



UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Petition No. 2143 of 2024

Filed by

ROSA POWER SUPPLY COMPANY LIMITED (RPSCL)

IN THE MATTER OF

**TRUING UP OF TARIFF FOR 4X300 MW ROSA THERMAL POWER PLANT FOR
STAGE-I AND STAGE-II FOR CONTROL PERIOD FY 2019-20 TO FY 2023-24**

Lucknow

Dated: 02.08.2026



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Petition No. 2143 of 2024

BEFORE

THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Date of Order: 02.06.2026

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

IN THE MATTER OF: Petition under Regulation 16 of UPERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2019 read with Section 61, Section 62 and Section 86 of Electricity Act, 2003 seeking approval of truing up of Capital Expenditure and Tariff for the Control Period FY 2019-20 to FY 2023-24.

AND

IN THE MATTER OF

Rosa Power Supply Company Limited (RPSCL),

Reliance Centre, Ballard Estate, Mumbai, Maharashtra- 400001

.... **Petitioner**

VERSUS

Uttar Pradesh Power Corporation Limited (UPPCL),

Shakti Bhawan, 14-Ashok Marg, Lucknow-226001

.... **Respondent**

FOLLOWING WERE PRESENT

1. Shri Hemant Sahai, Advocate, UPPCL
2. Shri Nitish Gupta, Advocate, UPPCL
3. Ms. Nipun Sharma, Advocate, UPPCL
4. Ms. Varnika Tyagi, Advocate, UPPCL





5. Shri Manish Dwivedi, CE-PPA, UPPCL
6. Shri Anil Kumar, SE-PPA, UPPCL
7. Sh. Dharm Ratna, AE, UPPCL
8. Shri Venkatesh, Advocate, RPSCL
9. Shri Suhael Buttan, Advocate, RPSCL
10. Shri Nikunj Bhatnagar, Advocate, RPSCL
11. Shri Sumeet Notani, Ad. V.P., RPSCL
12. Shri Siddhant Shekhawat, GM, RPSCL

ORDER

(Date of Hearing: 30.04.2026)

1. BACKGROUND AND PROCEDURAL HISTORY

1.1. Background

- 1.1.1. The Petitioner, Rosa Power Supply Company Limited (hereinafter referred to as "RPSCL" or "the Petitioner"), is a Generating Company within the meaning of Section 2 (28) of the Electricity Act, 2003 ("the Act"), and is a wholly owned subsidiary of Reliance Power Limited. The Petitioner has established a coal-based thermal power station with an installed capacity of 1200 MW, comprising two stages—Stage I and Stage II (each consisting of 2x300 MW units)—located at Rosa in District Shahjahanpur, Uttar Pradesh (hereinafter referred to as "Rosa TPP" or "the Project"). The entire capacity of the Project is contracted with the Respondent, Uttar Pradesh Power Corporation Limited (hereinafter referred to as "UPPCL" or "the Respondent"), through Long Term Power Purchase Agreements duly approved by the Uttar Pradesh Electricity Regulatory Commission (hereinafter referred to as "the Commission" or "UPERC").
- 1.1.2. All four units of the Project are presently operational. The unit-wise Commercial Operation Dates (CODs) as approved by the Commission and the actual CODs achieved are as under:

Table 1: Timelines approved by the Commission and the Actual COD

Units & Capacity (MW)	Timelines Approved by the Commission	Actual COD
Stage I:		
Unit 1 (300MW)	31.03.2010	12.03.2010





Units & Capacity (MW)	Timelines Approved by the Commission	Actual COD
Unit 2 (300 MW)	30.06.2010	30.06.2010
Stage-II:		
Unit 1 (300 MW)	31.03.2012	01.01.2012
Unit 2 (300 MW)	31.07.2012	01.04.2012

- 1.1.3. The Petitioner has entered into a Power Purchase Agreement (PPA) dated 12.11.2006 with Uttar Pradesh Power Corporation Limited (UPPCL) for supply of 600 MW capacity from Stage I, which was duly approved by the Commission vide Orders dated 02.02.2006, 01.11.2006 and 08.11.2006.
- 1.1.4. Subsequently, a Supplementary PPA (SPPA) and an Amendment to the SPPA (ASPPA) were executed with UPPCL on 11.09.2009 and 19.11.2011, respectively, for supply of 300 MW each from Unit I and Unit II of Stage II, pursuant to approval granted by the Commission vide Orders dated 15.06.2009 (for SPPA) and 22.12.2011 (for ASPPA).
- 1.1.5. The Commission, vide Order dated 17.05.2010 in Petition No. 660 of 2010, had approved provisional tariff for Unit 1 of Stage -I which was applicable for the period in between COD of Unit-1 & Unit-2. After CoD of Unit 2, the final tariff was approved by the Commission vide its Order dated 28.03.2011 for Stage -I for period from FY 2009-10 to FY 2013-14. The Commission, vide its Order dated 21.05.2012, provisionally approved fixed charge for Stage -II same as Stage-I for FY 2011-12 & 2012 13.
- 1.1.6. Subsequently, Petitions No. 967 of 2014, 968 of 2014 and 1016 of 2015 were filed by the Petitioner seeking truing up of tariff for 600 MW Rosa TPP Stage I for FY 2009-10 to FY 2013-14, fixation of tariff for 600 MW Rosa TPP Stage II for FY 2011-12 to FY 2013-14, and fixation of tariff for 4 × 300 MW Rosa TPP for Stage I and Stage II for the Control Period FY 2014-15 to FY 2018-19, respectively. The Commission, vide Order dated 22.08.2017 in the aforesaid Petitions, approved the truing up of Stage I for FY 2009-10 to FY 2013-14, tariff of Stage II for FY 2011-12 to FY 2013-14 and MYT for FY 2014-15 to FY 2018-19 of Rosa TPP. The Commission, vide Order dated 25.02.2022, trued-up the tariff in Petition No. 1529 of 2019 for FY 2014-15 to FY 2018-19.
- 1.1.7. Thereafter, the Petitioner filed Petition No. 1849 of 2022 seeking review of the True-up Order dated 25.02.2022 on aspects such as computation of Interest on Working Capital (IoWC) and Debt: Equity ratio approved by the Commission.



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Further, UPPCL filed Petition No. 1851 of 2022 seeking review of the True-up Order, inter alia, in respect of truing up of O&M expenses for FY 2014-15 to FY 2018-19 and carrying cost. The Commission vide order dated 11.01.2023 disposed of these Petition with revision of true up amount.

- 1.1.8. The Commission passed Order dated 16.05.2023 (hereinafter referred to as the "MYT Order") in the Petition No. 1578 of 2020 and approved MYT tariff for the Control Period FY 2019-20 to FY 2023-24.
- 1.1.9. The Petitioner had sought review of the Order dated 16.05.2023, passed in MYT Petition No. 1578 of 2020, to the extent that RPSCL was not required to seek UPPCL's consent for the Additional- Capital expenditure incurred for Lagoon 1 (2 raising). As per the Petitioner, CLE Pvt. Ltd: did not qualify as a related party to RPSCL within the conditions as envisaged under Section 2 (76) or Section 2(6) of the Companies Act, 2013 which pertain to related party. Further, the Work Order was placed to CLE Pvt. Ltd. when Tariff Regulations 2014 were in force and in fact the entire payment was also made before the notification of Tariff Regulations, 2019.
- 1.1.10. The Commission dismissed the Review Petition vide Order dated 02.05.2024, holding that the grounds for review had already been appropriately dealt with in the MYT Order dated 16.05.2023 and that there was no error apparent on the face of the record.

1.2. Regulatory Framework

- 1.2.1. Section 61 of the Electricity Act, 2003 deals with Tariff Regulations. Section 62(1) of the Act provides that the Appropriate Commission shall determine the tariff under the provisions of the Act, inter alia for the supply of electricity by a generating company to a distribution licensee. Further, under Section 86(1)(a) of the Act, the Commission determines the tariff for the generation of power at stations owned by the UPRVUNL. Section 86(1)(b) further mandates the Commission to regulate the electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies.
- 1.2.2. Accordingly, the Commission issued the Uttar Pradesh Electricity Regulatory Commission (Terms and Condition of Generation Tariff) Regulations, 2004 which





were applicable for FY 2005-06 to FY 2007-08. Such regulations were extended for FY 2008- 09 as well. The Commission notified the Uttar Pradesh Electricity Regulatory Commission (Terms and Condition of Generation Tariff) Regulations, 2009 for the control period of FY 2009-10 to FY 2013-14.

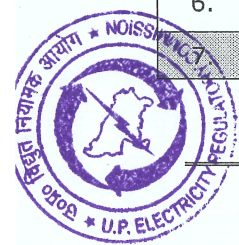
- 1.2.3. Subsequently, the Commission notified the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations 2014 which came into effect from 01.04.2014 for the control period of FY 2014-15 to FY 2018-19.
- 1.2.4. Further, on 11.09.2019 the Commission notified UPERC (Terms and Conditions of Generation Tariff) Regulations, 2019, vide Notification No. UPERC/Secy/Generation Regulations, 2019/343A, for the control period of FY 2019-20 to FY 2023-24. Further, the Commission on 31.08.2022 notified the First Amendment of UPERC (Terms and Conditions of Generation Tariff Regulations), 2019, vide Notification No. UPERC/Secy./ Generation Regulations, 2022/370 Lucknow dated 31.08.2022.

