

# **Interim Order**

**On**

**ARR for FY 2026-27**

**For**

**M/s Gama Infraprop Pvt. Ltd.**

**March 30, 2026**

**Uttarakhand Electricity Regulatory Commission**

**Vidyut Niyamak Bhawan, Near I.S.B.T., P.O. Majra**

**Dehradun - 248171**

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**Before**

**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**Petition No.: 05 of 2026**

**In the Matter of:**

Petition filed by M/s Gama Infraprop Pvt. Ltd. for true-up of AFC for FY 2024-25, Annual Performance Review for FY 2025-26 and ARR for FY 2026-27.

**In the Matter of:**

M/s Gama Infraprop Pvt. Ltd.

M-3 (First Floor), Hauz Khas,

Aurobindo Marg, New Delhi- 110016

...Petitioner

**AND**

**In the Matter of:**

Uttarakhand Power Corporation Ltd.

Urja Bhawan, Kanwali Road, Dehradun

...Respondent

**Coram**

**Shri M.L. Prasad**

**Chairman**

**Shri Anurag Sharma**

**Member (Law)**

**Shri Prabhat Kishor Dimri**

**Member (Technical)**

**Date of Order: March 30, 2026**

Section 64(1) read with Section 61 and 62 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) requires the Generating Companies and the Licensees to file an application for determination of tariff before the Appropriate Commission in such manner and along with such fee as may be specified by the Appropriate Commission through Regulations.

In accordance with the relevant provisions of the Act, the Commission had notified Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2021 (hereinafter referred to as “UERC Tariff Regulations, 2021”) for the fourth Control Period from FY 2022-23 to FY 2024-25 and Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2024 (hereinafter referred to as

“UERC Tariff Regulations, 2024”) for the fifth Control Period from FY 2025-26 to FY 2027-28 specifying therein terms, conditions and norms of operation for licensees, generating companies and SLDC.

The Commission had issued the Order dated 11.04.2025 on approval of Business Plan and Multi Year Tariff for the fifth Control Period from FY 2025-26 to FY 2027-28, alongwith the true-up of FY 2023-24 and Annual Performance Review (APR) for FY 2024-25.

In compliance with the provisions of the Act and Regulation 8(1) and Regulation 10(1) of UERC Tariff Regulations, 2021 and UERC Tariff Regulations, 2024, M/s Gama Infraprop Pvt. Ltd. (hereinafter referred to as “M/s GIPL” or “the Petitioner” or “the Generator”) filed the Petition (Petition No. 05 of 2026 and hereinafter referred to as “Petition”), giving details of its revised projections of Aggregate Revenue Requirement (ARR) for FY 2026-27 and Annual Performance Review for FY 2025-26 on 27.11.2025. Through the aforesaid Petition, the Petitioner also requested for true up of FY 2024-25 based on the audited accounts in accordance with UERC Tariff Regulations, 2021.

The Petition filed by the Petitioner had certain infirmities/deficiencies which were informed to the Petitioner vide Commission’s letter no. UERC/TF-811/2025-26/2025/1374 dated 08.12.2025 and the Petitioner was directed to rectify the said infirmities in the Petitions and submit certain additional information necessary for the admission of the Petition. The Petitioner vide its letter dated 13.01.2026 and further vide e-mail dated 16.01.2026 submitted the information sought by the Commission, and based on the same, the Commission provisionally admitted the Petition on 20.01.2026 for further proceedings subject to the condition that the Petitioner shall furnish any further information/ clarifications as deemed necessary by the Commission during the analysis/scrutiny of the Petition, failing which the Commission may proceed to dispose of the matter as it deems fit based on the information available with it.

In order to provide transparency to the process of tariff determination and give UPCL an opportunity to submit its objections/suggestions/comments on the proposals of M/s GIPL, the Commission sent a copy of the Petition to UPCL vide letter no. UERC/TF-811/2025-26/ 2026/1606.

UPCL vide its letter no. 624/UPCL/Comm/SE-II/B-II/Gama dt. 03.02.2026 sought additional information/documents from the Petitioner on certain points related to the Petition to enable it to submit comments in the matter. The Commission vide its letter dated 05.02.2026 directed the Petitioner to make its submission on the information sought by UPCL, in response to which the

Petitioner vide its letter dated 20.03.2026 submitted its response on the information sought by UPCL.

