



TARIFF ORDER

TRUE-UP FOR 2024-25

PERFORMANCE REVIEW FOR FY 2025-26

AND

DETERMINATION OF AGGREGATE REVENUE REQUIREMENT

&

TRANSMISSION TARIFF FOR FY 2026-27

FOR

MANIPUR STATE POWER COMPANY LIMITED

Petition No. 1 of 2025-26

MANIPUR ELECTRICITY REGULATORY COMMISSION

(MnERC)

CONTENTS

ORDER 1

1. INTRODUCTION	8
1.1. Manipur Electricity Regulatory Commission (MnERC):.....	8
1.2. Manipur State Power Company Ltd	10
2. SUMMARY OF THE ARR & TARIFF PETITION FOR FY 2025-26	13
2.1. Peak Demand Projections and Actual	13
2.2. Transmission Infrastructure	14
2.3. Transmission Loss	15
2.4. Transmission System Availability	16
2.5. Incentives/ Disincentives and Penalty	17
2.6. Summary of Aggregate Revenue Requirements.....	18
2.7. Prayer	19
3. BRIEF OUTLINE OF OBJECTIONS RAISED, RESPONSE FROM MSPCL AND COMMISSION'S OBSERVATION	21
3.1. Introduction:	21
3.2. Public Hearing:.....	21
4. MSPCL – AN OVERVIEW	22
4.1. Historical Background	22
5. FINAL TRUE UP OF ARR FOR FY 2024-25.....	25
5.1. Introduction.....	25
5.2. Transmission system availability.....	26
5.3. Transmission Loss	27
5.4. Capital Work in Progress (CWIP) and Capitalization	31
5.5. Gross Fixed Assets (GFA) and Depreciation	33
5.6. Operation and Maintenance Expenses	37
5.6.1. Employee Expenses	37
5.6.2. Repair & Maintenance Expenses	38
5.6.3. Administrative and General Expenses.....	40
5.6.4. Summary of O&M Expenses	42
5.7. Interest and Finance Charges	43
5.8. Return on Equity.....	44
5.9. Interest on Working Capital (IoWC)	46
5.10. Non-Tariff Income.....	47
5.11. Income from Other Businesses.....	48
5.12. Aggregate Revenue Requirements.....	50
5.13. Revenue Gap/(Surplus).....	52
6. ANNUAL PERFORMANCE REVIEW OF FY 2025-26	55
6.1. Background.....	55
6.2. Transmission system availability.....	55
6.3. Transmission Losses.....	56
6.4. Energy Requirement	58
6.5. Capital Work in Progress (CWIP) and Capitalization	58
6.6. Gross Fixed Assets and Depreciation	61
6.7. Operation and Maintenance Expenses	65
6.7.1. Employee Cost	66
6.7.2. Repair & Maintenance Expenses	68
6.7.3. Administration and General Expenses	71
6.7.4. Summary of O&M expenses	73
6.8. Interest & Finance Charges	74
6.9. Return on Equity.....	74
6.10. Non-Tariff Income.....	76
6.11. Income from Other Business.....	77

6.12.	Aggregate Revenue Requirements.....	78
6.13.	Revenue Gap/(Surplus).....	80
7.	DETERMINATION OF TRANSMISSION ARR FOR FY 2026-27.....	81
7.1.	Introduction.....	81
7.2.	Contracted Capacity in Manipur	81
7.3.	Intra-State Transmission Losses in Manipur.....	82
7.4.	Capital Work in Progress (CWIP) and Capitalization.....	83
7.5.	Gross Fixed Assets and Depreciation:	86
7.6.	Depreciation Charge for consideration:	87
7.7.	Operation & Maintenance Expenses.....	90
7.7.1.	Operation and Maintenance expenses comprise of the following heads:	90
7.7.2.	Employee Cost	90
7.7.3.	Repairs & Maintenance Expenses	93
7.7.4.	Administration & General Expense	95
7.8.	Summary of O&M expenses	97
7.9.	Interest and Finance Charges.....	98
7.10.	Return of Equity.....	98
7.11.	Non-tariff Income	100
7.12.	Income from Other Business.....	101
7.13.	Truing up Surplus/ (Gap).....	102
7.14.	Aggregate Revenue Requirements.....	103
7.15.	Transmission Tariff	105
7.16.	Energy Requirement	106
7.17.	Recovery of transmission ARR and transmission tariff proposal for FY 2026-27 Petitioner's submission:.....	106
7.18.	Rebate	109
7.19.	Late Payment Surcharges.....	109
7.20.	Incentive.....	109
8.	DIRECTIVES	111
	ANNEXURE - I	126
	ANNEXURE - II.....	132

LIST OF TABLES

Table 2-1: Details of Grid Sub Stations along with transformation capacity (in MVA).....	13
Table 2-2: Actual Peak Demand within the state of Manipur.....	13
Table 2-3: Details of Grid Sub Stations along with transformation capacity (in MVA).....	14
Table 2-4: Details of Transmission lines (in Ckt. Km.).....	14
Table 2-5: Transmission loss (in %).....	16
Table 2-6: Transmission System Availability (in %).....	17
Table 2-7: Aggregate Revenue Requirement for FY 2024-25, FY 2025-26 & FY 2026-27.....	19
Table 4-1: The details of Transmission network capacity snapshot of MSPCL (as submitted) for FY 2024-25	23
Table 5-1: Transmission System Availability as per Petitioner Submission for FY (in %).....	27
Table 5-2: Transmission loss (in %).....	29
Table 5-3: Capital Work in Progress addition for True-Up for FY 2024-25 as per Petitioner (in Rs. Cr.).....	31
Table 5-4: Addition in CWIP and Capitalization for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	32
Table 5-5: Gross Fixed Assets for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	33
Table 5-6: Depreciation as per Books of Account for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	35
Table 5-7: Depreciation for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	36
Table 5-8: Employee Expenses for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	38
Table 5-9: Repair and Maintenance Expenses for True-up of FY 2024-25 as per petitioner (Rs. Cr.)	39
Table 5-10: Administrative & General Expenses (A&G) for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	40
Table 5-11: Approved Administrative & General Expenses (A&G) Expense for True-Up for FY 2024-25	42
Table 5-12: Operation and Maintenance Expenses (O&M) for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	43
Table 5-13: Approved O & M charges for True-Up for FY 2024-25	43

Table 5-14: Return on Equity (RoE) for True-up of FY 2024-25 as per petitioner (Rs. Cr.)	44
Table 5-15: Approved Return on Equity for True-Up for FY 2024-25	46
Table 5-16: Non-Tariff Income for True-up of FY 2024-25 as per petitioner (Rs. Cr.)	47
Table 5-17: Approved Non-Tariff Income for True-Up for FY 2024-25	47
Table 5-18: OPGW Cable Network of MSPCL.....	48
Table 5-19: Revenue from Other Business (OPGW Cable) for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	49
Table 5-20: Approved revenue from Other Business (OPGW Cable) (Rs. Cr.).....	50
Table 5-21: Aggregate Revenue Requirements for True-up of FY 2024-25 as per petitioner (Rs. Cr.).....	51
Table 5-22: Approved Aggregate Revenue Requirements of FY 2024-25 (Rs. Cr.).....	52
Table 5-23: Revenue Gap/(Surplus) for True-up of FY 2024-25 as per petitioner (Rs. Cr.)	53
Table 5-24: Approved Revenue Gap status for FY 2023-24 (Rs Crores)	54
Table 6-1: Transmission System Availability (in %).....	56
Table 6-2: Transmission Loss of FY 2025-26 (in %)	56
Table 6-3: Energy to be Transmitted for MSPDCL during FY 2026-27	58
Table 6-4: Capital Expenditure during FY 2025-26 (Rs. Cr.).....	58
Table 6-5: Capital Expenditure & Capitalization for APR of FY 2025-26 as per petitioner (Rs. Cr.)	60
Table 6-6: FY2025-26 CWIP and Capitalisation as per Commission (in Rs. Cr.).....	61
Table 6-7: Gross Fixed Assets for APR of FY 2025-26 as per petitioner (Rs. Cr.)	61
Table 6-8: Computation of Depreciation for APR of FY 2025-26 as per petitioner (Rs. Cr.).....	62
Table 6-9: Depreciation claimed for APR of FY 2025-26 as per Petitioner (Rs. Cr.).....	63
Table 6-10: Approved Gross Fixed Assets for FY 2025-26 (Rs. Cr.).....	64
Table 6-11: Allowed Depreciation for APR of FY 2025-26 (Rs. Cr.).....	65
Table 6-12: Employee Strength of MSPCL for APR of FY 2025-26 as per Petitioner	66
Table 6-13: Employee Expenses of MSPCL for APR of FY 2025-26 as per Petitioner (Rs. Cr.).....	67
Table 6-14: Approved Employee Expenses of FY 2025-26 (Rs. Cr.)	68

Table 6-15: Repair and Maintenance Expenses for APR of FY 2025-26 as per Petitioner (Rs. Cr.)	68
Table 6-16: Approved Repair and Maintenance Expenses of FY 2025-26 (Rs. Cr.)	70
Table 6-17: Administration and General Expenses of FY 2025-26 as per Petitioner (Rs. Cr.)	71
Table 6-18: Approved Administration and General Expenses for APR of FY 2025-26 (Rs. Cr.)	72
Table 6-19: Operation and Maintenance Expenses of FY 2025-26 as per Petitioner (Rs. Cr.) (Rs. Cr.).....	73
Table 6-20: Approved Operation and Maintenance Expenses of FY 2025-26 (Rs. Cr.)	74
Table 6-21: Return on Equity (RoE) for APR of FY 2025-26 as per Petitioner (Rs. Cr.)	75
Table 6-22: Approved Return on Equity (RoE) of FY 2025-26 (Rs. Cr.)	75
Table 6-23: Non-Tariff Income for APR of FY 2025-26 as per Petitioner (Rs. Cr.).....	76
Table 6-24: Approved Non-Tariff Income for FY 2025-26.....	77
Table 6-25: Income from Other Business (OPGW Cable) of FY 2025-26 (Rs. Cr.).....	77
Table 6-26: Approved Income from Other Business (OPGW Cable) of FY 2025-26 (Rs. Cr.)	78
Table 6-27: Aggregate Revenue Requirements for APR of FY 2025-26 as per Petitioner (Rs. Cr.)	79
Table 6-28: Approved Aggregate Revenue Requirements of FY 2025-26 (Rs. Cr.).....	79
Table 7-1: Allocated Capacity for the FY 2026-27 (in MW).....	81
Table 7-2: Transmission Loss (in %)	82
Table 7-3: Capital Investment Plan of FY 2026-27 (Rs. Cr.).....	84
Table 7-4: Capitalization of FY 2026-27 (Rs. Cr.).....	84
Table 7-5: Capital Work in Progress for the FY 2026-27 (Rs. Cr.)	85
Table 7-6: Approved Capital Work in Progress and Capitalization for the FY 2026-27 (Rs. Crs) ...	86
Table 7-7: Gross Fixed Assets of FY 2026-27 (Rs. Cr.)	86
Table 7-8: Approved Gross Fixed Assets of FY 2026-27 (Rs. Cr.)	87
Table 7-9: Depreciation for the FY 2026-27 (Rs. Cr.)	87
Table 7-10: Depreciation for the FY 2026-27 (Rs. Cr.)	88
Table 7-11: Allowed Depreciation for APR of FY 2026-27 (Rs. Cr.).....	89
Table 7-12: Employee Expenses for the FY 2026-27 (Rs. Cr.)	90
Table 7-13: Approved Employee Expenses for the FY 2026-27 (Rs. Cr.).....	92

Table 7-14: Repair and Maintenance Expenses for the FY 2026-27 (Rs. Cr.).....	93
Table 7-15: Approved Repair and Maintenance Expenses for the FY 2026-27 (Rs. Cr.).....	94
Table 7-16: Administrative and General Expenses for the FY 2026-27 (Rs. Cr.).....	95
Table 7-17: Approved Administrative and General Expenses for the FY 2026-27 (Rs. Cr.)	96
Table 7-18: Operation and Maintenance Expenses for the FY 2026-27 (Rs. Cr.).....	97
Table 7-19: Approved Operation and Maintenance Expenses for the FY 2026-27 (Rs. Cr.).....	97
Table 7-20: Return on Equity for the FY 2026-27 (Rs. Cr.).....	98
Table 7-21: Approved Return on Equity for the FY 2026-27 (Rs. Cr.)	99
Table 7-22: Non-Tariff Income for the FY 2026-27 (Rs. Cr.).....	100
Table 7-23: Approved Non-Tariff Income for the FY 2026-27 (Rs. Cr.).....	100
Table 7-24: Income from Other Business (OPGW Cable) of FY 2026-27 (Rs. Cr.).....	101
Table 7-25: Approved Income from Other Business (OPGW Cable) of FY 2026-27 (Rs. Cr.)	102
Table 7-26: Revenue Surplus of truing up of expenses for the FY 2024-25 (Rs. Cr.)	102
Table 7-27: Aggregate revenue Requirements for the FY 2026-27 (Rs. Cr.).....	103
Table 7-28: Approved Aggregate revenue Requirements for the FY 2026-27 (Rs. Cr.).....	104
Table 7-29: Energy Transmission for MSPDCL needs in FY 2026-27.....	106
Table 7-30: Monthly Transmission charges recovered from MSPDCL for FY 2026-27 (Rs. Cr.)...	107
Table 7-31: Transmission Tariff (Rs./Unit) for FY 2026-27 (Rs. Cr.)	107
Table 7-32: Commission approved Transmission Tariff for FY2026-27	108
Table 8-1: List of Ongoing Projects	111

ABBREVIATIONS

Abbreviation	Description
A&G	Administrative and General
AAD	Advance Against Depreciation
ARR	Aggregate Revenue Requirement
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CWIP	Capital Work in Progress
DONER	Ministry of Development of North Eastern Region
DPS	Delayed Payment Surcharge
EA, 2003	Electricity Act, 2003
EDM	Electricity Department Manipur
EHT	Extra High Tension
FSA	Fuel Surcharge Adjustment
FY	Financial Year
GFA	Gross Fixed Assets
GOI	Government of India
HT	High Tension
IEGC	Indian Electricity Grid Code
ISGS	Inter State Generating Station
IR	Inter-Regional
MnERC	Manipur Electricity Regulatory Commission
JERC	Joint Electricity Regulatory Commission for Manipur and Mizoram
kV	Kilovolt
kVA	Kilovolt-ampere
kW	Kilowatt
kWh	kilowatt-hour
LT	Low Tension
MAT	Minimum Alternate Tax
MDI	Maximum Demand Indicators
MnERC	Manipur State Electricity Regulatory Commission
MSPCL	Manipur State Power Company Limited
MSPDCL	Manipur State Power Distribution Company Limited
MUs	Million Units
MYT	Multi Year Tariff
NEC	North Eastern Council
NLCPR	Non-Lapsable Central Pool of Resources
NLDC	National Load Despatch Centre
NTI	Non-Tariff Income
O&M	Operation and Maintenance
PGCIL	Power Grid Corporation of India Ltd
PLF	Plant Load Factor
POSOCO	Power System Operation Corporation Limited

Abbreviation	Description
PPA	Power Purchase Agreement
PWW	Public Water Works
R&M	Repair and Maintenance
RAPDRP	Restructured Accelerated Power Development and Return Programme
RoE	Return of Equity
SBAR	State Bank Advance Rate
SLDC	State Load Despatch Centre
T&D	Transmission and Distribution
UI	Unscheduled Interchange
RE	Revised Estimate

MANIPUR ELECTRICITY REGULATORY COMMISSION

Block A, Ground Floor, Old Secretariat, North Block Babupara,
Imphal, Manipur - 795001

Petition No. 1 of 2025-26

In the matter of True-up for FY 2024-25, Annual Performance Review for FY 2025-26, determination of Aggregate Revenue Requirement (ARR) and State Transmission Tariff for FY 2026-27 for transmission of Power by the **Manipur State Power Company Limited** with in the state of Manipur.

AND

Manipur State Power Company Limited

..... **Petitioner**

Present

Mr. Soubam Ibopishak Singh

CHAIRPERSON

ORDER

1. The Manipur State Power Company Ltd (herein after referred to as **MSPCL**) is a licensee in terms of section-14 of the Electricity Act 2003 (herein after referred to as Act), engaged in the business of, transmission and generation of electricity in the state of Manipur.
2. Regulation-17 of JERC (M&M) (MYT) Regulations 2014 (here in after referred to as Tariff Regulations), specify that the transmission licensee shall file ARR and Tariff Petition in all aspects along with requisite fee as specified in Commission's fees, fines and charges regulations on or before 30th November of the current financial year. But the MSPCL had made belated filing of the petition for determination of ARR and transmission tariff for FY 2026-27 along with true-up petition for FY 2024-25 and Annual performance review for FY 2025-26 on **30th December 2025**, vide its letter No. 26/ 2/ ED/ (TECH)/ MSPCL/ 2014/ 347-56 dated **30th December 2025**.

3. ARR & Tariff Petition

The MSPCL in the petition has projected the ARR at **Rs.123.70 Crs** for FY 2026-27. As per Regulations 65.1(ii) of Tariff Regulations, the transmission ARR shall be recovered as fixed monthly charges from all long-term transmission users based on their share of transmission capacity in the total transmission capacity. Also, in case the target availability is below normative availability of 98%, then the transmission ARR shall be recovered from all long-term users **on pro-rata basis**. Currently MSPCL has only one long-term transmission customer which is distribution licensee namely Manipur State Power Distribution company Limited (MSPDCL). As such MSPCL has to recover the entire transmission ARR **through fixed monthly charges from the long-term user the existing MSPDCL alone**.

4. Admission of Petition

In the petition submitted for the purpose of determination of Aggregate Revenue Requirement (ARR) and Transmission Tariff applicable in FY 2026-27 by the MSPCL, the Commission observed that some crucial and vital information so required as specified in Tariff Regulations is lacking. Therefore, pursuant to the letter from the Commission vide Letter No. 02/ MnERC/ Tariff-MSPCL/ 1, dated 13.11.2025, MSPCL submitted its petition for approval of ARR for FY 2026-27 along with the True up of FY 2024-25 and Annual Performance Review of FY 2025-26 vide Letter No. 26/ 2/ ED (tech)/ MSPCL/ 2014/ 347-56, dated 30.12.2025. Accordingly, the same was admitted on 30.12.2025 and marked as **Petition No. 1 of 2025-26** and the process of ARR then started. The Commission sought additional data requirement from MSPCL vide **eMail, dated 24.03.2026, 30.03.2026 and 08.04.2026**. In response to the same MSPCL submitted the additional data/ information/clarification etc. vide its **e-Mail, dated 27.03.2026, 10.04.2026 and letter No. 26/2/ED(Tech)/MSPCL/2014/50-51, dated: 24.04.2026**.

5. True up of ARR for FY 2024-25

As per Regulation 10(2) and the first proviso of the Tariff Regulations, the Licensee shall file an application for true-up of the previous year along with approved

audited annual accounts. Accordingly, MSPCL has submitted its approved audited annual accounts along with the final true-up petition for FY 2024-25.

MSPCL has claimed actual expenditure of **Rs. 66.27 Crores** for the true-up pertaining to FY 2024-25, as against the Tariff Order approved figure of **Rs. 66.91 Crores**. The claim is supported by audited accounts duly approved by their Statutory Auditor, substantiating the actual expenditure incurred during the year.

The Commission has noted that the Transmission Charges received during FY 2024-25 amount to **Rs. 76.00 Crores**, as reflected in the Audited Accounts of MSPCL. After due scrutiny, the Commission approves the net ARR at **Rs. 66.32 Crores** as the eligible amount for true-up purposes. Consequently, the Commission has determined a true-up surplus of **Rs. 9.68 Crores** (i.e., Rs. 76.00 Crores minus Rs. 66.32 Crores), which shall be adjusted against and reduced from the Aggregate Revenue Requirement (ARR) for the purpose of computing the Net Aggregate Revenue Requirement for FY 2026-27.

6. Annual performance review for FY 2025-26

As per the JERC (Multi Year Tariff) Regulations, 2014, read with the JERC (Multi Year Tariff) (First Amendment) Regulations, 2019, MSPCL is obligated to submit the Annual Performance Review (APR) for FY 2025-26, being the third year of the 3rd MYT Control Period (FY 2023-24 to FY 2027-28). Accordingly, the Commission has undertaken the review of the APR filed by MSPCL for FY 2025-26.

It is noted that the ARR for FY 2025-26 was originally approved at **Rs. 90.06 Crores** vide the Tariff Order dated 26.03.2025. MSPCL has now submitted revised APR projections estimating an ARR of **Rs. 103.01 Crores** for FY 2025-26.

After due examination, the Commission approves a revised ARR of **Rs. 87.54 Crores** for FY 2025-26 against the APR projected estimate of **Rs. 103.01 Crores** submitted by MSPCL.

7. Approach for Projecting ARR for FY 2026-27

The ARR and Transmission Tariff for FY 2026-27 have been projected based on the 3rd MYT Tariff Order issued for a five-year period vide Order dated 28th March 2023. Further, the expected changes in various financial and technical parameters during the ensuing year have been considered while projecting each determinant of the ARR for FY 2026-27.

In formulating the petition, MSPCL has been guided by the provisions of the Electricity Act, 2003, the Joint Electricity Regulatory Commission (JERC) Terms and Conditions for (Multi Year Tariff) Regulations, 2014, notified on 9th June 2014, along with other applicable Regulations. MSPCL has also analysed the principles, practices, and benchmarks adopted by other comparable utilities across India in respect of various financial and technical parameters and has appropriately incorporated the same in projecting the ARR and Tariff for FY 2026-27.

MSPCL submitted its ARR requirement at Rs. 123.70 Crores for FY 2026-27. After due scrutiny and consideration, the Commission has finalised the Net Aggregate Revenue Requirement at Rs. 87.86 Crores, arrived at as follows:

- **ARR approved by the Commission:** Rs. 110.85 Crores
- **Less: Non-Tariff Income (NTI):** Rs. 12.91 Crores
- **Less: Income from Other Businesses:** Rs. 0.39 Crores
- **Less: True-up Surplus of FY 2024-25 (adjusted as rebate):** Rs. 9.68 Crores
- **Net ARR for FY 2026-27:** Rs. 87.86 Crores

Accordingly, the annual Net ARR for FY 2026-27 is approved at **Rs. 87.86 Crores (Rupees Eighty-Seven Crores and Eighty-Six Lakhs only)**, which shall be recovered from MSPDCL through the raising of monthly invoices for the Intra-State Transmission network services availed by MSPDCL.

8. Public Notice and Public hearing process

The Commission directed the MSPCL to publish the summary of the ARR and Tariff proposal in an abridged form and manner as approved in accordance with section-64 of the Act and Regulation-17 of Tariff Regulations to ensure public participation.

As per the directions of the Commission vide letter No. **02/MnERC/Tariff-MSPCL 5-Dt.15.04.2026**, the public notice was published by Managing Director/MSPCL in the following newspapers inviting the public to submit their objections and suggestions on the petition on or before **27.04.2026**

Sl. No	Name of the Newspaper	Language	Date of Publication
1	The Sangai Express	English Newspaper	17th & 18th April, 26
2	Huiyen Lanpao	Manipuri Newspaper	17th & 18th April, 26

The **last date of submission** of their suggestions/objections by general public was fixed as **27.04.2026**.

The stakeholders submitted their objections/ suggestions and the same was related to MSPDCL which shall be dealt in MSPDCL Tariff order. No objection/ suggestion was received for MSPCL.

The Commission, prior to issuance of Tariff Order, need to conduct public hearing each year in order to ensure transparency in the process of Tariff determination and for providing proper opportunity to all stake holders and general public making/expressing their suggestions/objections on the Tariff petition and for the convenience of the consumers and general public across the state.

9. Notice for Public Hearing

The Commission issued notice for holding the public hearing regarding the MSPCL's Tariff petition for FY 2026-27 and the Same information was published in two newspapers stated below on the respective date for general awareness of the Commission proceedings.

Sl. No.	Name of the news paper	Language	Data of Publication
1	Poknapham	Manipur Newspaper	22nd & 23rd April, 26
2	The People's Chronicle	English Newspaper	22nd & 23rd April, 26

10. Public hearing

The Public hearing was held for FY 2026-27 on 30.04.2026. The stakeholders made their representation for objections/ suggestions and the same was related to MSPDCL which shall be dealt in MSPDCL Tariff order. No objection/ suggestion was received for MSPCL.

11. Meeting of State Advisory Committee:

The State Advisory Committee meeting was held on 27th April 2026 for Tariff of FY 2026-27 at Imphal. The meeting notice, minutes and list of members & participants are enclosed as Annexure – I.

- 12.** The Commission took into the consideration of the facts presented by MSPCL in its petition and subsequent filings, the suggestions/ objections received from stakeholders, consumer organisations, general public and state advisory committee and the response of the MSPCL to those suggestions/ objections for approval of ARR and finalisation of tariff petition for FY 2026-27.

13. Compliance of Directives:

The Commission has reviewed the directives issued earlier to MSPCL in the Tariff Orders for FY 2015-16 to FY 2025-26 and noted that some of the directives have already been complied with and hence dropped and the directives which are not fully complied with and the remaining directives are consolidated and fresh directives are added where needed.

- 14.** In exercise of the powers vested under section-62 read with section-64 of the Act and Regulation-16 of Tariff Regulations and other enabling provisions in this behalf,

the Commission issues this order approving ARR and Transmission Tariff for FY 2026-27 for **Transmission of electricity** in the state of Manipur.

