Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005
Tel. 022 69876666
Email: mercindia@merc.gov.in
Website: www. merc.gov.in

Case No. 91 of 2025

Case of Maharashtra State Transmission Utility (STU) seeking review of the Commission's MYT Order dated 28 March 2025 in Case No. 183 of 2024 for determination of STU Fees and Charges for 5th Multi-Year Tariff Control Period from FY 2025-26 to FY 2029-30.

Coram
Sanjay Kumar, Chairperson
Anand M. Limaye, Member
Surendra J. Biyani, Member

Maharashtra State Transmission Utility (STU) ……Petitioner

Appearance:

For the Petitioner : Shri Peeyush Sharma, STU

ORDER

Date: 31 December, 2025

1. Maharashtra State Transmission Utility **(STU)** has filed this Petition, being Case No. 91 of 2025, on 8 May, 2025, seeking review of the Commission's MYT Order dated 28 March 2025 in Case No. 183 of 2024 for the determination of STU Fees and Charges for the 5th Multi Year Tariff Control Period from FY 2025-26 to FY 2029-30.

2. **The Prayers of STU are as follows:**
"

a) Admit the present Review Petition under Section 94(1)(f) of the Electricity Act, 2003 and Regulation 28 of the MERC (Transaction of Business and Fees and Charges) Regulations, 2022, in view of the computational error apparent on the face of the record;

b) Condone the unintentional partial consideration of employee costs for newly proposed staff positions, arising due to the mistaken interpretation of monthly salary data as annual data;

c) Allow STU to revise its employee cost estimates and Annual Fixed Cost (AFC) for 5th Control period.

*d) Issue appropriate guidance or directions for rectification of employee cost in line with **Regulation 40 (Rectification of errors) and Regulation 41** (Power to remove difficulties) of the MERC (Transaction of Business and Fees and Charges) Regulations, 2022;*

e) Pass any such further order(s) or direction(s) as the Hon'ble Commission may deem just and proper in the interest of justice and to ensure smooth and financially sustainable operations of the STU.

……"

3. **STU in its Petition has stated as under:**

3.1 The Review Petition has been filed by Maharashtra State Transmission Utility (STU) under Section 94 (1) (f) of the Electricity Act, 2003, read with Regulation 28, 40 and 41 of the MERC (Transaction of Business and Fees and Charges) Regulations, 2022, seeking a review of the Commission's Order dated 28 March 2025 in Case No. 183 of 2024 for determination of STU Fees and Charges for 5th Multi Year Tariff Control Period from FY 2025-26 to FY 2029-30.

3.2 The STU has observed a computational error regarding the consideration of employee costs associated with the newly proposed staff positions. It has been observed that only a partial cost was factored into the original calculation i.e., **monthly salary data of the newly proposed staff was mistakenly interpreted as annual data** and submitted in the Petition by STU, which has led to understatement of the total employee costs component in the approved Annual Fixed Cost (AFC), for 5th Multi Year Tariff Control Period from FY 2025-26 to FY 2029-30.

3.3 STU had proposed the induction of 13 additional technical staff in FY 2025–26 and 12 additional non-technical staff in FY 2026–27 of the 5th Control Period. It is submitted that during the filing, only partial financial implications of the proposed employees, i.e., a mistaken interpretation of monthly salary data as annual data, were considered. While the Commission in the MYT Order had approved the staffing numbers, considering the partial financial implications of the associated salaries submitted in the Petition. As a result, the corresponding cost impact associated with the approved additional staff was not fully accounted for. **This has resulted in a significant understatement of the Annual Fixed Cost (AFC)**.

3.4 It is submitted that it is an error apparent on the face of the record and is liable to be reviewed by the Commission in exercise of its review jurisdiction under Section 94(1)(f) of the Electricity Act, 2003 and Regulation 40 of the MERC (Transaction of Business and Fees and Charges) Regulations, 2022.

3.5 Therefore, STU has filed the present Review Petition pursuant to this computational error apparent on the face of the record, to account for the annual salaries of the proposed approved staff in the calculation of the STU Fees and Charges for the 5th MYT control period and its recovery.

4. The e-hearing in the matter was held on 7 October 2025. During the hearing, STU reiterated its submission as made in the Review Petition. The Commission heard the matter and reserved for Order.

Commission's Analysis and Ruling:

5. The Commission notes that STU has filed the Review Petition citing the provision of 94 (1) (f) of the Electricity Act, 2003 and Regulation 28, 40 and 41 of the MERC (Transaction of Business and Fees and Charges) Regulations, 2022. STU, in its Petition, stated that it is seeking review of its MYT Order on the aspect of employee costs, as it has inadvertently /mistakenly submitted monthly salary data for newly proposed staff (13 nos. in FY2025-26 and 12 nos. in FY2026-27) as annual data for the concerned years in its MYT Petition. This has resulted in a significant understatement of the AFC of STU, and hence, it has requested a review of the same.

