



Bihar State Load Despatch Centre (SLDC)

Under
Bihar State Power Transmission Company Limited (BSPTCL)

Petition

For

Truing up for FY 2024-25,
Annual Performance Review for FY 2025-26,
Annual Revenue Requirement for the FY 2026-27 &
SLDC Operating Charges for FY 2026-27

&

Prior Regulatory Approval of the Hon'ble Commission
for Work wise & Scheme wise Capital Investment Plan and
Capitalization for the FY 2025-26 and FY-2026-27

Submitted to

Bihar Electricity Regulatory Commission

Submitted By,
Chief Engineer (System Operations)
4th Floor, Vidyut Bhawan - I,
Jawaharlal Nehru Marg,
Patna - 800 021

15th November 2025



Before the Hon'ble Bihar Electricity Regulatory Commission,

Patna, Bihar

Filing No.:

Case No.:

IN THE MATTER OF:

Filing of the Petition for State Load Despatch Centre (SLDC) under Bihar State Power Transmission Company Limited for approval of True-up of FY 2024-25, Annual Performance Review (APR) for FY 2025-26, Annual Revenue Requirement (ARR) & SLDC Operating Charges for FY 2026-27 under BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2021 and BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2024 and Prior Regulatory Approval of the Hon'ble Commission for Work wise & Scheme wise Capital Investment Plan and Capitalization for the FY 2025-26 and FY-2026-27 under BERC (Procedure for filing Capital investment and Capitalisation plan) Regulations, 2018 along with the other relevant guidelines and directions issued by the Hon'ble BERC from time to time and under Sections 31,32,33,37,45,46,47,61,62,64 & 86 of the Electricity Act, 2003.

AND

IN THE MATTER OF THE APPLICANT

State Load Despatch Centre (SLDC) under Bihar State Power Transmission Company Limited (herein after referred to as "SLDC" or "Petitioner"), which shall mean for the purpose of this petition, the SLDC in the state of Bihar, having its registered office at Vidyut Bhawan - I, Jawaharlal Nehru Marg, Patna - 800 021.



The Petitioner respectfully submits as under:

1. State Load Despatch Centre (herein after referred to as 'SLDC' or 'Petitioner') under Bihar State Power Transmission Company Limited (BSPTCL), is responsible for optimum scheduling and despatch of electricity, monitor grid operations & other functions in the State of Bihar as enumerated under section 32 of the Electricity Act 2003.
2. The Hon'ble Commission in the MYT Order dated 21st March 2016, had directed SLDC to file separate Petition for Determination of Aggregate Revenue Requirement (ARR) and SLDC Charges.
3. In compliance of the BERC Regulations and Directives, Bihar State Power Transmission Company Limited (BSPTCL) had filed separate Petition for approval of ARR of FY 2017-18 for SLDC function on 30th November 2016. The Hon'ble Commission issued Tariff Order on the same on 9th March 2017. Thereafter, SLDC filed petition for every year in accordance with the applicable regulations.
4. Based on the BERC MYT Tariff Regulations, 2021, SLDC had filed Business Plan and Multi-Year Tariff (MYT) Petition for approval of ARR for the control Period from FY 2022-23 to FY 2024-25 and SLDC operating charges for the FY 2022-23 for SLDC function on 1st December 2021. The Hon'ble Commission issued Tariff Order on the same on 25th March 2022.
5. Based on the BERC MYT Tariff Regulations, 2021, SLDC had filed the True-up for FY 2023-24, Annual Performance Review for FY 2024-25 and based on the BERC MYT Tariff Regulations, 2024 SLDC had filed its Business Plan and Multi Year Tariff Petition for the Control Period from FY 2025-26 to FY 2027-28. The Hon'ble Commission issued Tariff Order on the same on 28th March 2025.
6. This present petition has been prepared in accordance with the provisions of BERC (Multi-Year Transmission Tariff and SLDC charges) Regulation, 2021 and BERC (Multi-Year Transmission Tariff and SLDC charges) Regulation, 2024 along with the other guidelines and directions issued by the Hon'ble Commission from time to time and under Sections 45, 46, 47, 61, 62, 64 and 86 of the Electricity Act, 2003 read with relevant guidelines as amended from time to time by the Hon'ble BERC for approval of:
 - Truing-up of FY 2024-25
 - Annual Performance Review of FY 2025-26
 - Aggregate Revenue Requirement for the FY 2026-27 and



- SLDC Operating Charges for the FY 2026-27
 - Prior Regulatory Approval for Work wise & Scheme wise Capital Investment Plan and Capitalization for FY 2025-26 and FY 2026-27
7. SLDC along with this petition is submitting the regulatory formats with data and information to the extent applicable and would make available any further information/additional data required by the Hon'ble Commission during the course of the proceedings.
 8. In order to align the thoughts and principles behind the petition of ARR and Tariff Proposal, SLDC respectfully seeks an opportunity to present their case prior to the approval of the same. SLDC believes that such an approach would go a long way towards providing a fair treatment to all the stakeholders and may eliminate the need for a review or clarification.
 9. SLDC may also be permitted to propose suitable changes to the petition and the mechanism of meeting the revenue on further analysis, prior to the final approval by the Hon'ble Commission.
 10. In view of the above, SLDC respectfully prays that the Hon'ble Commission may be pleased to consider and approve the following:
 - a. Admit this Petition;
 - b. Examine the proposal submitted by the Petitioner in the enclosed Petition for a favourable dispensation;
 - c. Pass suitable Order with respect to the True-up of FY 2024-25, Annual Performance Review (APR) for FY 2025-26, Annual Revenue Requirement (ARR) for the FY 2026-27 & SLDC Operating Charges for FY 2026-27 according to applicable provisions under BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2021 and BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2024;
 - d. Approve the Capital Expenditure & Capitalisation in respect of new schemes as proposed for FY 2025-26 and FY 2026-27.
 - e. Permit to propose suitable changes to the respective True-up/APR/ ARR, prior to the final approval by the Hon'ble Commission;
 - f. Condone any inadvertent omission/errors/short comings and permit the petitioner to add/change/modify/alter this filing and make further submissions as may be required at a future date;



- g. Pass such Order as the Hon'ble Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.

