

BEFORE THE HON'BLE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION
SHILLONG

IN THE MATTER OF ADDITIONAL INFORMATION (1) SOUGHT BY HON'BLE COMMISSION AGAINST THE PETITION FILED BY MePDCL FOR TRUING UP OF DISTRIBUTION BUSINESS FOR FY 2024-25 AND REVISED ARR FOR FY 2026-27 AND DETERMINATION OF TARIFF FOR FY 2026-27 FOR MePDCL.

MOST RESPECTFULLY SHOWETH

Meghalaya Power Distribution Corporation Limited has filed the Petition for Annual Truing Up for FY 2024-25 of Distribution Business and Revised ARR and Distribution/ Retail Tariff for FY 2026-26 on 28/11/2025.

Hon'ble Commission vide letter MSERC/True-Up-FY 2024-25/MePDCL/2025/357 Dated 13th January 2026 has sought certain addition information on the Petition filed.

The detailed replies to the queries/ addition information sought by Hon'ble Commission are being provided herein along with the supporting documents/ computation.

MePDCL requests Hon'ble Commission to take the same on record.

A copy of the responses is being uploaded on the official website meecl.nic.in for the purpose of transparency and other stakeholders.

Part A- True Up Petition for FY 2024-25

Query No.1 – Power Purchase Expenses

- a. MePDCL is directed to furnish the Source wise Power Purchase Agreements and details of invoices along with the summary as table below as claimed in the True-Up petition, along with supporting documents,

Month wise Bill No.	Bill Date	Energy Agreed to deliver (MUs) (as per Allocation)	Energy scheduled (MUs)	Energy Procured in Actual (MUs)	Fixed charges paid (Rs INR)	Energy Charges paid (Rs INR)	Rebate Grant ed by Generator (Rs INR)	LP S (If any) (Rs INR)	Any Other Charges (Specify the details and amount)	Total Bill Amount (Rs INR)	Supporting Documents provided (yes/no) Ref no.

PURCHASE OF POWER THROUGH EXCHANGE					
Bill No.	Bill Date	MUs Scheduled	MUs Procured in Actual	Rate of Power	Bill Amount

Bilateral Transactions										
Month wise Bill No.	Bill Date	Energy Agreed to deliver (MUs) (as per PPA)	Energy scheduled (MUs)	Energy Procured in Actual (MUs)	Fixed charges payment (Rs INR)	Energy Charges Payment (Rs INR)	Rebate Granted by Generator (Rs INR)	LPS (If any) (Rs INR)	Any Other Charges (Pl specify the details and amount)	Total Bill Amount (Rs INR)

Power swapping					
BILL NO.	BILL DATE	Energy Agreed to procure from other utility	Energy to be delivered to other utility	MUs Failed to deliver as per agreement at agreed period	BILL AMOUNT

- b. The Commission, vide para 3.6.46 of the True-Up Order dated 24.03.2025, directed MePDCL to submit RLDC/SLDC-certified PLF (%) and actual energy availability of the power generating sources. However, MePDCL has not submitted the said data, rendering it non-compliant with the Commission's direction. In this regard, MePDCL is directed to submit the requisite data on a monthly basis, duly certified by RLDC/SLDC, for all power procurement sources except the Open Access market.
- c. MePDCL is directed to justify whether it has identified and evaluated any alternative and more cost-effective power procurement options in the interest of consumers.
- d. MePDCL is directed to provide month-wise Power purchase details of past 5 years starting from FY 2020-21 to FY 2024-25 on actual basis in line with its Audited Annual Accounts as per **Annexure A** along with proper documentation and detailed justification.
- e. MePDCL submitted in the Petition (page no. 31) that it has submitted a detailed reconciliation of power purchase expenses with the Audited

Statement of Account as Annexure H to this Petition. However, it is observed that the Annexure has actually not been submitted and MePDCL, in this regard, is directed to submit this document with proper calculation in excel format to justify the actual power purchase, claimed power purchase cost etc. in details properly along with Auditor certification in this regard.

- f. It has been noticed that “Ganoli Prior Period (CoD to Mar 2024)” expenditure has been included by MePDCL under the excel sheet named “Power Purchase Cost” in the True-up model. In this context, the MePDCL is directed to submit the clarification and treatment of this cost.
- g. It is observed that the summation of Actual cost of the Power plants under NEEPCO (Rs 258.07 Cr) is not matched with that of claimed (Rs 269.52 Cr) by MePDCL vide Table 14 of the Petition and vide ‘Power Purchase Cost’ excel sheet of the True-Up model. MePDCL must submit the explanation of this discrepancy in computation, which inflates the total expenditure.
- h. The Commission noticed vide ‘Power Purchase Cost’ excel sheet of the True-Up model submitted by MePDCL that the Actual Power Purchase cost Rs 1461.79 Cr is lower than the Approved Power purchase cost (Rs 1554.68 Cr) as per Tariff Order dated 24.10.2024. Moreover, the month-wise calculation of FPPAS submitted by MePDCL illustrated a negative figure of FPPAS. In this regard, MePDCL is directed to clarify the rationale for application of FPPAS when the actual power purchase cost is lower than the approved level.
- i. MePDCL is directed to submit the details and reconciliation of short-term power purchase of Rs 41.31 Cr (for 237.25 MUs) in line with the accurate Account code from trial balance.
- j. It has been observed that MePDCL has claimed an FPPAS amount of Rs 54.90 crore should have been passed on to consumers based on calculations for the period from April 2024 to March 2025. However, only Rs 23.12 crore has actually been billed to consumers, while the balance amount of Rs 31.78 crore has not been considered in consumer bills, resulting in a shortfall.

Further, vide Table 22 of the Petition, while computing the power purchase expense for FY 2024-25, MePDCL has considered a “Differential

Power Purchase Cost” of Rs (-)92.89 crore and “FPPAS passed on to consumers” of Rs (-)23.12 crore. The Net Differential Power Purchase Cost, being the arithmetical difference of the above two values amounting to Rs (-)69.77 crore, has been added to the approved power purchase cost of Rs 1,554.68 crore (as approved in the Tariff Order dated 24.03.2025) to arrive at the total power purchase cost for ARR of FY 2024-25 at Rs 1,559.52 crore.

In this regard, MePDCL is directed to justify the treatment of the unbilled FPPAS amount of ₹31.78 crore with proper supporting documents and an auditor’s certificate. MePDCL is also directed to submit a detailed and logical explanation of the methodology adopted for the computation of Net Differential Power Purchase Cost based on the FPPAS recovered from the consumers, and also the rationale for adding the same (Net Differential Power Purchase Cost) to the approved power purchase cost (as per the Tariff Order dated 24.10.2024) for determination of the total power purchase cost for the true-up year.