6. The Commission notes that the Review Petition has been filed under Regulations 28, 40, and 41 of the MERC (Transaction of Business and Fees and Charges) Regulations, 2022. Regulation 28 specifies as follows:

> ***"28. Review of decisions, directions, and orders:***
>
> *(a) Any person aggrieved by a direction, decision or order of the Commission, from which (i) no appeal has been preferred or (ii) from which no appeal is allowed, may, upon the discovery of new and important matter or evidence which, after the exercise of due diligence, was not within his knowledge or could not be produced by him at the time when the direction, decision or order was passed or on account of some mistake or error apparent from the face of the record, or for any other sufficient reasons, may apply for a review of such order, within Forty-Five (45) days of the date of the direction, decision or order, as the case may be, to the Commission.*
>
> *(b) An application for such review shall be filed in the same manner as a Petition under these Regulations.*
>
> *(c) Review application shall be decided, as far as practicable, by the same constitution of the Commission which passed the original order*
>
> *(d) The Commission shall for the purposes of any proceedings for review of its decisions, directions and orders be vested with the same powers as are vested in a civil court under the Code of Civil Procedure, 1908.*
>
> *(e) When it appears to the Commission that there is no sufficient ground for review, the Commission may after giving such person an opportunity of being heard in the matter, reject such review application.*
>
> *(f) When the Commission is of the opinion that the review application should be granted, it shall grant the same provided that no such application will be granted without previous notice to the opposite side or party to enable him to appear and to be heard in support of the decision or order, the review of which is applied for."*

Thus, as per Regulation 28 as above, the ambit of the review is limited, and this Review Petition has to be evaluated accordingly.

> ***" 40. General power to amend/rectify:***
>
> *(a) The Commission may, at any time and on such terms as to costs or otherwise, as it may think fit, either of its own motion or on the application of any of the parties, rectify or amend any clerical or arithmetical mistake in any order passed by the Commission or errors arising therein from any accidental slip or omission.*
>
> *(b) The Commission may at any time, and on such terms as to costs or otherwise as it may think fit, amend any defect or error in any proceeding and all necessary amendments, rectifications shall be made for the purpose of determining the real question or issue arising in the proceedings:*
>
> *Provided that if the Commission desires to make amendments or rectifications in order to determine the real question or issue arising the Commission shall provide an opportunity to the parties affected by such amendment or rectification touching the real question or issue to make representations and submissions with respect to the proposed amendment or rectification.*

> ***" 41. Power to remove difficulties:***
>
> *(a) If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by general or special order, do anything not being inconsistent with the provisions of the Act, which appears to be necessary or expedient for the purpose of removing the difficulties.*

7. Regulation 28 (a) of the MERC (Transaction of Business and Fees and Charges) Regulations, 2022 provides that a Review Petition shall be filed within a period of 45 days from the date of passage of the Order. The Commission notes that it has issued the MYT Order dated 28 March 2025 in Case No. 183 of 2024 (STU's Fees & Charges matter). STU filed this Review Petition on 8 May 2025, i.e., within 45 days.

8. In view of the above-stated facts, the Commission notes that the Review Petition filed by STU is within the time limit specified in the Regulations. Hence, the Commission is dealing with the issues raised in the Review Petition in the following paragraphs.

9. This Order has been structured to summarise issue-wise submissions of STU and the Commission's Analysis and Ruling on the said issue.

10. ***ISSUE I: Computational error regarding the consideration of employee costs associated with the newly proposed staff positions*:**

STU's submission:

10.1 The STU has observed a computational error regarding the consideration of employee costs associated with the newly proposed staff positions, as the monthly salary data of the newly proposed staff was mistakenly interpreted as annual data submitted in the MYT Petition.

10.2 The following table presents the employee cost approved by the Commission for additional staff in its MYT Order dated 28th March 2025. It also provides the revised employee cost pertaining to the additional proposed staff, incorporating the necessary adjustments, as sought in the current review Petition as corrected employee cost.

Table 1: Approved Employee Cost and Revised Employee Cost for Additional Staff (Rs Lakhs)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Additional Employee Cost Approved in the Order (Partial Salary Considered) (MYT Order)	87.42	114.95	120.25	125.80	131.60
Revised Employee Cost (Current Review Petition)	455.12	758.05	793.02	829.60	867.87

10.3 The difference arising from the consideration of the full employee cost, as opposed to only a partial amount, has commercial implications on the approved Annual Fixed Cost (AFC), and the resulting understatement will distort the financial base for the 5th Control Period if not rectified promptly.

10.4 In view of the above, STU has sought Review for this computational error so as to account for the annual salaries of the proposed approved staff in the calculation of the STU Fees and Charges for the 5th MYT control period.

Commission's Analysis and Ruling:

10.5 The Commission undertook scrutiny, and it was found that STU had proposed the induction of 13 additional technical staff and 12 additional non-technical staff for FY 2025-26 to FY 2029-30. STU, in its filing, submitted monthly salary data as annual data instead of Annual Data, which is reproduced here as follows:

"8.3.4 Considering the upcoming responsibilities of STU under

- *GNA framework, Green Energy Open Access,*
- *Implementation of Grid Code,*
- *Implementation of Resource Adequacy framework,*
- *Implementation of Tariff based competitive Bidding guidelines and*
- *Monitoring process of transmission projects, etc.*

STU has conducted a study on the current staffing needs. Taking a holistic approach, STU has identified necessary adjustments to the staffing requirements of sanctioned number of employees. The proposed changes in staffing needs are detailed in the following table:

Table 41: Additional Technical Staff Requirement for FY 2025-26 to FY 2029-30

Sr No	Name of the Post	Number of Employees
1	Executive Director (STU)	1
2	Superintending Engineer (TBCB)	1
3	Executive Engineer (TBCB)	1
4	Additional Executive Engineer (TBCB)	1
5	Deputy Executive Engineer (TBCB)	1
6	Superintending Engineer (Monitoring)	1
7	Executive Engineer (Monitoring)	1
8	Additional Executive Engineer (Monitoring)	2
9	Deputy Executive Engineer (Monitoring)	1
10	Executive Engineer (MMR Region Proposed)	1
11	Additional Executive Engineer (MMR Region Proposed)	1
12	Deputy Executive Engineer (MMR Region Proposed)	1
	Total Proposed Technical Position	**13**