**State Load Despatch Centre, Bihar
Bihar State Power Transmission Company Limited**

Dated: 14th November 2025

**A. K. Chaudhary
Chief Engineer (System Operation)**



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LIST OF ABBREVIATIONS

A&G	Administrative & General
AMC	Annual Maintenance Charge
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
BERC	Bihar Electricity Regulatory Commission
BSEB	Bihar State Electricity Board
BSPHCL	Bihar State Power (Holding) Company Limited
BSPTCL	Bihar State Power Transmission Company Limited
CPI	Consumer Price Index
CWIP	Capital Work in Progress
ERP	Enterprise Resource Planning
ERPC	Eastern Region Power Committee
FY	Financial Year
GFA	Gross Fixed Asset
GoB	Government of Bihar
IRF	Internal Resource Fund
IoWC	Interest on Working Capital
MAT	Minimum Alternate Tax
MCLR	Marginal Cost of Funds based Lending Rate
MW	Mega Watt
MYT	Multi Year Tariff
NBPDCL	North Bihar Power Distribution Company Limited
O&M	Operation & Maintenance
PCC	Physical Completion Certificate
PGCIL	Power Grid Corporation of India
PoC	Point of Connection
R&M	Repair & Maintenance
RoE	Return on Equity
SAMAST	Scheduling, Accounting, Metering and Settlement of Transactions in Electricity
SBPDCL	South Bihar Power Distribution Company Limited
SLDC	State Load Despatch Centre
SBI	State Bank of India
STOA	Short Term Open Access
STU	State Transmission Utility
WPI	Wholesale Price Index



(1) Introduction

1.1 Historical Background of State Load Despatch Centre (SLDC)

The erstwhile Bihar State Electricity Board (hereinafter referred to as 'Board' or 'BSEB') was originally constituted on 1st April 1958 under Section 5 of the Electricity (Supply) Act, 1948 and was engaged in the management of electricity generation, transmission, distribution, and related activities in the State of Bihar.

Under the 'Bihar State Electricity Reforms Transfer Scheme, 2012', the BESB was unbundled into five Companies, viz., Bihar State Power (Holding) Company Limited (BSPHCL), Bihar State Power Transmission Company Limited (BSPTCL), Bihar State Power Generation Company Limited (BSPGCL), South Bihar Power Distribution Company Limited (SBPDCL), and North Bihar Power Distribution Company Limited (NBPDC), with effect from 1st November 2012 vide Notification No. 17 dated 30th October 2012.

- **"Bihar State Power (Holding) Company Limited" or "BSP(H)CL"**

BSP(H)CL is the Apex Holding Company that owns the share of the other four companies i.e., Bihar State Power Generation Company Limited, Bihar State Power Transmission Company Limited, South Bihar Power Distribution Company Limited and North Bihar Power Distribution Company Limited.

- **"Bihar State Power Generation Company Limited" or "BSPGCL"**

BSPGCL is the Generating Company to which the Generating Undertakings of the Board have been transferred in accordance with this scheme.

- **"Bihar State Power Transmission Company Limited" or "BSPTCL"**

BSPTCL is the Transmission Company to which the Transmission Undertakings of the Board have been transferred in accordance with this scheme.

- **"South Bihar Power Distribution Company Limited" or "SBPDCL" and "North Bihar Power Distribution Company Limited" or "NBPDC"**

SBPDCL and NBPDC are the Distribution Companies to which the Distribution Undertakings of the Board have been transferred in accordance with this scheme.



1.2 Constitution of State Load Despatch Centre

Section 31 of the Electricity Act, 2003, provides for constitution of State Load Despatch Centre (SLDC). The same is reproduced as below:

"31. (1) The State Government shall establish a Centre to be known as the State Load Despatch Centre for the purposes of exercising the powers and discharging the functions under this Part.

(2) The State Load Despatch Centre shall be operated by a Government company or any authority or corporation established or constituted by or under any State Act, as may be notified by the State Government.

Provided that until a Government company or any authority or corporation is notified by the State Government, the State Transmission Utility shall operate the State Load Despatch Centre:

Provided further that no State Load Despatch Centre shall engage in the business of trading in electricity."

1.3 Functions of State Load Despatch Centre

The functions of SLDC as envisaged in the Electricity Act, 2003, is as under:

"32. (1) The State Load Despatch Centre shall be the apex body to ensure integrated operation of the power system in a State.

(2) The State Load Despatch Centre shall –

a) be responsible for optimum scheduling and despatch of electricity

within a State, in accordance with the contracts entered into with the licensees or the generating companies operating in that State;

b) monitor grid operations;

c) keep accounts of the quantity of electricity transmitted through the State grid;

d) exercise supervision and control over the intra-state transmission system; and

e) be responsible for carrying out real time operations for grid control and despatch of electricity within the State through secure and economic operation of the State grid in accordance with the Grid Standards and the State Grid Code.

(3) The State Load Despatch Centre may levy and collect such fee and charges from the generating companies and licensees engaged in intra- State transmission of electricity as may be specified by the State Commission."



As State Government has not notified any Separate entity in the form of Government Corporation or authority or Company, the State Transmission Utility namely Bihar State Power Transmission Company Limited (BSPTCL) is operating the State Load Despatch Centre (SLDC).

1.4 SLDC Charges

The Petitioner submits that previously the assets of SLDC were owned by Power Grid Corporation of India (PGCIL) and not BSPTCL. PGCIL recovers cost from the Distribution Companies namely, South Bihar Power Distribution Company Limited (SBPDCL), North Bihar Power Distribution Company Limited (NBPDCCL) and other users of transmission system. The supporting documents, i.e., the Minutes of the Meeting of Eastern Region Power Committee (ERPC) meeting where it was decided that the SLDC assets will be created by PGCIL have already been submitted to the Hon'ble Commission with the Tariff Petition for FY 2017-18 dated 30th November 2016.