- 15.** This order is in Eight (8) chapters as detailed below:
1. Chapter 1: Introduction
 2. Chapter 2: Summary of ARR & Tariff petition for FY 2026-27.
 3. Chapter 3: Brief outline of objections raised, response from MSPCL and Commission's observation.
 4. Chapter 4: MSPCL – An Overview
 5. Chapter 5: True up of ARR for FY 2024-25
 6. Chapter 6: Annual Performance Review of FY 2025-26
 7. Chapter 7: Determination of ARR and transmission Tariff for FY 2026-27.
 8. Chapter 8: Directives
 9. Annexures
- 16.** The MSPCL shall ensure implementation of the order from the effective date after issuance of a public notice, in such a font size which is clearly & conspicuously visible in two local daily newspapers having wide circulation in the state within a week and shall submit compliance of the same to the Commission.
- 17.** This Order shall be effective from **1st May 2026** onwards and it shall remain in force until the issue of next Tariff Order by the Commission.

Sd/-
Soubam Ibopishak Singh
CHAIRPERSON

Place: Imphal
Date: 14.05.2026

1. Introduction

1.1. Manipur Electricity Regulatory Commission (MnERC):

In exercise of the powers conferred by the Act, the Government of India constituted State Electricity Regulatory Commission for Manipur to be known as “**Manipur Electricity Regulatory Commission (MnERC)**” with Imphal as its headquarter(hereinafter referred to as **Commission**) upon expiry of MoA signed among Government of India and the States of Manipur and Mizoram on 23.07.2024 vide Government Notification No. JERC/1/2022-POW-PD-Part-(1), dated 22/07/2024 with the approval of the State Cabinet in its meeting held on 23.12.2021 and order of the Ministry of Power, Government of India vide No.47/7/2017-R&R, Dated 27.06.2024.

Further, the newly constituted Hon’ble Manipur Electricity Regulatory Commission (MnERC) has adopted the regulations of the Joint Electricity Regulatory Commission for Manipur and Mizoram w.e.f. 23.07.2024 and directed the MSPCL to file its Tariff Petition for the FY 2026-27 along with Truing up of FY 2024-25 and Annual Performance Review of FY 2025-26 under sub-clause (ii) of Clause 5.2 and Clause 17.8 of the JERC for Manipur and Mizoram (Multi Year Tariff) Regulations, 2014.

- a) In accordance with the Act, the Commission discharges the following functions:
- i. Determine the tariff for generation, transmission, distribution and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State: Provided that where open access has been permitted to a category of consumers under Section-42 of the Act, the State Commission shall determine the wheeling charges and surcharge thereon, if any, for the said category of consumers;
 - ii. Regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through

- agreements for purchase of power for distribution and supply within the State;
- iii. Facilitate intra-State transmission and wheeling of electricity;
 - iv. Issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
 - v. Promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
 - vi. Adjudicate upon the disputes between the licensees and generating companies; and to refer any dispute for arbitration;
 - vii. Levy fee for the purposes of this Act;
 - viii. Specify State Grid Code consistent with the Grid Code specified under Clause (h) of sub-section (1) of Section-79 of the Act;
 - ix. Specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
 - x. Fix the trading margin in the intra-State trading of electricity, if considered, necessary;
 - xi. Discharge such other functions as may be assigned to it under the Act.
- b) Further, the Commission also advises the State Government on all or any of the following matters namely:
- i. Promotion of competition, efficiency and economy in activities of the electricity industry;
 - ii. Promotion of investment in electricity industry;
 - iii. Reorganization and restructuring of electricity industry in the State;
 - iv. Matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by the State Government.
- c) The State Commission ensures transparency while exercising its powers and in

discharging its functions.

d) In discharge of its functions, the State Commission is guided by the National Tariff Policy (NTP) so brought out by GOI from time to time in compliance to Section-3 of the E. Act 2003.

The objectives of the NTP are to:

- Ensure availability of electricity to consumers at reasonable and competitive rates;
- Ensure financial viability of the power sector and attract investments;
- Promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks;
- Promote competition, efficiency in operations and improvement in quality of supply.

1.2. Manipur State Power Company Ltd

In pursuance of the Act the erstwhile Electricity Department of Manipur (EDM) was unbundled and corporatized into 2 (two) State owned functionally independent successor entities (viz) (i) Manipur State Power Company Ltd (herein after referred to as MSPCL) a deemed transmission licensee and (ii) Manipur State Power Distribution Company Ltd (herein after referred as MSPDCL) a deemed distribution Licensee w.e.f **1st of Feb 2014**, by a Gazette notification of the Government of Manipur vide Manipur State Electricity Reforms Transfer Scheme 2013 (or Transfer scheme 2013) dated 31st December 2013. MSPCL is the holding company and in charge of **all transmission assets at the voltage level from 33 KV and above.**

The objectives of MSPCL are:

1. Transmission of power within the state for further use by the distribution licensee and open access consumers.
2. Preparing and carrying out schemes for transmission of power upto 33 kV level.

Based on the above, MSPCL has filed the present petition for approval of the Tariff proposal for the FY 2026-27 along with Truing up of FY 2024-25 and Annual Performance Review of FY 2025-26 to the Hon'ble Manipur Electricity Regulatory Commission (MnERC) under sub-clause (ii) of Clause 5.2 and Clause 17.8 of JERC for Manipur and Mizoram (Multi Year Tariff) Regulations, 2014.

The approach adopted by MSPCL for filing of this Petition is detailed below:

- Section 62 of the Electricity Act, 2003 requires the Licensee to furnish details as may be specified by the Hon'ble Commission for determination of tariff.
- Further, Regulation 10 of the JERC MYT Regulations, 2014, requires MSPCL to file Truing up of previous year before the Hon'ble Commission for determination and approval of Revenue Gap/(Surplus).

The relevant extracts as follows:

“10.1 Where the Aggregate Revenue Requirement and expected revenue from tariff and charges of a Generating Company or Transmission Licensee or Distribution Licensee is covered under a Multi-Year Tariff framework, then such Generating Company or Transmission Licensee or Distribution Licensee, as the case may be, shall be subject to truing up of expenses and revenue during the Control Period in accordance with these Regulations.

10.2 The Generating Company or Transmission Licensee or Distribution Licensee shall file an Application for Truing up of the previous year and determination of tariff for the ensuing year, within the time limit specified in these Regulations:

Provided that the Generating Company or Transmission Licensee or Distribution Licensee, as the case may be, shall submit to the Commission information in such form as may be prescribed by the Commission, together with the Audited Accounts, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges.....”

a. Approach for Truing-up of FY 2024-25

For FY 2024-25, MSPCL has proposed final truing-up based on the audited actual expenses incurred during FY 2024-25 duly approved by the statutory

auditor for each parameter of the ARR along with reason and justification, as required, for the variation as compared to that approved in the ARR for FY 2024-25 in the Tariff Order dated 16th June 2024 & APR Order Dt. 26th March 2025.

b. Approach for Annual Performance Review of FY 2025-26

Keeping in view of the availability of actual audited figures of FY 2023-24 and six months of FY 2025-26, MSPCL has proposed revision in ARR for FY 2025-26. The explanation for each element and comparison with the amount approved in the MYT Tariff Order for FY 2025-26 dated 26th March 2025, as required, is provided.

c. Approach for Projecting ARR for FY 2026-27

For the purpose of estimating/projecting the financial & technical parameters for FY 2026-27, MSPCL has considered its actual performance in the past years and FY 2025-26 (First six months) as base and has projected the elements of ARR for FY 2025-26 with supporting justification and as per the principles enumerated by the Joint Electricity Regulatory Commission (JERC) **Terms and Conditions for (Multi Year Tariff) Regulations, 2014 notified on 9th June, 2014 and its amendments.**

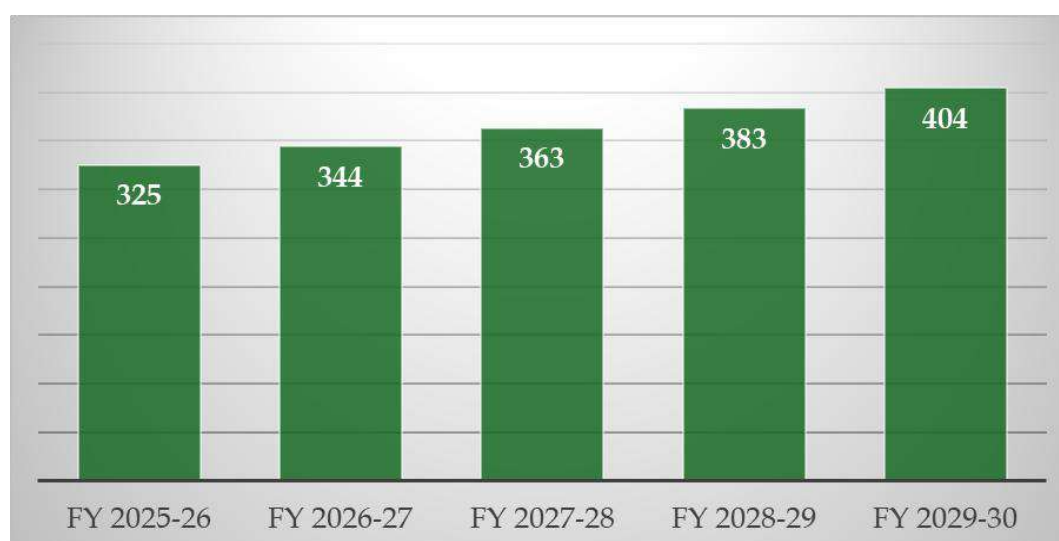
The subsequent Chapters provide the actual/projection of various cost components required for determination of Aggregate Revenue Requirement for true-up of FY 2024-25, APR of FY 2025-26 and ARR for FY 2026-27 based on the methodology consistently followed by MSPCL.

2. Summary of the ARR & Tariff Petition for FY 2025-26

2.1. Peak Demand Projections and Actual

MSPCL has submitted that the peak demand in the state of Manipur is improving. The Central Electricity Authority (CEA) also considered the average increase in Peak demand of nearly 5.50% year over year, vide its 20th EPS Report. The year-wise projection of Peak Demand within the state of Manipur as per 20th EPS Report of CEA are as follows:

Table 2-1: Details of Grid Sub Stations along with transformation capacity (in MVA)



The MSPCL has also submitted its actual Peak demand during the last 3 years based on the SLDC certification. The details of the same are as follows:

Table 2-2: Actual Peak Demand within the state of Manipur

Sl. No.	Financial Year	Actual Peak Demand (MW)
1	FY 2022-23	251.28
2	FY 2023-24	241.10
3	FY 2024-25 (till date)	255.58

MSPCL submitted that it has established and maintained its Transmission infrastructure based on the above projections as the creation of new infrastructure requires 3-4 years of gestation period.

Therefore, MSPCL has requested the Hon'ble Commission to kindly consider the same and approve all such expenditure as claimed by the MSPCL in this instant petition to maintain its infrastructure for smooth handling of such peak demand as projected by the CEA in its 20th EPS Report.

2.2. Transmission Infrastructure

MSPCL submitted that actual growth in peak demand indicates a consistent and substantial rise in demand within the state. Accordingly, MSPCL is taking all the required steps to strengthen and develop the electricity infrastructure for end-to-end transmission of power within the State of Manipur. The following table shows the details of Grid Sub Stations along with transformation capacity of MSPCL during FY 2024-25:

Table 2-3: Details of Grid Sub Stations along with transformation capacity (in MVA)

Voltage Level	FY 2024-25(Actual)	
	No. of Substation	Capacity (MVA)
400 KV	1	315
132 KV	16	677
33 KV	112	997.5

Further, MSPCL has also established a network of transmission lines within the state over the period. The Details of actual voltage level-wise transmission lines are provided in the table below:

Table 2-4: Details of Transmission lines (in Ckt. Km.)

Transmission Line	FY 2024-25
	(Actual)
400 KV	90.2
132 KV	839.532
33 KV	1,848.20

Therefore, MSPCL has requested the Hon'ble MnERC to kindly consider the same and further, keeping in view of the increasing demand within the state of

Manipur, kindly approve the Capital Expenditure and Capitalization as claimed by the MSPCL.

2.3. Transmission Loss

The Hon'ble Commission had penalized the MSPCL by deducting 10% of RoE during the truing up of FY 2022-23 for non-achievement of the targeted Transmission Loss in its earlier orders.

MSPCL has submitted that the State of Manipur is mostly a hilly area, and the average distance between two localities is much higher compared to other states. Therefore, due to higher Transmission Line length, technical losses are also on the higher side. Further, MSPCL is entirely dependent on MSPDCL to meet its financial requirements for regular maintenance work. However, due to the non-availability of the funds on time, MSPCL is not in a position to maintain the technical standards to achieve its targeted Transmission Loss.

Further, it is submitted that the MSPCL has computed its Transmission Loss for the FY 2024-25 based on the metering points that come under Substation Division – I (Which covers most of Imphal City Area) for a particular month, considering the data accountability of the meters covered.

Further, MSPCL has submitted that the total Transmission Loss calculation for the state is not possible due to data unaccountability of most of the meters. MSPCL, in this regard, submits its issues as follows:

- Overall metering points are not covered in SAMAST Project, even so data for those meters are taken from the concerned substations manually from the existing meters to compute Transmission Loss for the FY 2024-25.
- Some Meter data are erroneous due to technical issues like CT/PT related issues, Phase imbalance issues at Substations.
- Most of the data available are not accountable at the substation level itself as input and output energy do not sum-up.

MSPCL has submitted that it is giving its full efforts to overcome this situation. However, due to not receiving the funds in a timely manner, it is not in a position to project its regular R&M works.

Further, it is submitted that the MSPCL have also maintained its 33 KV network, and the Losses in 33 kV network are on the higher side. Therefore, the comparison of Transmission Loss with other Transmission Utilities having Transmission networks above 33 KV level may not be appropriate.

Based on the above facts, MSPCL requests the Hon'ble Commission to kindly consider the same and approve the Transmission Loss as tabulated below:

Table 2-5: Transmission loss (in %)

Sl. No.	Transmission Loss	FY 2024-25	FY 2025-26	FY 2026-27
		(Actual)		
1	400 / 132 KV Level	1.27%	1.40%	1.40%
2	132/33 KV Level	1.93%	2.75%	2.75%
3	33 KV Level	4.00%	3.00%	3.00%
4	Overall Transmission Losses (in %)	7.05%	7.08%	6.99%

These above Transmission Losses were revised in their replies to additional information along with the SPDC Certificate and the same are tabulated below:

Sl. No.	Transmission Loss	FY2024-25 (Actuals)
1	Transmission Loss (%)	7.204%

Keeping in view the above submissions, MSPCL requests the Hon'ble Commission to consider and approve the same.

2.4. Transmission System Availability

Regulation 61.1 of the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi-Year Tariff) Regulations, 2014 provides that the Transmission System Availability shall be 98% for full recovery of the Transmission Charges. The relevant para is as follows:

“61.1 Target availability for full recovery of annual transmission charges:

- (i) AC system : 98 per cent;
- (ii) HVDC bi-pole links : 92 per cent;
- (iii) HVDC back-to-back stations : 95 per cent;

Note 1: Recovery of annual transmission charges below the level of target availability shall be on pro rata basis. At zero availability, no transmission charges shall be payable.”

MSPCL has submitted that it has achieved the targeted system availability during FY 2024-25. The voltage wise actual system availability during FY 2024-25, along with projections for FY 2025-26 and FY 2026-27 are as tabulated below:

Table 2-6: Transmission System Availability (in %)

Transmission System Availability	132 KV S/s	132 KV line	33 KV S/s	33 KV Line
FY 2024-25	>98%	>98%	>98%	>98%
FY 2025-26	>98%	>98%	>98%	>98%
FY 2026-27	>98%	>98%	>98%	>98%

MSPCL has requested the Hon’ble Commission to consider the same and approve the full recovery of the Transmission Charges for achieving the targeted system availability during FY 2024-25.

2.5. Incentives/ Disincentives and Penalty

Regulation 66 of the JERC (M&M) Tariff Regulations, 2014 provides as follows:

“66.1 The Transmission Licensee shall be entitled to incentive for increase in annual availability beyond the target availability prescribed under Regulation 61, in accordance with the following formula:

Incentive = ATC x [Annual availability achieved – Target Availability]/Target Availability”

The MSPCL submitted that it has achieved actual Transmission System Availability beyond the targeted System Availability during FY 2024-25 and is eligible to claim Incentives for the achieved targeted availability during FY 2024-25.

Further, it is submitted that the Hon’ble Commission had not approved any Incentives for achieving the targeted parameters vide its earlier orders.

Accordingly, MSPCL has also not claimed any incentives in respect of the same in this instant petition.

Further, MSPCL submitted that the Hon'ble Commission in the previous tariff order had penalised 10% of RoE for not achieving the Targeted Transmission Loss as determined by the Hon'ble Commission.

In this regard, the MSPCL respectfully submitted as follows:

Inclusion of 33 kV Network Under MSPCL: Unlike most State Transmission Utilities where 33 kV feeders are excluded from the transmission loss boundary, it is submitted that the MSPCL has maintained its 33 kV lines and associated sub-transmission infrastructure, which typically has the higher losses compared to 132 kV level and above.

Further, a major portion of the transmission network passes through hilly, forested, and geotechnically unstable terrain. Therefore, longer line lengths with unavoidable detours due to mountains and river crossings, resulting in inherently higher losses. Further, it also submits that the frequent elevation changes, increasing line sag variability, conductor heating, and reactive power losses are the major technical constraints that significantly contribute to higher losses.

Based on the above, it is respectfully prayed that the Hon'ble Commission may take a prudent view on this matter and consider relaxing the penal actions previously imposed by the Hon'ble Commission.

2.6. Summary of Aggregate Revenue Requirements

MSPCL has submitted that it has prepared the true-up of FY 2024-25 based on the annual accounts of MSPCL, Annual Performance Review of FY 2025-26 based on actual figures of six months and Annual Revenue Requirements & Transmission Tariff of FY 2026-27 as per the parameters defined in the provisions of JERC MYT Regulations, 2014. The summary of the ARR of respective years is as follows:

Table 2-7: Aggregate Revenue Requirement for FY 2024-25, FY 2025-26 & FY 2026-27

(Rs. Crore)

Sl. No.	Particulars	Claimed in True-up of FY 2024-25	Claimed in APR for the FY 2025-26	Claimed in ARR for the FY 2026-27
1	Employee Expenses	71.80	82.44	95.44
2	Repair & Maintenance (R&M) Expense	11.57	14.12	14.69
3	Administrative and General (A&G) Expenses	11.03	17.36	19.71
4	Depreciation	0.50	1.20	1.26
5	Return on Equity (RoE)	3.79	6.03	6.03
6	Income Tax	-	-	-
7	Gross Aggregate Revenue Requirement	98.70	121.15	137.13
8	Less: Non-Tariff income	12.17	11.43	9.80
9	Less: Income from Other Business OPGW Cable	0.11	0.38	0.39
10	Less: approved True up Surplus of FY 2015-16 to FY 2021-22	20.15	6.33	-
11	Less: True up Surplus/(Gap) for the FY 2023-24	-	-	3.24
12	Net Aggregate Revenue Requirement	66.27	103.01	123.70

Further, MSPCL submitted that, all the details, computation along with applicable Regulations for the preparation of the petition are discussed in the subsequent sections.

2.7. Prayer

The petitioner has made the following prayers:

- a. Admit this Petition;
- b. Examine the proposal submitted by the Petitioner in the enclosed Petition for a favourable dispensation;
- c. Pass suitable Orders with respect to the Truing up of FY 2024-25 based on annual accounts and Annual Performance Review of FY 2025-26 and ARR & Tariff Petition for the FY 2026-27 based on the applicable provisions under JERC MYT Regulations, 2014.

- d. Approve Transmission Tariff of MSPCL for the FY 2026-27 as computed by MSPCL.
- e. Permit to propose suitable changes to the petition prior to the final approval by the Hon'ble Commission;
- f. Condone any inadvertent omission/errors/short-comings and permit the petitioner to add/change/modify/alter this filing and make further submissions as may be required at a future date;
- g. Pass such an Order as the Hon'ble Commission may deem fit and appropriate, keeping in view the facts and circumstances of the case.

3. Brief outline of objections raised, response from MSPCL and Commission's observation

3.1. Introduction:

On admitting the ARR and Tariff Petition for FY 2026-27, the Commission directed the MSPCL to make available the copies of petition to the general public, post the petition on their website and also publish the same in newspapers in abridged form and invite comments/objections/suggestions from them.

3.2. Public Hearing:

The Electricity Act 2003 envisages to conduct public hearing in order to ensure transparency in the process of determination of tariff. The Public Hearing was conducted at Imphal on 30.04.2026. The list of participants of Public Hearing is annexed at **Annexure-II**. The stakeholders made their representation for objections/ suggestions and the same was related to MSPDCL which shall be dealt in MSPDCL Tariff order. No objection/ suggestion was received for MSPCL.

4. MSPCL – An Overview

4.1. Historical Background

The commissioning of the two micro hydel sets having capacities of 100 KW and 56 KW at Leimakhong in 1930 by the then Manipur State HE Board marked the beginning of the use of electricity in Manipur. The Royal palace and main areas of Imphal Town enjoyed Electricity generated from this captive hydel station. During the World War-II, two more DG sets of 62 KW and 46 KW capacities were installed at the old Imphal Power House by the Armed Forces for electrification of Imphal town and its suburbs. The above installed capacity remained the same till the end of the first Five Year plan (1951-56) of the post-independence period. The second Five Year Plan (1956-61) however saw a significant change in the demand of power in the state. The demand has been growing rapidly envisaging more social acceptance and the gradual promotion of awareness of the people towards the use of electricity for different purposes. This had necessitated further addition in the generation capacity and it was accomplished with the installation of a few more DG sets of various capacities in and around Imphal.

To evacuate the power generated from the captive micro hydel power station (100 + 56) KW at Leimakhong to specific load centres of Palace Compound and main bazar area of Imphal, the 20 Km. long, 11 KV line between Imphal & Leimakhong was constructed for the first time in Manipur in 1930. The state was then having 26 Km. of 11 KV lines and 45 Km. of domestic lines to serve very few consumers in 7 villages/Leikais. Both the line and generating stations were owned by the then Manipur State HE Board, constituted under the ex-officio Chairmanship of the Political Agent. Subsequently Electricity was kept under the administrative control of the Public Works Department, Government of Manipur. It was separated from state PWD and started functioning as an **independent Department since February 1970.**

The peak load demand of Manipur in 1971 was 3.6 MW only. The demand was met from the State's own generating stations and power purchased from the

neighbouring states/Electricity Board at the low voltage. The per capita consumption of energy was 4.84 KWh. The demand was kept suppressed due to lack of generation till the year 1980. The scenario was abruptly changed after the purchase of bulk power from Assam with the commissioning of 132 KV inter-state transmission line from Imphal to Dimapur and 6.3 MVA, 132/33 KV sub-station at Yurembam in December 1981. The situation was further alleviated with the **commissioning of Loktak Hydro Electric Project having a capacity of 3x35 MW on 4th of August 1984.**

During the years from 1984 to 1996, a number of Central Sector Power Projects, mostly hydel projects in the North Eastern Region were commissioned. Every project has a share of about 7-8% for Manipur. Because of the availability from such projects, the peak demand of the state has increased gradually over the period of time.

After the enactment of Electricity Act 2003, various reforms have been initiated in the power sector including restructuring of integrated State Electricity Boards into separate companies. The Electricity Department of Manipur had also initiated the process of reforms and restructuring and had engaged M/s SBI Caps to advise the Department on process of corporatization and restructuring of the Electricity Department. In FY 2013-14, **with effect from 1st Feb' 2014, Electricity Department of Manipur (EDM) has been restructured and separated into two different entities - 1) Manipur State Power Distribution Corporation Limited (MSPDCL) and 2) Manipur State Power Corporation Limited (MSPCL).**

Accordingly, the tariff filing for Wheeling and Retail Supply Business will be done by MSPDCL and that of Transmission will be done by MSPCL and submitted to JERC.

Table 4-1: The details of Transmission network capacity snapshot of MSPCL (as submitted) for FY 2024-25

Voltage Level	400 kV	132 kV	33 kV

Voltage Level	400 kV	132 kV	33 kV
No. of Substations	1	16	112
Transformation Capacity (MVA)	315	677	997.5
Transmission Line (Ckt. Kms.)	90.2	839.532	1848.20

5. Final True up of ARR for FY 2024-25

5.1. Introduction

JERC (Multi Year Tariff) Regulations, 2014 read with JERC (Multi Year Tariff) (First Amendment) Regulations, 2019 requires MSPCL to submit the truing up of the previous year in each year of the Control Period along with the APR of the current year & Tariff Petition of the ensuing year.

The Hon'ble Commission had issued the Tariff Order of MSPCL for the FY 2024-25 on 14.06.2024. Further, the Hon'ble Commission has approved the revised Estimates vide its APR Order for the FY 2024-25 dated 26.03.2025.

Therefore, MSPCL has considered the values approved in the ARR, Annual Performance Review vis-à-vis values as per audited annual accounts for Truing up of its expenses of FY 2024-25.

The truing up exercise is carried out in accordance with Regulation 10.3 of the MYT Regulations, 2014, which are as follows:

“The scope of the truing up shall be a comparison of the performance of the Generating Company or Transmission Licensee or Distribution Licensee with the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise of the following:

- (i) a comparison of the audited performance of the applicant for the previous financial year with the approved forecast for such previous financial year, subject to the prudence check including pass-through of impact of uncontrollable factors;*
- (ii) Review of compliance with directives issued by the Commission from time to time;*
- (iii) Other relevant details, if any.”*

Regulations 5.2 (ii) of the JERC (Multi Year Tariff) (First Amendment) Regulations, 2019 provides as follows:

“From the second year of the Control Period onwards and upto the last year of the Control Period, the Petition in each year shall comprise of:

a) Truing Up for the previous year with audited accounts, and Annual Performance Review (APR) with revision of ARR approved in MYT Order for current year and revised projection of ARR approved in MYT Order for the ensuing year in accordance with these Regulations.....”