Table 42: Additional Non-Technical Staff Requirement for FY 2025-26 to FY 2029-30

Sr No	Name of the Post	Number of Employees
1	Assistant General Manager (Finance)	1
2	Assistant Accountant (Finance)	2
3	Lower Division Clarks (Finance)	2
4	Assistant General Manager (HR)	1
5	Manager (HR)	1
6	Head Clark (HR)	2
7	Lower Division Clark (HR)	2
8	Legal Advisor	1
	Total Proposed Non-Technical Position	**12**

It is to note that total 25 additional positions are required for functioning of STU. Please note that the study conducted by STU is yet to be sanctioned by relevant authorities. STU proposes for addition of below mentioned staff for the 5th control period of FY 2025-26 to FY 2029-30 considering the fact that different responsibilities shall be taken up by STU.

Table 43: Additional Employees Required for FY 2025-26

Sr No	Name of the Post	Number of Employees
1	Executive Director (STU)	1
2	Superintending Engineer (TBCB)	1
3	Executive Engineer (TBCB)	1
4	Additional Executive Engineer (TBCB)	1
5	Deputy Executive Engineer (TBCB)	1
6	Executive Engineer (MMR Region Proposed)	1
7	Additional Executive Engineer (MMR Region Proposed)	1
8	Deputy Executive Engineer (MMR Region Proposed)	1
	Total Proposed Technical Position for FY 2025-26	**8**

Table 44: Additional Employees Required for FY 2026-27

Sr No	Name of the Post	Number of Employees
1	Superintending Engineer (Monitoring)	1
2	Executive Engineer (Monitoring)	1
3	Additional Executive Engineer (Monitoring)	2
4	Deputy Executive Engineer (Monitoring)	1
	Total Proposed Technical Position for FY 2026-27	**5**
1	Assistant General Manager (Finance)	1
2	Assistant Accountant (Finance)	2
3	Lower Division Clarks (Finance)	2
4	Assistant General Manager (HR)	1
5	Manager (HR)	1
6	Head Clark (HR)	2
7	Lower Division Clark (HR)	2
8	Legal Advisor	1
	Total Proposed Non-Technical Position for FY 2026-27	**12**

STU humbly request Hon'ble commission to approve the proposed employee additions and its expense for effective functioning of STU.

10.6 STU vide letter MSETCL/CO/STU-R&C/00579 dated 22 January 2025, submitted an Additional submission in the revised Petition before the Commission or Determination of STU Fees and Charges to be levied by STU from 1st April, 2025, for MYT 5th control period FY 2025-26 to FY 2029-30. In the attached Excel file of MYT Petition, STU projected the Operational and Maintenance (O&M) expenses for FY 2025-26 to FY 2029-30 as follows:

Table 2: Summary of O&M Expenses for FY 2025-26 to FY 2029-30 as submitted by the STU in its MYT Petition (Rs. Lakh)

Sr. No.	Particulars	Reference	Ensuing Years				
			FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
			Projected	Projected	Projected	Projected	Projected
1	O&M Expenses	Form 2.1	1,299.57	1,397.85	1,462.33	1,529.79	1,600.35
2	Employee Expenses	Form 2.2	920.84	1,001.65	1,047.85	1,096.19	1,146.75
3	R&M Expenses	Form 2.3	13.71	14.34	15.00	15.69	16.42
4	A&G Expenses	Form 2.4	365.02	381.86	399.48	417.91	437.18
5	**Total Operation & Maintenance Expenses**		**1,299.57**	**1,397.85**	**1,462.33**	**1,529.79**	**1,600.35**

10.7 The Commission in the MYT Order approved the staffing numbers, taking into account the financial implications of the associated salaries as submitted by STU in its Petition. The relevant part of the MYT Order is as follows:

> *"5.2.18 The Commission observes that the STU has proposed the creation of 5 additional technical staff positions for monitoring purposes in FY 2026-27 and has also proposed a capitalization of Rs. 199.76 Lakhs for RTM/TBCB activities in FY 2025-26. The Commission notes the need for adequate manpower to effectively monitor RTM/TBCB activities in FY 2025-26. Furthermore, in alignment with the recommendations of the Monitoring Committee Report for strengthening the Mumbai Transmission System, the Commission approves the cost towards addition of 5 technical staff positions for monitoring purposes in FY 2025-26. The Commission approves the cost for addition of below mentioned staff for the 5th control period of FY 2025-26 to FY 2029-30."*

Table 50: Additional Employees Required for FY 2025-26 (Technical) approved by the Commission

Sr No	*Name of the Post*	*Number of Employees*
1	*Executive Director (STU)*	*1*
2	*Superintending Engineer (TBCB)*	*1*
3	*Executive Engineer (TBCB)*	*1*
4	*Additional Executive Engineer (TBCB)*	*1*
5	*Deputy Executive Engineer (TBCB)*	*1*
6	*Executive Engineer (MMR Region Proposed)*	*1*
7	*Additional Executive Engineer (MMR Region Proposed)*	*1*
8	*Deputy Executive Engineer (MMR Region Proposed)*	*1*
9	*Superintending Engineer (Monitoring)*	*1*
10	*Executive Engineer (Monitoring)*	*1*
11	*Additional Executive Engineer (Monitoring)*	*2*
12	*Deputy Executive Engineer (Monitoring)*	*1*
	Total Proposed Technical Position for FY 2025-26	***13***

Table 51: Additional Employees Required for FY 2026-27 (Non-Technical) approved by Commission

