

RAJASTHAN ELECTRICITY REGULATORY COMMISSION

Petition No: RERC/2283/25

In the matter of approval of true up for FY 2023-24 of Rajasthan Rajya Vidyut Prasaran Nigam Ltd.

Coram : Dr. Rajesh Sharma, Chairman
Hemant Kumar Jain, Member

Petitioner : Rajasthan Rajya Vidyut Prasaran Nigam Ltd.

Respondent :
1) Jaipur Vidyut Vitran Nigam Ltd.
2) Ajmer Vidyut Vitran Nigam Ltd.
3) Jodhpur Vidyut Vitran Nigam Ltd.
4) Rajasthan Rajya Vidyut Utpadan Nigam Ltd.
5) Rajasthan Urja Vikas and IT Services Ltd.

Date of hearing : 24.04.2025.

Present :
1) Sh. Ankit Sharma, Authorised Rep. for RVPN.
2) Ms Parinitoo Jain, Advocate for Respondents Discoms.
3) Sh. G.L. Sharma, Stakeholder.

Date of Order : 09.06.2025.

ORDER

Section 1: General

1.1 Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (in short "RVPN"), a Transmission Licensee under the provisions of the Electricity Act 2003, has filed a petition on 07.01.2025 for approval of true up for FY 2023-24.

- 1.2 As required under Section 64(2) of the Electricity Act, 2003, public notices with salient features of the petition inviting objections/ comments/ suggestions were published in the following newspapers on the dates mentioned:

Table 1: Details of Newspapers

Sl. No.	Name of the News Paper	Date of Publishing
(i)	Times of India Jaipur edition	16.01.2025
(ii)	Dainik Bhaskar	16.01.2025
(iii)	Rajasthan Patrika	16.01.2025

- 1.3 The petition was also placed on the websites of the Commission and the Petitioner. The objection/comment/suggestion was received from Shri G. L. Sharma. Respondent Rajasthan Rajya Vidyut Utpadan Nigam Ltd. did not file its comments/suggestions.
- 1.4 Respondent Rajasthan Urja Vikas & IT Services Limited (RUVITL) submitted its reply in respect of the petition on 18.03.2025.
- 1.5 The Commission forwarded the objections/comments/suggestions of the stakeholder to RVPN for filing its reply.
- 1.6 The Commission vide letters dated 22.01.2025 and 02.04.2025 communicated some data gaps and deficiencies in the petition. The Petitioner furnished information vide its letters dated 10.03.2025, 05.05.2025 and 08.05.2025. The Petitioner also replied to the objections/comments/ suggestions made by the stakeholder and rejoinder to the reply of RUVITL vide its letter dated 21.04.2025.
- 1.7 The Commission heard the matter on 24.04.2025. The Commission reserved the order and directed the petitioner to furnish their response on specific/new issues raised by stakeholder as well as Respondents during the course of hearing along with reply to the additional data gaps. In compliance to above order, Petitioner on 05.05.2025 filed its reply on additional data gap and on specific/new issues raised by stakeholder as well as respondents.
- 1.8 In exercise of the powers conferred under Sections 62, 64 and other provisions of Electricity Act 2003, read with RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019 and other enabling Regulations, the Commission, after carefully considering each of the

submissions of the Petitioner and suggestions/objections submitted by the Stakeholder, has passed the following Order.

1.9 This order has been structured in following sections as given under:

- (1) Section 1: General.
 - (2) Section 2: Summary of objections/comments/suggestions received from Stakeholders and RVPN's response thereon.
 - (3) Section 3: Approval of true up for FY 2023-24.
-

SECTION - 2:

Summary of objections/comments/suggestions received from Stakeholders and RVPN's response thereon.

Comments on True up Petition of Transmission for FY 2023-24

Stakeholder's Comments/suggestions

General

- 2.1 The Stakeholder submitted that the Petitioner has not provided the Director's report and the cost records. The Stakeholder sought the same.
- 2.2 The Stakeholder sought copy of separately maintained statements for expenditure and revenue in respect of Generation business, separately maintained in respect of transmission business and separately maintained in respect of SLDC business etc.
- 2.3 The Stakeholder submitted that Hon'ble Commission in their order dt. 13.7.2022 while finalising the true up of RVPN for FY 2020-21 had found and approved surplus of Rs. 136.01 Crore and directed the RVPN to refund the approved surplus in the ratio of contracted capacity of Discoms and long term open access customers for FY 2020-21 in three equal monthly installments from the date of this order. Petitioner in respect of above in their Accounts at note No. 33.5 (Page 156 of petition) has mentioned that "against the same an appeal to be filed by RVPN before Hon'ble APTEL hence accounting effect of this surplus amount has not been made." The Stakeholder requested Commission to take action against RVPN under section 142 of the Act (The Electricity Act 2003) for non-compliance of the Hon'ble Commission's order dt. 13.7.2022. Stakeholder further requested to impose interest to be payable by RVPN to Discoms for keeping such amount for the period till it is paid to Discoms.

Gross Fixed Assets (GFA)

- 2.4 The Stakeholder submitted that the petitioner has claimed the Additional Expenditure for Furniture & Fixtures, Office equipments, O&M

spares which deserve to be disallowed since these expenditures are the part of O&M Expenses.

- 2.5 The Stakeholder submitted that the petitioner has claimed Rs. 10.56 Crore against deposit work. The Stakeholder requested to disallow these claims as addition to Gross Fixed Assets.
- 2.6 The Stakeholder submitted that the petitioner has claimed Rs. 0.84 Crore under Section 17(2)(a) in pursuance of the order of statutory authority GSS for the land pertaining to 132 KV GSS Telco Circle and land of 220 KV Bhiwadi. The petitioner has not submitted any details of prior approval and the order of statutory authority in the petition. However, section 17(2) clearly states that in principle approval of the Commission is required before incurring such additional capital expenditure. Therefore, the claim deserves to be rejected.
- 2.7 The petitioner has claimed Rs. 2.86 Crore on account of emergency repairing due to heavy wind storm, flood, rain etc. The petitioner has not submitted any documents to justify the claim and the nature of damage is also not known. Hence, such claims deserve to be rejected by the Hon'ble Commission.
- 2.8 The Stakeholder submitted that no proper details of capitalized assets of Rs. 1311.17 Crore has been provided by the petitioner in the petition.
- 2.9 The Stakeholder submitted that the words used "about assets addition as "first time captured in their accounts" clearly says that they relate to the period prior to FY 2023-24. Prior period true up have already been finalised. There has been no review/ appeal against such orders and thus those true up orders attained finality and can not be reopened.
- 2.10 The Stakeholder submitted that Deposit works can not be the RVPN assets. Regarding the replacement, if it has been due to burnt/ damage/ unseenable etc. the responsibility for keeping the system healthy is of the petitioner as has been opined by the Hon'ble APTEL in their judgment dated 23.3.2011 in appeal No. 91 & 92 of 2009 in the matter of Power Grid Corp. of India Vs CERC. Hence such capitalization is not admissible.
- 2.11 The Stakeholder submitted that in respect of augmentation also, no proper justification has been provided as to how much load has been on the present assets and how much is expected and that too from source etc. and what has been the requirement for augmentation.

- 2.12 The Stakeholder submitted that a large number of Assets are claimed which were commissioned prior to 2023-24 and even in 2017-18 and such assets have also been stated as capitalised in those years. The stakeholder sought justification for the same.
- 2.13 The Stakeholder submitted that in the statement, replacement/recommission of transformer augmentation to capacity to about 1015 MW has been shown. These replacement have clearly been stated for the reasons "Burnt/ failed". The stakeholder requested to see that incident of any capital expenditure of such replacement is not added in capital cost as replacement has been to keep the system healthy which in the basic requirement of the entity as has been said by the APTEL in their various orders.

Operation & Maintenance (O&M) Expenses

- 2.14 The Stakeholder submitted that the petitioner has claimed Employee Cost, Administrative & General Cost and Repair and Maintenance expense as per actuals but according to the note 36, 37 & 40 of the audited accounts submitted along with the petition, there is a wide deviations in the amount than the claimed amount.
- 2.15 The stakeholder requested to disallow the O&M expenses in respect of transmission lines and bays which have been constructed under deposit works as these are not providing any service/ benefits to the Discoms and in turn to ultimate consumers.
- 2.16 The Stakeholder submitted that Petitioner in the petition has not provided details of actual expenditure incurred and being claimed in the petition by giving reference of relevant notes of accounts.
- 2.17 The stakeholder sought the achievements against approved each network for 2023-24.
- 2.18 The stakeholder sought proper justification for exceeding and non-achievements of the approved network specifically when the Commission in their order dated 8.6.2023 had approved the network as was submitted by the petitioner. The stakeholder further sought total expenditure incurred in respect of lines, bays and transformation capacity (all other these deposit work) commissioned in FY 2023-24.

Terminal benefits

- 2.19 The stakeholder sought required certificate for claiming Rs. 540 Crore towards Terminal benefits.

Depreciation

- 2.20 The Stakeholder submitted that the petitioner has not given any justification for claiming high depreciation than the approved amount by the Commission.
- 2.21 The Stakeholder submitted that in accordance with proviso of Regulation 22(4), the petitioner is required to submit the details of assets which have completed 12 years of life and the assets which have not completed 12 years life along with the accumulated depreciation.
- 2.22 The Stakeholder submitted that no details of claim of depreciation amounting to Rs. 1021.48 has been provided by the petitioner. The Stakeholder further submitted that the petitioner has not provided the proper compliance/ details as per directions of the Hon'ble Commission and has thus made non-compliance of the directions of the Commission. In absence of proper compliance no further depreciation is admissible.