1.3. RPSCL's Petition Seeking Truing Up of Capital Expenditure and Tariff for the Control period from FY 2019-20 to FY 2023-24

- 1.3.1. RPSCL has filed instant Petition No. 2143 of 2024 on 02.12.2024 seeking approval of truing up of the Capital Expenditure and Tariff for the Control Period FY 2019-20 to FY 2023-24 under the UPERC Generation Tariff Regulations, 2019.
- 1.3.2. RPSCL has submitted following True-up summary for FY 2019-24 control period for consideration:

Table 2: Summary of AFC submitted by Petitioner for True-up for FY 2019-24 (Rs. Crore)

S. No.	Power Station	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Depreciation	369.03	370.54	370.32	370.32	364.09
2.	Interest on Loan	206.21	171.79	158.13	81.81	45.88
3.	Return on Equity	250.37	251.06	251.75	251.75	251.75
4.	Interest on Working Capital	104.39	97.54	91.27	90.82	103.97
5.	O&M Expenses including water charges	334.60	346.50	358.38	371.38	384.47
6.	Application Fee and Statutory Charges	0.34	2.66	0.55	0.19	0.40
	Total Fixed Charges	1,264.95	1,240.10	1,230.40	1,166.28	1,150.56



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1.4. Petitioner's Prayer

1.4.1. The Petitioner has prayed the following:

- a) Admit the Present Petition;
- b) Approve Addition Capital Expenditure on Ash Dyke bund raising for Lagoon-1 (2nd Raising) in accordance with the Regulation 20(2)(vi) of UPERC Generation Tariff Regulations, 2019;
- c) Additional Capital Expenditure for Side Stream Filtration System in accordance with the Regulation 20(2)(vii) of UPERC Generation Tariff Regulations, 2019; and,
- d) Approve Truing up of Annual Fixed Charges for the Control Period FY 2019-20 to FY 2023-24;
- e) Provide the workable excel model used by the Commission for approval of Truing up; and
- f) Condone any shortcomings in the petition and allow the Petitioner to submit additional information as may be required by the Commission at a later stage.

1.5. Preliminary scrutiny of the Petition

1.5.1. The Commission conducted the preliminary scrutiny of the Petition and vide letter UPERC/Secy./D(G)/2025-1516 dated 29th January 2025, sought preliminary data gaps/information /details. Further, after receiving the response dated 14th February 2025 vide letter reference number ROSA/UPERC/2024-25/TU007 from the Petitioner, the Commission sought additional missing information/data vide letter UPERC/Secy./D(G)/2025-087 dated 28th April 2025.

1.6. Record of Proceedings:

1.6.1. The Petition was taken up for hearing by the Commission on 20.05.2025, 29.07.2025, 25.09.2025, 04.11.2025, 08.01.2026 and 30.04.2026.

1.6.2. During the hearing on 20.05.2025. The Commission had allowed six (06) weeks to the Respondent and the Petitioner to file its reply and thereafter three (03) weeks' time to the Petitioner for filing of the rejoinder. The Respondent submitted its reply on 08.07.2025 and the Petitioner submitted its rejoinder on





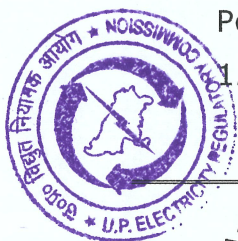
25.07.2025. During the hearing on 29.07.2025, the Commission postponed the hearing on UPPCL's request. UPPCL submitted additional affidavit on 23.09.2025.

1.6.3. During the hearing on 25.09.2025, Sh. Sumeet Notani, representative of RPSCL, submitted that UPPCL had filed an additional submission in response to RPSCL's rejoinder and requested the Commission for two weeks to file its reply. In response to a specific query of the Commission, Sh. Nitish Gupta, counsel for UPPCL, submitted that RPSCL in its rejoinder had submitted the new documents on the contentious issue of additional capitalization, which was impermissible in law, therefore, UPPCL may be allowed to file additional submission. The Commission accepted the Petitioner's request and permitted an additional two weeks for filing of its reply. RPSCL filed its additional submission on 03.11.2025.

1.6.4. During the next hearing held on 04.11.2025, the Commission expressed its displeasure over the delayed filing of the response by RPSCL and observed that unless submissions were filed at least 3 working days prior to the hearing date, henceforth, the matter would accordingly be deferred to another date.

1.6.5. The next hearing on 08.01.2026 was adjourned by the Commission at the request of the representative of RPSCL.

1.6.6. During the final hearing held on 30.04.2026 Shri Venkatesh, Counsel of RPSCL, highlighted that both ash-dyke raisings were undertaken simultaneously under a 2017 contract, but the UPERC Generation Tariff Regulations, 2019 required prior consent for related-party contracts, which could not be obtained retrospectively. UPPCL's counsel contended that the issue has already been conclusively decided during MYT and review stages, with the "related party" aspect attaining finality. Any reconsideration of those arguments was now barred by the principle of res judicata. In response, the petitioner's counsel argued that the awarded entity should not be treated as a related party under the Companies Act, 2013, and that res judicata applies only to binary decisions, urging the Commission to allow partial recovery of the additional expenditure. After hearing the submission of both the parties, the Commission directed the parties to file their written submission in a week and reserved order. The Petitioner and the respondent filed their written submissions on 15.6.2026 and 12.06.2026 respectively.





1.6.7. The issue raised by the UPPCL and RSPCL have been captured in Section 2.3, while dealing with each tariff component individually.

2. TRUING UP FOR FY 2019-20 TO FY 2023-24

2.1. Previous Orders of the Commission

2.1.1. The Annual Fixed Charges (AFC) for the control period FY 2019-24 approved in the MYT order dated 16.05.2023 by the Commission is tabulated as under:

Table 3: Summary of AFC approved by the Commission in MYT Order dated 16.05.2023 for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Return on Equity	250.37	250.37	250.37	250.37	250.37
2.	Interest on Loan	199.82	162.32	125.16	84.24	40.54
3.	Depreciation	372.88	372.88	372.88	372.88	372.88
4.	O&M Expenses	332.88	344.52	356.64	369.12	382.08
5.	Interest on Working Capital	103.43	103.46	103.52	103.53	103.47
6.	Annual Fixed Charges	1259.38	1233.56	1208.58	1180.14	1149.34
7.	Ex-bus energy Sent out @ 85% PLF (MU)	8198.11	8175.71	8175.71	8175.71	8198.11
8.	Fixed charges per unit (Rs./kWh)	1.54	1.51	1.48	1.44	1.40
9.	Energy Charge (Rs./kWh)	2.85	2.85	2.85	2.85	2.85

2.2. Approach of this Order

2.2.1. The UPERC Generation Tariff Regulations, 2019 provides the following for True Up:

"16. Truing up of Capital Expenditure and tariff for the period 2019-24:

(1) The Commission shall carry out Truing up exercise along with the tariff Petition filed for the next tariff period, for the following, after prudence check.:

(a) Capital Expenditure including Additional Capital Expenditure incurred up to 31.03.2024.

(b) Capital Expenditure including Additional Capital Expenditure incurred up to 31.03.2024, on account of uncontrollable factors.

(2) The generating company shall make an Application, in hard and soft copy in specified formats as per Appendix II to these Regulations, for carrying out

Truing up exercise in respect of the generating station or any of its units or block of units thereof by 30.11.2024.

(3) The generating company shall submit for the purpose of Truing up, details of Capital Expenditure and additional capital expenditure incurred duly audited and certified by the Auditors.





Provided the Commission may appoint a separate independent auditor who, under the supervision of the Commission, shall undertake technical and financial audit of the generating station at any time.

(4) Where after the Truing up, if the tariff recovered exceeds the tariff approved by, the Commission under these Regulations, the generating company shall refund to the Beneficiaries, the excess amount so recovered along with simple interest at the rate equal to the Bank Rate prevailing as on 1st April of the relevant Year.

(5) Where after the Truing up, if the tariff recovered is less than the tariff approved by the Commission under these Regulations, the generating company shall recover from the Beneficiaries, the under-recovered amount along with simple interest at the rate equal to the Bank Rate, prevailing as on 1st April of the relevant Year.

(6) The amount under-recovered or over-recovered, along with simple interest at the rate equal to the Bank Rate as on 1st April of the relevant Year, shall be recovered or refunded by the generating company, in six equal monthly installments starting within three months from the date of the tariff Order issued by the Commission after the truing up exercise."

2.2.2. First Amendment of Generation Tariff Regulations, 2019 issued with Notification dated 31.08.2022 has following provisions with regard to true up:

"16 (2) The generating company shall make an Application in hard and soft copy in specified format as per Appendix II to these Regulations, for carrying out Truing up exercise in respect of the generating station or any of its units or block of units thereof by 30.11.2024.

Provided that in case of truing up application along with requisite documents is not submitted within timeline i.e., by 30.11.2024; no carrying cost / interest shall be allowed to the generating company for the under-recovered amount during the True-up period. However, in case of over recovered amount during the True-up period and delayed filing of True-up application along with requisite documents, the surplus amount with carrying cost / interest shall be recovered in terms of Regulation 16(4) along with surplus amount."

