



# **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  
&  
Transmission Charges for FY 2026-27**

**Submitted to**

**Bihar Electricity Regulatory Commission**

**Submitted By,**

**Bihar State Power Transmission Company Limited (BSPTCL)  
4<sup>th</sup> Floor, Vidyut Bhawan - I,  
Jawaharlal Nehru Marg,  
Patna - 800 021**

**15<sup>th</sup> 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 approval of True-up of FY 2024-25, Annual Performance Review (APR) for FY 2025-26, Annual Revenue Requirement (ARR) for the FY 2026-27 & Transmission Tariff for FY 2026-27 under BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2021 & BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2024 along with the other guidelines and directions issued by the Hon'ble BERC from time to time and under Sections 45, 46, 47, 61, 62, 64 and 86 of the Electricity Act, 2003 read with the relevant guidelines.**

**AND**

IN THE MATTER OF THE APPLICANT

**Bihar State Power Transmission Company Limited (herein after referred to as 'BSPTCL' or 'The Petitioner'), which shall mean for the purpose of this Petition the Licensee, having its registered office at Vidyut Bhawan -I, Jawaharlal Nehru Marg, Patna - 800 021.**



**The Petitioner respectfully submits as under:**

1. Bihar State Power Company Limited (herein after referred to as “BSPTCL” or “Petitioner”) is responsible to build, maintain and operate an efficient, co-ordinated and economical intra-State transmission system for smooth flow of electricity from a generating station to the load centres under section 39 of the Electricity Act, 2003.
2. Pursuant to the enactment of Electricity Act, 2003, Bihar State Power Transmission Company Limited is filing this Petition, under Sections 61, 62 and 64 of the Electricity Act, 2003 and the governing Regulations thereof, for the approval of True-up of FY 2024-25, Annual Performance Review (APR) for FY 2025-26, Annual Revenue Requirement (ARR) for the FY 2026-27 & Transmission Tariff for FY 2026-27.
3. The Multi-Year Tariff (MYT) Petition for the Control Period from FY 2013-14 to FY 2015-16 was filed by BSPHCL on behalf of all successor Companies on 14<sup>th</sup> November 2012 and accordingly, the Hon’ble Commission had issued common Order for all entities (Tariff Order dated 15<sup>th</sup> March 2013).
4. Thereafter, BSPTCL has been filing separate Tariff Petition for subsequent years. Following is the list of Tariff Petitions filed by BSPTCL and the corresponding Tariff Orders issued by the Hon’ble Commission till date.

Particulars	Petition filed on	Tariff Order issued on
Petition for APR for FY 2013-14 and Revised ARR for FY 2014-15	14 <sup>th</sup> November 2013	28 <sup>th</sup> February 2014
True-up for FY 2013-14, APR for FY 2014-15, Revised ARR for FY 2015-16	3 <sup>rd</sup> December 2014	12 <sup>th</sup> March 2015
True-up for FY 2014-15, APR for FY 2015-16 and approval of ARR for the period FY 2016-17 and Determination of Multi-Year Transmission Tariff for FY 2016-17, 2017-18 and 2018-19	28 <sup>th</sup> December 2015	21 <sup>st</sup> March 2016
True-up for FY 2015-16, APR for FY 2016-17 and Determination of ARR and Tariff for FY 2017-18	30 <sup>th</sup> November 2016	9 <sup>th</sup> March 2017
True-up for FY 2016-17, APR for FY 2017-18 and Determination of ARR and Tariff for FY 2018-19	24 <sup>th</sup> November 2017	24 <sup>th</sup> April 2018



Particulars	Petition filed on	Tariff Order issued on
True-up for FY 2017-18, APR for FY 2018-19 and approval of ARR for the Multi-Year Tariff period from FY 2019-20 to FY 2021-22 and Determination of Transmission Tariff for FY 2019-20	30 <sup>th</sup> November 2018	15 <sup>th</sup> February 2019
True-up for FY 2018-19, APR for FY 2019-20 and approval of ARR and Tariff for FY 2020-21	15 <sup>th</sup> November 2019	20 <sup>th</sup> March 2020
True-up for FY 2019-20, APR for FY 2020-21 and approval of ARR and Tariff for FY 2021-22	24 <sup>th</sup> December 2020	19 <sup>th</sup> March 2021
True-up for FY 2020-21, APR for FY 2021-22 and approval of ARR for the Multi-Year Tariff period from FY 2022-23 to FY 2024-25 and Determination of Transmission Tariff for FY 2022-23	14 <sup>th</sup> December 2021	25 <sup>th</sup> March 2022
True-up for FY 2021-22, APR for FY 2022-23 and approval of ARR and Tariff for FY 2024-25	15 <sup>th</sup> November 2022	21 <sup>st</sup> March 2023
True-up for FY 2022-23, APR for FY 2024-25 and approval of ARR and Tariff for FY 2024-25	13 <sup>th</sup> November 2023	01 <sup>st</sup> March 2024
Truing up for FY 2023-24, APR for FY 2024-25, Business Plan and MYT ARR for the Control Period of FY 2025-26 to FY 2027-28	15 <sup>th</sup> November 2024	28 <sup>th</sup> March 2025

5. BSPTCL has filed appeals before the Hon'ble APTEL against certain Tariff Orders issued by the Hon'ble Commission. Following is the list of appeals pending before Hon'ble APTEL:

Appeal No.	Appeal Against Tariff Order dated	Date of Filing	Current Status
<b>APL 383/2019</b>	The Appellant has filed the Appeal under Section 111 of EA 2003 praying for the modification of Tariff Order dated 07.03.2018 drawn on the grounds of the appeal and setting aside of impugned Order dated	12.02.2019	Matter was heard on 18.10.2022 and Next date of hearing is to



Appeal No.	Appeal Against Tariff Order dated	Date of Filing	Current Status
	20.11.2018 passed in Review Petition No. 15 of 2018.		be announced.
<b>APL 59/2022</b>	The Appellant, in the Appeal, has challenged the legality, validity and propriety of the impugned Tariff Order dated 15.02.2019 in Case No. 51 of 2018 and impugned Order dated 25.07.2019 passed in Review Case No. 12 of 2019.	14.10.2019	Order pronounced on 31.10.2025
<b>APL 169/2024</b>	Composite Appeal under Section 111 of the Electricity Act, 2003 challenging the legality, validity and propriety of the orders dated 21.03.2023 passed by the Ld. Bihar Electricity Regulatory Commission in case No.20 of 2022 and the order dated 03.01.2024 in Review Petition No. 08 of 2023.	16.02.2024	Matter was heard on 09.04.2024 and next hearing is to be announced.
<b>DFR NO 283 OF 2025</b>	Appeal filed against Tariff order dated 28.03.2025 passed by BERC in case no 27 of 2024 for True-up of FY 2023-24, Annual Performance Review (APR) for FY 2024-25, Business Plan and Multi Year Aggregate Revenue Requirement (ARR) for the Control Period of FY 2025-26 to FY 2027-28 & Transmission Tariff for FY 2025-26	31.07.2025	Matter was heard on 26.09.2029 and next hearing is being held on 03.11.2025.

- It is submitted that in case the Judgment of the Hon'ble APTEL in the above-mentioned Appeals is in favour of BSPTCL, the Hon'ble Commission may kindly provide the impact of the desired relief on all the issues raised by BSPTCL in these Appeals, entirely for the Control Period where the same Regulations were applicable, along with carrying cost in subsequent Tariff Order(s).
- The Hon'ble APTEL, vide its Judgment dated 10th October 2025 in Appeal No. 59 of 2022, has decided the matter in favour of BSPTCL (the Appellant), allowing the Appellant's claim for an additional incentive amount of Rs. 6.02 crore for FY



- 2017-18 towards incentive on achieving the Normative Annual Transmission System Availability Factor (NATAF) above 98%. The incentive was allowed since the Hon'ble BERC had earlier considered the NATAF at 98.50% as per CERC norms, whereas under the BERC (Terms and Conditions for Determination of Tariff) Regulations, 2007, the NATAF for recovery of full transmission charges for AC systems is fixed at 98%. Accordingly, BSPTCL is claiming the incentive amount of Rs. 6.02 crore along with the applicable carrying cost in the ARR for FY 2026-27.
8. It is further submitted that in the instant petition, BSPTCL has considered the norms for calculation of O&M in line with the BERC (Multi-Year Transmission Tariff and SLDC charges) Regulation, 2021 and BERC (Multi-Year Transmission Tariff and SLDC charges) Regulation, 2024 and further revised norms as approved in the Tariff Order dated 28<sup>th</sup> March 2025.
  9. 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 61, 62 and 64, 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
    - Transmission Charges for the FY 2026-27
  10. The regulatory formats with data and information to the extent applicable is being submitted along with this petition and the petitioner would make available any further information/additional data required by the Hon'ble Commission during the course of the proceedings.
  11. In order to align the thoughts and principles behind the petition of ARR and Tariff Proposal, BSPTCL respectfully seeks an opportunity to present its case prior to the approval of the same. BSPTCL believes that such an approach would go a long way towards providing fair treatment to all stakeholders and may eliminate the need for a review or clarification.





12. BSPTCL may also be permitted to propose suitable changes to the petition and the mechanism of meeting the revenue requirement on further analysis, prior to the final approval by the Hon'ble Commission.
13. In view of the above, BSPTCL 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 & Transmission Tariff 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 Open Access Charges in Tariff Order of BSPTCL which is to be recovered from open access consumers.
  - e. In accordance with the Judgment published by the Hon'ble APTEL on 10th October 2025 in Appeal No. 59 of 2022, approve the incentive amount of Rs. 6.02 crore in FY 2017-18 along with the applicable carrying cost in the ARR for FY 2026-27.
  - f. Permit to propose suitable changes to the respective True-up/ APR/ ARR, prior to the final approval by the Hon'ble Commission;
  - g. 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;
  - h. Pass desired impact of issues raised by BSPTCL in appeals & review along with carrying cost in ensuing Tariff Order in case the appeals & review are ruled in favour of BSPTCL;
  - i. Pass such Order as the Hon'ble Commission may deem fit and appropriate keeping in view the facts and circumstances of the case.



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**Bihar State Power Transmission Company Limited (BSPTCL)**  
**Patna, Bihar**

Dated: \_\_\_\_\_ November 2025

**Parwez Alam**  
**Chief Engineer (STU)**  
**BSPTCL**





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## LIST OF ABBREVIATIONS

<b>ADB</b>	Asian Development Bank
<b>A&amp;G</b>	Administrative & General
<b>APR</b>	Annual Performance Review
<b>ARR</b>	Aggregate Revenue Requirement
<b>ATC</b>	Annual Transmission Charges
<b>BERC</b>	Bihar Electricity Regulatory Commission
<b>BRGF</b>	Backward Regions Grant Fund
<b>BSEB</b>	Bihar State Electricity Board
<b>BSPHCL</b>	Bihar State Power (Holding) Company Limited
<b>BSPTCL</b>	Bihar State Power Transmission Company Limited
<b>CAGR</b>	Compounded Aggregate Growth Rate
<b>CEA</b>	Central Electricity Authority
<b>CPI</b>	Consumer Price Index
<b>CWIP</b>	Capital Work in Progress
<b>EA</b>	Electricity Act
<b>FY</b>	Financial Year
<b>GFA</b>	Gross Fixed Asset
<b>GoB</b>	Government of Bihar
<b>GSS</b>	Grid Sub-station
<b>IDC</b>	Interest During Construction
<b>IRF</b>	Internal Resource Fund
<b>IoWC</b>	Interest on Working Capital
<b>kV</b>	kilo Volt
<b>MAT</b>	Minimum Alternate Tax
<b>MCLR</b>	Marginal Cost of Funds based Lending Rate
<b>MU</b>	Million Units
<b>MVA</b>	Mega Volt Ampere
<b>MW</b>	Mega Watt
<b>MYT</b>	Multi Year Tariff
<b>NBPDCL</b>	North Bihar Power Distribution Company Limited
<b>O&amp;M</b>	Operation & Maintenance
<b>PSDF</b>	Power System Development Fund
<b>R&amp;M</b>	Repair & Maintenance
<b>RoE</b>	Return on Equity
<b>SBPDCL</b>	South Bihar Power Distribution Company Limited
<b>SLDC</b>	State Load Despatch Centre





<b>SBI</b>	State Bank of India
<b>STOA</b>	Short Term Open Access
<b>STU</b>	State Transmission Utility
<b>TAF</b>	Transmission Availability Factor
<b>TSU</b>	Transmission System User
<b>WPI</b>	Wholesale Price Index



## (1) Introduction

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### 1.1 Historical Background of Bihar State Power Transmission Company Limited (BSPTCL)

The erstwhile Bihar State Electricity Board (hereinafter referred to as 'Board' or 'BSEB') was originally constituted on 1<sup>st</sup> 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 30<sup>th</sup> 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 NBPDCCL are the Distribution Companies to which the Distribution Undertakings of the Board have been transferred in accordance with this scheme.

## 1.2 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 BSPTCL 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 28<sup>th</sup> March 2025 approved the Truing-up of FY 2023-24, Annual Performance Review (APR) of FY 2024-25, Business Plan and Multi Year Aggregate Revenue Requirement (MYT ARR) for the Control Period of FY 2025-26 to FY 2027-28 & Transmission Charges for FY 2025-26 as per the provisions of MYT Regulations, 2021 and MYT Regulations, 2024.

The Hon'ble Commission has notified its BERC MYT Tariff Regulations, 2024 applicable from 01<sup>st</sup> March 2025 remain applicable for the entire Control Period of FY 2025-26 to FY 2027-28.

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 & transmission charges for the FY 2026-27 based on the APR for FY 2025-26 as per the provisions of BERC MYT Regulations, 2024.

BSPTCL 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, BSPTCL 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. BSPTCL assures the Hon'ble Commission that appropriate measures have been taken to strengthen the management information system for improved data collection.

### **1.3 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:** Summary of the Present Petition;

**Chapter 3:** Truing-up of FY 2024-25;

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

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

**Chapter 6:** Transmission Charges for FY 2026-27; and

**Chapter 7:** Prayers

**Chapter 8:** Compliance to Directives.



## (2) Overview of the Present Petition:

### 2.1 Transmission Infrastructure of BSPTCL:

BSPTCL likes to submit that the power supply position in the State of Bihar is improving and the Petitioner is taking all the required steps to strengthen and develop the electricity infrastructure for end-to-end transmission of power within the State.

The number of Grid Sub-Stations (GSS) and transformation capacity at 400 kV, 220 kV and 132 kV voltage levels in MVA as on 31<sup>st</sup> March 2025 are provided in the table below:

**Table 2-1: Summary of GSS and Power Transformer Capacity (in MVA)**

Sub-Station	FY 2024-25	
	(Upto March, 2025)	
	No. of GSS	Capacity (MVA)
400/220 /132 kV	1	1160
220/132/33 kV	24	13040
220/132 kV	2	980
132/33 kV	134	14800
<b>Total</b>	<b>161</b>	<b>29980</b>

Further, transmission line in Ckt. Km. at 400 kV, 220 kV and 132 kV voltage levels as on 31<sup>st</sup> March 2025 are provided in the table below:

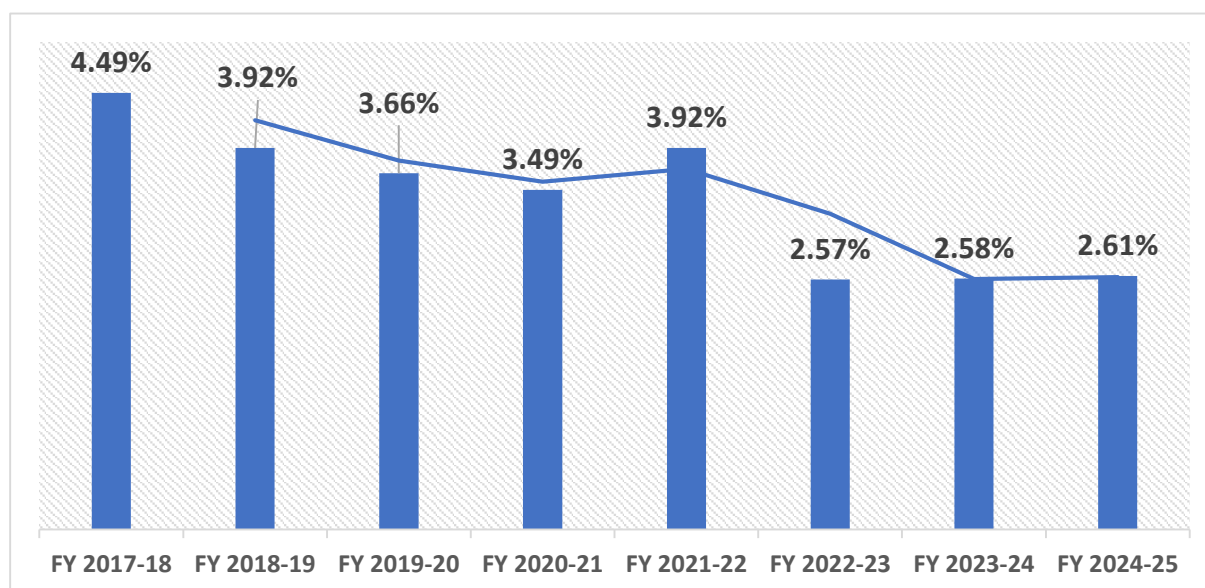
**Table 2-2: Summary of Transmission Line length (in Ckt. Km.)**

Transmission Line	FY 2024-25
	(Upto March, 2025)
400 kV	273.38
220 kV	5,868.64
132 kV	12,612.12

### 2.2 Transmission Loss:

BSPTCL likes to submit that it is undertaking all efforts to reduce transmission loss in the system. Improvement in actual Transmission Losses for past few years is as follows:

**Table 2-3: Transmission Losses over past years**



\* Note: Transmission Loss of FY 2024-25 as proposed by BSPTCL for Truing-up in this Petition.

### 2.3 Aggregate Revenue Requirement:

BSPTCL 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 BERC MYT Regulations 2021, APR for the FY 2025-26, ARR & Transmission Charges for the FY 2026-27 in accordance with BERC MYT Regulations 2024. The summary of the petition is as follows:



**Table 2-4: Summary of Aggregate Revenue Requirements (Rs. Cr.)**

Particulars	True up of FY 2024-25	Review of FY 2025-26	ARR of FY 2026-27
Employee Expenses	339.21	326.17	342.07
R&M Expenses	83.92	67.88	75.30
A&G Expenses	53.88	60.56	65.54
Share of Holding Company Expenses	18.35	18.35	18.35
Return on Equity	271.54	584.88	646.37
Depreciation	498.73	569.53	650.75
Interest on Loan Capital and Finance Charges	505.80	568.32	638.13
Interest on Working Capital	28.66	23.23	25.71
Incentive for Transmission Availability	14.14	0.00	0.00
Sharing of Losses/ (Gains) on O&M expenses	(1.59)	-	-
Sharing of Losses/ (Gains) on Interest on Working Capital	(14.33)	-	-
Sharing of Losses/ (Gains) on Incentives on Transmission Availability Factor	(7.07)	-	-
Non-Tariff Income	121.85	127.94	134.34
Income From Other Business (OPGW Cable)	5.83	5.83	5.83
<b>Net ARR</b>	<b>1,663.55</b>	<b>2,085.16</b>	<b>2,322.06</b>

Further, BSPTCL submits that, all the details, computation along with applicable Regulations and norms considered for the preparation of the petition are discussed in the subsequent sections.