Interest & Finance Charges

- 2.23 The Stakeholder submitted that it is to be allowed only in respect of term loan already admitted with payments made.
- 2.24 The Stakeholder submitted that in the statement of cash flows for the year ended on 31st March 2024 a sum of Rs. 16649.41 lac as on 31.03.2024 and a sum of Rs. 875.97 lac as on 31.3.2023 has stated as Investment in mutual funds. In this respect stakeholder sought the details of amount of interest obtained in FY 2023-24 from such investments and where such interest has been accounted for in the accounts. The stakeholder sought the details that from which funds such investment has been made.

Working capital and Interest thereon

- 2.25 The Stakeholder submitted that It may be allowed on normative basis. However, while computing O&M expenses even on normative basis, these shall be after considering the impact of transmission lines charged at lower voltage.

FERV

- 2.26 The Respondents requested the Commission to conduct a detailed prudence check of the foreign debt incurred by the petitioner being a substantial claim and also to ensure that it does not exceed the normative level.
- 2.27 The Stakeholder submitted that FERV is not a part of ARR. No proper details as to how such amount has been arrived at and for what reasons such amount has been claimed is also not been stated.

Insurance charges

- 2.28 The Stakeholder submitted that Reg. 25 of Tariff Regulation 2019 clearly says that Actual insurance expenses incurred shall be allowed separately. Petitioner has not provided any document about actually incurred insurance expenses. Hence nothing is admissible

Return on Equity (RoE)

- 2.29 The Stakeholder submitted that In view of approval of GOR, the petitioner may be directed to submit the progress report of creation of InVIT.
- 2.30 The Stakeholder submitted that RoE may be allowed on equity admitted and further on actual equity infused only.

Lease Rent

- 2.31 The Stakeholder sought Proper justification with proper documents about payments made towards lease rent .

Non-Tariff Income

- 2.32 The Stakeholder submitted that there is a wide deviation in claim of the petitioner sought in Tariff petition and True up petition. As per the Tariff Regulation, 2019, there is no provision to adjust the delayed payment charges in Non-Tariff Income or in Tariff.
- 2.33 The Stakeholder submitted that at note 33.8 income from turnkey projects has been shown as Rs. 5569.45 lac in FY 2023-24. The stakeholder sought the detailed note about such income.
- 2.34 The Stakeholder sought the break up of Rs. 52.42 Crore between non tariff income and turnkey project income.

Transmission loss

- 2.35 The Stakeholder submitted that Petitioner is not providing the details of energy transmitted to each Discom and each open access consumer.
- 2.36 The Stakeholder submitted that the Petitioner is spending a substantial amount of the capex for improving transmission system and to reduce transmission losses. However, despite the same, the petitioner has claimed Transmission losses of 4.33% which is lower than the approved losses of 4.5% but it is substantially higher when compared to other states. The Commission may conduct a detailed analysis of the transmission losses claimed by the Petitioner before allowing the same.
- 2.37 The Stakeholder sought following information:-
- (i) Month wise energy input in the system of transmission licensee within the state (T - G interface) for the year 2023-24
 - (ii) Month wise energy from the sources outside the state (state periphery) for FY 2023-24.
 - (iii) Month wise energy delivered to each Discom separately at T- Discom interface for FY 2023-24.
 - (iv) Month wise energy delivery made to each long term and medium term open access consumers at T- OA consumer interface for FY 2023-24.

Transmission charges

- 2.38 The Stakeholder submitted that Commission in their order dt. 8.6.2023 has prescribed the rate of transmission charges as Rs. 176.35/kw/month for Discoms, long term / medium term open access consumers. The Stakeholder sought the monthwise transmission capacity for full financial year 2023-24 separately in respect of Jaipur Discom, Ajmer Discom, Jodhpur Discom, long term open access consumers and medium term open access consumers and monthwise amount recovered from these consumers in FY 2023-24 as well.

Surplus / Gaps

- 2.39 The Stakeholder submitted that in note 33.2 Revenue from generation cost of partnership project has been shown Rs. 126198.42 lacs from JVVNL, Rs. 96588.44 lac from AVVNL and Rs. 11698.42 lacs from Jodhpur Discom. The stakeholder sought the quantum of energy supplied from these sources to each Discom and the rate of charges at which the

above amount has been recovered. The stakeholder further, sought copy of document under which the rate of charges have been approved by the competent authority.

RVPN's Response

- 2.40 RVPN submitted the Director's report and cost records.
- 2.41 RVPN submitted that copy of audited accounts has been enclosed as annexure-7 with main petition. Furthermore, at Note no. 42.7 of audited accounts segment wise details of revenue & expenditure has already been provided.
- 2.42 RVPN submitted that it has filed the Appeal before the Hon'ble APTEL against the True Up orders from FY 17-18 to 22-23 except FY 18-19.
- 2.43 RVPN submitted that capital expenditure has been claimed as per RERC Tariff Regulation and in compliance with the Commission earlier directions.
- 2.44 RVPN submitted the details of consumer wise capacity and monthly billing of transmission charges along with total amount recovered from consumers in FY 2023-24.
- 2.45 RVPN submitted that the information sought by stakeholder does not pertain to current petition as neither any expenditure nor any income pertaining to these partnership projects have been claimed under this current petition.
- 2.46 RVPN submitted that the petition has been filed duly in compliance of Regulation 8(3) of RERC Tariff Regulation, 2019. The major reason of difference from the Approved figure is on account of lines, substations and bays which have an impact on the capital expenditure incurred and its corresponding debt-equity as well as the O&M expenses from the approved figure.
- 2.47 RVPN submitted that the excess fund of RVPN, if any, are temporarily parked in the Baroda BNP Paribas Liquid fund Direct Growth (Debt category) after utilizing the received funds to cover day to day and other expenses. The amount of interest earned from temporary parking of excess fund during FY 2023-24 was Rs. 20.87 Crs., the same has been disclosed at Note No. 34.2 in Accounting Head "Fair Value gain or loss on mutual funds" and "Short Term Capital Gain in MMF".

- 2.48 RVPN submitted that amount received on deposit work (where ownership belongs to intending agency) has been recognized as revenue on completion of projects, simultaneously expenditure incurred on these projects have been recognized as expenditure. The Turnkey Projects Income has been recognised in Other Operating Revenue at note no 33.8 and expenses on Turnkey Projects have been shown at note no 35.
- 2.49 RVPN submitted that it has claimed Rs. 2.86 Core as expenditure incurred on the restoration of assets damaged due to natural calamities under regulation 17(3)(b) of RERC Tariff Regulation, 2019.
- 2.50 RVPN submitted that the actual works achieved depends on the physical progress of the works in the earlier year as well as current year. Therefore, the over and under achievement from the approved figures can be seen. RVPN further submitted that details of expenditure incurred in respect of 220 kV lines and 132 kV lines, bay and transformation capacity have already been provided in Appendix -1 of the main petition.
- 2.51 RVPN submitted that the O&M of the works which are carried on deposit work basis are managed by the RVPN therefore, such works are considered under O&M head. RVPN further submitted that reimbursement of such expenditure from the owner of such property is also booked under non-tariff income, thus the expenditure and income has null effect on the ARR tariff petition.
- 2.52 RVPN submitted that presently, the GIRAL TPS and Dholpur GTPP are not generating any power. However, RVPN has sufficient network for evacuation of the power, if power generated by these power plants.
- 2.53 RVPN submitted that RVPN is replacing the burnt/failed transformer with other transformer of same or different capacity for maintaining the supply of electricity in that area. This year net addition against burnt/failed transformer is (-) 55 MVA means deletion of 55 MVA which reduces from total capacity.
- 2.54 RVPN submitted that the details of assets claimed of Rs. 1275.02 crore are in Appendix-1.
- 2.55 RVPN submitted that it has reduced the amount received against deposit works from the gross fixed assets as per methodology followed by the Commission.

- 2.56 RVPN submitted that all the capital expenditure has been incurred against the Commission approval. Further, as far as augments works are concern, when the recorded load on the existing transformer exceeds from 80% of the rated capacity of transformer, then Augmentation of transformer by higher capacity or additional transformer is considered. Accordingly, system parameters will changes.
- 2.57 RVPN submitted that there is no difference in actual capacity of augmentation.
- 2.58 RVPN submitted that O&M expenses have been claimed on actual basis, based on audited accounts, as per the practice followed and approved by the Commission. As the O&M expenses are uncontrollable and paid as per rules and regulations of government, therefore must be allowed on actual basis. With regard to employee cost RVPN submitted that salaries and other benefit are paid to employees as per Govt. of Rajasthan pay scale norms which is beyond the control of petitioner. Further, with regards to R&M and A&G expenses most of the work have been awarded based on competitive bidding basis where price variation are beyond the control of petitioner. Thus the entire O&M Expenses are uncontrollable and should be allowed on actual basis only.
- 2.59 RVPN submitted that it has paid regular contribution of Rs. 30.08 Crores and additional contribution of Rs. 540.00 Crores during the FY 2023-24.
- 2.60 RVPN submitted that the Lease charges have been claimed as per RERC Tariff Regulations.
- 2.61 RVPN submitted that it has entered in sub-lease agreement with Barmer Power Transmission limited. Every year RVPN has billed/recovered lease charges from Barmer Power Transmission limited, the same has been booked under "Rental from Contractor" in audited accounts and reflected as Non-tariff income in True-up Petition which leads to nullify the impact of lease rent claimed as expenditure.
- 2.62 RVPN submitted that it has submitted the details of depreciation claimed in petition.
- 2.63 RVPN submitted that the Interest and finance charges have been claimed as per Regulation 21 of RERC Tariff Regulations, 2019.