5.2. Transmission system availability

Petitioner’s Submission:

Regulation 61.1 of the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi-Year Tariff) Regulations, 2014 provides that the Transmission System Availability shall be 98% for full recovery of the Transmission Charges. The relevant para is as follows:

“61.1 Target availability for full recovery of annual transmission charges:

- (i) AC system : 98 per cent;*
- (ii) HVDC bi-pole links : 92 per cent;*
- (iii) HVDC back-to-back stations : 95 per cent;*

Note 1: Recovery of annual transmission charges below the level of target availability shall be on pro rata basis. At zero availability, no transmission charges shall be payable.”

MSPCL submitted that it has achieved the targeted system availability during FY 2024-25. The voltage wise actual system availability during FY 2024-25, along with projections for FY 2025-26 and FY 2026-27 are as tabulated below:

Table 5-1: Transmission System Availability as per Petitioner Submission for FY (in %)

Transmission System Availability	132 KV S/s	132 KV line	33 KV S/s	33 KV Line
FY 2024-25	>98%	>98%	>98%	>98%
FY 2025-26	>98%	>98%	>98%	>98%
FY 2026-27	>98%	>98%	>98%	>98%

MSPCL has requested the Hon'ble Commission to consider the same and approve the full recovery of the Transmission Charges for achieving the targeted system availability during FY 2024-25.

Commission's Analysis:

The commission has noted the transmission availability of >98% during FY 2024-25. However, the submission lacks documentary proof along with the detailed calculation. As such the Commission directed the petitioner to submit detailed calculations along with a certificate from the SLDC verifying the transmission network availability figures.

The petitioner in its response provided the certificate issued by SLDC against the claimed transmission availability >98% for FY 2024-25 and for FY 2025-26 (first half of the year).

As such the Commission hereby approves the transmission availability of >98% for FY 2024-25 to recover the full costs in true-up filings when made in due course for this year. **However, the Commission directs that MSPCL shall adhere to the methodology prescribed by the Commission for calculating transmission availability. Going forward, from the next year the Commission will impose penalties, if the reported figures are not supported by authenticated data.**

5.3. Transmission Loss

Petitioner's submission

The Hon'ble Commission had penalised the MSPCL by deducting 10% of RoE during the truing up of FY 2022-23 for non-achievement of the targeted Transmission Loss in its earlier orders.

As provided earlier, It has been submitted that the State of Manipur is mostly a hilly area, and the average distance between two localities is much higher compared to other states. Therefore, due to higher Transmission Line length, technical losses are also on the higher side. Further, MSPCL is entirely dependent on MSPDCL to meet its financial requirements for regular maintenance work. However, due to the non-availability of the funds on time, MSPCL is not in a position to maintain the technical standards to achieve its targeted Transmission Loss.

Further, it has been submitted that MSPCL has computed its Transmission Loss for the FY 2024-25 based on the metering points that come under Substation Division – I (Which covers most of Imphal City Area) for a particular month, considering the data accountability of the meters covered.

Further, MSPCL submitted that the total Transmission Loss calculation for the state is not possible due to data unaccountability of most of the meters. MSPCL, in this regard, submits its issues as follows:

- Overall metering points are not covered in SAMAST Project, even so data for those meters are taken from the concerned substations manually from the existing meters to compute Transmission Loss for the FY 2024-25.
- Some Meter data are erroneous due to technical issues like CT/PT related issues, Phase imbalance issues at Substations.
- Most of the data available are not accountable at the substation level itself as input and output energy do not sum-up.

MSPCL is giving its full efforts to overcome this situation. However, due to not receiving the funds in a timely manner, it is not in a position to project its regular R&M works.

Further, it has been submitted that MSPCL have also maintained its 33 KV network, and the Losses in 33 kV network are on the higher side. Therefore, the

comparison of Transmission Loss with other Transmission Utilities having Transmission networks above 33 KV level may not be appropriate.

Based on the above facts, MSPCL has requested the Hon’ble Commission to kindly consider the same and approve the Transmission Loss as tabulated below:

Table 5-2: Transmission loss (in %)

Sl. No.	Transmission Loss	FY 2024-25	FY 2025-26	FY 2026-27
		(Actual)		
1	400 / 132 KV Level	1.27%	1.40%	1.40%
2	132/33 KV Level	1.93%	2.75%	2.75%
3	33 KV Level	4.00%	3.00%	3.00%
4	Overall Transmission Losses (in %)	7.05%	7.08%	6.99%

Keeping in view the above submissions, MSPCL has requested the Hon’ble Commission to consider and approve the same.

Commission’s Analysis

The Petitioner has submitted its actual Transmission Losses for FY 2024-25 at 7.05%. In its filing, the Petitioner stated that the said Transmission Loss figure has been computed based on the metering data available at the metering points falling under Substation Division – I, which predominantly covers the Imphal City Area, for a particular month, taking into account the data accountability of the meters under its coverage.

The Commission takes **serious cognizance** of the methodology adopted and the Transmission Loss figure so submitted by the Petitioner, and expresses concern over the reliability, accuracy, and representativeness of the said computation. The Commission is of the firm view that the actual Transmission Losses as submitted is incomplete, not credible or reliable. It is axiomatic that the Transmission Loss figure for the entire State Transmission Utility cannot be extrapolated from the metering data of a single Substation Division covering a limited geographical area for a few solitary months. Such a selective and unrepresentative methodology is inadequate and scientifically untenable for the purpose of determining system-

wide Transmission Losses.

The Commission as such directed the petitioner to provide justification for selecting only the mentioned Substation Division - I, but not others where the metering is available and further, provide a detailed calculation of Transmission Losses for FY 2024-25, in Excel considering the meter readings and other parameters, justifying the submitted Transmission Loss duly certified by SLDC.

In response to the aforesaid directive, the Petitioner furnished a revised computation of network losses, encompassing the transmission chain, commencing from 400 kV Line Losses, 400/132 kV Transformation Losses, 132 kV Line Losses, 132/33 kV Transformation Losses, 33 kV Line Losses, and 33/11 kV Transformation Losses, computed for a few randomly selected months. The aggregate Transmission Losses as per the said computation were arrived at 7.204% (arithmetic sum) as certified by the SLDC, which is approximately at par with the target of 7.20% set by the Commission for FY 2024-25.

The Commission notes that the revised Transmission Loss figure of 7.204% is marginally in excess of the target of 7.20% stipulated in the Commission's Order dated 26.03.2025 for the APR of FY 2024-25. In the said Order, the Commission had categorically stipulated that: ***Any underperformance if any noticed in FY 2024-25 with regard to actual losses above 7.20% will be penalized by cutting down the RoE by 10% for every failure to reduce loss upto 1% or part thereof w.r.t Tariff Order approved losses.***

While the Commission observes that the revised Transmission Losses of 7.204% are at par with the target of 7.20%, the Commission is not satisfied with the way the Petitioner has approached the computation and reporting of Transmission Losses. The following serious deficiencies are hereby placed on record:

- a) The initial computation of Transmission Losses was based on a fundamentally flawed and unrepresentative methodology, relying on metering data from a single Substation Division for few solitary month, which is wholly unacceptable for a State Transmission Utility;

- b) The revised computation, though encompassing the entire transmission chain, was based on randomly selected months rather than a comprehensive analysis of the full financial year, thereby raising questions about the consistency and reliability of the data;
- c) The Petitioner's inability to provide a comprehensive, year-round, meter-based energy accounting of Transmission Losses reflects a serious deficiency in the metering infrastructure and energy audit mechanisms deployed across the transmission network.

In view of the foregoing observations, **the Petitioner is directed to submit a detailed action plan within 30 days from the issuance of this order to undertake immediate and time-bound deployment of adequate metering infrastructure, including Availability Based Tariff (ABT) compliant meters and energy audit systems, at all critical metering points across the entire transmission network, to enable accurate, real-time, and comprehensive energy accounting of Transmission Losses on a continuous basis and act accordingly. Further, the Licensee shall endeavor to reflect their annual loss achievements in their respective audited annual accounts every year as part of record for future references.**

5.4. Capital Work in Progress (CWIP) and Capitalization

Petitioner's submission

MSPCL has submitted that it has considered the opening balance for CWIP and addition of Capex during the year as per the annual accounts of FY 2024-25.

The details of the actual addition to the Capital Work in Progress (CWIP) for the FY 2024-25 are as follows:

Table 5-3: Capital Work in Progress addition for True-Up for FY 2024-25 as per Petitioner (in Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25

1	CWIP Opening Balance	296.57	266.61	266.61
2	Capital Investment during the Year	105.87	57.46	44.11
4	Less: Investment Capitalized during the Year	-	16.06	66.62
6	CWIP Closing Balance	402.44	308.01	244.10

The Commission had approved a total capital investment of Rs. 105.87 Cr. for FY 2024-25 vide its ARR Order, However, keeping in view of the actual progress of all ongoing projects of MSPCL, and further, the budget outlays for Capital assets, the Hon'ble Commission revised the addition of CWIP to Rs. 57.46 Cr. for the FY 2024-25 vide APR order dated 14.06.2024.

It is submitted that the actual addition to the CWIP as per the annual accounts of MSPCL was lower due to the current unrest situation within the state of Manipur.

Further, the Commission had approved NIL Capitalization for the FY 2024-25 in ARR which was later revised to Rs. 16.06 Cr. in the APR Order for FY 2024-25.

MSPCL has submitted that it has considered capitalisation as per the annual accounts of FY 2024-25. Accordingly, the summary of the approved and actual capital expenditure & capitalization of FY 2024-25 are tabulated below:

Table 5-4: Addition in CWIP and Capitalization for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Capital Expenditure	105.87	57.46	44.11
2	Capitalisation	-	16.06	78.12

Therefore, it has been requested that the Hon'ble Commission kindly consider the above submission and approve the CWIP and Capitalization as claimed above.

Commission's Analysis:

The claimed values of CWIP and Capitalisation were corroborated against the audited actuals and found to be accurate. MSPCL had submitted its approved audited accounts statements to the Commission for verification along with the filing. Accordingly, the actual CWIP expenditure, as reflected in the audited accounts, is hereby approved.

However, to put on record the petitioner, after directing, has not submitted the scheme wise breakup of the amount capitalized and the scheme wise break up of the opening amount of CWIP.

5.5. Gross Fixed Assets (GFA) and Depreciation

Petitioner's submission

MSPCL has submitted that it has also incurred expenses towards assets which are capital in nature but not part of any ongoing schemes in FY 2024-25. Therefore, MSPCL has directly capitalised the same as per its annual accounts of FY 2024-25. Further, it has also considered Opening GFA Balance as per the annual accounts for the computation of the Closing GFA balance for the FY 2024-25.

The detailed computation of the closing balance of GFA for the FY 2023-24 is tabulated below:

Table 5-5: Gross Fixed Assets for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Opening Gross Fixed Assets (GFA)	2,193.62	-	2,207.49
2	Addition during the year	-	16.06	78.12
3	Reversal/Disposals during the Year	-	-	4.21
4	Capitalization of Expenses	-	-	-
5	Closing Gross Fixed Assets (GFA)	2,193.62	-	2,281.40

Therefore, it has been requested that the Hon'ble Commission kindly consider the above submission and approve the Closing GFA for the FY 2024-25 as computed above.

Regulation 28.1 of the JERC MYT Regulations 2014, provides that the depreciation shall be allowed on the capital cost as admitted by the Commission. Regulation, 28.2(ii) further provides that the depreciation shall be computed annually based on the straight-line method at the rates specified in Annexure I of the MYT Regulations.

Further, as per the Accounting Standard 12- 'Accounting for Government Grants' read with Accounting Standard -10 'Property, Plant and Equipment' guidelines of The Institute of Chartered Accountants of India (ICAI), depreciation should be claimed on net expenditure after excluding assets funded through government grants. In MSPCL, the majority of the assets are funded through government grants and, therefore, depreciation has not been claimed on the assets funded through government grants in the ARR in line with the practice followed by the Commission in the previous Tariff Orders.

The Hon'ble Commission vide Tariff Order dated 14.06.2024 has considered the depreciation as per the books of accounts of MSPCL and further considered 1% of the total depreciation as the depreciation on the GFA, which was not funded through govt. grants for its true-up exercise. Accordingly, MSPCL has also considered the depreciation as per the books of accounts of MSPCL for the FY 2024-25. The details of the Depreciation as per the Books of Accounts of MSPCL are as follows:

Table 5-6: Depreciation as per Books of Account for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Particular	Gross Block				Depreciation during the Year
	Opening Balance	Addition during the year	Reversal/ Disposal during the Year	Closing Balance	
Land & Land Development	19.72	-	-	19.72	-
Plant & Machinery	1,961.87	73.95	4.21	2,031.61	46.59
Building	221.61	4.04	-	225.66	3.60
Furniture & Fittings	0.67	0.13	-	0.80	0.06
Computer	0.52	-	-	0.52	-
Office Equipment	0.08	-	-	0.08	-
Vehicles	3.02	-	-	3.02	0.13
Total	2,207.49	78.12	4.21	2,281.40	50.38

Further, it has been submitted that the MSPCL has received Grant for the creation of its assets. However, apart from the Govt. grant, it has also capitalised assets from its Internal Resources Fund.

It has been submitted that the MSPCL has not maintained separate details of assets created by Grants and assets created through Internal Resources fund. Therefore, it has always adopted the methodology considered by the Hon'ble Commission for computing the allowable depreciation for the respective years.

The Hon'ble Commission earlier had adopted a normative rate of 1% of the total depreciation for the projects which were not created through any grants. Accordingly, MSPCL has also followed the same approach for claiming the Depreciation.

Accordingly, the MSPCL at this stage has considered the norm of 1% of the total Depreciation on the assets that are not created through grants for the FY 2024-25.

The details of the computation of depreciation, along with depreciation claimed (non-Grant assets) in truing up for the FY 2024-25 are provided in the tables below.

Table 5-7: Depreciation for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Opening Gross Fixed Assets	2,193.62	-	2,207.49
2	Addition during the year	-	16.06	78.12
3	Capitalization of Expenses	-	-	-
4	Closing Gross Fixed Assets	2,193.62	16.06	2,281.40
5	Average GFA	2,193.62	2,215.64	2,244.44
6	Depreciation as per the books of accounts	-	-	50.38
7	Total Depreciation	49.26	49.40	50.38
8	Allowable depreciation (%)	1.00%	1.00%	1.00%
9	Depreciation allowed	0.49	0.49	0.50

Accordingly, MSPCL has requested the Hon'ble Commission to consider and allow depreciation as claimed above without any further deduction, as MSPCL is allowed to claim only its actual expenditures during truing up.

Commission's Analysis

The Commission has taken note of the submissions made by MSPCL regarding the funding of assets mostly through grants. Further, it is also observed that MSPCL has not taken any loans for capital expenditure. As such, the assets funded through non grants portion is calculated based on the paid equity capital reflected in the audited balance sheet of MSPCL. Accordingly, the Commission has computed the allowable Depreciation based on the ratio of average Equity (paid up capital) to the average Gross Fixed Assets (GFA). The said ratio for FY 2025-26 has been determined at 1.09%. The application of this methodology ensures that the Depreciation allowed to the Licensee is commensurate with the equity-funded component of the asset base. For calculation of depreciation, the Commission has taken the average depreciation rate of of 2.245% on the average GFA — being the

actual rate of Depreciation as reflected in the audited Balance Sheet of MSPCL for Fy 2024-25.

Upon applying the aforesaid allowable depreciation ratio of 1.09% to the total Depreciation based on 2.245%, as computed at the rate the resultant allowable Depreciation for the purpose of True-Up of FY 2025-26 has been arrived at Rs. 0.5493 Crores.

Accordingly, the Commission hereby approves the allowable Depreciation for FY 2025-26 at **Rs. 0.5493 Crores**

5.6. Operation and Maintenance Expenses

Petitioner's submission

Regulation 62.5 of the JERC MYT Regulations, 2014 provides that the Operation and Maintenance (O&M) Expenses shall comprise the following elements:

- a. Employee Expenses.
- b. Repair and Maintenance (R&M) Expenses.
- c. Administrative and General (A&G) Expenses.

MSPCL has submitted that it has prepared its Annual Accounts for the FY 2024-25. Therefore, MSPCL has computed Operation and Maintenance Expenses of FY 2024-25 by summarising each of the components based on the actual expenses as reflected in the annual accounts of MSPCL.

The following paras shows the detailed computation of each component of O&M Expenses based on the audited Annual accounts for consideration & approval of the Hon'ble Commission.

5.6.1. Employee Expenses

MSPCL submits that employee expenses comprise costs towards salaries, medical expense reimbursement, other allowances and staff welfare expenses. Details of actual Employee Cost incurred by MSPCL for the FY 2024-25 based on annual accounts and approved figures are as shown in the table below:

Table 5-8: Employee Expenses for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Employee Expenses	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Salaries	84.91	78.54	67.09
2	Medical Reimbursement			0.13
3	Contribution to new Pension Scheme			4.58
4	Grand Total	84.91	78.54	71.80

Therefore, it has been requested that the Hon'ble Commission kindly consider and allow the Employee Expenses as claimed by MSPCL.

Commission's Analysis

Initially, the Commission, in its Tariff Order dated 14.06.2024, had approved Rs. 84.91 Crores towards employee cost expenses. Subsequently, this was revised downward to Rs. 78.54 Crores in the APR Order issued on 26.03.2025. It is observed that the actual employee expenses claimed reflect an increase of 3% over the actual values considered during the true-up of FY 2023-24, i.e., Rs. 69.54 Crores, which is reasonable, considering the increase in salaries and other benefits. Accordingly, the employee cost is now approved under true-up stands at Rs. 71.7987 Crores for FY 2024-25, based on actuals incurred.

MSPCL had submitted the Statutory Auditor's approved annual accounts statements for FY 2024-25 for scrutiny by the Commission. The same were verified against the audited actuals and approved upon due verification.

5.6.2. Repair & Maintenance Expenses

Petitioner's Submission:

MSPCL has submitted that Repair & Maintenance Expenses include expenses on repair and maintenance of Plant and Machinery, Transformers, Lines, cable network, etc. It is important for MSPCL to incur the R&M expenses in order to maintain and strengthen the transmission system for quality power supply in the

region and achieve system availability as specified in JERC MYT Regulations, 2014. The actual R&M expenses as per the annual accounts for FY 2024-25 is tabulated below:

Table 5-9: Repair and Maintenance Expenses for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Particular	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Building	12.97	7.29	0.29
2	Plant & Machinery			4.06
3	Vehicle			0.06
4	O&M Expenses (Others)			3.44
5	Land Development Expenses (Forest Clearance/ Legal/ Land Compensation)			1.40
6	Division & Misc. Expenses (R&M) Reimbursement			1.17
7	Heavy Fuel Oil Spill			0.28
8	Transformer Oil Expenses			0.87
9	Total R&M Expenses			12.97

Accordingly, it has been requested that the Hon'ble Commission kindly consider and approve the Repair and Maintenance Expenses of FY 2023-24 as submitted above.

Commission's Analysis

The Commission, in its Tariff Order dated 14.06.2024, had approved Rs. 12.97 Crores towards Repair & Maintenance (R&M) Expenses. Subsequently, this was revised downward to Rs. 7.29 Crores in the APR order issued on 26.03.2025, based on half yearly progress.

It is observed that the actual R&M Expenses claimed reflect a substantial increase of 67% over the actual values considered during the true-up of FY 2023-24, i.e., Rs. 6.94 Crores, which the Commission considers to be significantly high, and the

petitioner needs to analyse the reasons for such increase and control the increase of such expenses in future.

However, it is observed that the actual R&M Expenses claimed is within the MYT approved figures vide order dated 14.06.2024. Also, the R&M expenses constitute 0.51% of the Average Gross Fixed Assets (GFA), which is close to the acceptable industry norms. Accordingly, the R&M Expenses now approved under true-up stand at **Rs. 11.5743 Crores** for FY 2024-25, based on actuals incurred.

MSPCL had submitted the Statutory Auditor's approved annual accounts statements for FY 2024-25 for scrutiny by the Commission. The same were verified against the audited actuals and approved upon due verification.

The Petitioner is hereby directed to continuously monitor its actual expenses and ensure that the R&M Expenses do not exceed the approved values in the future years.

5.6.3. Administrative and General Expenses

Petitioner's Submission:

MSPCL has submitted that A&G Expenses comprise expenses towards Conveyance and Travelling, Electricity Charges, Miscellaneous Expenses, Telephone Expenses, Fees and Subscriptions, Legal Charges, and Printing and Stationery. The following table shows Actual A&G expenses claimed by MSPCL for the FY 2024-25 based on annual accounts:

Table 5-10: Administrative & General Expenses (A&G) for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Particular	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Auditors Remuneration	17.29	13.43	0.01
2	Advertisement			0.09
3	Electricity Expenses			5.32
4	Hire Charges			0.12

5	Legal & Professional Fees			0.39
6	Office Expenses			0.02
7	JERC Fees			0.13
8	Interest on GST			0.00
9	Internet Expenses			0.08
10	ROC Expense			0.30
11	Late Fees			0.00
12	Bank Charges			0.00
13	Printing & Stationery			0.10
14	IT Expenses			0.10
15	Telephone Expenses			0.01
16	Travelling Expenses			0.18
17	Prior Period Expenses (O&M Expenses)			4.17
18	Total A&G Expenses	17.29	13.43	11.03

Therefore, MSPCL requests the Hon'ble Commission to consider and approve the A&G Expenses of FY 2024-25 as submitted in the tables above.

Commission's Analysis

The Commission, in its Tariff Order dated 14.06.2024, had approved Rs. 17.29 Crores towards Administrative & General Expenses. Subsequently, this was revised downward to Rs. 13.43 Crores in the APR order issued on 26.03.2025. As against this, the actual Administrative & General Expenses claimed reflect a reduction by 12% over the actual values considered during the true-up of FY 2023-24, i.e., Rs. 12.5526 Crores, which is reasonable.

Further, upon scrutiny of the various Administration & General (A&G) Expenses claimed, duly cross-referenced with the audited accounts statements, it is observed that the Interest on GST amounting to Rs. 0.0011 Crores is not allowable, as no suitable explanation was offered by the Licensee in response to the additional information queries raised by the Commission, for incurring such expenditure. Additionally, the Commission disallows the late fee of Rs. 0.0002 Crores, as the same is attributable to procedural lapses on the part of the Licensee and cannot be passed on to the consumers.

Table 5-11: Approved Administrative & General Expenses (A&G) Expense for True-Up for FY 2024-25

Sl. No.	Particular	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25	Approved expenses incurred for FY 2024-25
1	Auditors Remuneration	17.29	13.43	0.0070	0.0070
2	Advertisement			0.0899	0.0899
3	Electricity Expenses			5.3206	5.3206
4	Hire Charges			0.1245	0.1245
5	Legal & Professional Fees			0.3891	0.3891
6	Office Expenses			0.0162	0.0162
7	JERC Fees			0.1300	0.1300
8	Interest on GST			0.0011	0.0000
9	Internet Expenses			0.0788	0.0788
10	ROC Expense			0.3000	0.3000
11	Late Fees			0.0002	0.0000
12	Bank Charges			0.0038	0.0038
13	Printing & Stationery			0.1034	0.1034
14	IT Expenses			0.0988	0.0988
15	Telephone Expenses			0.0148	0.0148
16	Travelling Expenses			0.1804	0.1804
17	Prior Period Expenses (O&M Expenses)			4.1717	4.1717
18	Total A&G Expenses	17.29	13.43	11.0303	11.029

Accordingly, the Administrative & general Expenses now approved under true-up stand at **Rs. 11.029 Crores** for FY 2024-25.

5.6.4. Summary of O&M Expenses

Petitioner's Submission:

Based on the above submission, MSPCL has summarised the actual O&M Expenses of FY 2024-25. The actual expenses as compared to the approved figures for the year are provided below:

Table 5-12: Operation and Maintenance Expenses (O&M) for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Employee Expenses	84.91	78.54	71.80
2	R&M Expenses	12.97	7.29	11.57
3	A&G Expenses	17.29	13.43	11.03
4	Total O&M Expenses	115.17	99.26	94.40

Accordingly, it has been requested that the Hon'ble Commission kindly consider and approve the O&M Expenses for the truing up of FY 2024-25 as submitted above.

Commission's Analysis

As per the element wise analysis provided above, the commission approves the Operation and Maintenance charges as below

Table 5-13: Approved O & M charges for True-Up for FY 2024-25

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25	Approved expenses incurred for FY 2024-25
1	Employee Expenses	84.91	78.54	71.80	71.80
2	R&M Expenses	12.97	7.29	11.57	11.57
3	A&G Expenses	17.29	13.43	11.03	11.03
4	Total O&M Expenses	115.17	99.26	94.40	94.40

5.7. Interest and Finance Charges

Petitioner's submission

MSPCL has also not claimed any Interest and Finance Charges for truing-up of FY 2024-25.

Commission's Analysis

The Commission has observed that no interest and financial charges were incurred as per the audited Profit & Loss Statement submitted by MSPCL and hence, such charges are considered as NIL.

5.8. Return on Equity

Petitioner's submission

Regulation 22 of MYT Regulation, 2014 provides that equity for the purpose of ROI shall be 30% of capital cost or actual equity, whichever is lower. Further, Regulation 26 of MYT Regulation provides that RoE shall be allowed at the rate of 15.5% of Equity as determined under Regulation 22.

