

Interim Order

On

ARR for FY 2026-27

For

M/s Greenko Budhil Hydro Power Pvt.

Ltd.

March 30, 2026

Uttarakhand Electricity Regulatory Commission

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

Dehradun - 248171

Before

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Petition No.: 10 of 2026

In the Matter of:

Petition filed by M/s Greenko Budhil Hydro Power Pvt. Ltd. for true-up of AFC for FY 2024-25, Annual Performance Review for FY 2025-26 and ARR for FY 2026-27 for Budhil Hydro Station of Greenko Budhil Hydro Power Pvt. Ltd. under Section 62 and 84 of the Electricity Act, 2003 read with the relevant Regulations and guidelines of the Commission.

In the Matter of:

M/s Greenko Budhil Hydro Power Pvt. Ltd.

Plot No. #1366, Road no. 45,

Jubilee Hills, Hyderabad-500033

...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 Multi Year 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 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 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 Greenko Budhil Hydro Power Pvt. Ltd. (hereinafter referred to as "M/s GBHPPL" or "the Petitioner" or "the Generator") filed the Petition (Petition No. 10 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 03.12.2025. Through the aforesaid Petition, the Petitioner has 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-812/2025-26/2025/1394 dated 10.12.2025 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 letters dated 19.12.2025 submitted the information sought by the Commission, and based on the same, the Commission provisionally admitted the Petition on 26.12.2025 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 GBHPPL, the Commission sent a copy of the Petition to UPCL vide letter no. UERC/6/TF-812/2025-26/ 2025/1469.

UPCL vide its letter no. 521/UPCL/Comm/SE-II/B-II/Greenko dt. 28.01.2026 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 03.02.2026 directed the Petitioner to make its submission on the information sought by UPCL, in response to which the

Petitioner vide its letter dated 10.02.2026 submitted its response on the information sought by UPCL. Subsequently, UPCL asserted before the Commission that a hearing may be scheduled on its application seeking production of documents from the Petitioner, so that detailed submissions may be advanced and the matter may be decided in a just, fair, and transparent manner.

The Commission, considering the request of the Respondent, i.e. UPCL decided to conduct a hearing on 24.03.2026. The Commission also directed both the Petitioner and the Respondent to submit information and file rejoinders respectively. Further, during the hearing on 24.03.2026, the representations of both parties were heard in detail.

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 require 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 GBHPPL 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) of 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 50 of UERC Tariff Regulations, 2024 specifies as follows:

"50. Computation and Payment of Capacity Charges and Energy Charges for Hydro Generating Stations

- (1) *The Annual Fixed Charges of Hydro Generating Station shall be computed on annual basis, based on norms specified under these Regulations, and recovered on monthly basis under capacity charge (inclusive of incentive) and Energy Charge, which shall be payable by the beneficiaries in proportion to their respective percentage share/allocation in the saleable capacity of the generating station, i.e. in*

the capacity excluding the free power to the home State.

- (2) *The capacity charge (inclusive of incentive) payable to a hydro generating station for a calendar month shall be:*

$$AFC \times 0.5 \times NDM / NDY \times (PAFM / NAPAF) \text{ (in Rupees)}$$

Where,

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

NAPAF = Normative plant availability factor in percentage

NDM = Number of days in the month

NDY = Number of days in the year

PAFM = Plant availability factor achieved during the month, in Percentage

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

$$PAFM = 10000 \times \sum_{i=1}^N DCi / \{N \times IC \times (100 - Aux)\} \%$$

Where,

AUX = Normative auxiliary energy consumption in percentage

DCi = Declared capacity (in ex-bus MW) for the ith day of the month which the station can deliver for at least three (3) hours, as certified by the Uttarakhand State LoadDespatch Centre after the day is over.

IC = Installed capacity (in MW) of the complete generating station

N = Number of days in the month

- (4) *The Energy Charge shall be payable by every beneficiary for the total energy supplied to the beneficiary, during the calendar month, on ex-power plant basis, at the computed Energy Charge rate. Total Energy Charge payable to the Generating Company for a month shall be:*

$$\text{(Energy Charge Rate in Rs. / kWh)} \times \{\text{Energy supplied (ex-bus)}\} \text{ for the month in kWh} \times (100 - FEHS) / 100$$

- (5) *Energy Charge Rate (ECR) in Rupees per kWh on ex-power plant basis, for a Hydro Generating Station, shall be determined up to three decimal places based on the following formula, subject to the provisions of sub-Regulation (7):*

$$ECR = AFC \times 0.5 \times 10 / \{DE \times (100 - AUX) \times (100 - FEHS - LADF)\}$$

Where,

DE = Annual Design Energy specified for the hydro generating station, in MWh,.

FEHS = Free Energy for home State, in percent, as applicable

LADF = Contribution towards Local Area Development Fund, in percent, as applicable”

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 28.08.2024, the Commission approved the revised AFC and Design Energy for the fifth Control Period from FY 2025-26 to FY 2027-28 vide its Order dated 13.05.2025. Accordingly, the Commission has decided to allow the AFC approved for the Petitioner’s project for FY 2026-27 vide its Order dated 13.05.2025 as ad-interim until the issuance of the final tariff Order on the Petition filed by M/s GBHPPL 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 the provisions of the MYT Regulations, 2024, the Annual Fixed Charge (AFC), for FY 2026-27 provisionally approved by the Commission is shown in the Table below:

Table 2.1: AFC provisionally approved by the Commission for FY 2026-27 (Rs. in Crore)

Annual Fixed Charges	Approved in Order dated 13.05.2025
Depreciation	8.23
Interest on Loan	6.30
Return on Equity	35.24
O&M Expenses	19.11
Interest on Working Capital	1.98
Less: Non-Tariff Income	0.00
Net Annual Fixed Charges	70.86

The summary of provisional Capacity Charge and Energy Charge Rate (ECR) for the Petitioner’s project for FY 2026-27 is as given in the Table below:

Table 2.2: Provisional Capacity Charge and Energy Charge Rate approved by the Commission for FY 2026-27

Particular	Rs. in Crore
Net AFC (Rs. Crore)	70.86
Saleable Energy (MU)	227.14
Capacity Charges (Rs. Crore) (50% of AFC)	35.43
Energy Charges (Rs./kWh) (50% of AFC)	1.560

In accordance with the provisions of the Regulation 50(7) of UERC Tariff Regulations, 2024, the secondary energy rate shall be equal to the rate derived based on the saleable energy subject to a cap of Rs. 1.30 per unit and shall be applicable when actual saleable energy exceeds the Saleable Energy (DE-(100-Auxiliary Consumption)-FS) as per UERC Tariff Regulation, 2024.

(Prabhat Kishor Dimri)
Member (Technical)

(Anurag Sharma)
Member (Law)

(M.L. Prasad)
Chairman