- 2.64 RVPN submitted that interest on working Capital has been claimed on normative basis as per Regulation 27 of RERC Tariff Regulation, 2019.
- 2.65 RVPN submitted that Foreign Exchange Rate Variation (FERV) claimed in petition is as per Regulation 28 of RERC Tariff Regulation, 2019.
- 2.66 RVPN submitted that RVPN is consistently progressing toward raising funds through InvIT in which various agency and transactions advisors have been appointed. Further, Technical validation of the Assets to be transferred to InvIT is going on. As soon as the process gets completed, RVPN shall file a separate petition before the Commission.
- 2.67 RVPN submitted that ROE has been claimed as per Regulation 20 of RERC Tariff Regulations, 2019.
- 2.68 RVPN submitted that the Insurance charges have been claimed as per Regulation 25 of Tariff Regulations. The insurance expenses are related to Vehicle & Building.
- 2.69 RVPN submitted that delay payment charge which was considered as part of non-tariff income during FY 2018-19 true up order, the same has been refunded on the directions of GoR by the petitioner during FY 2023-24, thus the same has to be reduced from NTI of FY 2023-24. Therefore, RVPN requested the Commission to allow Non-Tariff income as claimed.
- 2.70 RVPN submitted that Transmission losses cannot be directly compared across states, as each state has unique geographical conditions and varying transmission network configurations. These configurations include a mix of different voltage levels, which affect the overall transmission system's design and operations.
- 2.71 RVPN submitted the Month wise energy input in the system of Transmission licensee within the State , Month wise energy from the sources outside the State , Monthwise energy delivered to each Discoms , Monthwise energy delivery made to each long-term and medium term open access consumer.
- 2.72 RVPN submitted the breakup of Non-Tariff Income with audited accounts for FY 2023-24.

Commission's Views on Issues Raised by Stakeholders

- 2.73 The Commission has taken note of all the comments/suggestions/observations of the Stakeholders both in writing as well as during the course of hearing and RVPN's responses to them. The Commission has attempted to capture all the comments/suggestions/observations. However, in case any comment/suggestion/observation is not specifically elaborated, it does not mean that the same has not been considered. The Commission has considered all the issues raised by the Stakeholders and RVPN's response on these issues while carrying out the detailed analysis of the True Up petition for FY 2023-24 in accordance with applicable RERC Regulations as detailed in the subsequent Sections of the Order.

Section 3:

Approval of true up for FY 2023-24

- 3.1 The Commission vide its tariff order dated 08.06.2023 (Petition No. RERC/2075/23), had approved the Transmission Tariff for FY 2023-24. In the instant petition, the Petitioner has claimed the true up for FY 2023-24 of Transmission based on the audited annual accounts for FY 2023-24.
- 3.2 The Commission has carried out the true up for FY 2023-24 in accordance with the RERC Tariff Regulations, 2019.

Transmission Network

RVPN's Submission

- 3.3 RVPN has considered the closing transmission network approved in true up for FY 2022-23 as the opening transmission network for FY 2023-24 and claimed accordingly.

Commission's Analysis

- 3.4 The Commission has considered the closing transmission network approved in true up for FY 2022-23 as the opening transmission network for FY 2023-24. RVPN has not provided the details of Network addition & deletion during the year separately and has submitted the net figures. RVPN is directed to henceforth submit the details of network addition & deletion separately. The Commission has considered the net network addition during FY 2023-24 as claimed by RVPN. Accordingly, the transmission network approved for FY 2023-24 is as shown in table below:

Table 2 : Details of Transmission Network approved for FY 2023-24

Particulars	FY 2023-24		
	Actual Approved		
	Opening	Net Addition	Closing
Lines (Ckt Km)			
765 KV	425.50	0.00	425.50
400 KV	6899.39	0.00	6899.39
220 KV	16088.58	49.69	16138.27
132 KV	18798.91	424.00	19222.91
Total	42212.38	473.69	42686.07

Particulars	FY 2023-24		
	Actual Approved		
	Opening	Net Addition	Closing
Transmission Capacity (MVA)	92381.50	2580.50	94962.00
Bays (No.)			
765 KV	32	0.00	32
400 KV	182	1.00	183
220 KV	869	5.00	874
132 KV	3007	102.00	3109
Total	4090	108	4198

Gross Fixed Assets (GFA) addition during FY 2023-24

RVPN's Submission

- 3.5 The Commission vide its tariff order dated 08.06.2023, had approved the GFA addition of Rs. 814.98 Crore for FY 2023-24. As against the same, RVPN has claimed the actual GFA addition of Rs. 1275.02 Crores.
- 3.6 Further, in reply dt. 10.03.2025 to the data gap query regarding reconciliation of GFA amount of Rs. 1275.02 Crore, RVPN submitted that it has claimed Rs. 2.58 Crore related to disallowed land and Rs. 2.86 Crore related to R&M (Natural Calamity). RVPN also submitted that it has not claimed Rs. 36.32 Crore towards Land and Rs. 5.27 crore under the head of Plant and machinery and others Civil works.

Commission's Analysis

- 3.7 It is observed that RVPN for FY 2023-24 has claimed total GFA addition of Rs. 1275.02 Crore
- 3.8 Further, in reply dt. 05.05.2025 to the additional data gap query regarding claimed assets of Rs. 212 Crore (approx.) pertaining to period prior to 01.04.2023, RVPN submitted that as per RERC Tariff Regulation, 2019, additional capitalization is permitted upto three years from the date of commercial operation of projects. Further, there is no prior period as per book of accounts of FY 2023-24. RVPN further submitted the year wise break up of assets capitalized as per date of commissioning of projects during FY 2023-24.
- 3.9 The Commission analysed the information submitted by the petitioner and observed that Petitioner has claimed expenditures amounting to Rs. 10.56 crore in GFA addition which were commissioned during the period from FY 2009-10 to 2019-20. The Commission deems it fit to

consider GFA addition for the projects having date of commissioning falling within three years prior from FY 2023-24 i.e. FY 2020-21, FY 2021-22 and FY 2022-23. Accordingly, Commission has disallowed GFA addition of Rs. 10.56 Crore pertaining to projects prior to FY 2020-21.

- 3.10 The Commission observed that the actual capitalization includes Rs. 50.02 Crore for FY 2023-24 in respect of minor assets and other expenditures (Furniture, O&M spares and replacement of various O&M equipments excluding replacement of Transformers and PLCC equip.) which are not allowable under capitalization. The Commission deems it fit not to consider the amount of Rs. 50.02 Crore under the capitalization for FY 2023-24 as the same are in the nature of O&M Expenses and hence, the Commission has considered the same as part of O&M expenses.
- 3.11 The Commission observed that the petitioner has claimed Rs. 31.07 Crore as capitalization towards Consumer contribution/Deposit work, whereas it is Rs. 32.96 crore as per the Appendix-1. The Commission sought the reconciliation of deposit work with the Appendix-1 (GFA addition). RVPN, vide data gap reply dt. 10.03.2025 submitted that while allowing GFA in the previous year order, has reduced the deposit work value as per Note No. 25 of the books of accounts. RVPN further submitted that in accordance to methodology followed by the Commission, RVPN has claimed Rs. 31.07 Crore. The Commission has considered Rs. 32.96 crore instead of Rs. 31.07 Crore towards Consumer contribution/Deposit work.
- 3.12 Further, Commission observed that RVPN at point no 3 of data gap has mentioned that the Scheme "132 kV Chambal-Mansarovar- NPH line" of Rs. 19.91 crore is a deposit work. However, RVPN has not included this scheme in the claimed deposit work of Rs. 32.96 crore. The Commission sought the clarification for the same.
- 3.13 RVPN vide its additional data gap reply dated 05.05.2025, submitted that the Scheme "132 kV Chambal-Mansarovar- NPH line" of Rs. 19.91 crore was commissioned and capitalized in the books of Accounts in FY 2023-24 but its impact has not been reflected in Note No. 25 of the financial statements of FY 2023-24 as invoice for this work has been generated in FY 2024-25 and the corresponding amount of Rs. 19.91 Crores will be reflected in Notes to accounts of the financial statement for FY 2024-25. As the said Scheme of Rs. 19.91 crore was commissioned and capitalized in FY 2023-24 therefore, the Commission

deems it fit to include such amount in the Deposit works of FY 2023-24 and resultantly total deposit work will be Rs. 52.87 crore. Therefore, the Commission deems it fit not to consider deposit work of Rs. 52.87 Crore under the capitalization for FY 2023-24.

- 3.14 The Commission observed that the petitioner has claimed Rs. 63.63 Crore as capitalization towards assets received as grants which is accepted by the Commission. Regulation 18(2) of the MYT Regulation provides that Debt: Equity ratio in respect of any asset shall be calculated after deducting the grant received in respect of such asset. Accordingly, Return on Equity, Depreciation & Interest on loan is not allowable on the grant portion of the cost of asset. Therefore, the Commission deems it fit not to consider the amount of Rs. 63.63 Crore under the capitalization for FY 2023-24.
- 3.15 It was observed that there are several assets proposed to be capitalized by RVPN with substantial time overrun. The Commission vide data gap dated 22.01.2025 sought the justification of time overrun in respect of schemes having claim amount of above Rs. 5 Crore. In reply to the Commission's query, RVPN provided justification for time overrun of such projects along with the project wise IDC vide data gap reply dated 10.03.2025. From the reply submitted by RVPN, it was observed that there were some cases where delay was partially on account of COVID-19 restrictions, objection of JDA & Forest department, RoW issue, involvement of Railway clearance & HPCL pipeline and partially attributable to other reasons.
- 3.16 The Commission vide data gap query dated 22.01.2025, sought the scheme wise hard cost & IDC as per DPR & Actual cost in respect of projects capitalized during 2023-24 having total DPR cost more than 5 Crore. In response, RVPN vide its letter dated 10.03.2025, submitted the details of DPR cost & Actual cost of Assets capitalized during FY 2023-24 instead of scheme wise details. Further, RVPN has not provided calculation & details of IDC attributable towards time overrun and also not provided year wise/quarter wise expenditure and IDC. Therefore, the Commission has to calculate the asset wise extra IDC due to time overrun. In this regard, the Commission has considered the IDC of the assets as per the submission of RVPN and reduced the IDC in proportion of time over run against total time taken (schedule completion period+ time overrun period).