Section 64(3) of the Electricity Act 2003 mandates the issuance of the tariff Order within 120 days of the date of receipt of the application. Moreover, it has been the practice of the Commission to issue Tariff Orders of the generators and transmission licensees alongwith the Tariff Orders of UPCL as the AFC of the generators and transmission licensees is considered towards the power purchase cost of UPCL.

The Commission observed that the issues raised by the Respondent and the Petitioner requires detailed deliberation on various aspects of the tariff determination based upon the further information submitted by the parties, which will take some time. However, the ongoing proceedings would be delayed as the Commission would be required to examine the issues raised by UPCL and the replies of the Petitioner and thereby apply prudence on the same. Furthermore, since the AFC of M/s GIPL is considered towards the power purchase cost of UPCL, a delay in the issuance of the Petitioner's tariff Order will delay the entire tariff proceedings of the distribution licensee and create uncertainty for consumers.

In view of the above facts and statutory provisions, the Commission has decided to provisionally approve the Annual Fixed Charges (AFC) and Energy Charges (EC) for the Petitioner for FY 2026-27 attributable to its beneficiary, which shall apply till the final tariff is determined subsequent to which the revised tariff shall apply. The differential, if any, shall be dealt in the final Order.

The Regulation 47 of UERC Tariff Regulations, 2024 specifies as under:

***"(1) Normative Annual Plant Availability Factor (NAPAF):***

*(a) For all thermal generating stations: 85%"*

The NAPAF of 85% approved for FY 2026-27 in the Tariff Order dated 11.04.2025 for fifth Control Period shall continue to be applicable without any change.

Further, the Commission provisionally approves saleable primary energy after deducting the normative auxiliary consumption of 2.85% as 774.02 MUs for FY 2026-27.

Moreover, Regulation 49 of UERC Tariff Regulations, 2024 specifies as follows:

***"49. Computation and Payment of Annual Fixed Charges and Energy Charges for Thermal Generating Stations***

*(1) The fixed cost of a thermal generating station shall be computed on annual basis, based on*

the norms specified under these Regulations, and recovered on monthly basis under capacity charge. The total capacity charge payable for a generating station shall be shared by its beneficiaries as per their respective percentage share/allocation in the capacity of the generating station.

- (2) The capacity charge (inclusive of incentive) payable to a thermal generating station for a calendar month shall be calculated in accordance with the following formulae:

$$CC_1 = (AFC/12) (PAF_1 / NAPAF) \text{ subject to ceiling of } (AFC/12)$$

$$CC_2 = (AFC/6) (PAF_2 / NAPAF) \text{ subject to ceiling of } ((AFC/6) - CC_1)$$

$$CC_3 = (AFC/4) (PAF_3 / NAPAF) \text{ subject to ceiling of } ((AFC/4) - (CC_1 + CC_2))$$

$$CC_4 = (AFC/3) (PAF_4 / NAPAF) \text{ subject to ceiling of } ((AFC/3) - (CC_1 + CC_2 + CC_3))$$

$$CC_5 = (AFC \times 5/12) (PAF_5 / NAPAF) \text{ subject to ceiling of } ((AFC \times 5/12) - (CC_1 + CC_2 + CC_3 + CC_4))$$

$$CC_6 = (AFC/2) (PAF_6 / NAPAF) \text{ subject to ceiling of } ((AFC/2) - (CC_1 + CC_2 + CC_3 + CC_4 + CC_5))$$

$$CC_7 = (AFC \times 7/12) (PAF_7 / NAPAF) \text{ subject to ceiling of } ((AFC \times 7/12) - (CC_1 + CC_2 + CC_3 + CC_4 + CC_5 + CC_6))$$

$$CC_8 = (AFC \times 2/3) (PAF_8 / NAPAF) \text{ subject to ceiling of } ((AFC \times 2/3) - (CC_1 + CC_2 + CC_3 + CC_4 + CC_5 + CC_6 + CC_7))$$

$$CC_9 = (AFC \times 3/4) (PAF_9 / NAPAF) \text{ subject to ceiling of } ((AFC \times 3/4) - (CC_1 + CC_2 + CC_3 + CC_4 + CC_5 + CC_6 + CC_7 + CC_8))$$

