

Joint Electricity Regulatory Commission for UT of Jammu & Kashmir and UT of Ladakh



ORDER

on

**Annual Performance Review of FY 2024-25, Aggregate Revenue Requirement of
FY 2025-26 and Retail Supply Tariff Determination for FY 2025-26**

for

Jammu Power Distribution Corporation Ltd

and

Kashmir Power Distribution Corporation Ltd

Jammu

2025

Joint Electricity Regulatory Commission for UT of J&K and UT of Ladakh

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**Before the
Joint Electricity Regulatory Commission for UT of Jammu & Kashmir &
UT of Ladakh**

Petition No. JERC/05 & JERC/06 of 2025

In The Matter of:

Approval of Annual Performance Review of FY 2024-25, Aggregate Revenue Requirement of FY 2025-26 and Retail Supply Tariff Determination for FY 2025-26 for Jammu Power Distribution Corporation Ltd and Kashmir Power Distribution Corporation Ltd.

And

In The Matter of:

Jammu Power Distribution Corporation Ltd
and
Kashmir Power Distribution Corporation Ltd

Coram:
Shri. R. K. Chaudhary, Chairperson

ORDER No. 16 of 2025

(31-12-2025)

1. This Order relates to the approval of the Annual Performance Review (APR) of FY 2024-25, the determination of Aggregate Revenue Requirement (ARR) for FY 2025-26 and the determination of Retail Supply Tariff (RST) for FY 2025-26 filed by the Jammu Power Distribution Corporation Limited (hereinafter referred to as JPDCL or the Petitioner) and Kashmir Power Distribution Corporation Limited (hereinafter referred to as KPDCL or the Petitioner) before the Joint Electricity Regulatory Commission for Union Territory (UT) of Jammu & Kashmir (J&K) & UT of Ladakh (hereinafter referred to as JERC or the Commission). The Petitions were filed as per the Joint Electricity Regulatory Commission for the UT of Jammu & Kashmir and the UT of Ladakh (Terms and Conditions for Determination of Multi-Year Generation, Transmission, and Distribution Tariff) Regulations, 2023.

2. The Jammu & Kashmir Reorganization Act, 2019 (hereinafter referred to as "J&K Reorganization Act" or "Reorganization Act") was enacted by the Parliament of India on 9th August 2019 wherein the State of Jammu and Kashmir was divided into Union Territory of Jammu and Kashmir & Union Territory of Ladakh. Consequent to the enactment of the Jammu and Kashmir Reorganization Act, 2019 and the repeal of the Jammu and Kashmir Electricity Act, 2010, the Central Electricity Act, 2003 was made applicable to the UT of Jammu and Kashmir and UT of Ladakh.
3. Consequent to the approval of the State Administrative Council of J&K, the Power Development Department of Jammu and Kashmir (JK-PDD) was unbundled into several Power Corporations on 23rd October 2019 vide Government Order No. 191-PDD of 2019. The unbundling involved the incorporation of JPDCL and KPDCL for handing the distribution business in Jammu and Kashmir respectively.
4. After the constitution of the Joint Electricity Regulatory Commission for UT of Jammu & Kashmir & UT of Ladakh, the Commission vide Gazette Notification No. JERC-JKL/Tech-13/2021 dated 31st March 2021, notified "JERC for UT of J&K and UT of Ladakh (Adoption of various Regulations of JERC for the state of Goa and UTs) Regulations, 2021". The Commission adopted "Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi-Year Tariff) Regulations, 2018" (henceforth 'JERC MYT regulations, 2018') applicable for the determination of tariff for all the Generation companies, Transmission Licensees and Distribution Licensees in UT of J&K and UT of Ladakh. Subsequently, the Commission through a Suo-Motu order dated 01.12.2021 extended the control period of JERC Goa and UTs MYT Regulations 2018 (which was applicable from FY 2019-20 to FY 2021-22) to 5 years control period with effect from FY 2021-22 to FY 2025-26. Following the due regulatory process, the Commission issued a tariff order for FY 2022-23 vide its order dated 13.10.2022 in Order No JERC/6 of 2022 (in Petition No JERC/P/02 of 2022 and JERC/P/03 of 2022).
5. Further, the Commission vide its notification No. JERC-JKL/Reg/2023/13 dated 10.11.2023 notified the Joint Electricity Regulatory Commission for the UT of Jammu & Kashmir and the UT of Ladakh (Terms and Conditions for Determination of Multi-Year Generation, Transmission, Distribution Tariff) Regulations, 2023 [henceforth referred as 'JERC MYT Regulations 2023'].
6. Subsequently, the Petitioners (JPDCL & KPDCL) submitted the tariff petitions for Business Plan for FY 2023-24 to FY 2025-26, the Multi-Year Tariff (MYT) for the period from FY 2023-24 to FY 2025-26 and the tariff proposal for FY 2023-24. The Commission vide its Order No. JERC/13 of 2023 dated 24.11.2023 approved the Business Plan and MYT for the period from FY 2023-24 to FY 2025-26 and Tariff for FY 2023-24 (Petition No JERC/P/08 of 2023 and JERC/P/09 of 2023).
7. The Commission vide its Order No. 05 of 2025 dated 24.03.2025 approved the APR for FY 2023-24, ARR for FY 2024-25 and determination of Retail Supply Tariff (RST) for FY 2024-25 filed by JPDCL (through Petition No. JERC/04 of 2024) and KPDCL (through Petition No. JERC/03 of 2024).
8. The Petitioners (JPDCL & KPDCL) submitted the present Petitions on determination of APR for FY 2024-25 and ARR for FY 2025-26 and the determination of Retail Supply Tariff (RST) for FY 2025-26 on 11.01.2025 (by JPDCL) and 27.01.2025 (by KPDCL).

9. During a detailed analysis of the Petitions, the Commission observed several information gaps and discrepancies, for which additional information was requested from the Petitioners (JPDCL & KPDCL) and the same was communicated via letters dated 18.02.2025.
10. The Petitioners (JPDCL & KPDCL) have responded to the data gaps as per the deficiency notes sent by the Commission through their letters dated 17.03.2025 (from JPDCL) and 14.03.2025 (from KPDCL). The Commission held Technical Validation Sessions (TVS) with the Petitioners (JPDCL & KPDCL) on 18.03.2025. Subsequently, minutes of TVS were issued and the Petitioners (JPDCL & KPDCL) were directed to submit the required information related to subsidy accordingly. Further, the Petitions were admitted by the Commission on 25.03.2025.
11. After the submission of subsidy and grants-in-aid information by the Petitioners JPDCL on 30.07.2025, the Commission issued letters on 13.08.2025 to the Petitioners (JPDCL & KPDCL) directing them to submit the revised petitions in compliance with the subsidy information raised during the TVS.
12. The Petitioners (JPDCL & KPDCL) submitted the revised Petitions. JPDCL submitted its Petition on 29.09.2025 and KPDCL submitted its Petition on 26.09.2025. Consequently, the Commission directed JPDCL and KPDCL to publish the gist of the Petition for APR for FY 2024-25, Aggregate Revenue Requirement and Tariff Proposal for FY 2025-26 in the leading newspaper and invite comments/objections/suggestions from the stakeholders on the above-mentioned petition filed. The same was published by the Petitioners.
13. The Commission held public hearings on 18.11.2025 at the Conference Hall, JERC Office, Ambedkar (Panama) Chowk, Jammu for JPDCL and on 20.11.2025 at Banquet Hall, Polo View, Srinagar for KPDCL, to hear the responses and comments/suggestions/ objections of the stakeholders/public on the Petitions filed by JPDCL and KPDCL. Several other points were also raised and discussed during the State Advisory Committee (SAC) meeting, which have been duly noted by the Commission.

Approved Aggregate Revenue Requirement and Revenue Gap for FY 2025-26

14. In the case of Aggregate Revenue Requirement (ARR) for FY 2025-26, after applying the prudent check to the submission made by Petitioners (JPDCL & KPDCL), scrutiny of the ARR components & considering the distribution loss reduction trajectory, as approved in the Business Plan order, the Commission has approved the ARR for FY 2025-26 for JPDCL and KPDCL, as summarized in the table below:

Table 1: Approved ARR, Revenue with Existing Tariff and Revenue Gap for FY 2025-26 (Rs. Cr.)

