

**PETITION FOR APPROVAL
OF
ANNUAL PERFORMANCE REVIEW
FOR
FY 2025-26
UNDER SECTION 62 & 64
OF
THE ELECTRICITY ACT 2003**

**Submitted by:
Department of Power, Arunachal Pradesh**



BEFORE HON'BLE ARUNACHAL PRADESH STATE ELECTRICITY REGULATORY COMMISSION

SI. No. 945/601-V

Date 25 NOV 2025

Petition No: _____

IN THE MATTER OF: Petition for Annual Performance Review for the FY 2025-26.



The Department of Power, Arunachal Pradesh, Vidyut Bhawan, Itanagar, Arunachal Pradesh

..... Petitioner

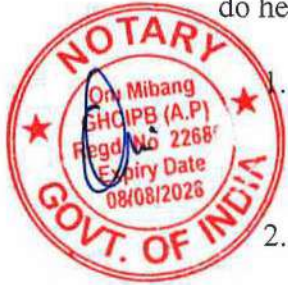
The petitioner most respectfully submits as follows:

1. The Petitioner, the Department of Power, Government of Arunachal Pradesh (herein after called DoP, AP), is a Government Department under the Ministry of Power, Government of Arunachal Pradesh, and is the sole Electricity Distribution Utility for the entire State of Arunachal Pradesh.
2. The petitioner, being a Government Department, is a Deemed Distribution Licensee as per Section 14 of the Electricity Act 2003.
3. As per Section 64 of the Electricity Act 2003 read with Multi-Year Tariff Regulations 2024 notified by Arunachal Pradesh State Electricity Regulatory Commission (hereinafter called "Hon'ble Commission"), the licensee has to file a Petition for Approval of Annual Performance Review of the current financial year for approval of each year.
4. Accordingly, the Petition for Approval of Annual Performance Review for the Financial Year 2025-26, is hereby filed for necessary action of the Hon'ble Commission as deemed fit.


(Duyu Tacho)
Chief Engineer (Commercial)
Department of Power
Government of Arunachal Pradesh,
Itanagar

AFFIDAVIT

I, Shri Duyu Tacho, age about 60 years, S/o. Shri Duyu Tago, presently serving as Chief Engineer, Commercial-cum CEI under the Department of Power, Itanagar, Arunachal Pradesh, do hereby affirm and states, as follows:



1. That the applicant is fully conversant with all the facts and the circumstances of the case and is competent to swear and sign this Affidavit.
2. That the statements made in the Paragraph 1, 2, 3, and 4 of Petition for Annual Performance Review for 2025-26 are based on office records and true to the best of my personal knowledge and belief.

"OATH"

Hence, I swear that this affidavit/declaration is true, that it conceals nothing, and that no part of it is false.

And I sign this Affidavit in the Commission Premises at Itanagar, Arunachal Pradesh, on this... 25th day of November 2025.

Oni Mibang

NOTARY PUBLIC: OATH COMMISSIONER
Solamntly affirmed before me this day, I
Certify that I read over and Explained the
contents to the declarant and that the declarant
Seemed perfectly to understand them.

Oni Mibang

Oni Mibang
NOTARY GOVT. OF INDIA
GHCI PB (A.P)
Regd. No. 22686

Oni Mibang

DEPONENT



TABLE OF CONTENTS

Contents

CHAPTER-I: INTRODUCTION.....	5
1.1 About Arunachal Pradesh Department of Power	5
1.2 Number of Consumers	5
1.3 Source of Power	8
1.3.1 Central Sector Generating Stations Allocation: -	8
1.3.2 Power from within the State: -	9
1.3.3 Power received from the other Sources:	11
1.4 Necessity for Filing of Annual Performance Review: -	12
1.5.2 Estimation of Annual Revenue Income: -	13
1.5.3 Determination of Revenue Gap: -	13
CHAPTER-II :: ESTIMATION OF AGGREGATE REVENUE REQUIREMENT	14
2.1 Return on Equity Capital	14
2.2 Interest on Loan Capital	14
2.3 Depreciation	14
2.4 Category-wise energy Sale Forecast within the State: -	14
2.5 Forecast of Sale of Power Outside the State: -	17
2.6 Total Energy Sale Forecast: -	18
2.7 Power Purchase Estimation: -	18
2.8 Power Purchase Cost Estimation: -	21
2.9 Inter-State and Intra-State Transmission Charges: -	22
2.10 Fees and charges of NLDC/RLDC/SLDC etc.: -	24
2.11 Operation and Maintenance Cost: -	24
2.12 Interest in Working Capital	27
2.13 Bad and doubtful debt	27
2.14 Aggregate Revenue Requirement	27
CHAPTER – III:: EXPECTED REVENUE AND REVENUE GAP RECOVERY	29
3.1 Expected revenue in the existing tariff from the sale within the state: -	29
3.2 Expected revenues from sales outside the state: -	33
3.3 Expected revenue from sales both within and outside the state: -	34



3.4 Aggregate Revenue Requirement and Revenue Gap: -	34
3.5 ARR & ACS Gap for FY 2025-26: -	35
3.6 Revenue gap and its recovery: -	36
CHAPTER –IV: AGGREGATE TECHNICAL & COMMERCIAL LOSS	37
4.1 Net Input Energy Calculation Projection: -	37
4.2 AT&C loss and its projection: -	38
CHAPTER- V: TARIFF FOR DISTRIBUTION WHEELING BUSINESS	40
CHAPTER – VI: PRAYER	43



List of Abbreviations used

AGBPP	Assam Gas Based Power Plant
AGTCCPP	Agartala Gas Thermal Combine Cycle Power Plant
DoP,AP	Arunachal Pradesh Department of Power
APSERC	Arunachal Pradesh State Electricity Regulatory Commission
ARR	Aggregate Revenue Requirement
AT&C	Aggregate Technical and Commercial
BPL	Below Poverty Line
CAGR	Compound Annual Growth Rate
DG	Diesel Generating
DHPD	Department of Hydro Power Development
FY	Financial Year
HEP	Hydro Electric Project
HT	High Tension
IPP	Independent Power Producer
KJP	Kutir Jyoti Program
KV	Kilo Volt
KW	Kilo Watt
LT	Low Tension
MU	Million Unit
MW	Mega Watt
NLDC	National Load Dispatch Centre
NHPC	National Hydro Power Corporation
NTPC	National Thermal Power Corporation
NEEPCO	North Eastern Electric Power Corporation
NERLDC	North Eastern Regional Load Dispatch Centre
NERPC	North Eastern Regional Power Committee
O&M	Operation and Maintenance
OTPC	ONGC Tripura Power Company
PGCIL	Power Grid Corporation of India Ltd
RLDC	Regional Load Dispatch Centre
R&M	Repair and Maintenance
SHEP	Small Hydro Electric Project
SLDC	State Load Dispatch Centre
SPSU	State Public Sector Undertaking
T&D	Transmission and Distribution

**CHAPTER-I: INTRODUCTION****1.1 About Arunachal Pradesh Department of Power**

The Arunachal Pradesh Department of Power (DoP,AP) was created in 1992 by separating from the Arunachal Pradesh Public Works Department (APPWD). At that time, the entire power management including generations, transmissions, and distributions was the responsibility of the DoP,AP. In the year 2004, a Department of Hydro Power Development (DHPD) was created by bifurcating from the DoP,AP and thereby separating the generation from the purview of the DoP,AP. The DoP,AP, a Government Department, functioning under the Ministry of Power, Government of Arunachal Pradesh is the Deemed Distribution Licensee of Arunachal Pradesh as per provision of Section 14 of the Electricity Act, 2003. The DoP,AP has 313070 consumers and annual energy consumption was about 728.18 MUs in the FY 2024-25.

1.2 Number of Consumers

The DoP,AP has at present 313070 consumers in different categories. Table 1.2A shows the number of consumers in the last 5 years and using the Compound Annual Growth Rate (CAGR) of the preceding 5 years, DoP,AP has determined the number of consumers for the FY 2025-26.

Table 1.2A: Number of consumers in FY 2025-26

SL No	Consumer Category						CAGR (5 Years) *	Estimated
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25		Current Year 2025-26
		I	II	III	IV	V		VI
A	HT & EHT Category							
1	Non Commercial Consumers (Domestic)							
	AC 50Hz,3-Phase, 11KV	96	109	121	128	123	6.39%	131
	AC 50Hz,3-Phase, 33KV	4	4	4	4	5	5.74%	5
2	Commercial Consumers (Non-Industrial)							
	AC 50Hz,3-Phase, 11KV	244	276	372	460	496	19.41%	592
	AC 50Hz,3-Phase, 33KV	6	11	13	14	17	29.74%	22
3	Public Lighting and Water Supply Consumers							
	AC 50Hz,3-Phase, 11KV	20	21	9	12	11	0.00%	11
	AC 50Hz,3-Phase, 33KV	0	0	0	0	0	0.00%	0
4	Agricultural Consumers							
	AC 50Hz,3-Phase, 11KV	0	5	5	5	5	0.00%	5
	AC 50Hz,3-Phase, 33KV	0	0	0	0	0	0.00%	0
5	Industrial Consumers							
	AC 50Hz,3-Phase, 11KV	62	65	76	85	96	11.55%	107
	AC 50Hz,3-Phase, 33KV	27	26	31	33	33	5.14%	35
	AC 50Hz,3-Phase, 132 KV	3	3	3	3	4	7.46%	4
6	Bulk Mixed Consumers							
	AC 50Hz,3-Phase, 11KV	159	138	173	210	226	9.19%	247