$$CC_{10} = (AFC \times 5/6) (PAF_{10} / NAPAF) \text{ subject to ceiling of } ((AFC \times 5/6) - (CC_1 + CC_2 + CC_3 + CC_4 + CC_5 + CC_6 + CC_7 + CC_8 + CC_9))$$

$$CC_{11} = (AFC \times 11/12) (PAF_{11} / NAPAF) \text{ subject to ceiling of } ((AFC \times 11/12) - (CC_1 + CC_2 + CC_3 + CC_4 + CC_5 + CC_6 + CC_7 + CC_8 + CC_9 + CC_{10}))$$

$$CC_{12} = (AFC) (PAF_Y / NAPAF) \text{ subject to ceiling of } ((AFC) - (CC_1 + CC_2 + CC_3 + CC_4 + CC_5 + CC_6 + CC_7 + CC_8 + CC_9 + CC_{10} + CC_{11}))$$

Provided that in case of generating station or unit thereof or transmission system or an element thereof, as the case may be, under shutdown due to Renovation and Modernisation, the generating company or the transmission licensee shall be allowed to recover part of AFC

which shall include O&M expenses and interest on loan only.

Where,

AFC = Annual fixed cost specified for the year, in Rupees.

NAPAF = Normative plant availability factor in percentage.

PAF<sub>N</sub> = Percent Plant availability factor achieved upto the end of the nth month.

PAF<sub>Y</sub> = Percent Plant availability factor achieved during the Year.

CC<sub>1</sub>, CC<sub>2</sub>, CC<sub>3</sub>, CC<sub>4</sub>, CC<sub>5</sub>, CC<sub>6</sub>, CC<sub>7</sub>, CC<sub>8</sub>, CC<sub>9</sub>, CC<sub>10</sub>, CC<sub>11</sub> and CC<sub>12</sub> are the Capacity Charges of 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th and 12th months respectively.

(3) The PAFM shall be computed in accordance with the following formula:

$$NPAFM = 10000 \times \sum_{i=1} DCi / \{ N \times IC \times ( 100 - AUX ) \} \%$$

$$i = 1$$

Where,

AUX = Normative auxiliary energy consumption in percentage.

DC<sub>i</sub> = Average declared capacity (in ex-bus MW), for the ith day of the period, i.e. the month or the year as the case may be, as certified by the State load dispatch centre after the day is over.

IC = Installed Capacity (in MW) of the generating station

N = Number of days during the period i.e. the month or the year as the case may be.

**Note:** DC<sub>i</sub> and IC shall exclude the capacity of generating units not declared under commercial operation. In case of a change in IC during the concerned period, its average value shall be taken.

(4) Incentive to a generating station or unit thereof shall be payable at a flat rate of 50 paise/kWh for ex-bus scheduled energy corresponding to scheduled generation in excess of ex-bus energy corresponding to Normative Annual Plant Load Factor (NAPLF) as specified in Regulation 47(2).

(5) The energy charge shall cover the primary fuel cost and shall be payable by every beneficiary for the total energy scheduled to be supplied to such beneficiary during the calendar month on ex-power plant basis, at the energy charge rate of the month (with fuel price adjustment). Total Energy charge payable to the generating company for a month shall be:

*(Energy charge rate in Rs./kWh) x {Scheduled energy (ex-bus) for the month in kWh.}*

- (6) *Energy charge rate (ECR) in Rupees per kWh on ex-power plant basis shall be determined to three decimal places in accordance with the following formulae:*

- (a) For gas and liquid fuel based stations*

$$ECR = GHR \times LPPF \times 100 / \{CVPF \times (100 - AUX)\}$$

*Where,*

*AUX = Normative auxiliary energy consumption in percentage.*

*CVPF = Weighted Average Gross calorific value of primary fuel as received, in kCal per kg, per litre or per standard cubic meter, as applicable for gas and liquid fuel based stations.*

*ECR = Energy charge rate, in Rupees per kWh sent out.*

*GHR = Gross station heat rate, in kCal per kWh.*

*LPPF = Weighted average landed price of primary fuel, in Rupees per kg, per litre or per standard cubic metre, as applicable, during the month.*

