duty claims under Change in Law provision of PSA dated 21.08.2018	1.86
	Total*	575		27.72

131. The details of the Power procurement & Cost of Renewable Energy for FY 2026-27 are provided below:

Table 42: Proposed Procurement & Cost of Renewable Energy for FY 2026-27

Sl. No.	Renewable Energy Sources	Energy Proposed	Variable cost	Year End Charges	Total Cost	Proposed Rate
		MU	Rs. Cr.	Rs. Cr.	Rs. Cr.	P/U
A.	Solar	3671.00	1139.07	27.72	1166.79	317.84
B.	SHEP	521.97	236.23		236.23	452.57
C.	Wind RE	1015.69	285.38		285.38	280.97
	Total	5208.66	1660.68	27.72	1688.40	324.15

Therefore, Hon'ble Commission may kindly consider to approve Rs. 1688.39 crores. towards procurement of 5208.66 MU from different Renewable sources at an average price of 324.15 P/U. The summary of estimated non fossil energy procurement & cost for FY 2026-27 is as follows:

Table 43: Proposed Procurement & Cost of Non-Fossil Energy for FY 2026-27

Estimated Non-Fossil Energy Procurement & Cost for FY2026-27							
Sl. No.	Non-Fossil Sources	Energy Proposed	Fixed Cost	Variable cost	Year End Charges	Total Cost	Proposed Rate
		MU	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	P/U
1	State Hydro	5446.59	317.89	280.74	15.45	614.08	112.75
2	Central Hydro	1580.00	70.47	550.02	0.13	620.63	392.80
3	Solar	3671.00	-	1139.07	27.72	1166.79	317.84
4	Distributed RE	180.14	-	72.19	0.00	72.19	400.74
5	SHEP	521.97	-	236.23	0.00	236.23	452.57
6	Wind RE	1015.69	-	285.38	0.00	285.38	280.97
	Total	12415.39	388.37	2563.63	43.30	2995.30	241.26

II. Fossil Fuel Sources

State Thermal Generating Stations

Odisha Power Generation Corporation (OPGC)

132. Odisha Power Generation Corporation (OPGC) owns IB Thermal Power Station at Banharpalli in Dist. Jharsuguda with an installed capacity of 2x210 MW (Unit I & II) for Stage-I from which GRIDCO is entitled to draw 100% power. The Applicant GRIDCO is having 100% share with effect from 01.04.2023 from expansion project of OPGC i.e. Stage-II (Unit-III & IV) having installed capacity of 1320 MW (2X660 MW). The Supplementary PPA executed between OPGC and GRIDCO dated 24.01.2019 was accorded in principle approval by Hon'ble Commission vide order dated 22.06.2021 in Case No.67 of 2019. and shall be valid for 25 years from 1st April, 2023 i.e. up to FY 2048.

133. OPGC has submitted its Generation Plan of Unit I & II for FY 2026-27 vide email dated 22.10.2025 (ED-15). As per the said Generation Plan, the net drawal from OPGC Stage-I during FY 2026-27 is estimated at **2827.29 MU**, based on a Plant Load Factor (PLF) of **84.9%** and considering Auxiliary Energy Consumption (AEC) of **10.88%** as indicated by OPGC. However, considering Auxiliary Energy Consumption (AEC) of **9.5%** up to June'2026, i.e., till the expiry of PPA1 and AEC of **9%** (assuming on higher side) beyond June'2026 up to March'2027 as per the OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2024, the net drawal from OPGC Stage-I is estimated at **2883.21 MU**. The Generator has further indicated that **annual overhauling of Unit #1 is scheduled for a period of 19 days during April'2026, and that of Unit #2 for a period of 25 days during December'2026.**

134. The Applicant submits that OPGC Stage-I operated at a PLF of **71.93%** during FY 2024-25. Considering the said actual PLF for estimating the projected energy availability to GRIDCO during FY 2026-27, the quantum of power works out to **2395.04 MU**, as against **2827.29 MU** projected by the Generator. Accordingly, the Applicant humbly prays before the Hon'ble Commission to kindly consider and approve the projected quantum of **2395.04 MU** of power from OPGC Stage-I during FY 2026-27 for meeting the State's power demand.



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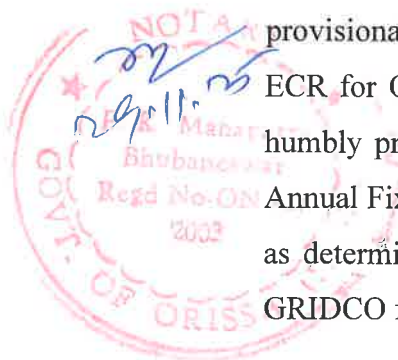
135. For Expansion Project i.e. Stage-II, (Unit#3 & #4), OPGC has furnished Generation Plan for FY 2025-26 vide its e-mail dated 22.10.2025 (**ED-15**). As per the said generation plan, the gross generation from OPGC Stage -II has been projected at **10407.07MU**, both with and without FGD operation. The generator has projected a PLF of 90.163% for FY 2026-27 and accordingly estimated the Ex-Bus quantum of export of power at **9826.26 MU without FGD operation**. Similarly, with FGD operation, the PLF has been projected at 89.9312%, corresponding to an Ex-Bus quantum of **9801.04 MU** for FY 2026-27. However, the Applicant, GRIDCO, has considered **an availability of 85%** for OPGC Stage-II units and accordingly projected the quantum of power to be **9263.57 MU** for FY 2026-27. In view of the approval of Supplementary PPA dated 24.01.2019 for OPGC Stage II vide order dated 22.06.2021, GRIDCO humbly prays before the Hon'ble Commission to approve **9263.57 MU** of power to be procured by GRIDCO from OPGC Stage II during FY 2026-27. The Generator has further intimated that **annual overhauling of Unit #4** is scheduled for a period of **30 days during August'2026**.

Table 44: Projected Power Purchase quantum from OPGC Stage I & II for FY 2026-27 (MU)

Station	Installed Capacity	Aux Consumption	PLF	Energy Available to GRIDCO
Unit	(MW)	(%)	(%)	(MU)
Unit I & II	420	9.5	71.93	2395.04
Unit III & IV	1320	5.75	85	9263.57

OPGC Stations - Power Procurement Cost

136. It is submitted that OPGC, in its e-mail dated 22.10.2025, has projected the Annual Fixed Charges (AFC) at **Rs. 328.78 crore** and the Energy Charge Rate (ECR) at **168.82 P/U** for Stage-I. The Applicant, GRIDCO, hereby submits that it has provisionally considered the aforesaid projections of OPGC in respect of AFC and ECR for OPGC Stage-I (Unit I & II) in this Application. However, the Applicant humbly prays that the Hon'ble Commission may kindly consider and approve the Annual Fixed Charges (AFC) and the Energy Charge Rate (ECR) for OPGC Stage-I as determined in the Tariff Order of OPGC Stage-I while approving the ARR of GRIDCO for FY 2026-27.



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137. It is submitted that the PPA1 in respect of OPGC Units-I & II executed on 13.08.1996 is due to expire upon completion of 30 years of operation of OPGC Stage-I in June'2026. Further, in accordance with the in-principle approval of the Hon'ble OERC vide Order dated 03.11.2021 in Case No. 66 of 2021 for R&M and installation of FGD system in OPGC Stage-I, the amendment / extension of the said PPA1 is presently under discussion. In the said Order, it has further been stipulated that, at the time of signing the fresh PPA, the OERC Generation Tariff Regulations, as amended from time to time, shall be applicable for procurement of power from the OPGC Power Station, and no redundant capacity charge shall arise on account of the PPA execution. The executed PPA is required to be submitted before the Hon'ble Commission for approval.
138. It is submitted that, vide Order dated 07.01.2023 passed in Case No. 96 of 2021, the Hon'ble Commission has determined the tariff for OPGC Stage-II (Units III & IV) for the block period FY 2019-20 to FY 2023-24. In the said Order, the Hon'ble OERC approved the Annual Fixed Charges (AFC) for FY 2023-24 at **Rs. 1904.70** crore and the Energy Charge Rate (ECR) at **126.15 P/U**. It is further submitted that, OPGC had filed its tariff application for Stage-II for the subsequent control period 2024-29 before the Hon'ble Commission in Case No.112 of 2024. Accordingly, the Annual Fixed Charges (AFC) as proposed by OPGC for FY 2026-27 in Case No. 112 of 2024 have been provisionally considered for computation of the power purchase cost of OPGC Stage-II for FY 2026-27, subject to final approval of tariff by the Hon'ble Commission.
139. It is submitted that OPGC, in its e-mail dated 22.10.2025, has projected the Annual Fixed Charges (AFC) at **Rs. 2137.38Cr.** The Applicant GRIDCO submits that it has provisionally considered the aforesaid projection of AFC for OPGC Stage-III & IV in this Application. Further, based on the average Energy Charge Rate (ECR) computed for the first six months of FY 2025-26, which works out to **137.233 p/kWh**, the same has been provisionally adopted as the ECR for FY 2026-27 for determining the energy charges of the station.
140. It is to be mentioned that, in compliance with the remand order of the Hon'ble High Court of Orissa in W.P. (C) No. 34663 of 2021, Case No. 67 of 2019 was reheard, and the Hon'ble Commission pronounced its final order on 12.01.2024. In the said

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order, the Hon'ble Commission directed that, since 100% of the power generated from OPGC is being procured by GRIDCO, the tariff shall be determined in accordance with the norms and parameters specified under the OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020, as amended from time to time. The aforesaid order of the Hon'ble Commission has subsequently been challenged by OPGC before the Hon'ble High Court of Orissa in Writ Petition W.P. (C) No. 13495 of 2024.

141. It is submitted that, the AFC and ECR have been provisionally considered by the Applicant for computation of the Power Purchase Cost from OPGC Stage-I. The Applicant humbly prays before the Hon'ble Commission to kindly consider and approve the Power Purchase Cost and corresponding quantum in accordance with the Tariff Order for OPGC Stage-I for FY 2026-27.
142. It is humbly submitted that in case of OPGC Stage II, Hon'ble Commission has already reserved its order in the MYT application filed by OPGC in Case No.112 of 2024 for determination of tariff in respect of Units#3 & #4 for the control period 2024-2029 along with True-up for the period from FY 2019-20 to FY 2023-24. Accordingly, the Annual Fixed Charges (AFC) of OPGC Stage II as determined by Hon'ble Commission for FY 2023-2024 after True-up may be considered as base for projecting AFC for subsequent years. The AFC proposed by OPGC in Case No.112 of 2024 in respect of Units#3 & #4 for FY 2026-27 may be approved in respect of GRIDCO while determining the ARR of GRIDCO for FY 2026-27, subject to adjustment in line with the tariff order to be issued by the Hon'ble Commission for the said year. Any financial implication arising from the tariff orders of OPGC Stage-I and Stage-II may be passed on to GRIDCO and shall be addressed during truing up process of GRIDCO.

By the present order

Year End Charges (YEA)

143. It is submitted that the Year-End Charges primarily comprise reimbursement of statutory and operational expenses such as Electricity Duty, Water Charges/Cess, SOC & MOC and DSM charges, among others. Electricity Duty (ED) has been calculated and projected by considering Auxiliary Energy Consumption @9.50 % for Stage-I and 5.75% for Stage-II. Further, the Year-End Charges has been projected by prorating the actual Year End Charges incurred by GRIDCO during the 1st half of the

FY 2025-26 i.e. from April'25 to September'2025. The Applicant, GRIDCO, therefore prays before the Hon'ble Commission to kindly consider to allow the same figures of statutory dues, as approved in the Tariff Order of OPGC (Stage-I), in the ARR of GRIDCO for FY 2026-27.

144. Details of the Year-End Charges incurred up to September 2025 for FY 2025-26 in respect of OPGC Stage-I and Stage-II are humbly submitted herein below.

Table 45 : Year End Charges for FY 2025-26(Apr-Sep'25) for OPGC Stage-I

Sl. No.	Item	Amount Claimed by OPGC (Rs. Cr.)	Amount Paid by GRIDCO (Rs. Cr.)
1	Electricity Duty	7.55	7.55
2	SOC & MOC charges	0.2	0.2
3	Water Charges	5.87	5.87
4	Differential Electrical Inspection fees for FY 22-23 to FY 24-25	0.08	0.08
5	OERC ARR Tariff Filing Fees for 2025-26	0.21	0.21
6	Rent and cess on land for FY 24-25	0.25	0.25
7	Ash Expenses (Apr'25-Sep'25)	0.01	0
8	Total	14.17	14.16

Table 46: Year End Charges for FY 2025-26(Apr-Sep'25) for OPGC Stage-II

Sl. No.	Item	Amount Claimed by OPGC (Rs. Cr.)	Amount Paid by GRIDCO (Rs. Cr.)
1	Electricity Duty	13.45	13.08
2	DSM Charges	1.77	1.77
3	SOC & MOC charges	0.64	0.64
4	Electrical Inspection Fees Arrear for 2022 to 2025	0.06	0.06
5	CTO Fees for FY 25-26	0.72	0.72
6	Land Rent & Cess for the period from FY 14-15 to FY 23-24	1.64	0
7	Ash Charges (Apr'25-Sep'25)	9.7	0
8	Total	27.98	16.27

145. The annualised pro-rated amount of the above expenses works out to Rs. 28.34 crores and Rs.51.95 crores (including Ash Transportation Charges) for OPGC Stage-I and Stage-II respectively. These amounts have been derived based on the actual payments made during the first six months of FY 2025-26 towards Year-End Charges and have

been considered in the ARR of the Applicant for FY 2026-27. Although the Ash Transportation Charges claimed by OPGC for FY 2025-26 have not yet been paid by GRIDCO, the same shall be released upon submission of statutory auditors' certificates by OPGC, as already communicated by GRIDCO. The corresponding bills have been duly verified, and hence, the amount claimed by OPGC has been considered as Year-End Charges by GRIDCO. The projected Year End Charged of OPGC Unit I & II for FY 2026-27 are as presented below:

Table 47: Projected Year End Charges of OPGC-I for FY 2026-27

Sl. No.	Item	(Apr-Sep'25) (Rs. Cr.)	Projected for FY 2026-27 (Rs. Cr.)
1	Electricity Duty	7.55	15.10
2	SOC & MOC charges	0.20	0.41
3	Water Charges	5.87	11.74
4	Differential Electrical Inspection fees for FY 22-23 to FY 24-25	0.08	0.16
5	OERC ARR Tariff Filing Fees for 2025-26	0.21	0.42
6	Rent and Cess on land for FY 24-25	0.25	0.49
7	Ash Charges (Apr'25-Sep'25)	0.01	0.02
8	Total	14.17	28.34

Table 48: Projected Year End Charges of OPGC-II for FY 2026-27

Sl. No.	Item	(Apr-Sep'25) (Rs. Cr.)	Projected for FY 2026-27 (Rs. Cr.)
1	Electricity Duty	13.08	26.17
2	DSM Charges	1.77	3.53
3	SOC & MOC charges	0.64	1.28
4	Electrical Inspection Fees Arrear for 2022 to 2025	0.06	0.13
5	CTO Fees for FY 25-26	0.72	1.44
6	Ash Charges (Apr'25-Sep'25)	9.70	19.40
7	Total	25.97	51.95

NOTE ON FGD INSTALLATION IN GENERATING UNITS OF OPGC

146. OPGC, vide its letter dated 28.07.2025, has intimated GRIDCO that the implementation of the Flue Gas Desulphurization (FGD) system in OPGC Stage-II is at an advanced stage, having achieved 83% physical progress. It is pertinent to mention that in terms of the MoEF&CC Notification dated 31.03.2021 and the

Minutes of the 5th and 6th Meetings of the Task Force for Categorization of Power Plants based on Emission Standards held on 22.03.2022 and 03.06.2022, the Central Pollution Control Board, vide Notification dated 23.06.2022, categorised a total of 600 thermal power plants into three groups, comprising 66 Category-A units, 72 Category-B units and 462 Category-C units. As per the latest MoEF&CC Notification dated 11.07.2025, all 462 Category-C thermal power plants, including all stages of OPGC, have been exempted from installation of FGDs.

147. In this regard, a meeting was convened at the Central Electricity Authority (CEA) on 18.07.2025 to deliberate on the financial implications arising from the revised applicability of SO₂ emission standards for Category-C thermal power plants. After detailed deliberation, it was decided in the said meeting to assess the financial benefits accruing from the amended applicability of SO₂ standards and to have detailed discussions with the beneficiaries regarding various aspects, in order to assess the most economical scenario and decide upon the course of action, either to continue with FGD installation and pay for the cost attributable to FGD (CAPEX + OPEX) or to stop the project and pay only the fixed cost (CAPEX) incurred so far.
148. In the case of OPGC Stage-I, vide OERC Order dated 03.11.2021 in Case No. 66 of 2021, and in the case of OPGC Stage-II, vide OERC Order dated 24.09.2020 in Case No. 18 of 2020, in-principle approval has been accorded by the Hon'ble OERC for the capital cost to be incurred for installation of FGD in both OPGC Stage-I and OPGC Stage-II along with R&M in case of OPGC Stage-I for life extension for a further period of 15 years beyond 2026. In this regard, a meeting has also been convened with OPGC to discuss various aspects related to the installation of FGD in the generating units of OPGC and to assess the physical progress of the installation at site. It was discussed and decided that GRIDCO officials shall visit the OPGC plant for site inspection and thereafter furnish a detailed report on the matter. The matter is presently under consideration, and a concrete decision in this regard has not yet been taken. However, in view of the fact that OPGC has already executed substantial progress at site for installation of the FGD system in Units-3 & 4 and also keeping in view that FGD installation will provide long-term environmental benefits by reducing SO₂ emissions, improving ambient air quality and mitigating acid rain, the continuation and completion of the project will be beneficial to the State. As the FGD

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installation is close to completion and the associated CAPEX will inevitably be payable by GRIDCO, it is more prudent to put the system into use and bear the corresponding OPEX, instead of leaving the asset unutilized after investment. With respect to Units- 1 & 2 of OPGC Stage I, since the progress of FGD installation has not reached any significant or irreversible stage, the Commission may not consider permitting further execution of FGD works at this stage until a final regulatory and economic assessment is concluded.

149. It is humbly submitted that GRIDCO has 100% entitlement of power from both Stage-I and Stage-II of OPGC, making it a critical component of Odisha's power supply portfolio. OPGC has historically been considered a reliable baseload generator, contributing significantly to the State's energy security and stability of the power procurement mix for the State. Over the recent period due to frequent outages of the generating units of OPGC, GRIDCO is compelled to procure power from the Day Ahead Market (DAM) or Real-Time Market (RTM) at significantly higher tariffs, often at or near the market ceiling price of Rs. 10 per unit during peak demand periods. This additional procurement from high-cost market sources, despite existence of regulated entitlement from OPGC, disrupts the approved merit order despatch framework and significantly increases the overall power purchase cost. The Applicant hereby respectfully submits that the frequent unavailability of entitled power from OPGC, arising from repeated unplanned outages, is materially increasing the overall power purchase cost. Such additional burden is entirely beyond the control of GRIDCO and is occurring despite GRIDCO's continuous efforts to optimise procurement in line with the approved merit order and regulatory framework.

150. In view of the aforesaid submissions, total Power Purchase Cost payable to OPGC is summarized as follows:

Table 49: Projected Power Purchase Cost from OPGC plants for FY 2026-27

Name of the Power Stations	Energy (MU)	Fixed charges (Rs. Cr.)	Variable charges (Rs. Cr.)	Year End charges (Rs Cr.)	Total Projected Cost (Rs. Cr.)	Total Unit Rate (P/U)
OPGC I & II	2395.04	328.78	404.33	28.34	761.45	317.93
OPGC III & IV	9263.57	2137.38	1271.27	51.95	3460.6	373.57
Total	11658.61	2466.16	1675.60	80.29	4222.05	362.14

Independent Power Producers (IPPs)

151. The Applicant GRIDCO submits that power is being procured from six Independent Power Producers (IPPs) in the State, namely M/s. Vedanta Ltd., M/s. GKEL, M/s. JITPL, M/s. NAVA Ltd. (erstwhile NBVL), M/s. JSWE(U)L (erstwhile Ind-Barath Energy (Utkal) Ltd.) and M/s. MTPCL under long-term PPAs. Additionally, GRIDCO is procuring power from M/s. MTPCL under a medium-term arrangement w.e.f. 01.04.2025 for a period of four years. A brief summary of the power entitlement from these IPPs along with their respective evacuation points is provided below.

Table 50: Summary of PPA with IPPs

Sl. No.	Name of IPP	Location of the project	Installed capacity	Odisha Share	Auxiliary Energy Consumption (AEC)	PLF	Odisha share Ex-Bus Normative	Network system
			(MW)	(MW)	(%)	(%)	(MU)	
1	M/s. Vedanta Ltd.	Burkhamund, Jharsuguda	2400 (4X600)	25% (@ full cost) + 7%/5% (@ variable cost) of Total Energy Sent Out from the plant or injection from Unit#2 whichever is higher. ^(a)	6.05%	85%	5036.77	STU: 400kV Lapanga Grid S/s.
2	M/s. GMR Kamalanga Energy Ltd.	Kamalanga, Dhenkanal	1050 (3x350)	262.5 MW (from STU connected Unit#3 (350 MW))	5.75%	85%	1842.19	STU: 400kV Meramundali S/s
3	M/s. Jindal India Power Ltd	Derang, Angul	1200 (2x600)	144 MW ^(b)	5.75%	85%	1010.57	CTU: 400kV
4	M/s. NAVA Ltd.	Kharagprasad , Dhenkanal	120 (2x60)	14.4 MW ^(c)	10%	85%	96.5	STU: 132kV Kharagprasad S/s.
5	M/s. JSWE(U)L	Sahajbahal, Jharsuguda	700 (2x350)	84 MW ^(d)	5.75%	85%	589.50	CTU: 400 kV
6	M/s. MTPCL	Tangi, Cuttack	60	7.2 MW ^(e) for Long Term	10%	85%	48.25	STU:132kV Chandikhole S/s.
				25 MW ^(f) for Medium Term			186.15	
TOTAL			5530				8809.93	

Note:

Notary
Maharaja
Bhubaneswar
Regd No. ON-41/
2003

- (^a) From Vedanta Ltd, State entitlement is as per Para 35 of OERC order 27-01-2016 in Case No.21 of 2015 i.e. 25% + 7%/5% of total energy sent out from the power station or total ex-bus generation from Unit-II whichever is higher.
- (^b) State Entitlement from JITPL is 12% of ESO. As JITPL is having linkage coal supply against Unit #1(600MW) only for 72MW of generation as per FSA, thus 12% from U#1 has been shown.
- (^c) State Entitlement from NBVL is 12% of ESO. Availability in MU has been worked out considering normative PLF% and Auxiliary Energy Consumption.
- (^d) State Entitlement from JSWE(U)L is 12% of ESO. Availability in MU has been worked out considering normative PLF% and Auxiliary Energy Consumption.
- (^e) State Entitlement from MPTCL is 12% of ESO. Availability in MU has been worked out considering normative PLF% and Auxiliary Energy Consumption.
- (^f) 25 MW is Ex-bus Contracted Capacity as per PPA dated 27.03.2025. Availability in MU has been worked out considering normative PLF%.

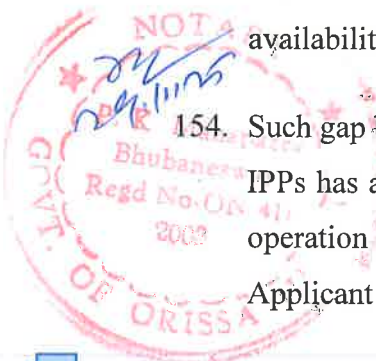
152. It is pertinent to submit before the Hon'ble Commission that actual supply of power from the IPPs varies from the State's entitlement of power provided under the subsisting Power Purchase Agreements (PPA) during the real time supply of power. Therefore, there have been substantial difference in actual quantum of power supplied by the IPPs, mainly M/s. Vedanta Ltd. vis-à-vis the quantum of power approved by the Hon'ble Commission in the ARR of GRIDCO, as summarised below:

Table 51: Actual vs Approved Power Purchase from IPPs (MU)

IPPs	FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25		ACTUAL (Avg.)
	OERC	ACTUAL	OERC	ACTUAL	OERC	ACTUAL	OERC	ACTUAL	
Vedanta	3003.48	2,101.19	2628.7	3049.85	3011.87	2773.82	3050	2246.98	2,542.96
GKEL	1844	1960.32	1670	1899.72	1960.09	1811.52	2005.50	1887.16	1889.68
JITPL	0	0	0	458.38	512.1	499.59	0	890.71	462.17
NBVL	0	3.828	39.66	39.64	40.39	46.951	38.74	46.556	34.24
JSWE(U)L	-	-	-	-	0	25.02	0	236.966	130.99
MTPCL(LT)	-	-	-	-	-	-	0	23.55	23.55
Total	4,847.48	4,065.34	4,338.36	5,447.59	5,524.45	5,156.90	5094.24	5,331.92	5000.44

153. From above table, it is evident that, there exists a substantial gap between the Hon'ble Commission's approval/projection of State's share of power and the actual quantum of power exported by the IPPs to GRIDCO. This shortfall has adversely impacted the availability of power with the Applicant to meet the State's demand.

154. Such gap between the availability vis-à-vis actual quantum of power supplied by the IPPs has a direct impact on the Bulk Supply Price (BSP). Further, during real time operation consequent to non- supply of the requisite quantum by the IPPs, the Applicant is compelled to rely on high-cost energy sources to cater to the State



demand. In view of the foregoing, the Applicant GRIDCO requests the Hon'ble Commission to approve energy availability from IPPs based on realistic assessments and direct the concerned IPPs to comply with the subsisting contractual obligations to supply the contracted capacity. This will ensure efficient management of State demand within the approved cost framework.

155. It is submitted that the actual drawl of power from the IPPs during the period Apr-Sept'2025 are as follows:

Table 52: Actual Power Procurement from IPPs during Apr-Sept' 2025 (MU)

Month	Vedanta	GKEL	JITPL	NAVA	JSWE(U)L	MTPCL (Long Term)	MTPCL (Medium Term)
Apr-25	365.72	167.86	76.89	3.74	41.36	3.59	12.01
May-25	311.93	166.42	86.14	3.65	37.60	2.20	6.51
Jun-25	0.00	161.49	78.27	3.64	38.14	0.93	8.97
Jul-25	0.00	178.95	82.30	4.35	41.89	1.01	9.25
Aug-25	139.49	148.66	78.75	2.04	30.19	2.19	10.18
Sep-25	165.03	169.34	74.84	1.76	21.70	1.84	8.95
Total	982.17	992.72	477.00	19.18	210.88	11.75	56

156. It is submitted that, the actual power supplied by Vedanta from the State dedicated IPP Unit #2(600MW) has been consistently lower than the entitled share of the State. The Applicant therefore humbly requests the Hon'ble Commission to issue necessary directions to Vedanta Ltd. to ensure supply of the full State share of power to GRIDCO during FY 2026-27 and comply with the directions issued by the Hon'ble Commission from time to time.

157. The Applicant submits that letters were issued to all IPPs on 26.09.2025 requesting submission of their generation plan and tentative tariff proposal for FY 2026-27. In response, the IPPs have furnished their tentative generation plans to GRIDCO. The true copies of the said Generation Plans of Vedanta vide letter dated 25.10.2025, GKEL vide letter dated 10.10.2025, JIPL vide email dated 18.10.2025, NAVA vide email dated 09.10.2025, JSWE(U)L vide email dated 14.10.2025 and MTPCL vide email dated 25.10.2025 are attached herewith as **ED-16 (Colly)**.



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M/s. Vedanta Ltd. (IPP: 600 MW and Conditionally converted CGP 3 x 600MW)

158. The entitlement of the State's share of power, as determined by the Hon'ble Commission in Order dated 27.01.2016 in Case No. 21 of 2015 and subsequently upheld in Order dated 03.05.2023 in Case No. 129 of 2021, is 25%+7% / 5% of total energy sent out from the power station, or total ex-bus generation from Unit-II, whichever is higher. It is pertinent to mention here that in the event of non-supply or short supply of power from IPP Unit#2, M/s Vedanta Ltd. is obligated to supply the shortfall from its conditionally converted CGP units in accordance with the above-referred orders of the Hon'ble Commission.
159. Hon'ble Commission has approved the quantum of power towards State's entitled share in GRIDCO's ARR orders for the respective financial years as per the existing PPA and subsequently as per the order dated 27.01.2016 in Case No. 21 of 2015 in respect of M/s. Vedanta Ltd. The table below summarizes the quantum approved by Hon'ble Commission vis-a-vis the actual power supplied by M/s Vedanta Ltd. to GRIDCO from the State dedicated Unit#2 (600MW):

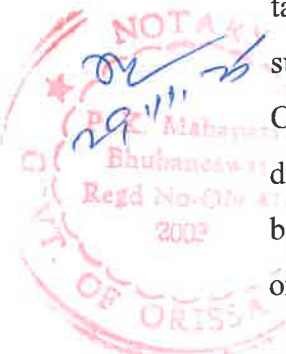
Table 53: Quantum approved by OERC vis-a-vis the actual power supply made by M/s Vedanta Ltd.

FY	Approval of State Demand by Commission (MU)	Quantum of Power available from Vedanta-IPP as approved by OERC (MU)	% Share of State Demand approved from Vedanta Power availability	Actual Quantum of power supplied to GRIDCO (MU)	% Share of State Demand actually, supplied to GRIDCO	% Share of Vedanta Power actually supplied to GRIDCO against approved quantum	Approved power purchase rate by Commission (P/U)
24-25	38804.12	3,050.00	7.86	2,246.98	5.79	73.67	278.02
23-24	38185.57	3011.87	7.89	2773.82	7.26	92.10	285.39
22-23	30474.23	2628.70	8.63	3049.85	10.01	116.02	279.05
21-22	28791.96	3003.48	10.43	2101.19	7.3	69.96	251.99
20-21	29018.76	3053.00	10.52	2806.01	9.67	91.91	251.29
19-20	28731.03	5039.45	17.54	747.84	2.6	14.84	243.26
18-19	26803.81	5039.45	18.80	978.11	3.65	19.41	260.96
17-18	26051.63	5039.45	19.34	1061.52	4.07	21.06	237.78

FY	Approval of State Demand by Commission (MU)	Quantum of Power available from Vedanta-IPP as approved by OERC (MU)	% Share of State Demand approved from Vedanta Power availability	Actual Quantum of power supplied to GRIDCO (MU)	% Share of State Demand actually, supplied to GRIDCO	% Share of Vedanta Power actually supplied to GRIDCO against approved quantum	Approved power purchase rate by Commission (P/U)
16-17	25492.87	5039.45	19.77	3216.84	12.62	63.83	223.10
15-16	25776.23	4199.54	16.29	3414.16	13.25	81.30	212.09
14-15	25495.71	4199.54	16.47	3093.07	12.13	73.65	207.32
13-14	24058.42	3132.90	13.02	2849.67	11.84	90.96	275.00
12-13	24096.98	2612.57	10.84	3027.27	12.56	115.87	275.00
11-12	23489.18	3357.12	14.29	1964.55	8.36	58.52	275.00
10-11	21003.75	646.23	3.08	468.50	2.23	72.50	243.45
AVG.	27751.62	3536.85	12.74	2253.29	8.12	63.71	253.25

160. From the above table, it is evident that the average quantum of power availability from M/s. Vedanta Ltd., as approved by the Hon'ble Commission, was about 12.74 % of the total power demand of the State, while the actual supply made to GRIDCO averaged only 8.12 % during the same period. Further, based on the multi-year data presented, the actual supply of power by Vedanta-IPP to GRIDCO works out to an average of **63.71 %** of the power availability approved by the Hon'ble Commission. This indicates that, over the reported financial years, there has been a persistent short supply of approximately **36.29 %** vis-à-vis the approved quantum of power. It is humbly submitted that in the earlier years, the Hon'ble Commission had approved availability of full normative entitlement or State share of power from Vedanta IPP, which resulted in a lower Bulk Supply Price (BSP) for the State due to the comparatively lower tariff of this IPP which is in operation since last 15 years. The tariff from the said IPP is inherently lower as the capital cost has already been substantially recovered over the last 15 years of operation through Annual Fixed Charges comprising depreciation, interest on loan, Return on Equity, etc. and also due to Linkage Coal available under long term Fuel Supply Agreement with MCL based on long term PPA with GRIDCO (25 years validity). Hon'ble Commission has, on multiple occasions in its ARR Orders, directed GRIDCO to avail full entitlement

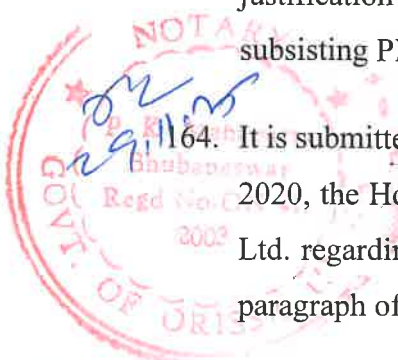
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of power from the said IPP Unit. GRIDCO has always endeavoured to avail the full State share from Vedanta's dedicated Unit#2 since its commercial operation in 2010. However, despite repeated directions issued by the Hon'ble Commission in successive ARR Orders, M/s. Vedanta Ltd. has not complied with the mandated requirement of supplying the full State entitlement of power from its State dedicated Unit #2. The persistent and recurring shortfall in supply, as evidenced over multiple financial years, reflects continued non-adherence to the approved contractual and regulatory framework governing power allocation to GRIDCO.