### (3) True up for FY 2024-25

#### 3.1. Introduction

BSPTCL is filing the present Petition for the True-Up of FY 2024-25 based on the actual technical and financial details. The audited accounts for FY 2024-25 are available in the consolidated financial statements of BSPTCL, which is inclusive of the SLDC 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. BSPTCL has considered the values approved in the ARR of FY 2024-25 vide Tariff Order dated 1<sup>st</sup> 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 28<sup>th</sup> 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 1<sup>st</sup> 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 separate accounts for the Transmission and SLDC functions are not maintained, BSPTCL has submitted the Truing-up of FY 2024-25 based on the financial statements and allocation statements for the Transmission function and SLDC for 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 all the Income and Expenses considered under SLDC function have been deducted from the total expenses as per the audited accounts for proposed claims of BSPTCL Transmission Utility, in the True-up for FY 2024-25.

### 3.2. Transmission Losses

It is submitted that the Hon'ble Commission had approved transmission loss of 3.00% for the FY 2024-25 in the Tariff Order dated 1<sup>st</sup> March 2024. BSPTCL further submits that it has been able to restrict transmission losses of FY 2024-25, at the level lower than that approved by the Hon'ble BERC.

It is submitted that the actual Transmission Loss of BSPTCL during FY 2024-25 was 2.61%. Accordingly, BSPTCL has claimed the Transmission Loss on an actual basis, based on the SLDC certification, for the purpose of Truing-Up for FY 2024-25.

The following table shows actual transmission loss in BSPTCL system for the FY 2024-25:

**Table 3-1: Actual Transmission Loss for the FY 2024-25 (in %)**

Particulars	Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
Energy Input (in MU)		44,828.86
Energy Output (in MU)		43,660.85
Transmission Loss (in MU)		1,168.01
Transmission Loss (%)	3.00%	2.61%



**Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve the actual transmission loss for the FY 2024-25 as claimed.**

Further, Voltage level wise Transmission Loss for FY 2024-25, i.e., from April 2024 to March 2025 with details of energy input and energy output, as certified by SLDC, is attached in **Annexure II**.

### **3.3. Capital Work in Progress (CWIP)**

The Hon'ble Commission has approved the closing CWIP balance for the FY 2023-24 vide Tariff Order dated 28<sup>th</sup> March 2025. BSPTCL has considered the same as opening balance of CWIP for truing up the FY 2024-25.

Further, BSPTCL had filed its investment plan Petition for the Control Period of FY 2022-23 to FY 2024-25. The Hon'ble Commission has also given its Order on 05.02.2024 (Case No. 17/2023). BSPTCL now submits that it has undertaken those schemes and other schemes as approved by the Hon'ble Commission vide its MYT Tariff Order dated 25<sup>th</sup> March 2022 (Case No. 20 of 2021) as per their scheduled timeline.

BSPTCL has provided the work-wise break-up of Capex and capitalization for FY 2024-25 as **Annexure III**.

Further, BSPTCL respectfully submits that it has also undertaken several schemes for augmentation & strengthening of the existing transmission system. Therefore, addition to CWIP during the FY 2024-25 has been considered as per actual based on its annual accounts of FY 2024-25.

BSPTCL has also deducted the Capex and Capitalisation towards SLDC assets as per the annual accounts of FY 2024-25 for computation of closing CWIP for the FY 2024-25.

The summary of the approved and actual capital expenditure & capitalization of FY 2024-25 are tabulated below:



**Table 3-2: Capital Expenditure for the FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 01st March 2024	Claimed in Truing-up of FY 2024-25
1	Opening CWIP (A)	1,886.13	2,984.11
2	Capital Investment during the Year (B)	645.17	990.22
3	Less: Capitalization ('C)	1,696.10	1,729.79
4	Less: IDC Capitalized (D)	0.00	0.00
5	Closing CWIP (A+B-C-D)	835.20	2,244.54

Accordingly, BSPTCL requests the Hon'ble Commission to consider and allow the capital work in progress (CWIP) as claimed above.

### 3.4. Gross Fixed Asset (GFA)

BSPTCL has arrived at the net capitalization during the year by deducting disposal/sale/transfer of assets based on audited accounts of FY 2024-25. BSPTCL has claimed the capitalization for Transmission function only and capitalization pertaining to SLDC function has been claimed separately in the True-up petition for SLDC. The following Table shows the scheme-wise capitalisation during the year.

**Table 3-3: Scheme Wise Net GFA addition for FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	Claimed in Truing-up of FY 2024-25
1	Schemes under State Plan	1509.37
2	Schemes under BRGF	70.84
3	Schemes under IRF	17.70
4	Schemes under ADB	0.00
5	Schemes under Deposit Works	1.07
6	Schemes under PSDF	0.00
7	Schemes under Special Central Fund	130.82
	<b>Total Scheme-wise Capitalization</b>	<b>1,729.79</b>
8	Interest during Construction (IDC)	-
	<b>Total Capitalization transferred from CWIP</b>	<b>1,729.79</b>

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

to GFA during the year as detailed above has been considered. Accordingly, BSPTCL has arrived at the Closing GFA for FY 2024-25 as shown below:

**Table 3-4: Gross Fixed Assets of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in T.O dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Opening GFA (A)	14,889.18	13,536.53
2	Add: Addition to GFA (excluding Land & IDC) (B)	1,696.10	1,707.97
3	Add: Direct Addition to GFA ('C)	0.00	0.00
4	Add: Net Value of Land (D)	0.00	21.82
5	Less: Disposal/Sale/Transfer of Asset ('E)	0.00	10.21
6	Add: Interest During Construction (F)	0.00	0.00
7	<b>Closing GFA (A+B+C+D-E+F)</b>	<b>16,585.28</b>	<b>15,256.11</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the GFA for the FY 2024-25 as claimed.

### 3.5. Depreciation

BSPTCL 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.....*



BSPTCL submits that it has considered the approved closing GFA balance for the FY 2023-24 vide Tariff Order dated 28<sup>th</sup> March 2025 as opening balance and GFA addition as per audited accounts of 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. The computation of weighted average rate of Depreciation is provided below:

**Table 3-5: Calculation of Weighted Average Rate of Depreciation on opening GFA**

Sl. No .	Particulars	Rate of Depreciation	Opening Balance FY 2024-25	Depreciation for the year
1	Land & Land Rights	0.00%	1,548.33	0
2	Buildings	3.34%	71.79	2.40
3	Hydraulic Works	5.28%	0.06	0.00
4	Other Civil Works	3.34%	329.60	11.01
5	Plant and Machinery	5.28%	5,167.86	272.86
6	Lines and Cable Network	5.28%	6,365.65	336.11
7	Vehicles	6.33%	0.45	0.03
8	Furniture and Fixtures	6.33%	11.77	0.75
9	Office Equipment	6.33%	6.63	0.42
10	Computers & Accessories	15.00%	33.68	5.05
11	Intangible Assets	15.00%	0.69	0.10
12	<b>Total other than Land &amp; Land Rights</b>		<b>13,536.53</b>	<b>628.73</b>
13	<b>Average rate of Depreciation in (%)</b>			<b>4.6447%</b>

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, BSPTCL 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 3-6: Calculation of Weighted Average Rate of Depreciation on GFA addition**

Sl. No.	Particulars	Rate of Depreciation	Addition during the year	Depreciation charged on addition
1	Land & Land Rights	0.00%	21.82	0
2	Buildings	3.34%	0.60	0.01
3	Hydraulic Works	5.28%	0.00	0.00
4	Other Civil Works	3.34%	9.42	0.16
5	Plant and Machinery	5.28%	772.78	20.40
6	Lines and Cable Network	5.28%	924.10	24.40
7	Vehicles	6.33%	0.00	0.00
8	Furniture and Fixtures	6.33%	0.08	0.00
9	Office Equipment	6.33%	0.17	0.01
10	Computers & Accessories	15.00%	0.84	0.06
11	Intangible Assets	15.00%	0.00	0.00
12	Total other than Land & Land Rights		<b>1,729.79</b>	<b>45.04</b>
13	<b>Weighted average rate of Depreciation on GFA addition (in %)</b>			<b>2.6035%</b>

BSPTCL submits that it has reduced the net amount of land from the opening balance approved by the Hon'ble Commission to arrive at the depreciable GFA.

Further, BSPTCL has separately computed depreciation on assets created out of Grants/Consumer Contribution/deposit works and adjusted the same from the gross depreciation to arrive at net depreciation for truing up of FY 2024-25. Details of depreciation along with the approved figures for FY 2024-25 are as shown in table below:





**Table 3-7: Depreciation for the FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	Approved in T.O dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Opening GFA	14,889.18	13,536.53
2	Less: Value of Land	1,479.00	1,548.33
3	Value of GFA net of Land (1-2)	13,410.18	11,988.20
4	Addition during the Year (excluding land and IDC)	1,696.10	1,707.97
5	Add: IDC	0.00	0.00
6	Less: Adjustment for assets sold/ disposed	0.00	10.21
7	Closing GFA (3+4+5-6)	15,106.28	13,685.96
8	Average GFA	14,258.23	12,837.08
9	Weighted average rate of depreciation on opening GFA	5.09%	4.64%
10	Weighted average rate of depreciation on addition during the year	2.65%	2.60%
11	Depreciation $((3*9)+((4+5-6)*10))$	727.52	601.01
12	Opening Grants**	2,234.39	2,201.67
13	Assets capitalised funded through grants	9.60	1.07
14	Assets capitalised through deposit works	0.00	0.00
15	Total Grants**	2,243.99	2,202.74
16	Average Grants**	2,239.19	2,202.20
17	Weighted average rate of depreciation on opening GFA	5.09%	4.64%
18	Weighted average rate of depreciation on addition during the year	2.65%	2.60%
19	Depreciation on Grants $((12*17) + (13+14) *18))$	113.98	102.29
20	<b>Net Depreciation considered in ARR (11-19)</b>	<b>613.54</b>	<b>498.73</b>

\* Grants include consumer contribution and deposit works.

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

### 3.6. Operation and Maintenance Expenses

BSPTCL submits that it has claimed Operation and Maintenance Expenses on Normative Basis for the FY 2024-25 in line with BERC MYT Regulation 2021.

Further, BSPTCL submits that the audited annual accounts of BSPTCL for the FY 2024-25 has been prepared. However, annual accounts of FY 2024-25 are consolidated accounts for the BSPTCL which is inclusive of SLDC function. Therefore, BSPTCL has arrived at the actual O&M expenses for the FY 2024-25 pertaining to transmission function based on Annual accounts and allocation of expenses for Transmission and SLDC functions as certified by the statutory auditor.

Details of O&M Expenses on Normative and actual basis are provided below for consideration of the Hon'ble Commission.

### 3.6.1. Normative Operation and Maintenance (O&M) Expenses

Regulation 21.1 of BERC MYT Regulations, 2021, specifies that the Hon'ble Commission shall stipulate a separate trajectory of norms for each of the components. The relevant extracts are as follows:

#### *"21. Operation and Maintenance Expenses*

*a) The Commission shall stipulate a separate trajectory of norms for each of the components of O&M expenses viz., Employee cost, Repair and Maintenance (R&M) expense and Administrative and General (A&G) expense.*

*Provided that such norms may be specified for a specific Transmission Licensee or a class of Transmission Licensees.*

*(b) Norms shall be defined in terms of number of personnel per ckt/km (for different categories of transmission lines for e.g. 400 KV, 220 KV, 132 KV etc. Lines) and number of personnel per bay (for different categories of bay for e.g. 400 KV, 220 KV, 132 KV etc. Bays) along with annual expenses per personnel for Employee expenses; combination of A&G expense per personnel and A&G expense per substation for A&G expenses and R&M expense as percentage of gross fixed assets for estimation of R&M expenses....."*

#### 3.6.1.a. Normative Employee Expenses

The Hon'ble Commission adopted a ratio of 45% of the total no. of the employees as a part of norms for substation and 55% personnel as a part of norms per Ckt-Km for the purpose of calculation of norms. The Hon'ble Commission has revised the norms for Employee Expenses of FY 2024-25 vide its Tariff Order dated 01<sup>st</sup> March 2024. Accordingly, BSPTCL has considered the same for computing the Normative Employee Expenses of FY 2024-25.

The following Table shows the revised base value of norms computed by the Hon'ble Commission in Tariff Order dated 1<sup>st</sup> March 2024 for FY 2024-25:

**Table 3-8: Base Value considered for Normative Employee Expenses of FY 2024-25**

Sl. No.	Particulars	FY 2024-25
1	Number of personnel per Ckt-Km (55%)	0.0823
2	Number of personnel per substation (45%)	7.2218
3	Annual expenses per personnel (Rs. Lakh)	9.857

Regulation 21.1 of BERC MYT Regulations, 2021 provides for an escalation of base value norms for consideration of employee expenses. The relevant extracts are as follows:

***“21.1 Employee Cost***

*Employee cost shall be computed as per the approved norm escalated by consumer price index (CPI), adjusted by provisions for expenses beyond the control of the Transmission Licensee and one-time expected expenses, such as recovery/adjustment of terminal benefits, implications of pay commission, arrears and Interim Relief, governed by the following formula:*

$$EMP_n = (EMP_b * CPI \text{ inflation}) + Provision$$

*Where:*

*EMP<sub>n</sub> : Employee expense for the year n*

*EMP<sub>b</sub> : Employee expense as per the norm*

*CPI inflation : is the average increase in the Consumer Price Index (CPI) for immediately preceding three years*

*Provision : Provision for expenses beyond control of the Transmission Licensee and/or SLDC and expected one-off expenses as specified above.*

*Provided that till the norms are specified by the Commission the employee cost shall be determined on the basis of actual historical cost.”*

In accordance with the MYT Regulations, 2021, BSPTCL has considered the average CPI inflation of the preceding three years (i.e., FY 2021-22, FY 2022-23, and FY 2023-24) for escalating the base norms of employee expenses. The following table shows the escalation considered on base norms for computation of employee expenses:



**Table 3-9: Computation of CPI inflation considered for FY 2024-25**

Particulars	Actual				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Annual Average CPI	339	356	378	397	415
CPI Inflation		5.13%	6.05%	5.19%	
Average CPI Inflation for last three years					5.46%

Apart from this, it is submitted that as per the BERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2021, as mentioned above, the normative employee expenses exclude expenses beyond the control of the Transmission Licensee, which are to be claimed separately under “Provisions.” Accordingly, BSPTCL has claimed the terminal benefits under this provision.

The Hon’ble Commission, while determining the normative employee expenses for the Control Period from FY 2022-23 to FY 2024-25 vide Tariff Order dated 25th March 2022 in Case No. 20 of 2021, had computed the same based on the average of the actual employee expenses for the three years preceding the Control Period, i.e., FY 2018-19 to FY 2020-21. It is respectfully submitted that the terminal benefits were not included in the actual employee expenses considered for the said computation. Consequently, the terminal benefits did not form part of the normative employee expenses approved for the Control Period FY 2022-23 to FY 2024-25.

However, under the subsequent BERC Tariff Regulations, 2024, the Hon’ble Commission has rightly recognized terminal benefits as an integral part of actual employee expenses for determining the normative expenses for the next Control Period from FY 2025-26 to FY 2027-28 in its Tariff Order dated 28th March 2025.

In line with this regulatory evolution of employee-related liabilities, BSPTCL is claiming the terminal benefits amounting to Rs. 57.91 crore separately, in addition to the normative employee expenses, for the purpose of Truing-up for FY 2024-25. The following table shows the employee expenses considered in Truing-up of FY 2024-25 on normative basis.



**Table 3-10: Normative Employee Expenses of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	Base Norm	FY 2024-25	
			Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Average annual CPI index		5.89%	5.46%
2	Norms-Number of personnel per Ckt/Km	0.0823	0.0823	0.0823
3	Norms-Number of personnel per substation	7.2218	7.2218	7.2218
4	Transmission line in Ckt Km		17,312	18,754
5	No. of Substations		153	161
6	Norms-Annual expenses per personnel (Rs. Lakh)	9.8570	10.39	10.3948
7	Employee Cost (Number of personnel per Ckt/Km basis) (2*4*6)/100 (Rs. Crore)		148.03	160.44
8	Employee Cost (Number of personnel per substaion basis) (3*5*6)/100 (Rs. Crore)		114.80	120.86
9	Terminal benefits (Rs. Crore)			57.91
10	<b>Total Employee cost for the year (7+8) (Rs. Crore)</b>		262.83	339.21

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve Normative Employee Cost in Truing-up of FY 2024-25 as shown in the above Table.

### 3.6.1.b. Normative Repairs and Maintenance (R&M) Expenses

Regulation 21.2 of the MYT Regulations, 2021 specifies R&M expenses as percentage of opening gross fixed assets (excluding land cost) for estimation of R&M expenses. Regulation 21 (i) specifies that the norms shall be determined based on audited accounts of last three years.

The Hon'ble Commission in MYT Order dated 25<sup>th</sup> March 2022 considered 'K factor' of 0.70% for the Control Period from FY 2023-24 to FY 2024-25. BSPTCL has applied the same principle for arriving at the normative R&M Expenses for the FY 2024-25. The following table shows the R&M expenses considered in Truing-up of FY 2024-25 in line with the above approach.

**Table 3-11: Normative R&M Expenses of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Opening GFA (Net of Land)	13,410.18	11,988.20
2	% of GFA	0.70%	0.70%
3	<b>R&amp;M Expenses for the Year</b>	<b>93.87</b>	<b>83.92</b>

Therefore, Hon'ble Commission is requested to consider and approve the Normative R&M Expenses for Truing-up of FY 2024-25 as claimed by BSPTCL.

### 3.6.1.c. Normative Administration and General (A&G) Expenses

The Hon'ble Commission in MYT Tariff Order dated 01<sup>st</sup> March 2024 has computed the updated norms for A&G expenses in terms of A&G expense per personnel and A&G expense per substation and escalated the same as per the regulations to arrive at the norms applicable for the FY 2024-25. The following Table shows the norms stipulated by the Hon'ble Commission for the FY 2024-25 in the MYT Tariff Order dated 01<sup>st</sup> March 2024.