Particulars	JPDCL	KPDCL
ARR components		
Power Purchase Expenses including Transmission Charges	3239.44	3375.52
Operation and Maintenance Cost	520.71	621.86
Interest on Long Term Debt		
Depreciation		
Interest on Working Capital	68.36	56.98
Bad debts	38.66	40.93
Return on Equity		
Less: Non-Tariff Income	1.27	2.15

Aggregate Revenue Requirement	3865.89	4093.13
Less: Revenue from existing tariff	3578.70	2892.59
Revenue gap at existing tariff	287.19	1200.54

Approved Retail Supply Tariff for FY 2025-26

15. Section 61 of the Electricity Act, 2003 provides guiding principles for tariff determination. The Commission is guided by the following while finalising the retail tariff:
 - a) Safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner;
 - b) and the principles rewarding efficiency in performance.
 - c) In terms of Section 61(g) of the Act, the tariff should progressively reflect the efficient and prudent cost of supply of electricity.
16. The Commission notes that Electricity (Second Amendment) Rules 2023 notified by the Ministry of Power (MoP) on 26.07.2023 recommends that the Aggregate Technical and Commercial (AT&C) loss reduction trajectory to be approved by the State Commissions for tariff determination shall be in accordance with the trajectory agreed by the respective State Governments and approved by the Central Government under any national scheme or programme.
17. AT&C loss reduction trajectory of up to 15% by FY 2019-20 was fixed by erstwhile JKSERC for the turnaround of the power sector under the UDAY scheme. Further, a similar target of AT&C loss reduction has been envisaged under the Ministry of Power (MoP) scheme: Revamped Reforms-based and Results-linked, Distribution Sector Scheme (RDSS). The Commission considers the distribution loss level for FY 2025-26 as approved by MoP, Government of India, under the RDSS scheme, for JPDCL and KPDCL. The same level of loss was approved under the Business Plan order also. Distribution loss is a controllable parameter; the Petitioners (JPDCL & KPDCL) should take immediate action to curb the high losses observed in their area of supply. The actual losses cannot be considered and inefficiencies cannot be passed on to the consumers.
18. The Commission has observed that the present retail supply tariff effective in the UT of J&K is the tariff determined by the Commission for FY 2024-25. The Commission notes that restructuring and unbundling of the Jammu and Kashmir Power Development Department into various power utilities to look after the Generation, transmission and Distribution business in UT of J&K and UT of Ladakh primarily aims towards initiating reform in the power sector to enable self-reliant and cost-efficient operation of these corporations in generation, transmission and distribution business in the future. It is therefore imperative that the financial support / Grant-in-aid made available to such utilities during the initial stage needs to be gradually phased out over the period and the revenue requirement to run the business of these utilities shall be met through the tariff charged to the consumers.
19. The Commission has reviewed the tariff proposal submitted by JPDCL and KPDCL. The Commission received a letter from JPDCL where the decision of the Government on tariff for FY 2025-26 is mentioned. The Commission noticed that a letter was issued by the Director

Finance JKPDD, about the Government's decision to continue the present tariff, i.e. FY 2024-25 approved tariff is also applicable for FY 2025-26, however for the HT Power Intensive Units category should not be given subsidy on power tariff as their substantial power requirement often necessitates procurement of power on higher rates.

20. In view of the above, the Commission decided to continue the existing tariff without any change for FY 2025-26 except the HT Power Intensive Units category of consumers. For HT Power Intensive Units category of consumers, the energy charge has been revised as submitted by the Petitioners, without any change in the demand charges. The approved tariff is given below:

Table 2: Category-wise Approved Subsidized Tariff for FY 2025-26

S. No.	Tariff Category	Unit	Approved Tariff for JPDCL & KPDCL FY 2025-26
1	Domestic		
A	Below Poverty Line (Consumption up to 30 units/month)		
	Energy Charges	Rs./kWh	1.40
	Fixed Charges	Rs./kW/month	5.00
B	Metered		
	Up to 200 units per month	Rs./kWh	2.30
	201-400 units per month	Rs./kWh	4.00
	>400 units per month	Rs./kWh	4.35
	Fixed Charges	Rs./kW/month	8.00
C	Unmetered		
	Up to 1/4 kW	Rs./month	227.00
	>1/4-1/2 kW	Rs./month	520.00
	>1/2- 3/4 kW	Rs./month	780.00
	>3/4 -1kW	Rs./month	1040.00
	Above 1 kW up to 2 kW	Rs./month	1040+ 260 for every additional ¼ kW or part thereof up to 2 kW
	Above 2 kW	Rs./month	2080 + 650 for every additional ¼ kW or part thereof above 2 kW
2	Non-domestic /commercial		
A	Metered Connection		
	Single Phase		
	Up to 200 units/month	Rs./kWh	3.55
	201-500 units/month	Rs./kWh	5.40
	>500 units per month	Rs./kWh	5.85
	Three phase - For all units	Rs./kVAh	5.85
	Fixed Charges		

S. No.	Tariff Category	Unit	Approved Tariff for JPDCL & KPDCL FY 2025-26
	Single Phase	Rs./kW/month	60.00
	Three phase	Rs./kVA/month	130.00
B	Unmetered		
	Up to 1/4 kW	Rs./month	650.00
	>1/4-1/2 kW	Rs./month	1300.00
	>1/2- 3/4 kW	Rs./month	1950.00
	>3/4 -1kW	Rs./month	2600.00
	Above 1 kW	Rs./month	2600 + 650 for every additional ¼ kW or part thereof above 1 kW
3	State / Central Govt Department		
	Energy Charges		
	LT	Rs./kVAh	7.90
	11 kV* supply	Rs./kVAh	7.90
	33 kV** supply and above		7.90
	Fixed Charges		
	For metered consumers	Rs./kVA/ month	40.00
	-	*2.5% rebate on energy charges.	
		**5.0% rebate on energy charges.	
4	Agriculture		
A	Metered		
	Energy Charges		
	0-10 HP	Rs./kWh	0.90
	11-20 HP	Rs./kWh	1.15
	Above 20 HP	Rs./kWh	6.00
	Fixed Charges for connected load		
	0-10 HP	Rs./HP/ month	20.00
	11-20 HP		25.00
	Above 20 HP		45.00
B	Unmetered		
	0-10 HP	Rs./HP/ month	325.00
	11-20 HP	Rs./HP/ month	357.00
	Above 20 HP	Rs./HP/ month	1950.00
5	Public street light		
A	Metered Connection		
	Energy Charge	Rs./kWh	8.60
	Fixed Charge	Rs./kW	60.00
B	Unmetered connection	Rs./kW/ month or part thereof	4550.00
6	LT Public water works		
	Energy Charge	Rs./kWh	8.60

S. No.	Tariff Category	Unit	Approved Tariff for JPDCL & KPDCL FY 2025-26
	Fixed Charge	Rs./kW/month	60.00
7	HT Public water works		
A	11 KV supply		
	Energy Charge	Rs./kVAh	8.15
	Demand Charge	Rs./kVA/month	250.00
B	33 KV supply and above		
	Energy Charge	Rs./kVAh	8.05
	Demand Charge	Rs./kVA/month	250.00
8	LT Industrial Supply		
A	LTIS - I (For all metered consumers except those covered under LTIS-II)		
	For consumers with connected load < 50 kW		
	Energy Charge	Rs./kVAh	4.20
	Fixed Charge	Rs./kVA/ month	60.00
	For consumers with connected load > 50 kW		
	Energy Charge	Rs./kVAh	4.20
	Fixed Charge	Rs./kVA/ month	60.00
B	LTIS-II		
	Energy Charge	Rs./kWh	4.20
	Fixed Charge	Rs./kWh/ month	30.00
9	HT Industrial Supply		
A	11 KV supply		
	Energy Charge	Rs./kVAh	4.10
	Demand Charge	Rs./kVA/month	175.00
B	33 KV supply and above.		
	Energy Charge	Rs./kVAh	4.00
	Demand Charge	Rs./kVA/month	175.00
	ToD Tariff	ToD Tariff applicable	Surcharge / rebate: 20%/20%
10	HT PIU		
A	11 KV supply		
	Energy Charge	Rs./kVAh	9.00
	Demand Charge	Rs./kVA/month	225.00
B	33 KV supply		
	Energy Charge	Rs./ kVAh	8.75
	Demand Charge	Rs./kVA/month	225.00
	ToD Tariff	ToD Tariff applicable	Surcharge / rebate: 20%/20%
11	Bulk Supply		
A	11 KV supply		
	Energy Charge	Rs./kVAh	5.60

S. No.	Tariff Category	Unit	Approved Tariff for JPDCL & KPDCL FY 2025-26
	Demand Charge	Rs./kVA/month	225.00
B	33 KV and above		
	Energy Charge	Rs./kVAh	5.55
	Demand Charge	Rs./kVA/month	225.00
	ToD Tariff	ToD Tariff Applicable	Surcharge / rebate: 20%/20%
12	Electric Vehicle (EV) Charging Station		
A	LT supply		
	Energy Charge	Rs./kVAh	7.00
	Demand Charge	Rs./kVA/month	0.00
B	11 kV supply		
	Energy Charge	Rs./kVAh	6.9
	Demand Charge	Rs./kVA/month	0.00
C	33 kV supply		
	Energy Charge	Rs./kVAh	6.80
	Demand Charge	Rs./kVA/ month	0.00
	ToD Tariff	ToD Tariff applicable	Surcharge / rebate: 20%/20%
13	Traction		
A	11 kV / 33 kV supply		
	Energy Charge	Rs./kVAh	5.40
	Demand Charge	Rs./ kVA/ Month	300
	ToD Tariff only for 33 kV	ToD Tariff Applicable	Surcharge / rebate: 20%/20%