161. It is submitted that, in the event of non-supply or short supply of power from the State-dedicated Unit#2, M/s Vedanta Ltd. has never scheduled or supplied the requisite power from its conditionally converted CGP units, even though these units are consistently operating and generating power at or near their full capacity, unlike Unit#2, which ought to be operated at full capacity to meet the State entitlement. It further submitted that, whenever there the generating company faces any constraint relating to ash disposal, it tends to shut down the State-dedicated Unit#2 (600 MW) and does not supply the entitled power to the State from the conditionally converted CGP units, contrary to the provisions of the subsisting regulatory directions.
162. Vedanta, vide its letter dated 25.10.2025, has informed that based on the linkage coal allocation available under the existing Fuel Supply Agreement (FSA) and considering the coal grade supplied by MCL (3000 to 3400 kCal/kg on an annual average basis), it will be able to supply power in the range of approximately 300 to 350 MW during FY 2026-27.
163. It is submitted that, Vedanta Ltd. received credit/debit notes under the FSA based on the grade of GCV of Linkage coal supplied by the coal supplier i.e. MCL. Therefore, Vedanta may not be allowed to take plea of lower GCV of linkage coal as a justification for supplying power below the State entitlement as stipulated under the subsisting PPA and the Orders of the Hon'ble Commission.
164. It is submitted that in the MYT Order dated 26.12.2023 of Vedanta in Case No. 20 of 2020, the Hon'ble Commission has already rejected the contention of M/s. Vedanta Ltd. regarding lower generation on account of grade slippage of coal. The relevant paragraph of the said Order is reproduced below for reference.

Reference is made to the letter dated 25.10.2025.



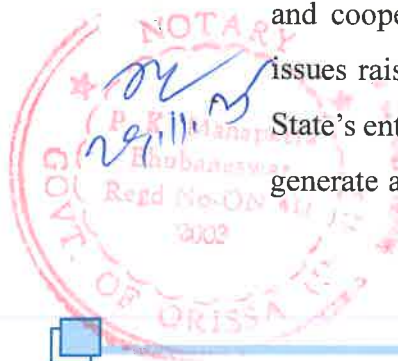
“50. xxx xxx xxx the Commission observes that, the Petitioner has estimated lower power generation from the Unit-II. The Commission does not agree with the contention of the petitioner since if there is any grade slippage in coal which is attributed to MCL then it would be duly compensated by MCL through issuance of credit notes as per FSA. Further, in the tariff order dated 29.06.2018 in Case No. 95/2013, the Commission had clarified that:

“47. If linkage coal availability is higher than the requirement as per GRIDCO's share of power, the cost and GCV of linkage coal will be taken into consideration for tariff purpose. In the event it falls short, only for the balance coal for meeting the GRIDCO requirement, the weighted average cost of coal and GCV would be considered”.

xxx xxx xxx ”

165. Further, as per the CIL notification dated 14.02.2023 prescribing modalities for supply of coal to IPPs beyond the Annual Contracted Quantity (ACQ), the IPP is eligible to avail additional linkage coal over and above the existing ACQ of 25.70 lakh tonnes, thereby enabling total availability of up to 30.84 lakh tonnes (25.70 + 5.14 lakh tonnes). Despite the availability of this mechanism and the clear opportunity to secure adequate coal to meet the State entitlement, the IPP has not exercised this option and continues to put forth untenable justifications for its inability to supply the full contracted quantum of power to GRIDCO.
166. It is submitted that subsequent to raising the issues of short supply of linkage coal and grade slippage, M/s Vedanta Ltd. has now been citing difficulties in ash disposal from Unit#2 and has frequently kept the said unit under shutdown, while simultaneously operating all three conditionally converted CGP units at full capacity to exclusively meet the captive requirements of its SEZ Smelter plant. Despite this, M/s. Vedanta Ltd. has not complied with the Orders of the Hon'ble Commission dated 27.01.2016 in Case No. 21 of 2015 and 03.05.2023 in Case No. 129 of 2021, which mandate supply of the State's entitled share of power.

167. The Hon'ble Commission may kindly take note that despite the continuous support and cooperation extended by GRIDCO and the State Government to resolve the issues raised by Vedanta from time to time, Vedanta has not ensured supply of the State's entitled share of power to GRIDCO. Instead, Vedanta continues to unabatedly generate and consume power from its conditionally converted CGP units at its SEZ

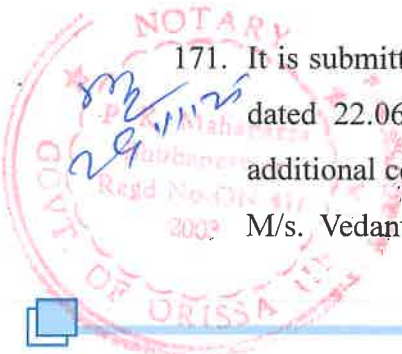


Attn: Prasad Mohanath

Smelter plant, without adhering to the obligations stipulated under the applicable regulatory framework and the Orders of the Hon'ble Commission.

168. Moreover, even when Unit #2 is operational, it is being run at part-load, typically in the range of only 280 to 350 MW. Further, although no stay has been granted on the Hon'ble Commission's Order dated 03.05.2023 in Case No. 129 of 2021, which has been appealed before the Hon'ble APTEL, M/s. Vedanta Ltd. is not scheduling or supplying power from its conditionally converted CGP units during periods of short supply or non-supply from the State-dedicated IPP Unit. Such non-compliance is in clear contravention of the obligations laid down under the Hon'ble Commission's Order dated 27.01.2016.
169. It is submitted that M/s. Vedanta Ltd. continues to prioritise meeting its captive requirement from the conditionally converted CGP units, thereby safeguarding its own commercial interests at the cost of the interests of the State's consumers. This practice adversely affects GRIDCO's ability to meet the State demand in accordance with the regulatory framework. Had Vedanta supplied the RTC Full Ex-Bus generated Power from Unit #2, GRIDCO could have utilised the same to meet the State requirement and avoided resorting to procurement of high-cost power, particularly during peak hours when market prices frequently hover around Rs.10 /kWh. As a consequence, the Applicant GRIDCO is constrained in managing power procurement within the costs approved by the Hon'ble Commission and is unable to fully comply with the obligations envisaged in the ARR Order.
170. In the event of non-supply of power by M/s. Vedanta Ltd., GRIDCO is compelled to schedule power from higher-cost sources as per the merit order. Consequently, GRIDCO faces operational challenges in arranging power in real-time, particularly when power shortages have become a common scenario across the country. During such periods, even Power Exchanges are unable to support the State requirement due to insufficient availability of power, thereby exposing the State to deficit situations.

171. It is submitted that, as per the observation of the Hon'ble Commission in its Order dated 22.06.2020 in Case No. 68 of 2018, GRIDCO had been recovering the additional cost incurred due to non-supply or short supply of power by the IPP from M/s. Vedanta Ltd. However, pursuant to the judgment dated 09.09.2025 of the



Hon'ble APTEL in Appeal No. 107 of 2022 and Appeal No. 312 of 2022, GRIDCO, under protest and without prejudice to its rights in the Review Petition/Appeal filed, has discontinued recovery of such compensation from M/s. Vedanta Ltd. with effect from August'2025. It is submitted that M/s. Vedanta Ltd. has raised a claim of Rs. 1105.3 crores along with interest amounting to Rs. 502 crores against GRIDCO on the basis of the impugned judgement dated 09.09.2025 passed by the Hon'ble APTEL.

172. In view of the foregoing, it is humbly prayed before the Hon'ble Commission to issue appropriate directions to M/s. Vedanta Ltd. to supply the full Ex-Bus entitlement of power to the State, either from the IPP Unit or from the conditionally converted CGP Units, in accordance with the terms of the subsisting PPA and the Orders of the Hon'ble Commission dated 27.01.2016 in Case No. 21 of 2015 and 03.05.2023 in Case No. 129 of 2021.

173. In view of the above and in order to avoid distortion in the ARR and its consequential impact on the approved BSP, the differential cost requires consideration and approval by the Hon'ble Commission. Accordingly, and without prejudice to GRIDCO's submissions, the total quantum of power proposed to be considered from Vedanta for FY 2026-27 has been limited to 2,880.51 MU, based on the IPP's projected supply of 350 MW on a Round-The-Clock (RTC) basis. It is further submitted that, as per the Hon'ble Commission's Order dated 27.01.2016 in Case No. 21 of 2015, the State entitlement at normative generation (i.e., 85% PLF and 6.05% Auxiliary Energy Consumption) works out to be **5036.77 MU** for FY 2026-27.

Bestin person notation

Generator	Contracted capacity (MW)	Auxiliary Energy Consumption (AEC) (%)	PLF (%)	Energy for State entitlement (MU)	Generation Plan submitted by Vedanta Energy (MU)	Shortfall Energy (MU)
M/s. Vedanta Ltd	720	6.05%	85%	5036.77	2880.51	2156.26

174. It is submitted that a significant shortfall of approximately **2,156.26 MU** is anticipated from the IPP of Vedanta during FY 2026-27, as M/s. Vedanta Ltd. has



persistently failed to supply the full State entitlement of power to the Applicant GRIDCO despite clear contractual and regulatory obligations.

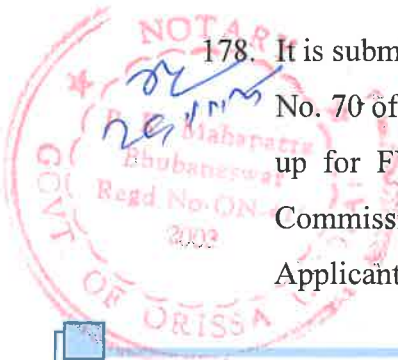
175. It is submitted that, without prejudice and under protest and in order to avoid over projection of power availability which may lead to distortion in ARR for FY 2026-27, the Applicant GRIDCO has considered the projection based on Vedanta's own submission along with the historical trend of actual power supply from the IPP.
176. Considering the State entitlement as approved by the Hon'ble Commission and as provided under the subsisting PPA, the Applicant humbly prays that the projected quantum of **2,880.51 MU** from M/s. Vedanta Ltd. for FY 2026-27 may be approved for the purpose of ARR computation so as to optimise the power procurement cost and thereby ensure a lower Bulk Supply Price (BSP) for consumers of the State. However, the Applicant further submits that M/s. Vedanta Ltd. may be directed to supply the full entitled quantum of **5,036.77 MU** in accordance with the applicable Orders of the Hon'ble Commission and the Power Purchase Agreement dated 19.12.2012. It is also requested that appropriate and stringent regulatory action may be taken for continued non-compliance with the Commission's directives and the contractual obligations under the PPA.
177. It is submitted that vide Order dated 26.12.2023 in Case No. 20 of 2020, the Hon'ble Commission has issued the final tariff order for the IPP of M/s. Vedanta Ltd., wherein the Annual Fixed Charges (AFC) for the block period 2019-24 have been determined as follows:

Table 54: Annual Fixed Charges (AFC) 2019-24 of M/s. Vedanta Ltd. (IPP Unit)

FY	2019-20	2020-21	2021-22	2022-23	2023-24
AFC (in cr.)	1,571.65	1,555.72	1,536.39	1,517.57	1,499.51

178. It is submitted that M/s. Vedanta Ltd. has filed a tariff application, registered as Case No. 70 of 2025, for the current control period i.e. FY 2024-29 along with the truing-up for FY 2019-24, and the matter is presently sub-judice before the Hon'ble Commission. In the absence of an approved tariff for the forthcoming period, the Applicant GRIDCO has provisionally considered the Annual Fixed Charge (AFC) of

BSPm passed not to be taken



Rs. 374.8775 crore for FY 2026-27, which corresponds to the AFC determined for FY 2023-24 in the MYT Order dated 26.12.2023 in Case No. 20 of 2020. Accordingly, the provisional Fixed Cost/Unit for FY 2026-27 in respect of Vedanta's IPP Unit has been computed and considered as per the normative **FC of 89.31 P/kWh**. Therefore, it is humbly prayed before the Hon'ble Commission to consider the same for FY 2026-27, provisionally.

179. It is submitted that, as per Regulation 3(ff) of the OERC (Terms and Conditions for Determination of Tariff) Regulations, 2020, the Gross Calorific Value (GCV) of coal is required to be considered on an "As Received" basis for determination of the Energy Charge Rate (ECR). Based on the "As Billed" GCV data provided by M/s. Vedanta Ltd. in Form -15 Format along with energy bills for the month of April'2025, May'2025, August'2025 and September'2025, the corresponding "As Received" GCV has been derived. Without prejudice, based on derived "As Received" GCV of Linkage coal, the average ECR works out to be **194.83 Paise /Unit** as shown in table below. Accordingly, the applicant GRIDCO proposes ECR of **194.83 Paise /Unit** for procurement of power from Vedanta during FY 2026-27.

Table 55 : ECR of M/s. Vedanta Ltd. (IPP Unit) from April'25 to Sept'25

Month	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
LPPF (Rs. /kg)	2.265	2.28	-	-	2.329	2.301
CVPF (kCal /kg)	3107	3101	-	-	3084	3042
GHR (kCal /kwh)	2375	2375	-	-	2375	2375
SFC (ml/kWh)	1	1	-	-	1	1
CVSF (kCal/ml)	9.85	9.85	-	-	9.85	9.85
LPSFi (Rs. /ml)	0.067391	0.065802	-	-	0.074711	0.074798
AUX (%)	6.05	6.05	-	-	6.05	6.05
ECR (P/U)	190.72	192.09	-	-	198.09	198.41
Average (P/U)						194.83

* Vedanta has not supplied power to GRIDCO during June '2025 and July'2025 and accordingly, no energy bills have been submitted for the said months.

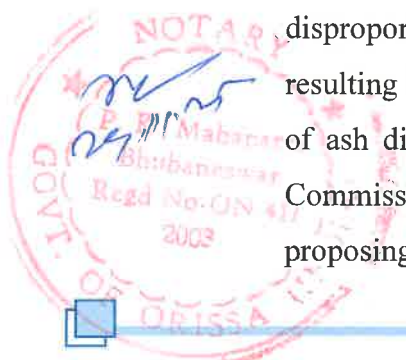
Year End Charges of M/s. Vedanta Ltd

180. The Applicant submits that based on the projected drawal of **2,880.51 MU** and considering an auxiliary energy consumption of 6.05 percent, the gross generation is

estimated to be approximately **3,066 MU**. Accordingly, the auxiliary consumption works out to **185.49 MU**, and the corresponding Electricity Duty (ED) reimbursable to Vedanta @ 55 p / kWh amounts to approximately **Rs. 10.20 crores** (approx.).

181. It is submitted that, as per the ARR Orders of SLDC for FY 2023-24, FY 2024-25 and FY 2025-26, the annual SOC-MOC charges applicable to Vedanta IPP are Rs. 0.55 crore, Rs. 0.70 crore and Rs. 0.59 crore respectively. Based on the average of these approved figures, the projected SOC-MOC charges for FY 2026-27 work out to **Rs. 0.61 crore**, which shall be subject to revision in line with the SLDC ARR Order for FY 2026-27.
182. It is submitted that, in compliance with the Hon'ble Commission's Order dated 05.06.2024 in Case No. 18 of 2024, GRIDCO has reimbursed **Rs. 29.80 crore** towards Ash Transportation Charges to M/s. Vedanta Ltd. for the period Apr'2024 to Feb' 2025. During this period, Vedanta supplied a total of 1,898.89 MU to GRIDCO, resulting in an average Ash Transportation Charge of 15.69 paise / unit. Accordingly, based on the projected drawal of 2,880.51 MU for FY 2026-27, the provisional Ash Transportation Charges are estimated at **Rs. 45.20 crore**, which shall be subject to adjustment based on the actual expenditure incurred by the IPP
183. It is submitted that all four generating units of Vedanta operate through a common and integrated ash evacuation and disposal system, wherein the ash generated from each of the units is handled through a shared infrastructure and ultimately deposited in a common ash pond. The intent of the Hon'ble Commission, as reflected in its Order dated 05.06.2024 in Case No. 18 of 2024, is that the ash generated shall first be disposed of in the ash pond, and only the remaining ash, if any, requiring further disposal, shall be evacuated, with the associated cost to be shared between Vedanta and GRIDCO in proportion to their respective consumption. However, it has been observed that Vedanta is presently evacuating and disposing comparatively less ash from the conditionally converted CGP Units 1, 3 and 4, while channelling a disproportionately higher volume of ash evacuation from IPP Unit - 2, thereby resulting in a higher claim of reimbursement from GRIDCO. Such selective routing of ash disposal is inconsistent with the spirit and intent underlying the Hon'ble Commission's aforesaid Order. In view of these circumstances, GRIDCO is proposing that reimbursement of ash transportation charges be allowed strictly in

By the person mentioned



proportion to the quantum of energy supplied to GRIDCO vis-à-vis the total generation from all four units, so as to ensure equitable and transparent cost sharing in accordance with the intent of the Hon'ble Commission's Order.

184. It is submitted that M/s. Vedanta Ltd. has not been consistent in supplying the State's entitled share of power to GRIDCO and continues to deviate from the directives of the Hon'ble Commission, including its obligation to schedule power from the conditionally converted CGP units during periods of low or non-supply from the State-dedicated Unit#2 (600 MW). In view of this continued non-compliance, the Applicant humbly prays that the Hon'ble Commission may consider directing that reimbursement of Ash Transportation Charges to M/s. Vedanta Ltd. be made on an annual settlement basis instead of a month-to-month reimbursement mechanism. Further, it is requested that M/s. Vedanta Ltd. may be directed to submit a periodic status report on the measures undertaken for proper and optimised ash utilisation, in compliance with the applicable guidelines issued by the Ministry of Environment, Government of India from time to time.
185. Thus, the total projected Year End Charges works out to be **Rs. 56.01 Crores** payable to Vedanta for FY 2026-27 as summarised below:

Table 56: Year End Charges of M/s. Vedanta Ltd. (IPP Unit)

Description	Amount (in Cr.)
Electricity Duty	10.20
SOC-MOC Charges	0.61
Ash Transportation Charges	45.20
Total	56.01

186. It is submitted that the average power procurement rate from the IPP of M/s. Vedanta Ltd., based on the present application, is projected at **303.58 p / kWh**, comprising Fixed Cost of 89.31 p / kWh, Energy Charge Rate of 194.83 p / kWh, Electricity Duty and SOC-MOC of 3.75 p / kWh, and Ash Transportation Charges of 15.69 p / kWh. The projected rate remains within the merit order for meeting the State requirement, subject to M/s. Vedanta Ltd. supplying power to GRIDCO in compliance with the contractual provisions and the Orders of the Hon'ble Commission.

187. The summary of power generation projections and provisional cost of procurement of such power from M/s. Vedanta is as follows:

Table 57: Proposed Procurement & Power Purchase Cost of M/s. Vedanta Ltd. (IPP Unit) for FY 2026-27

Generator	Energy (MU)	Fixed Charges (Rs. Cr.)	Energy Charges (Rs. Cr.)	Year End Charges (Rs Cr.)	Total Projected Cost (Rs. Cr.)	Rate (P/U)
M/s. Vedanta Ltd	2880.51	257.26	561.21	56.01	874.48	303.58

Hon'ble Commission is requested to approve the above procurement with the projected cost.

GMR Kamalanga Energy Ltd. (GKEL) (3 x 350 MW)

188. It is submitted that, in respect of procurement of power from the IPP of GKEL, and in accordance with Clause 2.2(a) of the subsisting Power Purchase Agreement (PPA) dated 04.01.2011, the applicant GRIDCO, vide letter dated 23.11.2023, has requisitioned the contracted capacity of 262.5MW of power (i.e. 25% of total installed capacity of 1050MW (3 X 350MW)) from the IPP for the block period 25th March'2024 to 24th March'2029. This requisition has been made considering that the power is delivered at STU and the Energy Charge Rate (ECR), being computed based on Firm Linkage Coal and SHAKTI scheme coal, comfortably falls within the merit order for meeting the State's power demand.

189. M/s. GKEL has submitted its generation plan vide letter dated 10.10.2025. wherein a quantum of **1898 MU** has been projected as the State entitlement for FY 2026-27, which corresponds to a PLF of **87.62%**.

190. Therefore, considering the normative PLF% of 85% as per the tariff order dated 17.05.2024 issued by Hon'ble CERC in Petition No. 407/GT/2020 and considering an Auxiliary Energy Consumption of 5.75% as per CERC Tariff Regulations, 2024, the projected generation for FY 2026-27 has been computed as **1,842 MU**. It is further submitted that although the Power Purchase Agreement dated 04.01.2011 stipulates that any generation beyond a station PLF of 80 % shall be supplied at the Variable Cost-plus applicable incentive, the applicable treatment under the prevailing CERC Tariff Regulations mandates that generation supplied beyond the normative PLF of

85 % shall be billed at the Energy Charge Rate (ECR)/ Variable Cost-plus applicable incentive. The same approach shall be followed for FY 2026-27.

191. In view of the above, the Applicant GRIDCO proposes to procure 1,898 MU of energy from GKEL during FY 2026-27, in line with the generation plan submitted by the IPP.

192. It is to submit that CERC had passed Tariff Order dated 17.05.2024 in Petition No. 407/GT/2020, for the control period 2019-24 in respect of procurement of contracted capacity of 262.5 MW of power by GRIDCO from M/s. GKEL. As per the said tariff order, the Annual Fixed Charges (AFC) approved by CERC in the above tariff order for the control period 2019-24 is given below:

Table 58: Annual Fixed Charges of M/s. GKEL (IPP) Approved for the Period 2019-24

(Rs. Cr.)					
Item	2019-20	2020-21	2021-22	2022-23	2023-24
AFC	1,261.42	1,238.95	1,219.79	1,197.77	1,182.65
GRIDCO's Share of AFC (25%)	315.36	309.74	304.95	299.44	295.66

193. Accordingly, GRIDCO has considered the Annual Fixed Charges (AFC) of FY 2023-24 as provisional AFC for FY 2026-27 i.e. **Rs. 295.66 Cr. /annum.**

194. It is submitted that, in accordance with the Judgment dated 08.09.2025 of the Hon'ble Supreme Court in Civil Appeal No. 3429 of 2020 and Civil Appeal No. 1929 of 2020, the firm linkage coal, SHAKTI scheme coal and alternate source coal procured by GKEL is required to be apportioned among all beneficiaries on a pro rata basis.

195. Based on the aforesaid judgment of the Hon'ble Supreme Court, the Applicant GRIDCO has been making monthly payments of Energy Charges to M/s. GKEL by first considering the cost of Firm Linkage Coal, SHAKTI Scheme Coal, and alternate coal sources (if required to meet power supply to GRIDCO). Accordingly, the average of actual monthly Energy Charge Rate (ECR) for the period April'25 to Sept'25 based on use of Firm Linkage, SHAKTI scheme coal and other sources coal by M/s. GKEL, has been worked out to be **175.87 p /kWh** and the same is being proposed as Energy Charge Rate for FY 2026-27.

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Year End Charges of M/s. GKEL

196. Year End Charges accrue towards reimbursement of Electricity Duty (ED), SOC & MOC Charges of SLDC and Ash Transportation Charges, payable to M/s. GKEL. The ED for FY 2026-27 has been proposed based on the actual ED paid to M/s. GKEL for the FY 2024-25. The SOC & MOC Charges of SLDC for FY 2025-26 have been determined by the Hon'ble Commission as Rs. 638.362/MW/Month & Rs. 177.323/MW/Month respectively, vide ARR Order of SLDC dated 24.03.2025 in Case No. 92 of 2024. Accordingly, the same amounts have been applied for FY 2026-27. M/s. GKEL has claimed reimbursement of expenses towards Fly Ash Transportation Charges up to Mar'2024 as per Hon'ble CERC Tariff Order dated 17.05.2024 in Petition No. 407/GT/2024, after which no bill has been claimed by M/s. GKEL. Hence, Fly Ash Transportation Charges for FY 2026-27 has been proposed by taking average of five years claim of M/s. GKEL for block period 2019-24. The proposed Year End Charges for FY 2026-27 are summarised below:

Table 59: Projected Year End Charges of M/s. GKEL (IPP) for FY 2026-27

Description	Projected Cost (Rs. Cr)
Electricity Duty	6.33
SOC & MOC Charges	0.26
Ash Transportation Charges	19.01
Total	25.60

197. Accordingly, the total provisional power purchase cost towards procurement of power from GKEL has been estimated as follows:

Table 60: Proposed Procurement & Power Purchase Cost M/s. GKEL (IPP) for FY 2026-27

Generator	Energy (MU)	Annual Fixed charges (AFC) (Rs. Cr)	Energy Charges (Rs. Cr.)	Year End Charges (Rs Cr.)	Total Projected Cost (Rs. Cr.)	Rate (P/U)
GKEL	1898	295.66	333.8	25.60	655.06	345.13

198. **Outstanding Capacity Charges & LPS as per APTEL Order dated 03.09.2025 in Appeal No. 254 of 2021 & 207 of 2022:** It is submitted that, regarding PAFM dispute for the FY 2015-16 & 2016-17, Hon'ble APTEL pronounced its judgment vide order

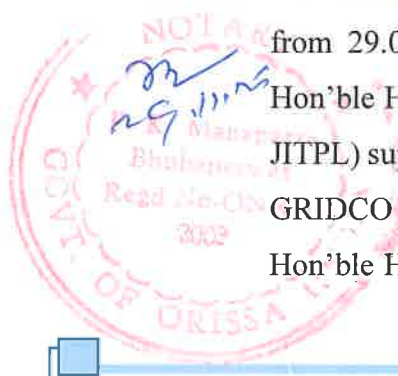
dated 03.09.2025 in Appeal No. 254 of 2021 and 207 of 2022. As per the Hon'ble APTEL's judgment, vide letter dated 16.10.2025 (ED-17), GKEL has claimed Rs. 1,06,18,65,242/- towards outstanding capacity charges for the FY 2015-16 & 2016-17 and Rs. 1,73,71,76,212/- towards LPS on outstanding capacity charges as on 30.09.2025, total claim amount towards Capacity Charges Outstanding including LPS is Rs. 2,79,90,41,454/-. As per APTEL's Interim Order dated 27.05.2022, GRIDCO has already paid Rs. 100 Crore on 03.06.2022 & 04.07.2022. The balance amount claimed by GKEL is Rs. 1,79,90,41,454/-. However, GRIDCO has not made any payment towards this claim and filed Review Petition before the Tribunal as well as filed Civil Appeal before Hon'ble Supreme Court of India against Order dated 03.09.2025 in Appeal No. 254 of 2021 and 207 of 2022.

Jindal India Power Ltd. (JIPL) (2 x 600 MW)

199. M/s. JITPL vide their letter dated 30.08.2024, intimated GRIDCO regarding change of name from JITPL (Jindal India Thermal Power Ltd.) to JIPL (Jindal India Power Ltd.). Subsequently, JITPL requested GRIDCO for execution of a supplementary agreement to formalise the name change, which is required to continue smooth supply of linkage coal to M/s. JITPL. Accordingly, a supplementary agreement has been executed between both the parties on 01.03.2025 for amendment of the PPA dated 05.01.2011 & supplementary PPA dated 23.07.2013, limited to the change of name from JITPL to JIPL, with all other terms and conditions remaining unchanged.

200. As per the subsisting Power Purchase Agreement dated 05.01.2011 and since no coal block has been allocated within the State, M/s. JIPL is required to supply the contracted energy equivalent to 12% of the Energy Sent Out (ESO), along with all infirm power from its power plant, to GRIDCO at the applicable Energy Charge Rate (ECR).

201. It is submitted that M/s. JIPL commenced supply of power to GRIDCO with effect from 29.04.2022 in compliance with the interim order dated 29.04.2022 of the Hon'ble High Court of Orissa in W.P.(C) No. 18150 of 2018. Since M/s. JIPL (then JITPL) supplied only 60 MW instead of 120 MW as directed in the said interim order, GRIDCO was compelled to file Contempt Petition No. 6451 of 2023 before the Hon'ble High Court for non-compliance. Subsequently, based on the interim orders



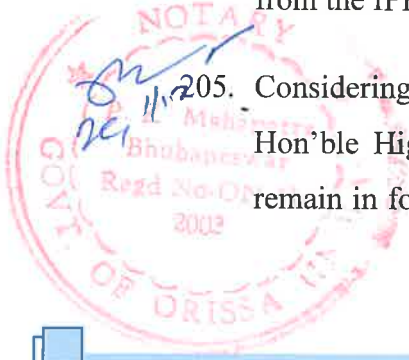
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dated 29.04.2022 and 03.05.2024 passed by the Hon'ble High Court of Orissa, M/s. JIPL commenced supply of 120 MW to GRIDCO w.e.f. 01.05.2024. At present, after accounting for Central Sector loss, GRIDCO is receiving 116 MW of power on a Round-the-Clock (RTC) basis.

202. The Hon'ble High Court of Orissa vide interim order dated 29.04.2022, has fixed a provisional Tariff of Rs.3.36/ kWh, along with the condition that 50 % of the transmission cost raised by the CTU shall be payable by GRIDCO, subject to a ceiling of Rs. 5 crores. The said transmission cost cap of Rs. 5 crore was fully exhausted in September'2022. Thereafter, GRIDCO has been making payment only towards the energy charges at the provisional tariff of Rs. 3.36/kWh. Further, based on extension of Interim order dated 29.04.2022 by the Hon'ble High Court, GRIDCO is requesting MCL to continue supply of Linkage Coal to M/s. JIPL till next date of hearing.
203. GRIDCO vide its letter dated 20.09.2025, requested M/s. JIPL to furnish the Generation Plan for FY 2026-27. In response, M/s. JIPL, through its letter dated 26.09.2025, informed that it shall supply 120 MW of power at Rs. 3.36/ Unit on a provisional and interim basis, in line with the orders dated 29.04.2022 and 03.05.2024 passed by the Hon'ble High Court of Orissa in W.P.(C) No. 18150 of 2018. Further, M/s. JIPL has intimated that one of its Unit (i.e. Unit#1) under shutdown for Annual Overhauling for a period of 31 days.
204. Accordingly, considering supply of 120 MW power on Round-the-Clock (RTC) basis to GRIDCO, Annual Overhauling of one unit for 31 days and average ISTS loss of 3.61% (from Apr'2025 to Sep'2025), the estimated quantum of power to be supplied by M/s. JIPL has been worked out to be **970.22 MU** for FY 2026-27. However, considering state entitlement of 12% share of power, with 5.75 % auxiliary consumption and 85% normative availability, the entitlement of GRIDCO shall be 1011 MU. The Hon'ble Commission may kindly consider availability of 1011 MU from the IPP Unit of JIPL.

205. Considering the provisional tariff of **Rs. 3.36/Unit** as per the interim direction of the Hon'ble High Court of Orissa vide Order dated 29.04.2022 (which continues to remain in force), the power purchase cost for drawal of **970.22 MU** of power from

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M/s. JIPL has been calculated to be **Rs. 325.99 Crores** (provisional) as mentioned below:

Table 61: Proposed Procurement & Power Purchase Cost of M/s. JIPL (IPP) for FY 2026-27

Generator	Energy (MU)	Energy Charge Rate (P/U)	Projected Cost (Rs. Cr.)
JIPL	970.22	336.00	325.99

M/s. NAVA Limited (2 X 60 MW)

206. It is submitted that, the Applicant GRIDCO has entitlement of 12% of Energy Sent Out (ESO) from 2 X 60 MW generating station of M/s. NAVA Ltd as per the subsisting long term PPA, to be procured at Energy Charge Rate (ECR) only. Further, based on the consent of the applicant GRIDCO, M/s. NAVA Ltd has been allocated SHAKTI Linkage Coal by the Ministry of Coal, Govt. of India under Clause B (ii) of SHAKTI Policy, 2017. In this regard, an agreement dated 04.04.2024 was executed with M/s. NAVA Ltd., which has been duly approved by the Hon'ble Commission vide Order dated 06.06.2024 in Case No. 32 of 2024. Subsequently, M/s. NAVA Ltd has executed the Fuel Supply Agreement (FSA) dated 19.08.2024 with MCL and has been availing SHAKTI coal since August 2024 for the IPP Unit-1.

207. Further, NAVA Ltd. vide letter dated 07.04.2025 had submitted a proposal to Industrial Promotion and Investment Corporation of Odisha Ltd.(IPICOL), Govt. of Odisha, seeking an approval for conversion and operation of its existing Unit-2 - 60MW CPP as IPP, and upon such conversion, NAVA will supply 14%/12% sent-out power to State designated entity GRIDCO from its IPP-2 (Unit-2) under the State Thermal Policy, at the tariff determined by the Hon'ble Commission. IPICOL vide letter no. 2791 dated 27.05.2025 intimated the approval of NAVA's proposal for conversion of Unit-2 60MW CPP to IPP to the Industries Department, Govt. of Odisha. Subsequently, Industries Department vide letter dated 03.06.2025 communicated to NAVA, that their proposal for conversion of Unit-2 60MW CPP to IPP is approved by IPICOL in the 136th State Level Single Window Clearance Authority meeting (SLSWCA) held on 02.05.2025. Industries Department vide letter dated 25.06.2025 communicated the approval of conversion of Unit-2 60MW CPP of

As per proposed notations

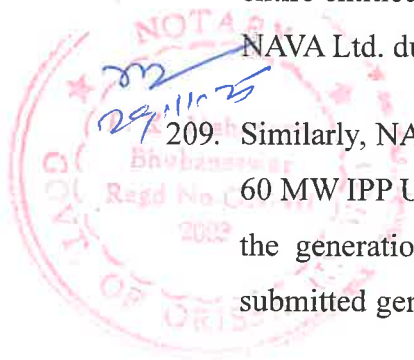
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M/s. NAVA Ltd. to IPP to the Energy Department, Government of Odisha. Thereafter, the Energy Department, Government of Odisha vide letter dated 26.06.2025 intimated GRIDCO about the approval of NAVA's proposal for conversion of Unit-2 60MW CPP to IPP. Accordingly, M/s. NAVA Ltd approached GRIDCO for supplying 12% of energy sent out from the 60MW IPP Unit-2 and also furnished an undertaking for supplying 12% of the energy sent out from the IPP Unit-2 to GRIDCO at exactly the same ECR as being billed for IPP Unit-1 of Nava Ltd. Thereafter, the draft PPA furnished by Nava Ltd for supply of 12% of energy sent out from the IPP Unit-2 to GRIDCO incorporating the necessary clauses was mutually agreed between the parties, signed and shall be filed before the Hon'ble Commission for accord of necessary approval. Subsequently, the said 60MW IPP Unit-2 (Converted to IPP from CPP) of Nava Ltd. was disconnected from the CPP Bus and connected to the IPP Bus for conversion of 60MW CPP to IPP in the presence of representatives from O&M and E&MR, OPTCL, C.E-Cum-C.E.I (Central Zone, Odisha) and TPCODL on 29.10.2025 as per intimation received via mail. The scheduling in respect of 60 MW IPP Unit-2 of NAVA Ltd. has also commenced from 04.11.2025. Considering power procurement from the 60MW IPP Unit-2 of NAVA Ltd by GRIDCO, the same is also projected herewith for considering it in the ARR of GRIDCO for FY 2026-27.