2.3. Truing up of RPSCL TPP for FY 2019-20 to FY 2023-24

2.3.1. The Commission, in the instant matter, has determined the True-Up for FY 2019-24 in accordance with the UPERC Generation Tariff Regulations, 2019, and the MYT Order dated 16.05.2023 (Petition No. 1578 of 2020) of ROSA TPP for FY 2019-24. In this regard, the Commission has considered the replies submitted by UPPCL (dated 08.07.2025 and 23.09.2025), the rejoinders submitted by RPSCL (dated 25.07.2025 and 03.11.2025), response to the data gaps queries raised by the Commission and written submission dated 12.06.2026 & 15.06.2026 filled by the UPPCL and RSPCL respectively.





2.3.2. The Petitioner filed the Truing-up Petition on 02.12.2024. However, in terms of the Generation Tariff Regulations, 2019 and the amendments thereto, the truing-up petition, along with all requisite information and supporting documents, was required to be submitted by 30.11.2024 for the purpose of claiming carrying cost. The Commission notes that true up petition had been filed on 02.12.2024 which was first working day after 30.11.2024. Accordingly, considering the nugatory delay, the Commission deems it appropriate to admit the claim for carrying cost in accordance with the applicable regulatory provisions.

A. Additional capitalization

2.3.3. The Petitioner has submitted the following Additional Capitalization in the Petition:

Table 4: Additional Capitalization submitted by the Petitioner for FY 2019-24 (Rs. Crore)

S. No.	Particular	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
A.	Additional Capitalization for raising of bund for Lagoon-1 (2 nd raising)	0.00	19.49	0.00	0.00	0.00
B.	Additional Capitalization for Side Stream Filtration System	0.00	11.08	0.00	0.00	0.00
C.	Total Additional Capitalization Claimed	0.00	30.57	0.00	0.00	0.00

Ash Dyke Bund Raising for Lagoon-1 (2nd Raising)

2.3.4. The Petitioner has submitted that Ash Pond works are of continuous nature during the operational life of the plant and require periodic capacity enhancement, and that raising of ash dyke falls within Regulation 20(2)(v) and (vi) of the UPERC Generation Tariff Regulations, 2019 relating to deferred works of ash pond/ash handling system and raising of ash dyke as part of ash disposal system. It is submitted that the Ash Dyke has been in operation since 2010 and the capacity of Lagoon-1 and Lagoon-2 was exhausted by March 2016; therefore, to avoid impact on plant operation, Lagoon-1 (Second Raising) was undertaken by elevating the bund wall by 6 meters, creating additional volume of about 12.5 lakh cubic meters (usable ash about 8.8 lakh MT). The work was completed in FY 2020-21 at an actual expenditure of Rs.19.49 Crore, duly verified by the Statutory Auditor.

2.3.5. The Petitioner has further submitted that in Order dated 06.04.2021 in Petition No. 1390 of 2018, the Commission recorded that Lagoon-2 (First Raising) was completed in March 2018 at Rs.22.5 Crore and Lagoon-1 (Second Raising) was





underway with estimated cost of Rs.20 Crore, and in Order dated 25.02.2022 in Petition No. 1529 of 2019, additional capitalization for Lagoon-2 (First Raising) was approved after prudence check.

Side Stream Filtration System

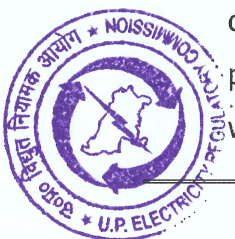
2.3.6. The petitioner submitted that due to high turbidity in raw water during monsoon, a pre-treatment system was required to maintain the desired water quality. Earlier, in Petition No. 786 of 2012, additional capital expenditure was claimed and partly approved, but full capitalization was deferred since the works were incomplete. Subsequently, the Expert Committee in 2018 noted that some works were still under implementation and could be considered after completion. The Side Stream Filtration System (SSFS) was eventually completed and capitalized in FY 2020-21 at Rs.11.08 crore. Accordingly, the petitioner has claimed total additional capitalization of Rs. 30.57 crore (Rs.19.49 crore for Lagoon-1 second raising and Rs. 11.08 crore for SSFS), funded through internal resources and structured using a normative debt-equity ratio of 70:30.

2.3.7. **The Respondent vide its Reply dated 08.07.2025 has submitted the following:**

Ash Dyke Bund Raising for Lagoon-1 (2nd Raising)

2.3.8. The Respondent has argued that the claim of Rs. 19.49 crore for Lagoon-1 second raising should be rejected under Regulation 17(6) of the UPERC Generation Tariff Regulations, 2019, as the expenditure was incurred through a related party (REL Utility Engineers Pvt. Ltd., formerly CLE/CEL) without prior approval of UPPCL. It is highlighted that earlier orders, including the MYT Order (16.05.2023) and Review Order (02.05.2024), already disallowed Rs.16.73 crore of this amount on this ground. Additionally, the Respondent has submitted that no adequate documentation, competitive bidding details, or prudent justification has been provided for the remaining Rs. 2.76 crore, and that the matter has already attained finality, barring reconsideration unless UPPCL's approval is obtained.

2.3.9. The Respondent further contended that the petitioner's reliance on earlier UPERC (2014) and CERC orders is misplaced, as those cases were governed by different regulations where prior approval for related party transactions was not provisioned. In contrast, the 2019 Regulations clearly require such approval. It was also argued that, in light of the MoEF&CC notification mandating 100% ash





utilization, the need for raising the ash dyke reflects poor ash management practices, and such costs should not be passed on to consumers. Accordingly, the Respondent has requested that the entire claim of Rs. 19.49 crore be disallowed

Side Stream Filtration System (SSFS):

2.3.10. The Respondent has argued that the claim of Rs.11.08 crore for the Side Stream Filtration System (SSFS) is not justified and fails the prudence test, as the plant was originally commissioned in 2010 after proper design studies and the issue of seasonal turbidity should have been foreseeable. The installation of SSFS nearly a decade later raises concerns about its necessity. It is further pointed out that no supporting evidence such as historical turbidity data, statutory requirements, or operational compulsions has been submitted. Although SSFS was included in earlier claims (Petition No. 786 of 2012), it was only provisionally approved and never capitalized, as execution remained incomplete and no final Expert Committee recommendation was submitted.

2.3.11. The Respondent also contended that Regulation 20(2)(vii) of the UPERC Generation Tariff Regulations, 2019 is not applicable since the petitioner has not proven that SSFS was part of the original DPR or a pre-cut-off liability. Additionally, there was no Statutory Auditor's Certificate or supporting documentation to validate the claimed expenditure. Therefore, the Respondent has requested disallowance of the Rs.11.08 crore claim, and consequently, rejection of the total additional capitalization of Rs. 30.57 crore for FY 2020-21.

2.3.12. **The Petitioner vide its Rejoinder dated 25.07.2025 has submitted the following:**

Ash Dyke Bund Raising for Lagoon-1 (2nd Raising)

2.3.13. The Petitioner has submitted that the Commission, in the MYT Order dated 16.05.2023, had explicitly allowed the Petitioner to reapproach at the true-up stage with necessary approvals and supporting documents, therefore, the issue is not barred by res judicata. The Review Petition was also dismissed, but without restricting such reconsideration.

2.3.14. The Petitioner further contends that CLE is not a "related party" under the Companies Act, 2013 as it does not exercise significant influence. It is also argued that the work order and payments were made before the notification of

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the UPERC Generation Tariff Regulations, 2019, hence, the requirement of prior approval under Regulation 17(6) cannot be applied retrospectively; instead, the UPERC Generation Tariff Regulations, 2014 (which did not require such approval) would apply. Additionally, the Petitioner has clarified compliance with MoEF&CC ash utilization norms, demonstrating that it has achieved the required cumulative 100% ash utilization over recent years, and that ash stored in operational ponds does not qualify as legacy ash.

Side Stream Filtration System (SSFS):

2.3.15. The Petitioner stated that SSFS was planned from the initial stage, as evidenced by design documents and layout plans, and became necessary due to high turbidity levels experienced during plant operation which led to operational issues like choking of cooling systems. The work was awarded in 2017 and completed in FY 2020-21, with delays attributed to COVID-19. A Statutory Auditor's Certificate confirming expenditure of Rs.11.08 crore has been submitted. The Petitioner argues that the expenditure qualifies under relevant regulations as a pre-cut-off liability and was essential for reliable plant operation.

2.3.16. The Respondent vide its Additional Reply dated 23.09.2025 has submitted the following:

Ash Dyke Bund Raising for Lagoon-1 (2nd Raising)

2.3.17. The Respondent has emphasized that no prior approval from UPPCL was obtained and that the classification of REL Utility Engineers Pvt. Ltd. (formerly CLE) as a related party has already been conclusively established in earlier orders, which have not been challenged and are therefore binding under the principle of res judicata.

Side Stream Filtration System (SSFS):

2.3.18. The Respondent has objected to the Petitioner introducing new documents and evidence at the rejoinder stage, including reports, design documents, turbidity data, operational records, photographs, and the Statutory Auditor's Certificate. It was argued that such new submissions are procedurally impermissible and should not be taken on record.

2.3.19. On merits, the Respondent contends that the SSFS claim of Rs.11.08 crore is still untenable, as most of the expenditure (Rs.10.54 crore) was incurred



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through CLE Pvt. Ltd., a related party, without prior approval, thereby violating Regulation 17(6). Hence, the claim does not qualify under Regulation 20(2)(vii) or any other provision and should be disallowed.