- (7) *The generating company shall provide to the beneficiaries of the generating station the details of parameters of GCV and price of fuel, i.e. natural gas, RLNG, liquid fuel etc., as per the forms specified at Annexure-I to these regulations:*

*Provided further that copies of the bills and details of parameters of GCV and price of fuel i.e. natural gas, RLNG, liquid fuel etc., shall also be displayed on the website of the generating company. The details should be available on its website on monthly basis for a period of three months.*

- (8) *The landed cost of fuel shall include price of fuel corresponding to the grade/quality /calorific value of fuel inclusive of royalty, taxes and duties as applicable, transportation cost by rail/road/gas pipe line or any other means for the purpose of computation of energy charges."*

In this regard, the Commission notes that during the MYT proceedings for the fifth Control Period from FY 2025-26 to FY 2027-28, it had approved the AFC for the Petitioner's project for all the years of the Control Period including FY 2026-27. Subsequently, in compliance to the Hon'ble APTEL's Judgment dated 30.05.2025, the Commission approved the revised AFC for the fifth Control

Period from FY 2025-26 to FY 2027-28 vide its Order dated 17.10.2025. Accordingly, the Commission has decided to allow the AFC approved for the Petitioner's project for FY 2026-27 vide its Order dated 17.10.2025 as ad-interim until the issuance of the final tariff Order on the Petition filed by M/s GIPL for the determination of ARR for FY 2026-27, APR for FY 2025-26 and true-up for FY 2024-25.

In accordance with the above, and based on the provisions of the MYT Regulations, 2024 capacity charges and energy charges shall be recovered by the Petitioner from the Respondent corresponding to the contracted capacity.

The Annual Fixed Charges (AFC) of the Petitioner for FY 2026-27 attributable to its beneficiary is summarized in the Table given below:

**Table 1.1: AFC provisionally approved by the Commission for FY 2026-27 (Rs. in Crore)**

Particulars	Approved in Order dated 17.10.2025
Depreciation	26.53
Interest on Loan and Finance charges	22.25
Return on Equity	14.90
O&M Expenses	53.61
Interest on Working Capital	0.00
<b>Less: Non-Tariff Income</b>	0.64
<b>Sub- Total</b>	<b>116.65</b>
True up for FY 2024-25 with carrying cost	-
<b>Total</b>	<b>116.65</b>

Further, regarding Energy charges, the Commission in the Tariff Order dated 26.04.2021 has observed as follows:

*"In this regard, it is observed that there has been a delay on the part of UPCL in making timely payments to the gas based generators and one generator has raised the issue that carrying cost on incentive on account of GSHR should not be levied as payment is not received by it on time. Besides allowing recovery of energy charge to the Petitioner, through periodic billing on UPCL, at GSHR of 2007.4 kCal/kWh is resulting in over recovery of energy charges to the Petitioner in the relevant year which eventually the Petitioner is required to return at the time of true-up of the respective year, as the actual GSHR is low as compared to the SHR of 2007.4 kCal/kWh used by the Petitioner for raising the periodic invoices on UPCL. Accordingly, the Commission is of the view that the Petitioner shall raise the periodic invoices on UPCL based on actual GSHR calculated by it on periodic basis, subject to condition that the same shall be restricted to GSHR of 2007.4 kCal/kWh as approved by the Commission in its Order dated 05.04.2019. Further, the Commission would like to clarify that the methodology for sharing of gain/loss on account of efficient operation with respect to achievement of the optimum actual Gross Station Heat Rate by the Generator shall remain unaltered."*

Accordingly, in light of the above discussion and views taken by the Commission in the Order dated 26.04.2021 with respect to recovery of energy charges by the Petitioner from UPCL, the Commission is of the view that the Petitioner shall raise the periodic invoices on UPCL based on the actual GSHR calculated by it on periodic basis, subject to the condition that the same shall be restricted to GSHR of 2007.4 kCal/kWh as approved by the Commission in its Order dated 05.04.2019. Further, the Commission would like to clarify that the methodology for sharing of gain/loss on account of efficient operation with respect to achievement of the optimum actual Gross Station Heat Rate by the Generator shall remain unaltered.

**(Prabhat Kishor Dimri)**  
**Member (Technical)**

**(Anurag Sharma)**  
**Member (Law)**

**(M.L. Prasad)**  
**Chairman**