208. The Applicant, vide letter dated 25.09.2025, requested M/s. NAVA Ltd. to furnish the generation plan for IPP Unit-1 for FY 2026-27. In response, M/s. NAVA Ltd., vide email dated 09.10.2025, submitted the generation plan along with the tariff to be considered for FY 2026-27. As per the submitted plan, M/s NAVA Ltd. has projected generation of 36.387 MU toward the State entitlement from IPP Unit-1. It is submitted that, considering the Auxiliary Energy Consumption at 10% as approved in the Tariff Order of the IPP, the quantum of State entitlement at 12% of energy sent-out works out to 36.796 MU. Accordingly, the Applicant proposes to procure the entire entitled quantum of **36.796 MU** of power from the 60 MW IPP Unit-1 of M/s NAVA Ltd. during FY 2026-27.

209. Similarly, NAVA Ltd. was requested to furnish the generation plan in respect of the 60 MW IPP Unit-2. In response, NAVA Ltd., vide email dated 19.11.2025, submitted the generation plan along with the tentative tariff for FY 2026-27. As per the submitted generation plan, M/s. NAVA Ltd. has projected generation of **45.546 MU**

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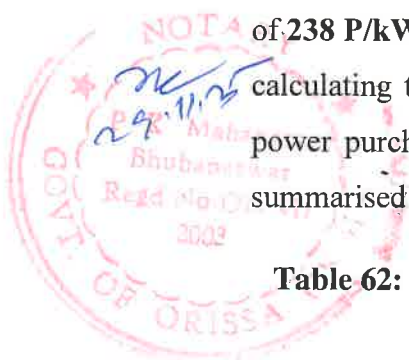
toward the State entitlement from IPP Unit-2 and has indicated an ECR of **238.00 P/kWh**. It is submitted that, considering Auxiliary Energy Consumption at 10%, as approved for IPP Unit-1, the quantum of State entitlement at 12% of energy sent-out works out to **46.057 MU**. Accordingly, the Applicant intends to procure the entire entitled quantum of **46.057 MU** of power from the 60 MW IPP Unit-2 of M/s NAVA Ltd. during FY 2026-27. It has also been mutually agreed between the parties that M/s. NAVA Ltd. shall supply the power to GRIDCO for IPP Unit-2 at exactly the same ECR as being billed for IPP Unit-1 for three (3) months and thereafter as per tariff to be determined by OERC.

210. However, considering the State entitlement of 12% share of power with 10% auxiliary consumption and 85% normative availability, the total entitlement of GRIDCO from both units of M/s. NAVA Ltd. works out to **96.5 MU**. The Applicant humbly prays that the Hon'ble Commission may ensure availability of the said 96.5 MU from the IPP units of NAVA Ltd.

It is submitted that, M/s. NAVA Ltd is utilising various types of domestic coal for supply of power to the Applicant. However, from August'2024, supply of SHAKTI linkage coal has been commenced for NAVA 60MW IPP Unit-1 under the FSA signed with MCL which is being utilised for supply of a major percentage of power to GRIDCO. It has also been specified in the draft PPA signed for procurement of 12% share of power from the 60MW IPP Unit-2 of NAVA and GRIDCO that concessional coal/ SHAKTI coal should be arranged by NAVA after commencement of power supply to the State Designated Entity, GRIDCO. However, the average first six months provisional Energy Charge Rate (ECR) of FY 2025-26 for 60MW IPP Unit-1 works out to be **205.64 P/kWh** and the said rate has been considered for projecting the power purchase cost for FY 2026-27 for Unit-1 of the IPP. Since NAVA Ltd. has not yet been allocated coal under the SHAKTI scheme for Unit-2, the tentative tariff of **238 P/kWh**, as furnished by the IPP in its generation plan, may be considered for calculating the power purchase cost for IPP Unit-2. Accordingly, the approximate power purchase cost has been calculated and projected to be Rs. 18.53 crore, as summarised in the following table:

Table 62: Proposed Procurement & Power Purchase Cost of M/s. NAVA Ltd. (IPP) for FY 2026-27

Right power not received



Name of the Power Station	Total Energy (MU)	Net Generation (MU)	Odisha Share (12%) (MU)	ECR (P/U)	Total Cost (Rs. Cr.)
NAVA LTD Unit-1	340.70	306.63	36.796	205.64	7.57
NAVA Ltd Unit-2	426.456	383.810	46.057	238.00	10.96
TOTAL NAVA	767.156	690.44	82.853	223.65	18.53

M/s. JSW Energy (Utkal) Limited (2 X 350 MW)

211. It is submitted that, erstwhile M/s. Ind-Barath Energy (Utkal) Limited (IBEUL) had established a thermal power plant of installed capacity 2 x 350 MW at Sahajbahal, Odisha. The Commercial Operation Date (COD) of the 1st Unit (350MW) was declared with effect from 20.07.2016 with a de-rated capacity of 339.6MW. Pursuant to the acquisition of IBEUL by JSW Energy Limited on 28.12.2022, and in accordance with the Supplemental MOU dated 24.11.2023 executed between the Government of Odisha and IBEUL, a restated amended PPA was executed between JSWE(U)L and GRIDCO on 23.12.2024. The said amended PPA was subsequently approved by the Hon'ble Commission vide Order dated 08.01.2025 in Case No. 64 of 2024 filed by GRIDCO. As an interim arrangement, the IPP has been supplying 12% of Energy Sent Out to GRIDCO since 21.02.2024 as per entitlement under the PPA, delivered at CTU while bearing all transmission losses and associated charges (i.e. GNA Charges & Losses) in accordance with the Supplementary PPA dated 07.06.2017 executed between the IPP and GRIDCO.

212. It is submitted that the IPP has successfully commissioned the 2nd Unit on 01.04.2025 and commercial operations have commenced from 03.04.2025. Further, the 1st Unit has also attained COD at rated capacity of 350MW on 06.02.2025. Presently, both the Units of JSWE(U)L are operating at their rated capacities of 350MW.

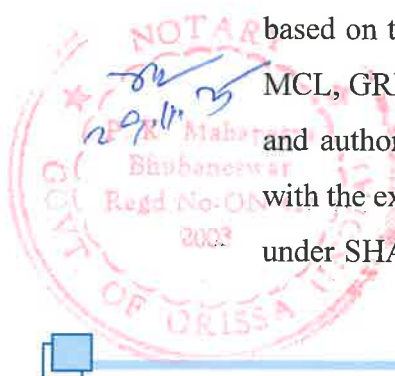
213. It is submitted that M/s. JSWE(U)L had filed an application registered as Case No. 43 of 2024 for determination of tariff for supply of 12% power sent out to GRIDCO. The Hon'ble Commission issued the final order in Case No. 43 of 2024 on 11.02.2025, wherein the IPP was allowed to recover statutory charges such as ED, Water Charges and SOC-MOC charges from GRIDCO in proportion to the power supplied. GRIDCO subsequently filed a Review Petition registered as Case No. 30 of 2025 against the said order, which was dismissed by the Hon'ble Commission vide

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Order dated 14.08.2025. Aggrieved by the dismissal, GRIDCO has filed an appeal before the Hon'ble APTEL, registered as DFR No. 362/2025. It is further submitted that GRIDCO is making payment of energy charges based on verification of the actual ECR claimed by the IPP on a monthly basis along with validation coal fuel data submitted in prescribed format. The proportionate GNA Charges and associated Losses are also being adjusted from the monthly payable amount to the IPP.

214. M/s. JSWE(U)L vide its email dated 14.10.2025, has furnished its Generation Plan filed herewith as **ED-16**. The IPP has indicated a planned shutdown period of 15 days during August'2026 in respect of Unit#1 and another 15 days during November'2026 for Unit#2. As per the submitted plan, M/s. JSWE(U)L has projected **562.28MU** towards State entitlement @12% of Energy Sent Out from their generating station at 85% PLF and AEC% of 6.25%. After accounting for transmission loss, the projected saleable quantum to GRIDCO has been indicated as **528.99 MU**. However, as per tariff order dated 11.02.2025 in Case No.43 of 2024 and applicable provisions of the OERC Generation Tariff Regulations, 2024, the projected State entitlement has been recalculated based on 12 % of Energy Sent Out from both units, planned outages of 15 days each for Unit#1 and Unit#2, Auxiliary Consumption of 5.75 %, normative PLF of 85 %, and Central Sector transmission loss of 3.61 %. Based on this computation, the actual available power for GRIDCO works out to 544.91 MU during FY 2026-27. Accordingly, the Applicant GRIDCO intends to procure the entire quantum of **544.91 MU** of power during FY 2026-27 from the IPP. However, applying the contractual entitlement of 12% share with 5.75 % Auxiliary Consumption and normative availability of 85 %, the entitlement of GRIDCO works out to 589.50 MU. The Applicant therefore humbly submits that the Hon'ble Commission may issue necessary directions to ensure that the full entitlement of 589.50 MU is supplied to GRIDCO by M/s. JSWE(U)L during FY 2026-27.

215. It is to submit that, the IPP has not been allocated any concessional coal. However, based on the request of the IPP and as a prerequisite for execution of the FSA with MCL, GRIDCO has furnished its consent (Schedule I duly signed by both GRIDCO and authorised representative of JSWE(U)L on 28.07.2025) to JSWE(U)L, in line with the existing long-term PPA. The IPP had participated in the e-auction (Round 7) under SHAKTI B (iii) Scheme and was declared as a provisional successful bidder.



It is anticipated that, the supply of SHAKTI coal under SHAKTI B (iii) scheme shall commence shortly after execution of the FSA between JSWE(U)L and MCL. The IPP has been requested to furnish the detailed status regarding the commencement of Shakti coal supply for GRIDCO's entitlement of power. Considering the average of actual ECR i.e. **204 Paise/Unit** (provisional) during the period from April'25 to September'25, the projected power purchase cost for FY2026-27 has been worked out to be **Rs.111.16 crores**.

Table 63: Proposed Procurement & Power Purchase Cost of M/s. JSWE(U)L (IPP) for FY 2026-27

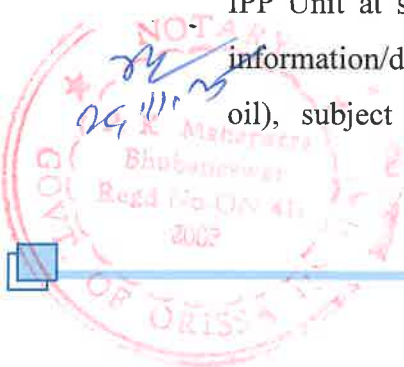
Name of the Power Stations	Energy (MU)	Net Generation (MU)	Projected Sales @85%	Odisha Share (12%)after Central Sector Loss of 3.61% (MU)	ECR (P/U)	Total Cost (Rs. Cr.)
JSWE(U)L	5880	5542	4711	544.91	204	111.16

M/s. Maadurga Thermal Power Company Limited (MTPCL)

Long Term

216. It is submitted that as per Power Purchase Agreement (PPA) dated 30.12.2010 executed between GRIDCO and M/s. MTPCL, the Applicant is entitled for the entire share of "infirm power" as well as the 12% of firm power sent out from the 2x30 (60) MW generating station of M/s. MTPCL at Energy Charge Rate (ECR) only. The Applicant-GRIDCO confirms its intent to procure the full entitled quantum of power from the said generating units. The Applicant GRIDCO vide letter dated 26.09.2024, requested M/s. MTPCL to furnish their Generation Plan for the FY 2026-27, which was received on 25.10.2025. Accordingly, the net drawal from the said IPP of M/s. MTPCL for FY 2026-27 is projected to be **48.25 MU**, considering an Aux. Energy Consumption of 10% and normative PLF of 85%.

217. It is to submit that, GRIDCO has been procuring 12% of Energy Sent Out from the IPP Unit at single part provisional tariff i.e. ECR of **304.60 p /kWh** (based on information/data provided by the IPP in respect of landed cost and GCV of coal and oil), subject to finalisation after determination of tariff by Hon'ble OERC.



Accordingly, the power purchase cost has been computed and estimated to be **Rs. 14.70 Crore.**

Table 64: Proposed Procurement & Power Purchase Cost Power purchase cost of M/s. MTPCL (IPP) for FY 2026-27

Generator	Gross Generation @85% PLF (MU)	AEC at 10% (MU)	Net Generation (MU)	Odisha Share (12%) (MU)	ECR (P/U)	Total Cost (Rs. Cr.)
M/s. MTPCL	446.76	44.68	402.08	48.25	304.60	14.70

Medium Term

218. A Medium-Term Agreement has been executed between GRIDCO and M/s. Maadurga Thermal Power Company Limited (MTPCL) on 27.03.2025 for a period of four years, with a Contracted Capacity of 25 MW (Ex-Bus) power at delivery point.

219. The Tariff for supply of the Medium-Term Power to GRIDCO has been determined under the TBCB Procedure in accordance with Section-63 of the Electricity Act, 2003. Total tariff has been fixed as Rs. 5.48/kWh, comprising a base Fixed Charge of Rs. 2.74/kWh and a base Variable Charge of Rs. 2.74/kWh, subject to the annual revision in WPI variation as per the provisions of the PPA.

220. The power has been scheduled w.e.f. 01.04.2025. The Agreement for Procurement of Power dated 27.03.2025 has been approved by the Hon'ble Commission vide order dated 09.06.2025 in Case No. 23 of 2025.

221. Accordingly, considering supply of 25 MW power on Round-The-Clock (RTC) basis, the estimated quantum of energy to be supplied by M/s. MTPCL during FY 2026-27 works out to **219 MU**. Based on this projection, the power purchase cost has been computed at **Rs. 120.012 crores**, subject to revision on account of applicable WPI variation as per the terms of the Agreement.

Table 65: Proposed Procurement & Power Purchase Cost Power purchase cost of M/s. MTPCL (IPP)-Med. Term for FY 2026-27

Generator	Energy (MU)	Fixed Charges (Rs. Cr.)	Energy Charges (Rs. Cr.)	Total Rate (P/U)	Projected Cost (Rs. Cr.)
MTPCL	219.00	60.005	60.005	548.00	120.01

222. The summary of projected energy availability and costs of power from all the IPPs is as follows:

Table 66: Summary of Energy availability from IPPs for FY 2026-27

Name of the Power Stations	Energy (MU)	Fixed Charges (Rs. Cr.)	Energy Charges (Rs. Cr.)	Year End Charges (Rs Cr.)	Total Projected Cost (Rs. Cr.)	Unit Rate (P/U)
M/s. GKEL	1898	295.66	333.8	25.6	655.06	345.13
M/s. Vedanta Ltd.	2880.51	257.26	561.21	56.01	874.48	303.58
M/s. NAVA Ltd (Unit 1)	36.796		7.57		7.57	205.64
M/s. NAVA Ltd (Unit-2)	46.057		10.96		10.96	238.00
M/s. JIPL	970.22		325.99		325.99	336.00
M/s JSWE(U)L	544.91		111.16		111.16	204.00
M/s. MTPCL (Long Term)	48.25		14.7		14.7	304.60
M/s. MTPCL (Mid Term)	219	60.005	60.005		120.01	548.00
Total	6643.75	612.93	1425.40	81.61	2119.94	319.09



Notary Public

Central Thermal Generating Stations

223. In the present Petition, the estimation of energy drawl by GRIDCO from the Central Generating Stations (CGS) of NTPC during the FY 2026-27 has been carried out by considering the following factors.
224. Auxiliary Energy Consumption (AEC), Specific Fuel Oil Consumption (SFC), Gross Station Heat Rate (SHR), Normative availability, etc. have been considered based on Hon'ble Central Electricity Regulatory Commission (hereinafter called as the "CERC") (Terms & Conditions of Tariff) Regulations, 2024 effective from 01.04.2024 to 31.03.2029.
225. Norms of Operation for Normative Annual Plant Availability Factor % (NAPAF%) for Thermal Generating Stations have been considered as 85% as per CERC (Terms & Conditions of Tariff) Regulations, 2024.
226. All India Transmission Losses have been considered as per the CERC (ISTS Charges and Losses), Regulation, 2020, which came in to effect from 01.11.2020. Accordingly, the average Transmission Loss for the period from April'2025 to September'2025 has been derived based on the weekly transmission loss data uploaded by NLDC. The same has been tabulated below:

Table 67 : Six Month (April'25 to Sept'25) Average Transmission Loss (%)

Month	CTU Loss (%)
Apr-25	3.78%
May-25	3.52%
Jun-25	3.38%
Jul-25	3.81%
Aug-25	3.72%
Sep-25	3.43%
Average Loss (%)	3.61%

The detail calculation of month wise transmission loss from April'25 to Sept'25 are submitted as enclosure at **ED-18**.

By the undersigned

NOTARY
29.11.25
Bhubaneswar
Regd No. ON 417
2003

227. Further, the present percentage (%) of share allocation of GRIDCO from the Stations of NTPC has been considered as per latest share allocation letter dated. 16.09.2025 w.e.f. 00:00 Hrs of 01.10.2025, of ERPC (enclosed as **ED-19**) is tabulated below for reference:

Table 68: Share Allocation of Power Based of NTPC Stations as Per ERPC

Share allocation of power based on ERPC Letter dated. 16.09.2025 w.e.f. 00:00 Hrs. of 01.10.2025										
Sl. No.	Name of the Generator	Installed Capacity (in MW)	Firm Share	Bundled Share	Unallocated Share	Total Share	Firm Share	Bundled Share	Unallocated Share	Total Share
			(in %age)				(in MW)			
1	FSTPS-I & II (3x200+2x500)	1600	0.00%	0.55%	1.21%	1.76%	0.0	8.9	19.327	28.2
2	FSTPS-III (1x500)	500	16.62%	0.53%	0.89%	18.04%	83.1	2.7	4.447	90.2
3	KHSTPS-I (4x210)	840	0.00%	0.54%	1.10%	1.64%	0.0	4.5	9.241	13.7
4	KHSTPS-II (3x500)	1500	2.05%	0.57%	0.76%	3.38%	30.75	8.6	11.420	50.7
5	TSTPS-I (2x500)	1000	31.80%	0.54%	1.27%	33.61%	318.0	5.4	12.667	336.1
6	TSTPS - II (4x500)	2000	10.00%	0.00%	0.00%	10.00%	200.0	0.0		200.0
7	DSTPS -I (2x800)	1600	50.00%	0.00%	1.82%	51.82%	800.0	0.0	29.082	829.1
8	Barh-I (3x660)	1980	14.07%	0.00%	1.13%	15.20%	278.7	0.0	22.30	300.9
9	Barh-II, Patna, Bihar (2x660)	1320	0.00%	0.00%	1.51%	1.51%	0.0	0.0	19.869	19.9
10	MTPS (2x195)	390	7.70%	0.00%	0.37%	8.07%	30.0	0.0	1.4	31.5
11	Nabinagar STPP - I (3x660)	1980	0.00%	0.00%	0.48%	0.48%	0.0	0.0	9.5	9.5
12	North Karanpura (3X660)	1980	20.00%	0.00%	1.83%	21.83%	396.0	0.0	36.304	432.3
- Total Central Thermal							2136.53	30.00	175.60	2342.13

R. B. In person meeting

228. In the instant Petition, the normative energy availability from the Central Generating Stations (CGS) of NTPC for GRIDCO during FY 2026-27 has been estimated based

on the existing share allocation of GRIDCO from the respective stations. The estimation has been carried out considering a Normative Plant Load Factor as 85%, Auxiliary Consumptions as specified under the CERC (Terms and Conditions of Tariff) Regulations, 2024 and an All-India Central Transmission Loss of **3.61%**. Accordingly, projected normative energy available for GRIDCO from the existing Central Thermal Generating Stations of NTPC for FY 2026-27 have been computed and tabulated below for kind reference.

Table 69: Projected Normative Availability of NTPC Stations for FY 2026-27

Name of the Station	Installed Capacity (MW)	GRIDCO's Share (%)	Auxiliary Consumption (%)	NAPAFM (%)	Net availability before Loss (MU)	Transmission Loss (%)	Net availability after Loss (MU)
FSTPS-I&II	1600	1.76%	6.47	85	196.23	3.61	189.15
Farakka STPS-III	500	18.04%	5.75	85	632.99	3.61	610.14
KhSTPS-I	840	1.64%	9.00	85	93.11	3.61	89.75
KhSTPS-II	1500	3.38%	5.75	85	356.02	3.61	343.16
TSTPS-I	1000	33.61%	6.55	85	2,338.73	3.61	2,254.30
TSTPS-II	2000	10.00%	5.75	85	1,403.57	3.61	1,352.90
DSTPS-I	1600	51.82%	5.75	85	5,818.38	3.61	5,608.33
Barh-I	1980	15.20%	5.75	85	2,112.02	3.61	2,035.77
Barh-II	1320	1.51%	5.75	85	139.44	3.61	134.40
MTPS-II (Kanti Bijli)	390	8.07%	9.00	85	213.20	3.61	205.51
Nabinagar STPS-I	1980	0.48%	5.75	85	66.71	3.61	64.30
North Karanpura STPS-I	1980	21.83%	6.25	85	3,017.75	3.61	2,908.81
Total					16,388.14		15,796.53

R.D. Prasad not to be used

229. It is pertinent to mention that Unit #3 of Barh-I STPS, having a capacity of 660 MW, was declared under Commercial Operation (CoD) with effect from 00:00 hours of 01.07.2025. Similarly, Unit #3 of North Karanpura STPS, with a capacity of 660 MW, was declared under Commercial Operation with effect from 00:00 hours of 15.06.2025. GRIDCO has been allocated a capacity of 139 MW from Unit #3 of Barh-I STPS and 132 MW from Unit #3 of North Karanpura STPS.

230. The power from these stations has been drawn primarily to meet the State's demand, particularly during peak hours and during certain off-peak hours in case of generation outages/ higher system demand/ elevated market prices. Generally, the market rate during peak hours remains higher than the variable cost of these stations. Moreover, when the market prices are higher during off peak hours and the State has adequate supply of power to meet the demand, at that time GRIDCO also procures power from these stations for sale in the market, thereby generating additional revenue.
231. It is pertinent to mention that the Applicant, GRIDCO, in coordination with SLDC, Odisha, consistently adheres to the Merit Order Despatch (MOD) principle while scheduling and drawing power from Central Generating Stations, State Thermal Power Stations, and Independent Power Producers (IPPs). To establish the aforesaid points a table showing the difference between entitlement and schedule of GRIDCO at peak and off-peak hours for different NTPC generating stations is established below:

Table 70 : GRIDCO's Entitlement and Schedule from NTPC Stations at Peak and Off-Peak Hours

Name of Station	ENTITLEMENT(MU)			SCHEDULE(MU)			*POWER NOT AVAILABLE	
	PEAK TOTAL	OFF-PEAK TOTAL	TOTAL	PEAK TOTAL	OFF-PEAK TOTAL	TOTAL	(MU)	% OF ENTITLEMENT
FSTPS-I & II	17.29	87.84	105.13	17.07	39.06	56.13	49.00	47%
FSTPS-III	61.51	306.92	368.44	60.24	138.73	198.97	169.46	46%
KHSTPS-I	8.39	41.64	50.03	8.15	21.63	29.78	20.25	40%
KHSTPS-II	31.79	156.93	188.72	31.18	91.93	123.10	65.61	35%
TSTPS-I	217.60	1,086.47	1,304.07	217.11	996.17	1,213.28	90.80	7%
TSTPS-II	-	-	721.26	-	-	679.58	41.68	6%
DSTPS-I	450.26	2,256.64	2,706.89	450.11	2,185.38	2,635.50	71.40	3%
BSTPS-I	101.62	511.82	613.44	98.20	253.92	352.12	261.32	43%
BSTPS-II	11.11	55.99	67.10	11.01	31.87	42.88	24.23	36%
MTPS-II	20.33	99.94	120.27	20.02	52.19	72.21	48.06	40%
NSTPS-I	7.36	36.46	43.82	7.31	20.77	28.08	15.74	36%

Name of Station	ENTITLEMENT(MU)			SCHEDULE(MU)			*POWER NOT AVAILABLE	
	PEAK TOTAL	OFF-PEAK TOTAL	TOTAL	PEAK TOTAL	OFF-PEAK TOTAL	TOTAL	(MU)	% OF ENTITLEMENT
NKSTPS-I	222.43	1,032.82	1,255.25	222.14	923.51	1,145.66	109.59	9%
TOTAL	1,149.71	5,673.46	7,544.42	1,142.54	4,755.16	6,577.28	967.14	13%

*Power Not Available- Power Surrendered, Breakdown, Plant not available etc.

Accordingly, the Applicant humbly prays before the Hon'ble Commission to kindly consider and approve the proposed drawal of power from these Central Generating Stations for FY 2026-27.

Fixed Cost of Central Generating Stations

232. It is submitted that the Hon'ble CERC has notified the Tariff Regulations for the control period FY 2024-29, pursuant to which NTPC has filed tariff petitions before the Hon'ble CERC for its various Central Generating Stations (CGS) from which GRIDCO procures power. The hearings for these petitions have commenced, and the tariff determination process is presently pending before the Hon'ble CERC for finalization. In accordance with the tariff petitions filed by NTPC before the Hon'ble CERC, the proportionate Fixed Cost corresponding to GRIDCO's allocated share has been computed, and the same is presented in the table below:

**Table 71: Annual Fixed Cost for NTPC Stations for the FY 2026-27
(As Per Petitions Filed Before CERC)**

Central Generating Stations	Installed Capacity	AFC of the Station	%age Share of GRIDCO	Proportionate AFC for GRIDCO
	(MW)	(Rs. Cr.)	(in %age)	(Rs. Cr.)
FSTPS-I & II	1,600	1,582.89	1.76%	27.88
FSTPS-III	500	586.25	18.04%	105.76
KHSTPS-I	840	815.65	1.64%	13.34
KHSTPS-II	1,500	1,261.03	3.38%	42.65
TSTPS-I	1,000	811.55	33.61%	272.77
TSTPS-II	2,000	1,642.23	10.00%	164.22
Darlipali STPS-I	1,600	2,934.89	51.82%	1,520.79

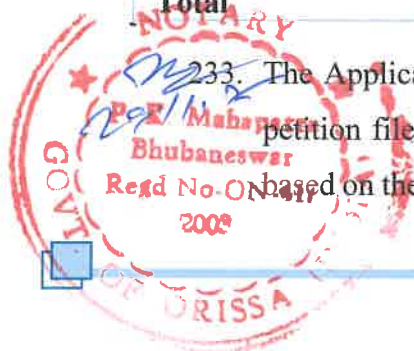
Central Generating Stations	Installed Capacity	AFC of the Station	%age Share of GRIDCO	Proportionate AFC for GRIDCO
	(MW)	(Rs. Cr.)	(in %age)	(Rs. Cr.)
BSTPS-I	1,980	4,352.29	15.20%	661.52
BSTPS-II	1,320	1,955.07	1.51%	29.43
MTPS-II	390	759.48	8.07%	61.27
NSTPS-I	1,980	3,602.43	0.48%	17.30
NKSTPS-I	1,980	3,371.64	21.83%	736.15
Total		23,675.40		3,653.07

However, in the absence of tariff orders issued by the Hon'ble CERC for the generating stations of NTPC for the control period FY 2024-29(Copy of the petitions are attached as **ED-20 (Colly)**), NTPC continues to raise monthly bills based on the tariff determined for FY 2023-24 applicable under the previous control period, 2019-24. Copy of the detail bills are provided in Volume -II of the GRIDCO's Application. Accordingly, the projected Annual Fixed Cost based on the currently received bills is summarized in the table below:

Table 72: Projected Annual Fixed Cost for NTPC Stations for the FY 2026-27

Central Generating Stations	Installed Capacity	AFC of the Station	%age Share of GRIDCO	Proportionate AFC for GRIDCO
	(MW)	(Rs. Cr.)	(in %age)	(Rs. Cr.)
FSTPS-I & II	1,600	1,007.77	1.76%	17.75
FSTPS-III	500	516.0028	18.04%	93.08
KHSTPS-I	840	599.29	1.64%	9.80
KHSTPS-II	1,500	968.6389	3.38%	32.76
TSTPS-I	1,000	623.15	33.61%	209.45
TSTPS-II	2,000	1144.5544	10.00%	114.46
Darlipali STPS-I	1,600	2,080.54	51.82%	1,078.08
BSTPS-I	1,980	3258.5868	15.20%	495.29
BSTPS-II	1,320	1,695.83	1.51%	25.53
MTPS-II	390	697.108	8.07%	56.24
NSTPS-I	1,980	2,900.01	0.48%	13.92
NKSTPS-I	1,980	2619.7911	21.83%	571.99
Total				2,718.35

233. The Applicant submits that the proportionate AFC of GRIDCO, as per the tariff petition filed by NTPC, amounts to Rs. 3653.07 crores for FY 2026-27. However, based on the current billing raised by NTPC in accordance with the tariff order issued



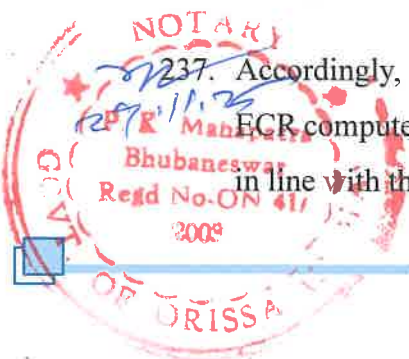
by the Hon'ble CERC for the previous control period FY 2019-24, the corresponding AFC works out to Rs. 2718.35 Crore, resulting in a differential amount of Rs. 934.72 crores. Since the aforesaid enhanced claim of NTPC is subject to regulatory scrutiny and final determination by the Hon'ble CERC, the projected AFC in the present ARR has been considered based on the tariff reflected in the current bills served by NTPC. Notwithstanding the above, GRIDCO respectfully submits that it reserves the right to seek revision of the AFC in the event that the Hon'ble CERC issues a tariff order for any of the concerned generating stations prior to finalisation of the present ARR.

234. It is submitted that, irrespective of the quantum of power drawn by GRIDCO from the Central Generating Stations, it is statutorily required to pay the Fixed Charges corresponding to its allocated share, in accordance with the Plant Availability Factor (PAF) of the respective stations. Consequently, GRIDCO is obligated to bear the full Fixed Cost as per its share allocation from each generating station. It is further submitted that the Hon'ble Commission, in its previous ARR Orders for GRIDCO, has consistently approved the Fixed Cost payable to these stations, even in cases where there has been partial or no power procurement from certain generating stations.
235. The Applicant, therefore, humbly prays before the Hon'ble Commission to approve the Fixed Cost of all NTPC Eastern Region Stations for FY 2026-27 corresponding to GRIDCO's proportionate share, based on the fixed cost presently billed by NTPC, which is subject to further modification in case tariff order by CERC is pronounced prior to finalisation of ARR.

Energy Charge Rate (ECR) of Central Generating Stations

236. As per the provisions of the CERC Tariff Regulations, 2024, applicable for the tariff block period 2024-29, the Energy Charges of Central Generating Stations (CGS) shall include charges towards both Primary Fuel (i.e., coal) and Secondary Fuel Oil (SFO). These charges shall be payable by each beneficiary for the total energy scheduled to be supplied to them during the respective calendar month on an Ex-Power Plant basis.