21. The Petitioners (JPDCL & KPDCL) proposed to modify the existing Time of Day (TOD) tariff with certain modification. The Commission observes that MoP, GoI under the Electricity (Rights of Consumers) Amendment Rules, 2023 dated 14.06.2023, has proposed a ToD tariff during peak hours as 20% higher than a normal period tariff. The same is already included in the existing tariff and so, the surcharge is continued as 20%. TOD tariff will be applicable for HT consumers getting supply at 33 kV or higher level. The rebate of 20% is applicable for solar hours. The Commission has mentioned the detailed terms and conditions in this regard in Chapter 10.
22. The Commission has noticed that MoP, GoI, in exercise of the powers conferred by sub-section (1) read with clause (z) of sub-section (2) of section 176 of the Electricity Act, 2003, has published Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022. Under the said rules, it has been mandated that the Electricity Regulatory Commissions should determine the Green Power Tariff. The Commission decides to continue the green tariff as Rs 0.50/kWh, which will be paid by the willing consumers over and above the tariff rates applicable for their respective category.
23. The Commission noted that the MoP has directed the SERCs/ JERC to implement the price adjustment formula recommended in the Electricity (amendment) Rules 2022. Accordingly,

the Commission under the JERC for UT of Jammu & Kashmir and the UT of Ladakh (Generation, Transmission and Distribution, Multi-Year Tariff), Regulations, 2023 have specified the 'Fuel and Power Purchase Adjustment Surcharge' formula. The Distribution Licensees and JKPL should take note of the same and act accordingly to implement the Fuel and Power Purchase Cost Adjustment formula in true spirit. The Commission has directed the Petitioners and JKPL to submit the quarterly report in this regard.

24. The Commission approves the schedule of miscellaneous Charges without any changes in existing charges. However, the Commission has directed the Petitioners (JPDCL & KPDCL) to review the same.

Implementation of the Order

25. The Commission directs that this Order should be implemented along with directions given and conditions mentioned in the detailed Order and schedules attached. It is further ordered that the JPDCL and KPDCL are permitted to issue electricity bills to consumers in accordance with the subsidized tariff schedule (Chapter 9 of detail tariff order) provided with this Tariff Order.
26. This Tariff Order shall come into effect from the issuance of this order (precisely, applicable for energy consumption from 1st January 2026) and shall remain valid up to 31st March 2026, unless amended or modified or extended by an Order of this Commission. This tariff order would be valid unless a new tariff order is announced by the Commission. The Petitioners (JPDCL & KPDCL) must take immediate steps for the implementation and publication of this Order.
27. The Commission directs that this Order be implemented along with directions given and conditions mentioned in the detailed Order.
28. In exercise of the powers vested in it under Sections 61 and 62 of the Electricity Act, 2003, the Commission hereby passes this Order **on this 31st day of December, 2025**.

Ordered accordingly, together with the attached detailed reasons, grounds and conditions

Sd/

(Raj Kumar Chaudhary)
Chairperson

No. JERC/Law-S/P/2025/F-80/306

Place: Jammu

Dated: 31-12-2025

Table of Contents

Contents

CHAPTER 1: INTRODUCTION	1
JOINT ELECTRICITY REGULATORY COMMISSION	1
<i>Jammu & Kashmir Reorganization Act, 2019</i>	2
<i>Unbundling of Erstwhile JKPD</i>	2
JAMMU AND KASHMIR POWER DEVELOPMENT DEPARTMENT (RE-ORGANISATION) FIRST TRANSFER SCHEME 2020	4
PROCEDURAL HISTORY	5
EVENTS POST SUBMISSION OF THE PETITIONS	7
INVITING PUBLIC COMMENTS	8
MEETING OF STATE ADVISORY COMMITTEE	9
SCOPE OF THE PRESENT ORDER	10
CHAPTER 2: SUMMARY OF THE PETITION	11
SALIENT FEATURES OF PETITIONS	11
CHAPTER 3: PUBLIC CONSULTATION PROCESS	22
REQUEST FOR REVISION OF CHARACTER OF SUPPLY FOR HT INDUSTRIAL CATEGORY TO ALLOW 11 KV SUPPLY UP TO 2.5 MVA IN GHATTI INDUSTRIAL AREA	22
<i>Petitioner's Response</i>	23
<i>Commission's View</i>	23
FIXED CHARGES BASED ON RECORDED MAXIMUM DEMAND (RMD) VIS-À-VIS CONTRACT DEMAND (CMD).....	23
<i>Petitioner's Response</i>	23
<i>Commission's View</i>	24
REBATE / DISCOUNT FOR MAINTENANCE OF GOOD POWER FACTOR.....	24
<i>Petitioner's Response</i>	24
<i>Commission's View</i>	24
REJECTION OF THE PETITION SUBMITTED BY JPDCL	24
<i>Petitioner's Response</i>	26
<i>Commission's View</i>	26
SHARP INCREASE IN HT-PIU TARIFF IS UNJUSTIFIED AND VIOLATES TARIFF POLICY	26
<i>Petitioner's Response</i>	26
<i>Commission's View</i>	26
SHIFTING INEFFICIENCY ONTO CONSUMERS.....	26
<i>Petitioner's Response</i>	27
<i>Commission's View</i>	27
24×7 POWER SUPPLY FOR ALL CONSUMERS OF KPDCL	27
<i>Petitioner's Response</i>	27
<i>Commission's View</i>	27
SETTING UP OF RENEWABLE ENERGY PLANTS.....	27
<i>Petitioner's Response</i>	27
<i>Commission's View</i>	27
OBJECTIONS AGAINST PROPOSED 20% TOD PEAK TARIFF	27
<i>Petitioner's Response</i>	29
<i>Commission's View</i>	29
ENHANCING NON-TARIFF INCOME THROUGH POLE RENTALS, SCRAP DISPOSAL AND SUPERVISION CHARGES,.....	29
<i>Petitioner's Response</i>	29
<i>Commission's View</i>	29

NEED FOR DEDICATED ENFORCEMENT WINGS TO CURB METER TAMPERING AND POWER THEFT, OPPOSITION TO MOVING SMART METERS TO CONSUMER PREMISES; REQUEST TO RETAIN POLE-MOUNTED METERING, AND NEED FOR CCMS FOR STREET LIGHTING TO PREVENT ENERGY LOSS AND UNAUTHORIZED USE	29
<i>Petitioner's Response</i>	30
<i>Commission's View</i>	30
RESTORATION OF KPDCL'S DSM CELL AND PURSUIT OF BEE FUNDING, ADOPTION OF ENERGY-EFFICIENT AND GREEN BUILDING CODES IN J&K, NEED FOR GAP ANALYSIS OF DT/HT/LT INFRASTRUCTURE FOR LOSS REDUCTION AND PLANNING.....	30
<i>Petitioner's Response</i>	30
<i>Commission's View</i>	30
COMPENSATION TO SOLAR PROSUMERS FOR EXCESS GENERATION	30
<i>Petitioner's Response</i>	30
<i>Commission's View</i>	30
REQUEST FOR SEARCHABLE VERSIONS OF COMMISSION ORDERS.....	31
<i>Commission's View</i>	31
CHAPTER 4: ANNUAL PERFORMANCE REVIEW FOR FY 2024-25	32
INTRODUCTION.....	32
NO. OF CONSUMERS, CONNECTED LOAD AND ENERGY SALES.....	32
<i>JPDCL's submission</i>	32
<i>KPDCL's submission</i>	33
ENERGY BALANCE	34
<i>Petitioner's Submission</i>	34
<i>Transmission Losses</i>	34
<i>Distribution Losses</i>	35
<i>Energy Balance</i>	35
POWER PURCHASE EXPENSES	36
<i>Petitioner's Submission</i>	36
CAPITAL EXPENDITURE AND CAPITALIZATION.....	47
<i>JPDCL's submission</i>	47
<i>KPDCL's submission</i>	48
OPERATIONS & MAINTENANCE EXPENSES	49
<i>Petitioner's Submission</i>	49
<i>JPDCL</i>	49
<i>KPDCL's submission</i>	49
<i>Depreciation</i>	50
<i>Petitioner's Submission</i>	50
INTEREST ON LONG TERM LOANS	51
<i>Petitioner's Submission</i>	51
RETURN ON EQUITY.....	52
<i>Petitioner's Submission</i>	52
INTEREST ON WORKING CAPITAL.....	52
<i>Petitioner's Submission</i>	52
<i>JPDCL's submission</i>	54
<i>KPDCL's submission</i>	54
CONTRIBUTION TO CONTINGENCY RESERVES	55
<i>Petitioner's Submission</i>	55
PROVISION FOR BAD AND DOUBTFUL DEBTS.....	55
PETITIONER'S SUBMISSION	55
INCOME TAX	55
<i>Petitioner's Submission</i>	55
NON-TARIFF INCOME.....	55
<i>Petitioner's Submission</i>	55
<i>JPDCL</i>	55