- k. MePDCL is directed to elucidate the consideration of power procurement cost from Hydro Power Plants like NHPC, NEEPCO and MePGCL power plants during the determination of FPPAS vide Table 16 of the Petition. In this regard, MePDCL must submit the correct calculation of FPPAS along with the month-wise all supporting documents to justify its claim of FPPAS.
- l. MePDCL is directed to clarify about the entity to whom the bill has been raised under the para-C of FPPAS section (page 27) of the Petition.
- m. It has been observed that an error occurred in the computation of bills raised by MePGCL, wherein the rate for sale of power was considered as Rs 5.31/kWh instead of the approved rate of Rs 4.77/kWh. In this regard, MePDCL is directed to submit a detailed clarification regarding the said error, including how the incorrect rate led to overstatement of power purchase cost and reason for not highlighting this mistake to MePGCL to rectify the same, and the methodology adopted to nullify its impact on consumers.
- n. MePDCL has claimed Rs 14.26 Cr under New Provision for the Barter Transaction in FY 2024-25 vide Table 22 of the Petition. In this regard,

MePDCL must elaborate the details of this Barter Transaction along with the valid documents and SLDC certification.

- o. 'Swapping arrangement of Power' i.e., 'Banking facility' states that there is no monetary transaction for Power procurement, i.e., wherein no tariff need to be paid for the energy availed/supplied between the utilities.

In that case, MePDCL to provide the valid reason for the cost of Rs 14.26 Cr (New Provision for the Barter Transaction in FY 2024-25) and Rs 37.13 Cr (Reversal of the Barter Transaction for FY 2023-24) as claimed for Barter Transaction or Swapping vide Table No. 22 of the True-up petition.

Additionally, MePDCL must submit the details of monthly transactions of Banking with forward and reverse Banking along with the approval of the Commission.

- p. MePDCL has booked "Outside Party Purchases" as Rs 803.26 Cr under Note 26 of the Audited Accounts for FY 2024-25.

MePDCL to elaborate the details of the above-mentioned charge along with supporting documents for substantiating its claims.

- q. MePDCL is directed to submit the followings for past 5 years starting from FY 2020-21 to FY 2024-25 on actual basis duly certified by Auditor and SLDC,
 - i. Month wise Total power purchased through Open Access (OA) (in MW) by MePDCL
 - ii. Month wise Total No. of Hours of purchased in OA (in Nos.) by MePDCL
 - iii. Month wise and Annual available generation data for DISCOM (in MW)
 - iv. Month wise and Annual Scheduled energy data for DISCOM (in MW)
 - v. OA scheduled energy (STU Periphery) on Month wise and Yearly (in MUs) for MePDCL
 - r. OA scheduled energy (DISCOM Periphery) on Month wise and Yearly (in MUs) for MePDCL

MePDCL's Reply (a):

MePDCL would like to submit that the bill wise details of the power purchase are being submitted as **Annexure P.A.1. (a)** to these replies.

MePDCL's Reply (b):

MePDCL would like to submit that the requisite information certified by SLDC for State Generating Stations of MePGCL is annexed to these replies as **Annexure P.A.1. (b)**.

MePDCL's Reply (c):

MePDCL would like to submit that MePDCL is committed towards lowering the power purchase cost. In pursuit of the same, MePDCL has recently finalized arrangement of power purchase from two small hydro power awarded to private developers by Government of Meghalaya. The total capacity of these plants are 37.5 MW and the developer and MePDCL have agreed to get into a PPA of 30% of the total installed capacity of these projects. In addition to the same the State will be entitled to 13% free power generated from the projects. The royalty in form of free power will result in a lower blended tariff of around Rs. 4/ kWh which is lower than other sources of power currently available for MePDCL. Further, the Government of Meghalaya has signed an Implementation agreement for development of Kynshi Stage I Hydro Power Project with installed capacity of 270 MW. MePDCL will not get into any PPA with this project as the estimate tariff is quite high (Rs. 8/kWh) however, the State will be entitled for 13% free power to the tune of 126 MU per year which will help in reducing the burden of power purchase cost to a large extent.

MePDCL's Reply (d):

MePDCL would like to submit that the requisite information is annexed to this reply as **Annexure P.A.1. (d)**.

MePDCL's Reply (e):

MePDCL would like to submit that the detailed reconciliation of power purchase expenses claimed and power purchase expenses as per the accounts is being submitted as **Annexure A.P.1.e**. MePDCL would like to further submit that the claim of power purchase expenses towards POSOCO and VAR amounting to Rs. 1.44 Crore was missed out due to inadvertent

error in the original Petition. Hence, MePDCL humbly prays the Hon'ble Commission to condone this error. The revised power purchase claim sheet along with the POSOCO and VAR is annexed as **Annexure A.P.1.e.i**. MePDCL humbly prays the Hon'ble Commission to consider the revised power purchase claim as attached. The revised Power Purchase Claim comes to Rs. 1560.96 Crore.

MePDCL's Reply (f):

MePDCL would like to submit that the Ganol Small Hydro Project (22.5 MW) was commissioned in August 2023. MePGCL filed a Petition before the Hon'ble Commission for determination of tariff which was disposed of by Hon'ble Commission on 13.03.2024 with following order:

“The RE Tariff Shall be applicable from 01.04.2024. The levellized Tariff for 40 years of the life time of the project is notified in this Order.”

MePGCL filed a review Petition against the aforesaid order on the ground that the Tariff should be applicable from the date of COD. The review was accepted by the Hon'ble Commission vide the order dated 29.08.2024 post which the bills were raised by MePGCL from the date of Commissioning of the project. Hence, the Ganol Prior Period (CoD to Mar 2024) was billed in FY 2024-25 and is claimed in the instant Petition.

MePDCL's Reply (g):

MePDCL would like to submit that there is no overstatement of the expenditure. It can be verified from the reconciliation sheet submitted in response to the query no. (d) above that the total power purchase expenses from NEEPCO is Rs. 269.52 Crore. However, the sum of cost from the individual projects is coming to Rs. 258.08 Crore because of the credit billed served by NEEPCO which have been accounted in the different head i.e., “Rebates on Purchase of Energy” in Note 24 of the accounts and in the tariff petition it has been considered under the Non-Tariff Income in Table 37 of the True Up Part of the Petition. Hence, in case the same would be considered in the Power Purchase expenses also it would result in double deletion. MePDCL has submitted the detailed breakup of “Rebates on Purchase of Energy” certified by the Auditor as Annexure G along with the Petition.