237. Accordingly, NTPC has been raising monthly Energy Charge claims based on the ECR computed from the landed price and GCV of coal & oil for the respective month, in line with the operational parameters specified under the CERC Tariff Regulations,



2024. At present, the Energy Charges are being claimed by NTPC strictly in accordance with the said Regulations. Considering the ECR billed by NTPC for the period from April'2025 to September'2025, GRIDCO has projected the Energy Charge Rate (ECR) for FY 2026-27 as the average of the actual ECR claimed by NTPC during the aforesaid period, duly accounting for Central Sector transmission losses for the same duration. The detailed computation has been presented in the following table:

Table 73: Proposed Energy Charge Rates (ECR) of NTPC Stations for FY 2026-27

Proposed Energy Charge Rates (ECR) of NTPC Stations for the FY 2026-27									
Name of the CGS	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Average ECR	CS Loss	Proposed ECR (after CS Loss)
	(In Rs.)							(%)	(In Rs.)
FSTPS-I & II	3.406	3.329	3.364	3.454	3.471	3.502	3.421	3.61%	3.549
FSTPS-III	3.312	3.215	3.269	3.345	3.382	3.414	3.323	3.61%	3.447
KHSTPS-I	3.046	3.025	3.028	3.091	3.244	3.274	3.118	3.61%	3.235
KHSTPS-II	2.856	2.830	2.832	2.892	3.037	3.065	2.919	3.61%	3.028
TSTPS-I	1.635	1.657	1.711	1.708	1.775	1.854	1.723	3.61%	1.788
TSTPS-II	1.617	1.643	1.697	1.689	1.759	1.835	1.707	3.61%	1.771
DSTPS-I	1.062	1.135	1.069	0.988	0.981	1.077	1.052	3.61%	1.091
BSTPS-I	2.885	2.871	2.946	2.969	3.246	3.081	3.000	3.61%	3.112
BSTPS-II	2.837	2.839	2.860	2.932	3.159	3.014	2.940	3.61%	3.050
MTPS-II	2.981	3.147	3.101	2.998	3.007	2.987	3.037	3.61%	3.151
NSTPS-I	2.812	2.772	2.871	2.934	3.073	2.959	2.904	3.61%	3.012
NKSTPS-I	1.747	1.800	1.856	1.926	1.922	1.878	1.855	3.61%	1.924

Bitan Prasad Mohapatra

238. Considering the proposed ECR and the projected energy drawal from the Central Generating Stations, the total energy cost proposed by GRIDCO for FY 2026-27 has been computed accordingly and is presented in the following table:



Table 74: Proposed Energy Cost of NTPC Stations for FY 2026-27

Name of the CGS	Proposed Energy	Proposed ECR	Proposed Energy Cost
	(MU)	(Rs.)	(Rs. Cr.)
FSTPS-I & II	189.15	3.549	67.13
FSTPS-III	610.14	3.447	210.33
KHSTPS-I	89.75	3.235	29.03
KHSTPS-II	343.16	3.028	103.91
TSTPS-I	2,254.30	1.788	403.04
TSTPS-II	1,352.90	1.771	239.54
DSTPS-I	5,608.33	1.091	612.09
BSTPS-I	2,035.77	3.112	633.53
BSTPS-II	134.40	3.050	41.00
MTPS-II	205.51	3.151	64.75
NSTPS-I	64.30	3.012	19.37
NKSTPS-I	2,908.81	1.924	559.74
Total	15,796.53		2,983.47

Year-End Adjustment Charges of Central Sector Generating Stations

239. NTPC had filed an application before the Hon'ble CERC seeking approval for recovery of additional expenditure incurred towards Ash Transportation Charges, in compliance with the MoEF & CC Notifications dated 03.11.2009 and 25.01.2016, on a recurring basis. In exercise of its regulatory powers under Section 79(1)(a) of the Electricity Act, 2003, the Hon'ble CERC, vide Order dated 28.10.2022, held that the additional expenditure incurred by NTPC towards Fly Ash Transportation Costs for the period 2019-24 is admissible as additional O&M expenses, being in accordance with the MoEF & CC Notifications dated 25.01.2016 and 31.12.2021. A copy of the said CERC Order dated 28.10.2022 is enclosed as is attached as **ED-21** for reference.

It is pertinent to mention that GRIDCO has filed an Appeal before the Hon'ble APTEL (Appeal No. 673 of 2023) challenging the aforesaid CERC Order dated 28.10.2022 along with an Interim Application seeking stay on the Order. As per the current status, no stay has been granted by the Hon'ble APTEL and the matter remains sub judice for hearing on merits.



Subhmanish Mohapatra

240. It is observed that NTPC in its tariff filings for all its stations for the period F.Y - 2024-29 has projected the Ash Transportation charges pertinent to each financial year and the relevant claims mentioned in the tariff petitions are attached as **ED-20 (Colly)**. Further, NTPC has filed a miscellaneous petition before CERC bearing Petition No. 227/MP/2025, seeking monthly realization of Ash Transportation Charges for each financial year in accordance with Regulations 10(4) and 36(1)(6) of the CERC Tariff Regulations, 2024. In view of the above, GRIDCO has considered the projected Ash Transportation Charges as filed by NTPC in its tariff petitions for FY 2026-27, in proportion to GRIDCO's allocated share from the respective generating stations.
241. It is to be mentioned that the RLDC Charges and Electricity Duty (ED) on Auxiliary Energy Consumption (AEC) for FY 2026-27 in respect of the existing Central Generating Stations have been projected based on the actual Year-End Charges incurred by GRIDCO during the period from April'2024 to March'2025.
242. Other Year-End Charges such as Compensation Charges, Incentives, Additional O&M Charges due to Wage Revision, Foreign Exchange Rate Variation (FERV) Charges, Water Charges, Deferred Tax Liability, etc., have not been projected in the present Petition. These charges shall be claimed based on the actual amounts incurred at the time of filing the True-Up Application for FY 2026-27. The details of Year End charges payable by GRIDCO for FY 2026-27 are presented in the table below:

Table 75 : Projected Year End Charges of NTPC Stations for FY 2026-27 (Rs. Cr)

Station	RLDC Charges	ED	Ash Transportation Charges	Total
FSTPS-I & II	0.02354	0	5.74	5.77
FSTPS-III	0.09359	0	18.38	18.48
KHSTPS-I	0.01115	0	1.63	1.64
KHSTPS-II	0.04356	0	6.01	6.06
TSTPS-I	0.33565	8.85501	42.3	51.49
TSTPS-II	0.1539	4.59613	25.17	29.92
BSTPS-I	6.06222	18.16943	239.92	264.15
BSTPS-I	0.16428	0	15.41	15.58
BSTPS-II	0.02484	0	1.02	1.04

Station	RLDC Charges	ED	Ash Transportation Charges	Total
MTPS-II	0.03533	0	0.17	0.20
NSTPS-I	0.01689	0	0.82	0.84
NKSTPS-I	0.29456	0	43.67	43.96
Total	7.26	31.62	400.24	439.11

*Ash Transportation charges has not been received by GRIDCO till Sep'25, hence the rate of Ash-Transportation charges are considered from the Petition filed by NTPC before CERC.

243. The summary of the proposed power procurement cost from Central Generating Stations of NTPC for FY 2026-27 is presented below.

Table 76 : Summary of the Proposed Power Procurement Cost of NTPC Stations FY 2026-27

Sl. No.	Name of the Generating Station	Energy (MU)	Fixed Charge	Variable Charge	Year End Charge	Total	Rate (P/U)
1	FSTPS-I & II	189.15	17.75	67.13	5.76	90.64	479.19
2	FSTPS-III	610.14	93.08	210.33	18.47	321.89	527.56
3	KHSTPS-I	89.75	9.80	29.03	1.64	40.47	450.99
4	KHSTPS-II	343.16	32.76	103.91	6.05	142.72	415.89
5	TSTPS-I	2,254.30	209.45	403.04	51.49	663.98	294.54
6	TSTPS-II	1,352.90	114.46	239.54	29.92	383.92	283.77
7	Darlipali STPS-I	5,608.33	1,078.09	612.09	264.15	1,954.33	348.47
8	BSTPS-I	2,035.77	495.29	633.53	15.57	1,144.39	562.14
9	BSTPS-II	134.40	25.53	41.00	1.04	67.56	502.69
10	MTPS-II	205.51	56.24	64.75	0.21	121.20	589.76
11	NSTPS-I	64.30	13.92	19.37	0.84	34.13	530.81
12	NKSTPS-I	2,908.81	571.99	559.74	43.96	1,175.70	404.18
TOTAL		15,796.53	2,718.35	2,983.47	439.11	6,140.92	388.75

The Applicant, GRIDCO, respectfully requests the Hon'ble Commission to approve the Fixed Cost, Energy Charges, and Year-End Charges in respect of the various Central Generating Sources (CGS) as detailed and justified in the foregoing paragraphs of this Petition for FY 2026-27.



F. Captive Generating Plants (CGPs)

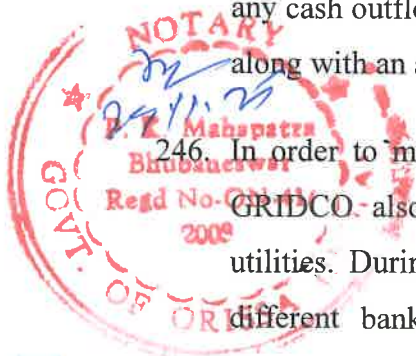
244. The Applicant respectfully submits that, with the commissioning and full entitlement of power from OPGC Unit # 3 & 4, NTPC-Darlipali (1600 MW), Barh-I and other upcoming renewable capacity additions, there will be no requirement to procure power from CGP sources during the ensuing FY 2026-27. However, procurement of power from CGPs and Co-Generation Plants may be undertaken, in accordance with the Order dated 09.04.2019 of the Hon'ble OERC in Case No.62 of 2017, only if any unprecedented and acute power shortage arises in the State. In such a scenario, the Applicant GRIDCO may resort to procurement of power from CGPs, provided the economics of such power procurement works out in its favour vis-a-vis power supply-demand situation of the State and any exigency/force majeure conditions, if applicable. It is submitted that CGP power is not a firm source of power supply, as CGPs are established for meeting the captive requirements of their respective industries. The Hon'ble Commission is therefore requested to consider the tariff for procurement of power from CGPs in the State for FY 2026-27, to be applied only under shortage conditions or during outages of large generating stations as mentioned above.

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G. Power Banking

245. In addition to availability of energy from various tied-up sources, GRIDCO also endeavours to source power through banking arrangements with different entities and utilities of other States for mutual benefit and cost optimisation. Under such arrangements, surplus energy of one utility is banked with another utility facing power deficit situation. This is a cashless mechanism which supports a cash-constrained utility like the Applicant without resorting to the power market. The mechanism enables the deficit utility to meet its power requirement through without any cash outflow, and when the utility becomes surplus, it returns the banked power along with an additional quantum as premium, as mutually agreed.

246. In order to maintain reliability of supply and optimize power procurement cost, GRIDCO also availed energy through banking arrangements with counterpart utilities. During FY 2024-25, around 469.101 MU of energy was availed under different banking arrangements from MPPMCL, NALCO and APPCPL, and



approximately 485.50 MU of energy was returned as per the agreed terms and conditions. The banking mechanism enabled balancing of seasonal variations in demand and availability, and supported maintenance of a stable supply position in the State. The Hon'ble Commission may appreciate that during power deficit situations, GRIDCO endeavours and prioritises banking arrangements with other beneficiaries to avail power during deficit months, with the commitment to return the banked power during the deficit period of the counterparty. This approach is adopted in the larger interest of consumers of both States. It is pertinent to mention that the State usually experiences the high demand season during the summer months and low demand during the winter months. Accordingly, GRIDCO typically avails banked power during the summer period. However, since the country as a whole also witnesses high demand during summer, very few utilities or entities agree to supply power during this period. As a result, banking opportunities remain limited due to difficulty in identifying a utility or entity with a complementary load profile to that of our State.

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H. Inter State Transmission System (ISTS) Charges

247. Inter-State Transmission Charges Bills raised by CTUIL / PGCIL are being determined in accordance with the norms and principles as laid down by the Hon'ble CERC from time to time. The Hon'ble CERC has notified the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 along with subsequent amendments (GNA Regulations). These GNA regulations have replaced the earlier Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access to the inter-State Transmission and related matters) Regulations, 2009. The Hon'ble CERC has also amended the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 to align with the GNA Regulations. Both the GNA Regulations as well as the Sharing Regulations have come into effect from 01.10.2023. Accordingly, billing, collection and disbursement of the inter-State transmission charges and associated transmission losses are now being carried out in line with the provisions of the GNA Regulations and amended Sharing Regulations, 2020, the details of which are as follows:



A. National Component (NC)**A1: NC-RE**

National Component-Renewable Energy shall comprise of the YTC (Yearly Transmission Charges) for transmission systems developed for renewable energy projects as identified by the Central Transmission Utility.

A2: NC-HVDC

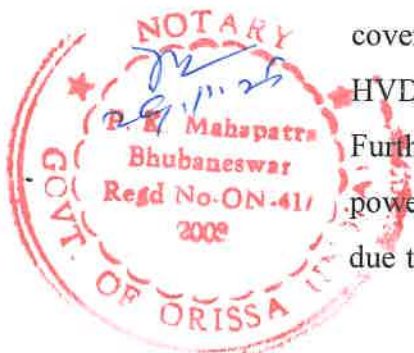
National Component-HVDC shall comprise of the following:

- a. 100% of YTC for “back-to-back HVDC” transmission system;
- b. 100% of Yearly Transmission Charges for +/- 800KV BNC-Agra HVDC Transmission System (Biswanath-Chariali/ Alipurduar to Agra);
- c. YTC of Mundra-Mohindergarh 2500 MW HVDC transmission system corresponding to 1005 MW capacity; and
- d. 30% of YTC for all other HVDC transmission systems except above.

In cases where an inter-regional HVDC transmission system planned to supply power to a particular region is operated to carry power in the reverse direction due to system requirements, the percentage of Yearly Transmission Charges of such transmission systems to be included in the National component shall be 30% or higher, as determined in accordance with the formula outlined in the Sharing Regulations. The Yearly Transmission Charges (YTC) for the National Component is shared among all Drawee DICs of the country in proportion to their GNA and GNA_{RE}.

B. Regional Component (RC)**B1: RC-HVDC**

Regional Component of HVDC System comprising of 70% of YTC of HVDC transmission systems planned to supply power to the concerned region, except covered under A2. Since no HVDC system has been planned for ER, the RC-HVDC component is zero for all the constituents of ER including Odisha. Further, when an inter-regional HVDC transmission system planned to supply power to a particular region is operated to carry power in the reverse direction due to system requirements, the percentage of Yearly Transmission Charges



of such transmission systems to be considered in the Regional component will be the balance amount remaining after computation of National component.

B2: RC-AC

RC-AC comprises of YTC of static compensators (STATCOMs), static VAR compensators (SVCs), bus reactors, spare transformers, spare reactors etc. as identified by CTU (Central Transmission Utility) for providing stability, reliability and resilience in the grid. The Yearly Transmission Charges (YTC) for the Regional Component is shared among all Drawee DICs of the receiving region in proportion to their GNA and GNA_{RE} .

C. Transformer Component (TC)

Transformer Component for a State shall comprise of YTC for inter-connecting transformers (ICTs) planned for drawal of power by the concerned State. Transformer Component for a State is borne and shared by the drawee DICs located in the concerned State in proportion to their quantum of GNA and GNA_{RE} .

D. AC System Component (ACC)**D1: AC-UBC**

All India Base Case is prepared by the Implementing Agency (IA) corresponding to the peak block. Percentage usage of each transmission line is computed by dividing the power flow on each transmission line by its SIL (Surge Impedance Loading). Average cost of each conductor configuration per circuit kilometer is determined as per the methodology specified in the Regulations. Using Average cost and percentage usage, AC-UBC component is determined. Transmission charges at each drawal node and each injection node is calculated as per Hybrid Methodology (AP-MP), using WEB-NET-USE software developed by IIT Mumbai.

D2: AC-BC

The YTC under AC-BC shall be the balance YTC for AC System Component after apportioning the charges for AC-UBC. Transmission charges under AC-BC are shared by all drawee DICs in proportion to their quantum of GNA and GNA_{RE} .



Notary Seal

248. All the components and sub-components of the ISTS Charges for the Billing Months April'2025 to October'2025 are shown in the technical format TRT-12. The format has been modified to accommodate the components and sub-components as prescribed in the Sharing Regulations and its amendments. The total ISTS Charges include Bill #1, Bill #2, Bill #3 raised by CTUIL and Non-PoC Bills raised by PGCIL.
249. As per the GNA Regulations, the Deemed GNA for the State of Odisha has been fixed as 2157 MW and is granted to the STU (OPTCL). This allocated GNA is presently being utilised by GRIDCO for scheduling power from Generating Stations connected to the ISTS. In accordance with the provisions of the IEGC Regulations, the drawal schedule of a drawee DIC shall be limited to the quantum equivalent to the sum of GNA and T-GNA. Further, under the GNA Regulations, the provision of access has been delinked from the PPA(s), thereby enabling the drawee DICs to schedule power under various contracts based on their assessment of merit order on day ahead basis within their approved GNA quantum.
250. It is submitted that, subject to availability of margin under T-GNA, GRIDCO shall schedule additional power from generating stations connected to the CTU network through the T-GNA mechanism. The cost associated with availing T-GNA shall accordingly be factored under the Trading Cost component.
251. In view of the above, the GNA allocation of Odisha for the upcoming FY 2025-26 has been considered as 2157 MW and the ISTS charges for ARR computation have been estimated at **Rs. 694.91 Crore** for FY 2026-27. Further, the energy drawl by GRIDCO from Central Sector Generators has been estimated as **22791 MU** for the said year.
252. As per provisions of the Sharing Regulations, the Transmission Loss for ISTS shall be calculated on an All-India average basis on a weekly cycle. Based on the computation for the first six months of FY 2025-26, the average transmission loss has been derived as 3.61%. Accordingly, the per unit ISTS Charge before Loss and after Loss works out to be 30.49 P/U and 31.63 P/U respectively. The estimated of ISTS charge for FY 2026-27 has been calculated as follows:

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Table 77 : Estimated Transmission charges for FY 2026-27 (Rs Cr.)

Particulars	Amount
Net amount payable by GRIDCO towards Transmission Charges (Rs. Cr)	694.91
Energy Drawal by GRIDCO (MU)	22791
ISTS Charge (P/U)	30.49
Average All India Central Sector Transmission Loss (%)	3.61%
ISTS Charge including loss (P/U)	31.63

253. Assumptions taken to arrive at the projections for FY 2026-27 are mentioned at TRT-12.

ERLDC Fees and Charges

254. The Applicant submits that as per the relevant CERC (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, the RLDC fees and charges shall comprise of the following components:

- ◆ Regional Load Despatch Centre fees to be recovered by Grid Controller of India Ltd. (GCIL) formerly POSOCO towards registration for commencement of Grid access and scheduling
- ◆ Annual charges to be collected in the form of annual LDC charges from the users. The RLDC charges shall be collected equally (1/3rd of Monthly Charges) from the following users as indicated below:
 - a. Distribution Licensees & Buyers
 - b. Generating Stations & Sellers
 - c. Transmission Licensees

255. The Applicant has forecasted GCIL charges for FY 2026-27 by prorating actual expenses for Apr-Oct'2025 (shown in the table 2). Thus, the Applicant proposes Rs. 3.74 Cr. as expenses for GCIL charges for FY 2026-27 considering escalation of 10%.

Table 78 : ERLDC Fees and Charges for FY 2025-26

Sl. No.	Month	RLDC Charges (in Rs.)
1	Apr-25	29,65,420
2	May-25	28,64,663
3	Jun-25	28,64,663
4	Jul-25	27,85,966
5	Aug-25	27,85,966
6	Sep-25	27,66,250
	Total	1,70,32,928.00

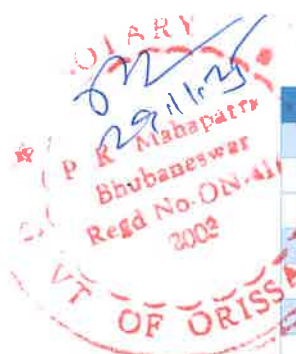


Table 79 : Projected ERLDC Fees and Charges for FY 2026-27

Particulars	Amount
Net amount payable by GRIDCO towards POSOCO Charges (Cr.)	3.74
Energy drawl by GRIDCO before Central Sector Loss (MU)	22791
ERLDC Fees and Charges (P/U)	0.16

256. In view of the aforementioned submissions made by the Applicant GRIDCO, the Summary of Power Purchase Cost of Energy with Cost break up for FY 2026-27 are submitted as follows:

Table 80: Summary of Power Purchase Cost for FY 2026-27(MOD- Variable Cost)

Station Name	Energy Available (MU)	VC /Unit (P/U)	Total VC (Rs Cr.)	Total FC (Rs Cr.)	Year End charges (Rs Cr.)	Total Cost (Rs Cr.)	Rate (P/U)
Non-Fossil Sources							
HHEP	816.90	59.32	48.46	48.46	2.41	99.33	121.60
CHEP	277.28	80.91	22.44	22.44	0.79	45.66	164.68
Rengali	779.17	43.95	34.25	34.25	2.28	70.77	90.83
Upper Kolab	628.22	64.56	40.56	40.56	1.95	83.07	132.23
Balimela	1208.58	43.14	52.14	52.14	3.57	107.84	89.23
OHPC(Old)	3710.15	53.32	197.84	197.84	11.01	406.68	109.61
Indravati	1477.09	56.12	82.90	82.90	4.44	170.24	115.25
Machhkund	259.35	0.00	0.00	37.16	0.00	37.16	143.28
Total State hydro availability	5446.59	51.54	280.74	317.89	15.45	614.08	112.75
Chukha	163.00	315.39	51.41	0.00	0.00	51.41	315.39
Tala	59.00	235.50	13.89	0.00	0.00	13.89	235.50
Mangdechhu	278.00	478.27	132.96	0.00	0.00	132.96	478.27
Punatsangchhu-II HEP	524.00	536.36	281.05	0.00	0.00	281.05	536.36
Kurichhu	1.00	236.54	0.24	0.00	0.00	0.24	236.54
Rangit	6.00	245.09	1.47	1.47	0.00	2.94	490.40
Teesta	549.00	125.69	69.00	69.00	0.13	138.14	251.62

Notarized
 By the presence of Notary

Station Name	Energy Available	VC /Unit	Total VC	Total FC	Year End charges	Total Cost	Rate
	(MU)	(P/U)	(Rs Cr.)	(Rs Cr.)	(Rs Cr.)	(Rs Cr.)	(P/U)
Total Central Hydro Availability	1580.00	348.12	550.02	70.47	0.13	620.63	392.80
Renewables							
Solar	3671.00	310.29	1139.07	0.00	27.72	1166.79	317.84
SHEP	521.97	452.57	236.23	0.00	0.00	236.23	452.57
Wind	1015.69	280.97	285.38	0.00	0.00	285.38	280.97
Total Renewables	5208.66	318.83	1660.68	0.00	27.72	1688.40	324.15
Sub Total Non-Fossil Sources (A)	12,235.25	203.63	2491.44	388.37	43.30	2923.11	238.91
Balance Energy Required to meet the DISCOMS Demand as per MOD Principle (B)							
M/s. GKEL	1898.00	175.87	333.80	295.66	25.60	655.06	345.13
M/s. Vedanta Ltd.	2880.51	194.83	561.21	257.26	56.01	874.48	303.58
M/s. NAVA Ltd (Unit-1)	36.80	205.64	7.57	0.00	0.00	7.57	205.64
M/s. NAVA Ltd (Unit-2)	46.06	238.00	10.96	0.00	0.00	10.96	238.00
M/s. JITPL	970.22	336.00	325.99	0.00	0.00	325.99	336.00
M/s JSWE(U)L	544.91	204.00	111.16	0.00	0.00	111.16	204.00
M/s. MTPCL	48.25	304.60	14.70	0.00	0.00	14.70	304.60
M/s. MTPCL(Midterm)	219.00	548.00	60.01	60.01	0.00	120.01	548.00
Total IPPs	6643.75	214.547	1425.40	612.93	81.61	2119.94	319.09
Darlipali STPS-I	5608.33	109.14	612.09	1078.09	264.15	1954.33	348.47
OPGC -3 &4	9263.57	137.23	1271.27	2137.38	51.95	3460.60	373.57
OPGC-1 &2	2395.04	168.82	404.33	328.78	28.34	761.45	317.93
TSTPS-II	1352.90	177.06	239.54	114.46	29.92	383.92	283.77
TSTPS-I	2254.30	178.79	403.04	209.45	51.49	663.98	294.54
NKSTPS-I	662.81	192.43	127.54	571.99	43.96	743.50	
OTU Charges				694.91		694.91	
SOC & MOC Charges				3.41		3.41	

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Station Name	Energy Available (MU)	VC /Unit (P/U)	Total VC (Rs Cr.)	Total FC (Rs Cr.)	Year End charges (Rs Cr.)	Total Cost (Rs Cr.)	Rate (P/U)
Fixed Cost/YEA Ch. of Remaining Stations							
KHSTPS-II				32.76	6.05	38.81	
MTPS-II				56.24	0.21	56.45	
KHSTPS-I				9.80	1.64	11.44	
NSTPS-I				13.92	0.84	14.76	
BSTPS-I				495.29	15.57	510.86	
BSTPS-II				25.53	1.04	26.57	
FSTPS-III				93.08	18.47	111.55	
FSTPS-I & II				17.75	5.76	23.51	
Sub-Total (B)	28,180.70	159.09	4,483.22	6,495.76	601.00	11,579.97	410.92
Sub Total (A+B) (MOD applied to meet the State Demand)	40,415.95	172.57	6,974.65	6,884.12	644.30	14,503.08	358.85
Surplus Power (C)							
NKSTPS-I	2246.00	192.43	432.20			432.20	
NSTPS-I	64.30	301.22	19.37			19.37	
KHSTPS-II	343.16	302.80	103.91			103.91	
BSTPS-II	134.40	305.03	41.00			41.00	
BSTPS-I	2035.77	311.20	633.53			633.53	
MTPS-II	205.51	315.06	64.75			64.75	
KHSTPS-I	89.75	323.48	29.03			29.03	
FSTPS-III	610.14	344.73	210.33			210.33	
FSTPS-I & II	189.15	354.91	67.13			67.13	
Sub Total (C)	5918.18	270.56	1601.25	-	-	1601.25	270.56
Total Energy Availability (A+B+C)	46,334.13	185.09	8575.90	6884.12	644.30	16,104.33	347.57

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257. The Applicant humbly submits before the Hon'ble Commission that based on the estimated energy availability in GRIDCO's power portfolio from contracted and tied-up capacities under subsisting PPAs, the Average Power Purchase Cost (APPC) for

procurement of **46,334.13 MU** at a total estimated cost of **Rs. 16,104.33 crores** has been computed as **347.57 p/kWh**.

258. Further, it is submitted before the Hon'ble Commission that after considering the estimated energy requirement for the State as per the Merit Order Despatch Principle, the balance power has been treated as surplus. It is pertinent to mention here that the Average Power Purchase Cost (APPC) for procurement of **40,415.95 MU** at a total estimated cost of **Rs. 14,503.08 crores** has been computed at **358.85 p / kWh** towards meeting the gross energy requirement for supplying the DISCOMs demand of **39,103.47 MU**. This estimated APPC has been computed after factoring the entire capacity charge obligations of the generating stations having long-term PPAs with GRIDCO.

Exemption from MoD Principle for power procurement from thermal generating stations with smaller unit size

259. It is submitted that, power from thermal generating stations is scheduled by SLDC in accordance with the Merit Order Despatch (MOD) principle, based on the Variable Cost (VC) of the generating units. The power market rates discovered in the DAM/RTM of the power exchanges also influences the scheduling of power from the thermal generating stations. In other words, when the market rate is lower than the variable cost of a generating station, power from that station is surrendered, and when the market rate is higher, the station is scheduled. This scheduling mechanism enables optimisation of power purchase cost and maximisation of sales revenue for the State. However, the prevailing market conditions have resulted in frequent surrender of higher variable-cost generating stations, leading to recurrent ramping up and ramping down of such units.

260. In this context, M/s Maadurga Thermal Power Company Limited has raised concerns through multiple communications regarding the continuous and daily surrender of power from its IPP during daytime, which is affecting the operational stability and financial viability of its generating unit, as it is a small-sized thermal unit of 30 MW capacity. GRIDCO, noting the concern raised by the generator, has advised MTPCL to approach the Hon'ble Commission seeking exemption for small-sized thermal generating units with installed capacity up to 30 MW (≤ 30 MW) from application of the Merit Order Despatch principle.

By the power of the Hon'ble Commission

NOTARY
P. K. Mahapatra
Bhubaneswar
Regd No. ON-41/
2008
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I. Pass through Costs of GRIDCO

Pass through Costs of OPGC

261. It is submitted that, OPGC has claimed an amount of Rs. Rs.72,00,000/- towards CTO Expenses in respect of Units-3 & 4 which has been reimbursed by GRIDCO after verification of the documents submitted by OPGC. Similarly, a bill amounting to Rs.6,25,000/- raised by OPGC in the monthly bill of Apr'25 in respect of Units-3 & 4 towards electrical inspection fees arrear for the period from FY 2022 to FY 2025 has been paid by GRIDCO on verification of supporting documents submitted along with claim by OPGC. Hence, in view of the above, an amount of Rs.0.78 crores may kindly be allowed as pass through for OPGC.

Table 81: Summary of Pass-Through Cost for OPGC Stations

Item	Amount Claimed by OPGC (Rs. Crs.)	Amount Paid (Rs. Crs.)	Remarks
Annual Fuel Price Adjustment Bill for OPGC Units-1 & 2 for FY 24-25	7.37	0	Bill for an amount of Rs.7,36,83,280.00 raised by OPGC but not paid by GRIDCO due to non-receipt of credit/debit notes, Third party GCV Sampling Reports in support of the GCV claimed. The same shall be paid after due verification
Half Yearly Fuel Price Adjustment for FY 2025-26	2.10	0.00	Bill for an amount of Rs. 2,10,40,645.00 raised by OPGC vide letter dated 17.10.2025 but not paid by GRIDCO due to non-receipt of credit/debit notes, Third party GCV Sampling Reports in support of the GCV claimed. The same shall be paid after due verification
Electrical Inspection fees arrear for the period from FY 2022 to FY 2025 in respect of Units-3 & 4	0.06	0.06	Bill for an amount of Rs.6,25,000/- raised by OPGC in the monthly bill of Apr'25 in respect of Units-3 & 4. Amount claimed paid to OPGC on verification of supporting documents submitted along with claim by OPGC
Land Cess for FY 2014-15 to FY 2023-24 claimed by OPGC in respect of Units-3 & 4	1.64	0	Amount claimed by OPGC in respect of land cess for the period from FY 2014-15 to FY 2023-24 in respect of Units-3 & 4 but not yet paid by GRIDCO. Clarification sought from OPGC vide this office letter No.10893 dated 20.08.2025 as the claim included DPS of Rs.1,46,85,940/-.
CTO Expenses amounting to Rs.72,00,000.00 claimed	0.72	0.72	Claimed and paid by GRIDCO on verification of documents submitted by OPGC



Pa. This passed note

Item	Amount Claimed by OPGC (Rs. Crs.)	Amount Paid (Rs. Crs.)	Remarks
by OPGC in respect of Units-3 & 4			
TOTAL	21.60	0.78	

Pass through Costs of IPPs

M/s. Vedanta Ltd.

Reimbursement of Water Charges

262. It is submitted that for the period from April 2024 to March 2025, M/s. Vedanta Ltd. raised a claim of **Rs.17,69,09,445/-** towards reimbursement of water charges. However, in accordance with the provisions of the OERC (Terms and Conditions of Determination of Tariff) Regulations, 2024 and the Power Purchase Agreement dated 19.12.2012, the Applicant has provisionally admitted an amount of **Rs.6,09,15,534/-** towards water charges for the said period and the same was released on 10.07.2025. In view of the above, the Applicant humbly prays that the Hon'ble Commission may kindly allow Rs.6,09,15,534 reimbursed towards water charges to M/s. Vedanta Ltd. as Pass Through in the ARR of GRIDCO for FY 2026-27.

M/s. JSW Energy (Utkal) Limited

263. An amount of **Rs.11.71 Crores** has been claimed by M/s. JSWE(U)L towards reimbursement of ED, water charges and ash expenses for the period from Feb'24 to Sep'25 referring to OERC Order dated 11.02.2025 in Case No.43 of 2024. Hon'ble Commission's Order dated 11.02.2025 in Case No. 43 of 2024. However, as per OERC Order dated 11.02.2025 in the tariff order of M/s. JSWE(U)L,

"20. As per the OERC Generation Tariff Regulations, 2020 and 2024, the Generating Company shall recover the statutory charges imposed by the State and the Central Government, such as, Electricity Duty, Water Cess & Charges. Accordingly, it is directed that the payment of statutory charges such as Water Cess/Charges paid by the generating company to the Water Resources Department, GoO, and the Electricity duty on auxiliary energy consumption paid to the Government of Odisha and the SLDC charges shall be reimbursed by GRIDCO in proportion to the drawl of the State's share of power from the subject IPP of M/s. JSWE(U)L."



Bibhuprasad Mohapatra

264. In view of the above direction of Hon'ble OERC, it is observed that there is no direction for reimbursement of ash charges to M/s. JSWE(U)L. Further, the Order dated 11.02.2025 of the Hon'ble Commission in Case No. 43 of 2024 has been challenged by GRIDCO before the Hon'ble APTEL in DFR No. 362/2025. Accordingly, the amount claimed by M/s JSWE(U)L has not been considered as pass-through in the present ARR Application of GRIDCO for FY 2026-27. The summary of total Pass Through claimed by the Applicant GRIDCO in respect of different IPPs supplying power to GRIDCO are as follows:

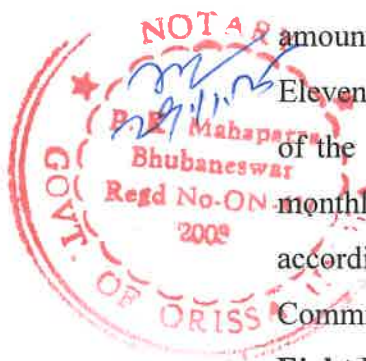
Table 82 : Summary of Pass-through Claims in respect of IPPs

Description	Amount Claimed (Rs.)	Amount Paid by GRIDCO (Rs.)	Remarks
VEDANTA LTD.			
Water Charges (April, 2024 to March, 2025)	17.69	6.09	Payment made to Vedanta by GRIDCO as per OERC (Terms and Conditions of Determination of Tariff) Regulations, 2024 and PPA dated 19.12.2012
TOTAL	17.69	6.09	

Pass through Costs of Central Hydro

Rangit HEP

265. ERPC, vide letter dated 15.02.2023, re-allocated the power of Central Generating Stations of the Eastern Region and Bhutan HPS based on uniform allocation of unallocated power among Eastern Region beneficiaries from Eastern Region pool. Accordingly, as per the latest ERPC allocation Order dated 16.09.2025, GRIDCO has been allocated a share of 1.83 % from the Rangit Hydro Station of NHPC Ltd. Further, NHPC, vide letter dated 29.09.2025, has raised invoices on GRIDCO amounting to Rs. 6,18,811 (Rupees Six Lakhs Eighteen Thousand Eight Hundred and Eleven only) towards shortfall in energy during FY 2024-25, in line with Clause 65(7) of the CBRC Regulations, 2024. The said amount is being recovered in six equal monthly instalments of Rs. 1,03,136 each, and GRIDCO has commenced payment accordingly. In view of above, GRIDCO humbly prays before the Hon'ble Commission to allow the amount of **Rs. 6,18,811/- (Six Lakhs Eighteen Thousand Eight Hundred and Eleven Only)** as pass through in the ARR of GRIDCO for FY-



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2026-27. The Invoices raised by NHPC are enclosed as **(ED-22)** for kind reference of the Hon'ble Commission.