MSPCL has submitted that the entire capital expenditure of MSPCL since its inception has been funded by the State Government. However, during the formation of the company, the actual paid-up capital (Equity Shares) was Rs. 10.05 Cr. Further, MSPCL has submitted that it has issued paid-up capital (Equity Shares) of Rs. 28.84 Cr. to the Govt. of Manipur. Therefore, MSPCL has computed the Return on Equity of FY 2024-25 based on the actual Equity base of MSPCL as per the annual accounts.

Further, it is submitted that the MSPCL has not incurred any tax liability during FY 2024-25. Accordingly, MSPCL has not claimed Income Tax for truing up of FY 2024-25.

The detailed computation of RoE claimed for the truing up of FY 2024-25 based on annual accounts and approved figures is tabulated below:

Table 5-14: Return on Equity (RoE) for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Return on Equity	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Opening Equity	10.05	10.05	10.05
2	Addition during the year	-	-	28.84
3	Closing Equity	10.05	10.05	38.89
4	Average Equity	10.05	10.05	24.47
5	Rate of Return on	15.50%	15.50%	15.50%

Sl. No.	Return on Equity	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
	Equity			
6	Return on Equity (Excluding Income Tax)	1.56	1.56	3.79

Therefore, MSPCL has requested that the Hon'ble Commission kindly consider and approve the Return on Equity (RoE) based on actuals of FY 2024-25 as tabulated above.

Commission's Analysis

The Commission has observed that an addition of Rs. 28.84 Crores to the equity base has been effected during FY 2024-25, as duly reflected in the audited accounts. Accordingly, the average equity for the period stands at Rs. 24.47 Crores.

Upon examination of the audited accounts, it is noted that the actual tax liability discharged by MSPCL during FY 2024-25 is nil. Consequently, the Return on Equity (RoE) has been computed at the base rate of 15.5% without grossing up for the applicable tax rate, in accordance with the prevailing regulatory principles.

Furthermore, the Commission, in its Order dated 26.03.2025 pertaining to the Annual Performance Review (APR) for FY 2024-25, had stipulated that *"Any underperformance, if noticed in FY 2024-25, with regard to actual transmission and distribution losses exceeding 7.20% shall be penalized by way of a reduction in the RoE by 10% for every failure to achieve a loss reduction of up to 1%, or part thereof, vis-à-vis the losses approved in the Tariff Order."*

In this regard, the Commission notes that the actual losses as submitted by MSPCL for FY 2024-25 as per SLDC certificate stand at 7.204%, which is very close to the threshold of 7.20% prescribed in the aforesaid Order. Further, the actual level of transmission losses for the entire network cannot be effectively ascertained based on submitted sample data. Accordingly, no penalty on account of underperformance in loss reduction is warranted for the period under review. However, the petitioner needs to comply with the directive of completing the

energy accounting and metering system in a timebound manner, as provided earlier.

In light of the above, and upon thorough scrutiny of the equity position as reflected in the audited Balance Sheet submitted by MSPCL, the Commission hereby approves an amount of **Rs. 3.79 Crores** as the Return on Equity for FY 2024-25 as below

Table 5-15: Approved Return on Equity for True-Up for FY 2024-25

Sl. No.	Return on Equity	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25	Approved expenses incurred for FY 2024-25
1	Opening Equity	10.05	10.05	10.05	10.05
2	Addition during the year	-	-	28.84	28.84
3	Closing Equity	10.05	10.05	38.89	38.89
4	Average Equity	10.05	10.05	24.47	24.47
5	Rate of Return on Equity	15.50%	15.50%	15.50%	15.50%
6	Return on Equity (Excluding Income Tax)	1.56	1.56	3.79	3.79

5.9. Interest on Working Capital (IoWC)

Petitioner's submission

MSPCL has also not claimed any Interest on Normative Working Capital for the FY 2023-24.

Commission's Analysis

The Commission noted that MSPCL itself has not preferred any claim under this head for FY 2024-25, which corroborates the position that no such expenditure has been incurred by the licensee for this purpose. In the absence of any actual financial obligation towards working capital financing, the Commission allows nil expenditure under this head.

5.10. Non-Tariff Income**Petitioner's Submission**

The non-tariff income (NTI) for MSPCL is mainly on account of SLDC charges, interest from bank accounts, Contingency Charges, Dividend income and Agency Charges earned for supervision of deposit works. The details of Non-Tariff Income earned by MSPCL during FY 2024-25, based on annual accounts as compared to NTI approved by the Hon'ble Commission, are as shown below:

Table 5-16: Non-Tariff Income for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Agency Charges	6.85	14.25	2.60
2	Contingency Charges			0.08
3	Bank Interest			6.33
4	Misc. Income			0.94
5	Interest on IT Refund			0.06
6	SLDC Income			2.16
7	Total	6.85	14.25	12.17

Therefore, MSPCL has requested that the Hon'ble Commission kindly consider and allow the Non-Tariff Income claimed as per the annual accounts of FY 2024-25.

Commission's Analysis:

Upon careful examination of the audited accounts submitted by MSPCL and due comparison with the previously approved figures, the Commission verifies the Non-Tariff Income for FY 2024-25 at **Rs. 12.1713 Crores**, being the actual income realized during the said period as below

Table 5-17: Approved Non-Tariff Income for True-Up for FY 2024-25

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25	Approved expenses incurred during FY 2024-25
1	Agency Charges	6.85	14.25	2.60	2.60
2	Contingency Charges			0.08	0.08

3	Bank Interest			6.33	6.33
4	Misc. Income			0.94	0.94
5	Interest on IT Refund			0.06	0.06
6	SLDC Income			2.16	2.16
7	Total	6.85	14.25	12.17	12.17

This amount is accordingly approved for the purpose of True-Up of FY 2024-25.

5.11. Income from Other Businesses

Petitioner's submission

Regulation 64.1 provides as follows:

"64.1 Where the Transmission Licensee has engaged in any Other Business, an amount equal to one-third of the revenues from such Other Business after deduction of all direct and indirect costs attributed to such Other Business shall be deducted from the Aggregate Revenue Requirement in calculating the annual transmission charges of the Transmission Licensee.....:"

MSPCL has submitted that it owns and operates an Optical Ground Wire (OPGW) network spanning approximately 518 km, consisting of 12 fiber pairs. The details of the lines are as follows:

Table 5-18: OPGW Cable Network of MSPCL

SL. No.	Name of Line	Route Length (in km)
1	Yurembam-Yaingangpokpi	44.94
2	Yaingangpokpi – Kongba	35.2
3	Kongba-Thoubal	23.4
4	Thoubal-Kakching	41.3
5	Kakching-Churachandpur	41.35
6	Ningthoukhong-CCPUR	25.52
7	Ningthoukhong-Loktak(NHPC)	11.19
8	Yaingangpokpi – Hundung	29.21
9	Kakching-Chandel	17.45
10	Loktak(NHPC)-Rengpang	42.03
11	Yurembam-Karong	64.2
12	Kakching-Moreh	49.5
13	Rengpang-Tamenglong	21.42
14	Jiribam-Jiribam	1

Further, it has been submitted that out of the total 12 pairs, MSPCL are utilising 2 fiber pairs for internal data and communication requirements, and out of the remaining unused fibre (dark fiber) pairs, some are leased out to licensed Telecom Service Providers (TSPs) and Internet Service Providers (ISPs) for revenue generation.

At present, MSPCL has executed lease agreements with the following entities:

- Powertel (PGCIL) for 10(ten) years.
- Bharat Sanchar Nigam Limited (BSNL) for 5(five) years.
- Bharti Airtel Limited for 5(five) years.
- RailTel Corporation of India Limited for 2(two) years.

In addition to this, Jio Digital Fiber Private Limited have also submitted requests for utilising the remaining unused fiber pairs.

Further, MSPCL has submitted that it is in the process of getting approval from the Govt. of India and further submits that it will also seek the regulatory approval of the Hon'ble MnERC subsequently.

MSPCL has submitted that it has received revenue in respect of leasing out OPGW Cable during FY 2024-25 as per the annual Accounts.

Therefore, based on Regulation 64.1 of the JERC Tariff Regulation, 2014, it has shared 1/3 of such revenue in the Aggregate Revenue Requirement of Truing up for the FY 2024-25. The details of the computation are as follows:

Table 5-19: Revenue from Other Business (OPGW Cable) for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
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1	Income from Other Business (OPGW Cable)	-	-	0.32
2	Expenses from Other Business (OPGW Cable)	-	-	-
3	Net Revenue	-	-	0.32
4	1/3rd Sharing of the Revenue	-	-	0.11

Therefore, MSPCL requests that the Hon'ble Commission kindly consider and allow the Revenue from Other Business (OPGW Cable) claimed as per the annual accounts of FY 2024-25.

Commission's Analysis

Upon careful examination of the audited accounts submitted by MSPCL and due comparison with the previously approved figures, the Commission verifies the Income from Other Business for FY 2024-25 at Rs. 0.32 Crores, being the actual income realized during the said period as below

Table 5-20: Approved revenue from Other Business (OPGW Cable) (Rs. Cr.)

Sl. No.	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25	Approved expenses incurred during FY 2024-25
1	Income from Other Business (OPGW Cable)	-	-	0.32	0.32
2	Expenses from Other Business (OPGW Cable)	-	-	-	-
3	Net Revenue	-	-	0.32	0.32
4	1/3rd Sharing of the Revenue	-	-	0.11	0.11

Accordingly, the commission approves an amount of Rs. 0.11 Crores for the purpose of True-Up to be deducted from the Annual Revenue Requirement for FY 2024-25.

5.12. Aggregate Revenue Requirements

Petitioner's submission

Based on the above paras, the summary of the Aggregate Revenue Requirement claimed for true up of FY 2024-25.

Table 5-21: Aggregate Revenue Requirements for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25
1	Employee Expenses	84.91	78.54	71.80
2	Repair & Maintenance Expense	12.97	7.29	11.57
3	Administrative & General (A&G) Expenses	17.29	13.43	11.03
4	Depreciation	0.49	0.49	0.50
5	Return on Equity (RoE)	1.56	1.56	3.79
6	Income Tax	-	-	-
7	Gross Aggregate Revenue Requirement	117.22	101.31	98.70
8	Less: Non-Tariff income	6.85	14.25	12.17
9	Less: Income from Other Business (OPGW Cable)	-	-	0.11
10	Less: Expenses Capitalized	-	-	-
11	Less: True up Surplus for FY 2015-16 to FY 2021-22	20.15	20.15	20.15
12	Net Aggregate Revenue Requirement	90.22	66.91	66.27

Accordingly, MSPCL has requested the Hon'ble Commission to kindly consider and allow the Aggregate Revenue Requirement of FY 2024-25 as computed in the table above.

Commission's Analysis

Based on the detailed analysis on the item wise cost elements provided above, the ARR summary is provided in the table below:

Table 5-22: Approved Aggregate Revenue Requirements of FY 2024-25 (Rs. Cr.)

Sl. No	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	MSPCL Submission for FY 2024-25	Approved expenses incurred during FY 2024-25
1	Employee Expenses	84.91	78.54	71.80	71.7987
2	Repair & Maintenance Expense	12.97	7.29	11.57	11.5743
3	Administrative & General (A&G) Expenses	17.29	13.43	11.03	11.0290
4	Depreciation	0.49	0.49	0.50	0.5493
5	Return on Equity (RoE)	1.56	1.56	3.79	3.7927
6	Income Tax	-	-	-	-
7	Gross Aggregate Revenue Requirement	117.22	101.31	98.70	98.7440
8	Less: Non-Tariff income	6.85	14.25	12.17	12.1713
9	Less: Income from Other Business (OPGW Cable)	-	-	0.11	0.1068
10	Less: Expenses Capitalized	-	-	-	-
11	Less: True up Surplus for FY 2015-16 to FY 2021-22	20.15	20.15	20.15	20.1500
12	Net Aggregate Revenue Requirement	90.22	66.91	66.27	66.3159

Hence, the Net Aggregate Revenue Requirement is approved at **Rs. 66.3159** Crores for FY 2024-25.

5.13. Revenue Gap/(Surplus)

Petitioner's submission

MSPCL submits that the Hon'ble Commission has approved ARR of Rs. 90.22 Cr. for the FY 2024-25.

However, MSPCL has received Rs. 76.00 Cr. from MSPDCL during FY 2024-25. Therefore, MSPCL has computed the Revenue Gap/(Surplus) of the FY 2024-25, considering the proposed ARR & actual revenue for the year.

The detailed computation of the Revenue Gap/(Surplus) of MSPCL for the FY 2024-25 based on the annual accounts of the year is tabulated below:

Table 5-23: Revenue Gap/(Surplus) for True-up of FY 2024-25 as per petitioner (Rs. Cr.)

Sl. No	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	Claimed for Truing-Up of FY 2024-25
1	Net ARR for Transmission	90.22	66.91	66.27
2	Revenue earned from Transmission Charges/ Revenue Grants Received from Govt.	90.22	66.91	76.00
3	Revenue Gap/(Surplus)	-	-	(9.73)

Accordingly, MSPCL requests the Hon’ble Commission to kindly consider and allow the Revenue surplus of Rs. 9.73 Cr. for truing up of FY 2024-25 as computed in the above table.

Commission’s Analysis

The finalization of the True-Up for FY 2024-25 has been undertaken based on the actual funding received by MSPCL during the said financial year. As per the audited accounts, the revenue from Transmission Charges during FY 2024-25 amounts to Rs. 76.00 Crores. However, it is noted that the approved revenue in the tariff order dated 14.06.2024, was 90.22 crores. It is observed that the revenue is based on the revenue grants received which is not in accordance with the approved tariff. MSPCL should ensure that the revenue earned is in accordance with the approved tariff of the Commission and any differences arising between expenditure and revenue, should be taken up in truing up exercise.

Table 5-24: Approved Revenue Gap status for FY 2023-24 (Rs Crores)

Sl. No	Particulars	Approved in Tariff Order dated 14.06.2024	Approved in APR Dt. 26.03.2025	Claimed for Truing-Up of FY 2024-25	Approved during FY 2024-25
1	Net ARR for Transmission	90.22	66.91	66.27	66.3159
2	Revenue earned from Transmission Charges/ Revenue Grants Received from Govt.	90.22	66.91	76.00	76.0000
3	Revenue Gap/(Surplus)	-	-	(9.73)	(9.6841)

Accordingly, the Commission hereby approves the revenue surplus of **Rs. 9.6841** Crores for FY 2024-25. Since the Commission is of the view that this surplus has arisen on account of uncontrollable factors, it is to be dealt with in accordance with Section 12.1 of the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi Year Tariff) Regulations, 2014, which provides that "*The approved aggregate gain or loss to the Generating Company or Transmission Licensee or Distribution Licensee on account of uncontrollable factors shall be passed through as an adjustment in the tariff of the Generating Company or Transmission Licensee or Distribution Licensee over such period as may be specified in the Order of the Commission passed under these Regulations.*" In line with the above provision, the Commission hereby considers the entire surplus to be passed on and adjusted in the ARR for FY 2026-27.

6. Annual Performance Review of FY 2025-26

6.1. Background

As per JERC (Multi-Year Tariff) Regulations, 2014, MSPCL is required to submit the Annual Performance Review (APR) for the current year. Accordingly, MSPCL has prepared the APR of FY 2025-26 based on the provisions of the JERC (Multi-Year Tariff) Regulations, 2014.

The Hon'ble Commission had approved the ARR of FY 2025-26 in the Tariff Order dated 26.03.2025.

Based on the actual expenses incurred during the first 06 months of FY 2025-26 and actual figures of FY 2024-25, MSPCL has proposed a revision in ARR for FY 2025-26. Detailed explanation for each element and comparison with the amount approved in the Tariff Order for FY 2025-26 dated 26.03.2025 is provided in the sections below:

6.2. Transmission system availability

Regulation 61.1 of the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi-Year Tariff) Regulations, 2014 provides that the Transmission System Availability shall be 98% for full recovery of the Transmission Charges. The relevant para is as follows:

"61.1 Target availability for full recovery of annual transmission charges:

- (i) AC system : 98 per cent;*
- (ii) HVDC bi-pole links : 92 per cent;*
- (iii) HVDC back-to-back stations : 95 per cent;*

Note 1: Recovery of annual transmission charges below the level of target availability shall be on pro rata basis. At zero availability, no transmission charges shall be payable."

MSPCL has submitted that it has achieved the targeted system availability during FY 2024-25. The voltage wise actual system availability during FY 2024-25, along with projections for FY 2025-26 and FY 2026-27 are as tabulated below:

Table 6-1: Transmission System Availability (in %)

Transmission System Availability	132 KV S/s	132 KV line	33 KV S/s	33 KV Line
FY 2024-25	>98%	>98%	>98%	>98%
FY 2025-26	>98%	>98%	>98%	>98%
FY 2026-27	>98%	>98%	>98%	>98%

MSPCL has requested the Hon'ble Commission to consider the same and approve the full recovery of the Transmission Charges for achieving the targeted system availability during FY 2024-25.

Commission's Analysis:

Based on the analysis submitted in the truing up section, the Commission hereby approves the projected transmission availability of >98% for FY 2025-26.

6.3. Transmission Losses

Petitioner's submission

The Petitioner submitted that the MSPCL has computed its Transmission Loss for the FY 2024-25 based on the metering points that come under Substation Division – I (Which covers most of Imphal City Area) for a particular month, considering the data accountability of the meters covered.

Further, MSPCL respectfully submitted that the total Transmission Loss calculation for the state is not possible due to data unaccountability of most of the meters.

MSPCL has requested the Hon'ble Commission to kindly consider the same and approve the Transmission Loss as tabulated below:

Table 6-2: Transmission Loss of FY 2025-26 (in %)

Sl. No.	Transmission Loss	FY 2024-25	FY 2025-26	FY 2026-27
		(Actual)		
1	400 / 132 KV Level	1.27%	1.40%	1.40%
2	132/33 KV Level	1.93%	2.75%	2.75%
3	33 KV Level	4.00%	3.00%	3.00%
4	Overall Transmission Losses (in %)	7.05%	7.08%	6.99%

Keeping in view the above submissions, MSPCL requests the Hon'ble Commission to kindly consider and approve the same.

Commission's Analysis:

As per Tripartite Memorandum of Understanding made on 26.07.2016 between MoP/Govt. Of India and GOM and MSPDCL, Govt. Of Manipur is done with an object to ensure reduction of transmission losses from 3.6% to 3.2% by FY 2018-19. Accordingly, the transmission losses during FY 2018-19 shall be at 3.2%. There seems no great relevance to the figure 3.2% and bringing phenomenal change is not possible in the fag-end of the FY 2024-25 suddenly at this juncture. Following is the voltage wise loss levels data submitted for three (3) years for reference.

The Licensee is showing higher losses at 400/132kV level in FY2025-26 (1.40%) as against the figure claimed as 1.27% in FY2024-25. How that the performance at 400/132kV level will get worsen in FY2025-26. Usually at 400/132kV level there cannot be any human interference or possibility of unexpected commercial losses. Again, in case of 132/33 KV Level the losses are projected to be increased by 42% which is very unexpected.

After seeking justification of the actual transmission losses and asked to verify the calculations, the petitioner has revised the losses to 7.204% as certified by SLDC for FY 2024-25.

The usual trend of Licensee requesting for higher percentage of losses in FY 2025-26 at 7.08% as against the lower projection of 7.05% stated in FY2024-25 and then changing the losses to 7.204% in FY 2024-25 is unreliable. **This kind of loss fluctuations is stated/adopted in each year's filing with no reliability on their achievement of losses reduction.**

As decided by the commission in the previous order stating that

"Commission strongly decides to adopt the revised transmission losses requested by MSPCL for FY 2025-26 at 7.15% and in each year thereafter these transmission losses shall be endeavor to be reduced at least by a minimum of 0.25% every year and any underperformance will attract imposition of penalty for performance mediocrity with certainty on the overall ARR amount in true-up exercise in future.

The penalty cut was already imposed from FY 2022-23 onwards in the True-up as there was no discernable improvement or progress seen in Licensees approach for loss reduction attainment in the past or any strategy for future explained in detail. This method will be continued until such time the Commission feels it can be dispensed with upon observing the discernable improvement in its performance.

The same direction shall prevail in the present order.

6.4. Energy Requirement

Petitioner's submission

The petitioner has not projected any energy requirement during FY 2025-26. However has submitted the energy proposed to be transmitted during FY 2026-27 as below

Table 6-3: Energy to be Transmitted for MSPDCL during FY 2026-27

Particulars	Approved (MUs)
Energy to be transmitted	1701

Commission's analysis

The Commission approves the energy availability at State periphery to be **1108.79 MUs** only after thorough review of MSPDCL energy balance data for FY2025-26. Upon this, transmission loss levels are considered at **7.15%** so approved in tariff order already issued for MSPCL for FY2025-26.

6.5. Capital Work in Progress (CWIP) and Capitalization

Petitioner's submission

MSPCL has considered the closing balance for CWIP of FY 2024-25 as the opening balance of FY 2025-26. Further, MSPCL has also projected capital expenditure and capitalization for FY 2025-26 based on the current status of all ongoing and upcoming projects. The details of the additions to Capital Work in Progress during the year are as follows:

Table 6-4: Capital Expenditure during FY 2025-26 (Rs. Cr.)

Sl.	Name of Project	Cost of Project
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No.		
1	Construction of 132 Single Circuit Line (2nd Circuit) on Double Circuit towers from Leimatak Power House (NHPC) to 132KV Sub-Station at Ningthoukhong .	19.44
2	Construction of 2x2.5 MVA,33/11 kV Substation at Paoyi, along with associated 33kV line.	9.50
3	Construction of 2x2.5 MVA,33/11 kV Substation at Thuyeng along with associated 33kV line.	14.53
4	Construction of 2x5MVA,33/11 kV Substation at Joujangtek along with associated 33kV line	14.00
5	Construction of 2x5 MVA,33/11 kV Substation at Oinam along with associated 33kV line.	13.31
6	Construction of 2x5 MVA,33/11 kV Substation at Gwakhhal along with associated 33kV line.	8.76
7	Construction of 2x5 MVA,33/11 kV Substation at Nampisha along with associated 33kV line.	11.93
8	Construction of 2x5 MVA,33/11 kV Substation at Chingai along with associated 33kV line,	12.62
9	Construction of 2x5 MVA,33/11 kV Substation at Somdal along with associated 33kV line.	10.56
10	Construction of 2x5 MVA,33/11 kV Substation at Akampat along with associated 33kV line.	9.59
11	Construction of 2x5 MVA,33/11 kV Substation at Liyaikhunou along with associated 33kV line.	11.27
12	Construction of 2x5 MVA,33/11 kV Substation at Kachai along with associated 33kV line.	11.24
13	Construction of 2x5 MVA,33/11 kV Substation at Sanakeithel along with associated 33kV line.	11.39
14	Construction of 2x5 MVA,33/11 kV Substation at Nambashi along with associated 33kV line.	11.93

Sl. No.	Name of Project	Cost of Project
15	Construction of 2x5 MVA,33/11 kV Substation at Khongjaron along with associated 33kV line.	7.69
16	Total Capital Expenditure and Capitalisation	177.77

Based on the above, the following Table shows the approved and revised capital expenditure and capitalization considered in the APR of FY 2025-26:

Table 6-5: Capital Expenditure & Capitalization for APR of FY 2025-26 as per petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26
1	Opening CWIP	308.01	244.10
2	Capital Expenditure	80.91	177.77
3	Less: Capitalisation	19.28	177.77
4	Closing CWIP	369.64	244.10

Therefore, it has been requested that the Hon'ble Commission kindly consider and allow the Capital Expenditure and Capitalization for Annual Performance Review as claimed by MSPCL.

Commission's Analysis

The Petitioner has submitted a capital expenditure of Rs. 177.77 Crores and has claimed that the entirety of the said amount is to be capitalized during the same financial year, i.e., FY 2025-26. The Commission, upon preliminary examination of the claim, directed the Petitioner to furnish the actual physical and financial progress of each project along with the status of capitalization thereof.

In response to the aforesaid directive, the Petitioner furnished project-wise details of the progress of works and the status of capitalization. Upon careful examination of the information so provided, the Commission has noted that while a majority of the projects are stated to be in advanced stages of completion, none of the projects have been fully completed and capitalized in their entirety during FY 2025-26.

In the absence of full completion and capitalization of the projects during FY 2025-26, the Commission can not allow the entire claimed amount towards capitalization. Accordingly, taking into consideration the partial completion status of the various projects and applying gestation period of two years, which is consistent with the prevailing industry benchmarks for transmission infrastructure projects, the Commission deems it appropriate to allow capitalization to the extent of 50% of the claimed capital expenditure, i.e., Rs. 88.89 Crores, during FY 2025-26. The said amount shall be transferred to the Gross Fixed Assets (GFA) of MSPCL for the purpose of the APR for FY 2025-26 and shall be reckoned accordingly for the computation of Depreciation and Return on Equity.

The remaining 50% of the capital expenditure, i.e., Rs. 88.88 Crores shall be retained under Capital Work-in-Progress (CWIP) and shall be considered for capitalization and transfer to GFA during FY 2026-27. As such, the revised status of Capital Work-in-Progress (CWIP) for FY 2025-26, as determined by the Commission, is as set out in the table below:

Table 6-6: FY2025-26 CWIP and Capitalisation as per Commission (in Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Opening CWIP	308.01	244.10	244.10
2	Capital Expenditure	80.91	177.77	177.77
3	Less: Capitalisation	19.28	177.77	88.89
4	Closing CWIP	369.64	244.10	332.98

6.6. Gross Fixed Assets and Depreciation

Petitioner's Analysis

MSPCL has considered the closing balance of FY 2024-25 as the opening balance of GFA for FY 2025-26. Addition to the GFA is claimed as computed in the table above. Accordingly, MSPCL has computed the closing GFA for APR of FY 2025-26. The detailed computation, along with approved figures are tabulated below:

Table 6-7: Gross Fixed Assets for APR of FY 2025-26 as per petitioner (Rs. Cr.)