**Table 3-12: Base Value considered for Normative A&G Expenses (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25
1	A&G Expenses per personnel (Rs. Lakh)	1.1730
2	A&G Expenses per substation (Rs. Lakh)	15.4130

BSPTCL has considered the above norms as base values for computation of A&G expenses for FY 2024-25. Further, Regulation 21.3 of MYT Regulations, 2021 provides for escalation of base value norms for consideration of A&G expenses. The relevant extracts are as follows:

#### *"21.3 Administrative and General (A&G) Expense*

*A&G expense shall be computed as per the norm escalated by wholesale price index (WPI) and Consumer Price Index (CPI) in the ratio 60:40 and adjusted by provisions for confirmed initiatives (IT etc. initiatives as proposed by the Transmission Licensee and validated by the Commission) or other expected one-time expenses, and shall be governed by following formula:*

$$A\&G_n = (A\&G_b * WPI \text{ inflation}) + Provision$$



Where:

A&G<sub>n</sub>: A&G expense for the year *n*

A&G<sub>b</sub>: A&G expense as per the norm

WPI inflation: is the average increase in the Wholesale Price Index (WPI) for immediately preceding three years.....”

BSPTCL has considered average escalation of CPI and WPI indices with weightage of 40:60 respectively for immediately preceding three years (i.e., FY 2021-22, FY 2022-23 and FY 2023-24) on base norm of A&G expenses to compute Normative A&G Expenses of FY 2024-25.

Further, BSPTCL submits that the change in the WPI during FY 2023-24 was negative. In this regard, Regulation 21 (g) of BERC MYT Tariff Regulations, 2024 provides as follows:

*“Provided that in case the average yearly inflation derived based on the monthly CPI and WPI indices is negative for a particular year, the same will be excluded from the computation of yearly inflation”*

Since, the WPI Index for FY 2023-24 is negative, BSPTCL has considered only the average WPI index for FY 2021-22 and FY 2022-23, as shown in the Table below:

**Table 3-13: WPI: CPI inflation considered for A&G Expenses of FY 2024-25**

Particulars	Actual				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Annual Average CPI Index	339	356	378	397	415
CPI Inflation		5.13%	6.05%	5.19%	5.46%
Annual Average WPI Index	122	123	139	153	
WPI Inflation		13.00%	9.41%	-0.73%	11.20%
<b>Average WPI : CPI (60:40) Inflation for preceding three years</b>					<b>6.52%</b>

The following table shows the Normative A&G Expenses considered in Truing-up of FY 2024-25 in line with the methodology specified in Regulation 21.3 of MYT Regulations, 2021:





**Table 3-14: Normative A&G Expenses of FY 2024-25 (Rs. Crore)**

Sl. No.	Particulars	Base Norms	FY 2024-25	
			Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Average annual CPI&WPI index		6.90%	6.52%
2	Norms-A&G Expenses per personnel (Rs. Lakh)	1.1730	1.2540	1.2495
3	Norms-A&G Expenses per substation (Rs. Lakh)	15.4130	16.4765	16.4176
4	No. of Employees		2,172.00	2,197.00
5	No. of Substations		153.00	161.00
6	A&G Expenses (No. of employees basis) (2*4) (Rs. Crore)		27.25	27.45
7	A&G Expenses (No. of substations basis) (3*5) (Rs. Crore)		25.21	26.43
8	<b>Total A&amp;G Expenses for the year (Rs. Crore) (6+7)</b>		<b>52.46</b>	<b>53.88</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider the Normative A&G Expenses for Truing-up of FY 2024-25 as claimed in table above.

### 3.6.1.d. Normative O&M Expenses

Based on above paras, BSPTCL has summarised Normative O&M Expenses as tabulated below:

**Table 3-15: Normative O&M Expenses of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25 Actual
1	Employee Expenses	339.21
2	R&M Expenses	83.92
3	A&G Expenses	53.88
4	Holding Cost Expenses	18.35
	<b>Total O&amp;M Expenses</b>	<b>495.36</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the Normative O&M Expenses for Truing-up of FY 2024-25 as claimed.



### 3.6.2. Actual Operation and Maintenance (O&M) Expenses

BSPTCL submits that the Annual Accounts of BSPTCL for the FY 2024-25 has been prepared & audited. Therefore, BSPTCL has computed Operation and Maintenance Expenses of FY 2024-25 based on audited annual accounts for consideration of Hon'ble Commission.

Further, BSPTCL has deducted the expenses pertaining to SLDC function based on Allocation statement for the FY 2024-25 certified by the statutory auditor for arriving at the actual O&M Expenses of the Transmission function.

#### 3.6.2.a. Actual Employee Expenses

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

**Table 3-16: Actual Employee Expenses of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25 Actual
1	Salaries	141.33
2	Overtime	8.70
3	Dearness Allowance	72.51
4	Other Allowance	24.90
5	Medical Expenses Re-imbursement	1.65
6	Staff welfare Expenses	0.93
7	Terminal Benefit	57.91
	<b>Total Other Employee Cost</b>	<b>307.94</b>
8	Less: Employee cost of SLDC	6.83
	<b>Total Actual Employee Cost of BSPTCL</b>	<b>301.10</b>

#### 3.6.2.b. Actual R&M Expenses

Repair & Maintenance Expenses include expenses on repair and maintenance of Plant and Machinery, Transformers, Lines, cable network, etc. It is important for BSPTCL to incur the R&M expenses in order to maintain and strengthen the transmission system for maintaining the quality of power supply in the region and achieve system availability as specified in BERC MYT Regulations, 2021. The actual R&M expense for the FY 2024-25 incurred by BSPTCL is tabulated below:



**Table 3-17: Actual R&M Expenses of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25 Actual
1	Plant and Machinery	48.92
2	Building	7.65
3	Civil Works	5.27
4	Hydraulic Works	0.00
5	Line Cable Networks	11.72
6	Vehicles	0.00
7	Furniture & Fixture	0.06
8	Office Equipment	6.36
9	<b>Total R&amp;M Expenses</b>	<b>79.99</b>
10	Less: R&M Cost of SLDC	4.00
11	<b>Total R&amp;M Expenses of BSPTCL</b>	<b>75.99</b>

### 3.6.2.c. Actual A&G 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 BSPTCL based on annual accounts for the FY 2024-25:



**Table 3-18: Actual A&G Expenses of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25 Actual
1	Rent, rates & taxes	3.38
2	Insurance	7.52
3	Telephone, postage & Telegrams	0.58
4	Legal Charges	0.00
5	Audit Charges	0.13
6	Consultancy fees	1.74
7	Director's Sitting Fee	0.00
8	Interest on Statutory Dues	0.00
9	Holding Charges	0.00
10	Other professional charges	0.11
11	Conveyance & travel expenses	15.62
12	Fees & Subscription	1.78
13	Books & Periodicals	0.02
14	Printing & Stationary	0.53
15	Advertisement	0.60
16	Expenditure on CSR	5.13
17	Electricity & Water charges	20.27
18	Freight	0.00
19	Entertainment Charges	0.35
20	Commission for sale of scrap	0.45
21	Home Guard/ Security Guard	25.06
22	Miscellaneous Expenses	0.86
23	Contribution to CM Relief Fund- Company	12.51
24	Compensation/ Injuries/ Death/ Damages	0.00
25	Loss Due to Cyclon/ Flood/ Theft	-1.42
26	Store Handling Exp.	0.01
27	Loss on sale of Scrap	2.48
28	CST/ VAT on demand	0.00
29	Total expenses	97.70
30	Less SLDC Expenses	0.97
31	Total Actual A&G Expenses	96.73

### 3.6.2.d. Actual O&M Expenses

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

**Table 3-19: Actual O&M Expenses of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25 Actual
1	Employee Expenses	301.10
2	R&M Expenses	75.99
3	A&G Expenses	96.73
	<b>Total O&amp;M Expenses</b>	<b>473.82</b>

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

### 3.7. Holding Company Expenses

BSPTCL submits that expenses of BSP(H)CL, which is the Holding Company of all the State Utilities and Generating Company, is recovered from its subsidiary Companies. The cost sharing between the subsidiary Companies including BSPTCL is as per the amount of equity shares issued by the Holding Company to the Subsidiary Company.

In light of the above, all the Utilities have to bear the cost of the Holding Company. BSPTCL is claiming Holding Company expenses separately in line with the methodology adopted in previous Tariff Orders. BSPTCL has claimed the Holding Company Expenses as per the actual amount reflecting in annual accounts of FY 2024-25, as shown in the Table below:

**Table 3-20: Actual Holding Company Expenses of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Holding Company Expenses	16.08	18.35

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve the Holding Company Expenses on actual basis for Truing-up of FY 2024-25 as shown in the table above.

### 3.8. 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.”*

BSPTCL submits that for the purpose of arriving at the means of finance for the year, it has computed Net Asset capitalized during FY 2024-25 as per annual accounts after deducting disposal/sale/transfer of asset and has further reduced the amount capitalised on account of grant received from Deposit works.

Further, BSPTCL has considered capitalization under the category Special Central Assistance, IRF and BRGF funded schemes for computing normative debt- equity addition because the same has been received by BSPTCL as Equity addition from GoB.

Further, BSPTCL has considered the debt-equity ratio based on the capitalization of projects. For all projects that achieved capitalization prior to FY 2024-25, the loan-to-equity ratio has been considered as 70:30, whereas for all new projects capitalized during FY 2024-25 and onwards, the ratio has been considered as 80:20. The details of the debt-equity ratio of the projects capitalized during FY 2024-25, considered for the purpose of loan and equity addition, are shown in the table below:

**Table 3-21: Means of Finance of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25 Actual
1	Capitalization during FY 2024-25	1,729.79
2	Less: Grant & Deposit Works	1.07
3	Net Capitalization	1,728.72
4	<b>12th Plan Projects</b>	
5	Equity Considered	6.61
6	Debt Considered	15.42
7	<b>13th Plan Projects</b>	
8	Equity Considered	335.71
9	Debt Considered	1,103.73
10	<b>New Projects</b>	
11	Equity Considered	68.234
12	Debt Considered	1,99.01
13	<b>Total Equity addition considered</b>	<b>410.55</b>



Sl. No.	Particulars	FY 2024-25 Actual
14	Total Debt addition considered	1,318.17

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

### 3.9. Interest and Finance Charges

BSPTCL has computed the interest and finance charges of FY 2024-25 in accordance with the Regulation 24 of BERC MYT Regulations, 2021. The relevant extracts are 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:....."*

The Hon'ble Commission, vide Tariff Order dated 01.03.2024, had computed the Rate of Interest based on the actual loan outstanding and the applicable MCLR during the respective year. BSPTCL submits that it has adopted the same methodology for computing the applicable Rate of Interest for the Truing-up of FY 2024-25.

However, BSPTCL respectfully submits that, as per the Audited Accounts, the major portion of the loans, apart from the loan from BSPHCL - ADB, pertains to Consortium Loans, out of which the predominant share belongs to Canara Bank. Accordingly, BSPTCL has considered the 1-year MCLR rate of Canara Bank for the calculation of the Weighted Average Rate of Interest. The detailed computation of the applicable Rate of Interest is presented below:



**Table 3-22: Weighted Average Rate of Interest on Canara Bank for FY 2024-25**

Sl. No.	From Date	To Date	No. of Days	Base Rate
1	01-04-2024	11-04-2024	11	8.90%
2	12-04-2024	11-05-2024	30	8.90%
3	12-05-2024	11-06-2024	31	8.90%
4	12-06-2024	11-07-2024	30	8.90%
5	12-07-2024	11-08-2024	31	8.95%
6	12-08-2024	11-09-2024	31	9.00%
7	12-09-2024	11-10-2024	30	9.00%
8	12-10-2024	11-11-2024	31	9.05%
9	12-11-2024	11-12-2024	30	9.05%
10	12-12-2024	11-01-2025	31	9.10%
11	12-01-2025	11-02-2025	31	9.10%
12	12-02-2025	11-03-2025	28	9.10%
13	12-03-2025	31-03-2025	20	9.10%
<b>Weighted Average Rate</b>				<b>9.01%</b>

**Table 3-23: Weighted Average Rate of Interest for FY 2024-25**

Sl. No.	Name of the Institution	Opening Loan (Rs. Crore)	Closing Loan (Rs. Crore)	Average Loan (Rs. Crore)	Rate of Interest %	FY 2024-25 (%)
1	Financial institution (Canara Bank)	3,326.00	3,753.87	3,539.94	9.01%	
2	BSPHCL-ADB	464.02	464.02	464.02	13.00%	
3	Total loans	<b>3,790.02</b>	<b>4,217.89</b>	<b>4,003.95</b>		
4	<b>Weighted average rate of interest (%)</b>					<b>9.47%</b>

BSPTCL further submits that it has considered the closing loan of FY 2023-24 approved by the Hon'ble BERC vide order dated 28<sup>th</sup> 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, BSPTCL submits detail computation of interest on loan as below:

**Table 3-24: Interest and Finance Charges of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Opening Loan	6,001.76	4,931.64
2	Addition during the year	1,336.64	1,318.17
3	Normative Repayment (Equal to Depreciation)	613.54	498.73
4	Closing Loan (1+2-3)	6,724.86	5,751.08
5	Average Loan	6,363.31	5,341.36
6	Interest Rate (%)	8.22%	9.47%
7	Interest on Loan	522.79	505.78
8	Other Finance Charges	1.04	0.02
9	<b>Interest and Finance Charges (7+8)</b>	<b>523.83</b>	<b>505.80</b>

Therefore, BSPTCL 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.

### 3.10. 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.”

BSPTCL has considered the closing equity balance of FY 2023-24 as approved by the Hon’ble BERC vide Order dated 28<sup>th</sup> March 2025 as opening equity base for the FY 2024-25. Further, BSPTCL had already proposed lower Rate of Return of 8% in its Tariff Petition for FY 2024-25 against the approved rate of 15.5%, the Hon’ble Commission has also approved the same vide Tariff Order dated 01<sup>st</sup> March 2024. Therefore, in line with the above, BSPTCL has claimed Rate of Return at 8% for truing up. Further, BSPTCL 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 BSPTCL for the FY 2024-25 are tabulated as follows:

**Table 3-25: Return on Equity of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Equity as on 31.03.2015	375.41	375.41
2	Rate of Return on Equity	8.00%	8.00%
3	Tax/MAT Rate %	17.47%	17.47%
4	Pre-tax Rate of Return on Equity (2/(1-3))	9.69%	9.69%
5	Return on Equity (1*4)	36.39	36.39
6	Opening Equity	2,442.53	2,220.51
7	Addition during the year	349.86	410.55
8	Closing Equity (6+7)	2,792.39	2,631.06
9	Average Equity (6+8)/2	2,617.46	2,425.79
10	Rate of Return on Equity	8.00%	8.00%
11	Tax/MAT Rate %	17.47%	17.47%
12	Pre-tax Rate of Return on Equity (10/(1-11))	9.69%	9.69%
13	Return on Equity (9*12)	253.63	235.15
14	<b>Total Return on Equity (5+13)</b>	<b>290.01</b>	<b>271.54</b>

Accordingly, BSPTCL 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.



### 3.11. 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, BSPTCL 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 3-26: 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	14-04-2024	14-05-2024	31	8.65%
3	15-05-2024	14-06-2024	31	8.65%
4	15-06-2024	14-07-2024	30	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	29	9.00%
13	15-03-2025	31-03-2025	17	9.00%
14	Weighted Average Rate of Interest			8.88%
15	<b>Add: 150 Basis Point for computing of Interest rate of Working Capital</b>			<b>10.38%</b>

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 3-27: Interest on Working Capital of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Receivables equivalent to two (2) months of Transmission Charges	300.05	277.26
2	O&M Expenses of one month	35.44	41.28
3	Maintenance spares@ 40% of R&M Expenses for one month	3.13	2.80
4	Less: RoE, and Contribution to Contingency Reserves for 2 months	48.33	45.26
5	<b>Total Working Capital</b>	<b>290.29</b>	<b>276.08</b>
6	Rate of Interest on working Capital (%)	10.50%	10.38%
7	<b>Interest on Working Capital to be claimed</b>	<b>29.19</b>	<b>28.66</b>

Therefore, BSPTCL 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.

### 3.12. Incentive/Disincentive

Regulation 38 of the BERC MYT Regulations, 2021 provides that BSPTCL is entitled to incentive/disincentive on account of deviation from target availability set by the Hon'ble Commission. The relevant extracts are as follows:

***"38. Incentive/Disincentive***

*38.1 The Transmission Licensee shall be entitled to incentive/disincentive on account of deviation from target availability set by commission. The transmission charges referred to in Regulation 33 of these Regulations are inclusive of such incentives and disincentives on account of availability of system."*

In line with above Regulations, BSPTCL has computed Incentive/Disincentive on account of Transmission Availability Factor for the FY 2024-25.

#### 3.12.1. Incentive on Transmission Availability Factor

BSPTCL has claimed incentive on Transmission Availability Factor (TAF) for FY 2024-25 as per Regulation 16 of the MYT Regulations, 2021. The incentive computation is as per the Formula prescribed in Regulation 16.3 of MYT Regulations, 2021 for FY 2024-25. The following table shows the month-wise Transmission availability achieved by BSPTCL during FY 2024-25:

**Table 3-28: Month-wise Transmission Availability of FY 2024-25**

Sl. No.	Particulars	Transmission Availability
1	Apr-24	99.36%
2	May-24	99.66%
3	Jun-24	99.40%
4	Jul-24	99.59%
5	Aug-24	99.37%
6	Sep-24	99.06%
7	Oct-24	99.50%
8	Nov-24	99.30%
9	Dec-24	99.09%
10	Jan-25	99.29%
11	Feb-25	99.24%
12	Mar-25	99.34%
13	<b>Average Availability</b>	<b>99.35%</b>

BSPTCL submits that it has achieved the actual TAF higher than the target availability for incentive of 98.50% as prescribed in Regulation 16 (1) of BERC MYT Regulations,





2021. The SLDC Certificate for actual TAF achieved by BSPTCL in FY 2024-25 is annexed as **Annexure – IV**.

Accordingly, BSPTCL has computed Incentive on account of achieving TAF higher than target availability in FY 2024-25, as shown in table below:

**Table 3-29: Incentive on Transmission Availability of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	Claimed in Truing-up of FY 2024-25
1	Transmission Availability for FY 2024-25	99.35%
2	Target Availability	98.50%
3	Additional Achievement	0.85%
4	Annual Transmission Charges	1,663.55
5	<b>Incentive for Target Availability</b>	<b>14.14</b>

Therefore, BSPTCL requests the Hon'ble Commission to approve Incentive on Target availability for truing-up of FY 2024-25 as shown in the table above.