266. NHPC, vide invoices dated 21.02.2025 and 28.02.2025, has raised supplementary bills toward NAPAF revision as per the 1st of the CERC Tariff Regulations, 2024, for the periods April'24 to December'24 and January'25 respectively. The total amount raised is Rs. 3,87,863/- (Rupees Three Lakhs Eighty-Seven Thousand Eight Hundred Sixty-Three only). GRIDCO has already made payment toward the said amount. In view of the above, GRIDCO humbly prays before the Hon'ble Commission to allow **Rs. 3,87,863/- (Rupees Three Lakhs Eighty-Seven Thousand Eight Hundred Sixty-Three only)** as pass-through in the ARR of GRIDCO for FY 2026-27. The invoices raised by NHPC are enclosed as **ED-23 (Colly)** for kind reference of the Hon'ble Commission.

267. NHPC, vide invoice dated 15.01.2025, has raised an amount of Rs. 12,48,040/- (Rupees Twelve Lakhs Forty-Eight Thousand Forty only) towards shortfall in energy for FY 2023-24 in line with Clause 65(7) of the CERC Tariff Regulations, 2024. GRIDCO has already made payment of the said amount. In view of the above, GRIDCO humbly prays before the Hon'ble Commission to allow **Rs. 12,48,040/- (Rupees Twelve Lakhs Forty-Eight Thousand Forty only)** as pass-through in the ARR of GRIDCO for FY 2026-27. The invoices raised by NHPC are enclosed as **ED-24** for kind reference of the Hon'ble Commission.

Kurichhu HEP

268. ERPC, vide its letter dtd. 15.02.2023, re-allocated the power from the Central Generating Stations of the Eastern Region and Bhutan HPS based on uniform allocation of unallocated power among ER beneficiaries from the regional pool, in line with directives issued by CEA and the Ministry of Power. Pursuant to this allocation exercise, GRIDCO has now been allocated an unallocated share from the Kurichhu Hydro Power Station of Bhutan, from which no firm allocation previously existed. As per the latest ERPC allocation order dated 16.09.2025, effective from 18.09.2025, GRIDCO has been allocated a 1.02% unallocated share corresponding to 0.611 MW from the Kurichhu Hydro Electric Project. As per Clause 5.3 of the PPA



Notary Mahapatra Bhubaneswar

executed between PTC & GRIDCO on 09.08.2024 and approved by the Hon'ble OERC

"The Bulk Power Customer(s) shall also pay to PTC for the transmission/Wheeling Charges incidental to clause 4.1 and 4.2 above for the transmission system beyond Geylegphug to Salakati as may be payable to POWERGRID which is presently 1(one) paisa/kwh. Further, the Bulk Power Customer(s) shall also pay to PTC the charges incidental to clause 4.3 above for operation & maintenance, insurance etc of 132 KV Deothang-Rangia transmission line as may be payable to POWERGRID".

269. GRIDCO has already paid the Operation & Maintenance (O&M) Charges for the Deothang-Rangia Transmission Line in accordance with the ERPC allocation since February'2023, the detail invoices of which are attached as **ED-25 (Colly)**. Further, GRIDCO has also made payments towards Insurance Charges and PCC Charges associated with the construction of the bay. The details of the amounts paid are furnished below for reference of the Hon'ble Commission.

Table 83: Abstract of Pass-Through Costs for Kurichhu HEP

Sl. No.	Details	Amount (in Rs.)
1	O&M Charges for FY 2023-24	1,72,164
2	O&M Charges for FY 2024-25	1,92,801
3	O&M Charges for FY 2025-26 (Up to Dec'25)	1,44,150
4	Insurance Charges 09.09.2022-08.09.2023	4,801
5	Insurance Charges 09.09.2023-08.09.2024	6,750
6	Insurance Charges 09.09.2024-08.09.2025	5,179
7	PCC Charges	1,278
8.	Total	5,27,123

270. The total pass-through claim for Central Hydro Power Stations amounts to **Rs. 27,81,837/-** (Rupees Twenty-Seven Lakhs Eighty-One Thousand Eight Hundred and Thirty-Seven only). The summary of the pass-through amount claimed by the Applicant in respect of different Central Hydro Power Stations is presented below:

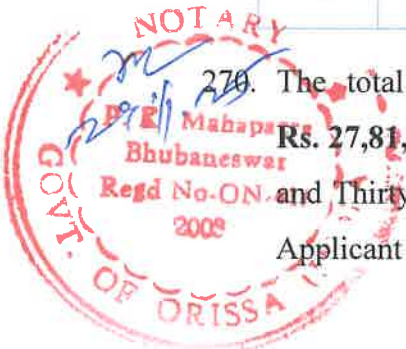


Table 84 : Summary of Pass-through Claims in respect of Central Hydro Stations

Description	Amount Paid by GRIDCO (Rs. Cr)	Remarks
Rangit HEP	0.23	Shortfall in energy billed during FY 2024-25 by NHPC as per Clause 65(7) of CERC Tariff Regulations, 2024, Supplementary bill raised by NHPC due to NAFPA revision as per CERC Tariff Regulations, 2024 and Shortfall in energy billed by NHPC for FY 2023-24 as per Clause 65(7) of CERC Tariff Regulations, 2024
Kurichhu HEP	.05	O&M, Insurance & PCC Charges
TOTAL		0.28

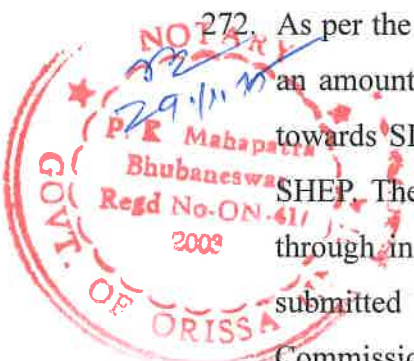
Pass through Costs of Renewable Sources

Reimbursement of Water Charge and SLDC Charge in respect of 20 MW Samal Barrage SHEP of M/s OPCL for the FY 2024-25 paid in FY 2025-26.

271. It is submitted that, in accordance with the Hon'ble Commission's Order dated 19.05.2011 in Case No. 17/2011, GRIDCO has reimbursed **Rs 19,07,053** /- to M/s OPCL during the FY 2025-26 towards Water Charges and SLDC Charges pertaining to FY 2024-25 in respect of 20 MW Samal Barrage SHEP. The Applicant humbly prays that the said amount may be allowed as pass-through in the ARR of GRIDCO for FY 2026-27. The invoice dated 02.05.2025 submitted by PTC is enclosed as **(ED-26)** for reference of the Hon'ble Commission.

Reimbursement of SLDC Charge in respect of 24 MW Lower Baitarani SHEP of M/s Baitarani Power Projects Pvt. Ltd. for the FY 2024-25 paid in FY 2025-26.

272. As per the provisions of the PPA dated 18.12.2015, GRIDCO is liable to reimburse an amount of **Rs. 2,76,276/-** to M/s. Baitarani Power Projects Pvt. Ltd. (BPPPL) towards SLDC charges for FY 2024-25 in respect of the 24 MW Lower Baitarani SHEP. The Applicant humbly requests that this amount may be allowed as pass-through in the ARR of GRIDCO for FY 2026-27. The invoice dated 07.04.2025 submitted by M/s. BPPPL is enclosed as **(ED-27)** for reference of the Hon'ble Commission.



Noted as per
Prithvi prasad

Pass-through of the expected amount payable to M/s Meenakshi Odisha Power Pvt. Ltd. towards procurement of power from the 25 MW Shaheed Lakhman Nayak SHEP during FY 2025-26.

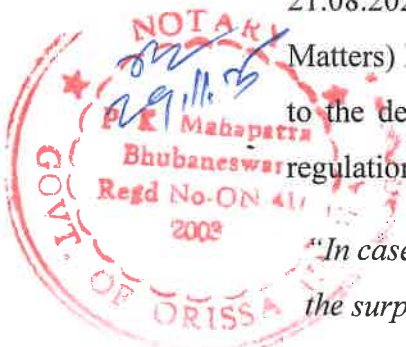
273. Hon'ble OERC vide Order dated 28.07.2025 in Case No. 35 of 2025 approved the proposal of GRIDCO for procurement of power from the 25 MW Shaheed Lakhman Nayak SHEP of M/s Meenakshi Odisha Power Pvt. Ltd. (MOPPL). In the said Order, the Hon'ble Commission approved a tariff of Rs. 5.82/kWh for energy up to 30% CUF, and energy generated beyond 30% CUF shall be billed at 25% of Rs. 5.82/kWh, i.e., Rs. 1.455/kWh. As stipulated, billing for such excess generation (beyond the normative CUF of 30%) in any month shall be raised by MOPPL in subsequent month(s), with final adjustment to be carried out at the end of the financial year based on the actual generation and CUF achieved during the period.
274. GRIDCO further submits that the PPA with MOPPL was executed on 01.09.2025. During September'2025 (for the period from 02.09.2025 to 30.09.2025), GRIDCO received 21.56 MU and during October'2025, GRIDCO received **23.47 MU** from the plant. Based on the DPR of the said 25 MW SHEP, an additional **13.46 MU** of energy is anticipated during the second half of **FY 2025-26**.
275. In view of the above, it is projected that an additional amount of **Rs. 25.09 Crores** shall be incurred towards procurement of energy from the 25 MW Shaheed Lakhman Nayak SHEP during FY 2025-26. Accordingly, GRIDCO humbly prays that the Hon'ble Commission may kindly allow this amount as Pass Through in the ARR for FY 2026-27. The detailed computation in support of the above claim is enclosed herewith as **ED-28**.

Rising passed not approved

Deviation and Ancillary Service Pool Account Deficit

276. Central Electricity Regulatory Commission (CERC) vide gazette notification dt. 21.08.2024 has issued the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024, which was implemented from 16.09.2024. With respect to the deficit in the Deviation and Ancillary Service Pool Account the aforesaid regulations state the following:

"In case of deficit in the Deviation and Ancillary Service Pool Account of a region, the surplus amount available in the Deviation and Ancillary Service Pool Accounts



of other regions shall be used for settlement of payment under clause (6) of this Regulation:

Provided that in case the surplus amount in the Deviation and Ancillary Service Pool Accounts of all other regions is not sufficient to meet such deficit, the balance amount shall be recovered from the drawee DICs - (i) for the period from the date of effect of these regulations till 31.03.2026, in the ratio of [50% in proportion to their drawal at the ISTS periphery] and [50% in proportion to their GNA]; and (ii) from 01.04.2026, in the ratio of the shortfall of reserves allocated by NLDC to such DICs:

Provided further that the NLDC shall prepare, with the approval of the Commission, a detailed procedure for recovery of charges in case of deficit in the Deviation and Ancillary Service Pool Accounts, and for the methodology of computation of shortfall of reserves and allocation of deficit amongst DICs."

277. Subsequently, CERC vide its order dated 15th Oct'24 has accorded approval to the "Detailed Procedure for recovery of charges in case of deficit in the Deviation and Ancillary Service Pool Account" under Regulation 9(7) of the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024. The Clause 09 (Recovery from the drawee DICs for the deficit in the pool for the period prior to 16.09.24 (Legacy dues)) of the said procedure states that,

"9.1. Total shortfall towards payment of deviation, reactive, congestion charge, Ancillary charges, SCUC_BB, SCUC_CC, and interest payable, if any, for the period prior to 16.09.24 shall be recovered from the drawee DICs in the ratio of:

a. 50% of the total net shortfall in proportion to their actual drawl as per SEM at the ISTS periphery. Actual drawl shall be considered as per SEM at the ISTS for the period 16.09.2023 to 15.09.2024. The methodology of calculating the actual drawl shall be the same as per clause 7.6.1 of this procedure and;

b. The remaining 50% net shortfall shall be apportioned among the drawl DIC in proportion to their GNA. GNA, shall be considered as average GNA for the period October '23 to September '24 as per the notification of ISTS charges by NLDC in line with CERC Sharing of Inter-State Transmission Charges and



Notary Seal

Losses 2020 and its subsequent amendments, shall be considered for apportionment.

9.2. NLDC shall publish the net deficit recovery statement for the period prior to 16.09.24 as per Format_ Net shortfall Recovery_ Legacy Dues. The net shortfall shall be recovered in equal instalments on a weekly basis in such a way that the total shortfall for the period prior to 16.09.2024 shall be recovered by the end of the financial year 2024-25.

9.2.1. Provided that NLDC, on a quarterly basis, shall assess the weekly surplus available in the Deviation and Ancillary Pool Accounts on an All India basis and the amount available in the congestion amount account after payment of details mentioned in clause 5 of this procedure for the FY 2024-25 and shall offset this surplus, if any, towards the upcoming instalments of legacy dues and shall notify the revised statement and upcoming instalments on its website.

9.3. Drawee DICs are required to pay into their respective regional Deviation and Ancillary Service Pool Account within ten (10) days from the instalment due date as defined by NLDC statement as per Format_ Net shortfall Recovery_ Legacy Dues.

9.4. If payments by the drawee DICs are delayed beyond ten (10) days from the instalment due date, the drawee DICs shall be liable to pay simple interest @ 0.04% for each day of delay from the 11th day onwards, and the interest statement for the same will be published by respective RPCs."

278. In line with the above regulations and approved NLDC procedure ERLDC vide its letters dt. 17.09.2025, dt. 31.10.2025 and 14.11.2025 **(ED-29)** had furnished the **Net Deviation & Ancillary Services Pool Account Deficit Recovery Statement for the periods from 07.07.2025 to 24.08.2025, 25.08.2025 to 12.10.2025 and 13.10.2025 to 02.11.2025** respectively. As per the said letters, it has been intimated that there has been a shortfall amount of **Rs. 1,44,28,81,764/-, Rs. 11,81,56,02,041/- and Rs. 3,01,71,95,444/-** in the Deviation and Ancillary Service Pool Accounts for the period from 07.07.2025 to 24.08.2025, 25.08.2025 to 12.10.2025 and 13.10.2025 to 02.11.2025 respectively. Basing upon the avg. GNA+GNARE value and Actual



Abhinav Mohapatra

Drawl of Odisha (excl. injection) for the aforesaid period, GRIDCO had to pay a sum of Rs. 3,04,94,336/-, Rs. 25,69,92,717/- and Rs. 5,88,33,109, i.e. a total of Rs. 34,63,20,162/-, towards recovery of the shortfall amount on behalf of the State as per (ED-30) of the aforesaid letters. In view of the above, the Applicant prays before the Hon'ble Commission to approve Rs. 34,63,20,162/- towards pass through claim of the above uncontrollable expense in the ARR for FY 2025-26 towards recovery of charges towards deficit in the Deviation and Ancillary Service Pool Account.

Table 85: Summary Of Pass-Through Costs to Be Considered in the ARR for FY 2026-27

Name of the Station	Particulars	Amount proposed for Pass Through (Rs. Crore)
OPGC	Electrical Inspection fees arrear for the period from FY 2022 to FY 2025 in respect of Units-3 & 4	0.06
	CTO Expenses amounting to Rs.72,00,000.00 claimed by OPGC in respect of Units-3 & 4	0.72
M/s. Vedanta Ltd.	Water Charges for the period from April'2024 to March'2025	6.09
Rangit HEP	Shortfall in energy for FY : 2023-24 & FY 2024-25 to GRIDCO(As per Clause No.65(7) of CERC Regulation 2024)	0.23
	NAPAF Revision as per 1st Amendment of Regulation 2024 (April'24 to Dec'24 and Jan'25) respectively to GRIDCO in line with CERC Regulation 2024	
Kurichhu HEP	O&M Charges for FY 2023-24 , FY 2024-25 & FY 2025-26 (up to Dec'25)	0.05
	Insurance Charges (Period:09.09.2022-08.09.2023,09.09.2023-08.09.2024 & 09.09.2024-08.09.2025)	
Renewable Energy	Samal Barrage SHEP	0.19
	(Reimbursement of Water Charge and SLDC Charge for the FY 2024-25 paid in FY 2025-26)	
	Lower Baitarani SHEP of M/s BPPPL	0.03
	(Reimbursement of SLDC Charge for the FY 2024-25 to be paid in FY 2025-26)	
	Shaheed Lakhan Nayak SHEP 25 MW :	25.09
	Energy purchase from Shaheed Lakhan Nayak SHEP during FY 2025-26	
	Deviation and Ancillary Service Pool Account for the period from 07.07.2025 to 12.10.2025	34.63
Total		67.09



Both pass through not considered

J. Finance Charges

Receivable from Erstwhile DISCOMs

279. The Hon'ble Commission, in the vesting order, had issued directives to the TP-DISCOMs for collection of past arrears stipulating the minimum committed amount. The Hon'ble Commission had also notified the OTS for recovery and settlement of outstanding dues from the defaulting consumers against past dues receivable from erstwhile DISCOMs/Utilities and to pass on the collected amount to GRIDCO. However, there is still huge outstanding from the consumers for the erstwhile utility period, which is continuing in the consumers ledger. GRIDCO therefore requests the Hon'ble Commission to issue suitable advisories or directives to the present DISCOMs for expediting the collection of past arrears and to frame an appropriate mechanism for recovery of the balance dues through regulatory process, preferably within the next two to three years. The Applicant humbly submits that the total dues receivable from the erstwhile DISCOMs as on 30.09.2025 stands at Rs 6,395 crores, as detailed below:

**Table 86:Dues Receivable from Discom Utilities as on 30th September'2025
(Incl. DPS)**

Sl. No	Particulars (in Rs. Cr)	CESU	WESCO	SOUTHCO	NESCO	Total
1	BSP dues	1,174.34	647.61	787.30	560.57	3,169.82
2	Converted to Equity	-299.95	-299.95	-199.95	-249.95	-1,049.80
3	Net BSP Dues (1-2)	874.39	347.66	587.35	310.62	2,120.02
4	Securitize Dues (incl. interest)	1,219.91	239.27	196.12	208.51	1,863.81
5	NTPC Power Bond	-	-	146.45	48.91	195.36
6	Tr. Scheme dues	118.85	12.10	29.91	6.74	167.60
7	Cash Support	174.00	-	-	-	174.00
8	Total as on Vesting Date (3 to 7)	2,387.15	599.03	959.83	574.78	4,520.79
9	Less paid/ settled post vesting:					
	i. Balance BSP of FY 20-21	-225.16	-	-98.88	-	-324.04
	ii. Paid/adjusted till 30.09.2025	-324.56	-332.35	-203.42	-494.51	-1,354.84
	iii. Settled under OTS by DISCOMs	-21.60	-36.53	-20.26	-75.48	-153.87
	iv. Settled under OTS directly by GoO	-18.32	-25.38	-7.59	-10.63	-61.92
	Total Settled	-589.64	-394.26	-330.15	-580.62	-1,894.67

Sl. No	Particulars (in Rs. Cr)	CESU	WESCO	SOUTHCO	NESCO	Total
10	Total Receivable excl. DPS	1,797.51	204.77	629.68	-5.84	2,626.12
11	DPS on BSP	819.49	1,417.23	647.31	884.99	3,769.02
12	Total receivable incl. DPS	2,617.00	1,622.00	1,276.99	879.15	6,395.14

* *BSP dues after adjustment of equity and credit/debit bills.*

** *The receivable excludes the receivable on account of CAPEX dues.*

280. The Applicant humbly submits that due to above mentioned uncontrollable factors, GRIDCO had borrowed funds from external sources. Further, in the previous tariff approvals, the Hon'ble Commission has not allowed the interest cost towards working capital and term loans, resulting in a recurring cash deficit situation for GRIDCO. Consequently, in order to manage the liquidity requirements, GRIDCO has been compelled to avail loan assistance from the State Government to bridge the said cash deficit.

281. The Hon'ble Commission, vide its order dated 11.07.2023 in Case No. 35 of 2003, have agreed for allowing interest on OHPC Securitized Bond basing on the amicable settlements between OHPC & GRIDCO in the meeting held on 26.06.2023 under the Chairmanship of Additional Chief Secretary, Energy Department, Government of Odisha. Accordingly, the Hon'ble Commission allowed the interest on OHPC Securitized Bond under the head of interest chargeable to revenue in the ARR & BSP order for FY 2025-26.

282. Considering the same principle followed by the Hon'ble Commission on the interest payable on OHPC Securitized Dues, GRIDCO claims interest cost amounting to **Rs 17,28,04,166/-** in ARR of GRIDCO for FY 2026-27 and respectfully prays before the Hon'ble Commission to kindly approve the same. A detail calculation of interest liability in respect of OHPC Securitize Dues for FY 2026-27 is given at (ED-31) for kind reference.

283. The Applicant humbly submits that, the Hon'ble Supreme Court of India in its order dated 05.10.2023 in Civil Appeal No.414 of 2007 at Para 29 stipulated that:

xxxxxxx. The interest cannot be equated with the principal loan amount, as the interest will amount to cost incurred by GRIDCO. However, interest burden can be passed on to the DISCOMs in proportion of their outstanding. Therefore, while



By B. P. Das

passing a fresh order in terms of final order, the Commission will have to allow the interest on loan to pass through, as observed above, xxxxxxxx.” (ED-32)

The Applicant humbly submits that, the Hon’ble Supreme Court of India in its order dated 05.10.2023 in Civil Appeal No.414 of 2007 at Para 34, has stipulated that: *“while passing an order pursuant to the order of remand, all the contentions based on the findings of the Appellate Tribunal and the Commission for the subsequent years, as approved by this court, must be taken into consideration by the Commission. If, in subsequent orders as approved by this court, different criteria or different principle was applied, submissions based on the same can always be canvassed in the proceedings pursuant to the order of remand”.*

284. It is further submitted that the Hon’ble Apex Court, vide the judgment dated 05.10.2023, has held that the erstwhile DISCOMs are entitled to service their debts in proportion to their respective outstanding dues. However, vide order dated 09.05.2025, the Hon’ble Commission has disallowed the finance cost, without considering that such finance costs have arisen solely due to the persistent defaults by the erstwhile DISCOMs in payment of BSP dues to GRIDCO during the pre-revocation period, i.e., prior to 01.04.2015, which resulted in accumulation of substantial arrears. To meet its statutory payment obligations towards various generating companies and to ensure uninterrupted power supply to consumers across the State, GRIDCO was compelled to avail loans from financial institutions to bridge the liquidity gap created due to non-payment of BSP dues by the erstwhile DISCOMs. The principal amount of these loans, availed during the said pre-revocation period, continues to remain outstanding in GRIDCO’s books of accounts and carries annual interest liability, thereby creating an unavoidable and ongoing finance cost burden. The revocation of the licences of the erstwhile DISCOMs with effect from 01.04.2015 has not extinguished GRIDCO’s obligation to service the loans raised for settlement of their outstanding liabilities, nor has it provided any relief in respect of repayment of the principal or interest accrued on such borrowings. It is pertinent to highlight that there exists no regulatory mechanism or any direction of the Hon’ble Commission or any other competent authority for recovery of the outstanding receivables from the erstwhile DISCOMs or for repayment of loans taken by

R. B. Prasad Mahapatra



GRIDCO to liquidate their past dues. In the absence of any such framework, the entire finance cost liability continues to be borne entirely by GRIDCO.

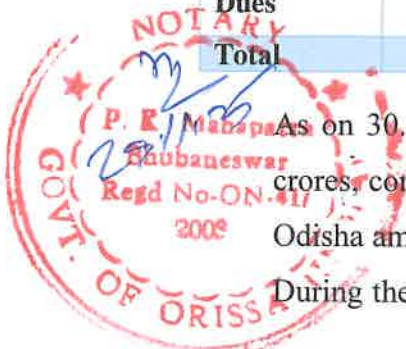
Despite these defaults, GRIDCO continued to honour its payment obligations to the generating companies in order to prevent any disruption in power supply, which remains essential for maintaining the economic activities and social stability of the State. Due to the non-receipt of timely payments from the erstwhile DISCOMs, GRIDCO was compelled to avail loans and working capital assistance from external sources, including the Government of Odisha, leading to unavoidable finance costs in the form of interest and related charges. These borrowings became inevitable in view of the absence of cost-reflective tariffs during the relevant period, non-allowance of carrying cost on regulatory assets in earlier years and the lack of any effective regulatory mechanism for recovery of the outstanding BSP receivables from the erstwhile DISCOMs.

285. It is submitted that the existing external borrowings of GRIDCO are planned to be fully liquidated over the next four financial years commencing from FY 2026-27. Upon completion of this repayment period, GRIDCO shall not have any outstanding high-cost external borrowings. The detailed repayment schedule of such borrowings is furnished in the table below:

Table 87: Repayment Schedule of External Borrowings

Source	In Rs. Cr					
	O/S as on 30.09.2025	FY 2025-26 (2nd Half)	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Bank Loan	1,576	450	771	355	-	-
OHPC Sec. Dues	387	52	103	103	103	26
Total	1,963	502	874	458	103	26

As on 30.09.2025, the outstanding loan liability of GRIDCO stands at Rs. 5,176 crores, comprising Bank Loans of Rs. 1,576 crore, Soft Loans from Government of Odisha amounting to Rs. 3,213 crore, and OHPC Securities Dues of Rs. 387 crores. During the second half of FY 2025-26, a cash deficit of Rs. 716 crore is anticipated



on account of debt servicing requirements, including repayment of principal and interest obligations. Further, during FY 2026-27, an additional cash deficit of Rs. 1,245 crores (874 as principal and 371 as Interest) is projected towards similar repayment commitments. Unless the projected cash gaps are adequately addressed through appropriate financial support, GRIDCO's liquidity position will be severely constrained, adversely impacting its ability to meet debt obligations and ensure timely payments to generators.

286. The Applicant humbly submits that the reasons for availing working capital loans in the past were predominantly due to the accumulated losses arising from non-cost-reflective BSP, delay in truing up exercise, disallowance of carrying cost on regulatory assets in the past period, huge outstanding receivables from erstwhile DISCOMs and the obligation to supply power as the "State Designated entity" irrespective of timely recovery of uncontrollable cost from the sale of power to State DISCOMs as approved in the ARR. Further, GRIDCO has availed working capital loan to pay generators within the due dates to avoid the levy of late payment surcharge, which carries a significantly higher interest burden in the form of penalty. The resultant benefit of availing rebate on power purchase cost and avoiding of LPS is ultimately passed on to the end consumers. Therefore, GRIDCO humbly submits that the cost of raising the funds to pay the generators within the rebate date, resulting in avoidance of the late payment surcharge, needs to be considered by the Commission in the ARR.

Further, GRIDCO has not resorted to any external borrowings since FY 2022-23. The funding requirements have been met through budgetary support from the Government of Odisha in the form of soft loans at concessional rates of interest. This strategic shift from high-cost borrowings from banks has resulted in substantial savings in interest expenditure. Consequently, this arrangement has contributed to a reduction in GRIDCO's overall financial burden and benefited end consumers through lower cost implications.

287. Considering the above factors, the Applicant humbly submits before Hon'ble Commission to approve total interest cost amounting to **Rs. 370.79 crores** in its ARR & BSP order for FY 2026-27. The table below provides the summary of Interest & Finance Charges projected for FY 2026-27:



By the present notary

Table 88: Interest & Finance Charge Projections for FY 2026-27

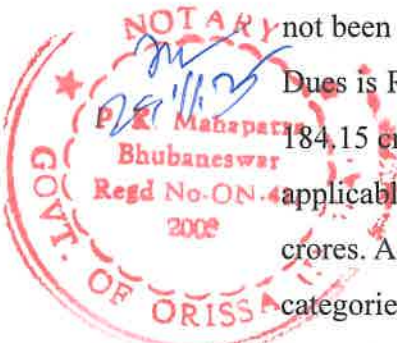
Sr.	Particulars	Principal O/S as on 30.09.2025 (Rs. Cr)	Rate of Interest	Interest (Rs. Cr.)	
				Bank Loan	Govt. Loan/ OHPC
1	Union Bank (e-Andhra Bank VIII) 300CR	70.58	8.15%	1.26	-
2	Union Bank (e-Andhra Bank IX) 400CR	114.17	8.45%	3.06	-
3	Punjab National Bank 600 CR	259.92	8.00%	11.60	-
4	Bank of Baroda TL-5	48.44	8.00%	1.01	-
5	Bank of Baroda TL-6	69.68	8.00%	2.50	-
6	Bank of Baroda TL-7	208.18	8.00%	9.00	-
7	Canara Bank TL-3	78.60	8.20%	1.62	-
8	Canara Bank TL-4	29.64	8.20%	0.79	-
9	Canara Bank TL-5	208.27	8.20%	9.23	-
10	Canara Bank TL-7	224.76	8.20%	10.58	-
11	Canara Bank TL-9	224.71	8.20%	10.57	-
12	Soft Loan from GoO	3,213.00	4.25%~5.25%	-	159.26
13	OHPC Loan 619 crores	386.87	6.00%	-	17.28
14	Proposed Term Loan for FY 25-26*	-		20.74	-
15	Proposed Term Loan for FY 26-27#	-		21.25	-
	Total	5,175.52		103.21	176.54
16	Financial Charges (Inc. Interest on SOD)			80.94	-
17	Guarantee Commission			-	10.10
	Total			184.15	186.64
	Total Finance Cost			370.79	

*The Licensee proposes to avail around Rs.488 crore during 2nd half of current financial year to meet repayment obligations in form of soft loan with interest rate of 4.25%. However, in case of non-receipt of soft loan, GRIDCO might avail equivalent amount of loan from banks at 8%. The differential interest cost due to external borrowings will be around Rs.6.06 crore.

The Licensee proposes to avail around Rs.1000 crore during ensuing financial year 2026-27 to meet repayment obligations in form of soft loans with interest rate of 4.25%. However, in case of non-receipt of soft loan, GRIDCO might avail equivalent amount of loan from banks at 8%. The differential interest cost due to external borrowings will be around Rs.37.05 crore.

The above differential interest cost, arising due to external borrowings, will be sought for consideration in the truing up petition.

288. OERC has been allowing the interest on OHPC Sec. Dues in the ARR. However, the interest expenses pertaining to soft loans from State Govt. and bank borrowings have not been considered in the past. For the ensuing year, the interest cost on OHPC Sec. Dues is Rs. 17.28 crores, bank loans (incl. other finance charges) is estimated at Rs. 184.15 crores and the interest cost on soft loans at Rs. 159.26 crores. In addition, the applicable guarantee commission payable to the Government of Odisha is Rs.10.10 crores. Accordingly, GRIDCO humbly submits that the total interest cost towards all categories of loans, including OHPC Sec. Dues, soft loan, bank loans and Guarantee Commission may kindly be considered in the ARR for the relevant year.



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The details of Interest & Finance Charges payable during FY 2026-27 is furnished in OERC form “F-2”.

Gross Fixed Assets

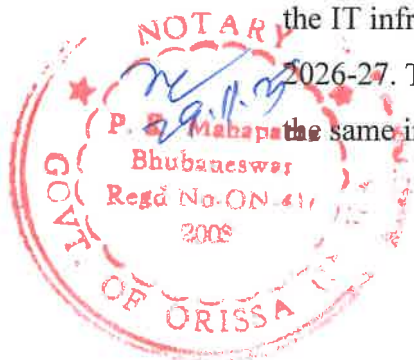
289. The Applicant is submitting herewith the details of Gross Fixed Assets (GFA) as per the audited accounts for FY 2024-25 along with proposed additions in the current FY 2025-26 and the ensuing FY 2026-27. The table below provides the summary of Fixed Assets:

Table 89: Projected Gross Fixed Asset for FY 2026-27 (Rs. Cr.)

Sl. No	Particulars	FY 2024-25 Closing Balance (Audited)	FY 2025-26 Additions during the year	FY 2025-26 Deletion during the year	FY 2025-26 Closing Balance	FY 2026-27 Addition during the year	FY 2026-27 Closing Balance
1	Plant and Machinery (Air Conditioner)	0.45	0.05	-	0.50	-	0.50
2	Computers	3.41	0.80	0.01	4.20	0.96	5.16
3	Office Automation - ERP	4.04	0.19	-	4.23	0.51	4.74
4	Vehicles	0.32	-	-	0.32	-	0.32
5	Office Equipment	0.47	0.08	-	0.55	0.16	0.71
6	Furniture, Fixture	0.49	0.02	0.02	0.49	0.10	0.59
8	Total	9.18	1.14	0.03	10.29	1.73	12.02

Notarized

290. In order to ensure smooth conduct of day-to-day business operations and to maintain operational efficiency, GRIDCO proposes to procure desktops and laptops for Rs.0.96 crores during FY 2026-27 towards system upgradation and replacement of obsolete hardware. Further, it is proposed to procure Microsoft Office licenses amounting to Rs.0.51 crores for the newly acquired systems to facilitate effective use of official software applications. The said expenditure is essential for strengthening the IT infrastructure and is therefore submitted for consideration in the ARR for FY 2026-27. The Applicant humbly submits before the Hon'ble Commission to approve the same in the ARR & BSP for FY 2026-27.