<i>KPDCL</i>	55
ESTIMATE OF REVENUE GAP/ (SURPLUS) FOR FY 2024-25	55
<i>Petitioner's Submission</i>	55
COMMISSION'S ANALYSIS FOR REVENUE GAP/ (SURPLUS) FOR FY 2024-25	56
CHAPTER 5: REVISED ARR PROJECTIONS FOR FY 2025-26.....	57
OVERALL APPROACH FOR ARR PROJECTION	57
REVISED FORECAST OF NO. OF CONSUMERS, CONNECTED LOAD AND ENERGY SALES.....	58
<i>Petitioner's Submission</i>	58
<i>JPDCL's Submission</i>	58
<i>KPDCL's Submission</i>	58
<i>Commission's Analysis</i>	59
ENERGY BALANCE AND POWER PURCHASE EXPENSES.....	62
<i>Transmission Losses</i>	62
<i>Distribution Losses</i>	62
<i>Power purchase cost</i>	73
<i>Commission's Analysis</i>	73
<i>Capital Expenditure and Capitalization</i>	80
<i>JPDCL's Submission</i>	80
<i>KPDCL's Submission</i>	80
<i>Commission's Analysis</i>	81
OPERATIONS & MAINTENANCE EXPENSES	82
<i>Petitioner's Submission</i>	82
<i>JPDCL' Submission</i>	82
<i>KPDCL' Submission</i>	83
<i>Commission's Analysis</i>	84
DEPRECIATION.....	86
<i>Petitioner's Submission</i>	86
<i>Commission's Analysis</i>	86
INTEREST ON LONG TERM LOANS	87
<i>Petitioner's Submission</i>	87
<i>Commission's Analysis</i>	87
RETURN ON EQUITY.....	87
<i>Petitioner's Submission</i>	87
<i>Commission's Analysis</i>	88
INTEREST ON WORKING CAPITAL.....	88
<i>Petitioner's Submission</i>	88
<i>Commission's Analysis</i>	90
CONTRIBUTION TO CONTINGENCY RESERVES	91
<i>Petitioner's Submission</i>	91
<i>Commission's Analysis</i>	91
PROVISION FOR BAD AND DOUBTFUL DEBTS.....	91
<i>Petitioner's Submission</i>	91
<i>Commission's Analysis</i>	91
INCOME TAX	92
<i>Petitioner's Submission</i>	92
<i>Commission's Analysis</i>	92
NON-TARIFF INCOME.....	92
<i>Petitioner's Submission</i>	92
<i>Commission's Analysis</i>	92
AGGREGATE REVENUE REQUIREMENT (ARR) FOR FY 2025-26.....	93
<i>Petitioner's Submission</i>	93
<i>Commission's Analysis</i>	93

ESTIMATE OF REVENUE AT EXISTING TARIFF FOR FY 2025-26.....	95
<i>Petitioner's Submission</i>	95
<i>Commission's Analysis</i>	96
ESTIMATE OF REVENUE GAP/ (SURPLUS) FOR FY 2025-26	97
<i>Petitioner's Submission</i>	97
<i>Commission's Analysis</i>	97
CHAPTER 6: TARIFF PROPOSAL FOR FY 2025-26.....	98
REGULATORY FRAMEWORK	98
PROPOSAL FOR FULL COST AND SUBSIDIZED RETAIL SUPPLY TARIFF FOR FY 2025-26	99
<i>Petitioner's submission</i>	99
<i>Philosophy behind the Full Cost Tariff calculations for FY 2025-26:</i>	99
<i>Subsidized Retail Supply Tariff for FY 2025-26</i>	102
<i>Commission's Analysis</i>	109
WHEELING CHARGES AND CROSS SUBSIDY SURCHARGE (CSS)	114
PETITIONER'S SUBMISSION	114
COMMISSION'S ANALYSIS	116
CHAPTER 7: TARIFF DESIGN	119
IMPLEMENTATION OF TIME OF DAY (TOD) TARIFF FOR ALL CONSUMER CATEGORIES EXCEPT THE AGRICULTURAL CONSUMER CATEGORY	121
<i>Petitioner's submission</i>	121
<i>Commission's Analysis</i>	125
LEVY OF PENALTY FOR EXCEEDING CONTRACT DEMAND/ MAXIMUM DEMAND FOR CONSUMERS WITH SMART METERS	126
<i>Petitioner's submission</i>	126
<i>Commission's Analysis</i>	128
TARIFF RATIONALIZATION MEASURES TO MINIMIZE REVENUE SHORTFALL OR IMPROVE COLLECTION EFFICIENCY	128
IMPLEMENTATION OF PREPAID SMART METERS.....	128
<i>Petitioner's Submission</i>	128
<i>Commission's Analysis</i>	129
AMNESTY SCHEME FOR DEFAULTERS	129
<i>Petitioner's Submission</i>	129
<i>Commission's Analysis</i>	129
ESTABLISHMENT OF CONSUMER GRIEVANCE REDRESSAL FORUM (CGRF).....	129
<i>Petitioner's Submission</i>	129
<i>Commission's Analysis</i>	129
ONLINE BILL PAYMENT FACILITIES	130
<i>Commission's Analysis</i>	130
PUBLIC AWARENESS AND ENGAGEMENT PROGRAMS	130
<i>Commission's Analysis</i>	130
GREEN TARIFF	130
OPERATIONALIZING THE FUEL AND POWER PURCHASE COST ADJUSTMENT (FPPCA)	132
CHAPTER 8: DIRECTIVES.....	134
CHAPTER 9: TARIFF SCHEDULE FOR FY 2025-26 (SUBSIDIZED TARIFF)	139
SCHEDULE 1: DOMESTIC SUPPLY	139
<i>Applicability</i>	139
<i>Character of Services</i>	139
<i>Rate of Charge</i>	139
<i>Illustration for Computation of Electricity Charges:</i>	140
SCHEDULE 2: NON-DOMESTIC/COMMERCIAL SUPPLY	142
<i>Applicability</i>	142
<i>Character of Services</i>	142

<i>Rate of Charge</i>	142
SCHEDULE 3: STATE/CENTRAL GOVERNMENT DEPARTMENTS	144
<i>Applicability</i>	144
<i>Character of Services</i>	144
<i>Rate of Charge</i>	144
SCHEDULE 4: AGRICULTURAL SUPPLY	145
<i>Applicability</i>	145
<i>Character of Services</i>	145
<i>Rate of Charge</i>	145
SCHEDULE 5: PUBLIC STREET LIGHTING.....	146
<i>Applicability</i>	146
<i>Character of Services</i>	146
<i>Rate of Charge</i>	146
SCHEDULE 6: LT PUBLIC WATER WORKS.....	147
<i>Applicability</i>	147
<i>Character of Services</i>	147
<i>Rate of Charge</i>	147
SCHEDULE 7: HT PUBLIC WATER WORKS	148
<i>Applicability</i>	148
<i>Character of Services</i>	148
<i>Rate of Charge</i>	148
SCHEDULE 8: LT INDUSTRIAL SUPPLY.....	149
<i>Applicability</i>	149
<i>Character of Services</i>	149
<i>Rate of Charge</i>	149
SCHEDULE 9: HT INDUSTRIAL SUPPLY.....	150
<i>Applicability</i>	150
<i>Character of Services</i>	150
<i>Rate of Charge</i>	150
SCHEDULE 10: HT INDUSTRIAL SUPPLY FOR POWER INTENSIVE INDUSTRIES	151
<i>Applicability</i>	151
<i>Character of Services</i>	151
<i>Rate of Charge</i>	151
SCHEDULE 11: GENERAL PURPOSE BULK SUPPLY	152
<i>Applicability</i>	152
<i>Character of Services</i>	152
<i>Rate of Charge</i>	152
SCHEDULE 12: LT AND HT TEMPORARY CONNECTIONS	153
<i>Applicability</i>	153
<i>Rate of Charge</i>	153
<i>Time Period for Temporary Connection</i>	153
SCHEDULE 13: ELECTRIC VEHICLE (EV) CHARGING STATION.....	154
<i>Applicability</i>	154
<i>Character of Services</i>	154
<i>Rate of Charge</i>	154
SCHEDULE 14: TRACTION	155
<i>Applicability</i>	155
<i>Character of Services</i>	155
<i>Rate of Charge</i>	155
CHAPTER 10: TERMS AND CONDITIONS OF TARIFF/DEFINITIONS	156
TERMS AND CONDITIONS OF TARIFF	156
<i>Points of Supply</i>	156

<i>Minimum Agreement Period</i>	156
<i>Security Deposit</i>	157
<i>Late Payment Surcharge</i>	157
<i>Rebate for Pre-paid Smart Meter</i>	157
<i>Excess/Unauthorized Load</i>	157
<i>Electricity Duty</i>	158
<i>Irregular Power Supply</i>	158
<i>Government Employees moving with Darbar</i>	159
<i>Defective/Burnt/Stolen Meters</i>	159
<i>Charges for Dishonoured Cheques</i>	159
<i>Resale of Energy</i>	159
<i>Applicability of Tariff</i>	159
<i>Contradiction to the Agreement</i>	159
<i>Time of Day (ToD) Tariff</i>	159
<i>Rebate for Use of Solar Energy</i>	159
DEFINITIONS	160
<i>Connected Load</i>	160
<i>Sanctioned Load</i>	161
<i>Contract Demand</i>	161
<i>Maximum Demand</i>	161
<i>Demand Charges</i>	161
<i>Average Power Factor</i>	161
<i>Billing Demand</i>	161
ANNEXURE 1: LIST OF PARTICIPANTS IN STATE ADVISORY COMMITTEE MEETING	164
ANNEXURE 2: LIST OF STAKEHOLDERS WHO PARTICIPATED IN PUBLIC HEARING FOR JPDCL	165
ANNEXURES 3: LIST OF STAKEHOLDERS WHO PARTICIPATED IN PUBLIC HEARING FOR KPDCL	166
ANNEXURE 4: LIST OF STAKEHOLDERS WHO RESPONDED IN WRITING TO THE PUBLIC NOTICE	167