Particulars	Approved vide ARR dated	Revised Estimate
	26.03.2025	for FY 2025-26
Opening GFA	2,233.31	2,281.40
Additions during the year	19.28	177.77
O&M Expenses Capitalisation	-	-
Closing GFA (1+2+3)	2,252.59	2,459.17

Therefore, it has been requested that the Hon'ble Commission kindly consider and allow the GFA balance for the Annual Performance Review as claimed by MSPCL.

Regulation 28.1 of the JERC MYT Regulations 2014, provides that the depreciation shall be allowed on the capital cost as admitted by the Commission. Regulation, 28.2(ii) further provides that the depreciation shall be computed annually based on the straight-line method at the rates specified in Annexure I of the MYT Regulations. Accordingly, MSPCL has considered the rate of depreciation as per Annexure – I of the JERC MYT Regulations, 2014. Accordingly, the computation of Depreciation for the FY 2025-26 is tabulated below:

Table 6-8: Computation of Depreciation for APR of FY 2025-26 as per petitioner (Rs. Cr.)

Particular	FY 2025-26				Rate of	Depreciation
	Opening	Addition	Closing	Average	Depreciation	
Land & Land Development	19.72	0.00	19.72	19.72	0.00%	0.00
Plant & Machinery	2031.61	177.77	2209.38	2120.50	5.28%	111.96
Building	225.66	0.00	225.66	225.66	3.34%	7.54
Furniture & Fittings	0.80	0.00	0.80	0.80	6.33%	0.05
Computer	0.52	0.00	0.52	0.52	15.00%	0.08
Office Equipment	0.08	0.00	0.08	0.08	6.33%	0.01

Vehicles	3.02	0.00	3.02	3.02	9.50%	0.29
Total	2281.40	177.77	2459.17	2370.28		119.92

Further, as per the Accounting Standard 12- 'Accounting for Government Grants' read with Accounting Standard -10 'Property, Plant and Equipment" guidelines of The Institute of Chartered Accountants of India (ICAI), depreciation should be claimed on net expenditure after excluding assets funded through government grants. In MSPCL, the majority of the assets are funded through government grants and therefore, depreciation has not been claimed on the assets funded through government grants in the ARR in line with the practice followed by the Commission in the previous Tariff Orders.

It is submitted that the MSPCL has received Grant for the creation of its assets. However, it has also capitalised assets from its Internal Resources Fund.

Further, it is submitted that the MSPCL has not maintained separate details of assets created by Grants and assets created through the Internal Resources fund. Therefore, it has always adopted the methodology considered by the Hon'ble Commission for computing the allowable depreciation for the respective years.

The Hon'ble Commission earlier has adopted the norm of 1% of the total depreciation for the projects which were not created through any grants. Accordingly, MSPCL has also considered the same approach for claiming Depreciation.

Based on the above, the MSPCL at this stage has considered the normative rate of 1% of the total Depreciation on account of assets that are not created through grants for the FY 2025-26. The details of depreciation claimed (non-grant assets) in the performance review of FY 2025-26 are provided in the table below.

Table 6-9: Depreciation claimed for APR of FY 2025-26 as per Petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26
1	Average value of Gross Fixed Assets	2242.95	2370.28

2	Weighted average Rate of Depreciation	2.23%	5.06%
3	Total Depreciation	49.99	119.92
4	Allowable Depreciation (%)	1.00%	1.00%
5	Allowable Depreciation	0.50	1.20

Accordingly, MSPCL requests the Hon'ble Commission to consider and allow the Depreciation for the APR of FY 2025-26 as claimed in the table above.

Commission's Analysis

In consonance with the partial capitalization of assets as determined and approved by the Commission for FY 2025-26 in the preceding paragraphs, the revised Gross Fixed Assets (GFA) of MSPCL has been recomputed accordingly. The revised GFA position for FY 2025-26, incorporating the capitalization of Rs. 88.89 Crores as approved hereinabove, is set out in the table below:

Table 6-10: Approved Gross Fixed Assets for FY 2025-26 (Rs. Cr.)

Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
Opening GFA	2,233.31	2,281.40	2,281.40
Additions during the year	19.28	177.77	88.89
O&M Expenses Capitalisation	-	-	-
Closing GFA (1+2+3)	2,252.59	2,459.17	2370.28

Based on the revised Gross Fixed Assets (GFA) as approved in the preceding paragraphs, the average GFA during FY 2025-26 has been computed at Rs. 2,325.84 Crores. The average rate of Depreciation has been considered at 2.245%, being the actual depreciation rate as per the audited accounts for FY 2024-25, and the same has been adopted for FY 2025-26.

Further, in consonance with the methodology adopted by the Commission during the True-Up, the allowable Depreciation has been computed based on the ratio of average Equity to the average GFA. The said ratio for FY 2025-26 has been computed at 1.67% for FY 2025-26. The application of this methodology ensures

that the Depreciation allowed is commensurate with the equity funding component or non grant portion of the asset base, in accordance with the established regulatory principles.

Accordingly, the total allowable Depreciation for FY 2025-26 has been computed at Rs. 0.87 Crores. The detailed computation of Depreciation, arrived at through the application of the aforesaid methodology, is set out in the table below:

Table 6-11: Allowed Depreciation for APR of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Average value of Gross Fixed Assets	2242.95	2370.28	2325.84
2	Weighted average Rate of Depreciation	2.23%	5.06%	2.245%
3	Total Depreciation	49.99	119.92	52.21
4	Allowable Depreciation (%)	1.00%	1.00%	1.67%
5	Allowable Depreciation	0.50	1.20	0.87

Further, the Commission directs MSPCL to maintain an asset register encompassing its entire asset base. Starting with the next petition, a complete list of assets must be submitted to support depreciation claims, including each asset's commissioning date and asset value to accurately ascertain the depreciation projections. Failure to provide this information will result in the Commission disallowing any depreciation claims from the following year onward.

6.7. Operation and Maintenance Expenses

Petitioner's submission

Regulation 62.5 of the JERC MYT Regulations, 2014 provides that the Operation and Maintenance (O&M) Expenses shall comprise the following elements:

- a. Employee Expenses.
- b. Repair and Maintenance (R&M) Expenses.

c. Administrative and General (A&G) Expenses.

The following paras shows the detailed computation of each component of O&M Expenses based on the actual expenses incurred in the first 06 months of FY 2025-26 for consideration & approval of the Hon'ble Commission.

6.7.1. Employee Cost**Petitioner's submission**

MSPCL has submitted that it has considered the actual six months of employee cost for FY 2025-26 for estimating employee expenses of FY 2025-26.

It has been submitted that the Govt. of Manipur has cancelled the Recruitment process of 258 No. of employees vide its letter dated 2nd September 2025. MSPCL submits the same as Annexure – 2 for kind consideration of the Hon'ble Commission.

Further, it is submitted that the MSPCL is facing shortage of manpower. Therefore, the MSPCL is taking 86 No. of contractual employees against the vacant sanctioned post. Further, MSPCL respectfully submits that it has also published the notice for such recruitment and submits the same as Annexure – 3 for kind consideration of the Hon'ble Commission. The said recruitment is expected to be completed by December 2025.

Accordingly, MSPCL has considered only 3 months (i.e. January 2026 to March 2026) of salary for the new proposed Recruitment. The strength of the actual No. of Employees, and after the proposed new recruitment is as follows:

Table 6-12: Employee Strength of MSPCL for APR of FY 2025-26 as per Petitioner

Sl. No.	Particulars	Actual for FY 2024-25	Estimated for FY 2025-26
1	Employees at the beginning of the Year	1,348	1,327
2	Add: New Recruitment during the Year	2	86
3	Less Retirement during the Year	23	16

4	Total Employees at the end of the Year	1,327	1,397
5	Average No of Employees during the Year	1,338	1,362

Based on the above submission, MSPCL has requested the Hon'ble Commission to consider and approve the proposed Employee Strength of MSPCL for the FY 2025-26.

Based on the above submissions, the details of revised employee costs for FY 2025-26 and approved figures are given in the table below.

Table 6-13: Employee Expenses of MSPCL for APR of FY 2025-26 as per Petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	Actuals (till September 2025)	MSPCL Submission for APR of FY 2025-26
1	Employee Expense (Rs. Cr.)	80.50	38.87	82.44
2	Average number of employees (numbers)	-	1,338	1,362

Accordingly, MSPCL has requested the Hon'ble Commission to consider and allow the Employee Expenses of FY 2025-26 as claimed in the table above.

Commission's Analysis

The Commission, in its ARR Order for FY 2025-26, had provisionally approved the Employee Cost at Rs. 80.50 Crores. The Petitioner, in its filing, had submitted that 86 new personnel were proposed to be recruited during the year and, accordingly, had estimated the Employee Cost at Rs. 82.44 Crores for FY 2025-26.

During the course of proceedings, the Commission directed the Petitioner to furnish the status of the proposed recruitment as indicated in its petition. In response, the Petitioner submitted that the said recruitment process could not be completed during FY 2025-26 owing to the non-receipt of final approval from the Government of Manipur, and that the same is now expected to be carried forward to the next financial year, i.e., FY 2026-27.

In view of the above, the Commission finds it appropriate to allow the Employee Cost based on the actual expenditure incurred during the preceding year with a reasonable incremental escalation based on trend of past years to take into account for the net increase in salaries and wages. Accordingly, the Commission approves the Employee Cost at Rs. 76.35 Crores for the APR of FY 2025-26, being a 3% increment over the actual Employee Cost of Rs. 74.13 Crores incurred during FY 2024-25. The said escalation rate of 3% is consistent with the actual incremental trend observed from FY 2023-24 to FY 2024-25. Hence, the approved Employee cost is as below

Table 6-14: Approved Employee Expenses of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Employee Expense (Rs. Cr.)	80.50	82.44	74.13

6.7.2. Repair & Maintenance Expenses

Petitioner's submission

MSPCL has submitted that it has maintained its Accounts on an actual basis. Further, MSPDCL has not released its funds in a timely manner against the invoices raised by the MSPCL. Therefore, MSPCL has been able to execute only emergency R&M works during past years. Further, it is submitted that, being a transmission utility, it is necessary to execute R&M works periodically to serve the responsibility as defined in the Electricity Act, 2003.

Therefore, the MSPCL at this stage has revised its R&M Expenses based on the actual requirements. The details of Repair & Maintenance Expenses claimed for APR of FY 2025-26 are tabulated below:

Table 6-15: Repair and Maintenance Expenses for APR of FY 2025-26 as per Petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26
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1	Building	7.65	1.00
2	Plant & Machinery		4.73
3	Vehicle		1.12
4	Computers		0.50
5	Furniture & Fixtures		0.50
6	O&M Expenses (Others)		2.00
7	Land Development Expenses (Forest Clearance/ Legal/ Land Compensation)		2.12
8	Division & Misc. Expenses (R&M) Reimbursement		1.50
9	Transformer Oil & Heavy Fuel Expenses		0.65
10	Total Repair & Maintenance (R&M) Expenses		7.65

Accordingly, MSPCL has requested the Commission to kindly consider and approve the above estimated expenses for FY 2025-26, as the same is necessary for proper maintenance and maintaining quality of supply in the region. This is to ensure consumer satisfaction and transmission system availability at 98%.

Commission Analysis:

The Commission, in its ARR Order for FY 2025-26, had provisionally approved the Repair and Maintenance (R&M) Expenses at Rs. 7.65 Crores. The Petitioner, in its present filing, has now projected the R&M Expenses at Rs. 14.12 Crores for FY 2025-26, which the Commission finds to be unreasonably high and not adequately substantiated.

Upon being directed to furnish justification for the said projection, the Petitioner submitted that it is facing financial constraints on account of delays in the receipt of Transmission Charges from the distribution license. It was further submitted that due to non-recovery of its entire approved ARR for the year, MSPCL has been unable to undertake pre-planned and systematic R&M activities, and consequently, the actual R&M Expenses incurred during FY 2024-25 amounted to only Rs. 7.65 Crores, which pertained predominantly to works of an urgent and exigent nature.

The Commission has carefully examined the submissions of the Petitioner and the trend of actual R&M expenditure over the preceding years. Upon analysis, it is observed that there has been a substantial increase of approximately 67% in the actual R&M Expenses — from Rs. 6.94 Crores during FY 2023-24 to Rs. 11.57 Crores during FY 2024-25. This significant year-on-year escalation indicates that there is a considerable quantum of deferred maintenance and repair works which is resulting in significant increase in FY 2025-26.

In light of the foregoing and considering that the R&M Expenses have already witnessed a substantial increase in the recent past, the Commission is of the considered view that no further escalation in R&M Expenses is warranted for FY 2025-26. Accordingly, the Commission approves the R&M Expenses for the APR of FY 2025-26 at Rs. 11.57 Crores, i.e., at the same level as the actual expenditure incurred during FY 2024-25. Hence, the approved Repair and Maintenance Expenses are approved as below

Table 6-16: Approved Repair and Maintenance Expenses of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Building	7.65	1.00	11.57
2	Plant & Machinery		4.73	
3	Vehicle		1.12	
4	Computers		0.50	
5	Furniture & Fixtures		0.50	
6	O&M Expenses (Others)		2.00	
7	Land Development Expenses (Forest Clearance/ Legal/ Land Compensation)		2.12	
8	Division & Misc. Expenses (R&M) Reimbursement		1.50	
9	Transformer Oil & Heavy Fuel Expenses		0.65	
10	Total Repair & Maintenance Expenses		7.65	

Further, the Petitioner is hereby directed to exercise due diligence in the planning and execution of its Repair and Maintenance activities, and to ensure that the expenditure incurred under this head is maintained within the limits as approved by the Commission from time to time. Any expenditure in excess of the approved level shall be subject to scrutiny and may not be considered admissible, unless adequately justified with supporting documentation in terms of the details of the expenditure incurred along with justification.

6.7.3. Administration and General Expenses

Petitioner's submission

MSPCL has submitted that it has considered the actual six months of A&G Expenses to estimate A&G expenses for the APR of FY 2025-26. The following table shows the A&G Expenses claimed for the annual Performance Review of FY 2025-26.

Table 6-17: Administration and General Expenses of FY 2025-26 as per Petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26
1	Telephone Expenses	14.18	0.30
2	Travelling Expenses		0.53
3	Vehicle Expenses		0.50
4	Printing & Stationery		0.16
5	Advertisement		0.49
6	Electricity Expenses		7.01
7	Miscellaneous Expenses		5.82
8	Legal & Professional Fees		0.21
9	Auditors Remuneration		0.11
10	Vehicle Running Expenses		0.63
11	Fabrication Charges		0.58
12	Office Expenses		1.03
13	Total Administrative & General (A&G) Expenses	14.18	17.36

Therefore, MSPCL requests the Hon'ble Commission to consider and approve A&G Expenses for FY 2025-26 as claimed. Further, MSPCL submits that any variation would be claimed during the truing up of the year.

Commission Analysis:

The Commission, in its ARR Order for FY 2025-26, had provisionally approved the Administration and General (A&G) Expenses at Rs. 14.18 Crores. The Petitioner, in its present filing, has now projected the A&G Expenses at Rs. 17.36 Crores for FY 2025-26, representing an increase of approximately 22% over the provisionally approved level. The Commission observes that the said projection reflects a significant escalation in A&G Expenses, which has not been supported by any clear or cogent justification.

Upon being directed to furnish detailed justification for the aforesaid projection, the Petitioner submitted that it has been facing financial constraints on account of persistent delays in the receipt of Transmission Charges from the distribution licensee. It was further submitted that due to non-recovery of its entire approved ARR over the years, MSPCL has been unable to undertake systematic and pre-planned expenditure management, and consequently, only expenses of an urgent and unavoidable nature were incurred during the preceding years.

It is further submitted that out of the total A&G Expenses of Rs. 17.31 Crores claimed by MSPCL for FY 2025-26, an amount of Rs. 7.01 Crores pertains to Electricity Expenses stated to be payable to the distribution company, i.e., MSPDCL. However, the Petitioner has failed to furnish any supporting documentation or substantive evidence to justify the said claim.

In light of the foregoing observations, and in the absence of adequate justification and supporting documentation for the projected escalation, the Commission is of the considered view that the A&G Expenses for FY 2025-26 ought to be maintained at the level already approved in the ARR Order. Accordingly, the Commission approves the A&G Expenses for the APR of FY 2025-26 at Rs. 14.18 Crores, being the same quantum as provisionally approved in the ARR Order for the said period.

Table 6-18: Approved Administration and General Expenses for APR of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for APR of FY 2025-26
1	Telephone Expenses	14.18	0.30	14.18
2	Travelling Expenses		0.53	
3	Vehicle Expenses		0.50	
4	Printing & Stationery		0.16	
5	Advertisement		0.49	
6	Electricity Expenses		7.01	
7	Miscellaneous Expenses		5.82	
8	Legal & Professional Fees		0.21	
9	Auditors Remuneration		0.11	
10	Vehicle Running Expenses		0.63	
11	Fabrication Charges		0.58	
12	Office Expenses		1.03	
13	Total Administrative & General (A&G) Expenses	14.18	17.36	14.18

It is further directed that any expenditure incurred by the Petitioner in excess of the approved level shall be subject to detailed scrutiny and verification against the audited accounts, and admissibility thereof shall be determined by the Commission based on the merits and justification furnished at that stage.

6.7.4. Summary of O&M expenses

Petitioner's Submission

Based on the above submission, MSPCL has summarised the O&M Expenses for the FY2025-26. The revised estimate of O&M Expenses as compared to the approved figures for the FY 2025-26 are provided below:

Table 6-19: Operation and Maintenance Expenses of FY 2025-26 as per Petitioner (Rs. Cr.) (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	Revised Estimate for FY 2025-26
1	Employee Expenses	80.50	82.44
2	R&M Expenses	7.65	14.12
3	A&G Expenses	14.18	17.36
4	Total O&M Expenses	102.33	113.92

Therefore, MSPCL has requested the Hon'ble Commission to consider and approve O&M Expenses for FY 2025-26 as claimed.

Commission Analysis:

In view of the item-wise analysis and observations detailed in the preceding paragraphs, the Commission hereby approves the aggregate Operation and Maintenance (O&M) Expenses for FY 2025-26 at Rs. 99.89 Crores, as against the total claim of Rs. 113.92 Crores by MSPCL. The component-wise break-up of the approved O&M Expenses is summarized in the table below:

Table 6-20: Approved Operation and Maintenance Expenses of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Employee Expenses	80.50	82.44	74.13
2	R&M Expenses	7.65	14.12	11.57
3	A&G Expenses	14.18	17.36	14.18
4	Total O&M Expenses	102.33	113.92	99.89

6.8. Interest & Finance Charges**Petitioner's submission**

MSPCL has also not claimed any Interest and Finance Charges for FY 2025-26.

Commission's Analysis:

It is observed that there was no external long-term loan liability exists to discharge in FY 2024-25 by MSPCL, **thus no amount is allowed towards interest charges by the Commission for FY 2025-26.**

6.9. Return on Equity**Petitioner's submission**

Regulation 22 of MYT Regulation, 2014 provides that equity for the purpose of ROI shall be 30% of capital cost or actual equity, whichever is lower. Further, Regulation 26 of MYT Regulation provides that RoE shall be allowed at the rate of 15.5% of Equity as determined under Regulation 22.

MSPCL has submitted that the entire capital expenditure of MSPCL since its inception has been funded by the State Government. Therefore, MSPCL has not claimed any return on normative Equity. However, the annual accounts reflected

the actual paid-up capital of 38.89 Cr. during the end of FY 2024-25. Therefore, MSPCL has computed the Return on Equity of FY 2025-26 based on the actual Equity base of MSPCL as per the annual accounts.

Further, MSPCL has not claimed Income Tax for FY 2025-26. Tax, if any, shall be claimed at the time of True-up based on audited figures.

Detailed computation of RoE claimed for APR of FY 2025-26 based on actual Equity base and approved figures is tabulated below:

Table 6-21: Return on Equity (RoE) for APR of FY 2025-26 as per Petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26
1	Opening Equity Balance	10.05	38.89
2	Addition during the year	-	-
3	Closing Equity Balance	10.05	38.89
4	Average Equity Balance for the Year	10.05	38.89
5	Rate of Return on Equity	15.50%	15.50%
6	Return on Equity	1.56	6.03

Accordingly, MSPCL has requested the Hon'ble Commission to consider and approve RoE as claimed for the APR of FY 2025-26.

Commission's Analysis:

Considering no equity addition during FY 2025-26, the average equity for FY 2025-26 is considered Rs.38.89 Crore, which is the approved closing equity of FY 2024-25. Accordingly, the Return on Equity is works out to be Rs.6.03 Crore without any MAT rate related grossing up and the same is approved for APR purpose during FY 2025-26 as below

Table 6-22: Approved Return on Equity (RoE) of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Opening Equity Balance	10.05	38.89	38.89
2	Addition during the year	-	-	-
3	Closing Equity Balance	10.05	38.89	38.89

4	Average Equity Balance for the Year	10.05	38.89	38.89
5	Rate of Return on Equity	15.50%	15.50%	15.50%
6	Return on Equity	1.56	6.03	6.03

However, this figure will be subjected to penalty cut in future at the time of True-up process if the stipulated transmission loss levels are not achieved by the end of this financial year.

6.10. Non-Tariff Income

Petitioner's submission

The non-tariff income (NTI) for MSPCL is mainly on account of SLDC charges, interest from bank deposits, Contingency Charges, and Agency Charges earned for supervision of deposit works.

The details of Non-Tariff Income claimed for the APR of FY 2025-26, as compared to NTI approved by the Hon'ble Commission, are as shown in the Table below:

Table 6-23: Non-Tariff Income for APR of FY 2025-26 as per Petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26
1	Income from SLDC	8.00	2.34
2	Agency Charges		1.61
3	Bank Interest		7.10
4	Other Income		0.38
5	Total Non-Tariff Income	8.00	11.43

Therefore, it has requested that the Hon'ble Commission kindly consider the above submission and approve Non-Tariff Income for the FY 2025-26 as claimed.

Commission's Analysis:

The Commission has examined the Non-Tariff Income projected by the Petitioner for FY 2025-26 in light of the actual Non-Tariff Income realized during the preceding years. It is observed that the actual Non-Tariff Income accrued during FY 2024-25 stood at Rs. 12.17 Crores, whereas the Petitioner has projected a reduced figure of Rs. 11.43 Crores for FY 2025-26, representing a decline of approximately 6% over the preceding year's actuals. The Commission notes that

no adequate justification or cogent reasoning has been furnished by the Petitioner to substantiate the said reduction in the projected Non-Tariff Income.

In the absence of any justifiable basis for the reduced projection, and keeping in view the actual Non-Tariff Income realized by MSPCL during FY 2024-25 as well as the trend of Non-Tariff Income accrued over the preceding years, the Commission is of the considered view that a moderate escalation of 5% over the actual Non-Tariff Income of FY 2024-25 would be reasonable and appropriate for the purpose of the APR for FY 2025-26. Accordingly, the Commission provisionally approves the Non-Tariff Income for FY 2025-26 at Rs. 12.54 Crores, computed as under

Table 6-24: Approved Non-Tariff Income for FY 2025-26

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Income from SLDC	8.00	2.34	12.54
2	Agency Charges		1.61	
3	Bank Interest		7.10	
4	Other Income		0.38	
5	Total Non-Tariff Income	8.00	11.43	12.54

6.11. Income from Other Business

Petitioner’s Submission

It has been submitted that the MSPCL has leased out its OPGW Cable network. Accordingly, it has also considered the revenue from the same for the computation of Net ARR of FY 2025-26.

Further, it has been submitted that the MSPCL is in the process of seeking Regulatory approval for the same. Therefore, it is requested that the Hon’ble Commission kindly consider and grant time to the MSPCL.

The details of Revenue from Other Business (OPGW Cable) claimed for the APR of FY 2025-26 are as shown in the Table below:

Table 6-25: Income from Other Business (OPGW Cable) of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26
1	Income from Other Business (OPGW Cable)	-	1.13
2	Expenses from Other Business (OPGW Cable)	-	-
3	Net Revenue	-	1.13
4	1/3rd Sharing of the Revenue	-	0.38

Therefore, it has been requested that the Hon'ble Commission kindly consider the above submission and approve the Income from Other Business (OPGW Cable) for the FY 2025-26 as claimed.

Commission's Analysis:

In line with the submission made by the petitioner, the commission approves the Income from Other Businesses at Rs. 1.13 Crores for FY 2025-26.

Table 6-26: Approved Income from Other Business (OPGW Cable) of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Income from Other Business (OPGW Cable)	-	1.13	1.13
2	Expenses from Other Business (OPGW Cable)	-	-	-
3	Net Revenue	-	1.13	1.13
4	1/3rd Sharing of the Revenue	-	0.38	0.38

Accordingly, the Commission approves an amount of Rs. 0.38 Crores for the purpose of APR to be deducted from the Annual Revenue Requirement for FY 2025-26.

6.12. Aggregate Revenue Requirements

Petitioner's submission

Based on the above paras, MSPCL submits the summary of the Aggregate Revenue Requirement claimed for the APR of FY 2025-26.