Depreciation

291. The Applicant proposes **Rs.2.87 Crores** towards depreciation on fixed assets including vehicle, furniture and office equipment, etc. for approval in the ARR & BSP for FY 2026-27.
292. The detailed calculation of depreciation is submitted in OERC Form “F-13”.
293. The Applicant submits before Hon’ble Commission to approve the depreciation to the tune of **Rs.2.87 Crores** for the FY 2026-27.

Employee Cost

294. Basic pay has been projected for the existing & proposed employees with 3% annual increment during FY 2026-27. Consequent upon joining of 3 nos. of functional directors & Managing Director, their consolidated remuneration on Market Based Salary (MBS) structure has been factored into the employee cost. Accordingly, the remuneration of secretarial staff proposed to be engaged for the respective Directors has also been duly considered in the employee cost projection for the ensuing year.
295. Hon’ble Commission may kindly consider that, the guidelines issued by Finance Department, Govt. of Odisha vide circular no.31086 date.11.11.2025 for preparation of Budget Estimate for the FY 2026-27 have been followed for projection of the Employee Cost for the ensuing FY 2026-27. Considering the same, the rate of DA has been considered @64% of Basic Pay for the FY 2026-27.
296. In absence of any specific guidelines from the Finance Department, Govt. of Odisha regarding projection for DA in Budget Estimate for FY 2026-27, GRIDCO has prudently considered a nominal increase of 5% in DA for FY 2026-27

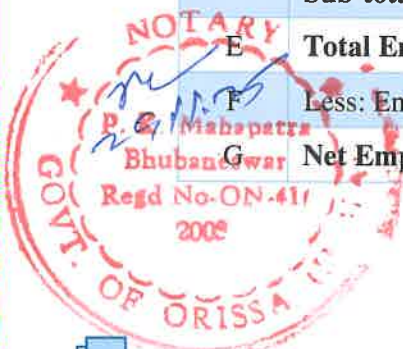
Table 90: Details of Proposed Employee Cost for FY 2026-27

Sl. No	Particulars	Cost (Rs. Cr.)
1	Salary & Allowance	
1	Basic Pay	9.38
2	Grade Pay	-
3	Dearness Allowance	6.00

Ratna Prasad Mohapatra

Sl. No	Particulars	Cost (Rs. Cr.)
4	House Rent Allowance	1.88
5	Other Allowance	0.20
6	Over-time	-
7	Bonus	-
	Sub-total (A)	17.45
B	Additional Employee Cost	
1	Wage/Salary revision if any	-
2	Contractual/Outsource Engagement	2.12
4	others if any	-
	Sub-total (B)	2.12
C	Other Employee Cost	
1	Medical Expenses (allowance + Reimbursement)	0.71
2	Leave Travel Concession	0.11
3	Interim Relief to Staff	-
4	Encashment of Earned Leave	-
5	Honorarium	0.19
6	Ex-gratia	0.22
7	Staff Welfare Expenses	0.11
8	Miscellaneous	0.17
	Sub-total (C)	1.51
D	Terminal Benefits	
1	Pension	0.17
2	Gratuity	
3	Leave Salary	0.35
4	Other (including contribution to NPS)	1.31
5	CSR Contribution	0.10
	Sub-total (D)	1.94
E	Total Employees Cost (A+B+C+D)	23.01
F	Less: Employees Cost Capitalized	-
G	Net Employee Cost (E- F)	23.01

R. B. Singh



297. The Applicant humbly submits that, it proposes **Rs 23.01 crores** towards Employees Cost in its ARR & BSP application for FY 2026-27 as per the details furnished in OERC form" F-9".
298. The Applicant prays the Hon'ble Commission for the approval of the same in the ARR & BSP order for FY 2026-27.

Repair & Maintenance (R&M)

299. The Applicant submits that; it has proposed R&M cost for the FY 2026-27 to the tune of **Rs.3.19 crores**.

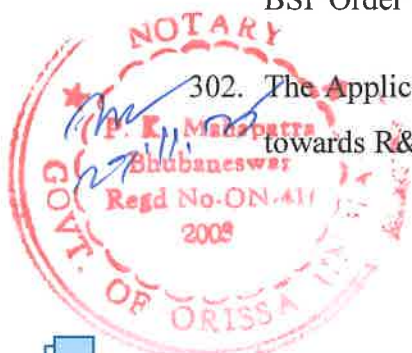
Table 91: Details of Proposed R&M Costs for FY 2026-27

Sl. No	Particulars	Cost (Rs. Cr.)
1	Building	0.25
2	Plant & machinery (Air Conditioner)	0.02
3	Computers	0.33
4	Vehicle	0.04
5	Furniture & Fixture	0.02
6	Office equipment	0.05
7	SAP/Server Maintenance & others	1.49
8	Shifting of Office Premises	1.00
	Total Repair & Maintenance	3.19

300. As SAP has been implemented w.e.f. 01.07.2023, the annual maintenance cost towards SAP and AMC of the server and storage have been included in OERC format "F-10". The amount proposed is **Rs 1.49 crore**

301. Further, an expenditure of **Rs.1.00 crore** is proposed to be incurred during FY 2026-27 towards shifting of office premises including relocation of IT infrastructure, modification/renovation of building, furniture & fixtures. The expenditure being necessary for continuity of operations is proposed to be considered in the ARR & BSP Order which shall be trued up on actual basis.

302. The Applicant prays the Hon'ble Commission for the approval of Rs.3.19 crores towards R&M expenditure in the ARR & BSP order for FY 2026-27.



Administration & General Expenses:

303. During FY 2025-26, GRIDCO has incurred A&G expenses of Rs. 2.15 crores up to September'2025, excluding license fees. A further expenditure of Rs.6.40 crores is anticipated during the second half of the year. Considering a 5% inflation for FY 2026-27, the total A&G cost has been projected at Rs. 11.47 crores, inclusive of license fees amounting to Rs. 2.50 crores.
304. GRIDCO is designated as the Nodal Agency for development of RE projects in the state, monitors the RCO compliance and acts as the RE demand aggregator. In order to promote renewable energy initiatives and enhance stakeholder participation, an expenditure of Rs.5.00 crores is proposed to be incurred during FY 2026-27 towards promotional activities and events undertaken by RENA.
305. In pursuance of the Electric Vehicle (EV) Policy initiatives of the Government of Odisha and to promote the adoption of clean mobility within the State, GRIDCO proposes to establish an EV charging infrastructure within its office premises. The proposed facility is intended to cater to the charging requirements of official vehicles as well as employee-owned EVs. The scheme envisages installation of two charging points each for two-wheelers and four-wheelers at an estimated cost of Rs. 11 lakhs. Accordingly, GRIDCO humbly submits that the cost towards establishment of the EV charging station, along with associated expenses, may kindly be considered in the ARR.
306. In line with above principles, the Applicant proposes **Rs.16.47 crores** towards A&G expenses for approval by Hon'ble Commission in the ARR & BSP order for FY 2026-27, as detailed in the following table:

Table 92: Details of Proposed A& G Costs for FY 2026-27

Sl. No	Description	Rs. In Crores
1	A&G up to Sept'2025 (excl. License Fees)	2.15
2	Proposed A&G for Oct'25 to Mar'26 (excl. License Fees)	6.40
3	A&G expenses for FY 2025-26 (excl. License Fees)	8.55
4	Annual Inflation @5% for FY 2026-27	0.42
5	A&G expenses for FY 2026-27 (excl. License Fees)	8.97

6	License Fees	2.50
A&G Expenses for FY 2026-27 (A)		11.47
Special additional A&G		
7	RENA Promotional Activities (B)	5.00
Total A&G for FY 2026-27 (A+B)		16.47

The detailed calculation of A&G expenses is submitted in OERC Form "F-11".

Return on Equity

307. It is submitted before the Hon'ble Commission that the Applicant has paid-up share capital amounting to Rs. 3,291.48 crore as on 31st March'2024, pursuant to conversion of outstanding loan and bond liabilities payable to the Government of Odisha, including interest up to 31.12.2021, amounting to Rs. 2,039.69 crore into equity, vide Government of Odisha Notification No. 2584 dated 28.03.2022. Further, additional equity share capital amounting to Rs. 675.08 crore was allotted in favour of the Government of Odisha during FY 2021-22 to FY 2023-24 against equity investment in the TP-DISCOMs.
308. During FY 2024-25, additional equity share capital amounting to Rs. 320.36 crore was issued in favour of the Government of Odisha as consideration against equity investment in the TP-DISCOMs, thereby increasing the total paid-up share capital to **Rs. 3,611.84 crore as on 31.03.2025.**
309. The Applicant submits that in earlier orders, the Hon'ble Commission had referred to the Government of Odisha Notification dated 29.01.2003, wherein it was stipulated that GRIDCO and OHPC shall not be entitled to any return on equity until the sector becomes viable or until FY 2005-06, whichever is earlier. This stipulation was subsequently extended up to FY 2010-11. The relevant extract from the BSP Order for FY 2025-26 is reiterated below:



"425. At the time of vesting of the transmission and distribution business with GRIDCO by the State Govt. on 01.04.1996, the Equity Share Capital was Rs.327.00 crore. During the subsequent years up to FY 2004-05, there were additional infusions of equity capital of Rs.165.98 crore by the State Govt. raising the total equity of GRIDCO to Rs.492.98 crore. At the time of de-merger of GRIDCO effective from 01.04.2005, the equity share capital of OPTCL was stated at Rs.60 crore, leaving the balance equity share capital with GRIDCO.

BSP prasad mshprad

The equity share capital issued to Govt. of Orissa was both in consideration of cash and other than cash. Therefore, the licensee claimed ROE @14% on the equity share capital of Rs.432.98 crore.

426. The Commission in earlier orders referred to the Govt. of Odisha Notification of 29.1.2003, wherein it has been stated that GRIDCO and OHPC should not be entitled to any return in equity till the sector becomes viable or FY 2005-06 whichever is earlier. Further, in partial modification of earlier notification, the Govt. of Orissa in its letter no. 5302 dtd. 6.5.2003 stated the following "GRIDCO and OHPC shall not be entitled to any Return on Equity (ROE) except in respect of the new projects commissioned after 01.04.2006 till the sector becomes viable or end of 2005-06 whichever is earlier." The Commission would like to clarify that correspondence has been made with Govt. of Orissa to clarify the status of the notification dtd. 29.1.2003, as it has great impact on Tariff. Government while communicating their views/comment in their letter No.1704 dtd. 17.02.2009 in response to the Commission's letter No.2807 dtd.

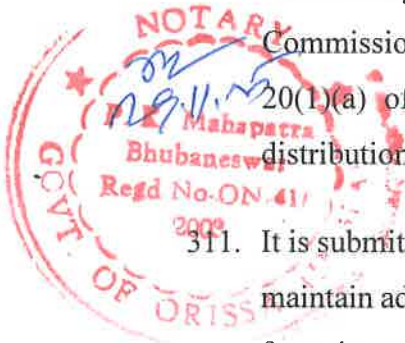
31.12.2008 have stated as under:

"In the matter of extension of the moratorium period and other dispensation stipulated in Energy Department Notification No.1068/R&R-I-2/2002 dt. 29.01.2003 up to 2011-12 it is stated that Finance Department has already concurred in the proposal of keeping in abeyance of up-valuation of assets of GRIDCO/OTCL & OHPC and freezing of RoE to GRIDCO & OHPC from the year, 2006-07 to 2010-11. The matter is going to be placed before the State Cabinet for a decision after which the same will be communicated."

427. As regards infusion of capital for the new project, the Commission verified audited accounts of GRIDCO upto 2004-05. It is found that the addition of share capital shown in the balance sheet after 1996-97 includes only the grants received from DFID towards R&M expenditure and rehabilitation assistance. As per Project Memorandum signed between Govt. of India and Govt. of Orissa and DFID, the above amount has been shown under share deposit account pending allotment of shares for non-receipt of approval from Govt. of Orissa."

310. The Applicant humbly submits that the circumstances forming the basis for withholding Return on Equity for GRIDCO no longer exist. The Hon'ble Commission has successfully completed the vesting of utilities under Section 20(1)(a) of the Electricity Act, 2003, enabling a significant turnaround of the distribution sector in the State.

311. It is submitted that the Return on Equity (@16% pre-tax) is essential for GRIDCO to maintain adequate reserves and surplus, enabling the Applicant to meet contingencies from its own resources while discharging its functions as the 'State Designated



Both parties are satisfied

Entity'. Accordingly, the Applicant humbly prays that the Hon'ble Commission may kindly consider and approve Return on Equity of **Rs.577.89 crores @16%** on the paid-up capital of **Rs.3,611.84 crores** for FY 2026-27.

Other Income/ Miscellaneous Receipts

312. The Applicant submits that it expects to earn an amount of **Rs. 74.50 crores** during FY 2026-27 (at approved rate of Rs.7.45 /kWh for FY 2024-25) towards emergency sale of power to the tune of **100 MU** to the long-term customers NALCO (70 MU) and IMFA (30 MU) for meeting their emergency & back-up power requirements as per the MOU signed with them.

Table- 93: Historical Revenue from Emergency sales (Rs. Cr.)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 (Apr'25 to Sept,25)	Projections for FY 2026-27
Revenue from Emergency Sales	78.82	137.06	111.57	33.16	74.50

K. ARR Proposal for FY 2026-27

313. The Applicant submits before the Hon'ble Commission, the projected cost requirement for the ensuing Tariff period pertaining to FY 2026-27 under various approved heads for determination and approval of the Net ARR to the tune of **Rs. 15,184.41 crores** with the component-wise cost breakup presented below.

Table 94: Aggregate Revenue Requirement for FY 2026-27

AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2026-27	
Particulars	Amount (Rs Cr.)
Power Purchase cost as per MOD for State (Excluding cost of Surplus power)	14,503.08
Additional Power Purchase Cost (Pass-through)	67.09
Interest cost	370.79
Employee cost	23.01
Repair & Maintenance	3.19
Administrative and General Expenses	16.47
Depreciation	2.87



By the person mentioned

AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2026-27	
Particulars	Amount (Rs Cr.)
Carrying Cost on Regulatory Assets	269.08
Aggregate Revenue Requirement (ARR)	15,255.58
Less: Revenue from Emergency sales	74.50
Net Aggregate Revenue Requirement (ARR)	15,181.08
Revenue from Discoms at existing BSP of respective DISCOMS	12,921.39
Units to be sold to Discoms Utilities (MU)	39,103.47
Revenue Deficit at existing BSP of respective DISCOMS	-2,259.69

314. It is submitted before the Hon'ble Commission that the proposed Revenue of **Rs. 12,921.39 Crore** is estimated at the existing approved BSP for FY 2025-26 for the respective DISCOMs, to be earned by the Applicant from sale of proposed energy of **39,103.47 MU** (excl. emergency sale) to the four Distribution Companies during FY 2026-27. against the proposed Net Aggregate Revenue Requirement of **Rs.15,181.08 crores**, with net revenue deficit of **Rs.2,259.69 crores**.

L. BSP Proposal for FY 2026-27

315. The Applicant respectfully submits that the existing Bulk Supply Price framework does not adequately cover the estimated uncontrollable costs detailed herein. Consequently, a revenue gap continues to persist despite ongoing operational efficiencies and prudent power procurement practices. In view of this revenue gap, GRIDCO humbly places the present ARR and BSP Application for FY 2026-27 before the Hon'ble Commission, seeking a rational upward revision of the Bulk Supply Price with effect from 1st April'2025. The Applicant respectfully prays that the Hon'ble Commission may consider to approve the Aggregate Revenue Requirement and Bulk Supply Price for FY 2026-27 to ensure cost recovery, maintain financial viability, and uphold reliable power supply to the consumers of the State.

316. It is humbly submitted before the Hon'ble Commission that the estimated Bulk Supply Price required to meet the proposed Aggregate Revenue Requirement of GRIDCO for FY 2026-27 is summarised as follows:

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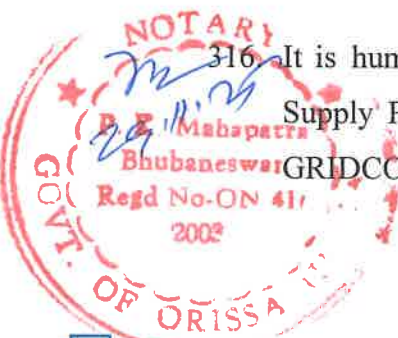


Table 95: Proposed BSP for FY 2026-27

Sl. No	Components	Proposed ARR & BSP for FY 2026-27
A	Net ARR to be recovered through BSP (Rs. Cr.)	15,181.08
B	Units to be sold to DISCOMs Utilities (MU)	39,103.47
C	Proposed Average BSP to recover the Net Total Aggregate Revenue (P/U) [C= A*1000/B]	388.23

The Applicant humbly submits that, considering the Return on Equity (RoE) as Rs.577.89 Crores @16% on the paid-up capital of **Rs.3,611.84 crores (up to 31.03.2025)** for FY 2026-27 as detailed at Para 309 (above), the proposed average BSP works out to **403.01 P/U**.

Further, the Applicant has proposed a ToD based BSP (detail proposal in Para 'O') for the ensuing year to promote consumption of energy during solar hours. Therefore, a differential BSP with a tariff neutral mechanism has been proposed. Considering the proposed BSP of 388.23 p/kWh the ToD based BSP may kindly be approved for FY 2026-27.

Demand Charge for Excess SMD

317. The Applicant, GRIDCO, submits that long-term Power Purchase Agreements (PPAs) have been executed for availing power from various long-term sources to meet the State's long-term demand. Hon'ble Commission may kindly consider that the SMD of the DISCOMs holds significant importance in the demand-supply dynamics of the State's energy portfolio. Excess capacity results in additional costs, while inadequate capacity fails to meet demand during peak hours. Therefore, maintaining optimum capacity is of utmost importance to ensure that the maximum demand of the State during the peak season is met from the long-term tied-up capacities, based on the SMD projections of the DISCOMs and the expected load growth over a longer time horizon.

318. The Applicant submits that it is obligated to ensure adequate energy security through quality and uninterrupted power supply to the State consumers. Accordingly, long-term energy planning holds prime importance for the Applicant and plays a crucial role in balancing the **Demand-Supply** matrix to cater to long-term, short-term, and particularly the unprecedented escalated demand during the summer months. As per the prevailing practice, the increased demand is generally met from the availability of power from approved stations. However, at certain times, the Applicant is compelled to avail power through banking arrangements, procure from power

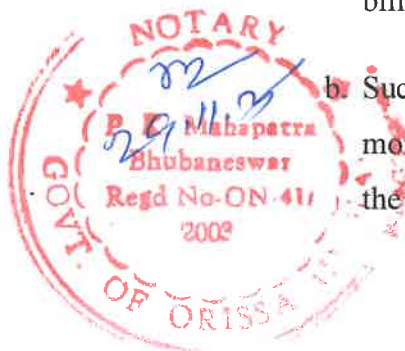
By the power of Notary

NOTARY
P. E. Mahapatra
Bhubaneswar
Regd No. ON 41
2008
ORISSA

exchanges, or overdraw from the grid. It is submitted that proper capacity planning through long-term PPAs with generators would help address this issue to a considerable extent.

319. It is submitted that the DISCOMs have projected the monthly SMD at a relatively higher level, which at times may be difficult to match on the supply side in the event of a shortfall arising from forced outages of large thermal units. It is further submitted that the SMD, being a key factor in the overall demand-supply dynamics, needs to be assessed prudently to enable the Applicant to undertake appropriate capacity planning for catering to the State's long-term demand.
320. Therefore, the Hon'ble Commission may kindly consider allowing the Applicant to procure power from alternative sources during deficit situations, if required, and accordingly permit recovery of the additional costs incurred through a suitable tariff mechanism.
321. The Applicant submits before the Hon'ble Commission to establish a monthly control measure for Simultaneous Maximum Demand (SMD) at 105%, and to revise the existing annual basis to a monthly basis. This adjustment will determine the monthly SMD for DISCOMs and enable recovery of charges for any excess energy drawn during a month beyond the approved monthly SMD. The 105% SMD limit shall be applied and charged on a monthly basis, while ensuring that the annual average SMD remains within the approved limit. Hon'ble Commission may kindly consider levying demand charges at the rate of ₹250/kVA/month on the DISCOMs for excess SMD based on the following conditions:

- a. When the actual SMD of a DISCOM in a given month exceeds the permitted monthly SMD (105% of the approved SMD), the respective DISCOM shall be billed by GRIDCO at ₹250/kVA/month for the excess SMD.
- b. Such charges shall not be adjusted at the end of the year, even if the actual monthly SMD in any other month(s) of the same financial year remains within the permitted monthly SMD.



Notary Seal

Over Drawal Charges

322. The Applicant, GRIDCO, submits that energy bills are raised on the DISCOMs at the approved BSP rate(s) during a financial year in accordance with the Hon'ble APTEL Judgment dated 07.05.2018 in Appeal No. 55 of 2015. This practice may continue until the Deviation Settlement Mechanism (DSM) Regulations are notified and implemented by the Hon'ble Commission (OERC) in the State of Odisha.
323. It is pertinent to submit that, during the day-to-day management of the State's power demand, it has been observed that the Applicant is sometimes compelled to overdraw power from the grid when there is an unplanned or forced outage of generating units within the State or from Central Generating Stations. Under such circumstances, when there is under-drawal by a particular DISCOM having a higher BSP vis-à-vis its monthly approved SMD, but simultaneous over-drawal by other DISCOMs, the Applicant is unable to recover the full cost of power as approved in the ARR through BSP, resulting in under-recovery of costs. It is further pertinent to note that there are restrictions on over-drawal of power imposed by ERPC/ERLDC, and any utility continuing such over-drawal is subjected to stringent strictures issued by ERPC/ERLDC from time to time. Therefore, meeting the State's demand through over-drawal from the grid is not a prudent proposition under any circumstances and must be avoided.
324. In view of the aforesaid facts and the accountability for maintaining grid discipline, which depends on the stability of the drawal pattern by the DISCOMs, it is humbly prayed before the Hon'ble Commission to issue suitable guidelines to the DISCOMs to adhere to the approved drawal quantum of energy and the SMD limits fixed and approved by the Hon'ble Commission, so as to prevent any additional cost burden on the Applicant, GRIDCO.

Both cases related matter

Rebate Policy

325. It is submitted that the following rebate policy for payment of BSP may be approved by the Hon'ble Commission in the ARR order for FY 2026-27 as proposed below:



- a. For crediting the BSP bill amount to GRIDCO's designated current bank account through Letter of Credit on presentation, or through NEFT/RTGS within a period of five (5) working days, a rebate of **1.5%** shall be allowed.
- b. Where the amount is credited on any day after five (5) working days and within a period of twenty-five (25) days from the date of presentation of the bill, a rebate of **1.0%** shall be allowed.
- c. The DISCOMs may avail the rebate only if the total current BSP dues are fully settled within the twenty-fifth (25th) day from the date of presentation of the BSP bill.

Delayed Payment Surcharges (DPS)

326. The Applicant, GRIDCO, proposes that the surcharge for delayed payment of Bulk Supply Price (BSP) bills, i.e., payments made after 30 days from the date of submission of bills, may be allowed by the Hon'ble Commission to be levied at the rate of 1.50% per month.



Patra prasad mahapatra

M. Truing-Up Order for Past Years

Truing-Up Order from FY 2015-16 to FY 2020-21

327. The Hon'ble Commission had pronounced consolidated True-Up Order from FY 2015-16 to FY 2019-20 and for FY 2020-21 vide order dated 22.10.2021 and 13.09.2022 respectively. Considering certain disallowances in the aforesaid Orders passed by the Hon'ble Commission, the Applicant has preferred appeals vide Appeal No. 79, 80 and 81 of 2023 and 612 of 2023 respectively before the Hon'ble APTEL. The above appeals are sub-judice before Hon'ble APTEL.

Truing-Up Order from FY 2021-22, FY 2022-23:

328. The Hon'ble Commission has issued the True-Up Orders for FY 2021-22 and FY 2022-23 vide orders dated 23.03.2023 and 13.02.2024 respectively. Aggrieved by certain disallowances, GRIDCO filed Review Applications before the Hon'ble Commission, which were dismissed vide Order dated 19.09.2024 in Case No. 38 of 2024. GRIDCO is in the process of filing Appeals before the Hon'ble APTEL challenging the said disallowances.

Truing-Up Order from FY 2023-24:

329. With respect to the Truing-Up for FY 2023-24, the Hon'ble Commission pronounced the order along with approval of the ARR and BSP of GRIDCO for FY 2025-26 vide Order dated 24.03.2025 in Case No. 103 of 2024. Aggrieved by the said order, GRIDCO filed a Review Application before the Hon'ble Commission. The Hon'ble Commission heard the matter and disposed of the Review Petition vide Order dated 22.10.2025 in Case No. 54 of 2025, granting liberty to GRIDCO to place any further suggestions in the next tariff proceeding for devising an alternative mechanism, outside the ARR framework, for recovery of unrecognized / uncontrollable costs. GRIDCO had already submitted such proposals before the Hon'ble Commission, including allowing utilization of trading revenue for recovery of past losses. However, the Hon'ble Commission has been treating revenue from trading as a pass-through in each subsequent True-Up exercise, resulting in no surplus remaining with GRIDCO to address accumulated losses.

Ribben passed matters



N. Renewable Energy Nodal Agency (RENA)

330. Under the Odisha Renewable Energy Policy (OREP), 2022, GRIDCO has been designated as the State Nodal Agency for renewable energy development across the State. With an ambitious target of establishing 10,960 MW of renewable energy capacity by 2030, GRIDCO has initiated the formation of a dedicated Renewable Energy Nodal Agency (RENA) Cell. This Cell is tasked with facilitating project proposals from prospective developers, with strategic emphasis on Ground-Mounted and Floating Solar Power Projects, Pumped Storage Systems, Small Hydro Projects, and Green Hydrogen/Ammonia initiatives.

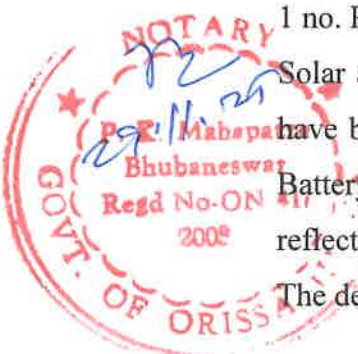
331. As of now, Odisha has successfully commissioned 3,062 MW of renewable energy (RE) capacity across various technologies as detailed below:

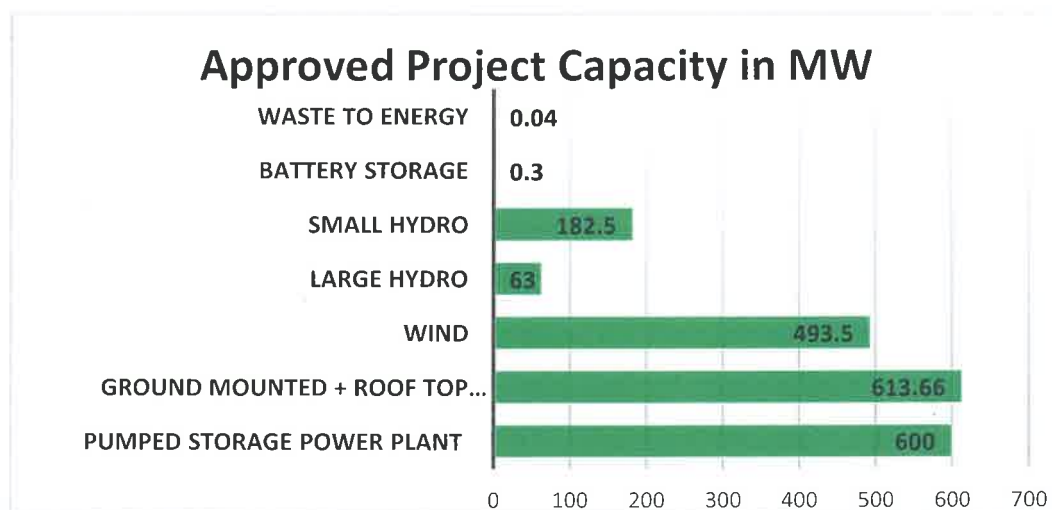
Table 96: Commissioned RE Capacity of Odisha

Sl. No	RE Technologies	Cumulative installed Capacity (MW)
1	Ground Mounted Solar	558
2	Rooftop Solar	176
3	Floating Solar	14
4	Large Hydro	2160
5	Small Hydro Electric Plant	134
6	Biomass	20
	Total	3062

332. Under OREP-2022, RENA has facilitated the approval of 59 renewable energy projects through the 13 no. of Single Window Committee (SWC) meetings, representing a cumulative capacity of 1953 MW and an estimated investment of ₹ 13,421.81 crore. The approved projects span across diverse technologies, including 1 no. Pumped Storage Power project, 35 nos. of Ground Mounted, Rooftop, Floating Solar and Solar Park projects and 9 nos. of Wind projects. Additionally, approvals have been granted for 1 Large Hydro, 11 nos. of Small Hydro Electric Projects, 1 Battery Energy Storage System (BESS) project, and 1 Waste-to-Energy project, reflecting Odisha's commitment to a balanced and diversified clean energy portfolio. The details of the approved project are as below:

Patra prasad mshah





333. As of October'2025, a total of 10 SWC-approved projects aggregating to a cumulative capacity of 111.86 MW have been successfully commissioned. The project-wise details are as follows:

Table 97: Details of Commissioned Projects by RENA

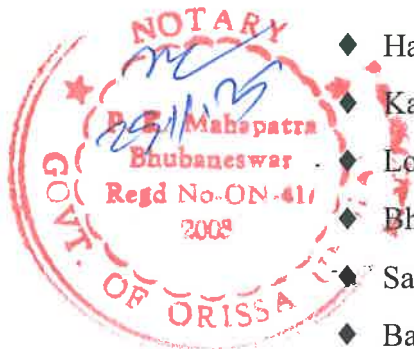
Name of the Developer	Category of Project (CPP/IPP)	Type of Project	Project Location	Capacity in MW
ABREL (Odisha) SPV Limited	CPP	Ground Mounted Solar	Hindol, Dhenkanal	15.62
Mahanadi Coalfields Limited	CPP	Ground Mounted Solar	Patnagarh, Bolangir	50
Jindal Stainless Limited	CPP	Roof Top Solar	Kalinga Nagar, Jajpur	19.53
ITC Limited	CPP	Roof Top Solar	Jatni, Khurda	0.8
Visaka Industries Limited	CPP	Roof Top Solar	Manesar, Sambalpur	0.72
MSP Sponge Iron Limited	CPP	Roof Top Solar	Haladiaguna, Keonjhar	1.64
MGM Green Energy Limited	IPP	Ground Mounted Solar	Tangi, Khurda	5
AMP Energy C&I One Private Limited	IPP	Ground Mounted Solar	Kanshbal, Sundargarh	2
AMP Energy Green C&I One Pvt Ltd	IPP	Roof Top Solar	KiiT, Patia, Khurda	1.4
TPREL	IPP	Roof Top Solar	Kalinga Nagar, Jajpur	7.65
		Floating Solar PV		7.5

334. GRIDCO, being the RE Nodal Agency has taken up the following major activities against various RE technologies:

Floating Solar Photovoltaic (FSPV) Projects:

- a. Odisha has a vast potential of 33,000 MW of FSPV capacity on its 7 major, 51 medium and other minor reservoirs, as per the report of the National Institute of Solar Energy (NISE).
- b. M/s International Finance Corporation (IFC) engaged through Transaction Advisory Service Agreement (TASA) for development of 1,000 MW FSPV projects in the State.
- c. Upper Indravati Reservoir has been selected for the development of a 225 MW pilot project in the first phase. OERC's approval in deviation from Standard Bidding Document has been obtained. The RFP is planned to be floated by December'2025. The balance capacity of 775 MW will be developed in the subsequent phases on other reservoirs.
- d. Additionally, detailed study is under progress for development of 1500 MW FSPV with Battery Energy Storage System (BESS) on the medium reservoirs.
- e. Premium based Competitive Bidding (PBCB) is proposed to be floated for water surface allocation at Rengali reservoir for the development of FSPV projects for Captive use.
- f. State and District level reservoir committees have been constituted by Energy Department for the allocation of water surface areas.
- g. Guidelines have been notified for establishment of FSPV projects on the water bodies in the State.
- h. FSPV project along with RE Experience Centre is being planned for development at the Hirakud reservoir.
- i. Detailed Reservoir Study has been completed for the following 6 shortlisted sites:

- ◆ Hariharjore (Sonepur),
- ◆ Kansbahal (Sundergarh),
- ◆ Lower Indra (Nuapada),
- ◆ Bhanjanagar (Ganjam),
- ◆ Salia (Khurda)
- ◆ Bankabal (Mayurbhanj)



Pattna prasad Nath

Wind Power Projects

- a. As per provision of Odisha Renewable Energy Policy, 2022, the first 500 MW of wind capacity is to be allocated to the developers on a first-come, first-served basis. As of now, 9 no. of proposals have been approved by the Single Window Committee (SWC) with a cumulative capacity of 493.5 MW including 345 MW of projects to be developed by CPSUs such as MCL, ONGC Tripura Power Company Limited and HPCL.
- b. RENA has planned to install 12 Wind Resource Assessment (WRA) masts at different locations in Odisha in a phased manner.
- c. LOA has been issued for Wind Resource Assessment (WRA) at 6 locations- Ganjam (Chikiti, Konishi), Puri (Marine Drive, Brahmagiri), Khurda (Begunia) and Nabarangpur (Tentulikhunti).
- d. Permissive possession of land for the installation of WRA masts has been obtained for Sonapur (Ganjam), Gopalpur (Ganjam) and Begunia (Khurda). Similarly, the possession of land for the Sipasurubili (Puri) and Tentulikhunti (Nabarangpur) is expected by December'2025.
- e. Factory Acceptance Test (FAT) for WRA awarded to M/s Suzlon has been completed.
- f. A tender for another 6 Nos WRA mast will be floated by December (Balasore: 2 Nos, Kendrapara: 2 Nos, Puri: 1 No & Jagatsinghpur: 1 No.) for which joint visits with National Institute of Wind Energy (NIWE) has already been completed.
- g. Hon'ble OERC has approved the request for project specific tariff for CPSU Wind projects on case-to-case basis.
- h. The development of Wind Power Projects under Wind Park mode, along with the proposal for capacity enhancement from 500 MW to 1000 MW under Generic Tariff mode, is at an advanced stage of approval by the Cabinet.
- i. Facilitation for land allocation is underway for a number of upcoming wind power projects.