Table 1.2A: Number of consumers in FY 2025-26

SL No	Consumer Category	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	CAGR (5 Years) *	Estimated Current Year 2025-26
		I	II	III	IV	V		VI
	AC 50Hz,3-Phase, 33KV	13	32	15	14	16	5.33%	17
	AC 50Hz,3-Phase, 132 KV	1	1	1	1	1	0.00%	1
B	Low Voltage Category							
1	Non Commercial Consumers (Domestic)							
	AC 50Hz,1-Phase, 230 Volt	188148	195620	197129	198192	206829	2.39%	211782
	AC 50Hz,3-Phase, 400 Volt	2844	3197	3538	3582	3883	8.10%	4197
	KJP & BPL connection	66058	64369	63085	61791	62798	0.00%	62798
2	Commercial Consumers (Non-Industrial)							
	AC 50Hz,1-Phase, 230 Volt	26034	27594	29675	30960	33127	6.21%	35184
	AC 50Hz,3-Phase, 400 Volt	2073	2344	2486	3016	3493	13.93%	3980
3	Public Lighting and Water Supply Consumers							
	AC 50Hz,1-Phase, 230 Volt	1118	1198	948	864	917	0.00%	917
	AC 50Hz,3-Phase, 400 Volt	185	235	239	271	304	13.22%	344
4	Agricultural Consumers							
	AC 50Hz,1-Phase, 230 Volt	4	6	8	10	8	18.92%	10
	AC 50Hz,3-Phase, 400 Volt	13	13	7	8	12	0.00%	12
5	Industrial Consumers							
	AC 50Hz,1-Phase, 230 Volt	48	80	75	65	65	7.87%	70
	AC 50Hz,3-Phase, 400 Volt	173	162	169	178	193	2.77%	198
6	Temporary Consumer							
	LT/HT	194	240	265	358	408	20.42%	491
	Total	287527	295749	298447	300264	313070		321161

The summary of the approved number of consumers in Tariff Order dated 26.03.2025 and estimated Number of consumers for FY 2025-26 is given below:

Table 1.2B: Number of consumers in FY 2025-26

SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
A	HT & EHT Category			
1	Non Commercial Consumers (Domestic)			
	AC 50Hz,3-Phase, 11KV	154	131	23
	AC 50Hz,3-Phase, 33KV	4	5	-1
2	Commercial Consumers (Non-Industrial)			
	AC 50Hz,3-Phase, 11KV	682	592	90
	AC 50Hz,3-Phase, 33KV	21	22	-1
3	Public Lighting and Water Supply Consumers			



Table 1.2B: Number of consumers in FY 2025-26

SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
	AC 50Hz,3-Phase, 11KV	12	11	1
	AC 50Hz,3-Phase, 33KV	0	0	0
4	Agricultural Consumers			
	AC 50Hz,3-Phase, 11KV	5	5	0
	AC 50Hz,3-Phase, 33KV	0	0	0
5	Industrial Consumers			
	AC 50Hz,3-Phase, 11KV	102	107	-5
	AC 50Hz,3-Phase, 33KV	36	35	1
	AC 50Hz,3-Phase, 132 KV	3	4	-1
6	Bulk Mixed Consumers			
	AC 50Hz,3-Phase, 11KV	244	247	-3
	AC 50Hz,3-Phase, 33KV	14	17	-3
	AC 50Hz,3-Phase, 132 KV	1	1	0
B	Low Voltage Category			
1	Non Commercial Consumers (Domestic)			
	AC 50Hz,1-Phase, 230 Volt	208655	211782	-3127
	AC 50Hz,3-Phase, 400 Volt	4121	4197	-76
	KJP & BPL connection	61791	62798	-1007
2	Commercial Consumers (Non-Industrial)			
	AC 50Hz,1-Phase, 230 Volt	34386	35184	-798
	AC 50Hz,3-Phase, 400 Volt	3786	3980	-194
3	Public Lighting and Water Supply Consumers			
	AC 50Hz,1-Phase, 230 Volt	864	917	-53
	AC 50Hz,3-Phase, 400 Volt	324	344	-20
4	Agricultural Consumers			
	AC 50Hz,1-Phase, 230 Volt	16	10	6
	AC 50Hz,3-Phase, 400 Volt	8	12	-4
5	Industrial Consumers			
	AC 50Hz,1-Phase, 230 Volt	79	70	9
	AC 50Hz,3-Phase, 400 Volt	186	198	-12
6	Temporary Consumer			
	LT/HT	714	491	223
	Total	316208	321161	-4953



1.3 Source of Power

The Generation aspects in the entire state do not come under the purview of DoP,AP. The generation in the state is looked after by the:

1. Department of Hydro Power Development (DHPD)
2. Hydro Power Development Corporation of Arunachal Pradesh Limited (HPDCAPL)
3. Arunachal Pradesh Energy Development Agency (APEDA)
4. Independent Power Producers (IPP) (Devi Energies)
5. Independent Power Producers (IPP) (Kangteng Hydro Power Pvt Ltd.) COD 08-05-2024

DoP,AP is solely responsible for transmitting and distributing power to the consumers in the state by procuring and receiving power from various sources, as per requirement, as elaborated in the following section.

1.3.1 Central Sector Generating Stations Allocation: -

Power allocation from Central Sector Generators with whom the DoP,AP already has long term PPA, meets the majority of the power requirement. The power purchased from each generating stations in FY 2024-25 are given in table 1.3.1.

Table 1.3.1: Power Received/Purchased from Central Sector Generating stations in FY 2024-25			
SL No	Name of Project/Source	Owner	FY 2024-25 (In MU)
1	LOKTAK	NHPC	34.14
2	KOPILI-I	NEEPCO	30.02
3	KOPILI-II		9.95
4	KHANDONG		0.00
5	Panyor Lower		67.75
	Free Energy Panyor Lower		125.81
6	DOYANG		14.21
7	PARE		25.76
	Free Energy Pare		45.05
8	KAMENG		70.18
	Free Energy Kameng		324.32
9	AGBPP		105.28
10	AGTCCPP		42.85
11	PALATANA	OTPCL	112.52
12	BgTPP	NTPC	260.70
13	FARAKKA		21.52
14	KAHALGAON		11.44
15	TALCHAR		13.78
16	TOTAL		1315.29

1.3.2 Power from within the State: -

Apart from the Central Sector Share, there are power generators within the state of Arunachal Pradesh from where DoP,AP is receiving/purchasing the entire power generated by them which are mentioned below;

(i) DHPD: -

Department of Hydro Power Development (DHPD) presently has an installed capacity of 81.54 MW consisting of different capacities located in different locations of Arunachal Pradesh. DoP,AP received about 61.25 MU during FY 2024-25 from DHPD. As DHPD is under the same state Govt. (AP) and hence, DoP,AP does not pay the cost of power to DHPD and hence may be treated as **Free Power**. If new projects come up then there will be capacity addition.

(ii) Hydro Power Development Corporation of Arunachal Pradesh Limited (HPDCAPL): -

Hydro Power Development Corporation of Arunachal Pradesh Limited is a State Public Sector Undertaking and has commissioned a 3 MW small hydropower project at Zemithang of Tawang district of Arunachal Pradesh over the Sumbachu River and started commercial operation in the year 2020-21. The generation of this project is entirely utilised by Tawang Electrical Division for Tawang District. The DoP,AP received about 5.23 MU during FY 2024-25 from this project.

(iii) Dikshi Small Hydro Electric Project: -

Dikshi SHP is a small hydropower project with an installed capacity of 24 MW at Rupa of West Kameng District, developed by M/s Devi Energy Ltd, an Independent Power Producer (IPP). This project was commissioned in the year 2019 and declared Date of Commercial Operation (COD) on 19 September 2019. The DoP,AP entered into a Power Purchase Agreement (PPA) with M/s Devi Energy Ltd for purchasing the entire power generated from this project over and above the 10% Free Power Share to the State. DoP,AP purchased about 85.06 MU during FY 2024-25 from this project.

(iv) Khantang Small Hydro Electric Project: -

Khantang SHP is a small hydropower project with an installed capacity of 7.5 MW located at Khantang Nallah, Seru village, Tawang District, developed by M/s Kangteng Hydro Power Pvt Ltd, an Independent Power Producer (IPP). This project was commissioned in the year 2024 and declared Date of Commercial Operation (COD) on 08 May 2024. The DoP,AP entered into a Power Purchase Agreement (PPA) with M/s Kangteng Hydro Power Pvt Ltd for purchasing the entire power generated from this project over and above the 12.6% (8% free power plus the offer of 4.6% additional free



power) Free Power Share to the State from the power generated after the moratorium period of 2 (two) years from the date of COD. DoP,AP purchased about 30.99 MU during FY 2024-25 from this project.

(v) **Arunachal Pradesh Energy Development Agency (APEDA): -**

The Arunachal Pradesh Energy Development Agency is under the Ministry of Power, Govt. of Arunachal Pradesh, which is responsible for the development of Non-Conventional Energy in the state. APEDA has developed various capacities of Solar Power plants across the state with an installed capacity of 4.188 MW. From these plants, DOP,AP has received about 0.49 MU of energy free of cost during the FY 2024-25. Since it is also under the same umbrella of the State Government and therefore, it may also be treated as free power. The energy so received is utilized to partially meet the annual Solar Renewable Power Purchase Obligation (RPO) of the state.

(vi) **Diesel Generation: -**

DG sets are purely a temporary arrangement to meet any emergency requirement in case of non-availability of power from any other sources and it is mostly kept on standby. The energy generated through DG set in the FY 2024-25 is 0.31 MU.

The power received/purchased from the above-mentioned sources for the FY from 2024-25 is tabulated below in Table 1.3.2.