### 3.13. Non-Tariff Income

The Hon'ble Commission vide Order dated 20<sup>th</sup> March 2020 had excluded the Deferred Income from the total Non-Tariff Income. In line with the approach, BSPTCL has not considered Deferred Income for computing Non-Tariff Income of FY 2024-25. Further, BSPTCL has also deducted Non-Tariff Income of SLDC. The following Table shows the break-up of Non-Tariff Income based on annual accounts of FY 2024-25.





**Table 3-30: Non-Tariff Income of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Income from sale of Scrap		0.01
2	Others		0.50
3	Deffered Income		0.00
4	Interest Income		73.14
5	Other Transmission/Open Access Charges		13.90
6	Income from Tax Refund		4.15
7	Supervision Charges		16.39
8	Interest on Loan and Advances to Staff		0.00
9	STU Charges		9.52
10	Miscellaneous Receipts		0.80
11	Application fee Received		0.05
12	Administrative Charges - Deposit Head		3.38
	<b>Total Non-Tariff Income</b>	<b>79.25</b>	<b>121.85</b>

Accordingly, BSPTCL 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.

### 3.14. Income from Other Business (OPGW Cable)

BSPTCL submits that it has leased out Dark Fiber of OPGW Network laid on EHV Line of BSPTCL transmission network of existing link.

The Hon'ble Commission vide order dated 20.10.2023 (Case No. 11 of 2023) has given its regulatory Approval for the OPGW Cable business and has also specified the sharing mechanism of the revenue derived from the business.

The relevant extract is as follows:

*"..... and accordingly it is decided that "Two third of the amount of Gain from the other business as proposed in the instant petition be allowed to pass through as an adjustment in the tariff of the petitioner and the balance one third of the amount of such gain shall be on account of the petitioner and shall be liable to be utilised at the discretion of the petitioner, BSPTCL."*

Further, the Hon'ble BERC has revised its revenue sharing mechanism as 50% vide Order dated 05.03.2024 (Case No. 27/2023).

Therefore, BSPTCL has claimed sharing of income derived from other business for the True-up of FY 2024-25 on the basis of actual receipt during the year and share 50% of

such income in line with the above order. The detail computation of net sharing of the gains derived from the other business is as follows:

**Table 3-31: Sharing of Gain of Other Business for the FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Income From Other Business	1.03	11.66
2	Expenses of Other Business		0.00
3	Net Gain/ (Loss) from Other Business (1-2)		11.66
4	Sharing of Gain (50% of Gain) as per Order dated 05.03.2024 (Case No. 27/ 2023)		5.83
5	<b>Net Amount pass through Tariff</b>	<b>1.03</b>	<b>5.83</b>

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve the sharing of gains derived from other business for truing up of FY 2024-25 as shown in the table above.

### 3.15. Sharing of Gains and Losses

Regulation 10 of BERC MYT Regulations, 2021 specifies the mechanism for sharing of gains and losses on account of controllable factors. The relevant extracts are as follows:

*"10.1 The approved aggregate gain or loss to the Licensee or SLDC, as the case may be, on account of controllable factors shall be dealt with separately for aggregate gain and aggregate loss in the following manner:*

*(a) Aggregate gain:*

*(i) 50% of the amount of such gain shall be a pass through as an adjustment in the tariff of the Licensee or SLDC, as the case may be, as specified in these Regulations and as may be determined in the Order of the Commission passed under these Regulations;*

*(ii) The balance 50% of the amount of such gain shall be on account of Licensee or SLDC, as the case may be, and such amount shall be utilized at the discretion of Licensee or SLDC, as the case may be.*

*(b) Aggregate Loss:*

*(i) 50% of the amount of such loss shall normally be a pass through as an adjustment in the tariff of the Licensee or SLDC, as the case may be, as specified in these Regulations and as may be determined in the Order of the Commission passed under these Regulations, provided the Commission is satisfied that such loss is not on account of deliberate action of the Licensee or SLDC, as the case may be;*

(ii) The balance 50% of the amount of such loss shall be on account of Licensee or SLDC and shall be absorbed by the Licensee or SLDC, as the case may be.....”

In accordance with the above Regulations, BSPTCL has claimed sharing of gains and losses on account of O&M expenses, Interest on Working Capital and Incentive on Transmission Availability Factor in True-up of FY 2024-25 as discussed below:

### 3.15.1. Sharing of Losses/(Gains) on account of variation in O&M expenses

BSPTCL has claimed the sharing of Losses/ (Gains) on O&M expenses with respect to the difference between the actual and normative O&M expenses as shown in the Table below:

**Table 3-32: Sharing of Losses/(Gains) on account of O&M Expenses (Rs. Cr.)**

Sl. No.	Particulars	Basis	Claimed in True up
1	Normative Expenses	A	477.01
2	Actual Expenses	B	473.82
3	Losses/ (Gains)	$C=B-A$	(3.19)
4	Losses/ (Gains) to be passed on as adjustment in Tariff	$D=50\% \text{ of } C$	(1.59)
5	Net sharing Losses/ (Gains) on O&M Expenses	$E=D$	(1.59)

Accordingly, BSPTCL requests the Hon’ble Commission to allow Losses/(Gains) on account of O&M Expenses as an adjustment in truing up of FY 2024-25.

### 3.15.2. Sharing of Losses/(Gains) on account of variation in Working Capital Requirement

BSPTCL submits that there is no actual working capital for FY 2024-25. Therefore, the **actual working capital has been considered as Nil** and the sharing of Losses/ (Gains) has been worked out accordingly. Detail computation of sharing of gains and losses on account of variation in Interest on Working Capital for FY 2024-25 is shown in the Table below:

**Table 3-33: Sharing of Losses/(Gains) on account of variation in Interest on Working Capital (Rs. Cr.)**

Sl. No.	Particulars	Basis	Claimed in True up
1	Normative Interest on Working Capital	A	28.66
2	Actual Interest on Working Capital	B	0.00
3	Interest on Working Capital Losses/ (Gains)	$C=B-A$	(28.66)
4	50% of gains to be retained by the Licensee	$D=50\%$ of C	(14.33)
5	50% of gain to be passed through as an adjustment in Tariff	$E=50\%$ of C	(14.33)

Accordingly, BSPTCL requests the Hon'ble Commission to allow losses/(Gains) on account of variation in Interest on Working Capital as an adjustment in truing up of FY 2024-25.

### 3.15.3. Sharing of Losses/(Gains) on account of Incentives on Transmission Availability Factor

BSPTCL has computed incentives on Transmission Availability for Truing-up of FY 2024-25 earlier in the petition. Accordingly, BSPTCL has computed the sharing of Losses/(Gains) towards incentives on Transmission Availability as shown in the Table below:

**Table 3-34: Sharing of Losses/(Gains) on Incentives on Transmission Availability Factor for FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	Basis	Claimed in True up
1	Incentives on Transmission Availability Factor	A	14.14
2	50% of gains to be on account of Licensee	$B=50\%$ of A	7.07
3	50% of gains to be passed-on as adjustment through Tariff	$C=50\%$ of A	7.07

Accordingly, BSPTCL requests the Hon'ble Commission to consider the Losses/(Gains) on account of Transmission Availability Factor for truing up of FY 2024-25 as shown in the table above.



### 3.16. Revenue from Transmission Charges

The Hon'ble Commission has approved Annual Transmission Charges of FY 2024-25 vide Tariff Order dated 1st March 2024. Accordingly, BSPTCL earned revenue on account of Transmission Charges from DISCOM's and Railway during FY 2024-25. The following table shows Revenue earned by BSPTCL as Transmission Charges based on annual accounts of FY 2024-25:

**Table 3-35: Revenue from Transmission Charges of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Revenue from NBPDC		782.77
2	Revenue from SBPDCL		918.91
3	Revenue from Railways		19.16
4	<b>Total Revenue from Transmission Charges</b>	<b>1,720.84</b>	<b>1,720.84</b>

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

### 3.17. Annual Revenue Requirement of FY 2024-25

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



**Table 3-36: Aggregate Revenue Requirement of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Employee Expenses	262.83	339.21
2	R&M Expenses	93.87	83.92
3	A&G Expenses	52.46	53.88
4	Share of Holding Company Expenses	16.08	18.35
5	<b>Total O&amp;M Expenses</b>	<b>425.24</b>	<b>495.36</b>
6	Return on Equity	290.01	271.54
7	Depreciation	613.54	498.73
8	Interest on Loan Capital and Finance Charges	523.83	505.80
9	Interest on Working Capital	29.19	28.66
10	Incentive for Transmission Availability	0.00	14.14
11	Add: Sharing of Losses/ (Gains) on O&M expenses	0.00	(1.59)
12	Add: Sharing of Losses/ (Gains) on Interest on Working Capital	0.00	(14.33)
13	Add: Sharing of Losses/ (Gains) on Incentives on Transmission Availability Factor	0.00	(7.07)
14	<b>Total Expenditure</b>	<b>1,881.82</b>	<b>1,791.23</b>
15	Less: Non-Tariff Income	79.25	121.85
16	Less: Income From Other Business (OPGW Cable)	1.03	5.83
17	<b>Net ARR for Transmission</b>	<b>1,801.54</b>	<b>1,663.55</b>
18	Add: Revenue Gap/(Surplus) of FY 2021-22 as approved by BERC Tariff Order dated: 21st March 2023	(80.70)	(80.70)
19	Revenue earned from Transmission Charges	1,720.84	1,720.84
20	<b>Revenue Gap/(Surplus)</b>	<b>(0.00)</b>	<b>(137.99)</b>

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve the Annual Revenue Requirement for Truing-up of FY 2024-25 as shown in the table above.

### 3.18. Revenue Gap / (Surplus) for FY 2024-25

The Hon'ble Commission vide Tariff Order dated 1st March 2024 approved the ARR for FY 2024-25 as Rs. 1,801.54 Crore and revenue surplus for FY 2023-24 along with carrying cost as Rs. 80.70 Crore, which was carried forward to FY 2024-25. Accordingly, the Hon'ble Commission approved Annual Transmission Charges for FY



2024-25 as Rs. 1,720.84 Crore. BSPTCL submits that during FY 2024-25, it has booked revenue of Rs. 1,720.84 Crore as approved by the Hon'ble Commission. Further, based on above submission, BSPTCL has computed the Revenue Gap/ (Surplus) for FY 2024-25 as summarised below.

**Table 3-37: Revenue Gap/(Surplus) of FY 2024-25 (Rs. Cr.)**

Sl. No.	Particulars	FY 2024-25	
		Approved in Tariff Order dated 1st March 2024	Claimed in Truing-up of FY 2024-25
1	Net ARR for Transmission	1,801.54	1,663.55
2	Add: Revenue Gap/ (Surplus) of FY 2021-22 as approved by BERC Tariff Order dated: 1st March 2024	(80.70)	(80.70)
3	Revenue earned from Transmission Charges	1,720.84	1,720.84
4	Revenue (Surplus)	0.00	(137.99)

Therefore, BSPTCL requests the Hon'ble Commission to approve Revenue Surplus as shown in the table above for Truing-up of FY 2024-25.

Further, BSPTCL submits that the Revenue (Surplus) is to be passed on in the ARR and Tariff of FY 2026-27 along with holding cost/ carrying cost.



## **(4) Annual Performance Review (APR) for FY 2025-26**

### **4.1 Background**

BSPTCL has filed Annual Performance Review (APR) for FY 2025-26 as compared to the ARR approved for FY 2025-26 vide Tariff Order dated 28<sup>th</sup> March 2025. The APR is filed in accordance with relevant provisions of MYT Regulations, 2024. Regulation 7 and Regulation 13 of the BERC (Multi Year Transmission Tariff and SLDC Charges) Regulations, 2024 provides for the Annual Performance Review to be undertaken under MYT framework. The relevant extracts 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***

*..... (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....."*

BSPTCL has estimated the APR for FY 2025-26 as per the above principles provided in the MYT Regulations, 2024 and the same is detailed in the following sections.

### **4.2 Transmission Losses**

The Hon'ble Commission vide Tariff order dated 28th March 2025 has approved Transmission Loss in the BSPTCL system at 2.5% for FY 2025-26. BSPTCL submits that it has made best efforts to restrict the Transmission loss within the range approved by the Hon'ble Commission. The following table shows the Transmission Losses for first half of FY 2025-26:



**Table 4-1: Actual Transmission Loss for H1 of FY 2025-26**

Sl. No.	Total Losses in the Transmission system	Current Year FY 2025-26 (upto Sep'25)
1	Total Energy delivered by generating Stations and Inter State / Intra State tie - links at the interface points of the Intra State Transmission system - <b>As received from Energy Accounting</b>	27,577.70
2	Sum of all the energy delivered to the state Distribution System- <b>From energy meter readings in GSS</b>	26,690.46
3	Transmission loss in System (1-2)	887.24
4	<b>Transmission loss in (Transco) system (%)</b> <b>(3/1) x100</b>	<b>3.22%</b>

The voltage level wise Transmission Losses from April 2025 to September 2025 is attached as **Annexure II**.

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve transmission loss in line with the loss approved for the year in the Tariff order. It is further submitted that BSPTCL shall submit the actual Transmission Losses for FY 2025-26 at the time of Truing-up.

#### 4.3 Capital Work in Progress (CWIP) and Capitalization

BSPTCL respectfully submits that the projects claimed herein are either duly approved by the Hon'ble Bihar Electricity Regulatory Commission vide Case No. 17 of 2023 or are proposed for prior regulatory approval through the Petition filed by BSPTCL in Case No. 38 of 2025. Further, BSPTCL has also considered all ongoing projects as approved under the MYT Tariff Order for the Control Period from FY 2023-24 to FY 2025-26.

Further, BSPTCL has projected capital expenditure and capitalization for FY 2025-26 based on the current status of all ongoing projects. The following Table shows the approved and estimated capital expenditure and capitalization considered in APR of FY 2025-26:

**Table 4-2: Capital Expenditure and Capitalization of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2025	Claimed in Truing-up of FY 2024-25
1	Opening CWIP (A)	835.20	2,244.54
2	Investment during the Year (B)	1,682.19	2,196.98
3	Less: Capitalization ('C)	1,109.60	1,495.91
4	Less: IDC (D)	0.00	0.00
5	Closing CWIP (A+B-C-D)	1,407.79	2,945.60

The detailed list of projects, which are expected to be completed & capitalized by March 2026 is provided as **Annexure III**.

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve the Capex and Capitalization for Review of FY 2025-26 as shown in the table above.

#### 4.4 Gross Fixed Asset (GFA)

BSPTCL has considered the closing balance of FY 2024-25 as the opening balance of GFA for FY 2025-26. The following table shows the details of GFA addition estimated for FY 2025-26 and approved GFA vide Tariff Order dated 28th March 2025.

**Table 4-3: Gross Fixed Assets (GFA) of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2024	Claimed in Truing-up of FY 2025-26
1	Opening GFA	14,441.36	15,256.11
2	Add: Addition to GFA from CWIP (excluding IDC)	1,109.60	1,495.91
3	Add: IDC	0.00	0.00
4	Add: Land Cost	0.00	0.00
5	Closing GFA	15,550.95	16,752.02

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the asset addition & closing GFA in revised APR for FY 2025-26.



## 4.5 Depreciation

BSPTCL submits that it has calculated Depreciation in accordance with Regulation 23 (ii) of BERC MYT Regulations, 2024. The relevant extract of the Regulation is as follows:

*".....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, provided that remaining depreciable value as on 31st March of the year closing after a period of 12 years from the effective date of commercial operation of the transmission system and/or SLDC asset shall be spread over the balance useful life of the assets at the rate not exceeding the rate specified by the Central Electricity Regulatory Commission from time to time or as provided in Appendix-III of these Regulations.*

*The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. The Transmission Licensee or SLDC, as the case may be, shall submit separate detail of fully depreciated asset along with year of commissioning and year of attaining ninety percent depreciation with the tariff petition.*

*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. Provided further that the cost of lease hold land shall be amortised evenly within the leased period."*

It is respectfully submitted that the BSPTCL is in the pre-tendering stage for preparation of Fixed Assets Register. Further, in absence of the proper Fixed Assets Register BSPTCL is not in the position to comply with the above regulation.

Therefore, it is requested to the Hon'ble Commission to kindly consider the same and allow time to the BSPTCL for complying with the above regulation.

Above Regulation provides that the rate of depreciation should be considered as specified by the Central Electricity Regulatory Commission. BSPTCL has calculated the weighted average rate of depreciation for APR of FY 2025-26 considering the depreciation rates specified by the Central Electricity Regulatory Commission and detailed in the True-up section of the instant petition.

Accordingly, BSPTCL has considered the weighted average rate of depreciation considered in the truing up of FY 2024-25 for calculating the depreciation for the FY 2025-26.

Further, BSPTCL has also separately computed depreciation on assets created out of Grants/Consumer Contribution/deposit works and adjusted the same in the gross depreciation to arrive at net depreciation for review of FY 2025-26. Details of

depreciation along with the approved figures for FY 2025-26 are as shown in table below:

**Table 4-4: Depreciation for the FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	Depreciable GFA net of Land	12,944.77	13,685.96
2	Addition during the year (excluding IDC)	1,109.60	1,495.91
3	Add: IDC	0.00	0.00
4	Closing GFA	14,054.37	15,181.87
5	Average GFA	13,499.57	14,433.91
6	Weighted average rate of depreciation on opening depreciable GFA	5.18%	4.64%
7	Weighted average rate of depreciation on addition to depreciable GFA	2.65%	2.60%
8	Depreciation	699.94	674.61
9	Opening Grants	2,213.19	2,202.74
10	Grants during the year including deposit works	62.92	106.44
11	Total Grants	2,276.11	2,309.18
12	Weighted average rate of depreciation on opening Grants	5.18%	4.64%
13	Weighted average rate of depreciation on additional Grants	2.65%	2.60%
14	Depreciation on Asset created out of Grants	116.31	105.08
15	<b>Net Depreciation considered for Review</b>	<b>583.65</b>	<b>569.53</b>

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve Depreciation for review of FY 2025-26 as claimed.

#### 4.6 Operation and Maintenance Expenses

Regulation 21 of the BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2024 provides that the Operation and Maintenance (O&M) Expenses shall comprise of the following elements:

- Employee Expenses
- Repair and Maintenance (R&M) Expenses

c) Administrative and General (A&G) Expenses

The relevant extracts are as follows:

*“21. Operation and Maintenance Expenses*

*(a) The Commission shall stipulate a separate trajectory of norms for each of the components of O&M expenses viz., Employee cost, Repair and Maintenance (R&M) expense and Administrative and General (A&G) expense.*

*Provided that such norms may be specified for a specific Transmission Licensee or a class of Transmission Licensees.*

*(b) Norms shall be defined in terms of number of personnel per ckt/km (for different categories of transmission lines for e.g. 400 KV, 220 KV, 132 KV etc. Lines) and number of personal per bay (for different categories of bay for e.g. 400 KV, 220 KV, 132 KV etc. Bays) along with annual expenses per personnel for Employee expenses; combination of A&G expense per personnel and A&G expense per substation for A&G expenses and R&M expense as percentage of gross fixed assets for estimation of R&M expenses.”*

In line with the above provisions, BSPTCL submits the details of O&M expenses under the above heads based on the norms approved by the Hon’ble Commission in the MYT Order dated 28<sup>th</sup> March 2025 and as specified in BERC MYT Regulations, 2024 for consideration & approval of the Hon’ble Commission.