Table 6-27: Aggregate Revenue Requirements for APR of FY 2025-26 as per Petitioner (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26
1	Employee Expense	80.50	82.44
2	R&M Expense	7.65	14.12
3	A&G Expense	14.18	17.36
4	Depreciation	0.50	1.20
5	Add: Return on Equity (RoE)	1.56	6.03
6	Gross Aggregate Revenue Requirement	104.39	121.15
7	Less: Non-Tariff income	8.00	11.43
8	Less: Income from Other Business (OPGW Cable)	-	0.38
9	Less: Expenses Capitalized	-	-
10	Less: True-up Surplus of FY 23-24	6.33	6.33
11	Net Aggregate Revenue Requirement	90.06	103.01

Accordingly, MSPCL has requested the Hon'ble Commission to consider and allow the Aggregate Revenue Requirement of FY 2025-26 as computed in the table above.

Commission Analysis:

Based on the item-wise details of the various cost elements as examined and approved by the Commission for the purpose of APR of FY 2025-26, the summarized ARR is provided below

Table 6-28: Approved Aggregate Revenue Requirements of FY 2025-26 (Rs. Cr.)

Sl. No.	Particulars	Approved vide ARR dated 26.03.2025	MSPCL Submission for APR of FY 2025-26	Approved for FY 2025-26
1	Employee Expense	80.50	82.44	74.13
2	R&M Expense	7.65	14.12	11.57
3	A&G Expense	14.18	17.36	14.18
4	Depreciation	0.50	1.20	0.87
5	Add: Return on Equity (RoE)	1.56	6.03	6.03

6	Gross Aggregate Revenue Requirement	104.39	121.15	106.79
7	Less: Non-Tariff income	8.00	11.43	12.54
8	Less: Income from Other Business (OPGW Cable)	-	0.38	0.38
9	Less: Expenses Capitalized	-	-	-
10	Less: True-up Surplus of FY 23-24	6.33	6.33	6.33
11	Net Aggregate Revenue Requirement	90.06	103.01	87.54

The Commission therefore approves net ARR at Rs. 87.54 Crore for APR purpose as against the MSPCL projected APR amount of Rs.103.01 Crores against their performance review in FY2025-26.

6.13. Revenue Gap/(Surplus)

Petitioner's submission

It is further submitted that the above submissions are for revised estimates of FY 2025-26 based on actual expenditure of the first 6 months of FY 2025-26. Therefore, MSPCL has not computed any Revenue Gap/(Surplus) of FY 2025-26. However, MSPCL submits that it shall claim Revenue Gap/(Surplus) during the truing-up exercise of the year.

Commission Analysis:

The revenue gap shall be determined in the truing up process duly taking into account the actual audited figures as well as the APR figures approved in the present order.

7. Determination of Transmission ARR for FY 2026-27

7.1. Introduction

The Hon'ble Commission has approved the ARR for the MYT Control period of FY 2023-24 to FY 2027-28 vide its MYT Order dated 28th March 2023. Accordingly, MSPCL is now submitting its Tariff Petition for the determination of ARR for the 4th year of the Control Period i.e. FY 2026-27, along with the proposed transmission tariff for FY 2026-27 on the basis of the principles outlined in JERC (Multi-Year Tariff) Regulations, 2014 and provisions as approved in the MYT Order. The following sections explain in detail the basis and forecasts of the various elements/determinants of ARR for FY 2026-27:

7.2. Contracted Capacity in Manipur

Petitioner's Submission

Manipur has allocations from Central Sector Generating Stations of NHPC, NEEPCO (Hydro), NEEPCO(Gas), Tripura Baramura gas-based Power Plant, OTPC Pallatana unit 1&2 (Gas) and NTPC Bongaigaon plant. There is no own generation of Manipur and therefore, it relies mainly on the allocation of power from Central Generating Stations like NHPC, NEEPCO, OTPC Pallatana and Tripura based Baramura power plant to meet its energy requirement. The details of capacity contracted from various generation sources are summarized in the table below:

Table 7-1: Allocated Capacity for the FY 2026-27 (in MW)

Sl. No.	Source	Type	FY 2024-25 (Actuals)	FY 2025-26 (Estimates)	FY 2026-27 (Projection)
1	Kopili -I HEP	Hydro	14.78	14.78	14.78
2	Kopili -II HEP	Hydro	1.74	1.74	1.74
3	Khandong HEP	Hydro	3.28	3.28	3.28
4	Ranganadi HEP	Hydro	33.90	33.90	33.90
5	Doyang HEP	Hydro	5.90	5.90	5.90
6	Pare HEP	Hydro	9.19	9.19	9.19
7	Assam GBPP	Gas	23.59	23.59	23.59
8	AGTPP	Gas	10.69	10.69	10.69
9	Loktak HEP	Hydro	31.62	31.62	31.62

10	NHPC Subansiri	Hydro	-	-	43.00
11	Pallatana GPP	Gas	52.00	52.00	52.00
12	Bongaigaon Thermal PP	Coal	56.29	56.29	56.29
13	NVVN Punatsangchhu II	Hydro	0.00	5.71	5.71
	Total		242.98	248.69	291.69

Commission Analysis:

The Commission has examined the Transmission Allocated Capacity as submitted by the Petitioner for FY 2026-27 and the same is consistent and reasonable. The said capacity figure has been duly cross-verified and corroborated with the corresponding values and data furnished by MSPDCL in its filings and has been found to be consistent and in order.

Accordingly, the Commission adopts a Transmission Allocated Capacity of 291.69 MW for the purpose of the ARR for FY 2026-27, which shall form the basis for the derivation of the Transmission Tariff for the said period.

7.3. Intra-State Transmission Losses in Manipur

Petitioner’s Submission

The Following table shows Transmission Loss was claimed by the MSPCL in this instant Petition:

Table 7-2: Transmission Loss (in %)

Sl. No.	Transmission Loss	FY 2024-25 (Actuals)	FY 2025-26	FY 2026-27
1	400/132 KV Level	1.27%	1.40%	1.40%
2	132/33 KV Level	1.93%	2.75%	2.75%
3	33 KV Level	4.00%	3.00%	3.00%
4	Overall Transmission Loss (in %)	7.05%	7.08%	6.99%

Keeping in view the above submissions, MSPCL has requested the Hon’ble Commission to kindly consider and approve the same.

Commission’s Analysis:

The Commission, in the preceding sections, has taken serious note of MSPCL's persistent inability to complete the metering infrastructure at all critical points necessary for comprehensive energy accounting at the transmission level. This

chronic deficiency has severely impeded the Licensee's capacity to undertake systematic infrastructure planning and efficient operational management.

The Commission further observes that the Petitioner has, year after year, sought to attribute its failure in accurate Transmission Loss computation to the non-completion of the SAMAST project — an explanation that the Commission is no longer inclined to accept. MSPCL has been in existence as a corporate entity since 01.02.2014, and after more than a decade of operations, such repetitive and untenable justifications are wholly unacceptable. The continued inability of the Licensee to accurately account for the energy handled across its network, to reliably ascertain the Transmission Losses sustained in any given financial year, and to effectively manage and maintain the 33 kV network system under its sole control and supervision, is a matter of grave concern.

Therefore, in consonant with the methodology adopted, the Commission decides to adopt the revised transmission losses requested by MSPCL for FY 2026-27 at 6.90% and in each year thereafter these transmission losses shall be endeavor to be reduced at least by a minimum of 0.25% every year and any underperformance will attract imposition of penalty for performance mediocrity with certainty on the overall ARR amount in true-up exercise in future.

The penalty cut was already imposed from FY 2022-23 onwards in the True-up as there was no discernable improvement or progress seen in Licensees approach for loss reduction attainment in the past or any strategy for future explained in detail. This method will be continued until such time the Commission feels it can be dispensed with upon observing the discernable improvement in its performance. **Further, MSPCL shall also submit a time bound action plan for complete metering and energy accounting of the transmission losses, for review and monitoring of the Commission within 30 days of the tariff order.**

7.4. Capital Work in Progress (CWIP) and Capitalization

Petitioner's Submission

MSPCL has considered the closing balance for CWIP of FY 2025-26 as the opening balance of FY 2026-27. Further, MSPCL has projected capital expenditure and capitalization for the FY 2026-27 based on the current status of all ongoing and upcoming projects. The details of new Capital Investment Plan during FY 2026-27 are as follows:

Table 7-3: Capital Investment Plan of FY 2026-27 (Rs. Cr.)

Sl. No.	Name of Project	Cost of Project
1	33 kV System Integration with SLDC System in Manipur. (First Phase-20 RTUs)	24.81
2	Implementation of Scheduling, Accounting, Metering and Settlement of Transactions in Electricity (SAMAST)- Manipur	12.95
3	Construction of 132KV Link Transmission Line for evacuation of power from 400/132KV Sub-Station at Thoubal to 132KV Sub-Station at Moreh .	22.34
4	Installation of 3 nos. of 22 KV line bays for 33/11 KV Koutruk Sub Station and erection of 33 KV line from Iroisemba to National Sports University (NSU), Koutruk on turnkey basis.	5.83
	Total Projected Capital Expenditure	65.91

Based on the status of all ongoing projects, MSPCL has projected Capitalization for the FY 2026-27 as below:

Table 7-4: Capitalization of FY 2026-27 (Rs. Cr.)

Sl. No.	Name of Project	Cost of Project
1	33 kV System Integration with SLDC System in Manipur. (First Phase-20 RTUs)	24.81
2	Implementation of Scheduling, Accounting, Metering and Settlement of Transactions in Electricity (SAMAST)- Manipur	12.95
3	Construction of 132KV Link Transmission Line for evacuation of power from 400/132KV Sub-Station at Thoubal to 132KV Sub-Station at Moreh .	22.34
4	Installation of 3 nos. of 22 KV line bays for 33/11 KV Koutruk Sub Station and erection of 33 KV line from Iroisemba to National Sports University (NSU), Koutruk on turnkey basis.	5.83
	Total Projected Capitalisation	65.91

Based on the above, the following table shows the detailed computation of projected Closing CWIP considered for FY 2026-27:

Table 7-5: Capital Work in Progress for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
1	Opening CWIP Balance	-	244.10
2	Capital Expenditure during the Year	-	65.91
3	Capitalization during the Year	-	65.91
4	Closing CWIP Balance	-	244.10

Therefore, MSPCL has requested that the Hon'ble Commission kindly consider and allow projection of the closing CWIP balance for the FY 2026-27 as computed in the table above.

Commission Analysis:

The Commission, in consonance with the approach consistently adopted during the APR for FY 2025-26, deems it appropriate to allow capitalization to the extent of 50% of the planned capital expenditure for FY 2026-27, with the balance 50% to be carried forward to the subsequent financial year, i.e., FY 2027-28, for capitalization therein, subject to verification of actual completion at the appropriate stage.

Accordingly, against the total capital expenditure of Rs. 65.91 Crores projected for FY 2026-27, the Commission allows capitalization of Rs. 32.96 Crores, being 50% thereof, during the said financial year. In addition, the balance capitalization of Rs. 88.89 Crores carried forward from FY 2025-26, as determined and approved by the Commission in the APR for FY 2025-26, is also reckoned for transfer to Gross Fixed Assets during FY 2026-27.

The aggregate net capitalization approved by the Commission for FY 2026-27, comprising the fresh capitalization of Rs. 32.96 Crores and the carried forward capitalization of Rs. 88.89 Crores from FY 2025-26, thus stands at Rs. 121.84 Crores, as detailed in the table below

Table 7-6: Approved Capital Work in Progress and Capitalization for the FY 2026-27 (Rs. Crs)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27	Approved for FY 2026-27
1	Opening Balance CWIP	-	244.10	332.98
2	Capital Expenditure during the Year	-	65.91	65.91
3	Capitalization during the Year	-	65.91	121.84
4	Closing Balance CWIP	-	244.10	277.05

7.5. Gross Fixed Assets and Depreciation:**Petitioner's submission:**

MSPCL has considered the closing balance of FY 2025-26 as the opening balance of GFA for FY 2026-27 & addition to GFA is claimed as computed in the table above. Accordingly, MSPCL has computed the closing GFA for the FY 2026-27. The detailed computation, along with the approved figures are tabulated below:

Table 7-7: Gross Fixed Assets of FY 2026-27 (Rs. Cr.)

Particular	Proposed For FY 2026-27		
	Opening Balance	Addition during the Year	Closing Balance
Land & Land Development	19.72	0.00	19.72
Plant & Machinery	2209.38	65.91	2275.30
Building	225.66	0.00	225.66
Furniture & Fittings	0.80	0.00	0.80
Computer	0.52	0.00	0.52
Office Equipment	0.08	0.00	0.08
Vehicles	3.02	0.00	3.02
Total	2,459.17	65.91	2,525.08

Accordingly, MSPCL has requested the Hon'ble Commission to consider and approve the Gross Fixed assets as computed for the FY 2025-26.

Commission's analysis:

In consonance with the partial capitalization of assets during FY 2026-27 and carry forwarding the balance remaining capitalization as determined and approved by

the Commission for FY 2025-26, the revised Gross Fixed Assets (GFA) of MSPCL has been recomputed accordingly. The revised GFA position for FY 2026-27, incorporating the capitalization of Rs. 121.84 Crores as approved hereinabove, is set out in the table below:

Table 7-8: Approved Gross Fixed Assets of FY 2026-27 (Rs. Cr.)

Particulars	Revised Estimate for FY 2026-27	Approved for FY 2025-26
Opening GFA	2,459.71	2,370.28
Additions during the year	65.91	121.84
O&M Expenses Capitalisation	-	-
Closing GFA (1+2+3)	2,525.08	2,492.13

7.6. Depreciation Charge for consideration:

Petitioners Submission:

Regulation 28.1 of the JERC MYT Regulations 2014, provides that the depreciation shall be allowed on the capital cost as admitted by the Commission. Regulation, 28.2(ii) further provides that the depreciation shall be computed annually based on the straight-line method at the rates specified in Annexure I of the MYT Regulations. Accordingly, MSPCL has considered the rate of depreciation as per Annexure – I of the JERC MYT Regulations, 2014. Accordingly, MSPCL has computed depreciation for the FY 2026-27. The following table shows the depreciation computed by the MSPCL for the FY 2026-27.

Table 7-9: Depreciation for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Average Value of Assets during the year	FY 2026-27 (Projected)	
			Rate of Depreciation	Depreciation for the Year
1	Land & Land Development	19.72	0.00%	0.00
2	Plant & Machinery	2242.34	5.28%	118.40
3	Building	225.66	3.34%	7.54

Sl. No.	Particulars	Average Value of Assets during the year	FY 2026-27 (Projected)	
			Rate of Depreciation	Depreciation for the Year
4	Furniture & Fittings	0.80	6.33%	0.05
5	Computer	0.52	15.00%	0.08
6	Office Equipment	0.08	6.33%	0.01
7	Vehicles	3.02	9.50%	0.29
8	Total	2,492.13		126.35

Further, it is submitted that as per the Accounting Standard 12 - 'Accounting for Government Grants' read with Accounting Standard -10 'Property, Plant and Equipment' guidelines of The Institute of Chartered Accountants of India (ICAI), depreciation should be claimed on net expenditure after excluding assets funded through government grants. In MSPCL, the majority of the assets are funded through government grants and therefore, depreciation has not been claimed on the assets funded through government grants in the ARR in line with the practice followed by the Commission in the previous Tariff Orders.

Further, it is respectfully submitted that the MSPCL has also capitalised assets from its Internal Resources Fund. However, the MSPCL has not maintained separate details of assets created by Grants and assets created through the Internal Resources fund. Therefore, it has always adopted the methodology considered by the Hon'ble Commission for computing the allowable depreciation for the respective years.

The Hon'ble Commission earlier has adopted a norm of 1% of the total depreciation for the projects that were not created through any grants. Accordingly, MSPCL has also claimed the Depreciation as per the above methodology as adopted by the Hon'ble Commission in its previous Orders. The details of Gross Depreciation and Depreciation claimed (Non-grant assets) for the FY 2026-27 are provided in the tables below:

Table 7-10: Depreciation for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
1	Total Depreciation Computed	1.52	126.35
2	Percentage of assets not funded through grants (%)		1.00%
3	Depreciation to be considered	1.52	1.26

Therefore, it has been requested that the Hon'ble Commission kindly consider and approve the depreciation for the FY 2026-27 as claimed.

Commission's Analysis:

Based on the revised Gross Fixed Assets (GFA) as approved in the preceding paragraphs, the average GFA during FY 2026-27 has been computed at Rs. 2,431.21 Crores. The average rate of Depreciation has been considered at 2.245%, being the actual depreciation rate as per the audited accounts for FY 2024-25, and the same has been adopted for FY 2026-27.

Further, in consonance with the methodology adopted by the Commission during the APR, the allowable Depreciation has been computed based on the ratio of average Equity to the average GFA. The said ratio for FY 2026-27 has been computed at 1.60%. The application of this methodology ensures that the Depreciation allowed is commensurate with the equity funding component of the asset base, in accordance with the established regulatory principles.

Accordingly, the total allowable Depreciation for FY 2026-27 has been computed at Rs. 0.87 Crores. The detailed computation of Depreciation, arrived at through the application of the aforesaid methodology, is set out in the table below:

Table 7-11: Allowed Depreciation for APR of FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved for FY 2025-26
1	Average value of Gross Fixed Assets	2431.21
2	Weighted average Rate of Depreciation	2.245%
3	Total Depreciation	54.58
4	Allowable Depreciation (%)	1.60%

Sl. No.	Particulars	Approved for FY 2025-26
5	Allowable Depreciation	0.87

Further, the Commission directs MSPCL to maintain an asset register encompassing its entire asset base. Starting with the next petition, a complete list of assets must be submitted to support depreciation claims, including each asset's commissioning date and asset value to accurately ascertain the depreciation projections. Failure to provide this information will result in the Commission disallowing any depreciation claims from the following year onward.

7.7. Operation & Maintenance Expenses

7.7.1. Operation and Maintenance expenses comprise of the following heads:

Regulation 62.5 of the JERC MYT Regulations, 2014 provides that the Operation and Maintenance (O&M) Expenses shall comprise the following elements:

- a. Employee Expenses.
- b. Repair and Maintenance (R&M) Expenses.
- c. Administrative and General (A&G) Expenses.

The following paras shows the detailed computation of each component of O&M Expenses for consideration & approval of the Hon'ble Commission.

7.7.2. Employee Cost

Petitioner's submission

MSPCL has submitted that it has projected employee expenses for the FY 2026-27 based on the actual employee strength and proposed contractual recruitment of 86 No. of employees during FY 2025-26. The details of the employee expenses projected for FY 2026-27 are tabulated below:

Table 7-12: Employee Expenses for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected For FY 2026-27
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1	Basic Salaries		52.89
2	Additional Pay		-
3	Dearness Allowance (D.A.)		21.64
4	House Rent allowances (HRA)		3.90
5	SCA		4.90
6	Medical Expenses Reimbursement		0.55
7	Conveyance Allowances		2.18
8	Provident Fund Contribution	90.26	5.96
9	Special Pay		-
10	Work Charge & Muster Roll		2.52
11	Total Employee Expenses		94.55
12	Add: Employee Expenses of New Recruitments		0.89
13	Less: Employee Expenses of Retired Employees		-
14	Net Employee Expenses	90.26	95.44

Accordingly, MSPCL has requested the Hon'ble Commission to consider and approve the Employee Expenses for the FY 2026-27 as computed above.

Commission's Analysis

The Commission has observed a recurring pattern in the filings of MSPCL wherein a significantly higher number of employees is projected for recruitment in the ARR petition for the ensuing year, thereby resulting in an inflated estimate of Employee Cost. However, during the subsequent APR proceedings, the same projections are substantially scaled down, reflecting a marked reduction in the actual Employee Cost incurred. The Commission views this practice with concern, as it has the potential to artificially inflate the ARR at the outset, consequently leading to a higher claim of Government subsidy than what may ultimately be warranted based on actual expenditure. Upon careful scrutiny of the past trends and the filing pattern of the Licensee, the Commission has not found any other discernible justification or advantage for the adoption of such an approach.

The Commission, therefore, cautions the Petitioner against the practice of projecting unrealistic and inflated employee strength in its ARR filings, and directs that future projections be made on a prudent and realistic basis, duly supported by concrete evidence of requisite approvals and actionable recruitment plans.

With regard to the present filing, the Commission notes from the response submitted by the Petitioner that the recruitment of additional personnel envisaged during FY 2025-26 could not be undertaken due to the non-receipt of necessary approvals from the Government of Manipur. However, given that MSPCL has initiated the process in FY 2025-26, the Commission has approved the impact projected in FY 2026-27. The actual impact shall be examined and dealt in detail at the stage of True-Up proceedings for the relevant year, upon submission of adequate supporting documentation and audited accounts.

In the interim, and in keeping with the methodology adopted for projection of expenses in the APR proceedings, the Commission deems it appropriate to allow an escalation of 3% over the Employee Cost approved in the APR for FY 2025-26, which is consistent with the incremental trend observed in the preceding years. Accordingly, the Commission approves the Employee Cost for FY 2026-27 at **Rs. 77.43 Crores**, as detailed in the table below

Table 7-13: Approved Employee Expenses for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected For FY 2026-27	Approved for FY 2026-27
1	Basic Salaries	90.26	52.89	76.54
2	Additional Pay		-	
3	Dearness Allowance (D.A.)		21.64	
4	House Rent allowances (HRA)		3.90	
5	SCA		4.90	
6	Medical Expenses Reimbursement		0.55	
7	Conveyance Allowances		2.18	
8	Provident Fund Contribution		5.96	
9	Special Pay		-	

10	Work Charge & Muster Roll		2.52	
11	Total Employee Expenses		94.55	76.54
12	Add: Employee Expenses of New Recruitments		0.89	0.89
13	Less: Employee Expenses of Retired Employees		-	-
14	Net Employee Expenses	90.26	95.44	77.43

7.7.3. Repairs & Maintenance Expenses

Petitioner's submission

MSPCL has submitted that it has estimated the R&M Expenses based on the actual expenses for the past periods & the asset base of the FY 2026-27.

The details of Repair & Maintenance Expenses claimed for the FY 2026-27 are tabulated below:

Table 7-14: Repair and Maintenance Expenses for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
1	Building	11.00	1.04
2	Plant & Machinery		4.92
3	Vehicle		1.16
4	Computers		0.52
5	Furniture & Fixtures		0.52
6	O&M Expenses (Others)		2.08
7	Land Development Expenses (Forest Clearance/ Legal/ Land Compensation)		2.20
8	Division & Misc. Expenses (R&M) Reimbursement		1.56
9	Transformer Oil & Heavy Fuel Expenses		0.68
10	Total Repair & Maintenance (R&M)		11.00

Expenses

Accordingly, MSPCL has requested the Hon'ble Commission to kindly consider and approve the above projected expenses for the FY 2026-27, as the same is necessary for proper maintenance and strengthening of the system and quality of supply in the region in order to ensure consumer satisfaction and transmission system availability at 98%.

Commission's Analysis:

The Commission has examined the Repair and Maintenance (R&M) Expenses claimed by the Petitioner for FY 2026-27 at Rs. 14.69 Crores and observes that the said projection is significantly higher in comparison with the R&M Expenses of Rs. 11.00 Crores approved under the Multi-Year Tariff (MYT) framework for the corresponding period. The Commission finds the claimed amount to be excessive and not adequately justified, as also enumerated in the APR and truing up sections in the present order

In this regard, the Commission notes that the actual R&M Expenses incurred during FY 2024-25 stood at Rs. 11.57 Crores, which itself represented a substantial increase over the preceding years.

In view of the fact that a substantial increase in R&M Expenses has already been accommodated in the recent past, the Commission is of the considered view that a further escalation at the same magnitude would not be prudent or warranted. Accordingly, the Commission deems it appropriate to allow a normative escalation of 3% over the R&M Expenses as approved in the APR for FY 2025-26, considering increase in asset base and inflation.

The Commission, therefore, approves the Repair and Maintenance Expenses for FY 2026-27 at **Rs. 11.92 Crores**, as detailed in the table below:

Table 7-15: Approved Repair and Maintenance Expenses for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated	Projected for FY 2026-27	Approved for FY 2026-27
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28.03.2023				
1	Building	11.00	1.04	11.92
2	Plant & Machinery		4.92	
3	Vehicle		1.16	
4	Computers		0.52	
5	Furniture & Fixtures		0.52	
6	O&M Expenses (Others)		2.08	
7	Land Development Expenses (Forest Clearance/ Legal/ Land Compensation)		2.20	
8	Division & Misc. Expenses (R&M) Reimbursement		1.56	
9	Transformer Oil & Heavy Fuel Expenses		0.68	
10	Total Repair & Maintenance (R&M) Expenses	11.00	14.69	11.92

7.7.4. Administration & General Expense

Petitioner's submission

MSPCL has projected Administration and General Expenses for the FY 2026-27 based on the actual past expenses and the estimated increase in the expenses as per the past trend.

Table 7-16: Administrative and General Expenses for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
1	Telephone Expenses	9.00	0.32
2	Travelling Expenses		0.57
3	Vehicle Expenses		0.54
4	Printing & Stationery		0.17
5	Advertisement		0.53
6	Electricity Expenses		6.80
7	Miscellaneous Expenses		7.36
8	Legal & Professional Fees		0.22
9	Auditors Remuneration		0.12
10	Vehicle Running Expenses		0.57
11	Fabrication Charges		1.72
12	Office Expenses		0.79

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
13	Total Administrative & General (A&G) Expenses	9.00	19.71

Therefore, MSPCL has requested the Hon'ble Commission to consider and approve A&G Expenses for the FY 2026-27 as claimed.

Commission Analysis:

The Commission has examined the Administration and General (A&G) Expenses projected by the Petitioner for FY 2026-27 at Rs. 19.71 Crores and observes that the said projection represents an extraordinarily steep escalation when compared with the A&G Expenses of Rs. 9.00 Crores approved under the Multi-Year Tariff (MYT) framework for the corresponding period, as well as the actual A&G Expenses of Rs. 11.03 Crores incurred during FY 2024-25. The claimed amount constitutes an increase of approximately 119% over the MYT approved level. It is further noted that the Petitioner has failed to furnish any rational basis, cogent reasoning, or logical explanation in support of such an exorbitant projection in its submission. The electricity expenses have also increased in spite of no increase of retail supply tariff during the said period.