By the project committee

Pumped Storage Hydro Project (PSP):

- RENA-GRIDCO is progressing with the development of Pumped Hydro Storage Projects (PSPs) to meet the state's renewable energy goals, with a target capacity of 1,200 MW to be achieved by 2030.
- A total of approximate 18,780 MW has been identified across state-designated sites, comprising 10 off-stream open loop sites (4,400 MW), 26 off-stream closed loop sites with 10 pre-feasibility reports (PFRs) completed by the empanelled consulting firm and 5 sites (3,000 MW) shortlisted for detailed feasibility studies and 9 additional closed loop sites with PFRs prepared by OHPC currently under review (11,380 MW).
- Additionally, developers have proposed to develop 9,900 MW across 10 self-identified PSP sites. NHPC has also initiated a Detailed Project Report (DPR) for the 1,000 MW Mastinaha PSP.
- The 37th High-Level Clearance Authority (HLCA) has approved Odisha Hydro Power Corporation Limited's proposal to establish a 600 MW Pumped Storage Hydro Project at Mukhiguda and Kalahandi.
- Project at Balimela for 500 MW and Upper Kolab for 600 MW are at an advanced stage of approval.
- Besides this, the following projects are being under taken by various CPSU & SPSUs:

Table 98: RE Projects undertaken by CPSU & SPSUs

Project Details		Present Status		
	NHPC	Masintha (Deogarh)	1000	• DPR in progress
		Harbhangi (Gajapati)	300	• Site Visit : Completed
		Badanala (Rayagada)	600	• PFR : In progress
	OTPC	Ret (Kalahandi)	450	• Site Visit : Completed
		Telengiri (Koraput)	650	• PFR : In progress • Sought dam information from DoWR
	NLCI	Brahmani (Sundergarh)	450	• Preliminary Report : Submitted
		Salandi (Keonjhar)	300	• PFR : No progress
	NTPC	Dandadhar (Keonjhar)	900	• PFR : Submitted • Awaiting views from DoWR

Project Details			Present Status	
Approved by HLCA	NEEPCO	Deon Dam (Mayurbhanj)	150	<ul style="list-style-type: none"> Site Visit : Completed but found R&R issues PFR : Not Prepared.
		Godahada (Ganjam)	250	<ul style="list-style-type: none"> PFR awaited
		Patora (Nuapada)	350	
	OHPC	Mukhiguda (Kalahandi)	600	<ul style="list-style-type: none"> TEC clearance by CEA Transmission evacuation feasibility obtained ICB floated on 01.08.2025
		Total (MW)	6,000	

Small hydro Electric Project (SHEP)

- RENA is pursuing the development of Small Hydro Electric Projects (SHEPs) to meet its target of 260 MW by 2030.
- A total of 185 potential sites has already been declared as State Identified Projects.
- Among these, RFP for development of 93.95 MW capacity (specific locations) has been floated through Tariff-Based Competitive Bidding (TBCB) on 10th July'2025, The Pre-Bid Meeting was held on 24th July'2025. The deadline for bid submission is on 8th December'2025.
- Additionally, 100 MW of SHEP power is targeted for procurement through TBCB.
- The details of SHEP sites under bidding are as follows:

Table 99: Details of SHEP Sites in Bidding Process

Sl.	Proposed Project Sites	Capacity (MW)	Project Location	River	Evacuation Point	Distance from Project Site (KM)	Evacuation Level
1	APPL-I	14	Kalahandi	Chhachangura	Jayapatna s/s	12	33 kV
2	Gorabhanga	12.75	Keonjhar	Musala	Ghatgaon SS	23	33 kV
3	Raul	12	Kandhamala	Raul	Tumdiband SS	15	33 kV
4	Jolingi	10	Rayagada	Raniturga	Rayagada SS	15	Single Ckt, 33 kV
5	Bandili	10	Rayagada	Bansdhara	Bairagarh	15	Single Ckt, 33 KV
6	MPPL	9	Kalahandi	Litijor Nala	Jayapatna S/s	14	33 kV
7	NPPL	9	Kalahandi	Chhachangura	Jayapatna s/s	12	33 kV

Sl.	Proposed Project Sites	Capacity (MW)	Project Location	River	Evacuation Point	Distance from Project Site (KM)	Evacuation Level
8	Patala	9	Koraput	Patala	Nandapur SS	25	Double ckt, 33 kV
9	Mundasahi	4.6	Keonjhar	Ketang	Ghatgaon SS	28	Double ckt, 33 kV
10	UPPL	3.6	Kalahandi	Chhachangura	Jayapatna S/s	12	33 kV
Total		93.95					

335. RE Demand Aggregation-As part of its strategic mandate to accelerate renewable energy adoption in Odisha, RENA facilitated a comprehensive Renewable Energy Demand Aggregation exercise through an Expression of Interest (EOI) issued by GRIDCO. This initiative aimed to consolidate RE demand across commercial and industrial consumers of DISCOMs with a connected loads above 500 KW, as well as from captive power plants, thereby enabling streamlined procurement and planning.

336. In two phases, 17 applications were received, aggregating a total energy demand of 5,027 MU, corresponding to an estimated RE capacity requirement of approximately 2,334 MW. The demand was further categorized by technology, with solar (586 MW), wind (410 MW), hybrid (495 MW), and storage (843 MW) emerging as key contributors.

337. RENA is preparing to float a Request for Proposal (RFP) for onboarding renewable energy developers who will generate and supply RE power to GRIDCO under a pooling mechanism. The procurement shall be based on tariffs discovered through a transparent competitive bidding process. The buying entities will draw the contracted RE power from GRIDCO's centralized pool, with the applicable pooled tariff to be determined by the Hon'ble Commission.

338. In alignment with national priorities and the State's long-term sustainability goals, the Government of Odisha has set an ambitious target of achieving 10,960 MW of cumulative RE capacity by 2030. The technology-wise timeline for achieving the target are detailed as follows:



BSP process not complete

Table 100: RE Technology-wise Target Timeline

Sl No.	Technology	Capacity in MW					Total
		FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	
1	Ground Mounted Solar	700	400	400			1500
2	Rooftop Solar	395	400	205			1000
3	Floating Solar			2000	2500	500	5000
4	Wind		450		750	800	2000
5	Pumped Storage Project					1200	1200
6	Small Hydro Electric Plant					260	260
	Total						10960

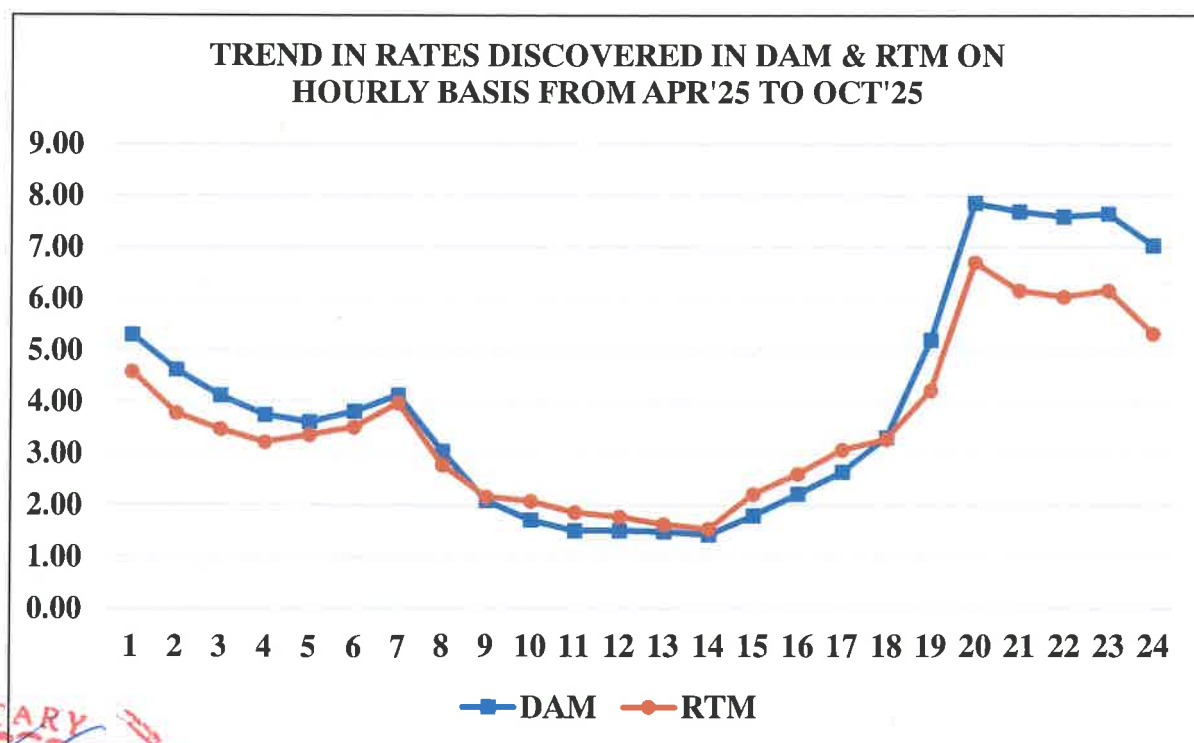


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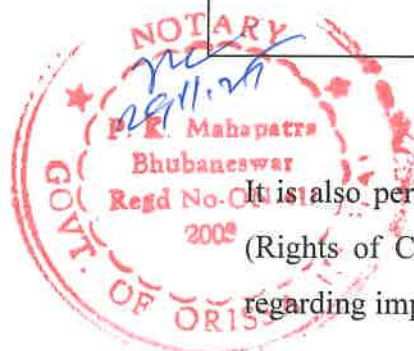
O. Tariff Rationalization Measures and Other Strategic Proposals

Introduction of Time-of-Day (ToD)-Based Bulk Supply Price (BSP) for DISCOMs

339. The State's power scenario has undergone a structural shift with the increasing share of renewable generation, particularly from solar sources. This has resulted in availability of substantial surplus power during the solar hours, while sharp demand peaks are being observed during the peak hours. Although GRIDCO endeavours to sell the surplus energy available during the solar hours through power exchanges, the prevailing market rates remain low, resulting in the surrender of even low-cost thermal generating stations. The trend of prices discovered during different hours in the Day Ahead Market/ Real Time Market during the months from April'2025 to September'2025 is provided below for kind reference,



Right prices not equal



It is also pertinent to mention here that MoP, Government of India vide Electricity (Rights of Consumers) Amendment Rules, 2023 has also mandated the following regarding implementation of ToD based tariff,

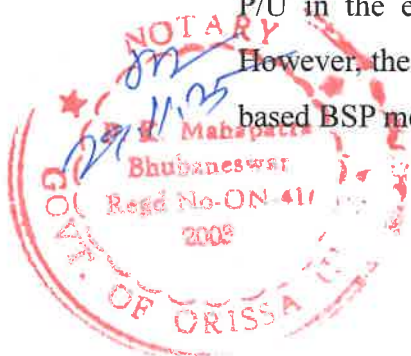
"The Time of Day tariff for Commercial and Industrial consumers having maximum demand more than ten Kilowatt shall be made effective from a date not later than 1st April, 2024 and for other consumers except agricultural consumers, the Time of Day tariff shall be made effective not later than 1st April, 2025 and a Time of Day tariff shall be made effective immediately after installation of smart meters, for the consumers with smart meters:

Provided that, the Time of Day Tariff specified by the State Commission for Commercial and Industrial consumers during peak period of the day shall not be less than 1.20 times the normal tariff and for other consumers, it shall not be less than 1.10 times the normal tariff:

Provided further that, tariff for solar hours of the day, specified by the State Commission shall be atleast twenty percent less than the normal tariff for that category of consumers:

Provided also that the Time of Day Tariff shall be applicable on energy charge component of the normal tariff: Provided also that the duration of peak hours shall not be more than solar hours as notified by the State Commission or State Load Despatch Centre."

340. Hence, it is the need of the hour to introduce ToD-linked BSP as an economic signal to the DISCOMs to incentivize shifting their drawal to solar hours, thereby improving effective utilization of contracted demand, reducing surrender volumes and aligning demand with solar power availability. Initially, the tariff may be kept revenue-neutral, wherein the rebate during solar hours is offset by a commensurate surcharge during other hours, ensuring that GRIDCO's aggregate revenue requirement remains unaffected while load-shifting behaviour begins to develop. In this regard, GRIDCO proposes a reduction of 15 P/U during the solar hours for TPWODL, TPCODL and TPNODL, and 10 P/U for TPSODL from the existing BSP. Similarly, a hike of 10 P/U in the existing BSP of all DISCOMs during non-solar hours is proposed. However, the Hon'ble Commission may judiciously approve any other suitable ToD based BSP mechanism.



BSP provided not implemented

For illustration:

Option I

DISCOM	Existing BSP (p/U)	Proposed BSP (p/U)		Proposed Quantum (MU)			Revenue (Existing BSP) (Rs. Cr.)	Revenue TOD BSP (Rs. Cr.)
		Solar (08 to 16 hrs)	Non-solar (Bal. hours)	Solar (08 to 16 hrs)	Non-solar (Bal. hours)	Total		
TPWODL	385	370	395	4418	7534	11952	4602	4611
TPCODL	315	300	325	5563	7685	13248	4173	4167
TPNODL	360	345	370	3186	5667	8853	3187	3196
TPSODL	190	180	200	1921	3129	5050	960	972
Total				15,088	24,015	39,103	12,921	12,945

Option II

DISCOM	Existing BSP (p/U)	Proposed BSP (p/U)		Proposed Quantum (MU)			Revenue (Existing BSP) (Rs. Cr.)	Revenue TOD BSP (Rs. Cr.)
		Solar (08 to 16 hrs)	Non-solar (Bal. hours)	Solar (08 to 16 hrs)	Non-solar (Bal. hours)	Total		
TPWODL	385	350	405	4,418	7,534	11,952	4,602	4,597
TPCODL	315	280	340	5,563	7,685	13,248	4,173	4,171
TPNODL	360	325	380	3,186	5,667	8,853	3,187	3,188
TPSODL	190	170	205	1,921	3,129	5,050	960	968
Total				15,088	24,015	39,103	12,921	12,924

341. In the past, the Hon'ble Commission had introduced Off-Peak hours-based RST which continues till date. In the present context, solar hours have created an additional off-peak scenario due to the availability of abundant solar power. The introduction of night off-peak benefit was essentially a mechanism to shift demand from peak hours. Similarly, the advantage of solar hours needs to be effectively utilised by shifting load from non-solar hours to solar hours to the maximum feasible extent, which will ultimately contribute to reduction in carbon emissions.

342. Adoption of the ToD-based BSP may also yield multiple benefits such as smoother daily load curve, enhanced absorption of renewable and low-cost thermal generation, improved economic dispatch, and reduced dependence on power market for sale of

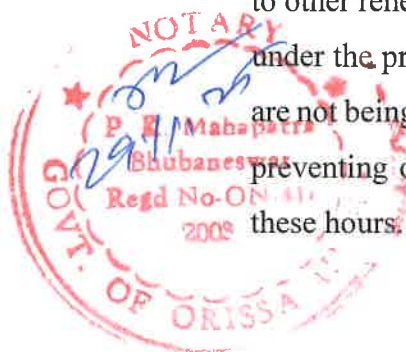
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surplus power during the solar hours. This measure will also enable DISCOMs to promote consumer-side initiatives such as operation of pumping, water supply, and industrial loads within the solar window, thereby extending the price signal downstream.

343. In view of the above, GRIDCO proposes introduction of a Time-of-Day (ToD) based Bulk Supply Price framework for the four DISCOMs of the State with differentiated energy charges for solar and non-solar hours. Under this mechanism, a rebate with lower BSP shall be applicable during the solar hours from 08:00 hrs - 16:00 hrs, while a surcharge with higher BSP shall be levied during the non-solar hours. The proposal is intended to incentivize the DISCOMs to enhance power drawal during the solar hours when low-cost surplus energy is available with the State and to moderate drawal during other hours.

Re-structuring of ToD based RST

344. Upon adoption of the ToD-based RST with effect from 01st April, 2024, there has been a gradual increase in load shifting from non-solar hours to solar hours. Further, various Central Government & State Government initiatives like PM-KUSUM, PM-Surya Ghar Yojna etc. have contributed towards increased penetration of solar energy. As a result, consumers, particularly in the domestic segment, are increasingly encouraged to install rooftop solar systems to meet their energy requirements. The State Government has also launched initiatives to solarise all the government buildings. In addition, the concept of floating solar is in an emerging phase in the State, with a potential installed capacity of around 5000 MW by FY 2030. Commercial and Industrial (C&I) consumers are also mandated to comply with the RCO targets notified by the MoP, Govt. of India. Accordingly, many C&I consumers are installing captive solar systems, which are relatively more economical compared to other renewable energy sources, to meet their demand during solar hours. Further, under the present ToD mechanism and Load Factor (LF) based RST, the consumers are not being sufficiently incentivized to shift their demand to the solar hours, thereby preventing optimal utilisation of the surplus power available with the State during these hours.



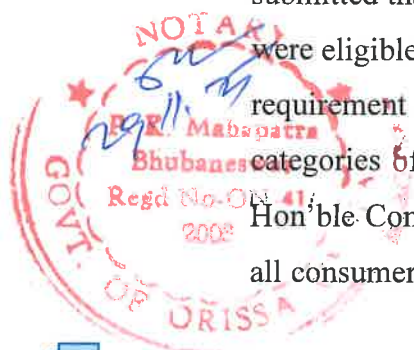
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345. Hence, with the rapid penetration of solar energy, the present ToD mechanism as well as Load factor (LF) based RST requires re-structuring so that the benefit of the low-cost solar power can be availed by the State consumers. Similarly, departure from LF based tariff may also contribute towards shifting of load and prevent migration of C&I consumers to open access or captive solar power consumption.
346. While the proposed ToD based BSP incentivizes DISCOMs to draw more during the solar hours, the proposed ToD based RST ensures that the same incentive is effectively transmitted to the State consumers. Implementation of a ToD-based RST will provide a transparent price signal to consumers, encouraging them to schedule energy-intensive operations such as pumping, manufacturing, and cooling during solar hours when power is cheaper and greener. This will help flatten the intra-day demand curve, improve the load factor of the DISCOMs, and reduce the need for costly evening-peak purchases. Hence, the Licensee proposes the following RST structure for FY 2026-27,

Category	Existing RST		Proposed RST	
	$\leq 60\%$	$> 60\%$	Solar Hours	Other Hours
HT	5.85	4.75	4.10	6.20
EHT	5.80	4.70	4.10	6.20

With the existing RST, most of the HT & EHT Industries are hardly achieving LF of more than 60% barring few of the steel/ mini-steel industries. Therefore, these consumers are compelled to pay higher RST charges and are also deprived of solar hour benefits. The Hon'ble Commission has already permitted drawl during Normal hours (00 hrs to 08 hrs; 16 hrs to 18 hrs) as well as during Solar hours (08 hrs to 16 hrs) to the extent of 120% of their CD. However, despite such kind of provision, these consumers are unable to avail the benefit of load factor incentives. Further, it is submitted that CGP-based industries having contracted demand of 20 MW and above were eligible to avail the solar-hour tariff of Rs. 4.30 per unit with a minimum drawal requirement of 80% CD under TPA arrangements, which was not applicable to other categories of consumers. Subsequently, to encourage drawal during solar hours, the Hon'ble Commission vide Order dated 22.07.2025 in Case No. 53/2025 has allowed all consumers having contracted demand above 1 MW to draw power at Rs. 4.30 per

B. to be proposed Notarized



unit with a minimum drawal requirement of 80% CD during solar hours. Although some migration has already begun, the full benefit of this mechanism requires tariff sustainability. Further, the rate of Rs. 4.30/unit may be reduced to make solar consumption more lucrative. Therefore, a robust mechanism is required to instil confidence among consumers for operational planning to avail the solar-hour benefit.

347. Accordingly, the proposed TOD based RST may be adopted on a revenue-neutral basis, where rebates with lower RST during solar hours are offset by surcharges with higher RST during other hours, ensuring no revenue shortfall to the DISCOM while improving load management. Further, the DISCOMs may be directed to devise suitable schemes to bring other consumer categories such as commercial establishments and government buildings under the ambit of the ToD-based RST so that the ToD benefits are also passed on to these categories of consumers.

Low-Cost Power for CGP-Based Industries During Solar Hours

348. Odisha hosts a vibrant industrial ecosystem with more than 80 Captive Generating Plants (CGPs) based industries of diverse capacities, collectively contributing significantly to the State's economic and manufacturing output. These industries have invested in substantial captive capacity, and the State grid has long served as a reliable partner by providing backup, balancing, and supplementary power during maintenance outages, partial loading, or seasonal variations in operations. CGP based industries, while primarily relying on captive generation, maintain CD with DISCOMs for contingency and occasional usage. However, many draw power intermittently or unpredictably, driven by market prices in DAM/RTM, a pattern that complicates DISCOM demand forecasting and GRIDCO's supply management mainly during the peak hours.

349. It is pertinent to mention here that GRIDCO is having contracted and commissioned capacity of around 9,800 MW to serve approximately 1 crore electricity consumers of the State. As per the data submitted by the DISCOMs of the State, the connected load under LT, HT & EHT categories is around 15,000 MW with a scope of recovery of fixed cost of around Rs. 5,000 crores. On the other hand, GRIDCO bears around Rs. 7,000 crores. towards fixed cost for availing power from the tied-up generation



Both power consumers

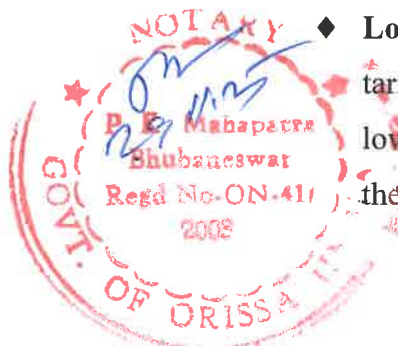
capacity of around 9,800 MW. Thus, a gap of approximately Rs. 2,000 crores remain unrecovered through the existing demand charges and continues to act as a barrier to achieving a cost-reflective tariff. In addition to this due to negligible/ reduced drawl by CGP based industries, volume of sales now is declining which is creating a surplus power scenario and compelling GRIDCO to resort to distress sale.

350. Further, the existing demand charge in the State is comparatively low at Rs. 250 per kVA per month as against neighbouring States such as Jharkhand, Chhattisgarh, Maharashtra, Andhra Pradesh, and DVC etc. where the demand charge is more than Rs. 350 per kVA per month on the installed capacity, unlike Odisha where it is levied on the contracted demand of the consumer. Moreover, the quantum CD is at the discretion of the consumer irrespective of its installed capacity. As a result, such consumers are insulated from paying appropriate demand charges under the present tariff framework. It is pertinent to mention that the demand charges have not been increased for several years, which has resulted in under-recovery of appropriate demand charges.

351. It is humbly submitted that considering the gap in recovery of appropriate fixed costs, it is necessary to introduce a minimum offtake requirement against contracted demand for industrial consumers along with an increase in demand charges to support the subsidized consumer segments whose tariffs are being cross-subsidized. Unless suitable measures are introduced, sustainability of the present tariff structure will be difficult to maintain. Further, considering the surplus power available with the State during the solar hours, the minimum offtake of CD by the CGP based industries may be introduced during the solar hours.

352. With the proposed ToD-based Retail Supply Tariff (RST) framework, the minimum offtake of CD shall present following benefits to the CGP based industries:

- ◆ **Lower Cost of Energy** - Availability of grid power at comparatively cheaper tariff during solar hours leads to direct reduction in power cost and overall lowering of cost of production, thereby enhancing price competitiveness for the industry.



R. Subin Prasanna Mohapatra

- ◆ **Reduced Consumption of Brown Power** - Drawal of grid power during solar hours enables CGP units to minimise consumption of coal-based power, conserving fuel resources and reducing thermal generation dependence.
- ◆ **Coal Conservation** - Reduced captive thermal generation results in substantial savings of coal for use during exigencies and improving operational flexibility for captive generating assets.
- ◆ **Lower Emissions and Improved Environmental Performance** - Reduction of coal-based generation decreases greenhouse gas (GHG) emissions proportionate to coal saved, thereby supporting cleaner production and improving the environmental & social profile of industries.
- ◆ **No RCO Attribution for Such Drawal** - Consumption of the CGP based industries under this scheme will also aid reducing their RCO targets as the onus of meeting the RCO compliance of the proposed offtake shall be transferred to GRIDCO on behalf of the DISCOMs.
- ◆ **Reduction in power cost by shifting operations to Solar Hours** - Industries can shift power-intensive operations to solar hours when the proposed TOD based RST is cheaper, optimizing energy scheduling and improving overall demand-load curve of the State.
- ◆ **Stability Against Market Volatility** - Avoidance of dependency on exchange-based open access shields industries from sudden spikes in DAM/RTM clearing prices.
- ◆ **Better Tariff Planning** - Predictable pricing under ToD framework enables more accurate budgeting and contract planning for industrial output.

R. B. Mahapatra

353. In view of the above, GRIDCO proposes to introduce a minimum contract demand drawl of 20 % for Industries with CGP having CD 1 MW and above during Solar Hours (08:00 hrs - 16:00 hrs) on a monthly basis. Apart from aforesaid, suitable increase in demand charges may also be considered for all category of consumers those who are paying monthly demand charges @ Rs. 250/ kVA/ month to arrive at a cost reflective tariff.

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Sale of intermittent surplus power under TPA Arrangement with minimum offtake of 60% CD:

354. Hon'ble Commission has permitted the continuation of TPA arrangement for sale of intermittent surplus power of GRIDCO during FY 2025-26 and vide para-289 of the BSP order has advised GRIDCO to sell intermittent surplus power through DISCOMs under Tripartite Agreement (TPA) arrangement.

"289. The Commission has allowed industries, having CGP with CD above 20 MW and operating at minimum monthly load factor of 80%, to draw power from DISCOMs at the rate of Rs.5.00 per kVAh during Peak & Normal hours and Rs.4.30 per kVAh during hours other than Peak & Normal hours (i.e. during Solar hours), for all incremental energy drawal above 80% load factor. No overdrawal penalty shall be levied on them. For this purpose, the industries shall enter into Tri-Partite Agreement (TPA) with the concerned DISCOM and GRIDCO. In such transactions for sale of intermittent incremental surplus power, OPTCL shall get normal transmission charge of 25.5 paise/kWh, GRIDCO shall get 455 paise/kWh (including BSP) during Peak & Normal hours (i.e. during Solar hours) & 400 Paise/kWh (including BSP) during the hours other than Peak & Normal hours and DISCOMs shall keep the balance amount as margin, out of the fixed price mentioned above. Other observations of the Commission in Case No. 25/2022 regarding this tripartite sale of surplus power shall continue as such. Accordingly, it is estimated that GRIDCO would earn an incremental revenue of Rs.26.60 crore on this account. However, the Commission may revisit the matter on application from the DISCOM(s) / GRIDCO, in case of any constraint(s) in implementation of the above scheme to achieve the objective."

355. Accordingly, to accommodate the above provision the associated Para 293 in the RST order FY 25-26 of DISCOMs has also been modified in following manner:

"293. Any industry having CGP with CD above 20 MW and operating at minimum monthly load factor of 80% shall be allowed to draw power at the rate of Rs. 5.00 per kVAh during Peak & Normal hours and Rs. 4.30 per kVAh during hours other than Peak & Normal hours (i.e. during Solar Hours), for all incremental energy drawal above 80% load factor. No overdrawal penalty shall be levied on them. For this purpose, the industry shall enter into a Tri-Partite Agreement (TPA) with the concerned DISCOM and GRIDCO. In such transactions for sale of intermittent incremental surplus power, OPTCL shall get normal transmission charge of 25.5 paise/kWh, GRIDCO shall get 455 paise/kWh (including BSP) during Peak & Normal hours and 400 paise/kWh (including BSP) during hours other than Peak & Normal hours (i.e. during Solar Hours) and DISCOMs shall keep the balance amount as margin, out of the price mentioned above. Other observations of the Commission in Case No. 25/2022 regarding this tripartite sale of surplus power shall continue as such. However,



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the Commission may revisit the matter on application from the DISCOM(s) / GRIDCO, in case of any constraint(s) in implementation of the above scheme to achieve the objective."

356. It is submitted that despite the enabling provisions made by the Hon'ble Commission under Para 289 of the Bulk Supply Tariff (BST) Order and Para 293 of the Retail Supply Tariff (RST) Order for FY 2025-26, no industry had expressed willingness to avail power under the said scheme through the Tri-Partite Agreement (TPA) mechanism till July'2025. The reason of un-willingness appears to be attributable to the requirement of 80% CD offtake during TPA period, intermittent nature of power supply, availability of cheaper power in the power market during solar hours and constraints in meeting RPO obligation, if power is purchased from DISCOM. As a result, industries aligned themselves with the power market instead of showing interest towards DISCOM power.

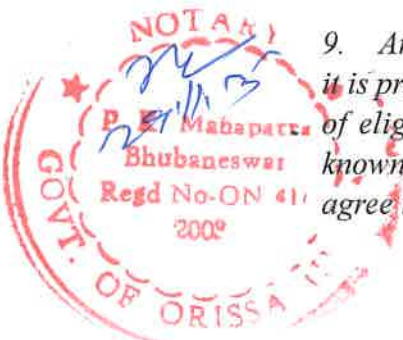
357. Consequently, GRIDCO and the four DISCOMs filed a joint petition under Case No.53 of 2025 to revisit of para 289 of BSP Order for FY 2025-26 dt.24.03.2025 & associated para 293 of RST order for FY 2025-26 dt.24.03.2025 towards

- (i) with minimum offtake of 60% CD instead of 80% CD during TPA period for industries having CGP having CD >20 MW; and
- (ii) (ii) sale of power during solar hours (8.00 AM to 4.00 PM) to interested Consumers/ industries having CD 1MW and above irrespective of CGP or Non CGP @ Rs.4.30 per kVAh with assured consumption of 80% of CD during solar hours.

Basing upon the above joint petition, Hon'ble Commission vide interim order 22.07.2025 have approved the following:

Quote:

9. *Anticipating industrial eco system in the State in advance is somewhat dicey, it is premature to comment whatever criteria GRIDCO is suggesting now in terms of eligibility and concession will work properly. Response of industries will be known, once the scheme is launched. Therefore, as an interim arrangement, we agree to the proposal of GRIDCO as follows:*



Bi-bhu prasad mahapatra

Minimum offtake of 60% of CD instead 80% CD during TPA period in the Tripartite Arrangement approved in the BSP/RST order for FY 2025- 26 for industries having CGP \geq 20 MW.

Sale of power during solar hours (8.00 AM to 4.00 PM) to the interested consumers/ industries having CD 1 MW and above irrespective of CGP or Non-CGP @ Rs.4.30 per kVAh with assured consumption of 80% of CD during solar hours.

The revenue sharing shall be as follows:

Out of the above proposed energy rate of Rs.4.30/kVAh, GRIDCO's share shall be the BSP of the respective DISCOM.

OPTCL share shall be Rs.0.255/kVAh towards transmission charges.

Balance share shall be retained by the respective DISCOM.

The above scheme shall be effective from the date of issuance of this order. GRIDCO will file a report with the Commission on the efficacy of the above revised scheme after two months hence. This revised order will be valid for the current financial year only. If necessary, the Commission may revisit the scheme depending on its efficacy at the ground level after two months.

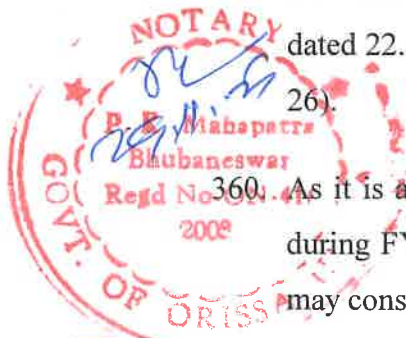
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358. The Hon'ble Commission has also directed review of the scheme on 14.10.2025. In compliance to the above directives of the Hon'ble Commission, GRIDCO has executed Agreement with TPWODL and M/s Vedanta Ltd. on 24.07.2025 for sale of power through the TPA mechanism, which shall remain in force till 31st March, 2026. As per the said TPA, the power offtake period for a quantum up to 200 MW was from 26th July' 2025 to 25th August'2025. Beyond 25th August' 2025 Vedanta shall submit a written requisition for quantum of power offtake under this agreement considering its requirement. In the meantime, approximately 30.14 MU and 105.21 MU of power have been supplied under this arrangement during Jul'25 and Aug'25 respectively.

359. Further, the Hon'ble Commission vide its order dated 28.10.2025 in case no. 53/2025 has directed that the interim arrangement made by the Hon'ble Commission in order dated 22.07.2025, shall be in force until the end of the current Financial Year (2025-26).

360. As it is anticipated that surplus power shall also be available on intermittent basis during FY 2026-27, therefore it is humbly submitted that the Hon'ble Commission may consider to approve the Special Tariff Scheme under TPA at a suitable ToD based

B. B. Mahapatra



tariffs for FY 2026-27 with minimum offtake of 60% CD during the TPA period. Further, the CGP based industry may opt for green certification of the energy availed under TPA for its RCO compliance through payment of Green Tariff Premium as approved by the Commission.