2.3.20. The Petitioner vide its Additional Submission dated 03.11.2025 has submitted the following:

Ash Dyke Bund Raising for Lagoon-1 (2nd Raising)

2.3.21. The Petitioner has argued that the issue of non-applicability of Regulation 17(6) of the UPERC Generation Tariff Regulations, 2019 is not a new plea, as it had already been raised earlier in the Petition and Review Petition. It is emphasized that the work order and payments for Lagoon-1 (Second Raising) were executed prior to the notification of the UPERC Generation Tariff Regulations, 2019, and were thus governed by the UPERC Generation Tariff Regulations, 2014, which did not require prior approval for related party transactions. The Petitioner further contends that regulations cannot be applied retrospectively without statutory backing, relying on several Hon'ble Supreme Court and Hon'ble APTEL judgments to support this position.

2.3.22. Additionally, the Petitioner has submitted that CLE does not qualify as a "related party" under the Companies Act, 2013, as it does not exercise significant influence over RPSCL. It is also argued that earlier observations treating CLE as a related party were only preliminary and made after the completion of the work and payments. Therefore, the Petitioner maintains that Regulation 17(6) cannot be retrospectively applied and seeks approval of Rs. 19.49 crore for Lagoon-1 (Second Raising) in the true-up.

Side Stream Filtration System (SSFS)

2.3.23. The Petitioner has submitted that the documents filed at the rejoinder stage are not new claims but supporting evidence for the already established SSFS claim and are necessary for proper adjudication. The Petitioner further stated that the majority of the SSFS expenditure (Rs.10.54 crore out of Rs. 11.08 crore) was incurred prior to the notification of the UPERC Generation Tariff Regulations, 2019, making Regulation 17(6) inapplicable retrospectively. It also maintains that CLE is not a related party under the Companies Act, 2013, and that no prior approval was required under the UPERC Generation Tariff Regulations, 2014.



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2.3.24. The Respondent and the Petitioner vide their written submissions dated 12.06.2026 and 15.06.2026 have reiterated their earlier submissions made in their replies & rejoinder respectively.

Commission's View

Ash Dyke Bund Raising for Lagoon-1 (2nd Raising)

2.3.25. The Commission, vide its MYT Order dated 16.05.2023, disallowed an amount of Rs. 16.73 Cr. out of total amount of Rs. 19.49 Cr. claimed by the Petitioner during tariff determination for FY 2019-24 towards additional capitalization for Lagoon-1 (2nd raising) on the ground that the same has been incurred through an entity, which is a related party of RPSCL, therefore, required prior consent of the UPPCL in terms of Regulation 17(6) of the UPERC Generation Tariff Regulations, 2019. Further, the Commission directed RPSCL to approach this Commission at the true-up stage along with UPPCL's consent and all relevant and supporting documents. The relevant extract of the said Order is reproduced hereunder:

"6.16. Regulation 20(2) of the Tariff Regulations 2019 prescribes that any capital expenditure can be capitalized only subject to prudence check. In this regard, Regulation 17(6) of the Tariff Regulations 2019 prescribes that any capital expenditure incurred through related parties without prior approval of the procurer shall be excluded from the capital cost. Relevant extracts of Tariff Regulations 2019 are set out below for ready reference –

....

6.17. Applying the above regulation, approximately Rs 16.73 crores out of Rs 19.49 crores of additional capital cost claimed by RPSCL ought to be disallowed straightaway as the said amount has been incurred through an entity which is admittedly a related party of RPSCL as held by this Commission in its order dated 04.02.2020 in Petition No. 1233 of 2017.

....

6.19. Considering that the nature of the transaction, the Commission thus disallows RPSCL's claims for additional capitalization at this stage (i.e., the stage of tariff determination) and directs RPSCL to approach this Commission at the true-up stage along with all UPPCL's consent and all relevant and supporting documents."

2.3.26. Subsequently, RPSCL filed a review Petition seeking review of the MYT Order, dated 16.05.2023. The Commission upheld the decision of the said order in the Review Order dated 02.05.2024.





2.3.27. In view of the above, the Commission observed that REL Utility Engineers Pvt. Ltd. (formerly CLE) has already been conclusively held to be a related party in earlier orders, including those dated 04.02.2020, 16.05.2023, and 02.05.2024, which have attained finality as they were not challenged. It is also observed that out of the total Rs. 19.49 crore claimed, Rs. 16.73 crore was paid to this related party without obtaining prior approval from UPPCL, as required under Regulation 17(6) of the UPERC Generation Tariff Regulations, 2019, which mandates that any capital expenditure incurred on the project through any related parties, as defined in Companies Act 2013, without prior approval of the procurer, shall not be considered as part of the Capital cost.

2.3.28. The Commission held that since the capitalization occurred in FY 2020-21 and to make such capitalization as part of the capital cost, the UPERC Generation Tariff Regulations, 2019 are applicable for prudence check, and the argument against retrospective application is not valid. It is further observed that the Petitioner was provided with the opportunity to raise its objections during the public hearing, held on 05.07.2019, of the Draft UPERC Generation Tariff Regulations, 2019 but despite being aware that a major part of expenditure was incurred prior to 31.03.2019 and true-up proceedings of 2019-24 would be governed by these Regulations, chose not to object. **Accordingly, the Petitioner is disallowed the expenditure of Rs. 16.73 Cr. to be made as part of capital cost, which has been incurred through related party without prior approval of procurer UPPCL and allowed only the balance expenditure of Rs. 2.76 crore out of Rs.19.49 Cr.**

Side Stream Filtration System (SSFS)

2.3.29. The Commission observed that the Side Stream Filtration System (SSFS) was part of the original planning and had been included in earlier additional capitalization claims, with provisional approval and recommendation by the Expert Committee. However, a major portion of the expenditure (Rs.10.54 crore out of Rs. 11.08 crore) was incurred through CLE. As discussed in above paragraphs, CLE is a related party and required prior approval from UPPCL, in terms of Regulation 17(6) of the UPERC Generation Tariff Regulations, 2019.

2.3.30. Accordingly, the **Commission approves only Rs 0.54 crore pertaining to the SSFS expenditure and disallows Rs. 10.54 crore, out of Rs. 11.08 cr** incurred through related party transactions without prior approval.





Table 5: Additional Capitalization approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particular	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
A	Additional Capitalization for raising of bund for Lagoon-1 (2 nd raising)	-	2.75	-	-	-
B	Additional Capitalization for Side Stream Filtration System	-	0.54	-	-	-
C	Total Additional Capitalization Approved by the Commission	-	3.29	-	-	-

B. Gross Fixed Assets (GFA)

2.3.31. The Petitioner has submitted that the Commission had approved Gross Fixed Assets of Rs.6,519.73 Crore for FY 2019-20 to FY 2023-24 in the MYT Order. However, in view of the additional capitalization claimed in FY 2020-21, i.e., Rs.19.49 Crore towards raising of bund for Lagoon-1 (Second Raising) and Rs.11.08 Crore towards Side Stream Filtration System (total Rs.30.57 Crore), the Petitioner has considered revised GFA for the purpose of truing up as under:

Table 6: GFA submitted by the Petitioner for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Opening GFA	6519.73	6,519.73	6,550.30	6,550.30	6,550.30
2.	Add-cap during the year	0.00	30.57	0.00	0.00	0.00
3.	Closing GFA	6519.73	6,550.30	6,550.30	6,550.30	6,550.30

2.3.32. The Respondent, vide its Reply dated 08.07.2025, has submitted that the Additional Capex claimed by the Petitioner is not admissible under the applicable provisions of the UPERC Generation Tariff Regulations, 2019. Accordingly, the GFA for the Control Period FY 2019-20 to FY 2023-24 ought to remain at Rs.6,519.73 Crore as approved in the MYT Order dated 16.05.2023 and not Rs.6,550.30 Crore as claimed by the Petitioner.

2.3.33. The Petitioner and the Respondent respectively, vide rejoinder dated 25.07.2025 and additional affidavit dated 23.09.2025, reiterated their earlier submissions.

Commission's View

2.3.34. The Commission has noted the submissions of the Petitioner, the Respondent and the documents placed on record. The Commission has considered the closing GFA of FY 2018-19 in true up order dated 25.02.2022 as opening GFA for FY 2019-20. The Commission further observed that the temporary structure has



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been depreciated 100% in the FY 2019-20 and hence would be deleted from the GFA. Accordingly, the Commission has approved GFA for the Control Period FY 2019-20 to FY 2023-24 as under:

Table 7: GFA approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Opening GFA	6,519.73	6,519.62	6,522.91	6,522.91	6,522.91
2.	Add-cap during the year	-	3.29	-	-	-
3.	Deletion during the Year	0.11*	-	-	-	-
4.	Closing GFA	6,519.62	6,522.91	6,522.91	6,522.91	6,522.91

*Rs. 0.11 Cr. of temporary structure has been deleted from the GFA

C. Return on Equity (RoE)

2.3.35. The Petitioner has submitted that the Commission had approved the closing equity of Rs.1,658.85 Crore for FY 2018-19 in the True-up Order dated 25.02.2022, which was subsequently revised to Rs.1,669.16 Crore in the Review Order dated 11.01.2023. Accordingly, to arrive at the opening equity as on 01.04.2019, the closing equity of FY 2018-19 as approved in the Review Order dated 11.01.2023 has been considered. The Petitioner has further submitted that subsequent equity addition, 30% of the addition to the capital cost in FY 2020-21, has been considered.