Table 1.3.2: Power Received/Purchased from within State Generators in FY 2024-25			
SL No	Name of Project/Source	Owner	FY 2024-25 (in MU)
1	DHPD	GoAP	61.25
2	Sumbachu	HPDCL	5.23
3	Dikshi	IPP	85.06
	Free Energy Dikshi		9.45
4	Khantang		30.99
5	SOLAR	APEDA	0.49
6	Diesel Generation	DoP,AP	0.31
7	TOTAL		192.79

1.3.3 Power received from the other Sources:

The following are the other sources from where DoP,AP draws power: -

- (i) **Deviation:** - DoP,AP never purchases power deliberately through deviation. But the deviation of power does occur due to various reasons. DoP, AP schedules its power drawal based on immediate past trend consumption and on the declared capacity of the generators; however, unexpected changes often lead to deviations. Run-of-river hydro projects like Panyor Lower, Pare, and Kameng revise their declared capacity at times, causing DoP, AP to deviate from the original schedule very often, leading to drawl of power in excess of the scheduled power. Apart from this, sometimes industrial unit sudden breakdowns or sudden starts lead to deviation, and sometimes transmission line breakdowns also cause deviation. DoP, AP tries its best to avoid deviations, but they happen.
- (ii) **IEX Purchase:** -In case of any shortage of power, the DoP,AP resorts to purchasing power from Real-Time Market (RTM) or Day Ahead Market (DAM) from IEX to avoid or minimize Deviation. DoP,AP purchased 42.61 MU in FY 2024-25 to meet the power shortage at that time.
- (iii) **Banking:** - DoP,AP is engaged in the banking of energy during the high hydro season and takes back during the lean hydro season @ 5% above in case of forward banking and sometimes DOP,AP takes energy in advance from the party and returns to them @ 5% above as and when power is available. As such, there is no financial implication for this activity. The energy was imported via Banking to the tune of 71.52 MU in FY 2024-25

Table 1.3.3: Power Received/Purchased from other source in FY 2024-25

SL No	Source of Power	FY 2024-25 (in MU)
1	Deviation	41.25
2	IEX Purchase	42.61
3	Banking (Import)	71.52
4	TOTAL	155.37

1.3.4 Total Power received: -

Table 1.3.4: Total Power Received/Purchased in FY 2024-25		
SL No	Source of Power	FY 2024-25 (in MU)
1	Central Sector Allocation	1315.29
2	State Generation (IPP+Own)	192.79
3	From Other Sources	155.37
4	TOTAL	1663.45

1.4 Necessity for Filing of Annual Performance Review: -

The Electricity Act 2003 under sections 62 and 64 provides for the determination of tariff by the appropriate commission on application by a licensee. The Arunachal Pradesh State Electricity Regulatory Commission (APSERC) notified Multi-Year Tariff Regulations- 2024 which provides for the filing of Annual Performance Review. The Regulation, 2.6(1) of Multi-Year Tariff Regulations- 2024 is produced below.

“The Generating Company, Transmission Licensee or Distribution Licensee as the case may be shall be subject to an annual review of performance and True Up during the Control Period in accordance with this Regulation. The Licensee shall file an application for annual performance review of current year, Truing up of the previous year and determination of tariff for the ensuing year in not less than 120 days before the close of each year of the control period.....”

In compliance to the directive contains in this regulation, DoP,AP is hereby filling this petition for Annual Performance Review for the FY 2025-26.

1.5 Procedure Adopted in preparation for this Annual Performance Review: -

While preparing the APR petition, the DoP,AP adopted the principle, guidelines, and procedure prescribed by Hon’ble Commission in the Multi-Year Tariff Regulation 2024. First of all, the aggregate revenue requirement of the DoP,AP is worked out as per guidelines provided in the financial principle of Multiyear Tariff Regulation 2024, then the expected revenue in the existing tariff is worked out. The revenue gap of that year is the difference between the Expected ARR and the Expected Revenue of that year. DoP,AP is not proposing the recovery of the revenue gap as the same is being funded as grant from the Government of Arunachal Pradesh. However, final Gap if any for the year shall be submitted for consideration of the Hon’ble Commission at the time of True-up for the year.



1.5.1 Estimation of Aggregate Revenue Requirement: -

According to Chapter 10.2(1) of APERC Multi-Year Tariff Regulation 2024, the tariff for retail supply by a Distribution Licensee shall provide for recovery of the Aggregate Revenue Requirement of the Distribution Licensee for the financial year, as approved by the Commission and comprising the following components.

- a) Return on Equity Capital
- b) Interest on Loan Capital
- c) Depreciation
- d) Cost of own power generation/ power purchase expenses
- e) Inter-state Transmission charges
- f) Intra-state Transmission charges
- g) Charges for intervening transmission facilities, if any
- h) Fees and charges of NLDC/RLDC/SLDC etc
- i) Operation and maintenance expenses
- j) Interest in working capital and consumer security deposits and
- k) Provision for bad or doubtful debt.

Minus

- l) Non-tariff income
- m) Income from wheeling charges recovered from the open-access customer
- n) Income from other businesses to the extent specified in this regulation.
- o) Receipt from cross-subsidy surcharges from open-access consumers, and
- p) Receipt from the additional surcharge on charges of wheeling from open access consumers.
- q) Any revenue subsidy or grant received from the state government other than subsidy under section 65 of the Electricity act 2003.

1.5.2 Estimation of Annual Revenue Income: -

On the trends of energy consumption by different categories of consumers in the last few years, the likely consumption of each category of the consumers in the year have been projected. The projected quantities of the year have been thereafter multiplied by the corresponding projected tariff of each category of consumers to give the estimated Annual Revenue Income.

1.5.3 Determination of Revenue Gap: -

The difference in amount between the estimated Aggregate Revenue Requirement and estimated Annual Revenue Income is Revenue Gap for the year



CHAPTER-II: ESTIMATION OF AGGREGATE REVENUE

REQUIREMENT

2.1 Return on Equity Capital

DoP,AP being a Government Department, all funding comes from the State Government/Central Government as a grant without any obligation to pay back. DoP,AP is not incorporated/registered as a company, hence there is no shareholder/equity as a result **return on equity capital** does not arise. Hence, the DoP,AP will not claim a Return on Equity Capital.

2.2 Interest on Loan Capital

DoP,AP functions under the Government of Arunachal Pradesh. All financial matters of DoP,AP are controlled by the finance department of the Government. Taking a loan and its repayment are decided by them. Hence, DoP,AP cannot take any kind of loan independently and does not have any access to the loan and its repayment process even if the loan is taken for funding the projects under DoP,AP, its repayment is handled by the Government from its sources. Therefore, expenses on interest on the loan may be considered as Nil and DoP,AP shall not claim any for purpose of ARR.

2.3 Depreciation

Entire Assets under the control of DoP,AP are created from the grant of the Government of Arunachal Pradesh or the Government of India without any obligation to return. As per the regulatory direction, no depreciation can be claimed on the assets created from subsidies or grants which has no obligation to return. Therefore, DoP,AP shall not claim any depreciation for ARR.

2.4 Category-wise energy Sale Forecast within the State: -

The category-wise energy sale forecast is tabulated below in table 2.4A. This forecast is devised by using the Compound Annual Growth Rate (CAGR) of the preceding 5 years as required by section 10.11(2) APSERC Multi-Year Tariff Regulation 2024. As seen from the category-wise monthly sale for the FY 2024-25, there is no effect on seasonal change, hence annual basis forecast has been adapted instead of a monthly basis.



Table: 2.4(A) Energy sale (With in the State) estimation for FY 2025-26

SL No	Consumer Category	Past Year Energy Consumption data (in MU)					CAGR (5 Years)*	Estimate(MU)
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25		FY 2025-26
		I	II	III	IV	V		VI
A	HT & EHT Category							
1	Non Commercial Consumers (Domestic)							
	AC 50Hz,3-Phase, 11KV	4.48	5.33	8.18	7.78	9.38	20.30%	11.28
	AC 50Hz,3-Phase, 33KV	3.86	3.92	4.40	3.76	4.06	1.31%	4.12
2	Commercial Consumers (Non-Industrial)							
	AC 50Hz,3-Phase, 11KV	10.34	11.97	17.18	17.53	23.77	23.13%	29.27
	AC 50Hz,3-Phase, 33KV	0.28	0.33	0.27	0.13	0.23	0.00%	0.23
3	Public Lighting and Water Supply Consumers							
	AC 50Hz,3-Phase, 11KV	3.72	3.00	3.26	3.22	3.26	0.00%	3.26
	AC 50Hz,3-Phase, 33KV	0.62	0.00	0.00	0.00	0.00	0.00%	0.00
4	Agricultural Consumers							
	AC 50Hz,3-Phase, 11KV	0.19	0.00	0.01	0.02	0.02	0.00%	0.02
	AC 50Hz,3-Phase, 33KV	0.34	0.00	0.00	0.00	0.00	0.00%	0.00
5	Industrial Consumers							
	AC 50Hz,3-Phase, 11KV	14.30	18.71	20.17	20.92	18.53	6.69%	19.77
	AC 50Hz,3-Phase, 33KV	27.85	32.27	38.00	37.15	37.46	7.69%	40.34
	AC 50Hz,3-Phase, 132 KV	84.05	157.83	158.52	222.91	230.92	28.75%	297.30
6	Bulk Mixed Consumers							
	AC 50Hz,3-Phase, 11KV	16.38	16.70	18.51	24.52	28.59	14.95%	32.87
	AC 50Hz,3-Phase, 33KV	8.18	9.14	9.01	13.14	13.42	13.15%	15.18
	AC 50Hz,3-Phase, 132 KV	1.49	0	0	0.00	0.00	0.00%	0.00
B	Low Voltage Category							
1	Non Commercial Consumers (Domestic)							
	AC 50Hz,1-Phase, 230 Volt	131.11	145.19	165.04	167.27	183.08	8.71%	199.01
	AC 50Hz,3-Phase, 400 Volt	22.21	25.34	26.41	30.48	36.25	13.03%	40.97
	KJP & BPL connection AC 50Hz,1-Phase, 230 Volt	25.72	28.00	32.63	33.81	36.23	8.95%	39.47
2	Commercial Consumers (Non-Industrial)							
	AC 50Hz,1-Phase, 230 Volt	25.43	30.35	41.31	44.65	51.51	19.30%	61.45
	AC 50Hz,3-Phase, 400 Volt	17.67	21.73	29.54	35.98	37.91	21.03%	45.89
3	Public Lighting and Water Supply Consumers							
	AC 50Hz,1-Phase, 230 Volt	2.45	2.620	3.15	3.42	4.40	15.77%	5.09
	AC 50Hz,3-Phase, 400 Volt	2.53	2.380	2.56	3.19	5.37	20.72%	6.48
4	Agricultural Consumers							
	AC 50Hz,1-Phase, 230 Volt	0.18	0.010	0.009	0.02	0.02	0.00%	0.02
	AC 50Hz,3-Phase, 400 Volt	0.06	0.050	0.037	0.04	0.07	3.89%	0.07
5	Industrial Consumers							
	AC 50Hz,1-Phase, 230 Volt	0.34	1.630	0.498	0.91	0.93	28.81%	1.19
	AC 50Hz,3-Phase, 400 Volt	0.98	1.260	1.917	1.68	1.91	18.19%	2.25
6	Temporary Consumer							
	LT/HT	0.37	0.480	1.489	0.87	0.87	23.68%	1.08
	Total	405.11	518.24	582.10	673.41	728.18		856.62



In cases where there CAGR is negative, the growth factor has been considered as NIL. Hon'ble Commission is requested to approve the projected Energy Sale within the state for FY 2025-26 at 856.62 MU respectively.