Sr No	Name of the Post	Number of Employees
1	Assistant General Manager (Finance)	1
2	Assistant Accountant (Finance)	2
3	Lower Division Clarks (Finance)	2
4	Assistant General Manager (HR)	1
5	Manager (HR)	1
6	Head Clark (HR)	2
7	Lower Division Clark (HR)	2
8	Legal Advisor	1
	Total Proposed Non-Technical Position for FY 2026-27	**12**

The Summary of O&M Expenses for FY 2025-26 to FY 2029-30 as approved by the Commission is mentioned below:

Table 52: Summary of O&M Expenses for FY 2025-26 to FY 2029-30 approved by Commission (Rs. Lakh)

Sr. No.	Particulars	FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30	
		MYT Petition	Approved	MYT Petition	Approved	MYT Petition	Approved	MYT Petition	Approved	MYT Petition	Approved
1	Employee Expenses	920.84	911.19	1,001.65	976.71	1,047.85	1,021.77	1,096.19	1,068.90	1,146.75	1,118.21
2	A&G Expenses	13.71	13.32	14.34	13.94	15.00	14.58	15.69	15.25	16.42	15.96
3	R & M Expenses	365.02	247.03	381.86	258.42	399.48	270.34	417.91	282.81	437.18	295.86
4	**Total O&M Expenses**	**1,299.57**	**1,171.54**	**1,397.85**	**1,249.07**	**1,462.33**	**1,306.69**	**1,529.79**	**1,366.97**	**1,600.35**	**1,430.02**

10.8 Hence, the erroneous submission of STU itself, which has been admitted by STU in the present review Petition, needs to be corrected. The Commission further observes that this has resulted in an understatement of the Annual Fixed Cost (AFC) for the 5th Multi-Year Tariff Control Period from FY 2025-26 to FY 2029-30.

10.9 Therefore, the Commission accepts the submission of STU for the correction of a computational error regarding the consideration of employee costs associated with the newly proposed staff positions on account of an error on the face of the Record. The Commission restates the Employee cost for the 5th Multi-Year Tariff Control Period from FY 2025-26 to FY 2029-30.

10.10 **The Commission allows revisions to Employee costs for the 5th Multi-Year Tariff Control Period, from FY 2025-26 to FY 2029-30, as corrected by STU. The Commission further finds that this erroneous submission of STU has understated its recovery from users and must now be corrected; hence, STU must be cautious about such submissions in future Tariff Petition filings. STU must verify its computation before filing its financial data. The impact of this revision on Employee cost for the 5th Multi-Year Tariff Control Period from FY 2025-26 to FY 2029-30 on total**

entitlement of STU for the year is marginal (Impact of around Rs. 32.88 Crore excluding carrying cost).

Table 3: MYT Order Approved Employee Cost vis-a-vis Corrected/Revised Employee Cost for Additional Staff in this Order (Rs Lakhs)

Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Additional Employee Cost Approved in the MYT Order (Partial Salary Considered)	87.42	114.95	120.25	125.80	131.60
Revised Employee Cost (In this Order)	455.12	758.05	793.02	829.60	867.87

10.11 **In view of the above, the Commission allows the review on this account. Hence, STU is eligible for all consequential benefits linked to the revision of employee costs as per MYT Regulations 2024.**

11. ***Issue II: Recovery of the allowed review on account of revised/corrected employee cost in STU Fees and Charges:***

STU's Submission

11.1 MYT Regulations, 2024, have discontinued the Mid-Term Review, and there is no such provision for STU. Consequently, the opportunity to correct this anomaly during mid-term proceedings does not exist. The only available revision window would arise at the time of Truing Up—expected in FY 2028–29, i.e., during the penultimate year of the Control Period. Deferring rectification until then will expose the STU to prolonged under-recovery and severe cash flow constraints, directly impacting its day-to-day operations.

11.2 STU respectfully brought to the attention of the Commission that the onboarding of additional staff will entail corresponding increases not only in Employee Expenses but also in other Operation and Maintenance (O&M) expenses—specifically under Administrative & General (A&G) and Repairs & Maintenance (R&M) heads—as well as in Capital Expenditure (Capex) for supporting infrastructure.

11.3 It is submitted during the data gap stage, and only the employee cost component was incorporated at that time. The ancillary cost implications—such as those under Administrative & General (A&G), Repairs & Maintenance (R&M), and Capital Expenditure (Capex)—were not factored in, as it was operationally difficult to estimate these components accurately at that stage.

11.4 In light of this, STU requested to kindly allow the recognition of such incremental costs during the truing-up of STU's fees and charges in the penultimate year of the 5th Control Period.

11.5 STU is in the process of establishing an independent operational and financial identity. The sustained financial shortfall may also result in unwarranted Carrying Costs, which would ultimately be passed on to the STU-consumers (i.e. Distribution Licencees)—contrary to the principles of equity and prudence in tariff determination.

Commission's Analysis and Rulings:

11.6 The Commission notes that it has allowed review of the issue, as discussed in Issue I of this Order; therefore, recovery of the consequential expenses allowed in this review Petition needs to be considered.