MePDCL's Reply (h):

MePDCL would like to submit that the Automatic Pass through of the variation in power purchase expenses was introduced by Ministry of Power to minimize the gap pertaining to the power purchase expenses during the true up exercise. Hence, any variation in the power purchase expenses whether on the higher side or whether on the lower side needs to be passed on to the consumers. Since, the actual power purchase expenses in FY 2024-25 is lower than the approved power purchase expenses the Z factor computed as per the formula approved by Hon'ble Commission came to be negative and hence the benefit was passed on to the consumers. Further, the computation of z factor can result in negative or positive based on the actual power purchase cost. Since, in the case of FY 2024-25 the Z factor was negative for all the months the resultant FPPAS was negative.

MePDCL's Reply (i):

MePDCL would like to submit that the detailed reconciliation of short-term power purchase along with the details of the bills is annexed at **Annexure A.P.1.i**. Further with respect to the reconciliation with Accounts MePDCL would like to submit that the short term power purchase which is managed through NTPC Vidyut Vyapar Nigam Limited is as under:

Row No. of TB	GL Description	Amount
1329	70.100 (NVVN) (Power Purchase (NVVN))	403943721
1748	70.500 (NVVN) (Open Access Charges NVVN)	9190795
Total		413134516

MePDCL's Reply (j):

MePDCL would like to humbly submit that the FPPAS or automatic pass through of the variation in power purchase cost is intended to pass on or recover any variation in the power purchase cost to or from the consumers so that there is no variation from the approved power purchase cost at the end of the year. Hon'ble Commission has approved a power purchase cost of Rs. 1554.68 Crore for the FY 2024-25 vide order dated 24.10.2024. Thus after the implementation of FPPAS the differential power purchase cost should have

been passed on to the consumers or recovered from the consumers. The actual power purchase cost for FY 2024-25 as claimed in the Petition was Rs. 1461.79 Crore. The total differential power purchase cost was (-) Rs. 92.89 Crore which was supposed to be passed on to the consumers out of which only Rs. (-)23.12 Crore was passed. Hence, the balance (-) Rs. 69.77 Crore has been reduced from the approved power purchase cost (to bring it to actual level). MePDCL would like to submit that the unbilled FPPAS of (-) Rs. 31.78 Crore is a part of (-) Rs. 69.77 Crore. The reason behind the same is that the FPPAS is passed on the basis of z factor which is multiplied with the energy charges of the particular month. In case the energy charges billed against the energy consumed by the consumers is not enough to pass on the entire benefit there will always be a balance FPPAS adjustment which is ought to be reduced from the approved power purchase cost. Further, since all the figures have been taken from the audited statement of accounts and the reconciliation has been provided at Table No. 16 of the Petition, MePDCL craves leave of this Hon'ble Commission for submission of auditor's certificate in this regards.

MePDCL's Reply (k):

MePDCL would like to submit that the month wise FPPAS computation for FY 2024-25 is being submitted as **Annexure A.P.1.k** of these replies.

MePDCL's Reply (l):

MePDCL would like to submit that as explained earlier FPPAS has been adjusted in the monthly bills of the consumers of the State.

MePDCL's Reply (m):

MePDCL would like to submit that the as explained in response to the query no. (f) above, since the final tariff order with applicability of the tariff from the COD of the generating station was available only on 29.08.2024. Till that time there was confusion and due to the same due to inadvertent error the billing was done on Rs. 5.31/ kWh which was based on the AFC decided for the first year in original order dated 13.03.2024. However, after the disposal of the review Petition it was realized that the billing was done wrongly for the period from COD till April 2024. To mitigate the impact of the same on consumers, MePDCL has claimed the corrected power purchase cost against Ganol in the True Up Petition.

Further, the credit bill towards the excess bills raised by MePGCL has been received in FY 2025-26. Copy of the credit bill received is annexed to this reply as **Annexure A.P.1.m.**

MePDCL's Reply (n)

MePDCL would like to submit that it has entered into two banking agreements with Haryana Power Purchase Centre as follows:

Banking Agreement 1:

A. Supply of Power from MePDCL to HPPC on firm basis:

S No.	Period	Duration (Hrs.)	Quantum (MW)
1.	16.05.2024 to 31.05.2024	00:00 to 24:00	50

B. Return of Power by HPPC to MePDCL on Firm Basis:

S No.	Period	Duration (Hrs.)	Quantum (MW)
1.	01.02.2025 to 28.02.2025	00:00 to 24:00	105% of the banked power.

Banking Agreement 2:

A. Supply of Power from HPPC to MePDCL on firm basis:

S No.	Period	Duration (Hrs.)	Quantum (MW)
1.	01.12.2024 to 31.01.2025	00:00 to 24:00	50

B. Return of Power by MePDCL to HPPC

S No.	Period	Duration (Hrs.)	Quantum (MW)
1.	01.07.2025 to 31.08.2025	00:00 to 24:00	50

Accordingly, in execution of the 1st agreement MePDCL supplied 16.8 MU to HPPC in the month of May 2024 and a quantum of 17.64 MU was received back in the month of February 2025 and hence the transaction was nullified in the same financial year.

In execution of the second contract MePDCL has received 74.40 MU in the month of December and January 2025 and this quantum is to be returned in FY 2025-26.

Apart from the above MePDCL is supposed to receive some quantum of energy which is nearly 50 MU from M/S Kreate Energy however, currently the matter is pending litigation

before Hon’ble Central Electricity Regulatory Commission. Thus the provision has been made on net basis.

The copies of both the LOAs is annexed to this Petition at **Annexure P.A.1. (n)**.

MePDCL’s Reply (o)

MePDCL would like to submit that as per the discussion in the State Advisory Committee Meeting held for tariff related exercise of FY 2025-26, it was suggested that the for transparency and clarity of the barter transactions, provisions might be made in the year of transaction if the two different legs of the transaction fall in different financial years. Accordingly, Hon’ble Commission also considered a deduction of Rs. 37.12 Crore which was the similar provision made in the audited accounts of FY 2023-24. Following the same practice MePDCL has reversed the negative provision of Rs. 37.12 Crore and new provision of Rs. 14.26 Crore has been made for the transaction involving two financial years.