#### 4.6.1. Employee Expenses

The Hon’ble Commission has approved base norms for the control period of FY 2025-26 to FY 2027-28 vide MYT Tariff Order dated 28<sup>th</sup> March 2025.

BSPTCL has considered the same as base norms during FY 2025-26 and escalated it in accordance with the Regulations & methodology adopted by Hon’ble BERC in the past orders to compute Normative Employee Expenses for Review of FY 2025-26. The following Table shows the norms considered for projecting Employee Expenses of FY 2025-26:

**Table 4-5: Base Value considered for Normative Employee Expenses of FY 2025-26**

Sl. No.	Particulars	FY 2025-26 Estimate
1	Number of personnel per Ckt/ Km	0.0741
2	Number of personnel per substation	6.6967
3	Annual expenses per personnel (Rs. Lakh)	12.3355





Further, BSPTCL has estimated transmission lines (Ckt-Km) and number of sub-stations based on actuals and lines/sub-stations projected to be commissioned during the FY 2025-26.

**Table 4-6: Estimated Transmission Lines, No. of Substations and No. of Employee of FY 2025-26**

Sl. No.	Particulars	As on Sept. 2025 (Actual)
1	Transmission Line in Ckt. Km	19,204
2	No. of Sub-stations	164
3	Number of Employees	2,682

BSPTCL respectfully submits that the number of substations has increased marginally from 161 substations in FY 2024-25 to 164 substation in FY 2025-26, whereas the employee strength has increased at a relatively higher rate. The rise in manpower is primarily to address the acute shortage of staff that prevailed in previous years. The utility had been operating with insufficient personnel across critical operational and maintenance functions, which had impacted overall efficiency and reliability. The additional recruitment has therefore been undertaken to rationalize the staffing pattern in accordance with the functional requirements of the existing and expanding transmission network, thereby ensuring safe, reliable, and efficient system operation. However, BSPTCL respectfully submits that it shall seek the actual financial impact due to the increase in employee strength at the time of the True-Up for FY 2025-26.

Further, Regulation 21.1 of MYT Regulations, 2024 provides for escalation of base value norms for consideration of employee expenses. The relevant extracts are as follows:

*“21.1 Employee Cost Employee cost shall be computed as per the approved norm escalated by consumer price index (CPI), adjusted by provisions for expenses beyond the control of the Transmission Licensee and one-time expected expenses, such as recovery/adjustment of terminal benefits, implications of pay commission, arrears and Interim Relief, governed by the following formula:*

$$EMP_n = (EMP_b * CPI \text{ inflation}) + Provision$$

*Where:*

*EMP<sub>n</sub> : Employee expense for the year n*

*EMP<sub>b</sub> : Employee expense as per the norm*



CPI inflation: is the average increase in the Consumer Price Index (CPI) for immediately preceding three years....."

In accordance with the above Regulations, BSPTCL has considered the escalation of CPI indices up to March 2025 and accordingly computed rate of escalation of base year employee expenses. The detail computation are as follows:

**Table 4-7: Computation of CPI inflation considered for FY 2025-26**

Particulars					Estimate
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Annual Average CPI Index	356	378	397	411	
CPI Inflation		6.05%	5.19%	3.38%	4.87%

Based on above submissions, BSPTCL has computed Normative Employee Expenses for FY 2025-26 as tabulated below:

**Table 4-8: Employee Expenses of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	Base Norms	FY 2025-26	
			Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	CPI Inflation		5.46%	4.87%
2	Norms-Number of personnel per ckt. Km	0.074	0.0741	0.0741
3	Norms-Number of personnel per substation	6.697	6.697	6.697
4	Transmission line length in ckt. Km		17,986	19,204
5	No. of Sub-stations		158	164
6	Norms-Annual expenses per personnel (Rs. lakh)	12.336	13.009	12.937
7	Employee cost (Number of personnel per ckt. Km (2*4*6)/100 (Rs. Crore)		173.37	184.10
8	Employee cost (Number of personnel per substation (3*5*6)/100 (Rs. Crore)		137.64	142.08
9	<b>Total Employee cost for the year (7+8)(Rs. Crore)</b>		<b>311.07</b>	<b>326.17</b>

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve Employee Cost for review of FY 2025-26 as shown in the table above.

#### 4.6.2. Repairs and Maintenance Expenses (R&M)

Regulation 21.2 of BERC MYT Regulations, 2024 specifies provisions for computation of R&M expenses. The relevant extract of the Regulation is as follows:

***“21.2 Repairs and Maintenance (R&M) Expense***

*Repairs and Maintenance expense shall be calculated as percentage (as per the norm determined) of Opening Gross Fixed Assets excluding land cost for the year governed by following formula:  
 $R\&M_n = K_b * GFA_n$*

*Where:*

*R&M<sub>n</sub> : Repairs & Maintenance expense for nth year*

*GFA<sub>n</sub> : Opening Gross Fixed Assets for nth year*

*K<sub>b</sub> : Percentage point as per the norm.”*

The Hon’ble Commission vide MYT Tariff Order dated 28<sup>th</sup> March 2025 has approved “K Factor” at 0.50% for each year of the Control Period of FY 2025-26 to FY 2027-28. The R&M expenses for the FY 2025-26 has been computed based on the approved “K Factor” and opening GFA (Net of Land) for the year. The computation of R&M Expenses for review of FY 2025-26 is shown in the table below:

**Table 4-9: R&M Expenses of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	Opening GFA (Net of Land)	12,944.77	13,685.96
2	% of GFA	0.50%	0.50%
3	<b>R&amp;M Expenses on Opening GFA (1*2)</b>	<b>64.16</b>	<b>67.88</b>

Accordingly, the Hon’ble Commission is requested to consider and approve R&M Expenses in APR of FY 2025-26 as claimed by BSPTCL.

#### 4.6.3. Administration and General Expenses (A&G)

The Hon’ble Commission has approved base norms of A&G for the control period of FY 2025-26 to FY 2027-28 vide MYT Tariff Order dated 28<sup>th</sup> March 2025. BSPTCL has considered the same as base norms during FY 2026-27 and escalated it in accordance

with the Regulations & methodology adopted by Hon'ble BERC in the past orders to compute Normative A&G Expenses for FY 2026-27

The following Table shows the norms considered for projecting A&G Expenses of FY 2025-26:

**Table 4-10: Norms considered for Normative A&G Expenses of FY 2025-26**

Sl. No.	Particulars	FY 2025-26
1	A&G Expenses per Personnel (Rs. Lakh)	1.2281
2	A&G Expenses per Sub-station (Rs. Lakh)	14.9331

Regulation 21.3 of BERC MYT Regulations, 2024 provides for escalation of base value norms for consideration of A&G Expenses. The relevant extracts are as follows:

***“21.3 Administrative and General (A&G) Expense***

*A&G expense shall be computed as per the norm escalated by wholesale price index (WPI) and Consumer Price Index (CPI) in the ratio 60:40 and adjusted by provisions for confirmed initiatives (IT etc. initiatives as proposed by the Transmission Licensee and validated by the Commission) or other expected one-time expenses, and shall be governed by following formula:*

$$A\&G_n = (A\&G_b * WPI \text{ inflation}) + Provision$$

*Where:*

*A&G<sub>n</sub>: A&G expense for the year n*

*A&G<sub>b</sub>: A&G expense as per the norm*

*WPI inflation: is the average increase in the Wholesale Price Index (WPI) for immediately preceding three years ...”*

In line with the above provisions, BSPTCL has considered average escalation of CPI and WPI indices with weightage of 40:60 respectively for immediately preceding three years (i.e., FY 2022-23, FY 2023-24 and FY 2024-25) on base norm of A&G expenses to compute Normative A&G Expenses of FY 2025-26.

Further, BSPTCL submits that the change in the WPI during FY 2023-24 was negative. In this regard, Regulation 21 (g) of BERC MYT Tariff Regulations, 2024 provides as follows:

*“Provided that in case the average yearly inflation derived based on the monthly CPI and WPI indices is negative for a particular year, the same will be excluded from the computation of yearly inflation”*

Based on the above regulation, BSPTCL has considered the average WPI inflation during FY 2025-26 as average of WPI for FY 2022-23 and FY 2024-25. The details of the same is shown in the Table below:

**Table 4-11: WPI: CPI inflation considered for A&G Expenses of FY 2025-26**

Particulars	Actual				Estimate
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Annual Average CPI Index	356	378	397	411	
CPI Inflation		6.05%	5.19%	3.38%	4.87%
Annual Average WPI Index	139	153	151	155	
WPI Inflation		9.41%	-0.73%	2.27%	5.84%
WPI : CPI(60:40)					5.45%

Based on above, the following Table shows the computation of A&G expenses for review of FY 2025-26.

**Table 4-12: A&G Expenses of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	Base Value	FY 2025-26	
			Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-2
1	Average annual WPI & CPI Index		6.66%	5.45%
2	Norms-A&G Expenses per personnel	1.2281	1.3132	1.2951
3	Norms-A&G Expenses per substation (Rs. Lakh)	14.9331	15.9668	15.7476
4	No. of Employees		2,954.00	2,682.00
5	No. of Sub-stations		158.00	164.00
6	A&G Expenses (No. of employees) (2*4) (Rs. Crore)		38.80	34.73
7	A&G Expenses (No of substations) (3*5) (Rs. Crore)		25.23	25.83
8	Total A&G Expenses for the year (Rs. Crore) (6+7)		64.02	60.56

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve the A&G Expenses for review of FY 2025-26 as claimed.

#### 4.6.4. Holding Company Expenses

BSPTCL submits that expenses of BSP(H)CL, which is the Holding Company of all the State Utilities and Generating Company, is recovered from its subsidiary Companies.

In line with the methodology adopted in Tariff Order dated 28<sup>th</sup> March 2025, BSPTCL has claimed Holding Company expenses for review of FY 2025-26 on the basis of actual expenses of FY 2024-25. However, BSPTCL also submits that any variation with respect to the submitted expenses shall be claimed in True-up for the year.

**Table 4-13: Holding Company Expenses of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	Holding Company Expenses	24.50	18.35

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve Holding Company Expenses for APR of FY 2025-26 as shown in the table above.

#### 4.6.5. Summary of O&M Expenses of FY 2025-26

Based on above paras, BSPTCL has summarised O&M Expenses for review of FY 2025-26 as follows:

**Table 4-14: Summary of O&M Expenses of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	Employee Expenses	311.07	326.17
2	Repairs and Maintenance Expenses	64.16	67.88
3	Administration and General Expenses	64.02	60.56
4	Holding Company Expenses	24.50	18.35
5	<b>Total Operation and Maintenance Expenses</b>	<b>463.76</b>	<b>472.97</b>

Accordingly, the Hon'ble Commission is requested to approve O&M Expenses in APR of FY 2025-26 as claimed by BSPTCL.

#### 4.7 Means of Finance

Regulation 22 (a) of BERC MYT Regulations, 2024, 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 BERC MYT Regulations, 2024 specifies provisions for loan addition of Normative 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....”

BSPTCL has arrived at the means of finance for the projects in accordance with the above Regulations. Accordingly, BSPTCL submits that for the purpose of funding, it has computed Net Asset expected to be capitalized during FY 2025-26 after deducting the amount estimated to be capitalised on account of grant received from PSDF and Deposit works. Further, BSPTCL has considered the Debt Equity ratio in line with the approach adopted by the Hon’ble Commission in previous Tariff Orders. The scheme wise Debt Equity of capitalised projects of FY 2025-26 for the purpose of Loan and Equity addition is shown in the Table below:

**Table 4-15: Scheme-wise Means of Finance of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26 Estimate
1	Capitalization during FY 2025-26	1,495.91
2	Less: Grant and Deposit Works	106.44
3	Net Capitalization (A)	1,389.47
4	<b>13th Plan Projects</b>	
5	Equity Considered	141.34
6	Debt Considered	360.48
7	<b>New Projects</b>	
8	Equity Considered	177.53
9	Debt Considered	710.12
10	<b>Total Equity addition considered</b>	<b>318.87</b>
11	<b>Total Debt addition considered</b>	<b>1,070.60</b>

Accordingly, BSPTCL requests the Hon’ble BERC to consider and approve the above calculation for Normative Equity and Loan addition for Review of FY 2025-26.





## 4.8 Interest and Finance Charges

BSPTCL has considered the closing balance of normative loan in Truing-up of FY 2024-25 as the normative opening balance of loan for FY 2025-26 and Normative loan addition has been claimed as per the Means of Finance discussed above.

Further, in accordance with Regulation 24(e) of MYT Regulations, 2024 normative repayment of loans has been considered equivalent to Depreciation of FY 2025-26.

The Hon'ble Commission has approved the rate of interest based on the applicable MCLR and the actual loan portfolio for the purpose of truing-up of expenses, and has further adopted the same for approval of the APR and ARR of the respective years in its previous Tariff Orders. BSPTCL has adopted the same methodology to determine the applicable weighted average rate of interest for FY 2025-26 and has considered the same rate of interest as that adopted in the True-Up for FY 2024-25. The details of interest and Finance charges for FY 2025-26 is tabulated below. Further, estimated finance charges for the year are also included to arrive at the total interest & finance charges for the year.

**Table 4-16: Interest and Finance Charges of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	Opening Loan (A)	5,096.78	5,751.08
2	Addition during the year	823.26	1,070.60
3	Normative Repayment (Equal to Depreciation)	583.65	569.53
4	Closing Loan	5,336.38	6,252.15
5	Average Loan	5,216.58	6,001.62
6	Interest Rate (%)	9.15%	9.47%
7	Interest on Loan	477.18	568.30
8	Other Finance Charges	0.01	0.02
9	<b>Interest and Finance Charges (7+8)</b>	<b>477.19</b>	<b>568.32</b>

Accordingly, the Hon'ble Commission is requested to consider and approve the Interest and Finance Charges in APR of FY 2025-26 as claimed by BSPTCL.

## 4.9 Return on Equity

BSPTCL submits that it has calculated RoE in accordance with Regulation 22 of BERC MYT Regulations, 2024, as reproduced below:



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***“22. Return on Equity***

*.....(c) Rate of return on equity shall be not more than 14.0% for all the projects.*

*Provided that, the Capital base attributable to assets Commissioned prior to commencement of control period covered under this regulation shall fetch ROE as per the rate applicable during the period in which the assets got Commissioned”*

Further Clause 2 of Regulation 27 specifies the formula for computation of RoE. The relevant extract of the Regulation is as follows:

***“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.”*

BSPTCL has worked out the Return on Equity as per Regulation 22 of Transmission Tariff Regulations 2024 as mentioned above. The Petitioner submits that the asset base has been divided into two parts; (a) assets that have attained COD on or before 31.03.2025 and (b) assets that have attained COD on or after 01.04.2025. The rate of return on equity has been considered 15.50% for assets that have attained COD on or before 31.03.2025 and 14% for assets that have attained COD on or after 01.04.2025. The Petitioner also submits that the effective MAT rate inclusive of surcharge and cess has been considered at 17.47%. Accordingly, the overall Return on Equity has been worked out for FY 2025-26 as summarised in the table below:

**Table 4-17: Return on Equity of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
	<b>Equity on projects commissioned w.e.f. 1.4.2015</b>		
1	Opening Equity as on 1.4.2015	375.41	375.41
2	Rate of Return on Equity	14.00%	14.00%
3	Tax/MAT rate %	17.47%	17.47%
4	Rate of Return on Equity (Pre-tax)	16.96%	16.96%
5	Return on Equity (1*4)	63.67	63.68
	<b>Equity on projects commissioned after 01.04.2025</b>		
6	Opening Equity	2,415.29	0.00
7	Addition during the year	223.41	318.87
8	Closing Equity (6+7)	2,638.70	318.87
9	Average Equity	2,527.00	159.44
10	Rate of Return on Equity	14.00%	14.00%
11	Tax/MAT rate %	17.47%	17.47%
12	Rate of Return on Equity (Pre-tax)	16.96%	16.96%
13	Return on Equity (9*12)	428.58	27.05
	<b>For assets that have attained COD before 01.04.2025</b>		
14	Opening Equity		2,631.06
15	Equity addition		0.00
16	Closing Equity (14+15)		2,631.06
17	Average Equity ((14+15)/2)		2,631.06
18	Base Rate of Return on Equity%		15.50%
19	Tax on Rate of Return on Equity		17.47%
20	Rate of Return on Equity% (18/(1-19))		18.78%
21	Return on Equity (20*17)		494.15
22	<b>Total Return on Equity (5+13+21)</b>	<b>492.25</b>	<b>584.88</b>

Therefore, BSPTCL requests the Hon'ble Commission to approve the pre-tax Return on Equity for review of FY 2025-26 as shown in the table above.

#### 4.10 Interest on Working Capital

BSPTCL has arrived at the working capital requirement in accordance with Regulation 26 of BERC MYT Regulations, 2024. 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 45 days of annual 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.

Provided that for the purpose of Truing-up for any year, the working capital requirement shall be re-computed on the basis of the values of revised normative Operation & Maintenance expenses and actual Revenue from Transmission Charges as reflected in the Audited Accounts excluding incentive, if any, and other components of working capital approved by the Commission in the Truing-up before sharing of gains and losses.

Less:

- (iv) Return on equity and contribution to contingency reserves equivalent to 45 days.
  - (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, notwithstanding that the transmission licensee and/or SLDC has not taken a loan for working capital from any outside agency 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....."

BSPTCL has arrived at the normative working capital requirement in accordance with the above regulation. Further, BSPTCL has considered the State Bank of India (SBI) one-year MCLR as on 15.09.2025 and added 150 basis point to compute interest rate for Working Capital. The SBI 01-year (tenure) MCLR as on 15.09.2025 is 8.75%. Accordingly, interest rate has been considered as 10.25% (8.75%+1.50%). The computation of weighted average rate of interest is shown in the Table below:

**Table 4-18: Weighted Average Rate of SBI MCLR One Year Tenure**

Particulars	Rate of Interest
SBI MCLR effective from 15 <sup>th</sup> September 2025	8.75%
ADD: 150 Basis Point	1.50%
<b>Interest Rate for Working Capital</b>	<b>10.25%</b>

The calculation of interest on Working Capital as per the principles discussed above is detailed below along with the approved figures for the FY 2025-26.