The summary of the approved energy sale (within the state) in tariff order dated 26.03.2025 and the estimated energy sale (within the state) for the FY 2025-26 is given below

Table: 2.4(B) Energy sale (With in the State) estimation for FY 2025-26 in MU				
SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
A	<u>HT & EHT Category</u>			
1	Non Commercial Consumers (Domestic)			
	AC 50Hz,3-Phase, 11KV	11.57	11.28	0.29
	AC 50Hz,3-Phase, 33KV	3.77	4.12	-0.35
2	Commercial Consumers (Non-Industrial)			
	AC 50Hz,3-Phase, 11KV	22.85	29.27	-6.42
	AC 50Hz,3-Phase, 33KV	0.16	0.23	-0.07
3	Public Lighting and Water Supply Consumers			
	AC 50Hz,3-Phase, 11KV	3.22	3.26	-0.04
	AC 50Hz,3-Phase, 33KV	0.00	0.00	0.00
4	Agricultural Consumers			
	AC 50Hz,3-Phase, 11KV	0.02	0.02	0.01
	AC 50Hz,3-Phase, 33KV	0.00	0.00	0.00
5	Industrial Consumers			
	AC 50Hz,3-Phase, 11KV	25.23	19.77	5.46
	AC 50Hz,3-Phase, 33KV	49.27	40.34	8.93
	AC 50Hz,3-Phase, 132 KV	292.07	297.30	-5.23
6	Bulk Mixed Consumers			
	AC 50Hz,3-Phase, 11KV	29.47	32.87	-3.40
	AC 50Hz,3-Phase, 33KV	17.28	15.18	2.10
	AC 50Hz,3-Phase, 132 KV	0.00	0.00	0.00
B	<u>Low Voltage Category</u>	-	-	-
1	Non Commercial Consumers (Domestic)			
	AC 50Hz,1-Phase, 230 Volt	192.35	199.01	-6.66
	AC 50Hz,3-Phase, 400 Volt	37.07	40.97	-3.90
	KJP & BPL connection AC 50Hz,1-Phase, 230 Volt	40.06	39.47	0.59
2	Commercial Consumers (Non-Industrial)			
	AC 50Hz,1-Phase, 230 Volt	58.92	61.45	-2.53
	AC 50Hz,3-Phase, 400 Volt	50.07	45.89	4.18
3	Public Lighting and Water Supply Consumers			
	AC 50Hz,1-Phase, 230 Volt	3.75	5.09	-1.34
	AC 50Hz,3-Phase, 400 Volt	4.11	6.48	-2.37

**Table: 2.4(B) Energy sale (With in the State) estimation for FY 2025-26 in MU**

SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
4	Agricultural Consumers			
	AC 50Hz,1-Phase, 230 Volt	0.03	0.02	0.01
	AC 50Hz,3-Phase, 400 Volt	0.08	0.07	0.01
5	Industrial Consumers			
	AC 50Hz,1-Phase, 230 Volt	1.23	1.19	0.04
	AC 50Hz,3-Phase, 400 Volt	2.10	2.25	-0.15
6	Temporary Consumer			
	LT/HT	0.87	1.08	-0.21
	Total	845.55	856.62	-11.08

2.5 Forecast of Sale of Power Outside the State: -

The energy sale forecast outside the state through IEX & Bilateral sale is calculated assuming reduction of 7.5% above the previous year's consumption. Deviation export has been estimated considering increment of 5% over previous year. Banking export has been estimated based on the banking imports for the year. The details of energy sale forecast outside the state is shown in table 2.5(A) below:

Table 2.5A: Energy Sale Forecast outside the State in FY 2025-26 in MU

SL. No.	Particulars	FY 2024-25 (Actual)	Current Year
			FY 2025-26 (Estimate)
1	Energy Sale (IEX)	281.52	260.41
2	Bilateral Sale	62.98	58.25
3	Deviation Export	14.66	15.40
4	Banking Export	20.16	74.89
5	Total	379.32	408.95

The Hon'ble Commission advised the DoP,AP through tariff order to reduce the sale outside the state as the sale at IEX is lower than the purchase price. DoP,AP do sell is selling power in the IEX at the rate discovered in the Exchange for a particular slot. Due to free power allocated from the Generating station located in Arunachal Pradesh, as being the home state, there used to be surplus power at times, especially during the high hydro season, hence the sale outside the state

has to be continued. Hence, outside state sales has been projected for the current year. Therefore, Hon'ble Commission is requested to approve the estimated Energy Sale outside the state through IEX and bilateral sale for FY 2025-26 of 260.41 MU and 58.25 MU respectively.

The summary of the approved energy sale forecast outside the state in tariff order dated 26.03.2025 and the estimated energy sale forecast outside the state for the FY 2025-26 is given below.

Table 2.5B: Energy Sale Forecast outside the State in FY 2025-26 in MU			
SL. No.	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated
		I	II
1	Energy Sale (IEX)	390.62	260.41
2	Bilateral Sale		58.25
3	Deviation Export		15.40
4	Banking Export		74.89
5	Total	390.62	408.95

2.6 Total Energy Sale Forecast: -

The total energy sale forecast both within the state and outside the state is tabulated in the table 2.6 below:

Table 2.6: Total Energy Sale Forecast in FY 2025-26 in MU			
SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated
		I	II
1	With in the State	845.55	856.62
2	Outside the State	390.62	408.95
3	Total	1236.17	1265.57

2.7 Power Purchase Estimation: -

The power purchase quantum for the current year is estimated considering various factors like previous energy consumptions, energy sale projection, judicious scheduling, likely distribution losses, surplus energy sale during high hydro, restricting deviation import, restricting import from high-cost generators, total energy requirement, etc. and is shown in table 2.7A

**Table2.7A: Power Purchase Estimation in FY 2025-26**

SL. No.	Name of Project/Source	Owner	Energy Received (MU)	Multiplying Factor	Estimated (MU)
			FY 2024-25 (ACTUAL)		Current Year FY2025-26
1	LOKTAK	NHPC	34.14	0%	34.14
2	KOPILI-I	NEEPCO	30.02	0%	30.02
3	KOPILI-II		9.95	0%	9.95
4	KHANDONG		0.00	0%	0
5	Panyor Lower		67.75	0%	67.75
	Free Energy Panyor Lower		125.81		125.81
6	DOYANG		14.21	0%	14.21
7	PARE		25.76	0%	25.76
	Free Energy Pare		45.05		45.05
8	KAMENG		70.18	0%	70.18
	Free Energy Kameng		324.32		324.32
9	AGBPP		105.28	0%	105.28
10	AGTCCPP		42.85	0%	42.85
11	PALATANA	OTPCl	112.52	0%	112.52
12	BgTPP	NTPC	260.70	0%	260.70
13	FARAKKA		21.52	0%	21.52
14	KAHALGAON		11.44	0%	11.44
15	TALCHAR		13.78	0%	13.78
16	DHPD	GoAP	61.25	0%	61.25
17	HPDCL	SPSU	5.23	0%	5.23
18	DIKSHI	IPP	85.06	0%	85.06
19	Free Energy Dikshi		9.45	0%	9.45
20	KHANGTANG		30.99	0%	30.99
29	SOLAR	APEDA	0.49	0%	0.49
30	Deviation		41.25	-5%	39.18
31	IEX Purchase		42.61	0%	42.61
32	Banking (Import)		71.52		74.89
33	Diesel Generation		0.31	0%	0.31
34	TGNA				0.00
	TOTAL		1663.45		1664.76

From the above table, it may be seen that deviation import (UI) is projected to be reduced by 5% during the year as it is a costly affair. Estimated Energy Requirement for FY 2025-26 is kept a 1664.76 MU.