2.3.36. The Petitioner has further submitted that the Return on Equity has been computed in accordance with Regulation 24(i) of the UPERC Generation Tariff Regulations, 2019 on the equity component of the capitalized cost based on the normative debt-equity ratio. Further, the rate of Return on Equity has been considered at 15% as per the provisions of the Tariff Regulations. The year-wise Return on Equity claimed by the Petitioner for the Control Period FY 2019-24 is as under:

Table 8: Return on Equity (RoE) submitted by the Petitioner for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Opening Equity	1,669.16	1,669.16	1,678.33	1,678.33	1,678.33
2.	Addition during the year	0.00	9.17	0.00	0.00	0.00
3.	Closing Equity	1,669.16	1,678.33	1,678.33	1,678.33	1,678.33
4.	Average Equity	1,669.16	1,673.75	1,678.33	1,678.33	1,678.33
5.	Rate of ROE	15.00%	15.00%	15.00%	15.00%	15.00%
6.	Return on Equity (RoE)	250.37	251.06	251.75	251.75	251.75





2.3.37. The Respondent has submitted that the Petitioner's claim of Rs.1,256.68 crore towards Return on Equity (RoE) for the Control Period FY 2019-24 is higher than approved RoE of Rs.1,251.87 crore in MYT Order dated 16.05.2023. The Respondent further argued that the Petitioner has wrongly claimed additional equity on a normative basis (30% of additional capitalization), mainly linked to expenditures on Lagoon-1 bund raising and SSFS, which in itself is disputed therefore, the RoE should remain restricted to Rs. 1,251.87 crore as already approved.

Commission's View

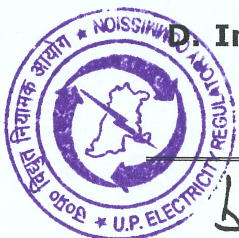
2.3.38. The Commission has considered the closing equity of FY 2018-19 as approved by the Commission vide MYT order dated 16.05.2023 as the opening equity of FY 2019-20. With regard to the equity addition claimed during FY 2020-21, the Commission observes that the Petitioner has considered equity addition equivalent to 30% of the additional capitalization for the said year in accordance with the normative debt-equity ratio as provided under the UPERC Generation Tariff Regulations, 2019. Since the treatment of additional capitalization has been dealt with in the relevant section of this Order, the equity component 30% corresponding to the additional capitalization allowed by the Commission has been considered for computation of RoE.

2.3.39. The Commission in line with Regulation 24(i) consider RoE as 15% on the average equity for each year of the Control Period. The Commission has computed the admissible Return on Equity for the Control Period FY 2019-20 to FY 2023-24 as under:

Table 9: Return on Equity (RoE) approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Opening Equity	1,669.16	1,669.13	1,670.12	1,670.12	1,670.12
2.	Addition during the year	0.00	0.99	0.00	0.00	0.00
3.	Deletion during the Year	0.03	0.00	0.00	0.00	0.00
4.	Closing Equity	1,669.13	1,670.12	1,670.12	1,670.12	1,670.12
5.	Average Equity	1,669.14	1,669.62	1,670.12	1,670.12	1,670.12
6.	Rate of ROE	15.00%	15.00%	15.00%	15.00%	15.00%
7.	Return on Equity (RoE)	250.37	250.44	250.52	250.52	250.52

D. Interest on Loan Capital (IoL)





2.3.40. The Petitioner submitted that the opening debt for FY 2019–20 has been derived from the closing debt of FY 2018–19 as revised in the Review Order dated 11.01.2023 (Rs. 2,109.65 crore). Further, additional debt for FY 2020–21 has been considered at 70% of the additional capitalization, in line with the normative debt–equity ratio. Repayments during the Control Period have been assumed to be equivalent to the depreciation for each respective year.

2.3.41. For computation of Interest on Loan (IoL), the Petitioner stated that it followed Regulation 24(ii) of the UPERC Generation Tariff Regulations, 2019, using the weighted average interest rate of actual loans at the beginning of each year up to FY 2022–23. Although the actual loans were fully repaid by FY 2022–23, the normative loan continued thereafter. For FY 2023–24, the last available weighted average interest rate of 9.79% has been applied for calculating the interest.

2.3.42. During the hearing on 20.05.2025, the Commission observed that the Petitioner had used a weighted average interest rate of 9.79% for FY 2022–23 in its Petition, whereas the Auditor’s Certificate indicated a revised rate of 12.07%. The Commission therefore directed the Petitioner to submit a revised computation incorporating the correct interest rate and its impact on Annual Fixed Charges. In response, the Petitioner, through its additional submission dated 26.05.2025, provided revised calculations of Interest on Loan Capital based on the updated interest rate of 12.07%, along with the consequential impact on tariff components.

Table 10: Revised Interest on Loan (IoL) submitted by the Petitioner vide additional submission 26.05.2025 for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Gross Normative loan – Opening	4,850.56	4,850.56	4,871.96	4,871.96	4,871.96
2.	Cumulative repayment of Normative loan upto previous year	2,740.90	3,109.93	3,480.47	3,850.79	4,221.12
3.	Net Normative loan – Opening	2,109.66	1,740.63	1,391.49	1,021.17	650.84
4.	Add: Increase due to addition during the year / period	0.00	21.40	0.00	0.00	0.00
5.	Less: Normative repayment	369.03	370.54	370.32	370.32	364.09
6.	Net Normative loan – Closing	1,740.63	1,391.49	1,021.17	650.84	286.75
7.	Average Normative loan	1,925.14	1,566.06	1,206.33	836.00	468.79
8.	Weighted average rate of interest	10.71%	10.97%	13.11%	12.07%	12.07%
9.	Interest on Loan	206.18	171.78	158.12	100.88	56.57



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2.3.43. The Respondent in its Reply dated 08.07.2025 has submitted that the Petitioner's claim of Rs. 693.60 crore towards Interest on Loan (IoL) for FY 2019-24 is excessive compared to Rs. 612.08 crore (or Rs. 618.01 crore as recalculated) already approved by the Commission in the MYT Order. The Petitioner has applied a weighted average interest rate of 12.07% for FY 2022-23 and onwards, based on the assumption that actual loans were fully repaid in FY 2022-23 while the normative loan continues. However, the Respondent has challenged this claim due to lack of supporting evidence, stating that the Petitioner has not furnished proof such as a loan closure certificate, NOC from the bank, or confirmation of the applicable interest rate. Additionally, the Respondent opposes any increase in normative loan due to disputed additional capitalization (Lagoon-1 raising and SSFS) and therefore contends that Interest on Loan should remain restricted to Rs. 618.01 crore instead of Rs. 693.60 crore.

2.3.44. The Petitioner, vide its rejoinder dated 25.07.2025, responded to the Respondent's objections by stating that the required documentary evidence was already submitted during the proceedings. It clarified that the Auditor's Certificate for weighted average interest rates for FY 2019-20 to FY 2023-24 had been provided earlier in response to the Commission's data gaps. Additionally, through the present Rejoinder, the Petitioner has now submitted No Dues Certificates (NOCs) from the lending banks to establish that the entire project loan was fully repaid in FY 2022-23. However, the Petitioner acknowledged that bank-certified confirmations specifically for the weighted average interest rates are not readily available at present and has stated that these will be submitted later if directed by the Commission.

2.3.45. The Respondent vide its additional affidavit dated 23.09.2025 has submitted that the Petitioner has introduced new documents, namely the Auditor's Certificate for weighted average interest rate and No Dues Certificates (NOC) indicating full repayment of the project loan in FY 2022-23. However, it has been pointed out that the actual applicable interest rates for FY 2019-20 to FY 2023-24 are still not clearly available or verifiable.

2.3.46. In response, the Petitioner vide its additional submission dated 03.11.2025 has clarified that these documents are not new and had already been submitted earlier, specifically through its response dated 14.02.2025 against the data gap





queries of the Commission and the Rejoinder dated 25.07.2025. The Petitioner reiterated that it has already provided the Auditor's Certificate detailing the weighted average interest rates for each year of the Control Period FY 2019-20 to FY 2023-24, countering the Respondent's claim of non-availability. The Petitioner has claimed Rs. 693.60 crore as Interest on Loan Capital for FY 2019-24 using a weighted average interest rate of 12.07%, even though actual loans were fully repaid by FY 2022-23 and only normative loan remained for FY 2023-24. The Commission had approved Rs. 618.14 crore, subject to true-up. For FY 2023-24, the Petitioner has applied the same 12.07% rate for normative loan, which requires verification. It is therefore proposed that RPSCCL be directed to submit loan agreements and supporting documents to assess the correctness of the applied interest rate.

Commission's View

2.3.47. The Commission has examined all submissions, including the Auditor's Certificate, No Dues Certificates, and additional filings, and notes that the correct weighted average interest rate for FY 2022-23 was 12.07%, instead of 9.79% originally claimed. Accordingly, it accepts the Petitioner's revised computation of Interest on Loan, applying the updated rate for FY 2022-23 and further for FY 2023-24 in line with Regulation 24(ii)(d) of the UPERC Generation Tariff Regulations, 2019.

2.3.48. The Commission also acknowledges that the actual loan had been fully repaid in FY 2022-23 and for FY 2023-24 onwards Interest on loan would be computed on the normative loan using the last available weighted average interest rate of 12.07%. Accordingly, the Interest on Loan for FY 2019-20 to FY 2023-24 is approved, based on admissible capital cost and in compliance with the applicable regulations.