- 3.17 Accordingly, the Commission has identified extra IDC of Rs. 28.85 crore on account of time over run. However, considering that it is partially attributed to RVPN, therefore, the Commission has considered Rs. 14.43 crore, i.e., 50% of the IDC of Rs. 28.85 Crore for delay period.
- 3.18 Accordingly, total deduction on account of time overrun is amounting to Rs. 14.43 Crore. The Commission, further, directs RVPN henceforth to submit complete scheme wise details such as DPR cost, DPR IDC, schedule start date, scheduled completion date, actual date of completion etc. along with cost and time over-run with justification while claiming actual capitalization in true-up petition. RVPN shall also submit complete reasons/ details of cost and time over run along with supporting documents to substantiate the same, otherwise the Commission shall be constrained to disallow the entire claim in respect of such assets. The Commission also directs RVPN that henceforth the claim should be self-contained with all evidence/proofs/supporting documents.
- 3.19 The Commission has thus deducted the capitalization towards Prior Period assets of Rs. 10.56 Crore, minor assets of Rs. 50.02 crore and time over run of Rs. 14.43 crore as discussed above.
- 3.20 The balance capitalization after deducting the capitalization towards Prior Period, minor assets and time over run as discussed above, works out to Rs. 1200.01 Crore for FY 2023-24. Net Capitalization after deducting deposit works of Rs. 52.87 Crore and Subsidy and Grant on capital assets of Rs. 63.63 Crore works out as Rs. 1083.51 Crore for FY 2023-24. Accordingly, the Commission allows the capitalization of Rs. 1083.51 Crore for FY 2023-24.

Table 3 : GFA addition approved for FY 2023-24 (Rs. Crore)

Sl. No.	Particulars	Amount Approved (in Crore)
1	Capitalization claimed	1275.02
2	Less: Capitalization Prior to 01.04.2020	10.56
3	Less: Consumer Contribution/ Deposit Work for the FY 2023-24	52.87
4	Less: Subsidy and Grant on capital assets	63.63
5	Less: Minor assets	50.02
6	Less: Time over run	14.43
7	Net Capitalization	1083.51

GFA deduction during FY 2023-24

RVPN's Submission

3.21 RVPN has claimed the GFA deduction of Rs. 55.18 Crore for FY 2023-24.

Commission Analysis

3.22 In reply to the Commission's query, RVPN has submitted that the difference in claimed GFA deduction viz a viz GFA deduction as per audited accounts is due to reasoning that GFA deduction of Rs. 8.99 Crore is pertaining to RoU and Rs. 1.96 crore on account of deduction related to SLDC and Generation.

3.23 Accordingly, the Commission has approved the total GFA deduction of Rs. 55.18 Crore, as claimed by RVPN.

3.24 In view of above, the details of approved GFA for FY 2023-24 is as shown in the table below:

Table 4: GFA Approved for FY 2023-24 (Rs. Crore)

Sl. No.	Particulars	Amount Claimed (in Crore)	Amount Approved (in Crore)
1	Capitalisation	1275.02	1083.51
2	Less: Deduction- during FY 2023-24	55.18	55.18
3	Net Capitalization approved	1219.84	1028.33

Means of finance of GFA addition for FY 2023-24

RVPN's Submission

3.25 The means of finance of GFA addition for FY 2023-24 submitted by RVPN is as shown in the table below:

Table 5: Means of finance of GFA addition for FY 2023-24 claimed by RVPN

Particulars	Units	Claimed
GFA Addition	Rs. Crore	1275.02
GFA Deduction	Rs. Crore	(55.18)
Less: Consumer Contribution/ Deposit	Rs. Crore	31.07

Particulars	Units	Claimed
Less: Subsidy and Grant on capital assets	Rs. Crore	63.63
Net GFA addition	Rs. Crore	1125.15
Debt	Rs. Crore	1105.94
Debt	%	-
Equity	Rs. Crore	23.97
Equity	%	-

Commission's Analysis

3.26 Regulation 19 of the RERC Tariff Regulations, 2019 specify the normative debt equity ratio of 70:30 and the actual equity is to be considered in case of actual equity less than 30%.

3.27 In view of the disallowance & deduction of Rs. 75.01 Crores (including Prior Period) from the GFA claimed by the petitioner, the Commission has considered the means of finance of approved GFA addition for FY 2023-24 as under:

- o The actual deposit works considered as depicted in the Appendix-1 for FY 2023-24.
- o Subsidy and Grant on capital assets considered as depicted in the audited accounts for FY 2023-24.
- o The equity addition for the FY 2023-24 has been considered as per actual equity for the year.
- o The balance GFA addition has been considered to be funded through loan.

3.28 Based on the above, the means of finance of GFA addition for FY 2023-24 approved by the Commission is as shown in the table below:

Table 6: Means of finance of GFA addition for FY 2023-24 approved by the Commission

Particulars	Units	Approved
Net GFA addition approved	Rs. Crore	1083.51
Debt	Rs. Crore	1059.54
Equity	Rs. Crore	23.97

Availability of the Transmission System

RVPN's Submission

3.29 The Petitioner claimed the system availability of 99.04% for the FY 2023-24.

Commission's Analysis

3.30 Commission sought the certificate of Transmission System availability as claimed by RVPN. RVPN in its reply dt. 10.03.2025 to data gap query submitted the Transmission System availability certificate issued by SLDC.

3.31 It is observed that the actual transmission availability as certified by the SLDC was 99.04%. Therefore, the Commission considered 99.04% as transmission availability for FY 2023-24.

3.32 Regulation 62(2) of the RERC Tariff Regulations, 2019 specifies the normative availability of 98% for recovery of full Annual Transmission Charges. The actual availability for FY 2023-24 is 99.04%. As the actual availability is higher than the normative availability, full Annual Transmission Charges are allowable for FY 2023-24.

Annual Transmission Charges

3.33 In accordance with Regulation 63 of RERC Tariff Regulations, 2019, the Aggregate Revenue Requirement of the Transmission Licensee shall comprise of the following:

- a. Operation and Maintenance (O&M) expenses
- b. Interest and finance charges on long-term loans
- c. Depreciation
- d. Interest on Working Capital
- e. Return on Equity
- Minus
- f. Non-Tariff Income
- g. Income from other business

- 3.34 The Regulations also provide that in case of RVPN, the ARR shall include the additional contribution towards pension & gratuity trust as determined by the Commission in terms of Regulation 30.
- 3.35 Transmission Licensee is allowed to recover its ARR through Transmission Charges. Each of the ARR elements has been dealt with in the following paragraphs.

O&M expenses

RVPN's Submission

- 3.36 The actual O&M expenses claimed by RVPN is Rs. 973.20 Crore for FY 2023-24. O&M expenses claimed by RVPN is as shown in the table below.

Table 7: Actual O&M Expenses claimed for FY 2023-24 (Rs. Crore)

Particulars	Actual Amount (Rs. in Crore)
R&M Expenses	148.73
Employee Cost of the Current Year	853.65
A&G Expenses	79.16
Total	1081.54
Less: Capitalization of O&M Expenses	(101.70)
Less: Common Facility expenses related to Discom and Generation	(6.64)
Grand total	973.20

- 3.37 The Commission vide its tariff order dated 08.06.2023, had approved the normative O&M expenses of Rs. 872.24 Crore for FY 2023-24. As against the same, RVPN claimed the actual O&M expenses of Rs. 973.20 Crore.

Commission's Analysis

- 3.38 It was observed that the R&M Expenses, actual employee cost and A&G Expenses submitted by the petitioner were different from that as per the audited accounts. The Commission sought the reconciliation in respect of the same. The petitioner vide reply to data gaps, submitted the reconciliation in respect of the Repair and Maintenance expenses, employee cost and Administration & General Expenses .
- 3.39 The Commission has disallowed Rs. 50.02 Crore towards capitalization of minor assets as the same are in the nature of O&M expenses. The

Commission therefore, considered Rs. 50.02 Crore disallowed from the GFA on account of minor assets for calculating actual O&M expenses.