List of Tables

Table 1: Approved ARR, Revenue with Existing Tariff and Revenue Gap for FY 2025-26 (Rs. Cr.).....	v
Table 2: Category-wise Approved Subsidized Tariff for FY 2025-26	vii
Table 3: Summary of JPDCL Petition	11
Table 4: Table Summary of KPDCL Petition.....	12
Table 5 Existing and Proposed Tariff Hikes by Petitioners (JPDCL & KPDCL)	13
Table 6 No. of consumers, Connected Load and Energy sales of JPDCL in FY 2024-25.....	32
Table 7 No. of Consumers, Connected load/sanctioned load (MW) by KPDCL for FY 2024-25	33
Table 8 Forecast of sales in MU by KPDCL for Fy 2024-25	34
Table 9 Projected Energy balance for 2024-25	35
Table 10: Projected Power purchase quantum at DISCOM periphery (JPDCL, KPDCL and LPDD) & at Generation periphery for FY 2024-25.....	36
Table 11: Projected Merit Order Despatch for remaining period of FY 2024-25.....	38
Table 12: Station wise power purchase quantum and expenses for FY 2024-25 (H1 Actuals + H2 Projected) (in Rs. Crores)	41
Table 13: Apportionment of Power Purchase Cost (in Rs crores) for JPDCL for FY 2024-25	47
Table 14: Apportionment of Power Purchase Cost (in Rs crores) for KPDCL.....	47
Table 15: Capital Expenditure incurred in FY 2024-25 by JPDCL (in Rs crores)	47
Table 16: Actual & Projected Capitalization for JPDCL for FY 2024-25 (in Rs. crores)	48
Table 17: KPDCL details of actual and projected capital expenditure in FY 2024-25 (in Rs. Crores) ..	48
Table 18: Details of actual and estimated capitalization in FY 2024-25 (in Rs. Crores) by KPDCL.....	49
Table 19: O&M expenses forecasted for FY 2024-25 period (Rs. in Crores)	49
Table 20: O&M expenses forecasted for FY 2024-25 (Rs. in Crores).....	50
Table 21: Details of Normative Working Capital for FY 2024-25 (amount in Rs. crores) by JPDCL	54
Table 22: Deviation of Normative Working Capital for FY 2024-25 (amount in Rs. crores) by KPDCL	54
Table 23: Estimate of Revenue Gap/ (Surplus) (in Rs. crores) by JPDCL & KPDCL	56
Table 24 Forecast No. of consumers, connected load and energy sales for 2025-26 by JPDCL	58
Table 25 Forecast No. of consumers, connected load and energy sales for 2025-26 by KPDCL	58
Table 26 Approved No. of consumers, connected load and energy sales for 2025-26	61
Table 27 Projected Energy Balance for FY 2025-26 (All values in MU) by JPDCL and KPDCL	62
Table 28 Projected Power purchase quantum at DISCOM periphery (JPDCL, KPDCL and LPDD) & at Generation periphery for FY 2025-26.....	63
Table 29 Projected Merit Order Despatch for remaining period of FY 2025-26	65
Table 30 Revised projection of station wise power purchase quantum and cost for FY 2025-26	68
Table 31 Apportionment of Power Purchase Cost by JPDCL & KPDCL.....	73
Table 32: Approved Energy Balance and Power Purchase Quantum for FY 2025-26	74
Table 33: Energy Balance for FY 2025-26, as Approved by the Commission	75
Table 34: Power Purchase from Must-run Plants and Plants Considered under Merit Order for FY 2025-26, as Approved by the Commission (MU).....	76
Table 35: Total Power Purchase Cost for FY 2025-26, as Approved by the Commission	77

Table 36 Details of Capital Expenditure projected to be incurred in FY 2025-26 (in Rs. Crores).....	80
Table 37 Details of project Capitalization for MYT Control Period (in Rs. Crores).....	80
Table 38 Details of Capital Expenditure projected to be incurred in FY 2025-26 (in Rs. Crores).....	80
Table 39 Details of project Capitalization for MYT Control Period (in Rs. Crores).....	81
Table 40 O&M Forecasted by JPDCL (in Rs crores) for FY 2025-26.....	83
Table 41 O&M Forecasted by KPDCL (in Rs crores) for FY 2025-26.....	83
Table 42: Approved O&M Expenses for FY 2025-26 (Rs. crore)	86
Table 43 Normative Interest on Working Capital Requirement by JPDCL for FY 2025-26 (Rs. Crore).....	89
Table 44 Estimated normative interest on working capital by KPDCL for FY 2025-26.....	90
Table 45: Approved Interest on Working Capital for FY 2025-26 (in Rs. Crore)	91
Table 46: Projected ARR for FY 2025-26 of JPDCL & KPDCL (in Rs. Crore).....	93
Table 47: Approved ARR for FY 2025-26 of JPDCL and KPDCL (in Rs. Crore)	95
Table 48 Forecast by JPDCL & KPDCL of Estimated revenue at existing tariff at 100% collection efficiency (Rs. in crores) for FY 2025-26.....	95
Table 49 Forecast by JPDCL & KPDCL of Estimated revenue at existing tariff at 93% collection efficiency (Rs. in crores) for FY 2025-26.....	96
Table 50: Approved revenue at existing tariff for FY 2025-26 of JPDCL and KPDCL (Rs. in Crore)	96
Table 51 : Estimate of Revenue Gap/ (Surplus) (in Rs. crores) for FY 2025-26 by JPDCL & KPDCL	97
Table 52: Approved Revenue Gap/ (Surplus) for JPDCL and KPDCL (FY 2025-26) (in Rs. Crore)	97
Table 53: Average Cost of Supply for UT of J&K in FY 2025-26, proposed by Discoms	101
Table 54 Proportion of recovery of fixed and variable part of ABR based on existing subsidized tariff	102
Table 55: Proposed Full Cost and Subsidized tariff for FY 2025-26.....	104
Table 56 Consolidated ABR based on Proposed Full Cost Tariff for FY 2025-26 and level of cross subsidy	108
Table 57: Approved ARR and Revenue for FY 2025-26 (in Rs Crore).....	111
Table 58: Category-wise Full Cost Tariff for FY 2025-26 (JPDCL & KPDCL).....	111
Table 59: Allocation Statement for segregation of Distribution Wires Business and Retail Supply Business.....	115
Table 60: Calculation for arriving at wheeling charge for LT and HT consumers.....	115
Table 61: Wheeling cost for JPDCL & KPDCL for FY 2025-26 (in Rs Crore)	116
Table 62: Comparative analysis of energy charges with 20% rebate against the average power purchase cost at discom periphery	123

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Chapter 1: Introduction

Joint Electricity Regulatory Commission

1.1. In exercise of the powers conferred by sub-section (5) of Section 83 of the Electricity Act 2003 (36 of 2003), the Central Government constituted the Joint Electricity Regulatory Commission for the Union Territory of Jammu and Kashmir and the Union Territory of Ladakh (herein referred to as "Commission") vide S.O. 1984(E) dated 18 June 2020.

1.2. As per Section 83 of Electricity Act, 2003

"

....

(1) Notwithstanding anything to the contrary contained in section 82, a Joint Commission may be constituted by an agreement to be entered into –

(a) by two or more Governments of States; or

(b) by the Central Government, in respect of one or more Union territories, and one or more Governments of States, and shall be in force for such period and shall be subject to renewal for each further period, if any, as may be stipulated in the agreement:

Provided that

.....Notwithstanding anything contained in this section, the Central Government may, if so, authorized by all the participating States, constitute a Joint Commission and may exercise the powers in respect of all or any of the matters specified under sub-section (3) and when so specifically authorized by the participating States."

1.3. The Commission is empowered under Section 86 of the Electricity Act, 2003 to discharge the following functions:

(a) Determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be:

Provided that where open access has been permitted to a category of consumers under Section 42, the Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers.

(b) Regulate the 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.

(c) Facilitate intra-state transmission and wheeling of electricity.

(d) Issue licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State.

(e) 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 license.

(f) Adjudicate upon the disputes between the licensees and generating companies and refer any dispute for arbitration.

(g) Levy fee for the purposes of this Act.

- (h) Specify State Grid Code consistent with the Grid Code specified under clause (h) of sub-section (1) of Section 79.
- (i) Specify or enforce standards with respect to quality, continuity and reliability of service by licensees.
- (j) Fix the trading margin in the intra-state trading of electricity, if considered, necessary.
- (k) Discharge such other functions as may be assigned to it under this Act.

1.4. The Commission shall ensure transparency while exercising its powers and discharging its functions.

1.5. In the discharge of its functions, the Commission shall be guided by the National Electricity Policy, National Electricity Plan and Tariff Policy published under the provisions of the Act.