MePDCL’s Reply (p):

MePDCL would like to submit that the “Outside Party Purchase” totalling to Rs. 803.26 Crore appearing in the Note 26 of the Audited Statement of Account refers to the power purchase cost pertaining to the power purchased from outside the State. The reconciliation of the same along with the reference to the Trial Balance is tabulated below:

S No.	Source of Power	Amount in Cr.As per SOA	Remarks
1	NEEPCO	269.52	Row No. 1326 of Trial Balance
2	NHPC	26.69	Row No. 1746 of Trial Balance
3	NTPC	285.63	Row No. 1327 of Trial Balance
4	OTPC	141.07	Row No. 1328 of Trial Balance
5	Short term purchase	41.31	Row No. 1329 and 1748 of Trial Balance
6	DSM Charges	23.22	Row No. 1333 and 1334 of Trial Balance
7	POSOCO and VAR	1.44	Row No. 1330 and 1331 of Accounts
8	Delayed Payment Surcharge (PGCIL and CTUIL)	0.11	Row No. 1661 and Row No. 1345 of Trial Balance
9	Provisions for Barter Transaction	14.26	Note 26 of the Accounts
	Total	803.26	

MePDCL's Reply (q):

MePDCL would like to submit that the requisite information is annexed to these replies as **Annexure P.A.1.(q)**

Query No.2 - Energy Sales

- a. The Commission observed that the total actual energy sales for FY 2022-23 and FY 2023-24 were 1,833.42 MUs and 1,433.99 MUs, respectively, indicating a declining trend in energy sales. Further, during the true-up year FY 2024-25, MePDCL has reported energy sales of only 1,405 MUs, as claimed vide Table No. 1 of the petition.

In this regard, MePDCL is directed to explain the reasons for the continued decline in energy sales during the true-up year, supported by detailed justification and relevant documentary evidence.

- b. "Revenue from Distribution Franchisee" has been claimed by MePDCL for FY 2024-25 as Rs 47.05 Cr vide Note 24 of the Audited Accounts.

MePDCL needs to provide the details of month-wise sale of this Franchisee along with other needful information.

MePDCL's Reply (a)

MePDCL would like to submit that as per the MSERC (Multi Year Tariff) Regulations, 2014 Regulation 12.1. (d) following is considered as an uncontrollable factor:

"d) Variation in the number or mix of consumers or quantities of electricity supplied to consumers."

Thus as per the provisions of the above regulations, the sales to the consumers is an uncontrollable factor for MePDCL. However, it has been seen that there has been a sharp decline in the EHT sales because of the consumers opting for open access.

MePDCL's Reply (b):

MePDCL would like to submit that the statement of the breakup of Revenue from Distribution Franchisee is annexed as **Annexure P.A.2. (b)** to these replies.

Query No. 3- Energy Availability

The Commission directs MePDCL to submit the following details duly certified by SLDC (as applicable) for FY 2024-25:

- i. Monthly energy consumption by different categories of consumers
- ii. Month-wise power availability vis-a -vis Surplus/Deficit scenario based on energy demand of different category of consumers.
- iii. Month wise Power sale to consumers Vs Load shedding data and Energy Sale under Open Access

MePDCL's Reply:

MePDCL would like to submit that the statement of month wise sales to various consumers of the state and the month-wise availability and month-wise open access sales is annexed to these replies as **Annexure P.A.3.**

Query No. 4- Gross Fixed Asset

MePDCL is directed to submit a detailed breakup of asset-wise and each line item-wise breakup of 'additions and deletions' from the Gross Fixed Assets (GFA) for FY 2024-25 for ensuring proper governance, transparency and accurate reporting of financial and operational management of fixed assets.

MePDCL's Reply:

MePDCL would like to submit that the detailed breakup of addition in FY 2024-25 along with the details of the year wise details of capitalization is annexed to this reply as **Annexure P.A.4.** However, MePDCL would like to humbly submit that an inadvertent error has occurred which claiming the funding patter of the additional capitalization submitted

at Table 11 of the Petition. Under this table the equity portion has been mentioned as Rs. 168.91 core while the grant portion has been mentioned as Rs. 543.27 Crore. However, due to inadvertent error an amount of Rs. 3.11 Crore which was of consumer contribution has been considered as equity which should have been considered as grants. Hence, MePDCL humbly prays the Hon'ble Commission to condone the error and consider the Grant Portion in funding pattern as Rs. 546.38 Crore and Equity Portion as Rs. 165.80 Crore.

Query No.5- Depreciation

MePDCL is directed to furnish the Asset Wise Cumulative depreciation and Grant amortized details for FY 2024-25 and FY 2026-27.

MePDCL's Reply:

MePDCL would like to submit that the Asset wise cumulative depreciation and grant amortized for FY 2024-25 is annexed at **Annexure P.A.5**. However, the data for FY 2026-27 can be provided only after actual capitalization and finalization of accounts.

Query No. 6- Grants and Consumer Contribution related to Additional Capitalization

- i. MePDCL is directed to submit the requisite data as per specified format as attached in Annexure B along with documentary evidence of Govt. Order and Auditor certificate for the grant schemes.
- ii. It has been observed that the Grant figures didn't match between Note 17 and Note 17.1. of Financial Statement. Note 17 reflects an amount of Rs 1,475.77 crore, whereas Note 17.1. indicates Rs 1,624.76 crore. Justification must be submitted by MePDCL for this difference.
- iii. MePDCL booked Rs 1,387.14 Cr as opening grant for FY 2024-25 vide Note 17.1 of Financial Statement, however the Commission approved the closing grant of FY 2023-24 Rs 1,382.35 Cr. MePDCL is directed to submit the justification of this discrepancy with valid documentation.
- iv. MePDCL is directed to elucidate the treatment of "Consumers Contribution Towards Cost of Capital Asset" (Rs 41.76 Cr) vide Note 17 of Financial Statement.
- v. MePDCL in the present Petition furnished the Auditor Report only for the Scheme wise capitalization through Grants, Loan and Equity. However, it has

not submitted the Asset class wise and line-item wise Assets funded through “Grants, Loan, Consumer Contribution and Equity”. Accordingly, MePDCL is directed to furnish the details of capitalisation information, including the sources of funding of capitalisation (Equity, Grant, Consumer Contribution, Loan etc.) during FY 2024-25 in the specific format (in line with its annual accounts submitted) attached as Annexure F, duly audited by Auditor.

MePDCL’s Reply (i)

MePDCL would like to humbly submit that it is still in the process of compiling the data and hence prays the Hon’ble Commission to allow submission of the data along with the Second Set of Additional Information.

MePDCL’s Reply (ii)

The apparent difference arises due to the classification between Current Rs. 148.99 Crore (Note 24) and Non-Current portions of the grant liability Rs. 1475.77 Crore (Note 17), in line with the disclosure requirements of IND AS 20 – Accounting for Government Grants.

- Note 17.1 Rs. 1624.76 Crore → Total Grant to be amortised.
- Note 17 (Rs. 1475.77 Crore) → Non-current portion only.
- Note 24 (Rs. 148.99 Crore) → Current portion to be amortised within one year.

Thus, the total grant to be amortised Rs. 1624.76 Crore represents Rs. 1475.77 Crore Non-current portion to be amortised and Rs. 148.99 Current portion to be amortised within one year. The figures are consistent and compliant with the applicable accounting standards, with no misstatement involved.