11.7 The total impact of the issue allowed by the Commission for review is summarised in the Table below:

Table 4: Summary of Annual Fixed Charges for FY 2025-26 and FY 2026-27 as approved by the Commission (Rs. Lakh)

Sr. No.	Particulars	FY 2025-26				FY 2026-27			
		MYT Petition	Approved in MYT Order	Review Petition	Revised Approved	MYT Petition	Approved in MYT Order	Review Petition	Revised Approved
1	Operation & Maintenance Expenses	1,299.57	1,171.54	1,539.23	1,539.23	1,397.85	1,249.07	1,892.17	1,892.17
2	Depreciation Expenses	53.60	42.71	42.71	42.71	58.34	66.69	66.69	66.69
3	Interest on Loan Capital	4.04	7.24	7.24	7.24	6.32	12.42	12.42	12.42
4	Interest on Working Capital	21.11	21.66	29.77	29.77	22.48	23.12	37.31	37.31
5	Income Tax	-	-	-	-	-	-	-	-
6	Opex Scheme	171.88	171.88	171.88	171.88	171.88	171.88	171.88	171.88
7	**Total Revenue Expenditure**	**1,550.19**	**1,415.02**	**1,790.83**	**1,790.83**	**1,656.87**	**1,523.18**	**2,180.47**	**2,180.47**
8	Return on Equity Capital	4.20	6.09	6.09	6.09	9.02	12.80	12.80	12.80
9	Performance Linked Incentives	31.24	26.31	37.58	37.58	33.01	28.12	47.84	47.84
10	**Total Expenditure for STU**	**1,585.63**	**1,447.42**	**1,834.50**	**1,834.50**	**1,698.90**	**1,564.10**	**2,241.11**	**2,241.11**
11	Less: Non-Tariff Income	0.31	0.31	0.31	0.31	0.32	0.32	0.32	0.32
12	Less: Income from application fees for OA, GNA and Connectivity	543.91	543.91	543.91	543.91	598.31	598.31	598.31	598.31
13	**Annual Fixed Charges for STU**	**1,041.41**	**903.19**	**1,290.27**	**1,290.27**	**1,100.27**	**965.47**	**1,642.48**	**1,642.48**

Table 5: Summary of Annual Fixed Charges for FY 2027-28 and FY 2028-29 as approved by the Commission (Rs. Lakh)

Sr. No.	Particulars	FY 2027-28				FY 2028-29			
		MYT Petition	Approved in MYT Order	Review Petition	Revised Approved	MYT Petition	Approved in MYT Order	Review Petition	Revised Approved
1	Operation & Maintenance Expenses	1,462.33	1,306.69	1,979.46	1,979.46	1,529.79	1,366.97	2,070.77	2,070.77
2	Depreciation Expenses	64.66	71.94	71.94	71.94	78.87	74.94	74.94	74.94
3	Interest on Loan Capital	2.86	8.37	8.37	8.37	0.57	3.19	3.19	3.19
4	Interest on Working Capital	23.08	23.64	38.48	38.48	23.50	23.76	39.29	39.29
5	Income Tax	-	-	-	-	-	-	-	-
6	Opex Scheme	171.88	171.88	171.88	171.88	148.28	148.28	148.28	148.28
7	**Total Revenue Expenditure**	**1,724.80**	**1,582.51**	**2,270.12**	**2,270.12**	**1,781.02**	**1,617.14**	**2,336.47**	**2,336.47**
8	Return on Equity Capital	10.49	14.27	14.27	14.27	13.22	15.11	15.11	15.11
9	Performance Linked Incentives	33.30	28.15	48.78	48.78	33.09	27.24	48.82	48.82
10	**Total Expenditure for STU**	**1,768.59**	**1,624.93**	**2,333.17**	**2,333.17**	**1,827.33**	**1,659.49**	**2,400.39**	**2,400.39**
11	Less: Non-Tariff Income	0.34	0.34	0.34	0.34	0.35	0.35	0.35	0.35
12	Less: Income from application fees for OA, GNA and Connectivity	658.14	658.14	658.14	658.14	723.95	723.95	723.95	723.95
13	**Annual Fixed Charges for STU**	**1,110.12**	**966.46**	**1,674.69**	**1,674.69**	**1,103.02**	**935.18**	**1,676.09**	**1,676.09**

Table 6: Summary of Annual Fixed Charges for FY 2029-30 as approved by the Commission (Rs. Lakh)

Sr. No.	Particulars	FY 2029-30			
		MYT Petition	Approved in MYT Order	Review Petition	Revised Approved
1	Operation & Maintenance Expenses	1,600.35	1,430.02	2,166.29	2,166.29
2	Depreciation Expenses	77.45	74.94	74.94	74.94
3	Interest on Loan Capital	-	-	-	-
4	Interest on Working Capital	23.60	23.67	39.91	39.91
5	Income Tax	-	-	-	-
6	Opex Scheme	111.70	111.70	111.70	111.70
7	**Total Revenue Expenditure**	**1,813.10**	**1,640.33**	**2,392.84**	**2,392.84**
8	Return on Equity Capital	15.11	15.11	15.11	15.11
9	Performance Linked Incentives	31.90	25.76	48.34	48.34
10	**Total Expenditure for STU**	**1,860.11**	**1,681.20**	**2,456.29**	**2,456.29**
11	Less: Non-Tariff Income	0.37	0.37	0.37	0.37

Sr. No.	Particulars	FY 2029-30			
12	Less: Income from application fees for OA, GNA and Connectivity	796.34	796.34	796.34	796.34
13	**Annual Fixed Charges for STU**	**1,063.40**	**884.49**	**1,659.57**	**1,659.57**

11.8 The Commission observes that the Petitioner has, through this Review Petition, demonstrated a clerical error in the original MYT filing by STU, wherein the monthly cost of additional employees was inadvertently submitted instead of the annual salary. Under the normal MYT framework, such correction would be reflected at the time of True-Up; however, in terms of Regulation 33.1 of the MERC (Multi Year Tariff) Regulations, 2024, deferring the recovery of this amount to the True-Up would result in accumulation of under-recovery and consequently impose carrying cost on consumers, even though the shortfall arises solely from the Petitioner's own filing error. In order to avoid this avoidable burden on consumers and to ensure timely recovery of legitimately admissible costs, the Commission considers it appropriate to allow the Petitioner to recover the admitted additional employee cost within the current Control Period itself.