The summary of the approved power purchase in the tariff order dated 26.03.2025 and the estimated power purchase for the FY 2025-26 is given below: -

Table2.7B: Power Purchase Estimation in FY 2025-26 in MU					
SL No	Particulars	Owner	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
			I	II	I-II
1	LOKTAK	NHPC	12.34	34.14	-21.80
2	KOPILI-I	NEEPCO	11.91	30.02	-18.11
3	KOPILI-II		8.35	9.95	-1.60
4	KHANDONG		0	0.00	0.00
5	Panyor Lower		72.84	67.75	5.09
	Free Energy Panyor Lower		140.07	125.81	14.26
6	DOYANG		9.48	14.21	-4.73
7	PARE		25.16	25.76	-0.60
	Free Energy Pare		57.29	45.05	12.24
8	KAMENG		44.7	70.18	-25.48
	Free Energy Kameng		313.16	324.32	-11.16
9	AGBPP	OTPC	98.46	105.28	-6.82
10	AGTCCPP		43.79	42.85	0.94
11	PALATANA		122.16	112.52	9.64
12	BgTPP		206.55	260.70	-54.15
13	FARAKKA	NTPC	19.7	21.52	-1.82
14	KAHALGAON		9.9	11.44	-1.54
15	TALCHAR		12.66	13.78	-1.12
16	DHPD	GoAP	56.74	61.25	-4.51
17	HPDCL	SPSU	6.37	5.23	1.14
18	DIKSHI	IPP	65.26	85.06	-19.80
19	Free Energy Dikshi		7.25	9.45	-2.20
20	KHANGTANG		23.55	30.99	-7.44
29	SOLAR	APEDA	0.55	0.49	0.06
30	Deviation		0	39.18	-39.18
31	IEX Purchase		0	42.61	-42.61
32	Banking (Import)		0	74.89	-74.89
33	Diesel Generation		0.32	0.31	0.01
			1368.56	1664.76	-296.20

**2.8 Power Purchase Cost Estimation: -**

The power purchase cost has been estimated by escalating the actual amount paid in the previous year to the Source/Agency by 5%. Further, as shown in Table 2.8A, the drawl from Deviation is proposed to be reduced by 5%, accordingly, the Purchase Cost from deviation is reduced by that extent.

Table 2.8A: Power Purchase Cost Estimation for FY 2025-26					
(Rs in Cr)					
SL No	Particulars	Previous Year	Multiplying Factor for units (in %)	Multiplying Factor for cost (in %)	Current Year
		FY 2024-25 (Actual)			FY 2025-26 (Estimated)
1	NEEPCO	186.81	0	5	196.15
2	NTPC (Farakka, Kahal Gaon, Talchar, BGTP)	174.04	0	5	182.74
3	NHPC	10.56	0	5	11.09
4	OTPC	38.01	0	5	39.91
5	Deviation	28.83	-5	5	28.83
6	Reactive	0.02	0	5	0.02
7	Devi Enrgies	44.69	0	5	46.93
8	Kangteng Hydro Power Pvt. Ltd.	10.36	0	5	10.88
9	DHPD	0.00	0	5	0.00
10	HPDCAPL	1.53	0	5	1.61
11	APPCPL	6.49	0	5	6.82
12	Misc. Exp.	0.96	0	5	1.00
	Total	502.30			525.98

The Hon'ble Commission is requested to approve the power purchase cost for FY 2025-26 at Rs 525.98 Cr respectively.

The summary of the approved power purchase cost in tariff order dated 26.03.2025 and the estimated power purchase cost for the FY 2025-26 is given below:

Table 2.8B: Power Purchase Cost Comparison for FY 2025-26				
(Rs in Cr)				
SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I		
1	NEEPCO	162.78	196.15	-33.37

Table 2.8B: Power Purchase Cost Comparison for FY 2025-26				
(Rs in Cr)				
SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
2	NTPC (Farakka, Kahal Gaon, Talchar, BGTTP)	169.87	182.74	-12.87
3	NHPC	7.55	11.09	-3.54
4	OTPC	42.68	39.91	2.77
5	Deviation	0.00	28.83	-28.83
6	Reactive	0.00	0.02	-0.02
7	Devi Enrgies	34.26	46.93	-12.67
8	Kangteng Hydro Power Pvt. Ltd.	11.26	10.88	0.38
9	DHPD	8.06	0.00	8.06
10	HPDCAPL	1.29	1.61	-0.32
11	APPCPL	0.00	6.82	-6.82
12	Misc. Exp.	0.00	1.00	-1.00
	Total	437.74	525.98	-88.24

2.9 Inter-State and Intra-State Transmission Charges: -

The entire interstate power transmission in DoP,AP is transmitted through the PGCIL transmission infrastructure. The estimated transmission charges during the FY 2025-26 are tabulated in table 2.9 below. There is also a chargeable intrastate transmission system constructed by M/s Devi Energy Ltd to evacuate the power generated from the Dikshi SHP. Hence, the transmission charge has been calculated based on the proposed energy to be imported during the year. Further, the transmission charges of last year are escalated by 5% year over year to factor in the yearly cost variations. The estimated charges for the FY 2025-26 are shown in table 2.9.

Table: 2.9 (A) Inter State Transmission Charges for FY 2025-26			
Rs in Cr			
SL No	Particulars	Previous Year (Actual)	Current Year (Estimated)
		FY 2024-25	FY 2025-26
1	PGCIL	1.99	1.9
2	CTUIL	72.38	76.00
3	APDCL	7.79	8.18
4	Total	82.16	86.08

Hon'ble Commission is requested to approve the Estimated Inter-State Transmission Charges for FY 2025-26 at Rs 86.08 Cr respectively.

The summary of the approved interstate transmission charges in the tariff order dated 26-03-2025 and the estimated interstate transmission charges is given below:

Table: 2.9 (B) Inter State Transmission Charges for FY 2025-26				
Rs in Cr				
SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
1	PGCIL	1.9	1.90	0.00
2	CTUIL	104.53	76.00	28.53
3	APDCL	0	8.18	-8.18
4	Total	106.43	86.08	20.35

Table: 2.9(C) Intra State Transmission Charges for FY 2025-26			
Rs in Cr			
SL No	Particulars	Previous Years (Actual)	Current Year (Estimated)
		FY 2024-25	FY 2025-26
1	Devi Energies	11.45	11.45

The Hon'ble Commission is requested to approve the estimated Intra State Transmission Charges for FY 2025-26 as proposed above.

The summary of the approved intra state transmission charges in the tariff order dated 26.03.2025 and the estimated intra state transmission charges for the FY 2025-26 is given below:

Table: 2.9(D) Intra State Transmission Charges for FY 2025-26				
Rs in Cr				
SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
1	Devi Energies	10.41	11.45	-1.04

2.10 Fees and charges of NLDC/RLDC/SLDC etc.: -

The fees for NERLDC have been estimated with proposed annual increment @ 5% of the previous year. Fees and charges for NERLDC and NERPC for 2024-25 and estimated fee for the FY 2025-26 is tabulated in table 2.10A below:

Table: 2.10A Fee and Charges of NERLDC for FY 2025-26			
SL No	Particulars	(Rs in Cr)	
		Previous Years (Actual)	Current Year (Estimated)
		FY 2024-25	FY 2025-26
1	NERLDC Fee	1.19	1.25
2	NERPC board fund and establishment fund	0.00	0.01
3	Total	1.19	1.26

Hon'ble Commission is requested to approve the Estimated NERLDC fee and NERPC board fund for FY 2025-26 at Rs 1.26 Cr.

The summary of the approved NERLDC fees in the tariff order dated 23.03.2025 and estimated NERLDC fees for the FY 2025-26 is given below:

Table: 2.10B Fee and Charges of NERLDC for FY 2025-26				
SL No	Particulars	(Rs in Cr)		
		Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
1	NERLDC Fee	2.08	1.25	0.83
2	NERPC board fund and establishment fee	0.01	0.01	0.00
3	Total	2.09	1.26	0.83

2.11 Operation and Maintenance Cost: -

Operation and maintenance cost consist of three components;

- 1) Employee cost,
- 2) Repair and Maintenance cost
- 3) Administrative and General costs.

The DoP,AP will have estimated 10029 Nos of total employees in FY 2025-26. The detail is shown in table 2.11A.



Table 2.11(A): Number of Employees			
Description	Category of Employees	FY 2024-25 (Actual)	FY 2025-26 (Estimate)
Opening No of employees	Regular Employees	1054	1054
	Work Charged Employees	2786	2786
	Casual Employees	6189	6189
	Total	10029	10029
Addition during the year	Regular Employees	0	0
	Work Charged Employees	0	0
	Casual Employees		0
Retirement during the year	Regular Employees	NA	
	Work Charged Employees	NA	
	Casual Employees	NA	
Closing no of employees in year	Regular Employees	1054	1054
	Work Charged Employees	2786	2786
	Casual Employees	6189	6189
	Total	10029	10029



The estimated cost of these three components for FY 2025-26 has been calculated as per Regulation 4.10 of APERC Regulations, 2024. Accordingly, expenses of previous year has been escalated by escalation factor which has been determined by considering 20% weightage to the average yearly inflation derived based on the monthly wholesale price index (WPI) of the past three financial years (FY 2022-23, FY 2023-24 & FY 2024-25) as per the office of Economic Advisor of Government of India and 80% weightage to the average yearly inflation derived based on the monthly Consumer Price Index (CPI) for industrial workers of the past three financial years (FY 2022-23, FY 2023-24 & FY 2024-25) as per the Labour Bureau, Government of India. The details are shown in table 2.11(B).

Table: 2.11(B): Operation and Maintenance Cost for FY 2025-26 (Rs in Cr)						
Sl. No.	Particulars	Previous Year			3 Years Average	Current Year
		(Actual) FY 2022-23	(Actual) FY 2023-24	(Actual) FY 2024-25		(Estimated) FY 2025-26
1	Employee Expenses	372.93	393.35	394.08	386.79	404.69
2	A&G Expenses	15.11	8.70	12.08	11.96	12.52
3	R&M Expenses	28.96	40.36	41.95	37.09	38.81
4	Total O&M Expenses	417.00	442.41	448.11	435.84	456.02

The summary of the approved O&M expenses in the tariff order dated 26.03.2025 and estimated O&M expenses for the FY 2025-26 is given below.

Table: 2.11(C): Operation and Maintenance Cost for FY 2025-26 (Rs in Cr)				
SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
1	Employee Expenses	387.70	404.69	-16.99
2	A&G Expenses	9.94	12.52	-2.58
3	R&M Expenses	41.91	38.81	3.10
4	Total O&M Expenses	439.55	456.02	-16.47

Hon'ble Commission is requested to approve Estimated O&M expenses for FY 2025-26 456.02 Cr.

2.12 Interest in Working Capital

Working capital for DoP,AP is provided by the Government of AP as a grant as and when required, and therefore no interest on working capital is required to be paid by DoP,AP. Hence, interest in working capital may be considered Nil.