The Commission, therefore, finds it neither prudent nor appropriate to accept the projected A&G Expenses as claimed by the Petitioner. In the absence of any credible justification for the said escalation, the Commission deems it appropriate to allow an escalation of 3% over the A&G Expenses as approved in the APR for FY 2025-26.

Accordingly, the Commission approves the Administration and General Expenses for FY 2026-27 at **Rs. 14.61 Crores**, as detailed in the table below:

Table 7-17: Approved Administrative and General Expenses for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27	Approved for FY 2026-27
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1	Telephone Expenses	9.00	0.32	14.61
2	Travelling Expenses		0.57	
3	Vehicle Expenses		0.54	
4	Printing & Stationery		0.17	
5	Advertisement		0.53	
6	Electricity Expenses		6.80	
7	Miscellaneous Expenses		7.36	
8	Legal & Professional Fees		0.22	
9	Auditors Remuneration		0.12	
10	Vehicle Running Expenses		0.57	
11	Fabrication Charges		1.72	
12	Office Expenses		0.79	
13	Total Administrative & General (A&G) Expenses	9.00	19.71	14.61

7.8. Summary of O&M expenses

Petitioner's Submission:

Based on the above submission, MSPCL has summarised the O&M Expenses for the FY 2026-27. The summary of O&M expenses is provided below:

Table 7-18: Operation and Maintenance Expenses for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
1	Employee Expense	90.26	95.44
2	R & M Expenses	11.00	14.69
3	A&G Expenses	9.00	19.71
4	Total O&M Expenses	110.26	129.84

Therefore, MSPCL has requested the Hon'ble Commission to consider and approve O&M Expenses for the FY 2026-27 as claimed.

Commission's Analysis:

The Commission approved element wise O&M expenses for FY2026-27 as tabulated below:

Table 7-19: Approved Operation and Maintenance Expenses for the FY 2026-27

(Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27	Approved for FY 2026-27
1	Employee Expense	90.26	95.44	77.43
2	R & M Expenses	11.00	14.69	11.92
3	A&G Expenses	9.00	19.71	14.61
4	Total O&M Expenses	110.26	129.84	103.95

7.9. Interest and Finance Charges

Petitioner's submission:

MSPCL has also not claimed any Interest and Finance Charges for the FY 2026-27.

Commission's Analysis:

The Commission too approves Nil (zero) Interest on debt to MSPCL in FY26-27.

7.10. Return of Equity

Petitioner's submission

Regulation 22 of MYT Regulation, 2014 provides that equity for the purpose of ROI shall be 30% of capital cost or actual equity, whichever is lower. Further, Regulation 26 of MYT Regulation provides that RoE shall be allowed at the rate of 15.5% of Equity as determined under Regulation 22.

MSPCL has considered the actual equity base for the computation of the RoE for the FY 2026-27.

Further, it is submitted that the MSPCL has not proposed any Income Tax for the FY 2026-27. MSPCL submits that any revision in Equity base or tax liability would be claimed during the truing up of the respective years.

Detailed computation of RoE claimed for the FY 2026-27 based on the actual Equity base is tabulated below:

Table 7-20: Return on Equity for the FY 2026-27 (Rs. Cr.)

Sl.	Particulars	Approved	Projected for
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No.		vide MYT Tariff Order dated 28.03.2023	FY 2026-27
1	Opening Equity Balance	10.05	38.89
2	Equity Addition during the Year	-	-
3	Closing Equity Balance	10.05	38.89
4	Average Equity Balance during the year	10.05	38.89
5	Rate of Return on Equity	15.50%	15.50%
6	MAT Rate	0.00%	0.00%
7	Total Return on Equity	1.56	6.03

Accordingly, MSPCL has requested the Hon'ble Commission to consider and approve RoE as claimed for the FY 2026-27.

Commission's Analysis:

Considering no equity addition during FY 2026-27, the average equity for FY 2026-27 is considered as Rs.38.89 Crore. Accordingly, the Return on Equity is works out to be Rs.6.03 Crore without any MAT rate related grossing up and the same is approved for ARR purpose during FY 2026-27 as below

Table 7-21: Approved Return on Equity for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27	Approved for FY 2026-27
1	Opening Equity Balance	10.05	38.89	38.89
2	Equity Addition during the Year	-	-	-
3	Closing Equity Balance	10.05	38.89	38.89
4	Average Equity Balance during the year	10.05	38.89	38.89
5	Rate of Return on Equity	15.50%	15.50%	15.50%
6	MAT Rate	0.00%	0.00%	0.00%
7	Total Return on Equity	1.56	6.03	6.03

7.11. Non-tariff Income

The non-tariff income (NTI) for MSPCL is mainly on account of SLDC charges, interest from bank deposits, Contingency Charges, Dividend income and Agency Charges earned for supervision of deposit works.

The details of Non-Tariff Income projected for the FY 2026-27 are as shown in the Table below:

Table 7-22: Non-Tariff Income for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
1	SLDC Income	18.26	3.00
2	Agency Charges		1.80
3	Bank Interest		4.50
4	Other Income		0.50
5	Total Non-Tariff Income	18.26	9.80

Therefore, it is requested that the Hon'ble Commission kindly consider and approve Non-Tariff Income for the FY 2026-27 as claimed. However, MSPCL has further submitted that any variation in Non-Tariff Income would be claimed during the truing up of the year.

Commission analysis:

The Commission has examined the Non-Tariff Income projections for FY 2026-27. In keeping with the approach employed for the determination of Non-Tariff Income during the APR for FY 2025-26, wherein an escalation of 3% over the preceding year's actuals was applied, the Commission deems it appropriate to adopt the same incremental rate of 3% for projecting the Non-Tariff Income for FY 2026-27.

Accordingly, the Commission approves the Non-Tariff Income for FY 2026-27 at Rs. 12.91 Crores, as detailed in the table below:

Table 7-23: Approved Non-Tariff Income for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27	Approved for FY 2026-27
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1	SLDC Income	18.26	3.00	12.91
2	Agency Charges		1.80	
3	Bank Interest		4.50	
4	Other Income		0.50	
5	Total Non-Tariff Income	18.26	9.80	12.91

7.12. Income from Other Business

Petitioner's Submission

It is submitted that the MSPCL has leased out its OPGW Cable network. Accordingly, it has also considered the projected revenue from the same for the computation of Net ARR of FY 2026-27.

Further, it is submitted that the MSPCL is in the process of seeking Regulatory approval for the same. Therefore, it is requested that the Hon'ble Commission kindly consider and grant time to the MSPCL.

The details of Revenue from Other Business (OPGW Cable) claimed for the APR of FY 2026-27 are as shown in the Table below:

Table 7-24: Income from Other Business (OPGW Cable) of FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
1	Income from Other Business (OPGW Cable)	-	1.18
2	Expenses from Other Business (OPGW Cable)	-	-
3	Net Revenue	-	1.18
4	1/3rd Sharing of the Revenue	-	0.39

Therefore, it is requested that the Hon'ble Commission kindly consider the above submission and approve the Income from Other Business (OPGW Cable) for the FY 2026-27 as claimed.

Commission's Analysis

In line with the submission made by the petitioner, based on the provisions of JERC Tariff Regulations 2014, commission approves the Income from Other Businesses at Rs. 1.18 Crores for FY 2025-26.

**Table 7-25: Approved Income from Other Business (OPGW Cable) of FY 2026-27
(Rs. Cr.)**

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27	Approved for FY 2026-27
1	Income from Other Business (OPGW Cable)	-	1.18	1.18
2	Expenses from Other Business (OPGW Cable)	-	-	-
3	Net Revenue	-	1.18	1.18
4	1/3rd Sharing of the Revenue	-	0.39	0.39

Accordingly, the commission approves an amount of **Rs. 0.39 Crores** for the purpose of ARR to be deducted from the Annual Revenue Requirement for FY 2026-27.

7.13. Truing up Surplus/ (Gap)

Petitioner's submission

MSPCL has submitted that it has computed a revenue surplus during FY 2024-25 based on annual accounts. In line with the Regulations 13.2 of the JERC MYT Tariff Regulation, it has adjusted 1/3rd of the Revenue surplus during the computation of ARR of FY 2026-27. The detailed computation of revenue surplus during the truing up of FY 2024-25 is tabulated below:

Table 7-26: Revenue Surplus of truing up of expenses for the FY 2024-25 (Rs. Cr.)

Sl. No.	Particulars	Actuals for FY 2024-25
1	Total Revenue Surplus as computed by the MSPCL during the truing up of FY 2024-25	9.73
2	1/3 of the Revenue Surplus adjusted in the ARR of FY 2026-27	3.24

Therefore, it is requested that the Hon'ble Commission kindly consider the above submissions and allow the same for the computation of Net ARR of FY 2026-27.

Commission's Analysis

The Commission has examined in detail the revenue surplus of Rs. 9.73 Crores for FY 2024-25 as submitted by MSPCL in its filing, and the observations on each cost

element have been discussed. Based upon the scrutiny of the approved costs and the actual revenue realized during FY 2024-25, the Commission has determined the revenue surplus at Rs. 9.68 Crores. Since the Commission is of the view that this surplus has arisen on account of uncontrollable factors, it is to be dealt with in accordance with Section 12.1 of the Joint Electricity Regulatory Commission for Manipur and Mizoram (Multi Year Tariff) Regulations, 2014, which provides that *"The approved aggregate gain or loss to the Generating Company or Transmission Licensee or Distribution Licensee on account of uncontrollable factors shall be passed through as an adjustment in the tariff of the Generating Company or Transmission Licensee or Distribution Licensee over such period as may be specified in the Order of the Commission passed under these Regulations."* In line with the above provision, the Commission hereby considers the entire surplus to be passed on and adjusted in the ARR for FY 2026-27.

Accordingly, the said surplus is to be adjusted against and reduced from the Aggregate Revenue Requirement (ARR) for the purpose of computing the Net Aggregate Revenue Requirement for FY 2026-27.

7.14. Aggregate Revenue Requirements

Petitioner's submission

Based on the above paras, MSPCL has submitted the summary of the Aggregate Revenue Requirement claimed for the FY 2026-27.

Table 7-27: Aggregate revenue Requirements for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
1	Employee Expense	90.26	95.44
2	R &M Expense	11.00	14.69
3	A&G Expense	9.00	19.71
4	Depreciation	1.52	1.26
5	Return on Equity (RoE)	1.56	6.03
6	Income Tax	-	-
7	Gross Annual Revenue Requirement	113.34	137.13
8	Less: Non-Tariff Income	18.26	9.80

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27
9	Less: Income from Other Business (OPGW Cable)	-	0.39
10	Less: Expenses capitalized	-	-
11	Add: 1/3 rd of Trued up Surplus for the FY 2024-25	-	(3.24)
12	Net Annual Revenue Requirement (ARR)	95.08	123.70

Accordingly, MSPCL has requested the Hon'ble Commission to consider and allow the Aggregate Revenue Requirement for the FY 2026-27 as computed in the table above.

Commission's Analysis:

The item-wise details of the various cost elements as examined and approved by the Commission for the purpose of ARR of FY 2026-27, as discussed in the preceding paragraphs, are summarized in the table below:

Table 7-28: Approved Aggregate revenue Requirements for the FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27	Approved for FY 2026-27
1	Employee Expense	90.26	95.44	77.43
2	R &M Expense	11.00	14.69	11.92
3	A&G Expense	9.00	19.71	14.61
4	Depreciation	1.52	1.26	0.87
5	Return on Equity (RoE)	1.56	6.03	6.03
6	Income Tax	-	-	-
7	Gross Annual Revenue Requirement	113.34	137.13	110.85
8	Less: Non-Tariff Income	18.26	9.80	12.91
9	Less: Income from Other Business (OPGW Cable)	-	0.39	0.39
10	Less: Expenses capitalized	-	-	-
11	Add: Trued up Surplus for the FY 2024-25	-	(3.24)	(9.68)

Sl. No.	Particulars	Approved vide MYT Tariff Order dated 28.03.2023	Projected for FY 2026-27	Approved for FY 2026-27
12	Net Annual Revenue Requirement (ARR)	95.08	123.70	87.86

The Commission therefore approves net ARR at **Rs. 87.86 Crore** for ARR purpose as against the MSPCL projected ARR amount of Rs.123.70 Crores for FY2026-27.

7.15. Transmission Tariff

Petitioner's submission

Norms of Operation

Target availability:

As per JERC MYT regulations' 2014, the target availability approved for MSPCL during the previous control period was 98% and the transmission ARR was recoverable on a pro-rata basis if actual availability was below 98%. We request the Hon'ble Commission to continue the same for FY 2026-27.

Transmission losses:

Petitioner's submission

The submission of the petitioner is mentioned in the previous sections of this order

Commission Analysis:

The Commission strongly decides to set transmission losses for FY 2026-27 at 6.90% and in each year thereafter these transmission losses shall be endeavored to reduce at least by a minimum of 0.25% in each year and any under/poor performance will certainly attract imposition of penalty for any such under performance on the overall ARR amount in true-up exercise for FY2026-27 when submitted. A penalty cut has already been imposed from FY2022-23 onwards (except during 2024-25) in True-up section as a beginning in order to see discernable improvement or progress seen in Licensees approach for loss reduction task accomplishment in the future and come out with any strategic approach in this regard.

7.16. Energy Requirement**Petitioner's submission**

MSPCL had proposed 1707.33 MU of energy transmitted during FY2026-27.

Commission's Analysis

The Commission has observed a significant discrepancy in the quantum of energy to be transmitted as indicated by the Licensee, wherein MSPCL had specified the energy for transmission at 1,707.33 MU in its Tariff calculation table, whereas MSPDCL, in its submissions and responses, indicated the said quantum is computed at only 1,108.79 MU for the purpose of the ARR for FY 2026-27. Hence, the Commission has determined and finalized the energy to be transmitted at 1,108.79 MU for FY 2026-27, which is consistent with the Energy Balance as approved by the Commission for the said period in the corresponding Order of MSPDCL, and the same shall accordingly be adopted for the purpose of Transmission Tariff derivation for FY 2026-27.

Table 7-29: Energy Transmission for MSPDCL needs in FY 2026-27

Particulars	Energy approved
Energy Transmission for MSPDCL requirement duly matching with MSPDCL ARR submission.	1108.79 MUs

7.17. Recovery of transmission ARR and transmission tariff proposal for FY 2026-27**Petitioner's submission:**

MSPCL has proposed to recover the total ARR as fixed monthly charges from all long-term users of the transmission system based on the share of average contracted transmission capacity in the total transmission capacity. Also, in case the target availability is below the normative availability of 98%, the transmission ARR is proposed to be recovered on a pro-rata basis.

It is submitted that the MSPCL has only one long-term transmission customer, which is the distribution licensee, i.e. MSPDCL.

It is further submitted that the MSPCL has raised its monthly bill to the MSPDCL by considering the methodology as provided in the JERC MYT Tariff regulations and the approved ARR of MSPCL.

Accordingly, MSPCL proposes to recover the entire transmission ARR as fixed monthly charges from MSPDCL. The proposed monthly charges to be recovered from MSPDCL are provided in the table below.

Table 7-30: Monthly Transmission charges recovered from MSPDCL for FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Unit	Projected for FY 2026-27
1	Transmission ARR to be recovered (if availability is equal or more than the normative availability)	Rs. Cr.	123.70
2	Projected Transmission Tariff for MSPDCL	Rs. Lakh/Month	1,030.80
3	Average Contracted Transmission Capacity of MSPDCL	MW	312
4	Projected Transmission Tariff for Long Term Transmission Users	Rs. Lakh/MW/Months	3.30
5	Projected Transmission Tariff Long Term Transmission Users	Rs./MW/Day	10,861.94

Accordingly, MSPCL has requested the Hon'ble Commission to consider and allow the monthly Transmission Charges applicable for MSPDCL for the FY 2026-27 as computed above.

Further, MSPCL has also computed the Transmission Tariff based on the projected Energy to be transmitted through the MSPCL Transmission network and the projected ARR of FY 2026-27. The following table shows the detailed computation of the projected Transmission Tariff (Rs./Unit) for the FY 2026-27:

Table 7-31: Transmission Tariff (Rs./Unit) for FY 2026-27 (Rs. Cr.)

Sl. No.	Particulars	Amount
1	Transmission ARR to be recovered (if availability is equal to or more than the normative availability) Rs. In Crore	123.70

2	Energy Proposed to be Transmitted (MUs)	1,701
3	Transmission Tariff Rs. /Unit	0.73

Therefore, MSPCL requested the Hon'ble Commission to consider and allow the Transmission Tariff (Rs./Unit) for the FY 2026-27 as computed by the MSPCL.

Moreover, MSPCL also requested the Hon'ble Commission to kindly consider and allow STOA to be the same as the Transmission Tariff as approved by the Hon'ble Commission for the FY 2026-27.

Further, it is submitted that the MSPCL has computed the Transmission Tariff based on the projected ARR and proposed energy to be handled by the MSPCL in its Transmission Network during FY 2026-27. Therefore, it further requests that the Hon'ble Commission kindly consider and allow raising a supplementary invoice to the Discom, i.e. MSPDCL, for any higher variations on the Energy proposed to be handled by the MSPCL during FY 2026-27.

Commission's Analysis

This order now issued will be effective for entire FY2026-27 from 1st May 2026 onwards. Consequently, MSPCL will have the following transmission tariffs in this financial year.

Table 7-32: Commission approved Transmission Tariff for FY2026-27

Sl. No	Particulars (MSPCL-FY2025-26)	Unit of measure	ARR submitted	Commission Approved
1	Transmission ARR approved (if availability =>normative availability of 98%)	Rs. Crores	123.70	87.86
2	Monthly Transmission Tariff (Payable by MSPDCL /Other network users)	Rs. Lakhs/ month	1030.80	732.18
3	Transmission Capacity adopted	MW	312	292
4	Monthly Transmission Tariff per MW	Rs.Lakhs/ Month/MW	3.30	2.510
5	Transmission Tariff per MW/Day	Rs./MW/Day	10861.94	8252.51
6	Net Energy transmitted (approved) (at State level periphery level)	MU	1701.93	1108.79
7	Transmission Tariff per Unit	Rs./kWh	0.73	0.79

Currently MSPCL has only one long term transmission consumer (viz) MSPDCL. As such MSPCL shall have to recover their entire transmission cost from MSPDCL only as fixed monthly charges as indicated, supra **upon keeping the Transmission availability at 98%, else the recovery will be pro-rated on availability.**

In this regard, the MSPCL shall raise and serve Intra-State transmission bills **every month from 1st May 2026 onwards to the MSPDCL** as fixed monthly charges. If there are any new short term open access consumers, the same shall be billed on the energy transmitted under open access at a tariff of **INR 0.79 per unit**. The new charges shall be effective from 1st May 2026.

7.18. Rebate

As per JERC (Multi Year Tariff) Regulations, 2014, for payment of bills of transmission charges through letter of credit on presentation, a **rebate of 2%** shall be allowed. Where payments are made subsequently, through opening of letter of credit or otherwise, but within a period of one month of presentation of bills by the transmission licensee, a **rebate of 1%** shall be allowed.

7.19. Late Payment Surcharges

As per JERC (Multi Year Tariff) Regulations, 2014, in case the payment of bills of transmission charges by beneficiary/(ies) is delayed beyond a period of **one month from the date of billing, late payment surcharge at the rate of 1.25%** per month shall be levied.

7.20. Incentive

Petitioner's Submission

As per regulation-66 of JERC for M&M (MYT) Regulations 2014 the transmission licensee shall be entitled to incentive for increase in annual availability beyond the target availability prescribed under Regulation-61, in accordance with the following formula and shall be shared by the long term and short term and medium-term customers in the ratio of their average allotted transmission capacity

$$\text{Incentive} = \frac{\text{ATC} \times (\text{achieved} - \text{target availability})}{\text{Target availability}}$$

Where,

ATC = **Annual Transmission charges** determined by the Commission for the transmission system of the transmission Licensee for the Concerned year.

8. Directives

Directive 6:

Annual investment plan shall be submitted to the Commission, and the necessary approval of the Commission shall be obtained for all major capital works costing Rs. 5 Crore or more, before execution of the works.

Compliance Status:

MSPCL respectfully submits that all the projects are a continuation of the works taken up during FY 2020-21.

However, the MSPCL submits the list of all ongoing works costing more than Rs. 5 Cr. as follows:

Table 8-1: List of Ongoing Projects

Sl. No.	Name of Project	Cost of Project (in lakhs)	Expenditure till date (In lakhs)	Physical Progress (in %)
1	Construction of 2x2.5 MVA,33/11 kV Substation at Paoyi, along with associated 33kV line.	915.49	627.89	Substation: 90% Line: 99%
2	Construction of 2x2.5 MVA,33/11 kV Substation at Thuyeng along with associated 33kV line.	1402.79	942.89	Substation: 85% Line: 85%
3	Construction of 2x5MVA,33/11 kV Substation at Joujangtek, along with associated 33kV line	1400.19	1103.02	Substation: 85% Line: 85%
4	Construction of 2x5 MVA,33/11 kV Substation at Oinam along with associated 33kV line.	1330.78	877.7	Substation: 85% Line: 95%
5	Construction of 2x5 MVA,33/11 kV Substation at Gwakhhal along with associated 33kV line.	876.41	453.71	Substation: 75% Line: 74%
6	Construction of 2x5 MVA,33/11 kV Substation at Nampisha along with associated 33kV line.	1193.27	581.53	Substation: 75% Line: 80.12%
7	Construction of 2x5 MVA,33/11 kV Substation at Chingai along with associated 33kV line,	1262.47	926.62	Substation: 85% Line: 96%

Sl. No.	Name of Project	Cost of Project (in lakhs)	Expenditure till date (In lakhs)	Physical Progress (in %)
8	Construction of 2x5 MVA,33/11 kV Substation at Somdal along with associated 33kV line.	1055.87	814.27	Substation: 85% Line: 98%
9	Construction of 2x5 MVA,33/11 kV Substation at Akampat, along with associated 33kV line.	959.05	861.55	Substation: 96% Line: 68%
10	Construction of 2x5 MVA,33/11 kV Substation at Liyaikhunou along with associated 33kV line.	1127.2	792.56	Substation: 85% Line: 88%
11	Construction of 2x5 MVA,33/11 kV Substation at Kachai, along with associated 33kV line.	1124.29	862.49	Substation: 85% Line: 89%
12	Construction of 2x5 MVA,33/11 kV Substation at Sanakeithel along with associated 33kV line.	1138.51	894.9	Substation: 90% Line: 95%
13	Construction of 2x5 MVA,33/11 kV Substation at Nambashi along with associated 33kV line.	1193.27	657.61	Substation: 80% Line: 75%
14	Construction of 2x5 MVA,33/11 kV Substation at Khongjaron along with associated 33kV line.	769.13	429.83	Substation: 75% Line: 73%

MSPCL requests the Hon'ble Commission to kindly consider the same in favour of MSPCL.

Comment of Commission: -

The Commission notes that MSPCL, in its present petition, has not submitted the requisite project wise details of Capital Work-in-Progress (CWIP) and the assets capitalized during FY 2024-25. Further, it is observed that the projected Capital Expenditure and the corresponding capitalization have been claimed on the basis of projects stated to be ongoing from prior periods; without placing commission's approval on record in respect of these projects, including any additions or modifications thereto.

The approach adopted by MSPCL is not in consonance with the provisions of the extant Tariff Regulations, which mandate that all capital investment proposals shall be submitted to the Commission for prior approval through a Capital

Investment Plan, and only thereafter shall the associated CWIP and capitalization be claimed in True-Up as per actual and projected in APR, and ARR filings, as the case may be.

Accordingly, the Commission hereby directs MSPCL that, from the next tariff petition onwards:

1. The Petitioner shall furnish complete and comprehensive details of CWIP and its capitalization, viz., actuals for the True-up period and projections for the APR and ARR periods, duly supported by scheme-wise details, physical progress, and financial progress.
2. For any additional/new capital expenditure proposed to be undertaken, MSPCL shall obtain the prior approval of the Commission in accordance with the applicable Tariff Regulations, before incurring such expenditure or claiming the same in any tariff filing.

Hence, Directive is still treated as in force and due for compliance.

Directive 9:

Improvement of 33 kV system.

As verified from the capital investment plan, a huge amount is contemplated for the improvement of 33 kV systems. The MSPCL is directed to plan for the completion of all works well within the targeted dates. Quarterly report on progress achievement may be submitted.

Compliance Status:

It is respectfully submitted that all ongoing works are currently hindered due to the unrest situation within the State of Manipur.

MSPCL submits 2 quarter Reports (i.e. April 2025 to June 2025 and July 2025 to September 2025) for the kind consideration of the Hon'ble Commission.

However, MSPCL is giving its all effort to complete all the work within the targeted dates. Therefore, it is requested that the Hon'ble Commission kindly consider the same and grant time for completion of the projects.

Comment of Commission: -

The compliance is noted and the petitioner is directed to submit the progress in future as directed.

Hence, Directive is treated as complied

DIRECTIVES OF FY 2018-19

Directive 16

MSPCL is directed to complete installation and energisation of meters at all points at various voltage level to know the actual energy loss in

- i) Transmission at 132 kV system
- ii) Sub-Transmission at 33 kV system

MSPCL should provide with energy meters invariably without any further delay to all 11 kV outgoing feeders being the inter-company boundary and the energy injection point to MSPDCL system, for proper energy audit and accounting in order to segregate the transmission and distribution losses in Manipur power supply system.