- 3.40 RVPN submitted VAR charges amounting to Rs. 4.23 Crore which has been excluded from its claimed NTI. VAR charges of Rs. 4.23 Crores claimed by RVPN is in the nature of O&M expenditure. The Commission has included the same in the actual O&M expenditure.
- 3.41 Accordingly, the Commission has arrived at the actual O&M expenses of Rs. 1027.67 Crore for FY 2023-24. The same is detailed in the table below:

Table 8: Actual O&M expenses arrived by Commission for FY 2023-24

S. No.	Particulars	Amount (Rs. in Crore)
1	R&M Expenses	148.73
2	Employee Cost of the Current Year	853.65
3	A&G Expenses	79.16
4	Total	1081.54
5	Less: Capitalization of O&M Expenses	(101.70)
6	Less: Common Facility expenses related to Discom and Generation	(6.64)
7	Total	973.20
8	Add: Transfer from GFA to O&M	50.02
9	Add: VAR charges	4.23
10	Add: Insurance Expenses (O&M nature)	0.22
11	Grand total	1027.67

3.42 Regulation 64 read with Regulation 24 of the RERC Tariff Regulations, 2019 specifies the norms for O&M expenses on the basis of circuit kilometer of transmission lines, transformation capacity in MVA and number of feeder bays in the substation. The normative O&M expenses has been computed by the Commission based on the transmission network approved for FY 2023-24 and O&M cost has been escalated at the rate of 3.51% per annum year over year considering FY 19-20 as base year. Accordingly, normative O&M expenses arrives at Rs. 862.91 Crore as below:-

Table 9: Normative O&M expenses Approved for FY 2023-24

Particulars	Network Average Value	Applicable O&M Cost as per Norms Rs. Lakh/ Unit	O&M Expenses (Rs. Lakh)
Lines (Ckt Km)			
765 KV	425.50	1.18	503.11
400 KV	6899.39	0.75	5148.17
220 KV	16113.43	0.30	4809.39
132 KV	19010.91	0.17	3273.58
Total (A)	42449.22		13734.27
Transmission Capacity (MVA) (B)	93671.75	0.46	43012.81
Bays (No.)			
765 KV	32.00	69.06	2209.97
400 KV	182.50	46.03	8401.11
220 KV	871.50	6.42	5592.53
132 KV	3058.00	4.36	13339.83
Total (C)			29543.44
Total (A+B+C) (Rs. Crore)			862.91

3.43 Further, the petitioner has submitted the details of lines which have been charged at lesser voltage than the rated voltage. The details of such line is provided as below:-

Table 10: Details of lines charged at lesser voltage during FY 2023-24

Sl. No.	Transmission Line	Length (in Km)	Rated Voltage (KV)	Voltage Level on which transmission element charged on commissioning (KV)
1	220 KV D/C Chaksu-Sanganer Line	34.195	220 KV	220 KV Chaksu-Sanganer line charged on dated 16.10.2015 at one circuit but with same element (Zebra Conductor) 132 KV Chaksu-Sanganer line charged at Second circuit on dated 03.11.2015 on the same tower.
2	400 KV HND-DCCPP Line	111.40	400 KV	220 KV

Sl. No.	Transmission Line	Length (in Km)	Rated Voltage (KV)	Voltage Level on which transmission element charged on commissioning (KV)
3	400 KV KTPS-PGCIL Ckt- I Line	6.25	400 KV	220 KV
4	400 KV KTPS-PGCIL Ckt- II Line	6.25	400 KV	220 KV
5	132 kV Ramgarh Chhatrail line	45.245	220 KV	132 KV

3.44 Since Regulation 64 prescribes the O&M charges for the specific voltage level on which it is operated therefore, Commission deems it fit to allow O&M expenses for voltage level on which it is operated. In view of the above, Rs. 63.51 Lakhs have been deducted from the normative O&M expenses for FY 2023-24 which comes to Rs. 862.27 Crore after such deduction.

3.45 Accordingly, the Commission deems it fit to allow the O&M expenses of Rs. 862.27 Crore for FY 2023-24 as detailed below.

Table 11: O&M Expenses approved by the Commission for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up
O&M Expenses	872.24	973.20	862.27

Terminal Liabilities

RVPN's Submission

3.46 RVPN has claimed the amount of Rs. 540 Crore towards terminal liabilities for the FY 2023-24. The Commission vide its tariff order dated 08.06.2023, had approved the terminal liabilities of Rs. 315 Crore for FY 2023-24.

3.47 Further, RVPN vide data gap reply dated 10.03.2025 has submitted that RVPN has made regular contribution of Rs. 30.08 Crore and additional contribution of Rs. 540 Crore.

Commission's Analysis

3.48 Regulation 64 of the RERC Tariff Regulations, 2019 specifies as under:

"..... Provided that, terminal liabilities based on actuarial valuation, over and above the normative O&M expenses, subject to prudence check shall be allowed through tariff separately."

3.49 The Commission vide data gap dated 22.01.2025 sought the details of actual terminal benefit deposited during FY 2023-24. It is observed from the submission of RVPN that it has paid additional contribution of Rs. 540 Crore during FY 2023-24.

3.50 Therefore, the Commission has allowed additional contribution towards terminal liabilities of Rs. 540 Crore for the FY 2023-24 in terms of Regulation 64.

Table 12: Terminal Liabilities for the FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up
Terminal liabilities	315	540	540

Interest on loan and finance charges

RVPN's Submission

3.51 The Commission vide its tariff order dated 08.06.2023, had approved the Interest on loan and finance charges of Rs. 796.89 Crore for FY 2023-24. The petitioner submitted that the interest on loan has been worked out on the opening loan balance, additions during the year, repayment have been considered equivalent to depreciation. The rate of interest has been worked out based on the regulation 21(5) of the Tariff Regulations. RVPN has claimed the interest and finance charges of Rs. 737.60 Crore as per the audited accounts for FY 2023-24.

Commission's Analysis

3.52 RVPN has claimed the interest charges of Rs. 698.34 Crore as per the audited accounts for FY 2023-24 and submitted the actual interest rate of 9.69% for the year as per the audited accounts for FY 2023-24.

- 3.53 Regulation 21(5) of the RERC Tariff Regulations, 2019 specifies that the rate of interest on loan for True-up shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio during the year. The petitioner in its data gap reply dated 10.03.2025 has submitted the loan wise details along with applicable interest rate and interest thereon for the FY 2023-24.
- 3.54 The Commission has considered the rate of interest of 9.69% as submitted by the petitioner in the petition.
- 3.55 Further, in the instant order Commission has considered Rs. 55.18 Crore as decapitalization of assets during FY 2023-24. Therefore, the Commission deems it fit to deduct the same from approved loan and equity balance by considering debt equity ratio of 80:20. Accordingly, the Commission has deducted Rs. 44.14 Crore towards loan portion of total decapitalization.
- 3.56 The Commission has considered the closing loan balance approved in true up for FY 2022-23 as the opening loan balance for FY 2023-24. The loan addition during the year has been considered based on the approved means of finance of GFA addition. The allowable depreciation for the year has been considered as the normative repayment.
- 3.57 The Commission in its order dated 23.07.2024 observed as under"-

"3.63 The Commission observed that RVPN had already taken Rs. 78.96 Crore on account of Interest on Term loan from FY 2016-17 to FY 2020-21. Accordingly, the Commission is disallowing Rs. 78.96 Crore as reversal of interest in two installments. Therefore, Commission is disallowing Rs. 39.48 Crore in True up of FY 2022-23 and balance 50 % will be deducted in True up of FY 2023-24."
- 3.58 The Commission has disallowed Rs. 39.48 Crore as reversal of interest in True up of FY 2022-23. Therefore, Commission has deducted the balance of Rs. 39.48 Crore i.e. 50% in True up of FY 2023-24.
- 3.59 Accordingly, the interest on loan approved by the Commission is as shown in the table below:

Table 13: Interest on long term loans for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24	
	Claimed for True up	Approved on True up
Opening Balance	7,167.84	7,167.84
Add: Net Addition	1161.12	1059.54
Less: Loan portion of De-capitalisation	55.18	44.14
Less: Repayment	1021.48	911.58
Closing Balance	7252.31	7271.66
Average Loan	7210.07	7219.75
Rate of Interest	9.69%	9.69%
Gross Interest Expenses	698.34	699.59
50% Reversal of IOTL upto FY 2020-21	-	(39.48)
Net Interest Expenses	698.34	660.11

3.60 The Commission vide the tariff order dated 08.06.2023 had approved the finance charges of Rs. 70 Crore for FY 2023-24. As against the same, RVPN has claimed the finance charges of Rs. 39.26 Crore as per the audited accounts for FY 2023-24.

3.61 In reply to the Commission's query, RVPN submitted the details of the finance charges claimed as shown in the table below:

Table 14: Finance Charges for FY 2023-24 (Rs. Crore)

S. No.	Particulars	Claimed
1	Stamp duty/ Registration Fees	-
2	Service Fees	0.22
3	Commitment Charges	0.14
4	Other Bank Charges	(0.20)
5	Guarantee Commission Charges	21.84
6	Management fee	1.13
7	Penal Interest	0.00
8	Borrowing cost due to foreign exchange diff.	15.05
9	Restructuring Premium	0.51
10	Total Finance Charges of Transmission Segment	38.68
11	Add: Interest on SD and RMD	0.1
12	Add: Interest on SD OAC	0.48
13	Total	39.26

3.62 It is observed that the Petitioner has claimed Rs. 15.05 Crore towards Borrowing cost due to foreign exchange difference. The Commission

vide additional data gap dated 02.04.2025 sought bifurcation of Rs. 15.05 crore alongwith clarification for claiming this amount under the head "Finance charges".

- 3.63 In response RVPN vide its additional data gap reply dated 05.05.2025 submitted that Rs. 15.05 crore is the accounting entry of FERV as on 31.03.2024 booked in compliance to accounting standards, it has been inadvertently claimed.
- 3.64 Accordingly, the Commission approves Finance charges of Rs. 24.21 Cr. for the FY 2023-24 after deducting Rs. 15.05 crore from claimed amount of Rs. 39.26 crore.
- 3.65 The Commission has approved the interest and finance charges of Rs. 684.32 Crore for the FY 2023-24 as shown in the table below:

Table 15: Interest and finance charges for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24	
	Claimed for True up	Approved on True up
Net Interest Expenses	698.34	660.11
Add: Finance Charges	39.26	24.21
Interest and Finance charges	737.60	684.32

Depreciation

RVPN's Submission

- 3.66 The Commission vide tariff order dated 08.06.2023 had approved the depreciation of Rs. 945.95 Crore for FY 2023-24. As against the same, RVPN has claimed the depreciation of Rs. 1021.48 Crore for FY 2023-24.