**Table 4-19: Interest on Working Capital of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	Receivables equivalent to two (2) months of Transmission Charges	221.49	257.07
2	O&M Expenses of one month	38.65	39.41
3	Maintenance spares @ 40% of 1-month R&M expenses	2.14	2.26
4	Less: RoE and Contribution to Contingency Reserve for 2 months	61.53	72.11
	<b>Total Working Capital</b>	<b>200.74</b>	<b>226.64</b>
5	Interest on Working Capital (%)	10.00%	10.25%
6	<b>Interest on Working Capital</b>	<b>20.07</b>	<b>23.23</b>

Therefore, BSPTCL requests the Hon'ble Commission to approve the Interest on Working Capital in APR of FY 2025-26 as shown in the table above.

#### 4.11 Non-Tariff Income

BSPTCL submits that it has considered Non-Tariff Income for FY 2025-26 after escalating 5% on actual NTI of FY 2025-26 as per methodology adopted by Hon'ble Commission in the MYT Order. Any variation in Non-Tariff Income shall be submitted at the time of true-up for FY 2025-26.

The calculation of Non-Tariff Income claimed for review of FY 2025-26 is shown below:

**Table 4-20: Non-Tariff Income of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	Non-Tariff Income of FY 2022-23	108.91	121.85
2	Escalation (%)	5.00%	5.00%
3	Increase	5.45	6.09
4	<b>Non-Tariff Income for the Year</b>	<b>114.35</b>	<b>127.94</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the Non-Tariff Income in review of FY 2025-26 as claimed.

#### 4.12 Income from Other Business (OPGW Cable)

BSPTCL respectfully submits that it has considered the revenue from OPGW Cable at the same level as claimed during truing up of FY 2024-25. However, it will claim any variation in respect of the same based on the audited figures during Truing-up exercise.

**Table 4-21: Sharing of gain from Other Business for the FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	Sharing of Gain from Other Business (OPGW Cable)	4.72	5.83

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the sharing of revenue from other business in review of FY 2025-26 as claimed.

#### 4.13 Aggregate Revenue Requirement of FY 2025-26

Based on the above paras, BSPTCL has summarised Aggregate Revenue Requirement along with approved figures for review of FY 2025-26 as follows.



**Table 4-22: Aggregate Revenue Requirement of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	FY 2025-26	
		Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	<b>O&amp;M expenses (a+ b+ c+ d)</b>	<b>463.76</b>	<b>472.97</b>
	a. Employee cost	311.07	326.17
	b. R&M expenses	64.16	67.88
	c. A&G Expenses	64.02	60.56
	d. Holding Company expenses	24.50	18.35
2	Depreciation	437.74	569.53
3	Interest on Loan Capital	477.19	568.32
4	Interest on Working Capital	20.07	23.23
5	Return on Equity	492.25	584.88
6	Less: Non-Tariff Income	114.35	127.94
7	Less: Income From Other Business (OPGW Cable)	4.72	5.83
8	<b>ARR for Transmission</b>	<b>1,771.94</b>	<b>2,085.16</b>
9	<b>Add: Revenue Gap/(Surplus) of Previous Year</b>	<b>(209.53)</b>	<b>(209.53)</b>
10	<b>Net ARR</b>	<b>1,562.41</b>	<b>1,875.63</b>

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve the Annual Revenue Requirement for review of FY 2025-26 as shown in the table above.

#### 4.14 Revenue Gap/(Surplus) for FY 2025-26

The Hon'ble Commission vide Tariff Order dated 28th March 2025 approved Annual Revenue requirement of Rs. 1,771.94 Crore for FY 2025-26 and surplus of FY 2024-25 along with holding cost as Rs. 209.53 Cr. Accordingly, the Hon'ble Commission approved Annual Transmission Charges for FY 2025-26 as Rs. 1,562.40 Cr. Therefore, BSPTCL has considered the approved transmission charges as above as revenue in APR of FY 2025-26.

**Table 4-23: Revenue Gap/(Surplus) of FY 2025-26 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Claimed in APR FY 2025-26
1	<b>Revised ARR for Transmission</b>	1,771.94	2,085.16
2	<b>Add: Revenue Gap/(Surplus) of FY 2024-25 alongwith Holding Cost</b>	(209.53)	(209.53)
3	Revenue approved in Tariff Order of FY 2025-26	1,562.40	1,562.40
4	<b>Revenue Gap/(Surplus)</b>	<b>0.00</b>	<b>313.23</b>

Accordingly, BSPTCL requests the Hon'ble Commission to consider and approve the Revenue surplus in review of FY 2025-26 as shown in the table above.

In regards to the carry forward/passing of gap/surplus for the year under review, Regulation 13 (f) stipulates that,

*"13. True-Up and Annual Performance Review...*

*... (f) Notwithstanding anything contained in regulation 4 of these Regulations, the Revenue gap/surplus arising out of Truing up shall be considered by the Commission while determining the ARR of ensuing year(s). While approving adjustments towards revenue/expenses in future years, arising out of Truing up exercises, the Commission may allow the carrying costs as determined by the Commission of such expenses/revenues. However, the revised estimated gap/surplus as a result of APR may or may not be passed in the ARR of ensuing year.*

In view of the above regulation and principle adopted by the Hon'ble BERC in previous tariff orders, the Revenue surplus worked out in the APR of FY 2025-26 is not proposed to be passed through in the Tariff for FY 2026-27.



## (5) Annual Revenue Requirement for the FY 2026-27

### 5.1. Background

The Hon'ble BERC has notified its BERC MYT Tariff Regulations, 2024 w.e.f. from 01.04.2025 and shall remain applicable during Control Period of FY 2025-26 to FY 2027-28.

Regulation 11.3 of BERC MYT Regulations, 2024 requires the Transmission Licensee to file an application for approval of Annual Revenue Requirement for the entire Control Period under MYT Tariff Framework. The relevant extracts are as follows:

*"11.3 An application (alongwith 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. ... (Emphasis Added)."*

Accordingly, BSPTCL had computed the ARR for each year of the upcoming Control Period from FY 2025-26 to FY 2027-28 in line with the BERC MYT Tariff Regulations, 2024. The Hon'ble Commission approved the ARR through the Tariff Order dated 28th March 2025. BSPTCL is now filing the revised ARR for FY 2026-27 based on Annual Performance Review for FY 2025-26.

### 5.2. Transmission Losses

The Hon'ble Commission, vide Tariff Order dated 28th March 2025, approved the Transmission Loss in the BSPTCL system at 2.5% for FY 2026-27. BSPTCL is claiming the same Transmission Loss as approved by the Hon'ble Commission, as shown in the table below.

**Table 5-1: Transmission Loss of FY 2026-27**

Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
Transmission Loss (%)	2.50%	2.50%

Therefore, it is requested to kindly approve transmission loss of FY 2026-27 as projected by the BSPTCL. It is further submitted that the BSPTCL shall claim the actual transmission loss at the time of Truing-up exercise for the respective years.



### 5.3. Capital Work in Progress (CWIP) and Capitalization

BSPTCL respectfully submits that the projects claimed herein are either duly approved by the Hon'ble Bihar Electricity Regulatory Commission vide Case No. 17 of 2023 or are proposed for prior regulatory approval through the Petition filed by BSPTCL in Case No. 38 of 2025. Further, BSPTCL has also considered all ongoing projects as approved under the MYT Tariff Order for the Control Period from FY 2023-24 to FY 2025-26. The detailed list of projects expected to be commissioned & capitalized during the FY 2026-27 is attached as **Annexure III**.

BSPTCL has considered the estimated closing CWIP of FY 2025-26 as the opening CWIP for FY 2026-27. The following Table shows the projected capital expenditure and capitalization of FY 2026-27:

**Table 5-2: Capital Expenditure and Capitalization of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Opening CWIP (A)	1,407.79	2,945.60
2	Investment during the Year (B)	1,691.75	2,146.94
3	Less: Capitalization ('C)	994.82	2,030.18
4	Less: IDC (D)	0.00	0.00
5	<b>Closing CWIP (A+B-C-D)</b>	<b>2,104.72</b>	<b>3,062.36</b>

Accordingly, BSPTCL requests the Hon'ble Commission to approve the Capital Expenditure and Capitalization for FY 2026-27 as projected above.

### 5.4. Gross Fixed Asset (GFA)

BSPTCL has considered the opening GFA for FY 2026-27 equal to the closing GFA estimated in APR of FY 2025-26. The addition to GFA is considered based on the estimated capitalisation for the FY 2026-27 as discussed in the above para. The following Table shows the schedule of Gross Fixed Asset as projected for ARR of FY 2026-27:

**Table 5-3: Gross Fixed Assets (GFA) of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Opening GFA	15,550.95	16,752.02
2	Add: Additions to GFA from CWIP (excl. IDC)	994.82	2,030.18
3	Add: IDC	0.00	0.00
4	Add: Land Cost	0.00	0.00
5	<b>Closing GFA</b>	<b>16,545.77</b>	<b>18,782.20</b>

Therefore, it is requested that the Hon'ble Commission may consider and approve the addition and Closing GFA as projected for FY 2026-27.

## 5.5. Depreciation

Regulation 23 (ii) of the BERC MYT Tariff Regulations, 2024 provides as follows:

*".....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, provided that remaining depreciable value as on 31st March of the year closing after a period of 12 years from the effective date of commercial operation of the transmission system and/or SLDC asset shall be spread over the balance useful life of the assets at the rate not exceeding the rate specified by the Central Electricity Regulatory Commission from time to time or as provided in Appendix-III of these Regulations.*

*The residual value of assets shall be considered as 10% and depreciation shall be allowed to a maximum of 90% of the original cost of the asset. The Transmission Licensee or SLDC, as the case may be, shall submit separate detail of fully depreciated asset along with year of commissioning and year of attaining ninety percent depreciation with the tariff petition.*

*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. Provided further that the cost of lease hold land shall be amortised evenly within the leased period."*

It is respectfully submitted that the BSPTCL is in the pre-tendering stage for preparation of Fixed Assets Register. Further, in absence of the proper Fixed Assets Register BSPTCL is not in the position to comply with the above regulation.

Therefore, it is requested to the Hon'ble Commission to kindly consider the same and allow time to the BSPTCL for complying with the above regulation.



In view of the above submissions, BSPTCL has considered the weighted average rate of depreciation considered in the APR of FY 2025-26 for calculating the depreciation for the FY 2026-27.

Further, BSPTCL has also separately computed depreciation on assets created out of Grants/Consumer Contribution/deposit works and adjusted the same in the gross depreciation to arrive at net depreciation for review of FY 2026-27. Details of depreciation along with the approved figures for FY 2026-27 are as shown in table below:

**Table 5-4: Depreciation for the FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Value of GFA net of Land	14,054.37	15,181.87
2	Addition during the year (excluding land and IDC)	994.82	2,030.18
3	Add: IDC	0.00	0.00
4	Closing GFA	15,049.19	17,212.05
5	Average GFA	14,551.77	16,196.96
6	Weighted average rate of depreciation on opening depreciable GFA	5.18%	4.64%
7	Weighted average rate of depreciation on addition to depreciable GFA	2.65%	2.60%
8	Depreciation	754.46	758.00
9	Opening Grants	2,276.11	2,309.18
10	Grants during the year	0.00	0.00
11	Total Grants	2,276.11	2,309.18
12	Average Grants	2,276.11	2,309.18
13	Weighted average rate of depreciation on opening Grants	5.18%	4.64%
14	Weighted average rate of depreciation on additional Grants	2.65%	2.60%
15	Depreciation on Asset created out of Grants	117.94	107.25
16	<b>Net Depreciation considered in ARR (9-15)</b>	<b>636.52</b>	<b>650.75</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the Depreciation for the FY 2026-27 as shown in the above table.



## 5.6. Operation and Maintenance Expenses

Regulation 21 of the BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2024 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

The relevant extracts are as follows:

*"21. Operation and Maintenance Expenses*

*(a) The Commission shall stipulate a separate trajectory of norms for each of the components of O&M expenses viz., Employee cost, Repair and Maintenance (R&M) expense and Administrative and General (A&G) expense.*

*Provided that such norms may be specified for a specific Transmission Licensee or a class of Transmission Licensees.*

*(b) Norms shall be defined in terms of number of personnel per ckt/km (for different categories of transmission lines for e.g. 400 KV, 220 KV, 132 KV etc. Lines) and number of personal per bay (for different categories of bay for e.g. 400 KV, 220 KV, 132 KV etc. Bays) along with annual expenses per personnel for Employee expenses; combination of A&G expense per personnel and A&G expense per substation for A&G expenses and R&M expense as percentage of gross fixed assets for estimation of R&M expenses."*

In line with the above provisions, BSPTCL submits the details of O&M expenses under the above heads based on the norms approved by the Hon'ble Commission in the MYT Order dated 28<sup>th</sup> March 2025 and as specified in BERC MYT Regulations, 2024 for consideration & approval of the Hon'ble Commission.

### 5.6.1. Employee Expenses

The Hon'ble Commission has approved base norms for the control period of FY 2025-26 to FY 2027-28 vide MYT Tariff Order dated 28th March 2025.

BSPTCL has considered the approved base norms for the control period of FY 2025-26 to FY 2027-28 vide MYT Tariff Order dated 28th March 2025 and escalated it in accordance with the Regulations & methodology adopted by Hon'ble BERC in the past orders to compute Normative Employee Expenses for FY 2026-27. The following Table shows the norms considered for projecting Employee Expenses for FY 2026-27:

**Table 5-5: Base Value considered for Normative Employee Expenses of FY 2026-27**

Sl. No.	Particulars	FY 2026-27 Projections
1	Number of personnel per ckt. km (55%)	0.0741
2	Number of personnel per substation (45%)	6.6967
3	Annual expenses per personnel (Rs. Lakh)	12.3355

BSPTCL has considered the escalation on the above base value norms for computing the Normative Employee Expenses for FY 2026-27. Further, BSPTCL has considered the transmission line length (in Ckt. Km) and the number of substations as per actuals as on September 2025. The number of employees for FY 2026-27 has been estimated based on anticipated retirements and planned recruitments during the year.

BSPTCL respectfully submits that the employee strength has increased primarily to address the acute manpower shortage that persisted in previous years. The utility had been operating with inadequate staff across key operational areas, which had adversely impacted the efficiency and reliability of system operations. The additional manpower has therefore been engaged to align staffing levels with the functional requirements of the existing transmission network and to ensure its safe, reliable, and efficient operation. However, BSPTCL respectfully submits that it shall seek the actual financial impact due to the increase in employee strength at the time of the True-Up for FY 2026-27.

The details of Projected Transmission Lines, number of Substations and number of Employee for FY 2026-27 are provided in the following Table:

**Table 5-6: Projected Transmission Lines, No. of Substations and No. of Employee for FY 2026-27**

Sl. No.	Particulars	As on Mar, 2026 (Projected)
1	Transmission Line in ckt. Km	19,204
2	No. of sub-stations	164
3	No. of employees	2,805

Further, Regulation 21.1 of BERC MYT Regulations, 2024 specifies that the employee cost shall be computed as per the approved norms escalated by average increase in CPI for immediately preceding three years. The relevant excerpt of the regulation is as follows:



"21.1 Employee Cost Employee cost shall be computed as per the approved norm escalated by consumer price index (CPI), adjusted by provisions for expenses beyond the control of the Transmission Licensee and one-time expected expenses, such as recovery/adjustment of terminal benefits, implications of pay commission, arrears and Interim Relief, governed by the following formula:

$$EMP_n = (EMP_b * CPI \text{ inflation}) + Provision$$

Where:

$EMP_n$  : Employee expense for the year  $n$

$EMP_b$  : Employee expense as per the norm

CPI inflation: is the average increase in the Consumer Price Index (CPI) for immediately preceding three years....."

In accordance with the above Regulations, BSPTCL has considered the increase in the CPI indices up to March 2025 and accordingly computed rate of escalation of base year employee expenses. The detail computation are as follows:

**Table 5-7: Computation of CPI Inflation considered for FY 2026-27**

Particulars	Actual				Projected
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2026-27
Annual Average CPI Index	356	378	397	411	
CPI Inflation		6.05%	5.19%	3.38%	4.87%

BSPTCL has considered the escalation on the base value norms of Annual expenses per personnel as per methodology adopted by the Hon'ble Commission in its previous tariff orders.

In line with above submissions, the following Table shows the computation of Normative Employee Expenses of FY 2026-27:





**Table 5-8: Employee Expenses of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Average annual CPI Inflation	5.46%	4.87%
2	Norms-Number of personnel per ckt. Km	0.0741	0.0741
3	Norms-Number of personnel per substation	6.6967	6.6967
4	Transmission line length in ckt. Km	17,986.000	19,204
5	No. of Sub-stations	158.000	164
6	Norms-Annual expenses per personnel (Rs. lakh)	13.7184	13.5673
7	Employee cost (Number of personnel per ckt. Km (2*4*6)/100 (Rs. Crore)	182.88	193.07
8	Employee cost (Number of personnel per substation (3*5*6)/100 (Rs. Crore)	145.15	149.00
9	<b>Total Employee cost for the year (7+8) (Rs. Crore)</b>	<b>328.05</b>	<b>342.07</b>

Accordingly, the Hon'ble Commission is requested to consider and approve the Normative Employee Expenses as claimed in the above table for FY 2026-27.

### 5.6.2. Repairs and Maintenance Expenses (R&M)

Regulation 21.2 of MYT Regulations, 2024 specifies provisions for computation of R&M expenses, the relevant extract of the Regulation is as follows:

#### *"21.2 Repairs and Maintenance (R&M) Expense*

*Repairs and Maintenance expense shall be calculated as percentage (as per the norm determined) of Opening Gross Fixed Assets excluding land cost for the year governed by following formula:  
 $R\&M_n = K_b * GFAn$*

*Where:*

*R&M<sub>n</sub> : Repairs & Maintenance expense for nth year*

*GFAn : Opening Gross Fixed Assets for nth year*

*K<sub>b</sub> : Percentage point as per the norm."*

The Hon'ble Commission vide MYT Tariff Order dated 28<sup>th</sup> March 2025 has approved "K Factor" at 0.50% for each year of the Control Period of FY 2025-26 to FY 2027-28. The R&M expenses for the FY 2026-27 has been computed based on the approved "K Factor" and opening GFA (Net of Land) for the year. The computation of R&M Expenses for review of FY 2026-27 is shown in the table below.

**Table 5-9: R&M Expenses of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28 <sup>th</sup> March 2025	Projected in ARR FY 2026-27
1	Opening GFA (net of Land)	14,054.37	15,181.87
2	% on GFA	0.50%	0.50%
3	<b>R&amp;M Expenses on Opening GFA (1*2)</b>	<b>69.66</b>	<b>75.30</b>

Therefore, BSPTCL requests the Hon'ble Commission to approve the R&M Expenses for FY 2026-27 as claimed in the table above.