Jammu & Kashmir Reorganization Act, 2019

1.6. The J&K Reorganization Act, 2019 was enacted by the Parliament of India on 9 August 2019 wherein the State of Jammu and Kashmir was divided into Union Territory of Jammu and Kashmir & Union Territory of Ladakh. Upon the reorganization the distribution of electricity supply underwent changes. The relevant portion of Section 85(1) of J&K Reorganization Act, 2019 is given below:

“The Central Government may by order, establish one or more Advisory Committees within a period of 90 days from the appointed day, for the purposes of apportionment of assets, rights and liabilities of the companies and corporations constituted for the existing State of Jammu and Kashmir between Union territory of Jammu and Kashmir and Union territory of Ladakh; issues relating to Continuance of arrangements in regard to generation and supply of electric power and supply of water”.

1.7. Consequent to the enactment of the Jammu and Kashmir Reorganization Act, 2019 (herein after “J&K Reorganization Act” or “Reorganization Act”) and repeal of the Jammu and Kashmir Electricity Act, 2010, the Central Electricity Act, 2003 was made applicable to the Union Territory of Jammu and Kashmir and Union Territory of Ladakh. The relevant portion of J&K Reorganization Act, 2019 is given below:

“95. (1) All Central laws in Table -1 of the Fifth Schedule to this Act, on and from the appointed day, shall apply in the manner as provided therein, to the Union territory of Jammu and Kashmir and Union territory of Ladakh.”

Unbundling of Erstwhile JKPDD

1.8. The erstwhile state of Jammu and Kashmir consisted unbundled utility Jammu and Kashmir Power Development Department (JKPDD) which was responsible for Trading, Transmission and Distribution of electricity within the whole of the state of Jammu and Kashmir.

1.9. Further, as per Section 85(1) of J&K Reorganization Act, 2019 a Committee vide Government Order No. 164 PDD of 2019 dated 20.09.2019 was constituted by Commissioner/Secretary, Power Development Department, Govt. of J&K, to prepare and present a comprehensive proposal for apportionment/reorganization of J&K Power Development Department, J&K State Power Development Corporation and J&K State Trading Company between Union Territory (UT) of J&K and UT of Ladakh.

1.10. Consequent to the approval of the State Administrative Council of J&K, the Power Development Department was unbundled into several power corporations on 23rd October 2019 vide Government Order No. 191-PDD of 2019. The unbundling also involved the incorporation of a new company in Ladakh to handle generation and distribution functions.

1.11. The relevant extract from the Government Order No. 191- PDD of 2019, is given below.

"Sanction is hereby accorded to the: - ...

(ii) To transfer all the shares, held by Governor, Jammu, and Kashmir in Jammu and Kashmir State Power Development Corporation Limited, Jammu and Kashmir State Power Trading Company Limited (renamed as Jammu and Kashmir Power Corporation Limited) and Jammu and Kashmir State Power Transmission Company Limited (renamed as Jammu and Kashmir Power Transmission Corporation Limited) to the Administrative Secretary to the Govt., Power Development Department....)

(iii) Jammu and Kashmir State Power Trading Company Limited (renamed as Jammu and Kashmir Power Corporation Limited) shall control the composition of the Board of Directors of the following Companies:

(a) Jammu and Kashmir State Power Development Corporation Limited (renamed as Jammu and Kashmir Power Development Corporation Limited).

(b) Jammu and Kashmir State Power Transmission Company Limited. (renamed as Jammu and Kashmir Power Transmission Corporation Limited)

(c) Jammu Power Distribution Company Limited (renamed as Jammu Power Distribution Corporation Limited)

(d) Kashmir Power Distribution Company Limited (renamed as Kashmir Power Distribution Corporation Limited).

.....

(vi) Change in the name of Kashmir Power Distribution Company Limited to Kashmir Power Distribution Corporation Limited. Accordingly, all necessary changes shall be made in the MOA and AOA with regard to functions, name, and jurisdiction of the Corporation. The jurisdiction of the Ladakh shall be deleted from the mandate of the Corporation.

(vii) Change in the name of Jammu and Kashmir Power Transmission Company Limited to Jammu and Kashmir Power Transmission Corporation Limited. Accordingly, all necessary changes shall be made in the MOA and AOA with regard to functions, name and jurisdiction of the Corporation. The jurisdiction of the Ladakh shall be deleted from the mandate of the Corporation.

(viii) Change in the name of Jammu and Kashmir State Power Development Corporation Limited to Jammu and Kashmir Power Development Corporation Limited. Accordingly, all necessary changes shall be made in the MOA and AOA with regard to functions, name, and jurisdiction of the Corporation. The jurisdiction of the Ladakh shall be deleted from the mandate of the Corporation.

...

(xi)(A) Apportionment, Re-organisation and transfer scheme of JKPDD, JKSPDC, as given in the report submitted by the Committee constituted vide Government Order No: 164-PDD of 2019 dated 20-09-2019.

...

(D) Wherever in this report, framing of new rules, policies, modification/ amendment in the existing rules etc. is required, the approval of the competent authority shall be sought before notification. Accordingly, sanction is also granted to the following: -

.....

.....

(c) Transfer of staff on as is and where is basis and along with posts from EM & RE Wing, Kashmir, Project Wing, Kashmir & PMM wing, Kashmir Division to Kashmir Power Distribution Corporation Limited on deputation basis from JKPDD except the staff posted in these wings in Ladakh province who shall be transferred to Ladakh Power Corporation Limited (to be incorporated).

.....

(e) Transfer of Assets and Liabilities of Jammu and Kashmir State Power Development Corporation Limited falling in Ladakh Province to Ladakh Power Corporation Limited on as is and where is basis.

(f) Transfer of Assets and Liabilities of Jammu and Kashmir State Power Trading Company Limited falling in Ladakh Province to Ladakh Power Development Department on as is and where is basis. The trading activity in UT Ladakh shall be looked after by Secretary Technical, UT Ladakh."

Jammu and Kashmir Power Development Department (Re-organisation) First Transfer Scheme 2020

1.12. The Lt. Governor of Jammu and Kashmir made and gave effect to the "Jammu and Kashmir Power Development Department (Re-organisation) First Transfer Scheme 2020" vide Notification dated 20 March 2020. The key provisions from the First Transfer Scheme 2020 are as follows:

"

5. Transfer of Undertakings by Department: -

(a) The Undertakings of the Department classified in the following schedules shall stand transferred to and vested in the Transferee on and from Appointed Date subject to the terms and conditions specified in the Act and the Scheme:

(i) Trading cum Holding Undertakings for UT of J&K as set out in Schedule-A';

(ii) Distribution Undertakings for Jammu Province, UT of J&K as set out in Schedule-B; and

(iii) Distribution Undertakings for Kashmir Province, UT of J&K as set out in Schedule-C; and

(iv) Generation and Distribution Undertakings for Ladakh Region, UT of Ladakh as set out in Schedule-D;

(v) Transmission Undertaking with Load Despatch Centre function for Jammu as well as Kashmir Province, UT of J&K as set out in Schedule-E

.....

(f) The transfer to and vesting of the undertaking to the transferee in terms of this Scheme shall take effect immediately on the appointed date notwithstanding that the value of Undertakings have not been determined and shall be determined at a later date;

.....

15. Government Support. -

(1) The Transferees shall be eligible for and shall continue to receive support from the Government in the form of revenue support, equity support, capital subsidies, loans, interest subsidies and such other monetary and financial assistance, whether under a Central or State scheme or otherwise, as may be necessary for the due and effective performance of their functions until the time Transferees achieve commercial viability on their own.

(2) The Government support indicated in sub section (1) above shall be conditional upon the Transferees submitting a detailed and time-bound financial feasibility plan within 6 (six) months of the Appointed date and duly complying with the same. The feasibility plan shall be reviewed at least once every year to assess and evaluate the fulfilment of the performance targets set out therein. The financial feasibility plan would include projections related to reduction in various losses, revenue requirement and capital support, per capita availability of electricity in the UT and matters incidental thereto.”

1.13. The functions of JKPDD comprising transmission and distribution were unbundled into one Transmission company i.e. JKPTCL and two Distribution companies i.e. JPDCL and KPDCL. The unbundling also involved the incorporation of a new company in Ladakh for handling generation and distribution functions i.e. Ladakh Power Company Limited (LPCL). All the functions of generation, transmission, distribution and trading are now being handled separately to make the power sector in Jammu and Kashmir commercially more viable and competitive.

Procedural History

1.14. Prior to unbundling, as per the provisions in the prevalent JKSERC Multi-Year (Distribution Regulations), 2012, the erstwhile JKSERC had carried out True-up for FY 2014-15, Annual Performance Review for FY 2015-16, Aggregate Revenue Requirement for 2nd MYT Control Period from FY 2016-17 to FY 2020-21 and Retail Tariff for FY 2016-17 vide Commission's Order No. 38-JKSERC of 2016 dated 07.10.2016.