Commission's Analysis

- 3.67 RVPN has claimed the depreciation of Rs. 1021.48 Crore and vide data gap reply dated 10.03.2025 has submitted details of assets depreciated upto 90% of its assets value, less than 12 years and more than 12 years.
- 3.68 Further, Petitioner has not submitted the useful life of asset class wise, therefore, the Commission has considered the weighted average life (WAL) as 27 years and for the assets completed more than 12 years, the balance useful life of 15 years has been considered. Further, Commission at para 4.55 of the Tariff Order dt. 23.12.2021 directed

RVPN to submit the asset class wise details. The RVPN is again directed to henceforth submit the required details along with the True up petition of every year.

3.69 RVPN has considered the entire cost of deposit work & asset created out of grant in the GFA. RVPN has included depreciation on such assets in the depreciation for the FY 2023-24.

3.70 The Commission has considered the closing GFA approved in true up for FY 2022-23 as the opening GFA for FY 2023-24 after considering inter head transfer of assets. The allowable GFA addition of Rs. 1083.51 Crore (excluding deposit work addition of Rs. 52.87 Crore and Grant addition of Rs. 63.63 Crore) has been considered on the pro rata basis in proportion to GFA addition claimed by RVPN. Accordingly, the Commission has computed approved average GFA for the purpose of depreciation calculation for FY 2023-24.

3.71 The details of calculation of depreciation is as below: -

Table 16: Depreciation for FY 2023-24 (Rs. Crore)

Particular	Classification of assets	Gross Block claimed as on 31.03.2024	Approved Closing Balance as on 31.03.2024	Average GFA approved for FY 2023-24	Rate of Depreciation	Dep. Approved
Buildings	90% depreciated	67.88	63.51	63.51	0.00%	
	less than 12 years	550.84	499.38	480.96	3.34%	16.06
	more than 12 years	465.24	437.67	437.37	3.33%	14.56
Furniture & Fixtures	90% depreciated	6.34	5.92	5.92	0.00%	
	less than 12 years	16.32	16.01	13.70	6.33%	0.87
	more than 12 years	2.86	2.73	2.73	0.94%	0.03
Hardware	90% depreciated	1.70	1.69	1.69	0.00%	
	less than 12 years	23.56	20.36	15.37	15.00%	2.31
	more than 12 years				0.00%	
Hydraulic Works	90% depreciated				0.00%	
	less than 12 years	0.09	0.09	0.09	5.28%	
	more than 12 years				1.78%	
Lines & Cable	90% depreciated	192.77	182.20	182.46	0.00%	
	less than 12 years	7415.08	6808.58	6714.01	5.28%	354.50
	more than 12 years	3220.59	3,049.41	3,048.19	1.78%	54.14
Office Equipments	90% depreciated	11.92	11.47	11.51	0.00%	
	less than 12 years	49.94	44.75	42.57	6.33%	2.69
	more than 12 years	7.71	7.20	7.23	0.94%	0.07
Other Civil Works	90% depreciated	0.88	0.82	0.82	0.00%	
	less than 12 years	255.11	228.73	210.93	3.34%	7.04
	more than 12 years	51.90	50.17	50.17	3.33%	1.67

Particular	Classification of assets	Gross Block claimed as on 31.03.2024	Approved Closing Balance as on 31.03.2024	Average GFA approved for FY 2023-24	Rate of Depreciation	Dep. Approved
Plant & Machinery	90% depreciated	690.14	646.05	651.30	0.00%	
	less than 12 years	7837.55	7125.11	6912.66	5.28%	364.99
	more than 12 years	3026.40	2855.15	2861.77	1.78%	50.83
Software	90% depreciated	7.59	7.04	7.04	0.00%	
	less than 12 years	32.15	29.40	27.21	9.00%	2.45
	more than 12 years				0.00%	
Vehicles	90% depreciated	15.64	14.40	15.49	0.00%	
	less than 12 years	2.53	2.34	2.34	9.50%	0.22
	more than 12 years				0.00%	
Communication	less than 12 years	659.40	542.66	374.09	6.33%	23.68
Total		24612.12				896.10
O&M spares		13.90	12.31	10.76	5.28%	0.57
Lease Hold Land		520.84	447.22	446.29	3.34%	14.91
Free Hold Land		130.22	120.73	120.73	0.00%	-
Grand Total		25277.07	23233.11	22718.93		911.58

3.72 The depreciation as per the above methodology is computed as Rs. 911.58 Crore. Accordingly, the depreciation approved by the Commission for FY 2023-24 is Rs. 911.58 Crore as shown in the table below:

Table 17: Depreciation for FY 2023-24 (Rs. Crore)

Particulars	Claimed for True up	Approved on True-up (Rs. Crore)
Depreciation	1021.48	911.58

Interest on Working Capital (IoWC)

RVPN's Submission

3.73 The Commission vide tariff order dated 08.06.2023 had approved the normative IoWC of Rs. 68.28 Crore for FY 2023-24. As against the same, RVPN has claimed the normative IoWC of Rs. 73.89 Crore and net entitlement of Rs. 69.27 Crore.

Commission's Analysis

3.74 In accordance with Regulation 27(1) of the RERC Tariff Regulations, 2019, the normative working capital requirement shall comprise of (i)

O&M expenses for one month, (ii) maintenance spares @ 15% of O&M expenses, (iii) receivables equivalent to one and a half month of transmission charges calculated on target availability, less amount held as security deposit from users except security deposits held in the form of Bank Guarantees. Regulation 27(2) of the RERC Tariff Regulations, 2019 specifies that the rate of interest on working capital to be computed shall be on normative basis and shall be 300 basis points higher than the average SBI Base Rate prevalent during first six months of the year previous to the relevant year.

- 3.75 The normative working capital requirement has been computed in accordance with the RERC Tariff Regulations, 2019. The normative rate of interest on working capital has been considered as 10.38% in accordance with RERC Tariff Regulations, 2019.
- 3.76 RVPN has submitted the actual rate of interest on working capital loans as 9.08% as per the audited accounts. In accordance with Regulation 27(2), the Commission has considered the sharing of variation in interest amount on account of actual vis-à-vis normative interest rate on normative working capital.
- 3.77 The Commission at para 3.75 of the Tariff Order dt. 13.07.2022 directed RVPN to submit the details of actual working capital loan & supporting documents henceforth along the True-up. However, RVPN has not submitted the same along with the petition. RVPN is again directed to henceforth provide the complete details in respect of working capital loan. The sharing of variation in interest amount on account of actual vis-à-vis normative interest rate on normative working capital shall be done accordingly.
- 3.78 The loWC approved by the Commission for the FY 2023-24 is as shown in the table below:

Table 18: loWC for FY 2023-24 (Rs. Crore)

S. No.	Particulars	As per Petition	Approved
1	O&M Expenses (1 Month)	81.10	71.86
2	Maintenance Spares (15% of O&M Expenses)	145.98	129.34
3	Receivables on Target Availability (1.5 Month)	495.92	454.16

S. No.	Particulars	As per Petition	Approved
4	Less: Amount held as Security Deposit	11.19	11.19
5	Total Working Capital	711.82	644.17
6	Normative Interest Rate	10.38%	10.38%
7	Interest Amount at Normative Interest Rate	73.89	66.86

Table 19: Net Entitlement of IoWC for the FY 2023-24

Particulars	Normative	Actual	Gain/Loss	50% Sharing	Net Entitlement
Approved Interest Rate for Truing up (%)	10.38%	9.08%	-	-	-
Approved Amount for Truing up (Rs. in Crore)	66.86	58.49	8.37	4.19	62.68

Foreign Exchange Rate Variation (FERV) Charges

RVPN's Submission

3.79 RVPN has claimed Foreign Exchange Rate Variation of Rs. 30.98 Crores as per the audited accounts for FY 2023-24.

Commission's Analysis

3.80 The Commission vide data gap dated 22.01.2025 sought the reason of claiming FERV with supporting documents and its reconciliation with the audited accounts. RVPN in reply dated 10.03.2025 has submitted that FERV has been claimed as per Regulation 28 of RERC Tariff Regulations, 2019 and submitted the reconciliation of the same.

3.81 Further, Commission in its additional data gap query dated 02.04.2025, has sought explanation that why RVPN was not able to hedge the foreign exchange exposure and to explain that whether these reasons are attributable to RVPN or others. RVPN in its reply dated 05.05.2025 submitted that it has requested SBI bank on 22.04.2025 for quotation to hedge the Foreign Currency Loan. However, SBI in its response dated 22.04.2025 has denied the same.

- 3.82 In this regard, regulation 28 (1) of Regulations "Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2019" is reproduced as under:-

"28. Foreign Exchange Rate Variation

(1.) The Generating Company or the Licensee or SLDC, as the case may be, may hedge foreign exchange exposure in respect of the interest on foreign currency loan and repayment of foreign loan acquired for the Generating Station or the Transmission system, in part or in full, at the discretion of the Generating Company or the Licensee."

- 3.83 As per the above regulation 28 (1), it is at the discretion of the Licensee to hedge foreign exchange exposure or not. However, in the instant case, RVPN has not exercised its discretion rather they have not even deliberated on it. After the disbursement of foreign loan, RVPN was supposed to explore the two options after the due diligence /deliberations in the matter. A thoughtful decision, thereafter, based on the outcome of deliberation, should have been taken at the level of appropriate authority at that time.