During the Control Period from FY 2019-20 to FY 2021-22, SLDC has implemented SAMAST scheme which is approved by the Hon'ble Commission.

Further, SLDC had filed a Petition for regulatory approval of Capex for SLDC during Control Period of FY 2022-23 to FY 2024-25. The Hon'ble Commission had also approved the same vide Order dated 07.10.2023 in Case No. 05/2023.

Further, SLDC had proposed zero capitalization for the period from FY 2025-26 to FY 2027-28 in its Business Plan and Multi-Year Aggregate Revenue Requirement (ARR) Tariff Petition under Case No. 28 of 2024, as no capitalization was envisaged at the time of the filing. The Hon'ble Commission approved the same vide Tariff Order dated 28.03.2025 in Case No. 28/2024.

At present, SLDC has planned to implement new projects during the Control Period, i.e., for FY 2025-26 and FY 2026-27, and is accordingly seeking prior regulatory approval for the same. The details of the proposed capital expenditure, capitalization, and asset addition have been discussed in detail in the subsequent chapters of this petition.

1.5 Approach to Filing of Current Petition

Section 62 of the Electricity Act, 2003 requires the Licensee to furnish details as may be specified by the Hon'ble Commission for determination of tariff.

Further, Regulation 11.3 of the BERC MYT Tariff Regulations, 2021 and BERC MYT Tariff Regulations, 2024 provide that SLDC needs to file an application before the



Hon'ble Commission for approval of its Truing Up for previous years based on the annual accounts of the respective year, Performance Review for the current year based on actual expenses of six months and estimates for the balance six months, and Revised Annual Revenue Requirement for the upcoming year. The extracts of the same is as follows:

"11.3 An application (along with soft copy) for determination of tariff and charges shall be made by 15th November every year, for Truing up of expenses of previous years, for Annual Performance Review (APR) of the Aggregate Revenue Requirement (ARR) for the current year and determination of ARR and transmission tariff or SLDC charges for the ensuing years of the control period. The application should contain the data relating to each item of the ARR supported with the information/data in the formats Form no- SI to Form no-P12 appended to these Regulations and accompanied by such fees as may be specified under the BERC (Fees, Fines and Charges) Regulations, 2019 as amended from time to time. All the information as required in the formats appended to these Regulations along with justification shall be provided in the main petition.

Provided that the Commission may require submission of additional information/data required for determination of ARR and tariff."

The Hon'ble Commission, vide Tariff Order dated 28th March 2025, approved the Truing-up of FY 2023-24, the Annual Performance Review (APR) of FY 2024-25, the Business Plan and Multi-Year Aggregate Revenue Requirement (MYT ARR) for the Control Period from FY 2025-26 to FY 2027-28, and the SLDC Operating Charges for FY 2025-26, in accordance with the provisions of the MYT Regulations, 2021 and MYT Regulations, 2024. In this Tariff Order, SLDC had proposed zero capitalization in the Business Plan and MYT ARR for the Control Period from FY 2025-26 to FY 2027-28, as no capital expenditure or capitalization was envisaged at the time of filing the Tariff Petition.

Further, the Regulation 6.2 of BERC (Procedure for filing Capital investment and Capitalisation plan) Regulations, 2018 provides for submission of Capital investment Plan every year with the ARR/Multi-year ARR Petition, as reproduced below:

"The Licensee(s) shall submit the Capital investment Plan every year with the ARR/Multiyear ARR petition and it should inter-alia contain: –

(a) Scheme wise Source wise actual capital expenditure and capitalization for previous year vis-a-vis projected in the investment plan for that year;

(b) Scheme wise Source wise actual capital expenditure and capitalization for first six months of current year vis-à-vis projected in the investment plan for that period;



(c) Scheme wise Source wise capital investment plan containing year wise schedule of capital expenditure and capitalization for next ten years starting from ensuing years. Based on actual expenditure and capitalization the rolling plan may get revised in subsequent filings. The capital investment plan should show scheme wise objective of the investment.

Provided that such capital investment plan seeking regulatory approval shall be supported with Detailed Project Report (DPR) duly approved by the competent authority.

Provided further that if DPR duly approved by the competent authority is not available till finalization of the capital investment plan, the licensee(s) may include such investment in the capital investment plan as mentioned above. However the licensee shall submit the approved DPR to the Commission in its immediate next filing following approval of such DPR."

SLDC has planned to implement new projects during the Control Period, i.e., for FY 2025-26 and FY 2026-27, based on operational necessity and the growing functional requirements of the State Load Dispatch Centre. Accordingly, SLDC is seeking prior regulatory approval for these projects in the present filing, as per the Regulation 6.2 of the BERC (Procedure for Filing Capital Investment and Capitalisation Plan) Regulations, 2018, as referred to above. All requisite regulatory documents supporting the proposed investments have been enclosed with this Petition.

This present petition contains Truing-up of FY 2024-25 based on the audited annual accounts of FY 2024-25 as per the provisions of BERC MYT Regulations, 2021, Annual Performance Review (APR) of FY 2025-26 based on estimates for the current year, Revised Aggregate Revenue Requirement & SLDC Operating Charges for the FY 2026-27 based on the APR for FY 2025-26 as per the provisions of BERC MYT Regulations, 2024 and Prior Regulatory Approval of the Hon'ble Commission for Work wise & Scheme wise Capital Investment Plan and Capitalization for the FY 2025-26 and FY-2026-27 as per the BERC (Procedure for filing Capital investment and Capitalisation plan) Regulations, 2018.

SLDC has made genuine efforts to compile all relevant information relating to the True-up/APR/ARR as required under the Regulations issued by the Hon'ble Commission, and has also made every effort to ensure that the information provided to the Hon'ble Commission is accurate and free from material errors.