Green Tariff Framework for Sale of Renewable Power to Obligated Entities

A. Sale of Renewable Power to Industries During Solar Hours through DISCOMs

361. The Ministry of Power, Government of India, under the Green Energy Open Access Rules, 2022 and allied policy directives, has mandated that all obligated entities progressively meet specified portions of their consumption through renewable sources. The RCO trajectory notified by MoP presently requires designated entities including captive and open access consumers, to achieve approximately 43.33% renewable consumption by FY 2029-30.
362. To facilitate such compliance in a cost-effective manner, GRIDCO, as an aggregator, has aggregated the RE demand of around 5,027 MU over the period from FY 2026 to FY 2030 from multiple industries across sectors. Selling this power during solar hours, when the system experiences low-prices, will improve utilization of renewable generation, reduce surrender of thermal stations and support RCO fulfilment by industries through a State-controlled transparent mechanism.
363. Odisha is experiencing surplus power during solar hours (08:00 hrs - 16:00 hrs) owing to high renewable generation and his scenario is expected to continue in the next financial year as well. Simultaneously, many industrial and commercial consumers are migrating toward open-access or captive arrangements to source renewable energy for meeting their Renewable Consumption Obligation (RCO).
364. In order to retain such consumers within the State grid and provide them an economical avenue to meet their RCO, GRIDCO proposes to introduce a scheme for sale of renewable energy (RE) power to interested industries through the respective DISCOMs at a special rate during the solar hours. Under this mechanism:
- ◆ GRIDCO shall act as the aggregator of renewable energy available from various sources

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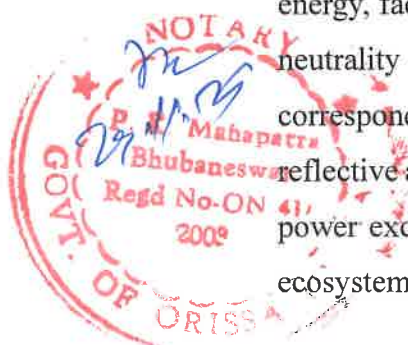
- ◆ DISCOMs shall facilitate the sale of such RE power to eligible consumers within their licensed area.
- ◆ The sale under this scheme shall be treated as similar to open access transactions through day-ahead scheduling and shall be considered over and above the approved RST sales of the concerned DISCOM.
- ◆ Interested entities shall place day-ahead requisitions through their DISCOMs, indicating desired quantum and time-blocks of purchase limited to solar hours.
- ◆ The energy accounting shall be carried out on schedule basis and billed at Rs. 4.10/ kVAh* with revenue sharing as follows:
 - a. GRIDCO - Rs. 3.80/ kWh
 - b. OPTCL - Rs. 0.255/ kWh
 - c. Balance with the DISCOM

However, the Hon'ble Commission may determine suitable tariff for sale of power under this scheme as proposed in Part B below.

365. This arrangement will create a structured in-State alternative to open access consumption, thereby retaining consumers within the regulated system while enabling fulfilment of renewable-energy obligations. The proposed framework will also strengthen DISCOM revenues, as the sale quantum will be incremental to the approved RST sales and will promote higher daytime consumption without adversely impacting peak-hour supply planning.

B. Determination of Green Tariff for Sale of Renewable Power by GRIDCO

366. A dedicated Green Tariff ensures transparent and predictable pricing for renewable energy, facilitating voluntary procurement by industries while maintaining financial neutrality for GRIDCO. By factoring in the RCO price (around Rs. 0.40 /kWh) corresponding to potential REC procurement cost, the tariff will remain cost-reflective and self-contained. This also eliminates the need for consumers to approach power exchanges for fragmented RE transactions and keeps the renewable-energy ecosystem within the State framework.

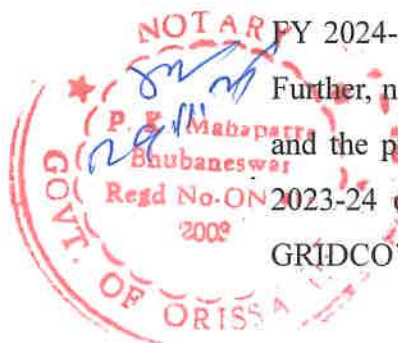


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367. In continuation to **Part A**, GRIDCO proposes that the Hon'ble Commission may determine a separate Green Tariff applicable for renewable-energy sales under this scheme as per the Clause 3(c) of Regulation 5 (Chapter 1) of the OERC (Promotion of Renewable Energy through Green Energy Open Access) Regulations, 2023. The tariff shall be cost-reflective and include an appropriate component for RCO compliance, recognizing that GRIDCO may be required to procure Renewable Energy Certificates (RECs) to meet its own RCO targets.
368. No cross-subsidy surcharge shall be applicable on such transactions. The revenue earned under this scheme shall be treated as over and above the approved ARR of GRIDCO and the DISCOMs, ensuring that regulated operations remain unaffected.

Mechanism for adjustment of past losses borne by GRIDCO

369. GRIDCO has incurred financial losses over the past several years, excluding the last two financial years, owing to a combination of uncontrollable and regulatory factors. One of the major reasons for such continued losses has been the non-approval of finance costs as pass-through expenses in the Annual Revenue Requirement. Although the Hon'ble Commission, during various Truing-Up exercises, has acknowledged the expenditure actually incurred by GRIDCO, instead of allowing the same as pass-through in tariff, the corresponding amounts have been treated as Regulatory Assets.
370. As a result, at the end of FY 2023-24, GRIDCO carries a net cumulative Regulatory Asset of Rs. 746.54 crores as acknowledged by the Hon'ble Commission. The amortized Regulatory Gap of GRIDCO up to FY 2012-13 amounts to Rs. 2,616.95 crores. In addition to the above, GRIDCO also carries past BSP and other dues of the erstwhile DISCOMs prior to FY 2015-16 owing to non-recovery of BSP dues, which compelled GRIDCO to arrange borrowings of around Rs. 6,000 crores by the end of FY 2024-25 to make payment to different generators and avoid power regulation. Further, no carrying cost was allowed on such Regulatory Assets up to FY 2022-23 and the practice of allowing carrying cost thereon has commenced only from FY 2023-24 onwards. Such non-allowance of carrying cost has further deteriorated GRIDCO's liquidity position and impacted its financial sustainability.



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371. Hence, the adverse financial condition of GRIDCO can primarily be attributed to the following uncontrollable factors:

- ◆ Non-settlement of Bulk Supply Price (BSP) dues by erstwhile DISCOMs,
- ◆ Lack of a cost-reflective tariff for GRIDCO,
- ◆ Non-amortization of approved Regulatory Assets over the years, and
- ◆ Non-allowance of carrying cost on Regulatory Assets up to FY 2022-23.

372. The Hon'ble Commission, in multiple tariff orders, has observed that GRIDCO shall endeavour to meet its past losses out of the margin earned from trading of power. However, the margin earned through sale of surplus power in the power market has been adjusted against the overall cost of power purchase during the truing-up exercises for the corresponding financial years, leaving no surplus with GRIDCO to recoup its past losses. his practice has, over time, compelled GRIDCO to seek additional borrowings in order to service existing loans.

373. In view of the above, GRIDCO humbly prays before the Hon'ble Commission to kindly consider allowing utilization of the margin earned (either fully or partly with certain percentage) through trading activities towards adjustment of past accumulated losses over the next six years. A tentative apportionment of anticipated trading margin over the proposed six-year period is indicated below:

FY	Anticipated Trading Margin (Rs. Cr.)	Regulatory Assets (up to FY 2023-24) (Rs. Cr.)	Net Regulatory Assets after adjustment of anticipated trading margin (Rs. Cr.)
FY 2026-27	500	3,363.49 (746.54+2616.95)	2,863.49
FY 2027-28	525	2,863.49	2,338.49
FY 2028-29	550	2,338.49	1,788.49
FY 2029-30	575	1,788.49	1,213.49
FY 2030-31	600	1,213.49	613.49
FY 2031-32	613	613.49	0.00
Total	3,000		

Bibhu prasad Mishra



Such an arrangement would not only enable partial recovery of the historical under-recoveries borne by GRIDCO but also strengthen its financial position, ensuring sustainability of power procurement and supply for the State.

Amnesty arrear clearance scheme

374. The accumulation of long-pending electricity dues across different consumer categories has become a critical concern affecting the financial viability of the electricity sector. The outstanding arrears, compounded over time through the accrual of interest and penalties, have placed a significant burden on both consumers and the Discoms. This has adversely impacted the liquidity position and operational efficiency of the sector.
375. In several instances, consumers have sought to circumvent the recovery process by obtaining new service connections under alternate names or premises, thereby undermining the effectiveness of the existing recovery mechanism. Consequently, the overall arrear position continues to deteriorate, with post-vesting period dues also remaining unrecovered.
376. Comparable approaches have been successfully adopted in other sectors, such as the *Insolvency and Bankruptcy Code (IBC) mechanisms under NCLT, Non-Performing Asset (NPA) settlement frameworks in the banking sector and Government Amnesty Schemes in taxation and compliance matters*, all of which aim to provide a structured, time-bound relief and facilitate improved recovery.
377. Given Odisha's prevailing socio-economic conditions, including variations in consumer payment capacity and regional disparities, the introduction of an **Amnesty Arrear Clearance Scheme** is considered both appropriate and necessary. The scheme would provide genuine consumers an opportunity to settle long-standing dues in a transparent and equitable manner, while simultaneously enabling the Discoms

Bibhu Prasad Mishra



- ◆ Enhance overall revenue realization and cash flow;
- ◆ Reduce the burden of non-performing receivables;
- ◆ Improve consumer compliance and payment discipline; and

- ◆ Restore financial stability and ensure the long-term sustainability of the electricity distribution sector.

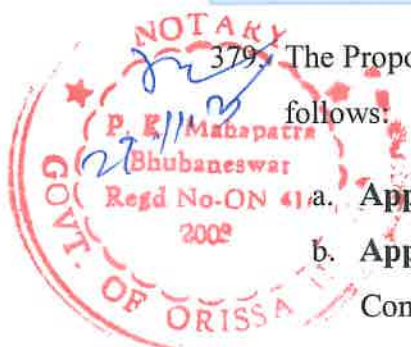
378. Under the proposed scheme the arrear amount realized would be utilized for meeting past liabilities of the erstwhile utilities and, in the process, the interest burden on GRIDCO will be reduced. The dues receivables from the erstwhile DISCOMs/ Utilities as on 30.06.2025 is to the tune of **Rs.6,425 crore** (Principal amount- Rs. 2656.42 Crore + DPS Rs. 3769.02 Crore). Details of the dues are tabulated below:

DUES RECEIVABLE FROM DISCOM UTILITIES AS ON 30 th JUNE '2025 (INCL. DPS)						
(Rs in Crore)						
Sl.	Particulars	CESU	WESCO	SOUTHCO	NESCO	Total
1	BSP dues	1,174.34	647.61	787.30	560.57	3,169.82
2	Converted to Equity	-299.95	-299.95	-199.95	-249.95	-1,049.80
3	Net BSP Dues (1-2)	874.39	347.66	587.35	310.62	2,120.02
4	Securitize Dues (incl. interest)	1,219.91	239.27	196.12	208.51	1,863.81
5	NTPC Power Bond	-	-	146.45	48.91	195.36
6	Tr. Scheme dues	118.85	12.10	29.91	6.74	167.60
7	Cash Support	174.00	-	-	-	174.00
8	Total as on Vesting Date (3 to 7)	2,387.15	599.03	959.83	574.78	4,520.79
9	Less paid/ settled post vesting:					
i	Balance BSP of FY20-21	-225.16	-	-98.88	-	-324.04
ii	Paid/adjusted till 30.06.2025	-321.83	-327.12	-200.79	-474.80	-1,324.54
iii	Settled under OTS by DISCOMs	-21.60	-36.53	-20.26	-75.48	-153.87
iv	Settled under OTS directly by GoO.	-18.32	-25.38	-7.59	-10.63	-61.92
	Total Settled	-586.91	-389.03	-327.52	-560.91	-1,864.37
10	Total Receivable excl. DPS	1,800.24	210.00	632.31	13.87	2,656.42
11	DPS on BSP	819.49	1,417.23	647.31	884.99	3,769.02
12	Total receivable incl. DPS	2,619.73	1,627.23	1,279.62	898.86	6,425.44

BSP dues are not paid

379. The Proposed salient features of Amnesty Arrear Clearance Scheme are indicated as follows:

- Applicability:** All categories of Non- Government Consumers
- Applicability period:** 180 days from the date of approval by Hon'ble Commission.



- c. **Eligible Amount** : The proposed **Amnesty Arrear Clearance Scheme** is only meant for settlement of the past arrears accumulated prior to the effective dates (i.e. pre-takeover) by present DISCOMs (TPCODL, TPWODL, TPNODL & TPSODL) and does not pertain to period after take over. Arrears outstanding as on the respective Effective Dates of takeover of DISCOMs i.e. arrears outstanding as on 31.05.2020 for Utilities: CESU (now TPCODL), 31.12.2020 for SOUTHCO (now TPSODL) & WESCO (now TPWODL) and 31.3.2021 for NESCO (now TPNODL) shall be considered as Eligible Amount.
- d. **Quantum of Rebate**: The OTS Scheme with the following rebate shall be applicable to different category or class of consumers:

Type of Consumer	Quantum of Rebate
Group 'A' All LT Category (Except Government Consumers)	<p>(i) Domestic Category-</p> <p>a) 100% of DPS waiver + 50% of the balance arrear (excl. ED), If arrear payment is made in one go.</p> <p>b) 50% of DPS + 30% of the balance arrear (excl. ED), If arrear payment is made in six (6) equal consecutive monthly instalments</p> <p>(ii) LT Others-</p> <p>a) 100% of DPS waiver + 40% of the balance arrear (excl. ED), If arrear payment is made in one go.</p> <p>b) 50% of DPS + 30% of the balance arrear (excl. ED), If arrear payment is made in six (6) equal consecutive monthly instalments</p>
Group 'B' All HT & EHT Category (Except Government Consumers)	<p>(i) HT & EHT-</p> <p>a) 100% of DPS waiver + 30% of the balance arrear (excl. ED), If arrear payment is made in one go.</p> <p>b) 40% of DPS + 20% of the balance arrear (excl. ED), If arrear payment is made in six (6) equal consecutive monthly instalments</p>
Group 'C' Consumers with Disputed arrear outstanding at any court of law and/ or judicial forum	<p>The consumer has to withdraw the dispute and opt for out of court settlement as per the scheme mechanism mentioned at Category A & B.</p>

By the undersigned Mahapatra

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 Bhubaneswar
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 STATE OF ORISSA

NB: In case of consumers having outstanding due to wrong billing, the eligibility shall be determined after revision of such wrong bill and rebate as proposed under Category- A & B shall be computed.

In this regard, a joint petition shall be filed by the DISCOMs and GRIDCO for before the Hon'ble Commission for kind consideration of the above proposed scheme.

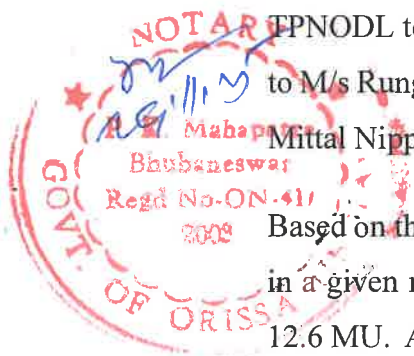
Recovery of BSP through Quarterly Adjustments in Cases of Inter-DISCOM's transactions

380. In some instances, it has been observed during the energy billing exercise that the interface meters are installed at grid substations geographically located within one DISCOM's area, while the consumer availing power supply from that substation falls under the jurisdiction of another DISCOM. At present, the BSP billing is raised on the DISCOM in whose area the grid substation is situated, whereas the consumer is billed by the DISCOM under whose licensed area the consumer's premises are located. Such inter-DISCOM energy transactions are currently being settled through internal arrangements between the DISCOMs. However, due to differential BSP across the State, there is no such settlement mechanism in place to ensure recovery of the appropriate BSP cost for such inter-DISCOM transactions.

381. The anomaly arises due to the location of interface metering points at grid substations forming the boundary between two or more DISCOM jurisdictions. In such cases, power is physically drawn from a substation belonging to one DISCOM's geographical area, while the consumer's service connection and billing responsibility rest with another. The number of such inter-DISCOM consumers has been increasing over the years owing to system expansion, consumer growth, and industrialization. In the recent past, Hon'ble Commission has permitted substantial industrial load from EPNODL to TPWODL through special scheme vide Case No. 75 of 2024 (15 MVA to M/s Rungta Mines Ltd., Barbil) and Case No. 110 of 2024 (20 MVA to M/s Arcelor Mittal Nippon Steel, Sagasahi). For illustration:

Based on the above cases, the energy consumed by both the consumers of TPWODL in a given month, assuming 50% LF = $((20+15) \text{ MVA} \times 50\% \times 24 \times 30 \times 1000) = 12.6 \text{ MU}$. As per the above approved mechanism, TPWODL will settle the input bill

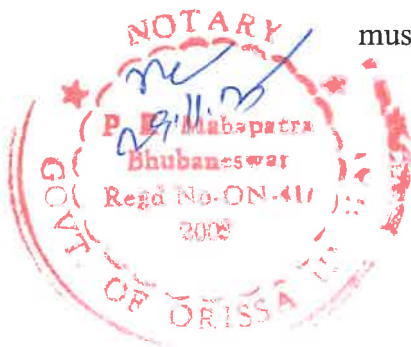
Bhupendra Mohapatra



with TPNODL @Rs. 3.60/ Unit (BSP of TPNODL) which otherwise would have been paid by TPWODL with its BSP@ Rs. 3.85/ Unit to GRIDCO leaving a gap of around 25 p/unit, thereby resulting in a quarterly revenue shortfall of around Rs. 1 crore. Further, similar inter-DISCOM transactions are also prevalent in other DISCOM areas.

382. In view of the above, GRIDCO proposes the following Standard Operating Procedure for kind approval of the Hon'ble Commission to standardize the procedure for identification, reporting, and settlement of inter-DISCOM energy transactions to ensure correct BSP recovery and appropriate revenue recognition:

- a. GRIDCO shall continue to raise monthly BSP bills on each DISCOM as per prevailing practice.
- b. Each DISCOM shall identify the metering points where Inter-DISCOM transactions are continuing/ to be continued and submit the necessary information to GRIDCO periodically for record keeping.
- c. After the end of each quarter, DISCOMs shall submit metering points at which energy is settled between the DISCOMs and consumer's quarterly consumption within 15 days.
- d. Quarterly Adjustment Bill (Rs.) = Energy Supplied for such inter-DISCOM transaction (MUs) × (BSP of DISCOM where energy is actually consumed - BSP of DISCOM from whom energy has been availed)
- e. Accordingly, GRIDCO shall raise a DEBIT/ CREDIT Bill to the respective DISCOMs along with the BSP Bill to be raised in the succeeding month.
- f. Annual reconciliation of all inter-DISCOM transactions and adjustments must be completed within 60 days of financial year end.



B-Bm raised monthly

Sale mechanism for drawl by the CGP based industries on interim basis

383. Within the DISCOM's supply areas, there are more than 80 industrial consumers operating Captive Generating Plants (CGPs) with a cumulative capacity of around 12000 MW in the State. Some of these industries have single generating unit, while others operate multiple generating units of similar or varying capacities. Periodic maintenance and annual overhauling of these captive plants are essential for operational reliability, during which the captive generation remains unavailable.
384. Additionally, several seasonal industries require grid power intermittently, depending on their production cycles. For such temporary outages of CGPs or short-term business requirements, these consumers often approach the respective DISCOMs seeking power supply for a few weeks or months and in some cases for periods of less than 15 days.
385. However, such industries are generally reluctant to apply for temporary enhancement of contract demand (CD), as subsequent reduction in load attracts procedural restrictions under the prevailing regulations. In the absence of a flexible arrangement by the DISCOMs, these industries resort to open-access procurement, leading to potential revenue loss to the State's distribution sector and underutilization of GRIDCO's available power during surplus periods.
386. In view of the above, GRIDCO proposes that the Hon'ble Commission may permit supply of interim or additional power beyond the approved contract demand for a period up to three (3) months, subject to availability of power with GRIDCO. Under the proposed scheme:

- a. The concerned industry shall submit its day-ahead requisition to the DISCOM/GRIDCO indicating the quantum and duration of requirement.
- b. GRIDCO shall confirm the supply based on power scenario and grid conditions.
- c. Scheduling and accounting of such power shall be done on a day-ahead scheduled basis.



Both power not available

- d. Billing shall be based on the scheduled energy, and the consumer shall bear 10% higher charges on both demand and energy components over and above the applicable RST.
- e. As such sale shall be over and above the approved ARR sale of GRIDCO, the revenue from this arrangement shall be shared among GRIDCO, OPTCL, and the concerned DISCOM in the following manner:
- ◆ GRIDCO - 10% over and above the highest BSP approved for the concerned financial year
 - ◆ OPTCL - STU charges as approved for the concerned FY, DISCOM - balance amount.

Sourcing of power by the DISCOMs from the CGPs for Retail Sale

387. Inadvertent power injected from the CGPs connected at 132 kV and above in the intra-state network belongs to GRIDCO in its capacity as the bulk power purchaser and is treated as ZERO cost power. Computation of such inadvertent injections is presently carried out at GRIDCO's end. On the same principle, inadvertent injections occurring at 33 kV and below should also be considered as part of the State power pool and treated as ZERO cost power. Therefore, the Applicant hereby humbly submits that the Hon'ble Commission may take cognizance of this issue and permit GRIDCO to compute inadvertent power injected at 33 kV and below. Any other suitable directions as deemed fit by the Hon'ble Commission may kindly be issued in this regard.

Adjustment of the Electricity Duty paid by different generators having PPA with GRIDCO against the repayment of the principal amount of the loan availed by GRIDCO from the State Govt.

388. Hon'ble Commission while approving the ARR of GRIDCO also allows Electricity Duty (ED) on the auxiliary consumption of the generators located inside the State. This amounts to approximately Rs. 100 crores per annum and forms part of the approved BSP cost. Further, while approving the ARR of DISCOMs, the BSP cost, transmission charges and their distribution costs are allowed as passed through. The consumers of the State are ultimately bearing the cost through Retail Supply Tariff in



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addition to the separate Electricity Duty (ED) levied on their consumption. As a result, consumers are indirectly bearing Electricity Duty (ED) at two levels, effectively leading to a situation where Electricity Duty (ED) is being levied on Electricity Duty (ED), which is inequitable and unjustified.

389. GRIDCO, being a wholly owned Government of Odisha undertaking and the State Designated Entity for bulk power procurement and renewable-energy facilitation, continues to operate as a regulated utility. Despite consistent improvements in operational performance and regularization of BSP collections from DISCOMs after privatization, GRIDCO remains financially constrained due to:

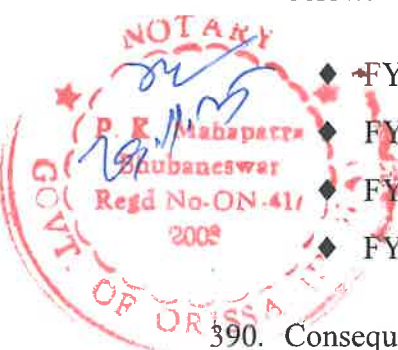
- i. Accumulation of regulatory assets amounting to Rs. 746.54 crore (as on FY 2023-24), as per Hon'ble Commission, without corresponding amortization;
- ii. Non-allowance of carrying cost on such assets up to FY 2022-23;
- iii. Non-recognition of interest and financing cost on borrowings in the approved ARR; and
- iv. Accumulated past losses due to non-performance of erstwhile DISCOMs.

Further, the margin earned through trading of surplus power is not being allowed by the Hon'ble Commission towards adjustment of past losses. Even after vesting, the financial position of GRIDCO was adversely affected for a period of 3 to 4 years due to non-recognition of fixed cost as well as finance cost. However, the Hon'ble Commission has allowed the fixed costs and approved the BSP surcharge along with an increase in BSP rates, which has helped in improving the financial position of the Applicant. The losses incurred by GRIDCO from FY 2019-20 to FY 2022-23 are as below:

◆ FY 2019-20	:	Rs.1,352.14 Cr.
◆ FY 2020-21	:	Rs.1,382.35 Cr.
◆ FY 2021-22	:	Rs. 440.18 Cr.
◆ FY 2022-23	:	Rs. 778.18 Cr.

390. Consequently, GRIDCO arranged borrowings from external agencies as well as the soft loans from Government of Odisha on which substantial annual interest liability

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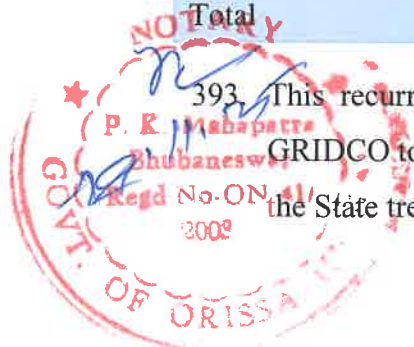


has accrued. In FY 2024-25 alone, GRIDCO had borne finance cost of Rs. 434.21 crores (excluding Ind AS adjustments). Further, it is submitted that to sustain its operations, GRIDCO has availed soft loan amounting to Rs. 3,213 crores till date in multiple tranches from the State Government against which an annual interest amount of approximately Rs. 159.26 crores at an average interest rate of 4.96% is payable.

391. As per the Notification No. 7721-P-II-Bd-15/92-E dated 25th April, 1992 issued under Section 3 of the Orissa Electricity Duty Act, 1961, several generating stations within Odisha that have long-term PPAs with GRIDCO (such as OHPC, OPGC, Vedanta Ltd., GMR Kamalanga Energy Ltd., and NTPC's Talcher STPS-I, STPS-II and Darlipali units) are required to pay Electricity Duty to the State Government on their auxiliary consumption.
392. As per the PPA arrangements and normative parameters approved by the Hon'ble Commission, GRIDCO reimburses the generators for the ED actually paid to the State exchequer. During the period FY 2021-22 to FY 2024-25, the cumulative amount reimbursed by GRIDCO towards ED has been ₹ 392.38 crore, as detailed below:

Generator	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	Total (Rs. Cr.)
OHPC Ltd.	2.65	3.02	2.90	3.14	11.71
OPGC-I	14.30	13.39	12.08	13.07	52.84
OPGC-II	23.42	24.63	28.78	31.11	107.94
Vedanta Ltd.	7.95	11.76	10.10	8.47	38.28
GMR Kamalanga	7.16	7.04	6.64	6.33	27.17
NTPC Stations (TSTPS-I, II & DSTPS)	27.31	37.88	36.59	52.66	154.44
Total	82.79	97.72	97.09	114.77	392.38

393. This recurring reimbursement to the generators represents a cash outflow from GRIDCO to the State Government, since the ED is first deposited by generators with the State treasury and subsequently reimbursed by GRIDCO.



As per the notification

394. In view of the above, GRIDCO proposes that the Electricity Duty (ED) paid by various generators located within the State and reimbursed by GRIDCO as part of power-purchase obligations may be adjusted against the repayment of the principal amount of the soft loan availed by GRIDCO from the Government of Odisha through yearly adjustment. Allowing such adjustment of such amounts against GRIDCO's repayment of principal amount to the Government would therefore have a fiscally neutral impact for the State, while substantially improving GRIDCO's cash position. As a result, the consumer of the State will be benefitted in the long run through a sustainable tariff. The adjustment mechanism will:

- ◆ Reduce GRIDCO's effective debt servicing burden;
- ◆ Partially offset the financial impact of non-allowance of interest and carrying cost in the ARR; and
- ◆ Strengthen GRIDCO's ability to sustain operations and continue fulfilling its mandated functions, including renewable-energy promotion and power-purchase obligations.

395. Therefore, in this regard Hon'ble Commission is requested to issue necessary advisory to Government of Odisha towards back-to-back adjustment against the principal repayment of soft-loan, or provide any other relief as deemed fit, to reduce the financial burden on the consumers of the State.

Compliance to Directives of Hon'ble Commission

The compliance report to the directives of Hon'ble OERC in the ARR & BSP Order dated 24.03.2025 in Case No. 94 of 2024 of GRIDCO for FY 2025-26 was submitted to Hon'ble Commission vide letter dated 04.10.2025.



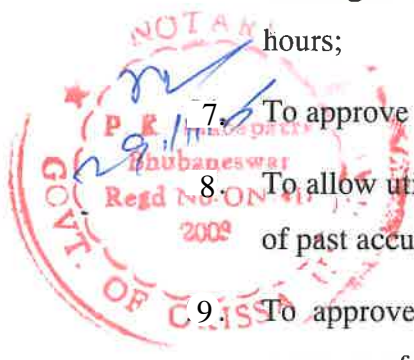
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P. Prayer

GRIDCO humbly prays before the Hon'ble Commission to take the ARR and BSP Application for FY 2026-27 on record and approve the same as proposed. The Applicant further prays that the Hon'ble Commission may kindly admit the instant ARR Application with the following submissions:

1. To consider all reasonable and uncontrollable costs as proposed in the instant Application and accordingly, approve the ARR and Bulk Supply Price (BSP) for FY 2026-27;
2. To approve the proposed Net Aggregate Revenue Requirement (ARR) of Rs. **15181.08 crores** with BSP @ **388.23 P/U** for FY 2026-27 to meet the State requirement;
3. To approve monthly Simultaneous Maximum Demand (SMD) and monthly quantum of energy for sale of power to each DISCOM on realistic basis instead of the prevailing approval on annual basis by Hon'ble Commission;
4. To approve the Capacity Charge obligations mandatorily payable by the Applicant to all existing and upcoming generating stations having long-term PPAs with GRIDCO, notwithstanding that the energy is not fully scheduled from these stations based on Merit Order Dispatch (MOD) principles;
5. To allow recovery of additional costs arising from over-drawal of energy, Fuel and Power Purchase Adjustment /Surcharge Adjustment (FPPAS) and any statutory increase including reimbursement of Electricity Duty, Water Cess or other applicable levies, duties or taxes, and permit the same to be passed on to GRIDCO;
6. To allow the various initiatives suggested for Tariff rationalization measures for arriving at a cost-reflective tariff through utilization of low-cost power during solar hours;
7. To approve the ToD based BSP as proposed.
8. To allow utilization of surplus revenue earned from trading activities for adjustment of past accumulated losses and regulatory gap over the proposed recovery period;
9. To approve the proposed Amnesty Arrear Clearance Scheme as proposed for recovery of long-pending dues;

Prayer presented by

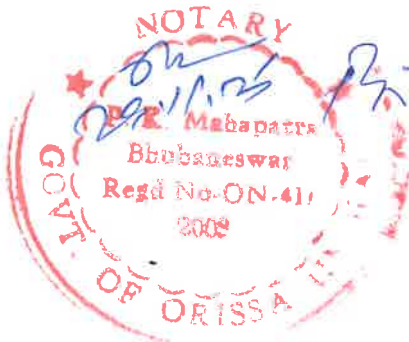


10. To allow energy accounting of infirm power injected by CGPs at any voltage level within the State.
11. To allow Rs. 63 crores towards purchase of RECs for meeting the RCO obligations for FY 2026-27 for the shortfall of 1269 MU of Non-Fossil power.
12. To allow prudent accounting and settlement of inter-DISCOM transactions as proposed;
13. To issue necessary directions to the DISCOMs to undertake proactive measures to collect the outstanding dues of the pre vesting period;
14. To formulate a suitable mechanism to recover the shortfall towards erstwhile DISCOM's receivable of **Rs.6,395.14 crores** as on **30.09.2025**, arising out of sale of utilities of CESU, WESCO, NESCO and SOUTHCO through regulatory process preferably in the next two to three years;
15. To pass such orders as may be deemed necessary in support of the foregoing prayers. The Applicant further craves leave of the Hon'ble Commission to amend /modify or supplement this Application and make additional submissions, if required, during the course of proceedings;
16. To kindly consider to condone any inadvertent omissions/ errors/ shortcomings/ delays and allow to make further submissions, as may be required at a future date to support this Application in terms of modification / clarification (if any); and
17. Pass such further orders, as the Hon'ble Commission may deem fit and proper, keeping in view of the facts and circumstances of the case.

for which, GRIDCO, as is duty bound, shall ever pray.

Place: Bhubaneswar

Date: 29.11.2025



By the Applicant Through

(Bibhu Prasad Mohapatra)

CGM (PP), GRIDCO Ltd.

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION
PLOT NO.4, CHUNUKOLI, SHAILASHREEVIHAR, CHANDRASEKHARPUR
BHUBANESWAR – 751021**

IN THE MATTER OF:

Application for approval of Aggregate Revenue Requirement (ARR) and determination of Bulk Supply Price (BSP) for FY 2026-27 under Section 86 (1) (a) & (b) and all other applicable provisions of the Electricity Act, 2003 read with relevant provisions of OERC (Conduct of Business) Regulations, 2004, OERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations' 2022 and other related Rules and Regulations.

APPLICANT:

GRIDCO Limited, Bhubaneswar, Odisha

Affidavit verifying the Application

No. 91

29 NOV 2025



I, Shri Bibhu Prasad Mohapatra, aged about 59 years, S/o Shri Biswanath Mohapatra, Chief General Manager (Power Purchase), GRIDCO do hereby solemnly affirm and say as follows:

I am the Chief General Manager (Power Purchase) of GRIDCO Ltd., the Applicant in the above matter and am duly authorized to make this affidavit on its behalf.

The statements made in the foregoing Paragraphs of this Application herein are based on information and I believe them to be true.

Bhubaneswar
November 29, 2025



DEPONENT

Sworn before me
29.11.2025

Praveen Kumar Mahapatra
NOTARY, BHUBANESWAR
Govt of Orissa, (India)
Rada No -ON-41/2008