- 3.84 As per the record, the loan disbursement started from December 2014. Therefore, such discretion should have been exercised at that time. By analyzing the above scenario, it is observed that no decision was made to hedge the foreign exchange exposure initially at the time of disbursement of loan and RVPN after elapse of 10 years of loan disbursement has requested SBI bank for quotation to hedge the Foreign Currency Loan through E-mail dated 22/04/2025 (after the issue raised in data-gap and additional data-gap by the Commission).

- 3.85 Regulation 28 (5) of RERC, Tariff Regulations, 2019 provides as under:-

(5.) Every Generating Company or Licensee or SLDC shall recover the cost of hedging and foreign exchange rate variation on year-to-year basis as income or expenses in the period in which it arises."

- 3.86 Therefore, as per the above regulation, the licensee on year to year basis has to claim the Foreign exchange losses or expenses after taking prudent decision. As per record, it is evident that RVPN has not taken any decision on hedging for last ten years and have booked the Foreign exchange losses from FY 2015-16 to 2022-23 in the audited accounts of FY 2023-24. Thus, the claim of RVPN upto FY 2022-23 cannot be considered. From the above, it is evident that RVPN has not

made any efforts and also no decision taken for hedging during FY 2023-24 also. As such the reasons for not hedging the loan are attributable to RVPN. Thus, the claim of RVPN regarding FERV of Rs. 30.98 Crores is not allowable as per regulation 28 of RERC, Tariff regulations, 2019.

- 3.87 In view of above facts, the Commission directs RVPNL to carry out due diligence, all-out efforts and detailed deliberation in exercising its discretion on hedging the foreign exchange exposure. Based on these efforts, a thoughtful decision/hedging policy should be taken by the appropriate authority of RVPN. RVPN is also directed to intimate the decision within three months to the Commission and the beneficiary.
- 3.88 Accordingly, the Commission has disallowed the Foreign Exchange Rate Variation of Rs. 30.98 Crores as claimed by the petitioner for the FY 2023-24.

Return on Equity (RoE)

RVPN's Submission

- 3.89 The Commission vide its order dated 08.06.2023 had approved RoE as 659.61 Crore for FY 2023-24. As against the same, RVPN has claimed RoE of Rs. 622.39 Crore for FY 2023-24.

Commission's Analysis

- 3.90 The petitioner vide its data gap reply dated 10.03.2025 submitted the approval of Government of Rajasthan (GoR) in respect of RoE.
- 3.91 The closing equity balance approved in true up for FY 2022-23 has been considered as the opening equity balance for FY 2023-24. Equity addition has been considered as per approved means of finance for the FY 2023-24.
- 3.92 Further, in the instant order Commission has considered Rs. 55.18 Cr. as decapitalization of assets during FY 2023-24. Therefore, the Commission deems it fit to deduct the same from approved loan and equity balance by considering debt equity ratio of 80:20. Accordingly, the Commission has deducted Rs. 11.04 Cr. towards equity portion of total decapitalization.

3.93 RVPN had claimed RoE at the rate of 14% in the Tariff Petition for the FY 2023-24. The Commission approves the RoE at the rate of 14% of the True-up of FY 2023-24. The RoE approved by the Commission is as shown in the table below:

Table 20: RoE for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24	
	Claimed for True up	Approved on True up
Opening Equity	4,436.05	4,436.05
Net addition during the year	23.97	23.97
Less: Equity portion of decapitalization	4.77	11.04
Closing Equity	4,455.25	4,448.98
Average Equity	4,445.65	4,442.52
Rate of Return on Equity	14.00%	14.00%
Return on Equity	622.39	621.95

Insurance Expenses

RVPN's Submission

3.94 The Commission vide tariff order dated 08.06.2023 had approved Insurance expenses of Rs. 0.36 Crore for FY 2023-24. As against the same, RVPN has claimed actual Insurance expenses of Rs. 0.22 Crore as per the audited accounts.

Commission's Reply

3.95 Regulation 25 of the RERC Tariff Regulations, 2019 provides for Insurance expenses subject to ceiling limit of 0.2 % of average Net Fixed Assets for the year.

3.96 RVPN in response to stakeholder query, submitted that the insurance expenses are related to vehicle and Building. The Commission observed that the insurance charges claimed for FY 2023-24 mostly relates to insurance charges incurred for vehicle insurance which is mandatory as per Motor Vehicle Act and is of O&M nature. It is also observed that RVPN has not made any insurance for transmission assets. Therefore, the Commission has disallowed the Insurance expenses of Rs. 0.22 Crore as claimed by the petitioner for the FY 2023-24.

Table 21: Insurance Expenses for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up
Insurance Charges	0.36	0.22	-

Unitary Charges**RVPN's Submission**

3.97 RVPN has claimed the unitary charges of Rs. 55.17 Crore for FY 2023-24 as per the audited accounts.

Commission's Analysis

3.98 The Commission had earlier approved the unitary charges to be paid by RVPN. Therefore, the Commission has approved the actual unitary charges of Rs. 55.17 Crore claimed for FY 2023-24.

Table 22: Unitary charges for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up
Unitary Charges	58.65	55.17	55.17

Lease Charges**RVPN's Submission**

3.99 RVPN has claimed the lease charges of Rs. 15.82 Crore for FY 2023-24 as per the audited accounts.

Commission's Analysis

3.100 RVPN has provided details of paid/payable lease liabilities for FY 2023-24 in its petition. Therefore, the Commission has approved the actual lease charges of Rs. 15.82 Crore for FY 2023-24.

Table 23: Lease Charges for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up
Lease Charges	14.94	15.82	15.82

Non-Tariff Income

RVPN's Submission

3.101 The Commission vide tariff order dated 08.06.2023 had approved NTI of Rs. 81.10 Crore for FY 2023-24. As against the same, RVPN has claimed actual NTI of Rs. 52.42 Crore in the instant petition.

Commission's Analysis

3.102 The Commission sought the reconciliation of Non-Tariff Income with the audited accounts. The Commission also sought the breakup of miscellaneous receipt of Rs. 34.11 Crores included in the Non-tariff Income. RVPN in its reply dt. 10.03.2025 has submitted the same.

3.103 Regarding interest income earned by RVPN from OIPL of Rs. 8.47 Crore and Interest income charged on subsidiary Company Barmer of Rs. 2.07 Crore, the Commission has disallowed the same in the previous True-up orders. The Commission has followed the similar approach as followed in its previous True up order. Accordingly, Commission does not find it prudent to allow the same as reversal from NTI.

3.104 It is observed that the Commission has not considered capitalizations towards Consumer contribution/Deposit work and grants while calculating the GFA. Therefore, Commission has allowed the corresponding revenue towards Consumer contribution/Deposit work and grants as reversal from NTI.

3.105 RVPN submitted that it has received Rs. 9.71 Crore on account of recovery from contractors on account of capital works. RVPN in its petition has submitted the list of liquidated damages recovered from contractors on account of capital works in FY 2023-24.

3.106 The Commission has considered 50 % of IDC at the time of calculation of Time over run while arriving of approved GFA for the FY 2023-24. Since it is partially attributed to RVPN, therefore, on similar approach, the Commission deems it appropriate to consider 50% recovery from contractor on account of capital works of Rs. 9.71 Crore as Non-Tariff Income. Accordingly, the Commission has considered Rs. 4.86 Crore as part of Non-Tariff income of FY 2023-24.

3.107 RVPN submitted net loss on Sale of fixed asset amounting to Rs. 4.02 Crore which has been excluded from its claimed NTI. As there is no

provision in the RERC Tariff Regulation, 2019 for allowing loss on sale of fixed asset, the Commission has not considered claim of reducing of Rs. 4.02 crore from Non Tariff income of FY 2023-24.

- 3.108 RVPN submitted VAR charges amounting to Rs. 4.23 Crore which has been excluded from its claimed NTI. VAR charges of Rs. 4.23 Crores claimed by RVPN is in the nature of O&M expenditure. The Commission has included the same in the actual O&M expenditure. Accordingly, the Commission has considered Rs. 4.23 Crore as part of Non-Tariff income of FY 2023-24.
- 3.109 RVPN proposed reduction of Delayed Payment Charges (DPC) amounting to Rs. 29.45 Crores from its claimed NTI on account of refund to Discom for the FY 2018-19. RVPN in its reply dated 21.04.2025 on the objection/comment of respondent, submitted that during the FY 2023-24, it has refunded the DPC to Discoms amounting to Rs. 29.45 crore related to FY 2018-19 as per Government of Rajasthan's direction.
- 3.110 In this regard, it is observed that the Government of Rajasthan (GoR) on 15.09.2023 directed RVPN to refund the LPS charged upto FY 2022-23 to State Discoms up to the extent of amount outstanding as on 31.03.2023.
- 3.111 The Commission notes that as per note no. 34.8 of audited accounts of FY 2023-24, amount of Rs. 656.07 crore charged to Discoms upto FY 2022-23 has been reversed/adjusted in outstanding dues of Discoms and the same has been disclosed as exceptional item. The Commission further, notes that RVPN has proposed to reduce Rs. 29.45 crore from its NTI in the true-up of FY 2023-24. However, doing so would effectively increase RVPN's net allowable expenditure for the FY 2023-24 upto this extent. This increased expenditure would be passed on to the Discoms and eventually to consumers, which contradicts the intent of the GoR's directive-
- 3.112 Further, as regards the true-up for FY 2018-19, the same has already been finalized vide order dated 12.10.2020. The Commission on 23.07.2021 had also disallowed the claim of DPC in review petition filed by the petitioner. Thus, the true up of FY 2018-19 has attained finality. Therefore, reduction of DPC amounting to Rs. 29.45 Crores (pertaining to FY 2018-19 true up order) from its claimed NTI will tantamount to reopening of true up order of FY 2018-19, which is not permissible.