11.9 Accordingly, the Commission directs that the admitted amount shall be recovered through a separate supplementary bill, while the Base Transmission Charges determined in Case No. 183 of 2024 shall remain unchanged. The recovery so allowed shall be subject to final reconciliation at the time of True-Up of the Control Period in accordance with the provisions of the MYT Regulations.

Table 7: Sharing of STU Charges for FY 2025-26 to FY 2029-30 as approved by Commission in MYT Order in Case No. 183 of 2024 (Excl. POA) (Rs. Lakh)

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	**Annual Fixed Charges**	903.19	965.47	966.46	935.18	884.49
2	Sharing of STU Charges					
i	MSEDCL	761.45	813.63	813.84	786.90	743.27
ii	TPCL-D	32.11	34.36	34.45	33.42	31.72
iii	AEML-D	59.14	64.32	65.54	64.63	62.33
iv	BEST	27.17	27.70	26.46	24.46	22.11
v	Indian Railways	17.94	19.15	19.16	18.55	17.57
vi	Mindspace Properties	0.31	0.32	0.31	0.29	0.27
vii	Gigaplex Properties	0.17	0.17	0.17	0.16	0.15
viii	KRC Infrastructure	0.17	0.18	0.17	0.16	0.15
ix	Nidar Utilities	0.35	0.42	0.48	0.52	0.56
x	MADC	0.49	0.54	0.55	0.55	0.53
xi	E ON Phase-1	0.28	0.28	0.27	0.24	0.22
xii	E ON Phase-2	0.18	0.18	0.17	0.15	0.14
xiii	JNPA	0.04	0.04	0.05	0.05	0.05
xiv	Laxmipati Balaji	0.02	0.02	0.02	0.02	0.02
xv	AEML SEEPZ Ltd	1.00	1.06	1.05	1.01	0.94
xvi	Hadapsar SEZ	0.52	0.54	0.53	0.50	0.46

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
xvii	Manjari SEZ	0.37	0.40	0.40	0.39	0.37
xvii	MITL-Bidkin	0.16	0.27	0.47	0.72	1.04
xix	MITL-Shendra	1.32	1.90	2.37	2.46	2.60
	Total	**903.19**	**965.47**	**966.46**	**935.18**	**884.49**

Table 8: Additional Sharing of STU Charges for FY 2025-26 to FY 2029-30 as approved by Commission in Review Order in Case No. 91 of 2025 (Excl. POA) (Rs. Lakh)

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	**Annual Fixed Charges**	387.08	677.01	708.24	740.91	775.08
2	Sharing of STU Charges					
i	MSEDCL	326.34	570.53	596.40	623.43	651.33
ii	TPCL-D	13.76	24.09	25.25	26.48	27.79
iii	AEML-D	25.35	45.10	48.03	51.20	54.62
iv	BEST	11.64	19.42	19.39	19.37	19.38
v	Indian Railways	7.69	13.43	14.04	14.70	15.39
vi	Mindspace Properties	0.13	0.23	0.23	0.23	0.23
vii	Gigaplex Properties	0.07	0.12	0.12	0.13	0.13
viii	KRC Infrastructure	0.07	0.13	0.13	0.13	0.13
ix	Nidar Utilities	0.15	0.30	0.35	0.41	0.49
x	MADC	0.21	0.38	0.40	0.43	0.46
xi	E ON Phase-1	0.12	0.20	0.19	0.19	0.19
xii	E ON Phase-2	0.08	0.12	0.12	0.12	0.12
xiii	JNPA	0.02	0.03	0.03	0.04	0.04
xiv	Laxmipati Balaji	0.01	0.02	0.02	0.02	0.02
xv	AEML SEEPZ Ltd	0.43	0.74	0.77	0.80	0.83
xvi	Hadapsar SEZ	0.22	0.38	0.39	0.40	0.40
xvii	Manjari SEZ	0.16	0.28	0.29	0.31	0.32
xvii	MITL-Bidkin	0.07	0.19	0.35	0.57	0.91
xix	MITL-Shendra	0.56	1.33	1.73	1.95	2.28
	Total	387.08	**677.01**	**708.24**	**740.91**	**775.08**

Table 9: Revised Total Sharing of STU Charges for FY 2025-26 to FY 2029-30 as approved by Commission (Excl. POA) (Rs. Lakh)

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
1	**Annual Fixed Charges**	1,290.27	1,642.48	1,674.69	1,676.09	1,659.57
2	Sharing of STU Charges					
i	MSEDCL	1,087.79	1,384.15	1,410.24	1,410.32	1,394.61
ii	TPCL-D	45.87	58.45	59.70	59.90	59.51
iii	AEML-D	84.49	109.42	113.57	115.83	116.95
iv	BEST	38.81	47.12	45.84	43.83	41.49
v	Indian Railways	25.63	32.58	33.20	33.25	32.96
vi	Mindspace Properties	0.45	0.55	0.54	0.52	0.50