MePDCL’s Reply (iii):

MePDCL would like to submit that Hon’ble Commission while issuing the Order for True Up of FY 2022-23 has restricted the grants to the GFA and hence the grants in regulated asset base and grants as per the accounts are liable to be difference as the accounts also has the grants pertaining to the works which are under CWIP.

MePDCL's Reply (iv):

MePDCL would like to submit that the Consumer Contribution represents the amount received from consumers towards the cost of creating specific capital assets required to provide service connections or related infrastructure.

Accounting Treatment:

1. Nature of Receipt: The amount received from consumers is not treated as income at the time of receipt. Instead, it is considered a capital receipt linked to the creation of specific capital assets.
2. Capitalisation of Asset: The full cost of the capital asset created (including the portion funded through consumer contribution) is capitalised under Fixed Assets.
3. Recognition of Consumer Contribution: The contribution received is recorded separately (generally as a deferred liability or capital reserve, as applicable).
4. Amortisation The consumer contribution amount is amortised over the useful life of the related asset on a fixed percentage basis. The amortisation is recognised periodically in the Statement of Profit and Loss. This systematic recognition ensures matching of income with the depreciation charged on the related asset

MePDCL's Reply (iv)

MePDCL would like to submit that the requisite information has been furnished against the reply to Query No. 4 above as **Annexure P.A.4.**

Query No. 7- Deferred Revenue:

The Commission observed that the deduction in Deferred Revenue under Non-Current Liabilities during the year of FY 2024-25 under Note 17.1 of Audited Annual Accounts (Rs 83.86 Cr) differs from the figure of Deferred Revenue under Current Liabilities as per Note No. 23 of Audited Accounts for FY 2024-25 (Rs 145.46 Cr) and Amortization of Grant under Note 26 of the Audited accounts for FY 2024-25 (Rs 83.86Cr). Ideally, these three figures should be aligned.

MePDCL is directed to provide the justification of this discrepancy and also submit the Accounting Norms and Policies followed for recording these transactions to ensure transparency and consistency.

MePDCL's Reply:

The amount mentioned in Note 17.1 and Note 26 Rs. 83.86 Crore of Annual Accounts is the amount amortized during the financial year 2024-25 and the amount of deferred revenue mentioned in Note 23 Rs. 145.46 relates to amount to be amortized within 1 year in FY 2025-26. Thus amount mentioned in Note 23 relates to amount that will be amortized during FY 2025-26.

Query No. 8 – Capital Works In Progress

i) It has been observed that 'Additions during the year' amounting Rs 357.79 Cr, 'Conversion During the Year' amounting of Rs 46.60 Cr and Adjustments amounting Rs (-4.23) Cr have been booked in below mentioned schemes as per Note 3.2 of Financial Statements of FY 2024-25.,

CWIP	Additions during the year (in Rs)	Adjustments (in Rs)	Conversion During the Year (in Rs)
IPDS (Integrated Power Development Scheme)	37,68,084.53	-	-
Asian Development Bank	1,27,81,91,670	-	46,59,50,201
Others	-	(2,51,33,162)	-
RDSS	2,29,59,56,707	(1,71,95,224)	-
Total	3,57,79,16,462	(4,23,28,386)	46,59,50,201

- a) In this regard, MePDCL is directed to clarify the rationale for this accounting treatment, along with appropriate justification and an auditor's certificate.
- b) MePDCL is also directed to clarify the Others Scheme under CWIP. MePDCL should substantiate its justification with proper documentation.

ii) It has been noticed that Note 3 (CWIP) of the Financial Statement (FS) for FY 2024-25 indicates Rs 64.93 Cr has been adjusted (in total), as booked under 'Adjustments' and 'Deductions/ Adjustments during the year' of Note 3 (Capital Work-In-Progress), whereas Note 2(PPE) of FS reflects an addition of Rs 50.42 Cr. Hence, MePDCL is directed to provide the reconciliation of the amounts.

MePDCL's Reply (i):

MePDCL would like to humbly submit that The figures disclosed in Note 3.2 are appropriately presented and duly supported by scheme-wise details.

1. Additions during the year (Rs. 357.79 Crore):
Note 3.2 provides scheme-wise details of capital expenditure incurred during the current financial year. These represent actual additions to Capital Work-in-Progress (CWIP) during the year and have been properly classified.
2. Conversion during the year (Rs. 46.60 Crore):
The amount represents conversion of CWIP into completed assets during the year. These amounts have been capitalised under the appropriate fixed asset heads upon completion of the respective schemes.
3. Adjustments (Rs. -4.23 Crore): Adjustments shown in the note relate to book entries having the effect of increasing or decreasing CWIP. These primarily pertain to reclassification of entries passed in earlier years for appropriate presentation and better disclosure in the financial statements. Such adjustments ensure correct scheme-wise allocation and proper financial reporting.

MePDCL Reply (ii):

MePDCL would like to submit that The apparent difference between the adjustment shown in Note 3 (CWIP) and the additions reflected in the Fixed Assets schedule is reconciled as under:

1. Adjustment in CWIP – Rs. 64.93 Crore

The total adjustment of Rs. 64.93 Crore in CWIP includes:

- CWIP converted to Fixed Assets: Rs. 46.60 Crore
- Capital Stock adjustment: Rs. 22.56 Crore
- Other adjustments: Rs. (4.23) Crore

It is important to note that:

- Capital Stock represents materials purchased for execution of capital works and deposit works. These do not constitute fixed assets by themselves but are inventory items meant for consumption in capital projects.
- Therefore, deduction/adjustment of Capital Stock (Rs. 22.56 Crore) and other book adjustments (Rs. 4.23 Crore) do not result in addition to fixed assets.

Addition in Fixed Assets – Rs. 50.42 Crore

The addition of Rs. 50.42 Crore in the Fixed Assets schedule comprises:

- Rs. 46.60 Crore – Assets capitalised out of CWIP conversion during the year
- Rs. 3.52 Crore – Assets directly purchased and capitalised during the year

Thus The CWIP adjustment of Rs. 64.93 Crore includes items other than asset capitalisation (i.e., capital stock and reclassification adjustments). Only the portion relating to actual capitalisation of completed works is reflected as addition in Fixed Assets. Accordingly, Fixed Assets addition of Rs. 50.42 Crore correctly represents:

- Conversion from CWIP Rs 46.60 crore, and
- Direct asset purchases during the year Rs 3.52 Crore.

Query No. 9- Capital Stock

It has been identified that Rs 47.36 Cr has been booked under Capital Stock in Note 3 (Capital Work-In-Progress) of Financial Statement (FS). In this regard, MePDCL is directed to submit the Details of Capital Stock in CWIP and its movement.

MePDCL's Reply:

MePDCL would like to pray the Hon'ble Commission that since capital stock is not directly impacting the tariff computation hence MePDCL would like to crave leave of this Hon'ble Commission to submit the information along with the Additional Information II.