Table 11: Interest on Loan (IoL) approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Opening balance	2,109.65	1,741.22	1,375.00	1,006.88	638.74
2.	Net addition during the year	-	2.30	-	-	-
3.	Deletion During the Year	0.08	-	-	-	-
4.	Repayment during the year	368.36	368.52	368.12	368.12	345.16
5.	Closing balance	1,741.22	1,375.00	1,006.88	638.77	293.61

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S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
6.	Average Loan	1,925.43	1,558.11	1,190.94	822.83	466.19
7.	Interest Rate (%)	10.71%	10.97%	13.11%	12.07%	12.07%
8.	Interest on Loan	206.24	170.92	156.11	99.32	56.27

E. Depreciation

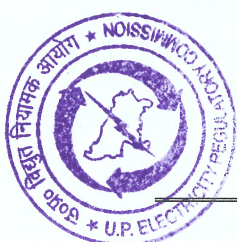
2.3.49. The Petitioner submitted that depreciation has been calculated in accordance with Regulation 24(iii) and Appendix III of the UPERC Generation Tariff Regulations, 2019, based on the opening Gross Fixed Assets (GFA) of FY 2019-20 as well as on assets added during the current control period. It was further stated that depreciation is applied at the prescribed rates until cumulative depreciation reaches 70% of the asset value, after which the remaining 20% of the depreciable value is spread over the asset's remaining useful life. For FY 2023-24, 70% of the depreciable value amounts to ₹4,585.21 crore. However, applying the standard depreciation rate of 5.65% would result in cumulative depreciation exceeding this threshold (Rs. 4,591.44 crore). Therefore, depreciation for FY 2023-24 has been capped at Rs. 4,585.21 crore in compliance with the Regulations, resulting in an effective depreciation rate of 5.56%.

2.3.50. The year-wise Depreciation claimed by the Petitioner for the Control Period FY 2019-20 to FY 2023-24 is as under:

Table 12: Depreciation submitted by the Petitioner for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Opening GFA	6,519.73	6,519.73	6,550.30	6,550.30	6,550.30
2.	GFA addition	0.00	30.57	0.00	0.00	0.00
3.	Closing GFA	6,519.73	6,550.30	6,550.30	6,550.30	6,550.30
4.	Average GFA	6,519.73	6,535.02	6,550.30	6,550.30	6,550.30
5.	Rate of Depreciation	5.66%	5.67%	5.65%	5.65%	5.55%
6.	Depreciation	369.03	370.54	370.32	370.32	364.09

2.3.51. The Respondent has stated that the Petitioner claimed depreciation of Rs. 1,844.59 crore for the control period FY 2019-24, using depreciation rates of 5.65%-5.67% from FY 2019-20 to FY 2022-23 and 5.56% for FY 2023-24 to comply with the 70% cumulative depreciation limit. However, the Respondent argued that, based on the approved closing GFA of Rs. 6,519.73 crore for FY 2023-24, 70% amounts to Rs. 4,563.81 crore, against which Rs. 4,216.97 crore has already been depreciated up to FY 2022-23, leaving only Rs. 346.84 crore



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allowable for FY 2023-24. Accordingly, it recalculated the depreciation rate for FY 2023-24 as 5.32% and submitted that this rate should be adopted instead of 5.56%, with total allowable depreciation for FY 2019-24 restricted to Rs. 1,822.91 crore as against Rs. 1,844.59 crore claimed by the Petitioner.

Commission's View

2.3.52. The Commission examined the submissions of both parties and noted that depreciation must be computed as per Regulation 24(iii) and Appendix III of the UPERC Generation Tariff Regulations, 2019, with applicable rates until cumulative depreciation reaches 70% of the asset value. Beyond this threshold, the remaining depreciable value is to be spread over the asset's useful life, subject to an overall ceiling of 90%. The Commission observed that in FY 2023-24, the cumulative depreciation reaches the 70% limit and therefore must be restricted accordingly. It further considered the issue of base GFA, including the admissibility of additional capital expenditure of Rs. 30.57 crore for FY 2020-21, and computed depreciation for the control period FY 2019-20 to FY 2023-24 based on the GFA as allowed. Accordingly, depreciation is approved in compliance with the 70% ceiling on cumulative depreciation.

Table 13: Depreciation approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Opening GFA	6,477.36	6,519.73	6,519.62	6,522.91	6,522.91	6,522.91
2.	GFA addition	42.37	-0.11	3.29	-	-	-
3.	Closing GFA	6,519.73	6,519.62	6,522.91	6,522.91	6,522.91	6,522.91
4.	Average GFA	6,498.55	6,519.68	6,521.26	6,522.91	6,522.91	6,522.91
5.	Freehold Land	9.82	9.82	9.82	9.82	9.82	9.82
	GFA Excluding Land						
6.	Opening Capital Cost	6,467.54	6,509.91	6,509.80	6,513.09	6,513.09	6,513.09
7.	Closing Capital Cost	6,509.91	6,509.80	6,513.09	6,513.09	6,513.09	6,513.09
8.	Average Capital Cost	6,488.73	6,509.91	6,525.20	6,540.48	6,540.48	6,540.48
9.	Rate of Depreciation	5.66%	5.66%	5.66%	5.65%	5.65%	5.65%
10.	Depreciation	368.03	368.36	368.52	368.12	368.12	368.12
11.	Maximum Depreciation allowed (90% of Closing GFA Excluding Land)	5,858.92	5,858.82	5,861.78	5,861.78	5,861.78	5,861.78
12.	70% of Closing GFA Excluding Land as per Regulation	4,556.94	4,556.86	4,559.16	4,559.16	4,559.16	4,559.16
13.	Net Cumulative depreciation at the beginning of the year	2,372.87	2,740.90	3,109.26	3,477.77	3,845.89	4,214.01
14.	Remaining depreciable value	3485.95	3,117.92	2,752.52	2,384.01	2,015.89	1,647.77
15.	Depreciation (for the period)	368.03	368.36	368.52	368.12	368.12	345.16





S. No.	Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
16.	Cumulative depreciation at the end of the period	2740.90	3,109.26	3,477.77	3,845.89	4,214.01	4,559.16
17.	Accumulated depreciation (% of GFA Excluding Land)	42.10%	47.76%	53.40%	59.05%	64.70%	70.00%
18.	Depreciation Allowed by the Commission	368.03	368.36	368.52	368.12	368.12	345.16

F. Operation and Maintenance (O&M) Expenses and Water Charges

2.3.53. The Petitioner in the Petition has submitted that O&M expenses for the Control Period have been considered in accordance with Regulation 24(iv) of the UPERC Generation Tariff Regulations, 2019. It has further submitted that Regulation 24(iv)(f) of the UPERC Generation Tariff Regulations, 2019 allows water charges for thermal generating stations separately, and accordingly, water charges have been considered based on the actual cost incurred during FY 2019-20 to FY 2023-24.

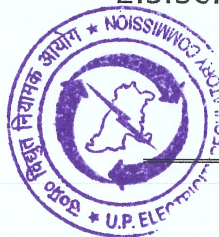
2.3.54. Accordingly, the Petitioner has claimed O&M expenses for the Control Period as follows:

Table 14: O&M Expenses and Water Charges submitted by the Petitioner for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	O&M Cost in (Rs. Lakh/MW)	27.74	28.71	29.72	30.76	31.84
2.	O&M Expenses	332.88	344.52	356.64	369.12	382.08
3.	Water Charges	1.72	1.98	1.74	2.26	2.39
4.	Total O&M Expenses including Water charges	334.60	346.50	358.38	371.38	384.47

2.3.55. The Respondent has submitted that the Petitioner claimed O&M expenses of Rs. 1,795.33 crore for FY 2019–24 based on 300 MW norms, whereas the Commission had already approved Rs. 1,785.24 crore in its MYT Order dated 16.05.2023. The Petitioner also sought separate recovery of water charges on an actual basis but failed to provide supporting documents or verifiable evidence. Due to this lack of substantiation, the Respondent argued that the water charge claims cannot be verified and should either be backed by proper documentation or rejected. Accordingly, the Respondent requested that the allowable O&M expenses be restricted to Rs. 1,785.24 crore as previously approved.

2.3.56. The Petitioner in its rejoinder dated 25.07.2025 stated that it had already submitted the required invoices and payment proofs for water charges to the Commission on 14.02.2025 in response to data gaps.





Commission's View

2.3.57. The Commission has approved normative O&M expenses for FY 2019-20 to FY 2023-24 as per the UPERC Tariff Regulations, 2019. The Commission, in accordance with Regulation 24(iv)(f), has also allowed water charges on an actual basis based on the verification of the water charges raised by the Irrigation Department, Uttar Pradesh, based on actual consumption and payment made by RPSCL for period from FY 2019-20 to FY 2023-24, as submitted by the Petitioner. Accordingly, total O&M expenses are approved by combining normative O&M costs with actual water charges.

