

# **Interim Order**

**On**

**ARR for FY 2026-27**

**For**

**M/s Sravanthi Energy 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.: 13 of 2026**

**In the Matter of:**

Suo-motu proceedings for determination of ARR/Tariff for FY 2026-27 alongwith true-up of AFC for FY 2024-25 and Annual Performance Review for FY 2025-26 of M/s Sravanthi Energy Pvt. Ltd.

**In the Matter of:**

M/s Sravanthi Energy Pvt. Ltd.

7th Floor, Building No. 9B,

DLF Cyber City, DLF Phase - III,

Gurugram, Haryana-122002.

...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 Sravanthi Energy Pvt. Ltd. (hereinafter referred to as “M/s SEPL” or “the Petitioner” or “the Generator”) was required to file the Petition, giving details of its revised projections of Aggregate Revenue Requirement (ARR) for FY 2026-27, True-up of FY 2024-25 and Annual Performance Review for FY 2025-26 latest by 30.11.2025.

However, the Petitioner vide its e-mail dt. 30.11.2025 made a request before the Commission to allow the Petitioner time extension till 31.12.2025 to submit the aforesaid Petition, as due to ongoing activities related to refinancing and statutory audit, the Petitioner could not complete compilation of information required for filing the Petition. The Commission, considering the said request and further communication made by the Petitioner for time extension, allowed it to file the Tariff Petition latest by 31.12.2025, however, the Petitioner was not able to file the Petition even within the extended time.

The Commission, in view of the fact, that the Petitioner had failed to file the Petition as aforesaid within the time allowed by the Commission, decided to initiate Suo-moto proceedings in the matter on 08.01.2026, under Regulation 16(10) of the MYT Regulations, 2024 which reads as under:

*“(10) Notwithstanding anything contained in these Regulations, in case of delay/non-submission of the application for determination of tariff and annual performance review beyond one month from the scheduled date of submission, the Commission may initiate suo-moto proceedings for filing the said applications.*

*Provided that in the event of the applicant not filing the application despite the aforesaid proceeding, the Commission may on its own, decide the tariff based on the information available with the Commission and after incorporating suitable adjustments, as deemed appropriate by the Commission.*

*Provided further that the Commission may also pass directions under Section 129 and/or Section 142 of the Act, if required."*

Consequently, the Commission asked the Petitioner to submit information on certain points required for determination of AFC for FY 2026-27, alongwith True-up of FY 2024-25 and APR of FY 2025-26, vide letter no. UERC/6/TF-822/2025-26/2026/1535 dt. 08.01.2026 and letter no. UERC/6/TF-822/2025-26/2026/1645 dt. 28.01.2026. However, the Petitioner was able to submit only partial information vide its e-mail dated 19.01.2026 and 06.02.2026.

Subsequently, the Petitioner vide its e-mail dated 09.03.2026 informed the Commission that due to certain unavoidable circumstances, the Petitioner was unable to submit the requisite information as desired by the Commission within the stipulated time. The Petitioner further requested the Commission to consider approving the Annual Fixed Charges for FY 2026-27 at the same level as approved by the Commission vide its Order dated 11.04.2025, and stated that the actual figures and supporting details would be submitted subsequently which may be considered by the Commission at the time of trueing-up exercise.

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 Petitioner has explicitly expressed its inability to furnish the information required for the determination of AFC for FY 2026-27 during the current tariff proceedings, citing internal issues. However, in absence of the complete and correct information on the various aspects of tariff determination it is not possible to determine the components of AFC for the Petitioner. However, considering the fact that the AFC of M/s SEPL 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) of the Petitioner for FY 2026-27 attributable to its beneficiary.

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.

The Commission provisionally approves the saleable primary energy after deducting the normative auxiliary consumption of 2.85% as 1548.03 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:*

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

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

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

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

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

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

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

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

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

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

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

$CC_{12} = (AFC) (PAF_Y/NAPAF)$  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.

$PAF_N$  = Percent Plant availability factor achieved upto the end of the nth month.

$PAF_Y$  = Percent Plant availability factor achieved during the Year.

$CC_1, CC_2, CC_3, CC_4, CC_5, CC_6, CC_7, CC_8, CC_9, CC_{10}, CC_{11}$  and  $CC_{12}$  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:

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

Where,

AUX = Normative auxiliary energy consumption in percentage.

$DC_i$  = 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:**  $DC_i$  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. Accordingly, the Commission has decided to provisionally allow the AFC already approved for the Petitioner's project for FY 2026-27 vide the Commission's Order dated 11.04.2025, as ad interim.

Further, the Commission analysed the truing-up impact of the past years for the Petitioner Company, as approved in the tariff Orders issued previously. It is observed that on average the Petitioner is required to refund approximately Rs. 8 Crore to UPCL annually on account of the truing-up of the Annual Fixed Cost and the Energy Charges for the respective years. This is summarised in the table below:

**Table 1.1: Truing Impact of M/s SEPL for past years (Amt Rs. Crore)**

Particulars	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
AFC approved in the T.O.	270.09	272.54	272.88	273.56	275.46	277.68
Trued UP AFC	262.87	264.66	272.1	269.27	267.58	266.48
Difference	-7.22	-7.88	-0.78	-4.29	-7.88	-11.2
Carrying cost	-1.83	-1.87	-0.19	-0.82	-1.48	-2.41
<b>(Surplus)/Deficit</b>	<b>-9.05</b>	<b>-9.75</b>	<b>-0.97</b>	<b>-5.11</b>	<b>-9.36</b>	<b>-13.61</b>
EC (Surplus)/Deficit (including carrying cost)	3.69	0	5.18	-5.46	-14.07	9.65
<b>Net (Surplus)/Deficit</b>	<b>-5.36</b>	<b>-9.75</b>	<b>4.21</b>	<b>-10.57</b>	<b>-23.43</b>	<b>-3.96</b>

In view of the above, the Commission has decided to consider an amount of Rs. (-) 10 Crore on a provisional basis towards the truing-up impact of FY 2024-25 for the Petitioner Company. This amount, together with any change in the actual AFC found later, will be considered for adjustment during the final truing-up for FY 2024-25 alongwith the Tariff proceedings of the ensuing year.

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 as 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 MYT Order dated 11.04.2025
Depreciation	62.20
Interest on Loan	36.35
Return on Equity	53.17
O&M Expenses	107.21
Interest on Working Capital	0.00
Less: Non-Tariff Income	0.00
<b>Sub- Total</b>	<b>258.92</b>
Provisional True up for FY 2024-25	(-)10.00
<b>Total</b>	<b>248.92</b>

Based on the aforesaid Regulations, capacity charges and energy charges shall be recovered by the Petitioner from the Respondent corresponding to the contracted capacity.

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 truing-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.

Since the Petitioner has also not deposited the fee for tariff determination as required under the Regulations, the Commission directs UPCL to deduct an amount of Rs. 22,50,000 (Rs. Twenty-Two Lakhs Fifty Thousand Only), towards Petition filing fees for the FY 2026-27, from the AFC/EC invoice of the Petitioner for the month of April'26 and remit the same to the Commission's account.

Ordered accordingly.

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

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

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