Query No. 10- Loan Portfolio

- a) The Commission has observed that, there is a mismatch in terms of closing loan of FY 2023-24 and opening loans of FY 2024-25, as submitted by MePDCL vide Table 24 of the petition and that of audited by the Auditor as well as approved by Commission in last True-Up order dated 24.03.2025. Additionally, there is no clarity of Repayment schedule and Interest paid.

In this regard, MePDCL is directed to furnish the actual loan portfolio duly certified by the auditor (in line with the audited annual accounts for FY 2024-25) in the prescribed format as attached in Annexure-C along with supporting documentation to substantiate the explanation. This could include

- 1) Loan agreements or amendments,
- 2) Bank Statement for year-wise Repayment and Interest paid

MePDCL is also requested to justify its claims in case there is any deviation of the actual loan portfolio and its audited annual accounts for FY 2024-25.

- b) In True Up order of FY 2021-22 dated 13.11.2023, Point No. 2.5 (Interest and Finance Charges), Commission stated that the petitioner failed to furnish the details of date wise loans drawn and principal repayment and interest during execution of the works contemplated under R-APDRP Part-A & Part-B schemes which was borrowed for the infrastructural works contemplated to achieve loss reductions and network efficiency for the period FY 2015-16 to FY 2020-21. Commission further noted that the Licensee has failed to submit the proposals for conversion of loans as grant through the State Govt. along with the project appraisals as envisaged in the sanction of funding by the Ministry of power, Govt. of India.

It is pertinent to mention that during FY 2022-23 and FY 2023-24 also, the petitioner failed to furnish the above-mentioned details.

In this context, the Commission directs the Petitioner to substantiate their claim on Interest of R-APDRP loan with the appropriate relevant documentary evidence till FY 2024-25.

MePDCL’s Reply (a):

MePDCL would like to submit that the closing balance of the loans are matching with the approved figures by Hon’ble Commission vide order dated 24.03.2025 except the opening balance for the PFC 325 Crore loan. Hon’ble Commission has considered the closing balance of the loan as Rs. 167.26 Crore against MePDCL’s claim in the instant Petition of Rs. 171. 38 Crore. The difference is because of the restatement in the accounts of FY 2023-24 for which MePDCL has submitted the clarification at the time of truing up of FY 2023-24. The same is reproduced as under:

“MePDCL would like to submit that there is a mismatch in the closing balances of two loans as shown in the auditor’s certificate submitted at the time of truing up of FY 2022-23 and the balances shown in the audited statement of accounts under Note 16. The differences are summarized below:

Loan	Closing Balance as on 31.03.2023 as per Auditor’s certificate	Closing Balance as on 31.03.2023 as per the restated Statement of Accounts	Difference
REC Re-Scheduled Loan	3,48,00,235	3,16,92,223	-31,08,012
PFC 325 Crore	21,78,111,820	2,136,865,509	-4,12,46,311
Total			-4,43,54,323

The detailed reason for this difference has been provided under Note 32 of the Audited Statement of Account. The same is reproduced below for clarification:

“As per requirements of Ind AS 8, Company has corrected Material prior period(s) errors retrospectively by restating the comparative amounts for the prior periods to the extent

practicable along with change in basic and diluted earnings per share. However, if the error relates to a period prior to the comparative period, balances of the assets, liabilities and equity of the comparative period presented are restated. Immaterial prior period errors have been classified in their natural head of income and expenses.”

Under the above disclosure table has been provided wherein adjustment made to long term borrowing is also provided:

Particulars	As on 31.03.2023 as per last audited Balance Sheet	Prior period items	Restatement	As on 31.03.2023 Restated	Remark
Borrowings	15,49,71,40,346		(4,43,54,322)	15,45,27,86,024	Excess Provision Booked in Earlier Years

It is evident from the table that the accounts of the FY 2022-23 have been restated as per the justification above and the amount of difference shown in the previsions table is exactly the restatement amount provided in the table above.”

This can be further verified from the audited Statement of Accounts **Note. 16 - NON-CURRENT FINANCIAL LIABILITIES: BORROWINGS**

MePDCL would like to further submit that the auditor’s certificate with regards to loan portfolio for FY 2024-25 has already been submitted as Annexure to the original Petition. However, the same is reproduced as Annexure P.A.10 (a) of this reply.

MePDCL’s Reply (b)

With regards to the RAPDRP A and B Loans MePDCL would like to submit that the MePDCL has submitted all the required documents to Power Finance Corporation for conversion the same to equity. However, the final decision from PFC is still awaited. Further, MePDCL would like to submit that it has not claimed any interest on these loans while computing the weighted average interest on loan, only the opening and closing amount on the loan

has been considered. In case the same is not considered the weighted average interest on loan would increase from current claim of 3.52% to 4.77%.

Query No. 11- Capital Expenditure

MePDCL to furnish the details of funding of scheme-wise and Asset wise capex details (Equity, Grant, Consumer Contribution, Loan etc.) during FY 2024-25, FY 2025-26 and FY 2026-27.

MePDCL's Reply:

MePDCL would like to submit that the scheme wise capex details along with the funding pattern for FY 2024-25 duly certified by the auditor has been submitted along with the Petition. Further the asset wise capitalization details along with the funding pattern for FY 2024-25 is submitted in response to query no. 4 of these replies. With regards to the capital expenditure for FY 2025-26 and 2026-27, MePDCL would like to submit the capitalization has been claimed as per the approved Business Plan. However, at present there are two major schemes are under progress i.e., ADB funded Distribution Improvement Project and RDSS hence, MePDCL craves leave of this Hon'ble Commission to submit the asset wise funding pattern for FY 2025-26 and FY 2026-27 at the time of truing up of the respective year.

Query No. 12:

- a. MePDCL to provide Month-wise, Category-wise and Slab-wise Billing Determinants details (i.e. Number of Consumer, Energy sale, Connected/Contracted Load and Revenue earned) including Revenue earned for past 5 years on actual basis as per **Annexure D**, which needs to be in line with Audited reports.
- b. MePDCL is further directed to submit ToD pattern wise sale for last 5 years for all the relevant categories starting from FY 2020-21 to FY 2024-25.
- c. MePDCL is directed to submit the followings for past 5 years on actual basis duly certified by auditor and SLDC,
 - i. Month wise Total power drawn through Open Access (OA) (in MW) by the OA consumers
 - ii. Month wise Total No. of Hours of drawl in OA (in Nos.) by OA consumers
 - iii. Category wise Number of OA consumers

- iv. Month wise Average Load of DISCOM (in MW)
- v. Month wise Contracted Capacity DISCOM (in MW)
- vi. Month wise Peak Load of OA consumers (in MW)
- vii. Month wise Off-Peak Load of OA Consumers (in MW)

MePDCL's Reply:

MePDCL would like to pray Hon'ble Commission that the data for the query no. a and b above is still under preparation further Hon'ble Commission has sought similar kind of information in Additional Information II. Hence, MePDCL pleads the Hon'ble Commission to allow the submission of this information along with the Additional Information II.