2.13 Bad and doubtful debt

DoP,AP does not have any bad and doubtful debt as per records. Therefore, provision for bad and doubtful debt may be considered Nil.

All Minus components, that is, all components that are to be subtracted from the components of ARR are Nil, namely, non-Tariff income, Income from Wheeling, Cross Subsidy, Other Business, etc.

2.14 Aggregate Revenue Requirement

The summary of the approved aggregate revenue requirement in the tariff order dated 26.03.2025 and the estimated aggregate revenue requirement for the FY 2025-26 is given below:

Table 2.14: Aggregate Revenue Requirement for FY 2025-26				
(Rs. In Crores)				
SL No	Particulars	Approved in Tariff Order Dt 26-03- 2025	Estimated	Deviation
		I	II	I-II
1	Return on Equity Capital			0.00
2	Interest on Loan Capital			0.00
3	Depreciation			0.00
4	Power Purchase Expenses	437.74	525.98	-88.24
5	Interstate Transmission Charges	106.43	86.08	20.35
6	Intrastate Transmission Charges	10.41	11.45	-1.04
7	Fees and charges of NERLDC/NERPC	2.09	1.26	0.83
8	O&M expenses	439.55	456.02	-16.47
9	Interest on working Capital			0.00

Table 2.14: Aggregate Revenue Requirement for FY 2025-26				
(Rs. In Crores)				
SL No	Particulars	Approved in Tariff Order Dt 26-03- 2025	Estimated	Deviation
		I	II	I-II
10	Provision for bad and doubtful debt			0.00
11	Annual License Fee	0.05		0.05
12	Tariff filing fees	0.075		0.08
13	Training and Safety of Personnel	0		0.00
14	Total Revenue Requirement	996.35	1080.78	-84.44

Hon'ble Commission is requested to approve the Estimated Aggregate Revenue Requirement for FY 2025-26 at Rs.1080.78 Cr.



CHAPTER – III: EXPECTED REVENUE AND REVENUE GAP RECOVERY

3.1 Expected revenue in the existing tariff from the sale within the state: -

The category-wise energy sale in MU has been projected in table 2.4A. by using CAGR. These energy sale projections have been multiplied by category-wise existing tariffs to estimate the expected revenue from within the state and are tabulated in table 3.1A.

Table 3.1(A): Revenue estimation for FY 2025-26 from sale within the state in the existing tariff				
SL No	Consumer Category	Existing Tariff (Per Kwh)	Current Year (Estimated)	
			FY 2025-26	
			Sale (MU)	Rs in Cr.
A	High Voltage Category			
1	Non Commercial Consumers (Domestic)			
	3-Phase, 11KV	3.80	11.28	4.29
	3-Phase, 33KV	3.65	4.12	1.50
2	Commercial Consumers (Non-Industrial)			
	3-Phase, 11KV	4.85	29.27	14.20
	3-Phase, 33KV	4.65	0.23	0.11
3	Public Lighting and Water Supply Consumers			
	3-Phase, 11KV	4.85	3.26	1.58
	3-Phase, 33KV	4.65	0.00	0.00
4	Agricultural Consumers			
	3-Phase, 11KV	3.15	0.02	0.00
	3-Phase, 33KV	3.05	0.00	0.00
5	Industrial Consumers			
	3-Phase, 11KV	4.50	19.77	8.90
	3-Phase, 33KV	4.15	40.34	16.74
	3-Phase, 132 KV	4.00	297.30	118.92
6	Bulk Mixed Consumers			
	3-Phase, 11KV	4.40	32.87	14.46
	3-Phase, 33KV	4.05	15.18	6.15
	3-Phase, 132 KV	3.90	0.00	0.00
B	Low Voltage Category			
1	Non Commercial Consumers (Domestic)			
	1-Phase, 230 Volt	4.40	199.01	87.57
	3-Phase, 400 Volt	4.40	40.97	18.03
	KJP & BPL connection	3.00	39.47	11.84
2	Commercial Consumers (Non-Industrial)			
	1-Phase, 230 Volt	5.65	61.45	34.72
	3-Phase, 400 Volt	5.65	45.89	25.93
3	Public Lighting and Water Supply Consumers			
	1-Phase, 230 Volt	5.75	5.09	2.93

Table 3.1(A): Revenue estimation for FY 2025-26 from sale within the state in the existing tariff

SL No	Consumer Category	Existing Tariff (Per Kwh)	Current Year (Estimated)	
			FY 2025-26	
			Sale (MU)	Rs in Cr.
	3-Phase, 400 Volt	5.75	6.48	3.73
4	Agricultural Consumers			
	1-Phase, 230 Volt	3.50	0.02	0.01
	3-Phase, 400 Volt	3.50	0.07	0.03
5	Industrial Consumers			
	1-Phase, 230 Volt	4.95	1.19	0.59
	3-Phase, 400 Volt	4.95	2.25	1.12
6	Temporary Consumer			
	LT/HT	9.00	1.08	0.97
	Total		856.62	374.29

The revenue from tariff for the current year i.e FY 2025-26 has been calculated at the proposed rate & projected energy sale (Units). Further, the total revenue includes Non-Tariff Income such as Late Payment Surcharge, Meter Rent & Other Charges in addition to revenue from Tariff. DoPAP has considered the ratio of individual components of **Non-tariff Income** i.e LPS, Meter Rent & any other charges with the **Energy Charge** for the FY 2024-25 and has applied the same ratio on the estimated Energy Charge for the FY 2025-26 to arrive at the projected Non-tariff Income for the year. The calculation of ratio and projected non-tariff income is given below.

Table 3.1(B): Estimation of Non-Tariff Income (LPS, Meter Rent & any other charges)

(Rs in Cr)					
Particular		FY 2024-25 (Actual)	Ratio		FY 2025-26(Estimated)(Ratio* Energy Charge)
Energy Charge	A	277.68			374.29
LPS	B	89.05	B/A	0.32	120.03
Meter Rent	C	2.12	C/A	0.01	2.86
Any other charges	D	0.03	D/A	0.00	0.05
Rebate	E	7.44	E/A	0.03	10.03

On the basis of the ratio calculated in Table 3.1 B, the LPS, Meter Rent, any other charges & Rebate are calculated and shown below in table 3.1C.



Table 3.1C Non-Tariff Income for FY 2025-26

Sl.No.	Consumer Category	Energy Charge	LPS Ratio	Metre Rent Ratio	Any other Charges Ratio	Rebate Ratio	LPS	Metre Rent	Any Other Charges	Rebate
		Rs in Cr.					Rs in Cr.	Rs in Cr.	Rs in Cr.	Rs in Cr.
		a	b	c	d	e	a*b	a*c	a*d	a*e
A	High Voltage Category									
1	Non Commercial Consumers (Domestic)									
	3-Phase, 11KV	4.29	0.3207	0.008	0.0001	0.0268	1.38	0.03	0.00	0.11
	3-Phase, 33KV	1.50	0.3207	0.008	0.0001	0.0268	0.48	0.01	0.00	0.04
2	Commercial Consumers (Non-Industrial)									
	3-Phase, 11KV	14.20	0.3207	0.008	0.0001	0.0268	4.55	0.11	0.00	0.38
	3-Phase, 33KV	0.11	0.3207	0.008	0.0001	0.0268	0.03	0.00	0.00	0.00
3	Public Lighting and Water Supply Consumers									
	3-Phase, 11KV	1.58	0.3207	0.008	0.0001	0.0268	0.51	0.01	0.00	0.04
	3-Phase, 33KV	0.00	0.3207	0.008	0.0001	0.0268	0.00	0.00	0.00	0.00
4	Agricultural Consumers									
	3-Phase, 11KV	0.00	0.3207	0.008	0.0001	0.0268	0.00	0.00	0.00	0.00
	3-Phase, 33KV	0.00	0.3207	0.008	0.0001	0.0268	0.00	0.00	0.00	0.00
5	Industrial Consumers									
	3-Phase, 11KV	8.90	0.3207	0.008	0.0001	0.0268	2.85	0.07	0.00	0.24
	3-Phase, 33KV	16.74	0.3207	0.008	0.0001	0.0268	5.37	0.13	0.00	0.45
	3-Phase, 132 KV	118.92	0.3207	0.008	0.0001	0.0268	38.14	0.91	0.01	3.19
6	Bulk Mixed Consumers									
	3-Phase, 11KV	14.46	0.3207	0.008	0.0001	0.0268	4.64	0.11	0.00	0.39
	3-Phase, 33KV	6.15	0.3207	0.008	0.0001	0.0268	1.97	0.05	0.00	0.16
	3-Phase, 132 KV	0.00	0.3207	0.008	0.0001	0.0268	0.00	0.00	0.00	0.00
B	Low Voltage Category									
1	Non Commercial Consumers (Domestic)									
	1-Phase, 230 Volt	87.57	0.3207	0.008	0.0001	0.0268	28.08	0.67	0.01	2.35
	3-Phase, 400 Volt	18.03	0.3207	0.008	0.0001	0.0268	5.78	0.14	0.00	0.48
	KJP & BPL connection	11.84	0.3207	0.008	0.0001	0.0268	3.80	0.09	0.00	0.32
2	Commercial Consumers (Non-Industrial)									
	1-Phase, 230 Volt	34.72	0.3207	0.008	0.0001	0.0268	11.13	0.27	0.00	0.93
	3-Phase, 400 Volt	25.93	0.3207	0.008	0.0001	0.0268	8.31	0.20	0.00	0.69
3	Public Lighting and Water Supply Consumers									
	1-Phase, 230 Volt	2.93	0.3207	0.008	0.0001	0.0268	0.94	0.02	0.00	0.08
	3-Phase, 400 Volt	3.73	0.3207	0.008	0.0001	0.0268	1.20	0.03	0.00	0.10
4	Agricultural Consumers									
	1-Phase, 230 Volt	0.01	0.3207	0.008	0.0001	0.0268	0.00	0.00	0.00	0.00
	3-Phase, 400 Volt	0.03	0.3207	0.008	0.0001	0.0268	0.01	0.00	0.00	0.00
5	Industrial Consumers									
	1-Phase, 230 Volt	0.59	0.3207	0.008	0.0001	0.0268	0.19	0.00	0.00	0.02
	3-Phase, 400 Volt	1.12	0.3207	0.008	0.0001	0.0268	0.36	0.01	0.00	0.03
	LT/HT	0.97	0.3207	0.008	0.0001	0.0268	0.31	0.01	0.00	0.03



Table 3.1C Non-Tariff Income for FY 2025-26

Sl.No.	Consumer Category	Energy Charge	LPS Ratio	Metre Rent Ratio	Any other Charges Ratio	Rebate Ratio	LPS	Metre Rent	Any Other Charges	Rebate
		Rs in Cr.					Rs in Cr.	Rs in Cr.	Rs in Cr.	Rs in Cr.
		a	b	c	d	e	a*b	a*c	a*d	a*e
	Total	374.29	0.3207	0.008	0.0001	0.0268	120.03	2.86	0.05	10.03

In the following tables 3.1D, the total revenue from existing tariff including non-tariff income such as late payment surcharge, metre rent, any other charges etc., is shown.