### 5.6.3. Administration and General Expenses (A&G)

The Hon'ble Commission has approved base norms of A&G for the control period of FY 2025-26 to FY 2027-28 vide MYT Tariff Order dated 28<sup>th</sup> March 2025. BSPTCL has considered the same as base norms during FY 2026-27 and escalated it in accordance with the Regulations & methodology adopted by Hon'ble BERC in the past orders to compute Normative A&G Expenses for FY 2026-27

The following Table shows the norms considered for projecting A&G Expenses of FY 2026-27:

**Table 5-10: Base Value considered for Normative A&G Expenses of FY 2026-27**

Sl. No.	Particulars	FY 2026-27 Projection
1	A&G Expenses per personnel (Rs. Lakh)	1.2281
2	A&G Expenses per sub-station (Rs. Lakh)	14.9331

BSPTCL has considered the escalation on the above base value norms for computing A&G expenses for FY 2026-27. Regulation 21.3 of the BERC MYT Regulations, 2024 provides for escalation of base value norms for consideration of A&G Expenses. The relevant extracts are as follows:

Regulation 21.3 of BERC MYT Regulations, 2024 provides for escalation of base value norms for consideration of A&G Expenses. The relevant extracts are as follows:

***“21.3 Administrative and General (A&G) Expense***

*A&G expense shall be computed as per the norm escalated by wholesale price index (WPI) and Consumer Price Index (CPI) in the ratio 60:40 and adjusted by provisions for confirmed initiatives (IT etc. initiatives as proposed by the Transmission Licensee and validated by the Commission) or other expected one-time expenses, and shall be governed by following formula:*

$$A\&G_n = (A\&G_b * WPI \text{ inflation}) + Provision$$

*Where:*

*A&G<sub>n</sub>: A&G expense for the year n*

*A&G<sub>b</sub>: A&G expense as per the norm*

*WPI inflation: is the average increase in the Wholesale Price Index (WPI) for immediately preceding three years ...”*

In line with the above provisions, BSPTCL has considered average escalation of CPI and WPI indices with weightage of 40:60 respectively for immediately preceding three years (i.e., FY 2022-23, FY 2023-24 and FY 2024-25) on base norm of A&G expenses to compute Normative A&G Expenses of FY 2026-27.

Further, BSPTCL submits that the change in the WPI during FY 2023-24 was negative. In this regard, Regulation 21 (g) of BERC MYT Tariff Regulations, 2024 provides as follows:

*“Provided that in case the average yearly inflation derived based on the monthly CPI and WPI indices is negative for a particular year, the same will be excluded from the computation of yearly inflation”*

Based on the above regulation, BSPTCL has considered the average WPI inflation during FY 2026-27 at same level as computed during FY 2025-26. The details of the same is shown in the Table below:



**Table 5-11: WPI: CPI inflation considered for A&G Expenses of FY 2026-27**

Particulars	Actual				Projected
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2026-27
Annual Average CPI Index	356	378	397	411	
CPI Inflation		6.05%	5.19%	3.38%	<b>4.87%</b>
Annual Average WPI Index	139	153	151	155	
WPI Inflation		9.41%	-0.73%	2.27%	<b>4.34%</b>
WPI : CPI (60:40)					<b>4.55%</b>

BSPTCL has computed A&G expenses in accordance with Regulation 21.3 of BERC MYT Tariff Regulations, 2024 considering the base norms & escalation factor as discussed above. The calculation of A&G expenses is provided in the following table:

**Table 5-12: A&G Expenses of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Average annual WPI & CPI Index	0.0692	4.14%
2	Norms-A&G Expenses per personnel	1.4041	1.3657
3	Norms-A&G Expenses per substation (Rs. Lakh)	17.0721	16.6065
4	No. of Employees	3,193.00	2,805
5	No. of Sub-stations	158.00	164
6	A&G Expenses (No. of employees) (2*4) (Rs. Crore)	44.83	38.31
7	A&G Expenses (No of substations) (3*5) (Rs. Crore)	26.97	27.23
8	<b>Total A&amp;G Expenses for the year (Rs. Crore) (6+7)</b>	<b>71.81</b>	<b>65.54</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the A&G Expenses for the ensuing years as claimed.

#### 5.6.4. Holding Company Expenses

BSPTCL submits that BSP(H)CL, which is the Holding Company of all the State Utilities and Generating Company, recovers its expenses from its subsidiary Companies. BSPTCL is claiming holding expenses separately in line with the methodology adopted by the Hon'ble Commission.



In absence of Norms, BSPTCL has claimed Holding Company expenses of FY 2026-27 on the basis of actual expenses incurred in FY 2024-25 and has not claimed any escalation in Holding Expenses. Further, any variation with respect to the Holding Company Expenses shall be claimed in Truing up of the respective years.

**Table 5-13: Holding Company Expenses of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Holding Company Expenses for FY 2024-25	24.50	18.35
2	Inflationary Increase	0.00	0.00
3	<b>Holding Company Expenses</b>	<b>24.50</b>	<b>18.35</b>

Therefore, BSPTCL requests the Hon'ble Commission to approve the Holding Company Expenses as claimed in the above table for FY 2026-27.

#### 5.6.5. Summary of O&M Expenses

Based on above details, BSPTCL has summarised the O&M expenses claimed in ARR of FY 2026-27 as shown in the Table below:

**Table 5-14: Summary of O&M Expenses of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Employee Expenses	328.05	342.07
2	Repairs and Maintenance Expenses	69.66	75.30
3	Administration and General Expenses	71.81	65.54
4	Holding Company Expenses	24.50	18.35
5	<b>Total Operation and Maintenance Expenses</b>	<b>494.02</b>	<b>501.27</b>

Therefore, BSPTCL requests the Hon'ble Commission to approve the Operation and Maintenance Expenses as claimed in the above table for FY 2026-27.

#### 5.7. Means of Finance

Regulation 22 (a) of MYT Regulations, 2024, provides that:

*"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) specifies as under:

“(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....”

BSPTCL has arrived at the means of finance for the projects in accordance with the above Regulations. Accordingly, BSPTCL submits that for the purpose of funding, it has computed Net Asset expected to be capitalized during FY 2026-27 after deducting the amount estimated to be capitalised on account of grant received from PSDF and Deposit works. Further, BSPTCL has considered the Debt Equity ratio in line with the approach adopted by the Hon’ble Commission in previous Tariff Orders.

The details of the Debt Equity addition for the FY 2026-27 is shown in the Table below:

**Table 5-15: Means of Finance of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	FY 2026-27 Projections
1	Gross Capitalization	2,030.18
2	Less: Deposit Work and Grants	0.00
3	Net Capitalization	2,030.18
4	<b>New Projects for the Control Period of FY 2025-26 to FY 2027-28</b>	
5	Equity Considered	406.04
6	Debt Considered	1,624.14
7	<b>Total</b>	
8	<b>Total Equity addition Considered</b>	<b>406.04</b>
9	<b>Total Debt addition Considered</b>	<b>1,624.14</b>

Accordingly, The Hon’ble Commission is requested to consider and approve the Normative Equity and Loan addition for FY 2026-27.

## 5.8. Interest and Finance Charges

BSPTCL has considered normative opening balance of loan for FY 2026-27 equal to the closing balance of normative loan considered in APR of FY 2025-26. Normative Loan addition has been considered as the per means of finance computed above. Further, the rate of interest has been considered same as that claimed for the Truing up of Expenses for the FY 2024-25 and Review of FY 2025-26. Accordingly, BSPTCL has computed Interest and Finance Charges of FY 2026-27 as shown in the following Table:





**Table 5-16: Interest and Finance Charges of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Opening Loan	5,336.38	6,252.15
2	Addition during the year	791.85	1,624.14
3	Normative Repayment (Equal to Depreciation)	636.52	650.75
4	Closing Loan	5,491.71	7,225.54
5	Average Loan	5,414.06	6,738.85
6	Interest Rate (%)	9.15%	9.47%
7	Interest on Loan	495.24	638.11
8	Other Finance Charges	0.01	0.02
9	<b>Interest and Finance Charges (7+8)</b>	<b>495.25</b>	<b>638.13</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the Normative Interest on Loan and Finance Charges for FY 2026-27 as shown in the table above.

## 5.9. Return on Equity

BSPTCL has calculated RoE in accordance with Regulation 22 of MYT Regulations, 2024, as reproduced below:

### *"22. Return on Equity*

.....(c) Rate of return on equity shall be not more than 14.0% for all the projects.

*Provided that, the Capital base attributable to assets Commissioned prior to commencement of control period covered under this regulation shall fetch ROE as per the rate applicable during the period in which the assets got Commissioned"*

Further Clause 2 of Regulation 27 specifies the formula for computation of RoE. The relevant extract of the Regulation is as follows:

### *"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*





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*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."*

BSPTCL has worked out the Return on Equity as per Regulation 22 of Transmission Tariff Regulations 2024 as mentioned above. The Petitioner submits that the asset base has been divided into two parts; (a) assets that have attained COD on or before 31.03.2025 and (b) assets that have attained COD on or after 01.04.2025. The rate of return on equity has been considered 15.50% for assets that have attained COD on or before 31.03.2025 and 14% for assets that have attained COD on or after 01.04.2025. The Petitioner also submits that the effective MAT rate inclusive of surcharge and cess has been considered at 17.47%. Accordingly, the overall Return on Equity has been worked out for FY 2026-27 as summarised in the table below:



**Table 5-17: Return on Equity of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
	<b>Equity on projects commissioned w.e.f.1.4.2015</b>		
1	Opening Equity as on 1.4.2015	375.41	375.41
2	Rate of Return on Equity	14.00%	14.00%
3	Tax/MAT rate %	17.47%	17.47%
4	Rate of Return on Equity (Pre-tax)	16.96%	16.96%
5	Return on Equity (1*4)	63.68	63.68
	<b>Equity on projects commissioned after 01.04.2025</b>		
6	Opening Equity	2,638.70	318.87
7	Addition during the year	202.97	406.04
8	Closing Equity (6+7)	2,841.68	724.91
9	Average Equity	2,740.19	521.89
10	Rate of Return on Equity	14.00%	14.00%
11	Tax/MAT rate %	17.47%	17.47%
12	Rate of Return on Equity (Pre-tax)	16.96%	16.96%
13	Return on Equity (9*12)	464.83	88.53
	<b>For assets that have attained COD before 01.04.2025</b>		
14	Opening Equity		2,631.06
15	Equity addition		0.00
16	Closing Equity (14+15)		2,631.06
17	Average Equity ((14+15)/2)		2,631.06
18	Base Rate of Return on Equity%		15.50%
19	Tax on Rate of Return on Equity		17.47%
20	Rate of Return on Equity% (18/(1-19))		18.78%
21	Return on Equity (20*17)		494.15
22	<b>Total Return on Equity (5+13+21)</b>	<b>528.41</b>	<b>646.37</b>

Therefore, the Hon'ble Commission is requested to approve the Return on Equity as shown in the above table for FY 2026-27.

#### 5.10. Interest on Working Capital

BSPTCL has computed the working capital requirement in accordance with Regulation 26 of MYT Regulations, 2024, 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 45 days of annual 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.*

*Provided that for the purpose of Truing-up for any year, the working capital requirement shall be re-computed on the basis of the values of revised normative Operation & Maintenance expenses and actual Revenue from Transmission Charges as reflected in the Audited Accounts excluding incentive, if any, and other components of working capital approved by the Commission in the Truing-up before sharing of gains and losses.*

*Less:*

- (iv) Return on equity and contribution to contingency reserves equivalent to 45 days.*
  - (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, notwithstanding that the transmission licensee and/or SLDC has not taken a loan for working capital from any outside agency 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.....”*

In accordance with above provisions, BSPTCL has considered State Bank of India (SBI) one-year MCLR as on 15<sup>th</sup> September, 2025 and added 150 basis point to compute the applicable interest rate for Working Capital. The SBI 01-year (tenure) MCLR as on 15<sup>th</sup> September 2025 is 8.75%. Accordingly, interest rate has been considered as 10.25% (8.75%+1.50%).

Accordingly, BSPTCL has projected the interest on working capital for ARR of FY 2026-27, as tabulated below:

**Table 5-18: Interest on Working Capital of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Receivables equivalent to two (2) month of transmission charges	236.46	286.28
2	O&M Expenses of one month	41.17	41.77
3	Maintenance spares @ 40% of 1-month R&M expenses	2.32	2.51
4	Less: RoE and Contribution to Contingency Reserve for 2 months	66.05	79.69
5	<b>Total Working Capital</b>	<b>213.90</b>	<b>250.87</b>
6	Interest on Working Capital (%)	10.00%	10.25%
7	<b>Interest on Working Capital</b>	<b>21.39</b>	<b>25.71</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the Interest on Working Capital for FY 2026-27 as projected.

#### 5.11. Non-Tariff Income

BSPTCL submits that it has considered the Non-Tariff Income for FY 2026-27 by escalating estimated NTI for FY 2025-26 by 5% as per the methodology adopted by Hon'ble Commission in the MYT Order. Any variation in Non-Tariff Income shall be submitted at the time of truing up exercise of the respective year. The calculation of Non-Tariff Income claimed for FY 2026-27 is shown below:

**Table 5-19: Non-Tariff Income of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Non-Tariff Income of FY 2025-26	114.35	127.94
2	Escalation (in %)	5%	5%
3	Increase (in Rs. Cr.)	5.72	6.40
4	<b>Non-Tariff Income for the Year</b>	<b>120.07</b>	<b>134.34</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the Non-Tariff Income as computed in the table above for FY 2026-27.

#### 5.12. Income from Other Business (OPGW Cable)

BSPTCL submits that it has considered the sharing of Income from OPGW Cable for FY 2026-27 at the same level of truing up of FY 2024-25. However, any variation in

Income from other business shall be submitted at the time of truing up exercise of the respective year. The details of sharing of Income from Other Business claimed for FY 2026-27 is shown below:

**Table 5-20: Sharing of gain from Other Business for the FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	Sharing of Gain from Other Business (OPGW Cable)	4.72	5.83

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the sharing of gain derived from other business as computed in the table above for FY 2026-27.

### 5.13. Aggregate Revenue Requirement

Based on the discussions made in previous sections of this Chapter, BSPTCL has summarised the Aggregate Revenue Requirement for Transmission Business for FY 2026-27, as shown in the Table below:

**Table 5-21: Aggregate Revenue Requirement of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	Projected in ARR FY 2026-27
1	<b>O&amp;M expenses (a+ b+ c+ d)</b>	<b>494.02</b>	<b>501.27</b>
	a. Employee cost	328.05	342.07
	b. R&M expenses	69.66	75.30
	c. A&G Expenses	71.81	65.54
	d. Holding Company expenses	24.50	18.35
2	Depreciation	477.39	650.75
3	Interest on Loan Capital	495.25	638.13
4	Interest on Working Capital	21.39	25.71
5	Return on Equity	528.41	646.37
6	Less: Non-Tariff Income	120.07	134.34
7	Less: Income From Other Business (OPGW Cable)	4.72	5.83
8	<b>Net ARR</b>	<b>1,891.67</b>	<b>2,322.06</b>

Accordingly, the Hon'ble Commission is requested to consider and approve the ARR as claimed by BSPTCL for FY 2026-27.



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## **(6) Annual Transmission Charges**

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### **6.1. Trued-up Revenue Gap/ (Surplus) of FY 2026-27**

BSPTCL has computed the Net Revenue Gap/(Surplus) in the preceding section for the True-Up of FY 2024-25. In addition to this, and in accordance with the Judgment published by the Hon'ble Appellate Tribunal for Electricity (APTEL) on 10th October 2025 in Appeal No. 59 of 2022, BSPTCL has claimed an incentive amount of Rs. 6.02 crore in FY 2017-18. In line with the provisions of the BERC (Multi Year Transmission Tariff) Regulations, 2024, BSPTCL has adjusted the Trued-up Surplus of FY 2024-25 along with the holding cost in the ARR for FY 2026-27 and an incentive amount of Rs. 6.02 crore along with the applicable carrying cost in the ARR for FY 2026-27. The following table presents the Revenue Surplus considered by BSPTCL after computing the carrying cost as per the methodology adopted by the Hon'ble Commission in its previous Tariff Orders.:



**Table 6-1: Revenue Gap/(Surplus) of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Amount (Rs. Crore)
<b>1</b>	<b>Incentive due to transmission availability for FY 2017-18</b>	6.02
a.	Interest for FY 2017-18 [(SBI MCLR +1.50%) @ 12.6%] for 6 months	0.38
b.	Interest for FY 2018-19 [(SBI MCLR +1.50%) @12.2%]] for 1 year	0.73
c.	Interest for FY 2019-20 [(SBI MCLR +1.5%) @9.66%] for 1 months	0.58
d.	Interest for FY 2020-21 [(SBI MCLR +1.5%) @8.55%] for 1 months	0.51
e.	Interest for FY 2021-22 [(SBI MCLR +1.5%) @8.5%] for 1 months	0.51
f.	Interest for FY 2022-23 [(SBI MCLR +1.5%) @9.30%] for 1 months	0.56
g.	Interest for FY 2023-24 [(SBI MCLR +1.5%) @10.07%] for 1 months	0.61
h.	Interest for FY 2024-25 [(SBI MCLR +1.50%) @ 10.38%] for 1 months	0.63
i.	Interest for FY 2025-26 [(SBI MCLR +1.50%) @10.25%]] for 1 year	0.62
j.	Interest for FY 2026-27 [(SBI MCLR +1.5%) @10.25%] for 6 months	0.31
	<b>Total incentive due to transmission availability for FY 2017-18 with carrying cost/interest (1)</b>	<b>11.46</b>
<b>2</b>	<b>Revenue Surplus in True Up of 2024-25</b>	<b>(137.99)</b>
a.	Interest for FY 2024-25 [(SBI MCLR +1.50%) @ 10.38%] for 6 months	(7.16)
b.	Interest for FY 2025-26 [(SBI MCLR +1.50%) @10.25%]] for 1 year	(14.14)
c.	Interest for FY 2026-27 [(SBI MCLR +1.5%) @10.25%] for 6 months	(7.07)
	<b>Total (shortfall)/surplus in True Up of 2024-25 with carrying cost/interest (2)</b>	<b>(166.36)</b>
<b>3</b>	<b>Total Gap/(Surplus) to be adjusted in ARR of FY 2026-27 (1+2)</b>	<b>(154.91)</b>

Therefore, BSPTCL requests the Hon'ble Commission to consider and approve the Revenue (Surplus) along with Holding Cost as computed above.





Further, BSPTCL submits that it has also computed Revenue Surplus in APR of FY 2025-26 as detailed in the previous section of the instant petition. However, in accordance with the provisions of MYT Regulations, 2024 and principle adopted by the Hon'ble BERC in previous tariff orders, BSPTCL has not adjusted the same in the ARR of FY 2026-27.