Table 15: O&M Expenses and Water Charges approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	O&M Cost (Rs. Lakh/MW)	27.74	28.71	29.72	30.76	31.84
2.	Total Capacity (MW)	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00
3.	O&M Expenses	332.88	344.52	356.64	369.12	382.08
4.	Water Charges	1.72	1.98	1.74	2.26	2.39
5.	Total O&M Expenses including Water charges	334.60	346.50	358.38	371.38	384.47

G. Interest on Working Capital (IoWC)

2.3.58. The Petitioner submitted that the Interest on Working Capital (IoWC) has been calculated in accordance with Regulation 24(v) of the UPERC Generation Tariff Regulations, 2019. The applicable interest rate is based on the bank rate (MCLR + 350 basis points) as of 1st April of each financial year during the control period, supported by documentary evidence. For estimating fuel costs, the average energy charges from January to March 2019 have been used, with corresponding invoices submitted for verification. Based on these assumptions, IoWC for the control period has been claimed as follows:

Table 16: Interest on Working Capital (IoWC) submitted by the Petitioner for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Cost of Coal for 50 days	321.17	321.17	321.17	321.17	321.17
2.	Cost of Secondary Fuel for 2 months	3.65	3.64	3.64	3.64	3.65
3.	O&M Expenses for 1 month	27.88	28.88	29.86	30.95	32.04
4.	Maintenance Spares @20% of O&M Expenses	66.92	69.30	71.68	74.28	76.89
5.	Receivable for 45 days	446.71	444.07	442.87	434.97	432.64
6.	Total Working Capital	866.32	867.05	869.22	864.99	866.39

54.





S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
7.	Rate of Interest	12.05%	11.25%	10.50%	10.50%	12.00%
8.	Interest on Working Capital	104.39	97.54	91.27	90.82	103.97

2.3.59. The Respondent in its reply dated 08.07.2025 has submitted that the Petitioner claimed IoWC of Rs. 488 crore for FY 2019–24, which is lower than the Rs. 517.42 crore approved by the Commission in its MYT Order dated 16.05.2023. It argued that the Petitioner wrongly recalculated IoWC based on a CA Certificate instead of using the already approved fuel costs (based on January–March 2019 averages), undermining the earlier tariff determination.

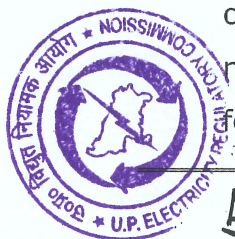
2.3.60. Additionally, the Respondent pointed out errors in computation of maintenance spares, stating they have incorrectly taken as 20% of O&M expenses including water charges, contrary to regulations. It also highlighted that changes in capitalization and related elements would affect Annual Fixed Charges and receivables. Accordingly, the Respondent contended that IoWC should be restricted to Rs. 477.45 crore instead of Rs. 488 crores claimed by the Petitioner.

2.3.61. The Petitioner, in its rejoinder dated 25.07.2025, submitted that the computation of IoWC is consistent with Regulation 24(v) of UPERC Generation Tariff Regulations, 2019, as it is based on energy invoices for January–March 2019. CA Certificate also reflects the same data and does not deviate from approved costs. The Petitioner also explained that the lower IoWC claim of Rs. 488 crores (compared to Rs. 517.42 crore approved earlier) is due to reduction in interest rates during FY 2019–24.

2.3.62. Regarding maintenance spares, the Petitioner defended its approach of calculating them as 20% of O&M expenses including water charges, stating that water charges form part of O&M expenses under the applicable regulations, and thus its calculation is in line with the UPERC Generation Tariff Regulations, 2019.

Commission's View

2.3.63. The Commission has determined IoWC as per Regulation 24(v) of the UPERC Generation Tariff Regulations, 2019, using normative components such as fuel cost, O&M expenses, maintenance spares, receivables, and applicable interest rate. The actual fuel cost in its audited accounts as submitted by the petitioner for period from FY2019-20 to FY 2023-24 has been considered.





2.3.64. However, the maintenance spares are to be calculated as 20% of normative O&M expenses i.e. excluding water charges as per Regulation 24 (f)(iv) of the Generation Regulation 2019. The Commission has also revised the receivables component based on approved Annual Fixed Charges and actual fuel costs. Accordingly, IoWC for FY 2019-20 to FY 2023-24 is approved based on these regulatory norms and adjustments.

Table 17: Interest on Working Capital (IoWC) approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Cost of Coal for 50 days*	312.57	287.61	313.77	314.22	325.67
2.	Cost of Secondary Fuel for 2 months	3.55	3.26	3.55	3.56	3.70
3.	O&M Expenses for 1 month (incl. water charges)	27.88	28.88	29.87	30.95	32.04
4.	Maintenance Spares @20% of O&M Expenses	66.58	68.90	71.33	73.82	76.42
5.	Receivable for 45 days	439.09	412.47	435.78	430.78	436.15
6.	Total Working Capital	849.67	801.12	854.30	853.33	873.97
7.	Rate of Interest	12.05%	11.25%	10.50%	10.50%	12.00%
8.	Interest on Working Capital	102.39	90.13	89.70	89.60	104.88

*Note: Cost of coal towards stock for 20 days for non-pit head generating stations, and advance payment for 30 days towards Cost of coal for generation.

H. Application Fee & Statutory Charges

2.3.65. The Petitioner has submitted that Regulation 33 of the UPERC Generation Tariff Regulations, 2019 allows the Petitioner to claim Application Fee and Statutory Charges separately. Accordingly, these expenses have been considered on actual basis for FY 2019-20 to FY 2023-24. The Petitioner has claimed Application Fee and Statutory Charges as follows:

Table 18: Application Fee & Statutory Charges submitted by the Petitioner for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Application Fee and Statutory Charges	0.34	2.66	0.55	0.19	0.40

2.3.66. The Respondent, in its reply dated 08.07.2025, submitted that the Petitioner has not provided adequate evidence or supporting documents for its claim of statutory charges. It argued that, as per Regulation 33 of the UPERC Generation Tariff Regulations, 2019, such charges must be recovered separately on an actual basis and not included in the Annual Fixed Charges. The Petitioner, in its





rejoinder, submitted that Regulation 33 permits recovery of statutory charges (such as electricity duty, water cess, and pollution control payments) and application fee, subject to prudence check and submission of details.

2.3.67. However, the Petitioner, vide its rejoinder dated 25.07.2025, expressed no objection if the Commission allows these charges separately over and above AFC and confirmed that it has submitted detailed break-up and supporting documents for the claimed amounts.

2.3.68. The Respondent, vide its Additional Affidavit dated 23.09.2025, has submitted that the Petitioner has provided the break-up of the Application Fee and Statutory Charges along with supporting documents for a total amount of Rs.4.14 Crore pertaining to the period FY 2019-20 to FY2023-24. The Respondent has submitted that the Petitioner's claim under this head may be considered for allowance strictly as per actuals or the normative amount prescribed, whichever is lower in accordance with Regulation 33 of the UPERC Generation Tariff Regulations, 2019.

2.3.69. The Respondent has further submitted that Rosa has agreed to the Respondent's objection that Application Fee and Statutory Charges may not be included in the Annual Fixed Charges (AFC) and has agreed that the Commission may allow reimbursement of the same separately over and above AFC. Accordingly, the Respondent has requested that the Commission may adjudicate the claim under this head in terms of Regulation 33 of the UPERC Generation Tariff Regulations, 2019.

2.3.70. The Petitioner in its additional submission dated 03.11.2025 submitted detailed supporting documents for Rs. 4.14 crore claimed as Application Fee and Statutory Charges for FY 2019-24. It argued that Regulation 33 permits recovery of such charges strictly on actuals, subject to prudence check, and opposed the Respondent's proposal to cap the amount at the lower of actuals or normative values.

Commission's View

2.3.71. Regulation 33 of UPERC Tariff Regulation 2019 permits recovery of Application Fee and statutory charges on actual basis, subject to prudence check and submission of supporting documents. The relevant provisions of the said Regulation are reproduced below:



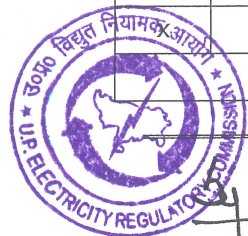


*"The generating company shall be allowed recovery of statutory charges imposed by the State and Central Government such as **electricity duty, water cess and payment to the pollution control board in addition to Application fee**, subject to prudence check by the Commission. The details regarding the same shall be furnished along with the petition; In case of the electricity duty is applied on the auxiliary energy consumption, such amount of electricity duty shall apply on normative auxiliary energy consumption of the generating station (excluding colony consumption) and apportioned to each of the beneficiaries in proportion to their schedule dispatch during the month."*

2.3.72. It is noted that the Petitioner has claimed Rs. 4.14 crore for FYs 2019-24 and had provided detailed break-up and supporting evidence. The detailed break-up of the aforesaid charges is as follows:

Table 19 Statement of Statutory Charges as submitted by the Petitioner

S. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
1	Water Cess					
i.	Water Cess	1,408,876	-	490,010	-	-
2	Payment to Pollution Control Board					
i	Air Consent Fee	500,000	300,000	1,000,000	-	2,500,000
ii	Factory License	-	20,000	87,000	500,000	50,000
iii	Gas/LDO Storage License	-	-	-	-	50,000
iv	Licence Fee for Waste Authorization	-	-	-	-	50,000
3	Fee Paid to the Commission					
i	Fixation of Tariff for Ph-I & Ph-II	200,000	24,999,000	62,500	50,000	-
4	Rates and Taxes					
i	State Load Despt. Cent. UPERC	200,000	-	-	200,000	200,000
ii	Boiler License Fee	487,500	390,000	495,200	397,700	485,100
iii	WPC License Fee	228,250	188,250	41,000	-	57,500
iv	Electrical License	50,000	54,500	2,947,125	-	410,569
v	Road Tax	298,649	193,561	279,179	339,279	34,000
vi	Weight and Measurement Fee	58,488	-	89,063	135,938	178,625
vii	Court Fee	-	322,000	-	85,000	-
viii	Calibration Charges	-	-	-	-	-
ix	NOC for Fire Extinguisher	95,000	-	-	233,100	30,000
	Others	-	-	-	-	-
	Total	3,431,763	26,562,311	5,491,077	1,941,017	3,995,794