However, there may be certain deficiencies/infirmities in the Petitions owing to various aspects related to the operations of the Transmission Company on an independent basis. Hence, SLDC prays to the Hon'ble Commission that the information provided be accepted for the current filing and that the deficiencies, if any, may please be condoned. SLDC assures the Hon'ble Commission that appropriate measures have been taken to strengthen the management information system for improved data collection.



1.6 Summary of the Present Petition

SLDC submits that it has prepared the true up for the FY 2024-25 based on audited accounts for the FY 2024-25 in accordance with the BERC MYT Regulations, 2021, APR for the FY 2025-26, ARR for the FY 2026-27 & SLDC Charges for the FY 2026-27 in accordance with BERC MYT Tariff Regulations, 2024.

The summary of the petition is as follows.

Particulars	FY 2024-25		FY 2025-26		FY 2026-27	
	Approved in Tariff Order dated 1.03.2024	True Up of FY 2024-25	Approved in Tariff Order dated 28.03.2025	APR of FY 2025-26	Approved in Tariff Order dated 28.03.2025	Projected in ARR FY 2026- 27
Employee cost	6.94	6.83	7.07	7.16	7.46	7.51
R&M expenses	2.51	4.00	9.37	11.07	9.32	15.21
A&G expenses	0.68	0.97	1.21	1.02	1.31	1.08
Depreciation	8.03	5.35	8.44	8.36	7.48	8.65
Interest on loan capital	2.38	3.98	2.35	4.76	1.67	4.20
Return on Equity	2.67	4.28	3.11	5.54	3.11	5.70
Interest on Working capital	0.44	0.48	0.53	0.78	0.52	0.72
Non-Tariff Income	0.48	0.84	0.57	0.84	0.57	0.84
Total ARR	23.16	25.05	31.51	37.85	30.30	42.23

1.7 Contents of the Petition

The current Petition consist of the following main sections namely:

Chapter 1: Introduction of the Present Petition (Present Chapter);

Chapter 2: Truing-up of FY 2024-25;

Chapter 3: Prior Approval for Capital Investment Plan and Capitalization for the FY 2025-26 and FY-2026-27

Chapter 4: Annual Performance Review (APR) of FY 2025-26;

Chapter 5: Annual Revenue Requirement (ARR) of FY 2026-27;

Chapter 6: SLDC Operating Charges for FY 2026-27; and

Chapter 7: Prayers





(2) True up for FY 2024-25

2.1. Introduction

SLDC is filing the present Petition for the True-Up of FY 2024-25 based on the actual technical and financial details. Separate financial accounts for the SLDC function are not prepared and the details are available in the consolidated accounts for the BSPTCL which is inclusive of transmission function. Accordingly, the financial data has been allocated and expenditures of SLDC & Transmission function have been identified for the purpose of truing up for the FY 2024-25. SLDC has considered the values approved in the ARR of FY 2024-25 vide Tariff Order dated 1st March 2024 vis-à-vis values as per financial statement of FY 2024-25 for Truing up. It is further submitted that the Hon'ble Commission had approved the revised estimates of ARR for FY 2024-25 in the APR vide Tariff Order dated 28th March 2025. However, the Hon'ble Commission had not passed through the computed Revenue Gap/(Surplus) for FY 2024-25 in the ARR order of FY 2025-26. Hence, the true-up for FY 2024-25 has been claimed with respect to the values approved in the Tariff Order for FY 2024-25 dated 1st March 2024.

The True-up of FY 2024-25 is carried out in accordance with Regulation 7 and Regulation 13 (a) to (e) of the BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2021, which are as follows:

"7. Annual Review of Performance and True-up

7.1 Where the Aggregate Revenue Requirement and expected revenue from tariff and charges of a Transmission Licensee or SLDC, as the case may be, are covered under a Multi-Year Tariff framework, such Transmission Licensee or SLDC shall be subject to an annual review of performance and True-up during the Control Period in accordance with these Regulations."

"13. True-Up and Annual Performance Review

The Commission shall True-Up expenses of the previous year either as part of the Tariff order or issue Order/s for True-Up of expenses preceding the Tariff order of ensuing year.

(a) An order for True-Up of expenses shall be issued on annual basis.

(b) An order for True-Up of expenses shall be on the basis of expense estimates made in the beginning of the year under consideration, actual expenses booked in the audited books of accounts of the Transmission Licensee or SLDC, as the case may be, for the year, and after prudence check of data by the Commission.

(c) Where audited books of account are not available at the time of true-up, provisional books of annual (regulatory) accounts duly approved by the Board of Directors of the applicant company shall be used for the provisional True-up process.



(d) The Commission shall undertake review of estimates of expenses for the current year as a part of the tariff order on the basis of the actual expenses incurred during the period April – September of the current year and corresponding figures in the order for Annual Revenue Requirement (ARR) of the current year approved by the Commission.

(e) Estimates of expenses for the ensuing year shall be on the basis of corresponding figures in the order for True-up of expenses of the previous year and Annual Performance Review or Tariff Order of the current year, as the Commission may consider reasonable and deem fit

As submitted previously, since the separate accounts of SLDC is not maintained, SLDC has submitted the Truing-up of FY 2024-25 based on the allocation statement of FY 2024-25. A copy of audited financial statement of BSPTCL along with allocation statement of SLDC and Transmission function for FY 2024-25 is attached as Annexure I. It is submitted that the expenses considered under the SLDC function have been duly deducted from the expenses claimed in the Tariff Petition of BSPTCL in the True-up for FY 2024-25.

2.2. Capital Expenditure and Capitalization

The Hon'ble Commission has approved the Capex and Capitalization of Rs. 6.72 Cr. for the FY 2024-25 vide Tariff Order dated 1st March 2024.

SLDC submits that it has filed its Investment Plan Petition for regulatory approval of the Hon'ble Commission. The Hon'ble Commission had also approved the same vide Order dated 07.10.2023 (Case No. 05/2023).