1.15. After the constitution of the Joint Electricity Regulatory Commission, the Commission vide Gazette Notification No. JERC-JKL/Tech-13/2021 dated 31 March 2021, notified the regulations "JERC for UT of J&K and UT of Ladakh (Adoption of various Regulations of JERC for the state of Goa and UTs) Regulations, 2021". Vide these Regulations, the Commission adopted various Regulations of JERC for the state of Goa and UTs with amendments up to date for one year or till replacement of corresponding regulation framed by the Commission. The Commission adopted "Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Generation, Transmission and Distribution Multi-Year Tariff) Regulations, 2018" [herein after JERC MYT Regulations, 2018] applicable for the determination of tariff

for all the Generation companies, Transmission Licensees and Distribution Licensees in UT of J&K and UT of Ladakh.

- 1.16.** Subsequently, the Commission through a suo-motu order dated 01.12.2021 extended the control period of JERC for the State of Goa and Union Territories (Generation, Transmission and Distribution) Regulations, 2018 (applicable for FY 2019-20 to FY 2021-22) to a 5-year control period w.e.f FY 2021-22 to FY 2025-26 to make it applicable for tariff determination for FY 2022-23 onwards. Following the due regulatory process, the Commission issued a tariff order for FY 2022-23 vide its order dated 13.10.2022 in Order No JERC/6 of 2022 (in Petition No JERC/P/02 of 2022 and JERC/P/03 of 2022).
- 1.17.** The Commission vide its notification No. JERC-JKL/Reg/2023/13 dated 10.11.2023 notified Joint Electricity Regulatory Commission for the UT of Jammu & Kashmir and the UT of Ladakh (Terms and Conditions for Determination of Multi-Year Generation, Transmission, Distribution Tariff) Regulations, 2023 [henceforth referred as 'JERC MYT Regulations 2023']
- 1.18.** After issuance of the JERC MYT Regulations 2023, the Petitioners (JPDCL & KPDCL) submitted the tariff petitions for the Business Plan for FY 2023-24 to FY 2025-26, Multi-Year Tariff (MYT) for the period from FY 2023-24 to FY 2025-26 and the tariff proposal for FY 2023-24. The Commission vide its Order No. JERC/13 of 2023 dated 24.11.2023 approved the Business Plan and MYT for the period from FY 2023-24 to FY 2025-26 and Tariff for FY 2023-24 (Petition No. JERC/P/08 of 2023 and JERC/P/09 of 2023).
- 1.19.** The Commission vide its Order No. JERC/05 of 2025 dated 24.03.2025 issued the Tariff Order for the APR for FY 2023-24, ARR for FY 2024-25 and Retail Supply Tariff for FY 2024-25 (Petition No. JERC/P/04 of 2024 by JPDCL and JERC/P/03 of 2024 by KPDCL).
- 1.20.** The Petitioners (JPDCL & KPDCL) submitted the present Petition for Annual Performance Review (APR) for FY 2024-25 and Aggregate Revenue Requirement (ARR) and Tariff Proposal for FY 2025-26 as per JERC MYT Regulations 2023. JPDCL filed the Petition vide its letter No. MD/JPDCL/TS/3844-46 on 11.01.2025 and KPDCL filed the Petition vide its letter No. CE/D/KPDCL/TS/4710-11 on 27.01.2025.
- 1.21.** The Annual Performance Review (APR) of FY 2024-25 is filed by the Petitioners (JPDCL & KPDCL) under Regulation 11.1 and 11.2 of the JERC MYT Regulations 2023. For APR, the Petitioners (JPDCL & KPDCL) have considered actual figures/ information for the first half (H1) of FY 2024-25 (i.e. September 2024) and has projected the same for the second half (H2) of FY 2024-25.
- 1.22.** The Petitioners (JPDCL & KPDCL) have filed the ARR of FY 2025-26 and Tariff Proposal of FY 2025-26 as per Regulations 11.1 and 11.2 of the JERC MYT Regulations 2023 as FY 2025-26 is the ensuing year. The Petitioners (JPDCL & KPDCL) have projected the ARR of FY 2025-26 considering revised ARR of FY 2024-25 (as per APR exercise) as the base using appropriate inflation indices as specified by the Commission.

Events post submission of the Petitions

- 1.23.** The Petitions have been scrutinized in the office of the Commission and the data deficiency note communicated to the petitions. The Commission communicated the data gaps to JPDCL vide vide Letter No. JERC/Law-S/P/2023-24/F-80/15 dated 18.02.2025 and to KPDCL vide its letter No. JERC/Law-S/P/2025/F-81/16 dated 18.02.2025.
- 1.24.** The Commission again sent reminder letters for the reply to communicated data gaps to JPDCL vide Letter No. JERC/Law-S/P/2023-24/F-80/18 dated 27.02.2025 and to KPDCL vide Letter No. JERC/Law-S/P/2023-24/F-81/19 dated 27.02.2025.
- 1.25.** JPDCL replied to the communicated data gaps vide its letter No. MD/JPDCL/TS/4840-45 dated 17.03.2025 and KPDCL replied to the communicated data gaps vide its letter No. CE/D/KPDCL/12165-66/TS dated 14.03.2025.
- 1.26.** The Commission conducted a Technical Validation Session on the subject matter on 18.03.2025.
- 1.27.** The Commission has conducted the TVS and some major issues were identified by the Commission, which is required for tariff determination purposes. For this purpose, a letter having minutes of meeting of TVS, issued to the Petitioners, summary of which is given below for reference.
 - (a) The Commission noted that the petitioners have not been able to undertake the Capex scheme during the first half of the FY 2024-25, however the Petitioners have projected high capital expenditure and capitalization in the latter half of the FY 2024-25.
 - (b) The Petitioners should also provide action plan on smart metering work and details of current status of smart metering.
 - (c) The Petitioners also informed that Petitioners have achieved 100% metering of Agricultural as well as Public Street Light consumer categories.
 - (d) The Commission expressed its displeasure over the distribution loss trajectory projected by the petitioner for FY 2024-25 and FY 2025-26. The Commission mentioned the fact that the RDSS scheme has targeted to reduce AT&C losses to Pan-India levels of 12- 15% by FY 2024-25. This scheme is reform-based and result-linked. DISCOMs of the UT are participating in the scheme and committed to reducing AT&C losses as per prescribed targets under the approved Scheme.
 - (e) The Commission categorically informed the petitioner that the distribution loss trajectory proposed by the petitioner contradicts its own submission in the Business Plan proposal submitted during the regulatory process of determination of tariff for FY 2023-24 & distribution loss reduction commitment made to MoP under the RDSS scheme. It has been clarified that for tariff determination purposes the distribution loss trajectory approved by the Commission as per the commitment made by the petitioner under the RDSS scheme shall be considered. The consumers would not be burdened on account of the inefficiencies of the Distribution Licensees.
 - (f) The Commission noted that the petitioner in its petition has submitted the full cost tariff schedule for FY 2025-26 considering the power procurement cost with actual distribution loss level without factoring in the grant-in-aid support available from the UT government. However, in the prayer section, the petitioner requested the

Commission to determine a subsidized tariff after considering the grant-in-aid support available from UT. The Commission opined that for clarity of the stakeholders, it is important for the petitioner to provide both i.e. full cost tariff schedule and subsidized tariff schedule. The petitioner should enquire with the UT government about the budgetary provisions for grant-in support for FY 2025-26 at the earliest or otherwise assume the last year's grant-in-aid support and provide the subsidized tariff schedule in the petition.

- 1.28.** The Commission through its admission Order No. 09 of 2025 dated 25.03.2025 admitted the Petition filed by JPDCL and through Order No. 10 of 2025 dated 25.03.2025 admitted the Petition filed by KPDCL.
- 1.29.** In the month of July 2025, JPDCL forwarded a letter No. MD/JPDCL/TS/1844-48 dated 30-07-2025 regarding a response to a data gap pertaining to the subsidy / grant-in-aid support planned by the Government. In the said letter reply from the Director of Finance, JKPDD in this regard was mentioned.
- 1.30.** The Commission directed JPDCL vide letter No. JERC/Law-S/P/2025/F-80/190 dated 13.08.2025 and KPDCL vide letter No. JERC/Law-S/P/2025/F-81/191 dated 13.08.2025 to file revised Petition with all the necessary information after incorporating the subsidy / grant-in-aid support information available from the Government.
- 1.31.** The Petitioners (JPDCL & KPDCL) requested the Commission to consider their revised submissions on "Petition for approval of Annual Performance Review of FY 2024-25, aggregate revenue requirement of FY 2025-26 and tariff proposal for FY 2025-26" vide letter No. MD/JPDCL/TS/2456-60 dated 29.09.2025 for JPDCL and vide letter No. CE/D/KPDCL/TS/45040-41 dated: 26.09.2025 for KPDCL for the release of Tariff order of FY 2025-26.
- 1.32.** The Commission notes the subsidy and Grant-in-aid information from of the Director of Finance, JKPDD in the above said letters submitted by MD JPDCL.