Sr. No.	Particulars	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
vii	Gigaplex Properties	0.24	0.29	0.29	0.29	0.28
viii	KRC Infrastructure	0.25	0.31	0.30	0.29	0.28
ix	Nidar Utilities	0.50	0.72	0.83	0.94	1.05
x	MADC	0.70	0.92	0.96	0.98	0.99
xi	E ON Phase-1	0.40	0.48	0.46	0.44	0.41
xii	E ON Phase-2	0.25	0.30	0.29	0.28	0.26
xiii	JNPA	0.06	0.07	0.08	0.09	0.09
xiv	Laxmipati Balaji	0.03	0.04	0.04	0.04	0.04
xv	AEML SEEPZ Ltd	1.42	1.79	1.81	1.80	1.77
xvi	Hadapsar SEZ	0.75	0.92	0.92	0.90	0.87
xvii	Manjari SEZ	0.53	0.68	0.69	0.69	0.69
xvii	MITL-Bidkin	0.23	0.45	0.82	1.30	1.95
xix	MITL-Shendra	1.88	3.23	4.10	4.41	4.88
	Total	**1,290.27**	**1,642.48**	**1,674.69**	**1,676.09**	**1,659.57**

Table 10: Monthly AFC (Rs. Lakh) payable by TSUs approved by Commission in MYT Order in Case No.183 of 2024 (Excl. POA Demand)

Sr. No.	Particulars	FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30	
		Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
1	MSEDCL	761.45	63.45	813.63	67.80	813.84	67.82	786.90	65.57	743.27	61.94
2	TPCL-D	32.11	2.68	34.36	2.86	34.45	2.87	33.42	2.79	31.72	2.64
3	AEML-D	59.14	4.93	64.32	5.36	65.54	5.46	64.63	5.39	62.33	5.19
4	BEST	27.17	2.26	27.70	2.31	26.46	2.20	24.46	2.04	22.11	1.84
5	Indian Railways	17.94	1.49	19.15	1.60	19.16	1.60	18.55	1.55	17.57	1.46
6	Mindspace	0.31	0.03	0.32	0.03	0.31	0.03	0.29	0.02	0.27	0.02
7	Gigaplex Properties	0.17	0.01	0.17	0.01	0.17	0.01	0.16	0.01	0.15	0.01
8	KRC Infrastructure	0.17	0.01	0.18	0.02	0.17	0.01	0.16	0.01	0.15	0.01
9	Nidar Utilities	0.35	0.03	0.42	0.04	0.48	0.04	0.52	0.04	0.56	0.05
10	MADC	0.49	0.04	0.54	0.04	0.55	0.05	0.55	0.05	0.53	0.04
11	EON Phase-1	0.28	0.02	0.28	0.02	0.27	0.02	0.24	0.02	0.22	0.02
12	EON Phase-2	0.18	0.01	0.18	0.01	0.17	0.01	0.15	0.01	0.14	0.01
13	JNPA	0.04	0.003	0.04	0.004	0.05	0.004	0.05	0.004	0.05	0.004
14	Laxmipati Balaji	0.02	0.002	0.02	0.002	0.02	0.002	0.02	0.002	0.02	0.002
15	AEML SEEPZ	1.00	0.08	1.06	0.09	1.05	0.09	1.01	0.08	0.94	0.08
16	Hadapsar SEZ	0.52	0.04	0.54	0.05	0.53	0.04	0.50	0.04	0.46	0.04
17	Manjari SEZ	0.37	0.03	0.40	0.03	0.40	0.03	0.39	0.03	0.37	0.03
18	MITL - Bidkin	0.16	0.01	0.27	0.02	0.47	0.04	0.72	0.06	1.04	0.09
19	MITL - Shendra	1.32	0.11	1.90	0.16	2.37	0.20	2.46	0.21	2.60	0.22
	Total	**903.19**	**75.27**	**965.47**	**80.46**	**966.46**	**80.54**	**935.18**	**77.93**	**884.49**	**73.71**

Table 11: Additional Monthly AFC (Rs. Lakh) payable by TSUs approved by Commission in Review Order in Case No. 91 of 2025 (Excl. POA Demand)

Sr. No.	Particulars	FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30	
		Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
1	MSEDCL	326.34	27.19	570.53	47.54	596.40	49.70	623.43	51.95	651.33	54.28
2	TPCL-D	13.76	1.15	24.09	2.01	25.25	2.10	26.48	2.21	27.79	2.32
3	AEML-D	25.35	2.11	45.10	3.76	48.03	4.00	51.20	4.27	54.62	4.55
4	BEST	11.64	0.97	19.42	1.62	19.39	1.62	19.37	1.61	19.38	1.61
5	Indian Railways	7.69	0.64	13.43	1.12	14.04	1.17	14.70	1.22	15.39	1.28
6	Mindspace	0.13	0.01	0.23	0.02	0.23	0.02	0.23	0.02	0.23	0.02
7	Gigaplex Properties	0.07	0.01	0.12	0.01	0.12	0.01	0.13	0.01	0.13	0.01
8	KRC Infrastructure	0.07	0.01	0.13	0.01	0.13	0.01	0.13	0.01	0.13	0.01
9	Nidar Utilities	0.15	0.01	0.30	0.02	0.35	0.03	0.41	0.03	0.49	0.04
10	MADC	0.21	0.02	0.38	0.03	0.40	0.03	0.43	0.04	0.46	0.04
11	EON Phase-1	0.12	0.01	0.20	0.02	0.19	0.02	0.19	0.02	0.19	0.02
12	EON Phase-2	0.08	0.01	0.12	0.01	0.12	0.01	0.12	0.01	0.12	0.01
13	JNPA	0.02	0.001	0.03	0.003	0.03	0.003	0.04	0.003	0.04	0.004
14	Laxmipati Balaji	0.01	0.001	0.02	0.001	0.02	0.001	0.02	0.001	0.02	0.001
15	AEML SEEPZ	0.43	0.04	0.74	0.06	0.77	0.06	0.80	0.07	0.83	0.07
16	Hadapsar SEZ	0.22	0.02	0.38	0.03	0.39	0.03	0.40	0.03	0.40	0.03
17	Manjari SEZ	0.16	0.01	0.28	0.02	0.29	0.02	0.31	0.03	0.32	0.03
18	MITL - Bidkin	0.07	0.01	0.19	0.02	0.35	0.03	0.57	0.05	0.91	0.08
19	MITL - Shendra	0.56	0.05	1.33	0.11	1.73	0.14	1.95	0.16	2.28	0.19
	Total	**387.08**	**32.26**	**677.01**	**56.42**	**708.24**	**59.02**	**740.91**	**61.74**	**775.08**	**64.59**