Based on the above Investment Plan Order, SLDC has carried out its Investment for the FY 2024-25 and the same has been reflected in its audited annual accounts of FY 2024-25.

The Details of Capex and Capitalisations as reflected in the audited annual accounts of FY 2024-25 are as follows:



Table 2-1: Opening CWIP, Capital Expenditure and Capitalization Claimed for the FY 2024-25 (Rs. Cr.)

Sl. No.	NIT No.	Name of the Project	Opening CWIP	CAPEX FY 2024-25	Capitalization FY 2024-25
1	53/PR/BSPTCL/2022	a. Cyber Security Operation Centre (C-SOC)		1.37	1.37
2	01/PR/BSPTCL/2023	b. Automated System Balancing Mechanism	34.25	8.29	42.54
3	Total		34.25	9.66	43.92

Based on the same, the summary of the approved and actual capital expenditure & capitalization of FY 2024-25 are tabulated below:

Table 2-2: Capital Expenditure and Capitalization Approved and Claimed for the FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	Capital Expenditure	6.72	9.66
2	Capitalisation	6.72	43.92

Therefore, it is submitted that the Hon'ble Commission may consider and approve the capital expenditure and capitalization as claimed for the FY 2024-25.

2.3. Gross Fixed Asset (GFA)

The Hon'ble Commission has approved the closing GFA balance for the FY 2023-24 vide Tariff Order dated 28th March 2025. SLDC has considered the same as opening balance of Gross Fixed Assets for truing up the FY 2024-25.

Addition to GFA during the year has been considered based on the capitalisation of assets as discussed above. The following table shows the GFA claimed for FY 2024-25.



Table 2-3: GFA claimed for FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	Opening GFA	54.05	16.47
2	Addition during the year	6.72	43.92
3	Less: Disposal/Sale Transfer of Asset	0.00	0.00
4	Closing GFA	60.77	60.39

The SLDC requests the Hon'ble Commission to consider and approve the GFA addition and closing GFA as claimed in the table above.

2.4. Depreciation

SLDC has computed depreciation of FY 2024-25 in accordance with Regulation 23 of the MYT Regulations, 2021. The relevant provisions are as follows:

"23 Depreciation

(i) Depreciation shall be calculated for each year of the control period on the original cost of the fixed assets of the corresponding year.....

(ii) Depreciation shall not be allowed on assets funded by capital subsidies, beneficiary contributions or grants.

(iii) Depreciation shall be calculated annually on the basis of assets capitalised and put to use based on the straight-line method over the useful life of the asset and at the rate not exceeding the rate specified by the Central Electricity Regulatory Commission from time to time as provided in Appendix-III of these Regulations.....

.....Provided that freehold land shall not be treated as a depreciable asset and its cost shall be excluded while computing 90% of the original cost of the asset.....

SLDC submits that it has considered the approved closing GFA balance for the FY 2023-24 vide Tariff Order dated 28th March 2025 as opening balance and GFA addition as per audited accounts for FY 2024-25 for computation of weighted average rate of Depreciation. Further, Rate of Depreciation has been considered in line with the Clause 23 (iii) of BERC MYT Regulations, 2021. Further, Regulation 23 (v) of the BERC MYT Regulations, 2021 provides:

(v) Depreciation shall be chargeable from the first year of operation of the asset. For part of the year, depreciation shall be charged on pro rata basis....."



Accordingly, SLDC has computed weighted average rate of Depreciation on pro-rata basis for GFA addition of FY 2024-25. Detailed computation of weighted average rate of depreciation on GFA addition are as follows:

Table 2-4: Calculation of Weighted Average Rate of Depreciation

Sl. No.	Particulars	Opening Assets for FY 2024-25	Additions during the Year	Closing Assets for FY 2024-25	Average Assets	Rate of Depreciation	Depreciation for FY 2024-25
		A	B	C=A+B	D=(A+C)/2	E	F=D*E
1	Samast Software	7.92		7.92	7.92	15%	1.19
2	Samast Hardware	2.09		2.09	2.09	15%	0.31
3	Cyber Security Operation Centre - IT	5.45	1.37	6.82	6.14	15%	0.92
4	Cyber Security Operation Centre - Non- IT	1.01		1.01	1.01	3.34%	0.03
5	Automated System balancing Mechanism-IT		37.13	37.13	18.57	15%	2.78
6	ASBM-other civil works		4.30	4.30	2.15	3.34%	0.07
7	ASBM-furniture and fixtures		1.11	1.11	0.55	6.33%	0.04
8	Total	16.47	43.92		38.43		5.35
9	Average rate of Depreciation in (%)						13.92%

Details of depreciation along with the approved figures for FY 2024-25 are as shown in table below:



Table 2-5: Depreciation for the FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	Opening GFA	54.05	16.47
2	Addition during the year	6.72	43.92
3	Less: Disposal/Sale Transfer of Asset	0.00	0.00
4	Closing GFA	60.77	60.39
5	Average GFA	57.41	38.43
6	Weighted Average rate of depreciation on opening GFA	13.99%	13.92%
7	Weighted Average rate of depreciation on addition during the year		
8	Depreciation ((6*1)+(7*2))	8.03	5.35

Accordingly, SLDC requests the Hon'ble Commission to consider and approve the Depreciation for FY 2024-25.

2.5. Operation and Maintenance Expenses

Regulation 21 of the BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2021 provides that the Operation and Maintenance (O&M) Expenses shall comprise of the following elements:

- (a) Employee Expenses
- (b) Repair and Maintenance (R&M) Expenses
- (c) Administrative and General (A&G) Expenses

SLDC submits the details of O&M expenses under the above heads based on the Annual accounts for consideration & approval of the Hon'ble Commission.