3.113 Thus, reduction of DPC amount pertaining to FY 2018-19 from NTI of FY 2023-24 is against GoR's direction and not permissible as FY 2018-19 true up has been finalized. Accordingly, the Commission has not considered claim of reducing of Rs. 29.45 crore from Non Tariff income of FY 2023-24.

3.114 The Commission accordingly, approves the Non-Tariff Income as Rs. 105.52 Crore for the FY 2023-24 as below:-

Table 24: NTI for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up
Net Non-Tariff Income claimed	81.10	52.42	52.42
Add- Interest income earned by RVPN from OIPL			8.47
Add- Interest income charged on subsidiary Company Barmer			2.07
Add- recovery from contractor on account of capital works			4.86
Add- loss on Sale of fixed asset			4.02
Add- VAR charges			4.23
Add- Delayed payment charges			29.45
Non-Tariff Income			105.52

Revenue from Short-term open access

RVPN's Submission

3.115 The Commission vide tariff order dated 08.06.2023 had approved the revenue from short-term open access of Rs. 9.67 Crore for FY 2023-24. As against the same, RVPN has claimed actual revenue from short-term open access of Rs. 61.62 Crore as per the audited accounts.

Commission's Analysis

3.116 The Commission vide data gap dated sought the bifurcation of Rs. 61.62 Crore as income from short-term open access. RVPN vide data gap reply dated 10.03.2025 has submitted the bifurcation of Rs. 61.62 Crore.

3.117 It is observed that RVPN's claim of Rs. 61.62 Crore on account of short-term open access includes Rs. 14.96 Crores as Revenue from Short Term

Open Access, Rs. 10.00 Crores as Revenue from POSOCO, Rs. 4.11 Crores as PGCIL Bay Charges, Rs. 30.40 Crore as revenue from IEX and Rs. 2.15 Crore from Hindustan Power Exchange (HPX India). RVPN has claimed Rs. 61.62 Crores as reduction from the Aggregate Revenue Requirement to arrive at the Annual Transmission charges. The Revenue from POSOCO, IEX, HPX India and PGCIL Bay Charges should be part of aggregate revenue of RVPN and should not be reported as reduction from Aggregate Revenue Requirement to arrive at the Annual Transmission charges. The Commission has, accordingly, included the revenue on account of POSOCO, IEX, HPX India and PGCIL Bay Charges amounting to Rs. 46.66 Crores in the Aggregate Revenue for the FY 2023-24 and approved it accordingly. In view of the above, the Commission has approved Rs. 14.96 Crores as short-term open access for the FY 2023-24.

Table 25: Revenue from short-term open access for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up
Revenue from Short Term Open Access	9.67	61.62	14.96

Revenue from Inter State Transmission (ISTS) Lines

RVPN's Submission

3.118 The Commission vide its tariff order dated 08.06.2023 had approved the revenue from ISTS lines as nil for FY 2023-24. As against the same, RVPN has claimed actual revenue from ISTS lines of Rs. (15.28) Crore for the FY 2023-24.

Commission's Analysis

3.119 The Commission vide data gap dated 22.01.2025 sought reconciliation of Interstate Line user charges. Further, RVPN has shown reversal of excess/short revenue booking under YTC charges of Rs. (15.28) Crore for which RVPN is required to furnish specific CERC orders against each reversal/booking.

3.120 RVPN has claimed Rs. (15.28) Crores on account of Interstate Line User Charges as reduction from the Aggregate Revenue Requirement to arrive at the Annual Transmission charges. The Interstate Line User

Charges should be part of revenue of RVPN and should not be reported as reduction from Aggregate Revenue Requirement to arrive at the Annual Transmission charges. The Commission has accordingly, included the Interstate Line User Charges of Rs. (15.28) Crores in the Revenue for the FY 2023-24 and approved it accordingly.

Table 26: Revenue from ISTS lines for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up*
Revenue from ISTS lines	-	(15.28)	-

* Revenue from ISTS lines considered as part of Revenue.

3.121 Based on the above analysis, the Annual Transmission Charges claimed by RVPN and approved by the Commission is as shown in Table below:

Table 27: Annual Transmission Charges for FY 2023-24 (Rs. Crore)

Particulars	FY 2023-24		
	Approved in Tariff Order	Claimed for True up	Approved on True up
O&M Expenses	872.24	973.20	862.27
Terminal Benefit	315.00	540.00	540.00
Interest and finance charges on long term loans	796.89	737.60	684.32
Depreciation	945.95	1021.48	911.58
Interest on Working Capital	68.28	69.27	62.68
Return on Equity	659.61	622.39	621.95
Lease Rent	14.94	15.82	15.82
Insurance Charges	0.36	0.22	-
Unitary Charges	58.65	55.17	55.17
FERV	-	30.98	-
Less: Non Tariff Income	81.10	52.42	105.52
Aggregate Revenue Requirement	3650.83	4013.70	3648.27
Less: Revenue from Short Term Open Access	9.67	61.62	14.96
Less: Revenue from Interstate Transmission Lines	-	(15.28)	-
Annual Transmission Charges	3641.16	3967.38	3633.31

Incentive

RVPN's Submission

3.122 RVPN has claimed the incentive of Rs. 20.04 Crore for achieving higher availability than the normative availability. RVPN has claimed the separate recovery of the same.

Commission's Analysis

3.123 Regulation 68 of the RERC Tariff Regulations, 2019 provide for incentive on achieving annual availability above the normative availability. The Commission has approved the incentive for FY 2023-24 in accordance with the same as shown in the table below:

Table 28: Incentive approved for FY 2023-24 (Rs. Crore)

Particulars	Units	Value
Annual Transmission Charges	Rs. Crore	3,633.31
Target Availability for Incentive	%	98.50%
Max. Availability for Incentive	%	99.75%
Actual Availability	%	99.04%
Incentive	Rs. Crore	19.92

Transmission Loss

RVPN's Submission

3.124 RVPN has claimed Transmission loss of 4.33% for the FY 2023-24.

Commission's Analysis

3.125 The Commission approved transmission loss of 4.50% for the FY 2023-24 in the order dt. 08.06.2023. The Commission approves the actual transmission loss of 4.33% as claimed by the RVPN. However, Commission directs RVPN to investigate into the reasons for such huge losses and take suitable action for reduction in losses.

Revenue side true up

RVPN's Submission

3.126 RVPN has claimed the revenue of Rs. 3640.61 Crore for FY 2023-24.

Commission's Analysis

3.127 As discussed in para on Short term open access & Interstate line user charges above, Rs. 10.00 Crores as Revenue from POSOCO, Rs. 4.11 Crores as PGCIL Bay Charges, Rs. 30.40 Crore as revenue from IEX, Rs.

2.15 Crore as Revenue from Hindustan Power exchange (HPX India) and Rs. (15.28) Crores on account of Interstate line user charges have been allowed as part of Revenue instead of reduction from Aggregate Revenue Requirement to arrive at the Annual Transmission charges. Accordingly, the Revenue for the FY 2023-24 considered for true up is as shown in the table below:

Table 29: Revenue for true up for FY 2023-24 (Rs. Crore)

Sl. No.	Particulars	Claimed for true up	Approved on True up
A	Revenue from Transmission Wheeling Charges		
1	JVVN	1,307.01	1,307.01
2	AVVN	1,006.74	1,006.74
3	JDVVN	1,181.87	1,181.87
4	Others	-	-
a	Revenue from Short Term Open Access	-	-
b	Revenue from Medium Term Open Access	16.75	16.75
c	Revenue from Long Term Open Access	128.25	128.25
d	Interstate Line User Charges	-	(15.28)
e	Revenue from POSOCO	-	10.00
f	PGCIL BAY Charges	-	4.11
g	Revenue from IEX	-	30.40
h	Revenue from Hindustan Power exchange (HPX India)	-	2.15
	Sub-Total	3640.61	3671.99
B	Incentive		
1	JVVN	7.20	7.15
2	AVVN	5.54	5.51
3	JDVVN	6.50	6.45
4	Others (LTOA and MTOA)	0.80	0.80
	Sub-Total	20.04	19.92
C	Subsidies & Grants on capital account (Non-Regulatory)	-	-
	Total	3660.65	3691.91

Summary of true up

Commission's Analysis

3.128 Based on the above, the summary of true up for FY 2023-24 is as shown in table below:

Table 30: Summary of true up for FY 2023-24 (Rs. Crore)

Sl. No.	Particulars	Claimed	Approved
A	Expenditure side summary		
1	Annual Transmission Charges	3,967.38	3,633.31
2	Incentive	20.04	19.92
3	Total	3,987.42	3,653.23
B	Revenue side summary		
C	Revenue for true up	3,660.65	3,691.91
D	Revenue (Gap)/Surplus	(326.77)	38.68

3.129 The Commission has approved the revenue surplus of Rs. 38.68 Crore. The Commission directs RVPN to refund the approved surplus of Rs. 38.68 Crore in the next billing cycle from the date of this order in the ratio of contracted capacity of DISCOMs, long-term open access customers and medium term open access customers for FY 2023-24.

3.130 The Commission also directs RVPN that henceforth the claim should be self-contained with all evidence/proofs/supporting documents.

3.131 Copy of this order may be sent to the Petitioner, Respondents, Objectors, CEA and Government of Rajasthan.

(Hemant Kumar Jain)
Member

(Dr. Rajesh Sharma)
Chairman