Monthly joint meter readings should be conducted by MSPCL and MSPDCL.

Compliance Status:

It is submitted that the State of Manipur is mostly a hilly area, and the average distance between two localities is much higher compared to other states. Therefore, due to higher Transmission Line length, technical losses are also on the higher side. Further, MSPCL is entirely dependent on MSPDCL to meet its financial requirements for regular maintenance work. However, due to the non-availability of the funds on time, MSPCL is not in a position to maintain the technical standards to achieve its targeted Transmission Loss.

Further, it is submitted that the MSPCL has computed its Transmission Loss for the FY 2024-25 based on the metering points that come under Substation Division – I (Which covers most of Imphal City Area) for a particular month, considering the data accountability of the meters covered.

Further, MSPCL respectfully submits that the total Transmission Loss calculation of the state is not possible due to data unaccountability of most of the meters. MSPCL, in this regard, submits its issues as follows:

- Overall metering points are not covered in SAMAST Project, even so data for those meters are taken from the concerned substations manually from the existing meters to compute Transmission Loss for the FY 2024-25.
- Some Meter data are erroneous due to technical issues like CT/PT related issues, Phase imbalance issues at Substations.
- Most of the data available are not accountable at the substation level itself as input and output energy do not sum-up.

MSPCL is giving its full efforts to overcome this situation. However, due to not receiving the funds in a timely manner, it is not in a position to project its regular R&M works.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. Accordingly, the directive is treated as non-complied with. However, the said directive is hereby merged and reconstituted as a fresh Directive No. 01 of FY 2026-27 which shall be monitored and to be complied with, as below

1. **Submission of Detailed Metering Plan:** MSPCL is directed to submit, within 30 days from the issuance of this Order, a comprehensive and time-bound plan to MnERC for the complete installation and energization of energy meters at all points across its transmission system, covering the following:
 - All input and output interface energy metering points.
 - The entire transmission and sub-transmission network at various voltage levels, namely 132 kV and 33 kV, including all 11 kV outgoing feeders, which constitute the inter-company boundary and energy injection points into the MSPDCL system.

The plan shall also identify and incorporate new locations/areas identified for installation of energy meters at interface points, various voltage levels, and outgoing feeders. The installation of all such meters should be completed by 31st December 2026, which the Commission shall treat as the target date for full compliance. The meters so installed shall conform to the relevant Regulations as specified by the competent authority and shall be of appropriate accuracy class, duly tested, calibrated, and jointly approved by both MSPCL and MSPDCL.

- 2. Joint Meter Reading and Energy Accounting:** MSPCL shall undertake monthly joint meter readings with MSPDCL and carry out energy accounting based on the actual meter readings at all locations where meters have already been installed and shall progressively extend the same to the remaining locations upon completion of meter installation within the prescribed timelines. Accordingly, the Transmission Losses for FY 2026-27 and onwards shall be computed strictly based on the actual input energy into the transmission system and the actual energy delivered to MSPDCL (or/ and to any other beneficiary, if applicable). Such computations shall be supported by detailed calculations and a certificate issued by a Certified/Accredited Energy Auditor and submitted to the Commission as part of the next Tariff filings.

Failure to comply with the directives issued hereinabove, either in part or in full, shall attract appropriate penal action, including but not limited to the imposition of penalties, disallowance of claims in ARR/Truing-up petitions, and/or any other regulatory measures as the Commission may deem fit.

Directive 17

MSPCL is directed to submit the details of meter installation status of all feeders at all voltage levels in all sub-stations, along with a single line diagram, within 2 (two) months for proper monitoring.

Compliance Status:

May be clubbed with Directive 16.

Comment of Commission: -

The Petitioner has requested the Commission to club the present directive with Directive No. 16; however, the Commission finds such clubbing to be inappropriate and not in order, as the subject matter warrants independent and focused compliance. Accordingly, the Commission hereby directs the Petitioner to submit a comprehensive status report on the installation of energy meters across all feeders at all voltage levels in all sub-stations, duly supported by the corresponding Single Line Diagram (SLD), within 30 days from the date of issuance of this Order, for the Commission's review and further monitoring.

Hence, Directive is still treated as in force and due for compliance.

Directives for FY 2019-20

Directive 18: Installation of Meters at 132kV and 33kV voltage levels

The MSPCL is directed to complete the installation of all metering at the inter-company boundary point (i.e., 132kV and 33kV voltage levels) on or before August 2019 and report compliance to the Commission by the end of August 2019 positively.

MSPCL shall have to record the actual losses being incurred at 132kV and 33kV level separately and submit the detailed report in the next ARR tariff petition.

Compliance Status:

May be clubbed with Directive 16.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. Accordingly, the directive is treated as non-complied with. However, the said directive is hereby merged and reconstituted as a fresh Directive No. 01 of FY 2026-27.

Directive 19:

Completion of full metering of pending 11kV feeder in all 33/11kV SS

MSPCL should achieve full/complete metering of 11kV feeder in all 33/11kV sub-stations by steps to install meters in the remaining feeders where meters are not

yet installed in the following time-bound manner and report the compliance to the Commission soon on completion by end of December 2019.

- a) 11kV incoming feeder meters to the 11kV bus by June 2019 and
- b) Outgoing 11kV feeders by December 2019.

The above directive is made with an objective to account for the quantum of power injected into the MSPDCL periphery by MSPCL, which is not being done at present easily.

Compliance Status:

Directive 17,18 and 19 may be clubbed together with Directive 16 as they relate to the installation and energisation of meters at all voltage levels, to record the actual losses.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. Accordingly, the directive is treated as non-complied with. However, the said directive is hereby merged and reconstituted as a fresh Directive No. 01 of FY 2026-27.

Directive 21:

The Licensee shall furnish the under mentioned details of feeder metering in the next ARR filing submissions to the Commission in comprehensive manner:

Details of feeders metering to be submitted

A. Name of 132/33/11kV installation:

- No. and name of 11kV incoming feeder
- Name of 11kV incoming feeder provided with meter
- No. and name of Out-going 11kV feeder
- Name of 11kV Out-going feeders provided with meters
- No of 11kV feeders without meters

B. Names of 33/11kV Sub-Stations:

- No. and name of 11kV incoming feeder
- No. and 11kV provided with meter.
- No. and name of 11kV outgoing feeder provided with meter.

- No. and name of 11kV outgoing feeder without meter.

Compliance Status:

May be clubbed with Directive 16.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. Accordingly, the directive is treated as non-complied with. However, the said directive is hereby merged and reconstituted as a fresh Directive No. 01 of FY 2026-27.

Directive 22: Providing of Energy Meters:

It is observed from the Capital Expenditure plan for FY 2018-19, SI No.9, that out of the total capital outlay of Rs. 3.71Cr, it is stated that expenditure to the tune of Rs.3.21Cr (i.e., about 87%) were already spent till the ARR filing date. Under these circumstances, Licensee needs explain why there are still lagging behind in the full-fledged metering till date.

If so, how the amount of Rs.3.21 crs was utilised for the purpose of providing energy meters. The report must be submitted to the Commission latest by the 30th June 2019 without fail with due explanation covering all issues.

Compliance Status:

May be clubbed with Directive 16.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. Accordingly, the directive is treated as non-complied with. However, the said directive is hereby merged and reconstituted as a fresh Directive No. 01 of FY 2026-27.

Fresh Directives 2020-21

Directive 1:

MSPCL will raise monthly intra-state transmission bill to MSPDCL and MSPDCL will make timely payment. Rebate & late payment surcharge as per rules will be applied.

Compliance Status:

MSPCL respectfully submits that it has prepared the draft Transmission Service Agreement and forwarded the same to the MSPDCL for perusal vide letter No. 6/3(1)/ED(TECH)/MSPCL/2014/1621-24, dated 12th August 2024.

Further, MSPCL has also forwarded its reminder letter vide letter No. 6/3(1)/ED(TECH)/MSPCL/2014/316-19, dated 17th December 2025.

However, MSPDCL has not responded to the same and has not executed the agreement for the Transmission Services.

Further, it is submitted that in the absence of any agreement, the MSPCL is not in a position to recover its monthly Bill entirely.

Comment of Commission: -

The Commission appreciates the effort made by the petitioner in due compliance of this directive. However, the Commission finds no impediment or hinderance in the raising and recovery of monthly bills by MSPCL from MSPDCL, as the same can be duly raised and recovered in accordance with the methodology and principles laid down by the Commission in its Tariff Orders issued from time to time. Further, the Petitioner is hereby directed to submit copies of the monthly bills raised on MSPDCL to the Commission, along with the next ARR petition and in all subsequent tariff filings, for the Commission's review and verification of compliance.

Hence, for the sake of monitoring of progress the Directive is still treated as in force and due for compliance.

Fresh Directives of 2021-22

Directive No.2

Details of interface metering points in use & new areas identified for energy availed by MSPDCL: - As the billing is based on energy transmitted to MSPDCL, the Licensee shall submit various Interface energy metering points and their geographical locations presently in existence & usage and also other areas identified recently for installation of such interface energy meters. The license shall install reliable meters at the interface points duly approved by both parties.

Compliance Status:

May be clubbed with Directive 16.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. Accordingly, the directive is treated as non-complied with. However, the said directive is hereby merged and reconstituted as a fresh Directive No. 01 of FY 2026-27.

Fresh Directives 2023-24

Directive 1:

The MSPCL is directed to take necessary action to reflect the Transmission Losses actually achieved in their Audited Annual Statements as part of record for future reference. The directive is issued as the said information is found to be missing in all the audited Accounts Statement submitted from 2015-16 onwards up to 2021-22 in connection with True-up.

Compliance Status:

MSPCL respectfully submits that the Transmission Losses are technical parameters, whereas the Audited Annual Accounts reflect the financial position of MSPCL. Further, it also submits that the statutory Auditor of MSPCL may not be in a position to verify or sign the same, as these are purely technical data. Therefore, MSPCL requests the Hon'ble Commission to kindly consider the same.

Comment of Commission: -

The Commission has noted MSPCL's submission. However, it is of the considered view that the actual Transmission Losses achieved constitute a critical performance and regulatory parameter having a direct bearing on tariff determination, energy accounting, and segregation of transmission and distribution losses, and therefore must be duly authenticated and placed on record through an appropriate mechanism; accordingly, in lieu of reflecting the said information in the Audited Annual Accounts, MSPCL is hereby directed to submit, along with each subsequent tariff petition (True-up, APR, and ARR), a duly signed certificate authenticating the actual Transmission Losses achieved during the relevant period, issued by a Certified/Accredited Energy Auditor and the State Load Despatch Centre (SLDC), Manipur, supported by detailed computations of input energy, energy delivered to MSPDCL (and other beneficiaries, if any), and the resultant Transmission Losses based on actual joint meter readings.

Directive 2:

To specify in their Audited annual Accounts the energy handled by MSPCL at the State Periphery in that financial year along with the Target Availability achieved as part of future reference to review the performance.

Compliance Status:

It is submitted that the MSPCL has not installed meters in all incoming and outgoing feeders. Therefore, the quantum of actual energy handled by the MSPCL cannot be computed at this time. Therefore, MSPCL submits that it will incorporate the same in its annual accounts after completion of the metering process.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. The directive is treated as non-complied with. However, the said directive is hereby merged with Directive No. 01 of FY 2023-24 above.

Directive 3:

The Licensee shall endeavour to reflect their loss achievements in their audited annual accounts, also as part of the record for future references, which data is otherwise now missing in the previous years audited accounts statements submitted so far from 2015-16 onwards.

Compliance Status

MSPCL respectfully submits that the Transmission Losses are technical parameters, whereas the Audited Annual Accounts reflect the financial position of MSPCL. Further, it also submits that the statutory Auditor of MSPCL may not be in a position to verify or sign the same, as these are purely technical data. Therefore, MSPCL requests the Hon'ble Commission to kindly consider the same.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. The directive is treated as non-complied with. However, the said directive is hereby merged with Directive No. 01 of FY 2023-24 above.

Fresh directive for FY 2024-25

Directive 1:

The Transmission entity shall enclose the verifiable proof of it achieving the target availability of 98% in the financial year for which it is claiming the True-up. This is one of the essential compliances by MSPCL to claim full transmission charges, and mere mentioning of reaching the target availability in the write-up is not adequate. In the absence of the same, the transmission charges will be approved on a pro-rata basis, lower than 98%.

Compliance Status

MSPCL respectfully submits that it has submitted the certificate received from SLDC for achieving the target availability of 98% during the respective year.

Comment of Commission: -

The Commission has noted that MSPCL has submitted the certificate received from SLDC for achieving the target availability of 98% during FY 2024-25.

Hence, Directive is treated as complied.

Directive 2:

MSPCL is hereby directed to ensure the installation and energization of meters at all 11 kV feeders by MSPDCL which is the inter-company boundary and the energy injection point from MSPCL to MSPDCL system for proper energy accounting. The Commission also directed that there should be monthly joint reading of the meters by MSPCL and MSPDCL. Three (3) months consecutive joint meter reading reports taken may be submitted to the Commission for appraisal of the progress made in the matter by 31st August 2024.

Compliance Status

May be clubbed with Directive 16.

Comment of Commission: -

The Commission has examined the response submitted by the Petitioner and finds the same to be unsatisfactory. Accordingly, the directive is treated as non-complied with. However, the said directive is hereby merged and reconstituted as a fresh Directive No. 01 of FY 2026-27.

Directive 3:

MSPCL shall sign the transmission service agreement with MSPDCL with immediate effect on top-priority basis and submit the documentary proof in support of entering such agreement with MSPDCL along with the latest three-months (3) monthly bills issued to MSPDCL in due compliance of the such transmission service agreement.

Compliance Status

MSPCL respectfully submits that it has prepared the draft Transmission Service Agreement and forwarded the same to the MSPDCL for perusal vide letter No. 6/3(1)/ED(TECH)/MSPCL/2014/1621-24, dated 12th August 2024.

Further, MSPCL has also forwarded its reminder letter vide letter No. 6/3(1)/ED(TECH)/MSPCL/2014/316-19, dated 17th December 2025.

However, MSPDCL has not responded to the same and has not executed the agreement for the Transmission Services.

Further, it is submitted that in the absence of any agreement, the MSPCL is not in a position to recover its ARR entirely from MSPDCL.

Comment of Commission: -

The Commission has noted MSPCL's submission. The directive is treated as non-complied with. However, the said directive is hereby merged with Directive No. 01 of FY 2020-21 above.

Meeting Notice

MANIPUR ELECTRICITY REGULATORY COMMISSION (MnERC)

Imphal, Manipur – 795001

No.48/1/2026-MnERC/142-46

Imphal, the 21 April, 2026

MEETING NOTICE


The 1st Meeting of the State Advisory Committee for the State of Manipur is scheduled to be held on 27th April, 2026 (Monday) for discussion of the following Agenda.

All the Committee Members/Special Invitees are requested to make themselves convenient to attend the Meeting.

Date: 27.04.2026 (Monday)
Time: 10:30 am to 1:30 pm
Venue: Dynasty Hall, Hotel Classic Grandé, Imphal

AGENDA:

1. Presentation on "Draft Policy on Microgrid for Manipur State" by MnERC
2. Presentation on "Advance Metering infrastructure" by MSPDCL
3. Presentation on "Tariff finalization for the year 2026-27" by MnERC
4. Panel Discussion on energy transition, digitization, adoption of AI with consumer participation in Demand side management.


21.4.26
(Bijananda Chabungbam)
Secretary, MnERC

Copy to:

1. Chairperson/Member, MnERC.
2. Commissioner (Power), Government of Manipur.
3. All members of the Committee
4. All Officers under MnERC for information and necessary action.
5. Guard File.

**Minutes and List of Members & Participants of the Meeting
of
State Advisory Committee**

MANIPUR ELECTRICITY REGULATORY COMMISSION (MnERC)

Civil Secretariat, South-Block, 1st Floor, Room No. 55-56,
Mantripukhri, Imphal, Manipur - 795002

No. 48/1/2026-MnERC/189-93

Imphal, the 4th May, 2026

**MINUTES OF THE 1st MEETING OF THE STATE ADVISORY COMMITTEE OF
MANIPUR HELD ON 27TH APRIL, 2026 FROM 10.30 AM AT HOTEL CLASSIC
GRANDE, IMPHAL, CHAIRED BY SHRI SOUBAM IBOPISHAK SINGH,
CHAIRPERSON, MnERC**

The list of members and participants given at Annexure

1. At the onset, the Chairperson welcomed all the Committee Members and Special Invitee Shri Shailesh Kumar Chourasia, Commissioner (Power), Government of Manipur. In his welcome address Chairperson emphasized the need for enhancement of Renewable energy generation in the State and adoption of new technologies for development of the Sector and also encourage participation of consumers in demand side management. The Chairperson, also, requested all the Committee Members to spread awareness among the consumers and also actively participate in formation of policy proposals, suggestions for ease of doing business in the sector.
2. Special invitee to the meeting Shri Shailesh Kumar Chourasia, Commissioner (Power), in his opening speech emphasized the need for working together of the service provider, MSPCL, MSPDCL, MANIREDA, MnERC and the SAC members to enhance the growth of power sector in the State and to adopt feasible policies suitable as per the available potential of Renewable Power generation in the State.
3. Further the meeting proceeded with the following agendas:
 - i. **Agenda No.1. Presentation on "Draft Policy on Microgrid for Manipur State" by MnERC**

Chairperson (MnERC), Manipur presented the "**Draft Policy on Microgrid for Manipur State**". Draft Microgrid Policy is a proposal to enhance Renewable Energy generation and move towards Self-Sufficiency in power generation in Manipur as long-term goal. A **Case Study on Khoupum Valley Pilot Microgrid Project** was, also, taken up and the

potentials available like Floating Solar Plant, Micro Hydel Plant, Wind Energy Plant, Battery Energy Storage System (BESS), Pump Storage System were discussed.

The Committee Members appreciated and endorsed the development of Microgrid Policy for Manipur State and suggested that the incentives that can be given from the Government side also may be included in the policy proposal.

ii. **Agenda No.2. Presentation on “Tariff Finalization for the year 2026-27” by MnERC**

Pricewaterhousecoopers Private Limited, Kolkata presented Electricity Tariff for FY 2026-27 and explained to SAC members and the invitees present on the Meeting through Video Conference. The Electricity tariff truing up of FY 2024-25, Annual Performance Review (APR) of FY 2025-26 and Aggregate Revenue Requirement (ARR) for FY 2026-27 were discussed in the meeting.

The Members, also, discussed over the tariff and losses of energy in the System. Further, Chairperson (MnERC), Manipur informed the Member that the tariff issues shall also be discussed on the day of Public Hearing scheduled on the 30th April, 2026.

iii. **Agenda No.3. Presentation on “Advance Metering infrastructure” by MSPDCL**

Manipur State Power Distribution Company Limited (MSPDCL), Manipur presented “**Advance Metering infrastructure**”. The Company elaborated about the Smart Metering, Advance Metering Infrastructure (AMI) and how they can enhance the transparency by providing two-way communication between the consumers and utility. This will help in participation of consumer in power management, demand side management and overall improvement of the power system efficiency and stability.

iv. **Agenda No.4. Panel Discussion on Energy transition, Digitization, adoption of AI with consumer participation in Demand side management**

A panel discussion was held at the end of the Meeting with Shri Soubam Ibopishak Chairperson (MnERC), Shri Shailesh Kumar Chourasia, Commissioner (Power), Shri Th Bimol, Managing Director (MSPCL), Shri M Rabi Singh, Managing Director (MSPDCL), Shri Dr. Sharath Chandra Arroju Director (MANIREDA), as Panelists and Shri Bijananda Chabungbam, Secretary (MnERC) as Moderator. The panel discussion was about the transition from conventional energy sources to Renewable energy sources and how Manipur can participate in the energy transition journey of the Country. The panel,

also, discussed how digitization and AI could help in managing the power sector and increase participations of consumers in the power system management.

4. The meeting ended with vote of thanks from Secretary (MnERC), Manipur.

Sd/-
(Soubam Ibopishak Singh)
Chairperson (MnERC),
Manipur

Memo No. 48/1/2026-MnERC/189-93

Imphal, the 4th May, 2026

Copy to (for kind information):

1. Secretary to the Hon'ble Chief Minister, Manipur
2. Staff Officer to CS, Government of Manipur
3. All Members the State Advisory Committee
4. Guard File


(Bijananda Chabungbam)
Secretary (MnERC),
Manipur

ANNEXURE

MANIPUR ELECTRICITY REGULATORY COMMISSION (MnERC)
Civil Secretariat, South-Block, 1st Floor, Room No. 55-56,
Mantripukhri, Imphal, Manipur - 795002

No. 48/1/2026-MnERC

Imphal, the 4th May, 2026

**List of Members and Participants who attended the 1st Meeting of State
Advisory Committee, Manipur**

Date & Time: 27th April, 2026
Venue: Hotel Classic Grande, Imphal

MEMBER PRESENTS

Sl No.	Name	Designation
1	Soubam Ibopishak Singh	Chairperson, MnERC
2	Th. Bimol Singh	Managing Director MSPCL
3	M. Rabi Singh	Managing Director MSPDCL
4	Dr. Sharath Chandra Arroju	Director MANIREDA
5	Hannah Kahmei	Director Trade Commerce and Industry Department
6	Kh. Diana Devi	Director Transport Department
7	Peter Salam	Director Agriculture Department
8	Dr. Ch Ibohal Meitei	Professor, Manipur Institute of Management Studies
9	Prof. Damodar Nepram	(HoD) Department of Economics, Manipur University
10	Daniel P. Kamsuan	Advocate, Tamenglong District
11	Th Joykumar Singh	President, All Manipur Entrepreneur's Association
12	Bijananda Chabungbam	Secretary, MnERC

SPECIAL INVITEES/ INVITEES

SI No.	Name	Designation
1	Shailesh Kumar Chourasia	Commissioner, Power
2	M. Chinglembi Luwang	Joint Secretary, Power
3	N. Parithoihen	Chief Finance Officer, Transport
4	Babita Thangjam	Sr. Scientific Officer, MANIREDA
5	W. Suraj Singh	Joint Director, MANIREDA
6	Chandramani M.	General Manager(P), MSPDCL
7	Waikhom Bailo Singh	i/c DGM(Commercial), MSPDCL
8	N. Purnima	JE, Electrical, MSPDCL
9	Usham Rocky Singh	DGM IED-IV, MSPDCL
10	Thokchom Satyajeet Singh	Manager, MSPDCL
11	A. Chingkheinganba	Lead, AMISP, MSPCL
12	Laishram Ritu	GM, MSPCL
13	Madhu Dalal	Consultant, MSPCL
14	A. Robin Singh	ED, MSPCL
15	Kh Umakanta Singh	Manager (Tech), MSPCL
16	I. Roji	JE (Electrical), MSPCL

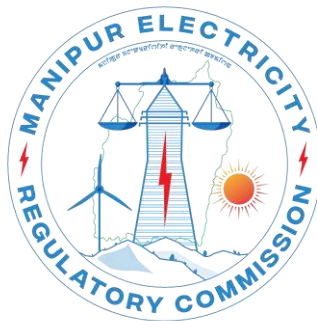
Annexure - II

**LIST OF PERSONS ATTENDED PUBLIC HEARING ON ARR & TARIFF PETITION
FOR FY 2026-27 IN RESPECT OF MSPCL, MANIPUR**

Date & Time : 30.04.2026 from 11:00 Hrs to 14:00 Hrs

Venue : Hotel Classic Grande, Imphal

S. No.	Name	Designation/ Organization
1.	Soubam Ibopishak Singh	Chairperson, MnERC
2.	Th. Bimol Singh	MD, MSPCL
3.	M. Rabi Singh	MD, MSPDCL
4.	Bijananda Chabungbam	Secretary, MnERC
5.	A. Nobin Singh	ED (Tech), MSPCL
6.	M. Rubina	ED (FA), MSPCL
7.	H. Debeswor Singh	GM (S/S), MSPCL
8.	Prava Keisav	GM (Plg), MSPCL
9.	L. Ritu	GM (SLDC), MSPCL
10.	Reshmi Raj	DGM (FA), MSPCL
11.	Taruba Thingom	DGM, MSPCL
12.	Kh. Umakanta	Manager(Tech), MSPCL
13.	Irom Roji	JE (Elect), MSPCL
14.	Manisha Devi Thokcham	JE (Elect), MSPCL
15.	Ng. Kirankumar	GM (Comm), MSPDCL
16.	Usham Rocky	DGM, MSPDCL
17.	W. Bailo Singh	DGM (Comm), MSPDCL
18.	Achom Sushma	DGM, MSPDCL
19.	Th. Satyajeet	Manager, MSPDCL
20.	Oinam Reena Devi	JE (Elect), MSPDCL
21.	N. Purnima	JE (Elect), MSPDCL
22.	A. Chingkheinganba	AMISP, MSPDCL
23.	W. Suraj Singh	Jt. Director, MANIREDA
24.	Babita Thangjam	Sr. Scientific Officer, MANIREDA
25.	Madhu Dalal	Consultant, MSPCL
26.	Naresh Agarwalla	Consultant, MSPDCL
27.	Piyush Lohia	Consultant, MnERC
28.	S. Chaoba Singh	President, AMPCA
29.	K. Sanatomba	Gen. Secy, AMPCA
30.	Dr. James Elangbam	Vice President, AHPI Manipur
31.	Richana Kh.	Ex. Member, AHPI
32.	Robertson Elangbam	PA to MD, AHPI
33.	Arya Thoudam	AGM, AHPI



MANIPUR ELECTRICITY REGULATORY COMMISSION

**Block A, Ground Floor, Old Secretariat, North Block Babupara,
Imphal, Manipur – 795001**

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