2.5.1. Employee Expenses

SLDC submits that employee expenses comprise costs towards salaries, dearness allowances, medical expense reimbursement, other allowances, staff welfare expenses and terminal benefits. The actual employee strength of SLDC for the FY 2024-25 are as shown in the table below:



Table 2-6: Actual Employee Strength for FY 2024-25

Sl. No.	Particulars	FY 2024-25
1	No. of employees at the beginning of Year	40
2	No. of employees added during the year	0
3	Number of employees retiring during the year	7
4	Number of employees at the end of the year	33

Actual employee expenses as per the Audited Accounts of FY 2024-25 compared to the approved figures is detailed in the table below:

Table 2-7: Employee Expenses for FY 2024-25

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 01.03.2024	Claimed in Truing-up of FY 2024-25
1.	Salaries		3.05
2.	Dearness Allowance		1.59
3.	Other Allowances		0.98
4.	Medical Expenses Reimbursement		0.05
5.	Staff Welfare Expenses		0.03
6.	Terminal Benefits		1.13
7.	Employee Cost	6.94	6.83

The Hon'ble Commission is requested to consider and approve the actual Employee Cost of FY 2024-25 as claimed by SLDC

2.5.2. Repair and Maintenance Expenses

Hon'ble BEREC vide tariff order dated 1st March 2024 had approved R&M expenses for SLDC of Rs. 2.51 Cr. for the FY 2024-25. However, the actual R&M expense for the FY 2024-25 incurred by SLDC is as tabulated below:



Table 2-8: Actual R&M Expenses of FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	R&M expenses as per audited accounts	2.51	4.00

The Hon'ble Commission is requested to consider and allow the actual R&M Expenses based on audited annual accounts of FY 2024-25.

2.5.3. Administrative and General Expenses

A&G Expenses comprise expense towards Conveyance and Travelling, Electricity Charges, Miscellaneous Expenses, Telephone Expenses, Fees and Subscriptions, Legal Charges, and Printing and Stationery. Following table shows Actual A&G expenses claimed by the SLDC based on annual accounts for the FY 2024-25:

Table 2-9: Actual A&G Expenses of FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	Consultancy Charge		0.50
2	Conveyance & Travelling		-
3	Rent, Rates & Taxes		0.01
4	Telephone Expenses		0.36
5	Electricity & Power Charges		0.03
6	Entertainment Charges		0.05
7	Fees & Subscription		0.00
8	Misc Expenses		0.00
9	Books & Periodicals		0.01
10	Printing & Stationary		-
11	Total A&G Expenses	0.68	0.97

2.6. Summary of Operation and Maintenance Expenses

Based on above submission, SLDC has summarised actual O&M Expenses of FY 2024-25 as provided below:



Table 2-10: Actual O&M Expenses of FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	Employee Expenses	6.94	6.83
2	Repairs and Maintenance Expenses	2.51	4.00
3	Administration and General Expenses	0.68	0.97
4	Total Operation and Maintenance Expenses	10.12	11.80

Therefore, SLDC requests the Hon'ble Commission to consider Actual O&M Expenses in Truing-up of FY 2024-25 as shown in the above Table.

2.7. Means of Finance

Regulation 22 (a) of BERC MYT Regulations, 2021, provides as follows:

"22. Return on Equity

(a) Return on equity shall be computed on 30% of the capital cost or actual equity, whichever is lower....."

Further, Regulation 24 (b) of MYT Regulations, 2021 specifies provisions for computing the interest on loan. The relevant extracts are as follows:

"24. Interest and finance charges on loan capital

.....(b) If the equity actually deployed is more than 30 % of the capital cost, equity in excess of 30 % shall be treated as normative loan:

Provided that where equity actually deployed is less than 30% of the capital cost, the actual loan shall be considered for determination of interest on loan."

Based on the above provisions, SLDC has considered Normative Debt and Equity addition as 70:30 for the FY 2024-25. The summary of the Normative Debt and Equity addition are as follows:



Table 2-11: Normative Debt & Equity Addition for FY 2024-25 (Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff order dated 1.03.2024	Claimed for FY 2024-25
1	Total Capitalisation	6.72	43.92
2	Funding Through Loans (70%)	4.70	30.74
3	Funding through Equity (30%)	2.01	13.17

Therefore, SLDC requests the Hon'ble BERC to consider and approve the above calculation for Equity and Loan addition for Truing up of FY 2024-25.

2.8. Interest and Finance Charges

SLDC has computed the interest and finance charges of FY 2024-25 in accordance with the Regulation 24 of BERC MYT Regulations, 2021. Loan addition has been considered as per means of finance for the FY 2024-25 discussed in the previous para.

Further, Regulation 24 (g) of BERC MYT Regulations, 2021 provides for consideration of State Bank one-year Marginal Cost of Funds-based Lending Rate ('MCLR') in case where normative loan is outstanding but there is no actual loan. The relevant extract is as follows:

"24. Interest and finance charges on loan capital

.....(e) The repayment for the control period shall be deemed to be equal to the depreciation allowed for the year.

.....(g) The rate of interest shall be the weighted average rate of interest calculated on the basis of actual loan portfolio at the beginning of each year of the control period, in accordance with terms and conditions of relevant loan agreements, or bonds or nonconvertible debentures:....."

Accordingly, SLDC has considered weighted average rate of SBI one-year Marginal Cost of Funds-based Lending Rate (MCLR) for computing interest rate applicable on normative loan outstanding. The calculation of weighted average rate is provided in the table below:

Table 2-12: Weighted Average Rate of SBI Interest for FY 2024-25

Sl. No.	From Date	To Date	No. of Days	Base Rate
1	01-04-2024	14-04-2024	13	8.65%
2	15-04-2024	14-05-2024	30	8.65%
3	15-05-2024	14-06-2024	31	8.65%



Sl. No.	From Date	To Date	No. of Days	Base Rate
4	14-06-2024	14-07-2024	31	8.75%
5	15-07-2024	14-08-2024	31	8.85%
6	15-08-2024	14-09-2024	31	8.95%
7	15-09-2024	14-10-2024	30	8.95%
8	15-10-2024	14-11-2024	31	8.95%
9	15-11-2024	14-12-2024	30	9.00%
10	15-12-2024	14-01-2025	31	9.00%
11	15-01-2025	14-02-2025	31	9.00%
12	15-02-2025	14-03-2025	28	9.00%
13	15-03-2025	31-03-2025	17	9.00%
Weighted Average Rate				8.88%