Table 12: Revised Total Monthly AFC (Rs. Lakh) payable by TSUs approved by Commission (Excl. POA Demand)

Sr. No.	Particulars	FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30	
		Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
1	MSEDCL	1,087.79	90.65	1,384.15	115.35	1,410.24	117.52	1,410.32	117.53	1,394.61	116.22
2	TPCL-D	45.87	3.82	58.45	4.87	59.70	4.97	59.90	4.99	59.51	4.96
3	AEML-D	84.49	7.04	109.42	9.12	113.57	9.46	115.83	9.65	116.95	9.75
4	BEST	38.81	3.23	47.12	3.93	45.84	3.82	43.83	3.65	41.49	3.46
5	Indian Railways	25.63	2.14	32.58	2.72	33.20	2.77	33.25	2.77	32.96	2.75
6	Mindspace	0.45	0.04	0.55	0.05	0.54	0.05	0.52	0.04	0.50	0.04
7	Gigaplex Properties	0.24	0.02	0.29	0.02	0.29	0.02	0.29	0.02	0.28	0.02
8	KRC Infrastructure	0.25	0.02	0.31	0.03	0.30	0.03	0.29	0.02	0.28	0.02
9	Nidar Utilities	0.50	0.04	0.72	0.06	0.83	0.07	0.94	0.08	1.05	0.09
10	MADC	0.70	0.06	0.92	0.08	0.96	0.08	0.98	0.08	0.99	0.08
11	EON Phase-1	0.40	0.03	0.48	0.04	0.46	0.04	0.44	0.04	0.41	0.03
12	EON Phase-2	0.25	0.02	0.30	0.03	0.29	0.02	0.28	0.02	0.26	0.02
13	JNPA	0.06	0.005	0.07	0.006	0.08	0.007	0.09	0.007	0.09	0.008
14	Laxmipati Balaji	0.03	0.002	0.04	0.003	0.04	0.003	0.04	0.003	0.04	0.003
15	AEML SEEPZ	1.42	0.12	1.79	0.15	1.81	0.15	1.80	0.15	1.77	0.15
16	Hadapsar SEZ	0.75	0.06	0.92	0.08	0.92	0.08	0.90	0.07	0.87	0.07
17	Manjari SEZ	0.53	0.04	0.68	0.06	0.69	0.06	0.69	0.06	0.69	0.06
18	MITL - Bidkin	0.23	0.02	0.45	0.04	0.82	0.07	1.30	0.11	1.95	0.16
19	MITL - Shendra	1.88	0.16	3.23	0.27	4.10	0.34	4.41	0.37	4.88	0.41
	Total	**1,290.27**	**107.52**	**1,642.48**	**136.87**	**1,674.69**	**139.56**	**1,676.09**	**139.67**	**1,659.57**	**138.30**

11.10 The Commission also notes that nine months of FY 2025-26 are over. Therefore, the Commission directs that the admitted monthly amount from April 2025 to December 2025 shall be recovered in a single supplementary bill to be issued in FY 2025-26.

11.11 The Commission notes that Regulation 10.2 of the MYT Regulations, 2024, provided for the recovery of such claims under the FAC mechanism by the Distribution Licenses. The abstract of the relevant provision is as follows:

" 10.2 The aggregate gain or loss to a Distribution Licensee on account of variation in cost of fuel, power purchase, Inter-State Transmission Charges and Intra-State Transmission Charges covered under Regulation 9.1, shall be passed through under the Fuel Adjustment Charge (FAC) component of the Z-factor Charge (ZFAC), as an adjustment in its Tariff on a monthly basis, as specified in these Regulations and as may be determined in orders of the Commission passed under these Regulations, and shall be subject to ex-post facto approval by the Commission on a quarterly basis……"

11.12 Therefore, the Distribution Licenses shall claim these additional amounts in their FAC for recovery as per Regulation 10.2 of the MYT Regulation, 2024.

12. **Hence, the following Order**:

ORDER

1. **The Petition in Case No. 91 of 2025 is allowed.**
2. **State Transmission Utility (STU) is allowed to recover the revised claims as allowed in this Review Petition. STU shall levy the admitted annual additional employee cost through the Annual Fixed Cost (AFC) via a supplementary bill for the admitted monthly amount for the period from April 2025 to December 2025 (9 months of FY 2025-26).**
3. **The Petitioner shall levy the revised monthly AFC as set out in Table 12 approved in this Review Order.**
4. **Distribution Licensees shall claim these additional amounts in their FAC for recovery as per Regulation 10.2 of the MYT Regulations, 2024.**
5. **All amounts so recovered shall be subject to final reconciliation at the time of True-Up of STU's fees and charges.**

Sd/-	Sd/-	Sd/-
(Surendra J. Biyani)	(Anand M. Limaye)	(Sanjay Kumar)
Member	Member	Chairperson

(Dr. Rajendra G. Ambekar)
Secretary