Further with regards to Query No.(c) MePDCL would like to submit that information duly certified by SLDC is Annexed to this reply as **Annexure P.A.12. (c)**.

Query No. 13- O&M Expenses:

- a. MePDCL is directed to submit item-wise details of R&M expenses, along with valid supporting documentation, to justify the higher amount of claim as compared to the previous year.
- b. It is directed to MePDCL to provide the detailed reconciliation in line with Trial Balance for Gratuity Expense, Leave Encashment Expense, Pension Expense and Contribution to provident and other funds, as booked under Note 27 of Financial Statement (FS).
- c. It is noticed that MePDCL claimed the apportionment of MeECL expense under Employee Cost twice ('Apportionment of the Holding Company' is Rs 7.62 Cr and '1/3rd Employee Expenses of MeECL' is Rs 1.71 Cr) vide Table 28 of the Petition. MePDCL is directed to clarify this discrepancy with valid justification.

MePDCL's Reply (a):

MePDCL would like to submit that the detailed item wise break-up of R&M expenses is annexed to this reply as **Annexure P.A.13. (a)**

MePDCL Reply (b):

MePDCL would like to submit that the employee expenses claimed in the Petition are exclusive of Pension and Gratuity Expenses. The detailed reconciliation of the Employee expenses claimed and as per SOA is as under:

Particular	Amount
Total Employee Expenses as per SOA	274.15
Less: Gratuity Expenses as per SOA	4.92
Less: Leave Encashment Expenses as per SOA	6.01
Less: Pension Expenses	85.44
Less: Pension Expenses included in Apportionment	0.37
Net Employee Expenses	177.41

The details of Gratuity, Leave Encashment and Pension expenses with respect to Trial Balance are as under:

Row No. of TB	Description	Amount	Amount in Rs. Cr.
1679	75.300(G) (Gratuity Expenses)	49216638.9	4.92
1680	75.300 LEB (Earned Leave Encashment Expenses)	60115283.1	6.01
1681	75.300 (Pension) (Pension Expenses)	854360368.2	85.43
	Total	963692290.2	96.36

MePDCL Reply (c):

MePDCL would like to submit that there is not claimed the apportionment of expenses twice. As per regular practice followed in the past the, some portion of the employee expenses in the books of MeECL have been apportioned in the Books of MePDCL, MePGCL and MeECL which amounts to Rs. 7.99 Crore in FY 2024-25. Out of this 7.99 Crore an amount of Rs. 0.37 Crore pertains to the Terminal Benefits which have not been claimed in instant Petition as the Hon’ble Commission is allowing the terminal benefits separately. After allocation the balance amount of employee expenses in the books of MeECL have been claimed in the Petition. This is in line with the methodology adopted in previous true ups approved by this Hon’ble Commission. Detailed reconciliation of the claim under “1/3 of MeECL expenses” is as under:

Particular	Amount
Total Employee Expenses as per SOA of MeECL	60.21
Less: Terminal Benefits	32.21
Net Employee Expenses (1)	28.00
Less Allocation to Subsidiaries	
MePGCL	7.62
MePTCL	7.62
MePDCL	7.62
Total Allocation (2)	22.87
Balance 3= (1-2)	5.13
Allocation to MePDCL 4= (3/3)	1.71

Query No. 14: AT&C loss and Distribution Loss

MePDCL is directed to submit the following regarding Loss Reduction Program / Strategies for restricting AT&C loss% and Distribution Loss%

- i. The detailed activities being executed and planned for further progress,
- ii. Any subsidy claimed vs received from Government or not for any Loss Reduction schemes

MePDCL's Reply:

MePDCL would like to submit that a detailed note on the ongoing schemes which are focusing on the loss reduction i.e., ADB funded Distribution Improvement Program and Revamped Distribution Sector Scheme along with the funding pattern of the schemes is annexed to these replies as **Annexure P.A.14**.

Query No. 15- UDAY Grant

- i. MePDCL is directed to justify its inability of achieving the Financial Viability with Revised Tariff and the clarification of UDAY Grant received from Government. Also, submit a comprehensive write-up detailing background of UDAY grant allowed by the Government and substantiate the same with a copy of UDAY MOU signed. MePDCL is further asked to provide Auditor Statement for UDAY fund flows till FY 2024-25.
- ii. The proposed activities mentioned under UDAY MOU should be detailed out vis-a-vis the current status of those activities should be compared. Moreover, a summary to be prepared in the following format;

Sl No.	Activities as per UDAY MOU	Current Status	Future Plan	Schemes under which the plan is being / to be executed
1				
2				
.....				
n				

iii. As per the MOU entered for implementation of UDAY scheme, energy audit upto 11kV level has been made mandatory. In this regard, MePDCL shall submit the energy audit as contemplated in the MOU to ensure the reduction of loss level and improvement of infrastructural and performance KPIs. Additionally, MePDCL has to provide the moth-wise progress report of loss levels and the corresponding action plan to reduce the losses in the distribution network.

iv. MePDCL is directed to provide justification of considering the UDAY grant under Revenue Booking with proper supporting documentation.

v. It has been noticed that as per Point no. R (7) of the Audit Report (Annexure C), Auditor stated below,

Other Liabilities Hs. 10,309.41 Lakhs:

(i) Out of the Other Liabilities of Rs. 10,309.41 Lakhs, amount payable to REC RGGY amounts to Rs. 6,500.00 Lakhs. The amount is being carried forward since April, 2022 onwards. The amount has been received by the Holding company from the GoM under the head "Repayment of loan component and interest thereto on account of RGVVY". However, as per the company, the GoM has used incorrect head while preparing the financial sanctions in case of UDAY Scheme and as such, the company has not been able to account the funds in the manner in which they were sanctioned to be. The company is in discussion with the GoM to get these sanctions rectified. In absence of proper clarification from

the GoM on this matter, we are unable to comment on the proper classification and accounting this balance”

MePDCL is hereby directed to provide a detailed justification, with appropriate reasoning, for classifying the UDAY grant under Other Liabilities. Additionally, the utility is required to explain the impact of this classification on the Financial Statements, specifically addressing the rationale for not adhering to the prescribed accounting treatment.

MePDCL’s Response:

MePDCL would like to submit that it is in the process of preparing a detailed note on the UDAY Scheme. Hence, MePDCL humbly prays the Hon’ble Commission to allow submission of the information related to this query along with the Additional Information II.