SLDC further submits that it has considered the closing loan of FY 2023-24 approved by the Hon'ble BERC vide order dated 28th March 2025 as normative opening loan balance for the FY 2024-25. In accordance with Regulation 24 of BERC MYT Regulations, 2021, repayment of loans equivalent to Depreciation worked out in Truing-up of FY 2024-25 has been considered and Loan addition has been considered as per means of finance for the FY 2024-25 discussed in the previous para. Based on above submissions, SLDC submits detail computation of interest on loan as below:

Table 2-13: Interest and Finance Charges of FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	Opening Loan	32.16	32.16
2	Addition during the year	4.70	30.74
3	Repayment (Equal to Depreciation)	8.03	5.35
4	Closing Loan	28.83	57.55
5	Average Loan	30.49	44.86
6	Interest Rate (%)	7.80%	8.88%
7	Interest on Loan	2.38	3.98
8	Other Finance Charges	0.00	0.00
9	Interest and Finance Charges	2.38	3.99



Therefore, SLDC requests the Hon'ble Commission to consider and approve the Interest on Loan and Finance Charges for truing-up of FY 2024-25 as submitted above.

2.9. Return on Equity

Regulation 22 of BERC MYT Regulations, 2021, provides as follows:

"22. Return on Equity

.....(b) The return on the equity invested shall be allowed from the date of start of commercial operation and after put to use:

(c) Return on equity shall be computed at the rate of 15.5% for the project which is commissioned w.e.f. 01.04.2015 and further incentive equivalent to 0.5% will be allowed in the form of RoE, if the project is completed within schedule as per the Annexure A or original schedule period as the case may be. However, Return on Equity for the project commissioned prior to 01.04.2015 shall be allowed at the rate of 14%."

Further, Regulation 27 (2) of the BERC MYT Regulations, 2021, specifies as under:

"27. Tax on Return on Equity

.....(2) Rate of return on equity shall be rounded off to two decimal places and shall be computed as per the formula given below:

Rate of pre-tax return on equity = Base rate / (1-t)

Where "t" is the effective tax rate in accordance with Clause (1) of this regulation and shall be calculated at the beginning of every financial year based on the estimated profit and tax to be paid estimated in line with the provisions of the relevant Finance Act applicable for that financial year to the company on pro-rata basis by excluding the income of non-generation or non-transmission business, as the case may be, and the corresponding tax thereon. In case of licensee/SLDC paying Minimum Alternate Tax (MAT), "t" shall be considered as MAT rate including surcharge and cess."

SLDC has considered the closing equity balance of FY 2023-24 as approved by the Hon'ble BERC vide Order dated 28th March 2025 as opening equity base for the FY 2024-25. SLDC has considered the Rate of Return of Equity as 15.5% as approved by the Hon'ble Commission in Tariff Order dated 01st March 2024. Further, SLDC has considered the MAT rate of 17.47% in line with the actual MAT rate applicable for FY 2024-25 as per annual accounts. The details of RoE claimed by SLDC for the FY 2024-25 are tabulated as follows:



Table 2-14: Return on Equity of FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	Opening Equity	16.22	16.22
2	Addition during the year	2.02	13.18
3	Closing Equity	18.24	29.40
4	Average Equity	17.23	22.81
5	Rate of Return on Equity	15.50%	15.50%
6	MAT Rate%	0.00%	17.42%
7	Effective Rate of Return on Equity	15.50%	18.77%
8	Return on Equity	2.67	4.28

Accordingly, SLDC requests the Hon'ble Commission to consider and approve Return on Equity for Truing-up of FY 2024-25 as claimed in the table above.

2.10. Interest on Working Capital

Regulation 26 of the MYT Regulations, 2021 specifies the method for computation of Interest on Working Capital for the Control Period. The relevant extracts are as follows:

"26. Interest on working capital

(a) The Transmission Licensee shall be allowed interest on the estimated level of working capital for the financial year, computed as follows:

(i) Receivables equivalent to two (2) month of transmission charges calculated on target availability level.

(ii) O&M Expenses of one (01) month.

(iii) Maintenance spares @ 40% of R&M expenses for one month.

Less:

(iv) Return on equity and contribution to contingency reserves equivalent to two months.

(v) Amount of security deposits from Transmission System users, if any, held during the year except the security deposits held in the form of Bank Guarantee from Transmission System Users.

(b) Interest on working capital shall be on normative basis and rate of interest shall be equal to the State Bank (one-year tenor) Marginal Cost of Funds-based Lending Rate ('MCLR') as of the date on which petition for determination of tariff is filed plus 150 basis points. The rate of interest



for the purpose of Truing-up shall be the weighted average MCLR of the concern Financial Year plus 150 basis points.

(c) Interest shall be allowed on the amount held as security deposit (except the security deposit held in the form of Bank Guarantee) from Transmission System Users at the Bank Rate (RBI Base Rate) as at the date on which the application for determination of tariff is filed. The interest allowed shall be subject to true up at weighted average Bank Rate of the concern Financial Year.

(d) If the State Government is providing resource gap grant and/or subsidy, the working capital shall be reduced by two months equivalent of that amount."

In accordance with the above provisions, SLDC has considered the weighted average rate of interest based on State Bank of India (SBI) one-year MCLR for FY 2024-25 and added 150 basis point to compute interest rate for Working Capital. The weighted average of SBI 01-year MCLR for the FY 2024-25 is 8.88%. Accordingly, interest rate has been considered as 10.38% (08.88%+1.50%). The calculation of interest rate as per the principles discussed above is detailed below for the FY 2024-25.