Table 3.1D Revenue for FY 2025-26

Sl. No.	Consumer Category	Existing Tariff (Per Kwh)	Current Year (Estimate) FY 2025-26							
			Revenue from existing tariff		Non-Tariff income				Total non-tariff income	Total Revenue Billed
			Energy Charge		LPS	Metre Rent	Any Other Charges	Rebate		
			Sale (MU)	Rs in Cr.	Rs in Cr.	Rs in Cr.	Rs in Cr.	Rs in Cr.		
		a	b	c=a*b/10	d	e	f	g	h=(d+e+f)-g	c+h
A	High Voltage Category									
1	Non Commercial Consumers (Domestic)									
	3-Phase, 11KV	3.80	11.28	4.29	1.38	0.03	0.00	0.11	1.29	5.58
	3-Phase, 33KV	3.65	4.12	1.50	0.48	0.01	0.00	0.04	0.45	1.96
2	Commercial Consumers (Non-Industrial)									
	3-Phase, 11KV	4.85	29.27	14.20	4.55	0.11	0.00	0.38	4.28	18.48
	3-Phase, 33KV	4.65	0.23	0.11	0.03	0.00	0.00	0.00	0.03	0.14
3	Public Lighting and Water Supply Consumers									
	3-Phase, 11KV	4.85	3.26	1.58	0.51	0.01	0.00	0.04	0.48	2.06
	3-Phase, 33KV	4.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Agricultural Consumers									
	3-Phase, 11KV	3.15	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.01
	3-Phase, 33KV	3.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Industrial Consumers									
	3-Phase, 11KV	4.50	19.77	8.90	2.85	0.07	0.00	0.24	2.68	11.58
	3-Phase, 33KV	4.15	40.34	16.74	5.37	0.13	0.00	0.45	5.05	21.79
	3-Phase, 132 KV	4.00	297.30	118.92	38.14	0.91	0.01	3.19	35.87	154.80
6	Bulk Mixed Consumers									
	3-Phase, 11KV	4.40	32.87	14.46	4.64	0.11	0.00	0.39	4.36	18.82
	3-Phase, 33KV	4.05	15.18	6.15	1.97	0.05	0.00	0.16	1.85	8.00
	3-Phase, 132 KV	3.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B	Low Voltage Category									
1	Non Commercial Consumers (Domestic)									
	1-Phase, 230 Volt	4.40	199.01	87.57	28.08	0.67	0.01	2.35	26.42	113.98
	3-Phase, 400 Volt	4.40	40.97	18.03	5.78	0.14	0.00	0.48	5.44	23.47



Table 3.1D Revenue for FY 2025-26

Sl. No.	Consumer Category	Existing Tariff (Per Kwh)	Current Year (Estimate) FY 2025-26							
			Revenue from existing tariff		Non-Tariff income				Total non-tariff income	Total Revenue Billed
			Energy Charge		LPS	Metre Rent	Any Other Charges	Rebate		
			Sale (MU)	Rs in Cr.	Rs in Cr.	Rs in Cr.	Rs in Cr.	Rs in Cr.		
			a	b	c=a*b/10	d	e	f	g	h=(d+e+f)-g c+h
	KJP & BPL connection	3.00	39.47	11.84	3.80	0.09	0.00	0.32	3.57	15.41
2	Commercial Consumers (Non-Industrial)									
	1-Phase, 230 Volt	5.65	61.45	34.72	11.13	0.27	0.00	0.93	10.47	45.19
	3-Phase, 400 Volt	5.65	45.89	25.93	8.31	0.20	0.00	0.69	7.82	33.75
3	Public Lighting and Water Supply Consumers									
	1-Phase, 230 Volt	5.75	5.09	2.93	0.94	0.02	0.00	0.08	0.88	3.81
	3-Phase, 400 Volt	5.75	6.48	3.73	1.20	0.03	0.00	0.10	1.12	4.85
4	Agricultural Consumers									
	1-Phase, 230 Volt	3.50	0.02	0.01	0.00	0.00	0.00	0.00	0.00	0.01
	3-Phase, 400 Volt	3.50	0.07	0.03	0.01	0.00	0.00	0.00	0.01	0.03
5	Industrial Consumers									
	1-Phase, 230 Volt	4.95	1.19	0.59	0.19	0.00	0.00	0.02	0.18	0.77
	3-Phase, 400 Volt	4.95	2.25	1.12	0.36	0.01	0.00	0.03	0.34	1.45
	LT/HT	9.00	1.08	0.97	0.31	0.01	0.00	0.03	0.29	1.26
	Total		856.62	374.30	120.03	2.86	0.05	10.03	112.91	487.21

3.2 Expected revenues from sales outside the state: -

The average tariff for sale outside the state is calculated on the basis of sale and revenue earned during FY 2024-25 as given in table 3.2A below.

Table 3.2A: Average Tariff of sales outside the state

Table 3.2A: Average Tariff of sales outside the state				
SL No	Particulars	Previous Year		Average Tariff (Rs Per Kwh)
		FY 2024-25		
		Sale (MU)	Rs in Cr.	
a	b	c	d	e=d/c*10
1	Energy Sale (IEX)	281.52	105.21	3.74
2	Bilateral Sale	62.98	34.92	5.54
3	Total	359.16	140.13	

Accordingly, the outside the state sale projection of surplus power for FY 2025-26 is shown below on basis of average tariff rate for FY 2024-25 in table 3.2B.

Table 3.2B: Revenue Estimation from sales outside the state in the existing tariff

SL No	Particulars	Current Year FY 2025-26	Average Tariff (Rs Per Kwh)	Revenue
		Sale (MU)		Rs in Cr
a	b	c	e=d/c*10	d
1	Energy Sale (IEX)	260.41	3.74	97.32
2	Bilateral Sale	58.25	5.54	32.30
3	Deviation Export	15.40	0.00	0.00
4	Total	334.06		129.62

3.3 Expected revenue from sales both within and outside the state: -

Table 3.3: Revenue Estimation from sales within and outside the state in the existing tariff

SL No	Particulars	Current Year (Estimated)	
		FY 2025-26	
		Sale (MU)	Rs in Cr
1	Within the state	856.62	487.21
2	Outside the state	334.06	129.62
3	Total	1190.68	616.83

3.4 Aggregate Revenue Requirement and Revenue Gap: -

The summary of the approved aggregate revenue requirement and revenue gap in the tariff order dated 26.03.2025 and the estimated aggregate revenue requirement and revenue gap for FY 2025-26 is given below: -

Table 3.4: Aggregate Revenue Requirement, Income and Revenue Gap in EXISTING tariff for FY 2025-26

SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
		Rs. In Cr.	Rs. In Cr.	Rs. In Cr.
1	Return on Equity Capital			
2	Interest on Loan Capital			
3	Depreciation			
4	Power Purchase Expenses	437.74	525.98	-88.24
5	Interstate Transmission Charges	106.43	86.08	20.35
6	Intrastate Transmission Charges	10.41	11.45	-1.04
7	Fees and charges of NERLDC/NERPC	2.09	1.26	0.83
8	O&M expenses	439.55	456.02	-16.47

**Table 3.4: Aggregate Revenue Requirement, Income and Revenue Gap in EXISTING tariff for FY 2025-26**

SL No	Particulars	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
		I	II	I-II
		Rs. In Cr.	Rs. In Cr.	Rs. In Cr.
9	Interest on working Capital			0.00
10	Provision for bad and doubtful debt			0.00
11	Annual License Fee	0.05	0	0.05
12	Tariff filing fees	0.075	0	0.08
13	Training and Safety of Personnel	0	0	0.00
14	Total Revenue Requirement	996.35	1080.78	-84.44
15	Non-Tariff Income	64.45	112.91	-48.46
16	Net ARR (14-15)	931.90	967.87	-35.98
17	Revenue from Existing Tariff	368.62	374.30	-5.68
18	Revenue from sale of surplus power	171.14	129.62	41.52
19	Total Annual Income (17+18)	539.76	503.92	35.84
20	Revenue Grant from GoAP	392.14	463.95	-71.82
21	Revenue Gap (16-19-20)	0.00	0.00	0.00

3.5 ARR & ACS Gap for FY 2025-26: -

The ACS and ARR Gap has been calculated as per the guidelines of Central Electricity Authority. The ACS-ARR gap for the FY 2025-26 is shown in the table below.