Query 16 – Other Charges from Consumers

MePDCL in the Note 24 of the Audited Accounts for FY 2024-25 has mentioned ‘Other Charges from Consumers’ (Rs 15.97 Cr.) under the revenue from Operation. MePDCL should clarify the details of these charges.

MePDCL’s Reply:

MePDCL would like to submit that other charges from the consumer constitute of following:

- a. Penalty Charges billed to Distribution Franchisee
- b. Transformer Maintenance Charges
- c. Compensation Bills raised for theft cases
- d. Meter Change Charges
- e. Re- Connection Charges
- f. Name Change Charges
- g. Re-rating of Demand Charges (Excluding Load Security Charges).

Query 17- Special Tariff

MePDCL was supposed to submit the final working of the differential amount due to Special Tariff by first week of December 2025, as mentioned in the section 4.15 of the Petition. However, the calculation has not yet been submitted. In this regard, MePDCL is directed to provide the detailed calculation along with Auditor certificate, concerned bills and other valid documents.

MePDCL's Reply:

MePDCL would like to submit that the detailed Statement of Special Tariff along with the Penalty billed to consumers along with auditor's certificate is annexed to this reply as **Annexure P.A.17**. MePDCL would like to submit that after the final settlement and acceptance from the consumers, the revised amount of claim towards of special tariff comes out to Rs. 108.45 Crore instead of Rs. 105.31 Core as shown in the SOA. Thus based on the MePDCL claims to allow the aforesaid amount in 3 instalments the revised claim for FY 2024-25 comes out to be Rs. 36.15 Crore in place of original claim of Rs. 35.11 Crore in Petition.

Query No. 18- Prescribed Regulatory Formats

- a. It is directed to furnish the supporting data to the above petition filed in the formats notified in Appendix-C in the Formats D2 (A), D3, D4 (a), D4 (b), D4 (c), D4 (d), D6 and D7, Format 2, Format 14(A), 14(B), 14(c), 14(d), Format 16 and 17 for Distribution utility.
- b. MePDCL is also directed to submit the Additional Formats duly filled up with proper data/information as attached as Annexure-E.

MePDCL's Reply:

MePDCL would like to submit that the prescribed Regulatory Format is annexed to this reply as **Annexure P.A.18**.

Part B: Petition for Revised ARR for FY 2026-27

Query No. 19- Power Purchase:

- a) MePDCL must provide details of new plants / capacities that are expected to come up in FY 2024-25 and FY 2025-26 along with PPAs and approvals.
- b) MePDCL must submit the MS-Excel models of Sales-Revenue and Power Purchase for both True-Up and Revised ARR year with all necessary supporting Linked datasheet and Formula driven as well as “proper justification and detailed explanation for all projections” without any fail.
- c) MePDCL is directed to submit the documentary evidence like Invoices and PPAs to justify the ‘H1 rates’ including Fixed cost, Variable cost and Other charges for FY 2025-26.

MePDCL’s Reply (a):

MePDCL would like to submit that as on date there is only one project in pipeline i.e., Subansiri Project of NHPC. The total installed capacity of the project is 2000 MW and the allocated capacity to North Eastern States is 440 MW out of which 11.23% is allocated to Meghalaya which comes out to be 49.41 MW. The total design energy of the Project is 7421.59 MU, thus the energy in terms of allocation of capacity to Meghalaya comes out to 183.36 MU. However, till date only two of the units have been commissioned hence no projections have been considered in ARR for FY 2026-27.

MePDCL’s Reply (b):

MePDCL would like to submit the excel based model with embedded formulae has already been submitted along with the Petition.

MePDCL’s Reply (c):

MePDCL would like to submit that it is submitting the invoices of all the power purchase expenses for H1 of FY 2025-26 along with this reply as **Annexure B.P.19 (c)**.

Query No. -20 Energy Sales:

- a) MePDCL further directed to mandatorily submit the detailed calculation and a write-up on Projection basis of category wise consumers sale for FY 2026-27.

MePDCL's Reply (a):

MePDCL would like to submit that for rest of the consumers of the State Energy Sales has been considered as approved in the Business Plan for fourth control period. During that time the methodology adopted for projecting energy sales was CAGR based on the consumption of various category of consumers in past 5 years. Further, at the time of projection, the sales pertaining to the New Shillong development was not taken into account as the details of load growth was not available at that time. However, the new Assembly building and the IT park are expected to be completed by March 2026 which will increase the load by 7 MVA. The corresponding energy to same has been included in the projected sales for FY 2026-27 considering a load factor of 50% since IT parks are energy intensive in nature.

Query No. 21- General

- a) MePDCL is required to submit the Proposed Roadmap for reduction of Cross-subsidies as per the Tariff Policy for consideration of the Commission.
- b) MePDCL is directed to submit its actual consumer category wise power factor and load factor and details of rebate provided (if any) for FY 2024-25 along with supporting documents.
- c) MePDCL to submit the status of compliance report of Commission's Directives as per True-Up and Tariff Orders and reason for non-compliance of the same for past 3 financial years without any fail.
- d) MePDCL is directed to clarify the projection of Tariff for the New Shillong category (new Assembly building and the IT park) for FY 2026-27.
- e) It is directed that MePDCL has to provide the status report of EV charging station, elaborative explanation of Roadmap and action plan for upcoming EV charging station.

MePDCL's Reply (a):

MePDCL is committed to aligning its tariff structure with the principles laid down under the National Tariff Policy and the Electricity Act, 2003. In line with the achievement of the objectives MePDCL is working hard on reduction of the technical and commercial losses

through improved metering and strengthening the billing efficiency. This will result in lower system cost and will reduce the need for cross-subsidies.

Along with the reduction of the system cost and hence Average Cost of Supply of MePDCL, tariff rationalization would also be required wherein the categories like domestic, agriculture, Ferro Alloys who are currently paying below cost of supply needs to be brought near the cost of supply in gradual and phased manner.

MePDCL's Reply (b):

MePDCL would like to submit that the required information has been submitted to the Hon'ble Commission as a reply to separate communication from Hon'ble Commission.

MePDCL's Reply (c):

MePDCL would like to submit that it is in the process of preparation of the compliance report and shall submit it as a separate submission before the public hearing without fail.

MePDCL's Reply (d):

MePDCL would like to submit that it has already provided the detailed basis of projection in the Petition as well as in response to Query 20 above as directed by Hon'ble Commission.

MePDCL Reply (e):

MePDCL would like to submit that as on date there is no EV charging Station. However, application has been received from two consumers who intend to avail connections for the EV charging stations recently. These applications have been processed and the estimates have been prepared and the connection shall be granted very soon.