Table 2-15: Weighted Average Rate of SBI MCLR One Year Tenure

Sl. No.	From Date	To Date	No. of Days	Base Rate
1	01-04-2024	14-04-2024	13	8.65%
2	15-04-2024	14-05-2024	30	8.65%
3	15-05-2024	14-06-2024	31	8.65%
4	14-06-2024	14-07-2024	31	8.75%
5	15-07-2024	14-08-2024	31	8.85%
6	15-08-2024	14-09-2024	31	8.95%
7	15-09-2024	14-10-2024	30	8.95%
8	15-10-2024	14-11-2024	31	8.95%
9	15-11-2024	14-12-2024	30	9.00%
10	15-12-2024	14-01-2025	31	9.00%
11	15-01-2025	14-02-2025	31	9.00%
12	15-02-2025	14-03-2025	28	9.00%
13	15-03-2025	31-03-2025	17	9.00%
14	Weighted Average Rate of Interest			8.88%
15	Add: 150 Basis Point for computing of Interest rate of Working Capital			10.38%

The calculation of interest on Working Capital as per the applicable interest rate & principles discussed above is detailed below along with the approved figures for the FY 2024-25.



Table 2-16: Interest on Working Capital of FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	Receivables equivalent to two (2) months of SLDC charges	3.86	4.17
2	O&M Expenses of one month	0.84	0.98
3	Maintenance spares @ 40% of R&M expenses for one month	0.08	0.13
4	Less: RoE for 2 months	0.45	0.71
5	Total Working Capital	4.34	4.58
6	Interest on working Capital (%)	10.05%	10.38%
7	Interest on Working Capital to be claimed	0.44	0.48

Therefore, SLDC requests the Hon'ble Commission to consider and approve the Interest on Working Capital for truing-up of FY 2024-25 as shown in the table above.

2.11. Non-Tariff Income

The SLDC has earned Non-Tariff Income on account of STOA Charges, miscellaneous receipts, and application fees during FY 2024-25. The following Table shows the Non-Tariff Income considered in Truing-up of FY 2024-25 along with the approved Non-Tariff Income for the year.

Table 2-17: Non-Tariff Income of FY 2024-25 (Rs. Cr.)

Sl. No.	Parameter	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-25
1	STOA SLDC Charges		0.498
2	Miscellaneous Receipts		0.003
3	Application fee received		0.000
4	Interest from Bank		0.338
4	Total Non-Tariff Income	0.48	0.84



Accordingly, SLDC requests the Hon'ble Commission to consider and approve Non-Tariff Income for truing up of FY 2024-25 as shown in the table above.

2.12. Sharing of Gains and Losses

Regulation 10 of BERC (Multi Year Transmission Tariff and SLDC Charges) Regulations, 2021 specifies the mechanism for sharing of gains and losses on account of controllable factors.

The Hon'ble Commission ruled that SLDC is neither a transmission licensee nor its functions fall under the ambit of transmission licensee. Therefore, Regulation 9 and 10 of the BERC (Multi Year Transmission Tariff and SLDC Charges) Regulations 2018 are not applicable for SLDC business. The relevant extracts are as follows:

"Regulation 21 (a) of the BERC (Multi Year Transmission Tariff and SLDC Charges) Regulations 2018 specifies that the Commission shall stipulate a separate trajectory of norms for each of the components of O&M expenses Provided that such norms may be specified for a specific Transmission Licensee or a class of Transmission Licensees.

The Regulations do not prescribe or direct to specify or determine norms for the SLDC business. The SLDC is neither a transmission licensee nor functions fall under the ambit of transmission licensee. Further, the regulations specify norms shall be determined based on lines (Ckt KM), Substations, etc. SLDC does not own any lines and substations. Hence, regulations 9 and 10 of the BERC (Multi Year Transmission Tariff and SLDC Charges) Regulations 2018 are not applicable for SLDC business.

Section 32 of the Electricity Act 2003 defines the functions of the SLDC, according to the section 32, the SLDC is an apex body for monitoring the grid operations and responsible for optimum scheduling and despatch of electricity within a State, in accordance with the contracts entered into with the licensees or the generating companies operating in that State, maintenance of accounts of the quantity of electricity transmitted through the State grid, exercise supervision and control over the intra-state transmission system and carrying out real time operations for grid control and despatch of electricity within the State through secure and economic operation of the State grid in accordance with the Grid Standards and the State Grid Code.

.....The working capital requirement and interest on working capital are dependent on the ARR which includes the O&M expenses which constitutes around 95% of the ARR approved in truing up for FY 2020-21. Since the gains/losses due to variations in O&M expenses are not considered for sharing, the dependant Interest on Working Capital is also not considered."

In line with the methodology as adopted by the Commission, the Regulation 9 and 10 of the BERC (Multi Year Transmission Tariff and SLDC Charges) Regulations 2021 is not applicable for SLDC function.



Further, the Hon'ble Commission has not allowed any sharing on account of gains/losses. Therefore, SLDC is not proposing the sharing of Gains/ Losses for the FY 2024-25.

2.13. Revenue from SLDC Operating Charges

The Hon'ble Commission has approved Annual SLDC Operating Charges of FY 2024-25 vide Tariff Order dated 1st March 2024. Further, the Income from Railways has also been considered as revenue from SLDC Charges. The following table shows Revenue earned by SLDC based on annual accounts of FY 2024-25:

Table 2-18: Revenue from SLDC Operating Charges of FY 2024-25 (Rs. Cr.)

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1.03.2024	Claimed in Truing-up of FY 2024-24
1	From NBPDCCL	20.78	8.61
2	From SBPDCL		10.11
3	From Other Users		2.06
4	Total	20.78	20.78

Accordingly, SLDC requests the Hon'ble Commission to approve Revenue based on annual accounts for Truing-up of FY 2024-25 as shown in the table above.

2.14. Annual Revenue Requirement of FY 2024-25

Based on above paras, SLDC submits the summary of Aggregate Revenue Requirement for truing up of FY 2024-25.