SL NO	Table No 3.5: ACS-ARR Gap of FY 2025-26		
1	Total Revenue Requirement	Rs in Crore	1080.78
2	Gross Energy Input	in MU	1664.76
3	Energy sale within state	in MU	856.62
4	Revenue from EXISTING Tariff	Rs in Crore	374.29
5	Non-Tariff Income income (Late payment, Meter rent etc)	Rs in Crore	112.91
6	Total revenue within state (including non-tariff income) (4+5)	Rs in Crore	487.21
7	Revenue from Sale of Surplus Power	Rs in Crore	129.62
8	Total Annual Income (6+7)	Rs in Crore	616.83
9	Revenue Gap (1-8)	Rs in Crore	463.96
10	Grant from GOAP	Rs in Crore	463.96
11	Avg. Cost of Supply (Rs/Kwh) (1-5-7/3*10)	RS/KWH	9.79
12	Average Realisable Revenue (Rs/Kwh) (4/3*10)	Rs/KWH	4.37
13	ACS-ARR (11-12)	Rs/KWH	5.42



3.6 Revenue gap and its recovery: -

Table 3.6: Revenue Gap and its Recovery for the FY 2025-26		
S.L No.	Particulars	(Estimated) FY 2025-26
		(Rs. In Cr.)
1	Aggregate Revenue Requirement (ARR)	1080.78
2	Non-Tariff Income	112.91
3	Net ARR (1-2)	967.87
4	Income- Sale of power outside State	129.62
5	Net ARR from within the state (3-4)	838.25
6	Income from existing tariff	374.30
7	Revenue Gap (5-6)	463.95
8	Expected Grant from GoAP	463.95
9	Net Revenue Gap (5-6-8)	0

The revenue gap stands at Rs.463.95 Cr. for the FY 2025-26, The recovery of this gap is expected from the state Government as a **grant**.

CHAPTER –IV: AGGREGATE TECHNICAL & COMMERCIAL LOSS

As per Clause 10.16 of APERC Multiyear Tariff Regulation 2024 the licensee has to provide complete information about the AT&C losses during the previous year and that projected for the years for which the application is being made. In this chapter, the AT&C loss is analysed and estimated for FY 2025-26.

4.1 Net Input Energy Calculation Projection: -

The detailed calculation of Net Energy Input used in AT&C Loss Projection is given below in Table 4.1(A);

Table 4.1(A): Net Input Energy Calculation			
Particulars	Calculation	Unit	FY 2025-26 (Estimated)
Energy Import from Grid	A	MU	1471.97
Energy Export Out Side the State	B	MU	408.95
Energy Injected in State from Grid	C=A-B	MU	1063.02
Transmission loss on C	D	MU	39.67
State Own Generation	E	MU	192.79
Gross Input Energy (including Export outside the state)	F=A+E	MU	1664.76
Input Energy (in the State)	G=C+E	MU	1255.81
Net Input Energy (in the State)	H=G-D	MU	1216.14

Table 4.1(B): Applicable Transmission Loss in %				
SL No	Month	FY 2022-23	FY 2023-24	FY 2024-25
1	April	3.20	3.83	3.57
2	May	3.32	3.50	3.34
3	June	3.33	3.24	3.47
4	July	3.44	3.42	3.70
5	August	3.46	3.34	3.55
6	September	3.15	3.40	3.17
7	October	3.41	3.32	3.39
8	November	3.72	3.46	3.79
9	December	3.76	3.87	3.88
10	January	4.25	3.89	4.06
11	February	3.93	3.74	3.89
12	March	3.71	3.55	3.93
	AVERAGE			3.65
AVERAGE of last 3 years				3.73

**4.2 AT&C loss and its projection: -**

Due to the scattered load over a vast geographical area, no meters and defective meters at feeder level, at DT level, and at consumer level the AT&C loss is high in Arunachal Pradesh. However, a flagship project called RDSS is being implemented presently, through which the required metering will be done along with other loss reduction infrastructure works to reduce AT&C Loss.

Table 4.2 (A): AT&C Loss Estimation for FY 2025-26

S No	Particulars	Calculation	Current Year
			FY 2025-26 (Estimated)
A	Input Energy (MkWh)	A	1255.81
B	Transmission Losses(MkWh)	B	39.67
C	Net Input Energy (MkWh)	C=A-B	1216.14
D	Energy Sold(MkWh)	D	856.62
E	Revenue from Sale of Energy (Rs. Cr.) (Rev. from Tariff+ Non-Tariff Income+ Expected Grant from GoAP)	E	951.16
E (i)	Likely Collection (100% of Tariff & 100% of Grant)	E (i)	951.16
F	Adjusted Revenue from Sale of Energy on Subsidy Received basis (Rs. Cr.)	F	951.16
G	Opening Debtors for Sale of Energy (Rs. Cr.)	G	317.19
H	(i) Closing Debtors for Sale of Energy (Rs. Cr.)	(i)	317.19
	(ii) Any amount written off during the year directly from(i)	(ii)	
I	Adjusted Closing Debtors for sale of Energy (Rs. Cr.)	H (i+ii)	317.19
J	Collection Efficiency (%)	(E (i)+G-I)/E*100	100.00
K	Units Realized (Mkwh) = [Energy Sold*Collection efficiency]	D*J/100	856.62
L	Units Unrealized (Mkwh)= [Net Input Energy-Units Realized]	C-K	359.52
M	AT&C Losses (%) = [{ Units Unrealized/Net Input Energy}*100]	L/C *100	29.56



The summary of the approved AT&C Loss in the tariff order dated 26.03.2025 and the estimated AT&C loss for the FY 2025-26 is given below:

Table 4.2(B) : AT&C Loss for FY 2025-26				
SL No	Particulars	Approved in Tariff Order Dt 26-03-2025 (in %)	Estimation (In %)	Deviation (In %)
		I	II	I-II
1	AT&C Loss	18	29.56	-11.56

The original approved AT&C Loss trajectory as per the sanctioned RDSS is as shown below:

Year	2020-21	2021-22	2022-23	2023-24	2025-26
AT&C Loss	46%	45%	35%	28%	22%

But, due to the ground reality of AT&C Loss status in Arunachal Pradesh, and in order to be able to maintain the AT&C Loss Trajectory during the implementation period of RDSS, the DoP,AP has proposed a revised AT&C Loss trajectory in consultation with Power Finance Corporation of India Ltd. (PFC), which was recommended by the Distribution Reform Committee (DRC) and submitted to the Monitoring Committee of Ministry of Power, Govt. of India. Now, the revised AT&C Loss trajectory is as shown below:

Year	2020-21	2021-22	2022-23	2023-24	2025-26
AT&C Loss	51.82%	50%	48%	45%	40%

Therefore, the Hon'ble Commission is requested to approve Estimated AT&C Loss for the FY 2025-26 at 29.56%.

CHAPTER- V: TARIFF FOR DISTRIBUTION WHEELING BUSINESS

Chapter 9 of APSERC Multi-Year Tariff 2024 provides the tariff for the distribution wheeling business and chapter 9.2 provides for segregation accounts for Wheeling Business and Retail Supply Business. Chapter 9.5 provides for the adoption of the following allocation matrix in case of non-segregation of accounts.

Table 5.1 Allocation Matrix			
Sl No	Particulars	Wire Business (%)	Retail Supply Business (%)
1	Power Purchase Expenses	0	100
2	Intra-State Transmission Charge (Intra and Inter both)	0	100
3	SLDC Charge	0	100
4	Employee Expenses	60	40
5	Administration and General Expenses	50	50
6	Repair & Maintenance Expenses	90	10
7	Depreciation	90	10
8	Interest on Long-term Loan Capital	90	10
9	Interest on Working Capital and on Consumer Security Deposit	10	90
10	Bad Debt Written off	0	100
11	Contribution to contingency reserves	100	0
12	Return on Equity	90	10
13	Non-Tariff Income	10	90

Since DoP, AP does not have a separate account for the Wire Business and Retail Supply Business, the allocated matrix is followed.

Distribution Business

The wheeling charges for the FY 2025-26 are tabulated below:

Table 5.2: Wire Business for FY 2025-26		
SI No	Particulars	Wire Business (%)
		Current Year (Estimated)
		FY 2025-26 (Rs in Cr)
1	Power Purchase Expenses	
2	Intra-State Transmission Charge (Intra and Inter both)	
3	SLDC Charge	
4	Open Access Charge	
5	Employee Expenses	242.82
6	Administration and General Expenses	6.26
7	Repair & Maintenance Expenses	34.93
8	Depreciation	
9	Interest on Long-term Loan Capital	
10	Interest on Working Capital and on Consumer Security Deposit	
11	Bad Debt Written off	
12	Income Tax	
13	Contribution to contingency reserves	
14	Return on Equity	
15	Non-Tariff Income	11.29
16	Total	272.71

Table 5.3: Wheeling Charge for FY 2025-26			
SL No	Particulars	Unit	Wheeling Charge
			Current Year (Estimated)
			FY 2025-26
1	ARR for Wire Business	Rs in Crore	272.71
2	Energy input	MU	1664.76
3	Wheeling Charge (ARR/Energy Input)	Rs per Unit	1.64



The summary of the approved wheeling charge in the tariff order dated 26.03.2025 and the estimated wheeling charge for the FY 2025-26 is given below:

Table 5.4: Wheeling Charge for FY 2025-26					
SL No	Particulars	Unit	Approved in Tariff Order Dt 26-03-2025	Estimated	Deviation
			I	II	I-II
1	ARR for Wire Business	Rs in Crore	281.76	272.71	9.05
2	Energy input	MU	1413.55	1664.76	-251.21
3	Wheeling Charge (ARR/Energy Input)	Rs per Unit	1.99	1.64	0.35

Hon'ble Commission is requested to approve the wheeling charge for FY 2025-26 at Rs. 1.64 per kWh respectively.



CHAPTER – VI: PRAYER

The DoP, AP respectfully prays to the Hon'ble Commission-

1. To admit this Petition for approval of APR for FY 2025-26.
2. To grant any other relief as the Hon'ble Commission may consider appropriate.
3. To pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.
4. The petitioner craves leave of the Hon'ble Commission to allow further submissions, additions, and alterations to this petition as may be necessary from time to time.

Dated Itanagar theth November 2025

Petitioner
For the Department of Power
Government of AP
Itanagar