2.3.73. RPSCL has claimed amount of Rs. 14,08,876 and Rs. 4,90,010 towards payment of Water Cess for FY 2019-20 and FY 2021-22, respectively. The Commission observes that the Water Assessment Bills submitted by the Petitioner for its claim for FY 2019-20 pertain to the prior year's i.e. 2016 and 2017 towards Water Cess. However, the Commission also notes that UPPCB issued Water Cess Assessment Orders to RPSCL in July/August 2019, pursuant to which RPSCL made payments of Rs. 7,39,150 and Rs. 7,09,765 to UPPCB on 27.08.2019 and 13.09.2019, respectively. Accordingly, against the total payment of Rs. 14,48,915 (Rs. 7,39,150 + Rs. 7,09,765) made towards Water Cess, RPSCL has claimed an amount of Rs. 14,08,876 for FY 2019-20. The Commission, therefore, allows the claimed amount of Rs. 14,08,876 for FY 2019-20. As regards the claim of Rs. 4,90,010 towards payment of Water Cess for FY 2021-22, the Commission disallows the same due to non-submission of the relevant Water Cess Bill and proof of payment. Further, the commission observes that Petitioner has paid Rs. 0.01 Cr. of application fee for determination of True up for the period FY 2014-19 in FY 2019-20 and Rs. 2.49 Cr. of application fee for determination of MYT for the period FY 2019-24 in FY 2020-21 whereas the balance amount claimed relates to Application Fees paid in connection with petitions of other nature (i.e. not related to MYT or True Up) filed before the Commission, hence, only Rs. 2.50 Cr. (Rs. 2.49 Cr. + Rs. 0.01 Cr.) towards application fee is allowed.

2.3.74. In line with Regulation 33, the Commission allows statutory charges under payment to the pollution control board concerning the Air Consent Fee. Every other payment including factory license, Gas/LDO Storage License, License fee for waste authorization is disallowed, as they do not fall under the applicable pollution control board payment. In accordance with Regulation 33, the fee and charges claimed by the petitioner under the rates and taxes sub head, do not constitute the statutory charges and hence are disallowed, except Rs. 6 lacs (2 lacs for FY 2019-20 +2 lacs for FY 2022-23 +2 lacs for FY 2023-24) as deposited under charges towards SLDC.

2.3.75. Accordingly, the Commission allows statutory charges in addition to Application fee as given below, based on verification of the document submitted by the Petitioner, and directs that these charges shall be recovered separately rather than included in the Annual Fixed Charges (AFC):

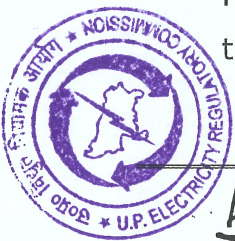




Table 20: Application Fee & Statutory Charges approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Statutory Charges	0.19 (0.14 +0.05)*	0.03	0.10	-	0.25
2.	Application Fee	0.01	2.49	-	-	-
3.	SLDC Charges	0.02	-	-	0.02	0.02
4.	Total	0.22	2.52	0.10	0.02	0.27

*Rs. 0.14 Cr. towards Water Cess and Rs. 0.05 Cr. towards Air Consent Fee

I. Summary of Annual Fixed Charges (AFC)

2.3.76. In view of the revision in the weighted average rate of interest for FY 2022-23 from 9.79% to 12.07% as submitted by the Petitioner vide Additional Submission dated 26.05.2025 pursuant to the directions of the Commission in the hearing dated 20.05.2025, the Petitioner has revised the consequential impact on Annual Fixed Charges for FY 2022-23 and FY 2023-24, and submitted the revised computation of AFC for the Control Period as under:

Table 21: Revised Annual Fixed Charges (AFC) submitted by the Petitioner vide additional submission 26.05.2025 for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Depreciation	369.03	370.54	370.32	370.32	364.09
2.	Interest on Loan	206.18	171.78	158.12	100.88	56.57
3.	Return on Equity	250.37	251.06	251.75	251.75	251.75
4.	Interest on Working Capital	104.39	97.54	91.27	91.07	104.13
5.	O&M Expenses including water charges	334.60	346.50	358.38	371.38	384.47
6.	Application Fee and Statutory Charges	0.34	2.66	0.55	0.19	0.40
7.	Total AFC	1,264.91	1,240.09	1,230.39	1,185.60	1,161.41

Commission's View

2.3.77. The Commission reviewed all submissions and cost components (such as depreciation, loan interest, return on equity, working capital interest, O&M expenses, and fees) and computed the Annual Fixed Charges (AFC) strictly as per UPERC Generation Tariff Regulations, 2019. Each cost element was allowed only after a prudence check, with application fees and statutory charges treated separately from AFC. Based on this assessment, the Commission has approved the AFC for FY 2019-20 to FY 2023-24.



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Table 22: Annual Fixed Charges (AFC) approved by the Commission for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Depreciation	368.36	368.52	368.12	368.12	345.16
2.	Interest on Loan	206.24	170.92	156.11	99.32	56.27
3.	Return on Equity	250.37	250.44	250.52	250.52	250.52
4.	Interest on Working Capital	102.39	90.13	89.70	89.60	104.88
5.	O&M Expenses including water charges	334.60	346.50	358.38	371.38	384.47
6.	Total AFC	1,261.96	1,226.50	1,222.83	1,178.93	1,141.29

J. Carrying Cost

2.3.78. Consequent to the revision in Interest on Loan for FY 2022-23 and FY 2023-24 pursuant to the Auditor's Certificate submitted vide Additional Submission dated 26.05.2025, the Petitioner also revised the computation of differential Annual Fixed Charges and accordingly recalculated the Carrying Cost under Regulation 16(4) of the UPERC Generation Tariff Regulations, 2019, and submitted the revised Carrying Cost computation as under:

Table 23: Revised Carrying Cost submitted by the Petitioner vide additional submission 26.05.2025 for FY 2019-24 (Rs. Crore)

S. No.	Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
1.	Opening Balance of Principal	0.00	5.53	12.07	33.89	39.35
2.	Addition on account of Fixed Charges true up	5.53	6.54	21.82	5.46	12.07
3.	Closing Balance of Principal	5.53	12.07	33.89	39.35	51.43
4.	Average Balance	2.77	8.80	22.98	36.62	45.39
5.	Rate of Interest	12.05%	11.25%	10.50%	10.50%	12.00%
6.	Carrying Cost	0.33	0.99	2.41	3.85	5.45
7.	Total Carrying Cost for the Control Period	13.03				

Commission's View

2.3.79. Regulation 16 of the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2019 and amendment thereof provides for the treatment of amounts under-recovered or over-recovered on account of tariff determination. The relevant provisions of the said Regulation are reproduced below:

".....

(4) Where, after truing-up, the tariff recovered exceeds the tariff approved by the Commission under these Regulations, the generating company shall refund to the Beneficiaries the excess amount so recovered, along with



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simple interest at the rate equal to the Bank Rate prevailing as on 1st April of the relevant year.

(5) Where, after truing-up, the tariff recovered is less than the tariff approved by the Commission under these Regulations, the generating company shall recover from the Beneficiaries the under-recovered amount, along with simple interest at the rate equal to the Bank Rate prevailing as on 1st April of the relevant year.

(6) The amount under-recovered or over-recovered, along with simple interest at the rate equal to the Bank Rate as on 1st April of the relevant year, shall be recovered or refunded by the generating company in six equal monthly instalments, starting within three months from the date of the tariff order issued by the Commission after the truing-up exercise.

....."

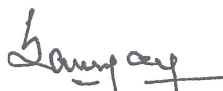
First Amendment of Generation Tariff Regulations, 2019

"16 (2) The generating company shall make an Application in hard and soft copy in specified format as per Appendix II to these Regulations, for carrying out Truing up exercise in respect of the generating station or any of its units or block of units thereof by 30.11.2024.

Provided that in case of truing up application along with requisite documents is not submitted within timeline i.e., by 30.11.2024; no carrying cost / interest shall be allowed to the generating company for the under-recovered amount during the True-up period. However, in case of over recovered amount during the True-up period and delayed filing of True-up application along with requisite documents, the surplus amount with carrying cost / interest shall be recovered in terms of Regulation 16(4) along with surplus amount."

2.3.80. In view of the above, the Commission directs the Petitioner to adjust the difference between the annual fixed charges recovered in accordance with MYT Order dated 16.05.2023 for Petition No. 1578 of 2020 and the annual fixed charges approved in this order in accordance with the provisions of Regulation 16 (4), (5) and (6) of UPERC (Terms and Conditions of Generation Tariff) Regulations, 2019 and Regulation 16(2) of the First Amendment of Generation Tariff Regulations, 2019.

With above directions, the Petition is disposed of.


(Sanjay Kumar Singh)
Member




(Arvind Kumar)
Chairman

Place: Lucknow
Dated: 02.09.2026