## 6.2. Net Aggregate Revenue Requirement

Based on above submission, BSPTCL has computed Net Aggregate Revenue Requirement for FY 2026-27. The details of Net ARR for FY 2026-27 are as follows:

**Table 6-2: Net Aggregate Revenue Requirement of FY 2026-27 (Rs. Cr.)**

Sl. No.	Particulars	Approved in Tariff Order dated 28th March 2025	FY 2026-27 Projection
1	Net ARR considered for FY 2026-27	1,891.67	2,322.06
2	Less: Revenue Surplus of FY 2024-25 along with Holding cost	0.00	(154.91)
3	<b>Annual Transmission Charges for FY 2026-2 (1+2)</b>	<b>1,891.67</b>	<b>2,167.15</b>

Accordingly, BSPTCL requests the Hon'ble Commission to allow the proposed Annual Transmission Charges for the FY 2026-27 and pass such orders for recovery of the same.

## 6.3. Methodology of Recovery of ARR

Regulation 33 and 34 specifies the procedure for recovery of Annual Transmission Charges, as reproduced below:

### *"33. Annual Transmission Charges (ATC)*

*33.1 The annual Transmission charges of the transmission system shall be computed on annual basis, in accordance with norms contained in these regulations, aggregated as appropriate, and recovered on monthly basis as transmission charge from the users.*

*33.2 The Transmission charge (inclusive of incentive/29disincentive) for AC system payable for a calendar month shall be:*

$$ARR \times (NDM/NDY) \times (TAFM/NATAF)$$

Where;

$$NATAF = 98\%$$



NDM = Number of days in the month

NDY = Number of days in the year

TAFM = Transmission System availability factor for the month, in percent computed in accordance with Appendix-II.

### **34. Sharing of charges for Intra-State Transmission Network**

34.1 The Aggregate Revenue Requirement of the Transmission Licensee, as approved by the Commission, shall be shared by all long-term users and medium-term users of the transmission system on monthly basis in the ratio of their respective contracted transmission capacities to the total contracted transmission capacity, in accordance with the following formula:

$$TC_n = (\text{Transmission ARR net of incentive/disincentive}) \times (NDM/NDY) \times CC_n/SCC$$

Where,

$TC_n$  = transmission charges for the month payable by the  $n$ th long-term user or medium-term user of the transmission system;

Transmission ARR = Aggregate Revenue Requirement of the Transmission Licensee, determined in accordance with Regulation 68 of these Regulations;

$CC_n$  = capacity contracted in MW by the  $n$ th long-term user or medium-term user of the transmission system during the month;

SCC = sum of capacities contracted in MW by all long-term users and medium-term users of the transmission system during the month;

NDM=Number of days in the month

NDY=Number of days in the year

Provided that the  $TC_n$  shall be payable on monthly basis by each long-term user or medium-term user of the transmission system and shall be collected by the State Transmission Utility (STU)."

In accordance with the above Regulation, BSPTCL requests the Hon'ble Commission to permit BSPTCL to recover the Annual Transmission Charges in 12 monthly instalments, subject to achievement of normative transmission availability of 98%.

For the purpose of determination of Transmission Charges, BSPTCL has allocated the proposed Annual Transmission Charges between NBPDC/ SBPDCL and Railways based on the Maximum Projected Load during FY 2026-27. The Details of expected maximum projected load of NBPDC, SBPDCL and Railways during FY 2026-27 are provided in the following table:



**Table 6-3: Maximum Projected Load during FY 2026-27 (in MW)**

Sl. No.	Particulars	Contracted Capacity (MW)
1	North Bihar Power Distribution Company Limited	4,405
2	South Bihar Power Distribution Company Limited	5172
3	<b>Total DISCOMs</b>	<b>9577.00</b>
4	Railway	170
5	<b>Total DISCOMs+ Railway</b>	<b>9747.00</b>

BSPTCL submits that it has considered the Maximum Projected load for computation of Transmission Charges for the FY 2026-27.

#### 6.4. Transmission Charges for NBPDC and SBPDCL

BSPTCL has bifurcated the total ARR based on the maximum projected load of individual long-term consumers. The combined maximum load of NBPDC and SBPDCL is considered as detailed in above para. Accordingly, the Monthly Transmission Charges of BSPTCL is proposed to be recovered from both the Distribution Companies is as follows:

**Table 6-4: Transmission Charges for NBPDC and SBPDCL (Rs. Cr.)**

Sl. No.	Particulars	FY 2026-27 Projection
1	Annual Transmission Charges for FY 2026-27 (Rs. Crore)	2,167.15
2	Total Maximum Projected Load (in MW)	9,747.00
3	<b>Total Maximum Load of NBPDC and SBPDCL</b>	<b>9,577.00</b>
4	Annual Transmission Charges to be levied to NBPDC and SBPDCL (Rs. Crore)	2,129.36
5	Monthly Transmission Charges to be levied to NBPDC and SBPDCL (Rs. Crore)	<b>177.45</b>

Accordingly, the Hon'ble Commission is requested to allow BSPTCL to recover monthly Transmission Charges from NBPDC and SBPDCL as computed in the table above in proportion to the power sharing ratio, subject to target availability.

#### 6.5. Transmission Charges for Railways

BSPTCL has bifurcated the total ARR based on the maximum projected load of individual long-term open access consumers. The maximum load of Railway is considered at 175 MW based on contracted capacity. Accordingly, the Monthly Transmission Charges of BSPTCL to be recovered from Railways is as follows:

**Table 6-5: Transmission Charges for Railways (Rs. Cr.)**

Sl. No.	Particulars	FY 2026-27 Projection
1	Annual Transmission Charges for FY 2026-27 (Rs. Crore)	2,167.15
2	Total Maximum Projected Load (in MW)	9,747.00
3	<b>Total Contracted Capacity of Railways</b>	<b>170.00</b>
4	Annual Transmission Charges to be levied to Railways (Rs. Crore)	37.80
5	<b>Monthly Transmission Charges to be levied to Railways (Rs. Crore)</b>	<b>3.15</b>

Therefore, the Hon'ble Commission is requested to allow BSPTCL to recover monthly Transmission Charges from Railways as computed in the table above, subject to target availability.

#### 6.6. Transmission Charges for Short Term Open Access Consumers

BSPTCL has determined Short Term Open Access charges in accordance with the methodology adopted by the Hon'ble Commission in the previous Tariff Order.

Transmission Charges payable by Short Term Open Access Consumer shall be determined by the following formula.

$$\text{Transmission Charges} = \text{ATC} / (\text{PLST} \times 8760)$$

Where,

ATC = Annual Transmission Charges arrived for FY 2025-26 for BSPTCL in Rs. Crore

PLST = Peak Load Projected to be served by the State Transmission System. "

Accordingly, BSPTCL has computed Transmission Charges for Short Term Open Access Consumers as follows:

**Table 6-6: Transmission Charges for Short Term Open Access Consumers (Rs./MWh)**

Sl. No.	Particulars	FY 2026-27 Projection
1	Annual Transmission Charges for FY 2026-27 (Rs. Crore)	2,167.15
2	Total Maximum Projected Load (in MW)	9,752.00
3	<b>Transmission Charges for Short Term Open Access Consumer (Rs./MWh)</b>	<b>253.68</b>



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**Further, BSPTCL submits that the Transmission Charges for Short Term Open Access consumers shall be payable on the basis of energy actually scheduled for short-term transactions.**



## **(7) Prayers**

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BSPTCL 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 Orders with respect to the True-up of ARR for FY 2024-25 under BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2021, APR for FY 2025-26, Annual Revenue Requirement (MYT ARR) for the Control Period for FY 2026-27 and Tariff Proposal for FY 2026-27 according to applicable provisions under BERC (Multi-Year Transmission Tariff and SLDC Charges) Regulations, 2024;
- d. To kindly pass through the difference in the cost estimates submitted in this Petition and actual Awarded cost discovered after the tender processing through competitive bidding, as the variation is beyond the control of BSPTCL.
- e. Approve Open Access Charges in Tariff Order of BSPTCL which is to be recovered from open access consumers.
- f. In accordance with the Judgment published by the Hon'ble APTEL on 10th October 2025 in Appeal No. 59 of 2022, approve the incentive amount of Rs. 6.02 crore in FY 2017-18 along with the applicable carrying cost in the ARR for FY 2026-27.
- g. Permit to propose suitable changes to the respective True-up/ APR/ ARR, prior to the final approval by the Hon'ble Commission;
- h. 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;
- i. Pass desired impact of issues raised by BSPTCL in appeals & review along with carrying cost in ensuing Tariff Order in case the appeals & review are ruled in favour of BSPTCL;





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

## (8) Compliance to Directives

The Hon'ble Commission in Tariff Order dated 28<sup>th</sup> March 2025, had issued certain directives to BSPTCL. This Chapter deals with the compliance status of directives for compliance and implementation by the Petitioner.

### Directive 1: Energy Auditing and Transmission Loss

#### Hon'ble Commission's direction:

*"The Commission directed the Petitioner to maintain and submit state energy accounting on monthly basis and also to incorporate the monthly state energy account details in the annual accounts year on year.*

*BSPTCL has appended the month-wise state energy account to the petition. The audited accounts depict quantitative details of transmission loss for the year; however, the month-wise energy account details are not incorporated. The Commission reiterates the directive and directs the petitioner to incorporate the month-wise energy account details in annual accounts, for certification by the auditor."*

#### Compliance Status and Actions

BSPTCL submits that it has maintained month wise state energy accounts and the same has been annexed as **Annexure-V**. Further, BSPTCL also submits that it has incorporated State Energy Accounting details in Annual Accounts.

### Directive 2: Maintenance of Asset / Property Register

#### Hon'ble Commission's direction:

*"The Commission had directed the BSPTCL to maintain asset/property register showing details of nature of equipment, value of equipment, details of land, extent of land, buildings etc., and shall submit the details along with tariff petition to be filed every year.*

*BSPTCL submitted that the tender for Engagement of the Agency for Identification, Historical Cost Determination, Preparation of Fixed Assets Register and Tagging of tendering is likely to be done shortly.*

*In view of the above, the Petitioner requested the Commission to consider & allow appropriate time for finalization & submission of FAR of BSPTCL.*

*The Commission has been directing the petitioner to submit asset register year on year from FY 2014-15 onwards and the reply furnished in this regard is unjustifiable*

and unsatisfactory. Due to non-compliance, the Commission has reduced depreciation charges accordingly.

The Commission has noted that tender process has not been completed by the Petitioner. The Commission again directs the Petitioner to submit the property register showing all the particulars along with subsequent tariff petition for truing up for FY 2024-25 without fail, constrained to it the Commission may deduct higher percentage of depreciation from the ARR including ARR. A status report on preparation of FAR may be furnished periodically."

### **Compliance Status and Actions**

BSPTCL submits that the Board of Directors (BoD), in its 119th meeting held on 25.03.2025, accorded approval for the preparation and maintenance of a consolidated Fixed Asset Register (FAR) for BSPHCL and its subsidiary companies, including BSPTCL and SLDC, to be undertaken by the Project Department of NBPDC.

NBPDC has initiated the tender process for the preparation of the Fixed Asset Register for BSPHCL and its subsidiary entities, vide NIT No. 83/PR/NBPDC/2025 dated 21.07.2025, pursuant to which two bids have been received. At present, the bid evaluation process is under progress, and BSPTCL shall expedite the preparation of the FAR upon finalisation and appointment of the contractor.

### **Directive 3: Meters at interface points of BSPTCL & BGCL**

#### **Hon'ble Commission's direction:**

"The Commission directed BSPTCL to take joint meter readings at all the interface points with BGCL/DISCOMs. BSPTCL shall prepare joint protocol with DISCOMs/BGCL for meter calibration/accuracy and meter reading so that the transmission loss in the system can be properly calculated and mismatch in transmission loss reporting is avoided. The Commission also directed to submit Monthly report to the Commission every month. BSPTCL had earlier submitted that the representatives of BSPTCL and BGCL have agreed on joint meter readings and any issues/discrepancies arising from the same would be resolved by senior officers of BGCL and BSPTCL jointly. In this regard, regular meetings between representatives of BSPTCL and BGCL are being held. BSPTCL has submitted the month-wise report of state energy account for FY 2023-24 in its Petition. The Commission has noted the action taken, however, has observed that month wise energy account is not authenticated jointly by BSPTCL, BGCL and Discom. The Commission again directs the petitioner to take joint meter readings at the interface points with BGCL/DISCOMs and authenticated (duly signed by the competent authority of BSPTCL, BGCL and Discoms). Monthly report shall be submitted to the Commission every month."



### **Compliance Status and Actions**

BSPTCL submits that it has maintained month wise report of State Energy Account and the same has been annexed as **Annexure- VII** (submitted in soft copy).

### **Directive 4: Auxiliary Consumption and Electricity Charges**

#### **Hon'ble Commission's direction:**

*"The transmission licensees are directed to take separate electric connection from Distribution licensee for use of electricity within the Grid substation and for recording the electricity charges towards colony consumption and to furnish the details of auxiliary consumption and colony consumption in the prescribed format vide tariff order dated March 7, 2018.*

*In compliance to this directive, BSPTCL submitted that BSPTCL has obtained 203 No. of meters from DISCOM for auxiliary consumption of the Grid Sub-stations. Further, BSPTCL has also applied for new meter connection for newly constructed 03 No. of GSS and 03 No. of existing GSS. Further, out of 150 No. of GSS, only 72 No. of GSS have colonies for BSPTCL employees. However, all individual houses of the colonies have obtained separate meters from DISCOMs for metering own consumption.*

*The Commission has noted the compliance. The Commission directs the Petitioner to regularly monitor the auxiliary consumption and keep it within the specified limit/level."*

### **Compliance Status and Actions**

BSPTCL is regularly monitoring the auxiliary consumption of all Grid Sub-stations and ensuring that it remains within the prescribed limits as directed by the Hon'ble Commission.

### **Directive 5: Standalone Accounting Statement**

#### **Hon'ble Commission's direction:**

*"BSPTCL was directed to prepare separate books of accounts for Transmission Business and SLDC Business and submit for tariff proceedings of subsequent year onwards duly audited and certified by the Statutory auditor.*

*the Petitioner submitted that BSPTCL prepares joint annual accounts for BSPTCL and SLDC. The Commission, earlier, has determined tariff/charges for SLDC considering the allocation statement of expenses and income. Accordingly, allocation statement of expenses is submitted duly certified by the Statutory Auditor.*

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*The Commission has noted the compliance and reiterates the directive."*

### **Compliance Status and Actions:**

BSPTCL submits that joint Annual Accounts (annexed as **Annexure-I**) for BSPTCL and SLDC have been prepared for FY 2024-25 wherein the allocation of expenses and income of BSPTCL and SLDC is duly certified by the Statutory Auditor.

Previously, the Hon'ble Commission has determined tariff/charges for SLDC considering the allocation statement of expenses and income.

Accordingly, BSPTCL requests the Hon'ble Commission to consider allocation statement for truing up.

### **Directive 6: Submission of Peak and Average Loading of Transmission Elements**

#### **Hon'ble Commission's direction:**

*"BSPTCL was directed to submit details of peak and average loading of transmission lines and substations on quarterly basis. BSPTCL had submitted the information on average as well as peak loading of various 220 kV, 132 kV and 33 kV sub-stations for FY 2023-24 & 1st half of FY 2024-25. The Commission reiterates the directive to submit the data regularly to the Commission"*

### **Compliance Status and Actions:**

BSPTCL submits that it has maintained the quarterly data of Peak and Average Loading of Transmission Elements and the same has been annexed as **Annexure - VI**.

### **Directive 7: Regulatory Accounting**

#### **Hon'ble Commission's direction:**

*"BSPTCL was directed to prepare and submit the Regulatory Accounts as per BERC (Power Regulatory Accounting) Regulations 2018 in the next tariff proceeding. No action is taken by the utility till to date from the date of notification of regulations.*

*BSPTCL submitted that the process of preparation of Regulatory Accounts shall be taken up after implementation of SAP/ERP system. The same reply was filed in the last tariff Petition also.*

*The reply furnished by the utility is not tenable and highly objectionable. The Commission reiterates the directive for compliance for true-up of FY 2024-25 failing which appropriate action as per rules may be initiated."*

### **Compliance Status and Actions:**

In compliance with the directives of the Hon'ble BERC Order dated 28.03.2025, BSPTCL prepared and finalized the draft tender document for "Appointment of External Agency for Preparation of Regulatory Accounts".

However, with the announcement of the Bihar Assembly Elections 2025, the Model Code of Conduct (MCC) came into force across the State. As per Election Commission guidelines, issuance and finalization of new tenders during MCC require prior approval of the Chief Electoral Officer, Bihar. Accordingly, BSPTCL has already submitted a formal request through the Energy Department seeking such permission. The matter is presently under consideration, and approval is awaited.

BSPTCL assures that immediately upon receipt of approval or cessation of MCC (expected by 20.11.2025), the tender process will be initiated without delay. The delay is purely procedural and beyond BSPTCL's control.

### **Directive 8: Transmission losses reporting/computation:**

#### **Hon'ble Commission's direction:**

*"BSPTCL submitted that the transmission loss is calculated by SLDC considering the data from ABT meters installed on LV side of 33 kV transformers, whereas, the Discoms said to consider the data from feeder meters. It was reported that meters for more than half the feeders are yet to be installed and BSPTCL is in the process of installation of meters on unmetered feeders. In the absence of complete feeder metering and meter readings on LV side of transformers there are errors in computation transmission losses.*

*The Commission directed the BSPTCL to prepare and maintain the energy account on monthly basis depicting the following details;*

- a. Energy input in to the state transmission system/network of BSPTCL.*
- b. Energy input in to the state transmission system/network of BGCL.*
- c. Energy input in to the transmission network of BSPTCL from BGCL network.*
- d. Energy input in to the transmission network of BSPTCL at 220kV (source-wise).*
- e. Energy input in to the transmission network of BSPTCL at 132kV (source-wise).*
- f. Energy input into the BSPTCL network before the Discoms input/interface metering point.*
- g. Transmission losses in the BSPTCL transmission network.*



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- h. Joint meter readings of all interface points relating to input of BSPTCL network and output at BSPTCL and input interface points of Discoms network shall be furnished duly authenticated by the BSPTCL, BGCL and Discoms as the case may be.
- i. The metering arrangement shall be made as per the CEA installation and operation of meters regulations 2006 and its amendments thereof.”
- BSPTCL has submitted the information (monthly BSPTCL loss) in tariff petition (Annexure-IX of the Petition). The Commission has noted the compliance and directed the Petitioner to report the transmission loss as per above on monthly basis during the ensuing year”

### **Compliance Status and Actions**

BSPTCL submits the required information as **Annexure-VIII**.