Inviting Public Comments

- 1.33.** The Commission vide its letter No. JERC/Law-S/P/2023-24/F-80/193 dated: 07.10.2025 directed JPDCL and vide its letter No. JERC/Law-S/P/2025/F-81/194 dated: 07-10-2025 directed KPDCL to publish the gist of the Petition for APR for FY 2024-25, Aggregate Revenue Requirement and Tariff Proposal for FY 2025-26 in the leading newspaper and invite comments/objections/suggestions from the stakeholders on the above mentioned petition filed. A copy of the Petition was also made available on the websites of the Commission and the Petitioners.
- 1.34.** The approved gist of the petitions indicating the salient features for inviting objections and suggestions from the consumers and other stakeholders (within 21 days from publication) were published by the Petitioners in several widely read newspapers, as given in the table below:

S. No.	Newspaper	Date of Publication
	JPDCL	
1.	Daily Excelsior (English)	22.10.2025
2.	Amar Ujala (Hindi)	22.10.2025
	KPDCL	
3.	Rising Kashmir (English)	11.10.2025
4.	Srinagar News (Urdu)	11.10.2025

1.35. The copies of the Petitions were made available for purchase on all working days for consumers from licensees' head offices at Jammu and Srinagar. The copies of Petitions were also made available on websites of the Commission and the Petitioners. Respondents were also given the option to be heard in person during the public hearings conducted by the Commission.

1.36. The Commission held public hearings on 18.11.2025 at the Conference Hall, JERC Office, Ambedkar (Panama) Chowk, Jammu for JPDCL and 20.11.2025 at Banquet Hall, Polo View, Srinagar for KPDCL, to hear the responses and comments/suggestions/ objections of the stakeholders/public on the Petitions filed by JPDCL and KPDCL. The public hearings enabled the Petitioners to present their case and to respond to the objections raised by various respondents.

1.37. The Commission and Petitioners received objections/comments in writing from 8 respondents. The list of stakeholders who responded in writing to the public notice is provided in **Annexure 4** and those who attended the public hearings for JPDCL & KPDCL are listed in **Annexure 2 & 3** respectively, of this Order.

1.38. The issues and concerns voiced by various stakeholders have been carefully examined by the Commission. The major issues discussed during the public hearing, the objections raised by the respondents and the observations made by the Commission have been summarized in Chapter 3 of this Order.

Meeting of State Advisory Committee

1.39. The Commission convened a meeting with the members of the State Advisory Committee (SAC) on 10.12.2025 in the Conference Hall of the JERC Building, Panama (Ambedkar) Chowk, Jammu to discuss the Petitions filed by JPDCL and KPDCL. The participants of the SAC meeting are listed in **Annexure 1**.

1.40. The Commission presented a summary of the petitions submitted by all utilities including JPDCL & KPDCL. Some of the key points with respect to JPDCL and KPDCL tariff petition raised and discussed by the members of the Committee during the SAC meeting are summarized below:

- (a) The Additional Chief Secretary PDD, Commissioner Secretary CAPD and various other members of the advisory committee suggested that before implementing the ToD, it is important to install smart meters to all the consumers.
- (b) The Additional Chief Secretary also stressed that the concept of Time-of-Day tariff is a recognised demand-side management tool aimed at promoting efficient utilisation of electricity, flattening system peaks, and optimising power procurement costs.
- (c) The president of Chamber of Commerce and Industries suggested that in the view of harsh climatic conditions, the scope for load shifting during peak hours is extremely

limited. Shifting consumption to late night or off-peak hours is not practically viable, as industrial and commercial activities cannot realistically be rescheduled during severe winter conditions, and domestic consumption during peak hours is largely unavoidable.

- (d) The Assistant Professor from IIT also suggested that implementation of ToD tariff is intrinsically dependent on the availability of adequate and reliable metering infrastructure, particularly smart meters capable of recording time-stamped energy consumption. Hence, smart metering is a prerequisite for any meaningful and equitable implementation of ToD tariff. At present, the penetration of smart meters in Jammu & Kashmir remains limited, and a significant portion of consumers are yet to be covered under smart metering infrastructure. In the absence of universal or near-universal smart metering, differentiation of consumption across peak and off-peak periods would not be technically feasible and may result in uneven applicability.
- (e) The Assistant professor from SMVDU suggested that the load profile of the Kashmir region is unique and largely climate-driven. The system load curve typically exhibits two pronounced peak periods, primarily during morning and evening hours, which coincide with extreme winter conditions. During these periods, electricity consumption is predominantly utilised for space heating, water heating, lighting, and essential domestic needs required to maintain minimum indoor thermal comfort and ensure basic living conditions. The peak demand in Kashmir is therefore not discretionary in nature, nor is it driven by industrial production or commercial operations.

1.41. Several other points were also raised and discussed during the SAC meeting, which have been noted by the Commission and suggestions made by the members of the Committee on above-mentioned points and other points discussed have been considered by the Commission in this Order.

Scope of the Present Order

1.42. The ambit of the present Order extends to approval of the Annual Performance Review of FY 2024-25, Aggregate Revenue Requirement of FY 2025-26 and Retail Supply Tariff Determination for FY 2025-26 for JPDCL and KPDCL. Since, the issues are of a similar nature for both the licensees, the Commission prefers to deal with both Petitions with this order for the determination of a uniform Retail Supply Tariff for FY 2025-26 applicable to the consumers in the UT of J&K.



Chapter 2: Summary of the Petition

2.1 This section presents a summary of the Petitions for APR for FY 2024-25, ARR and Tariff Proposal for FY 2025-26 submitted by JPDCL and KPDCL.

Salient Features of Petitions

2.2 JPDCL has filed the Tariff Petition for the approval of Annual Performance Review for FY 2024-25, and Aggregate Revenue Requirement and Tariff Determination proposal for FY 2024-25 as given in the table below:

Table 3: Summary of JPDCL Petition

S. No.	Particulars	Annual Performance Review		Aggregate Revenue Requirement	
		FY 2024-25		FY 2025-26	
		Submission	Submission	Submission	Submission
A	Projected Sales (MU)	6023.36		6477.32	
B	Projected Intra-state Loss (%)	3.07%		3.07%	
C	Projected Distribution Loss (%)	32.59%		31.82%	
D	Capital Expenditure (INR Cr.)	255.12		552.28	
E	Capitalization (INR Cr.)	154.49		372.28	
Annual Revenue Requirement and Revenue Gap/(Surplus) (INR Cr)					
1	Power Purchase Cost inclusive of Transmission Cost	4,468.09		4,484.13	
2	Operation & Maintenance Expenses	617.70		670.53	
2.1	<i>Employee Expenses</i>	527.10		555.86	
2.2	<i>Administrative & General Expenses</i>	20.33		21.44	
2.3	<i>Repair & Maintenance Expenses</i>	51.29		55.00	
2.4	<i>IT Initiatives, Smart Meter PMPM expenses</i>	18.98		38.23	
3	Depreciation	-		-	
4	Interest on Loan	-		-	
5	Return on Equity	-		-	
6	Interest on Security Deposit	-		-	
7	Interest on Working Capital	98.62		99.10	
8	Income Tax	-		-	
9	Provision for Bad & Doubtful Debt	52.35		53.06	
10	Total Revenue Requirement	5,236.76		5,306.81	
11	Less: Non-Tariff Income	1.27		1.27	
12	Net Revenue Requirement	5,235.49		5,305.54	
13	Revenue at Existing Tariff	2,751.27 @ 93% collection efficiency		2,899.79 @ 93% collection efficiency (at existing tariff)	
14	Revenue Gap/ (Surplus)	2,484.22		2,405.75	

2.3 KPDCL has filed the Tariff Petition for approval of the Annual Performance Review for FY 2024-25, and the Aggregate Revenue Requirement and Tariff Determination proposal for FY 2025-26 as given in the table below:

Table 4: Table Summary of KPDCL Petition

S. No.	Particulars	Annual Performance Review		Aggregate Revenue Requirement
		FY 2024-25	FY 2025-26	
		Submission	Submission	
A	Projected Sales (MU)	5868.70	6726.95	
B	Projected Intra-state Loss (%)	3.07%	3.07%	
C	Projected Distribution Loss (%)	47.79%	46.41%	
D	Capital Expenditure (INR Cr.)	330.67	519.10	
E	Capitalization (INR Cr.)	215.865	321.51	
Annual Revenue Requirement and Revenue Gap/(Surplus) (INR Cr)				
1	Power Purchase Cost inclusive of Transmission Cost	5,620.88	5924.15	
2	Operation & Maintenance Expenses	656.02	713.76	
2.1	<i>Employee Expenses</i>	615.03	648.58	
2.2	<i>Administrative & General Expenses</i>	2.97	3.18	
2.3	<i>Repair & Maintenance Expenses</i>	5.09	5.45	
2.4	<i>IT initiatives, Smart Meter PMPM expenses</i>	19.86	42.52	
2.5	<i>Off-Grid Material & Supply</i>	13.08	14.03	
3	Depreciation	-	-	
4	Interest on Loan	-	-	
5	Return on Equity	-	-	
6	Interest on Security Deposit	-	-	
7	Interest on	120.50	120.99	
	Working Capital			
8	Income Tax	-	-	
9	Provision for Bad & Doubtful Debt	64.62	68.27	

S. No.	Particulars	Annual Performance Review		Aggregate Revenue Requirement	
		FY 2024-25			
		Submission			
10	Total Revenue Requirement	6,462.02		6,827.18	
11	Less: Non-Tariff Income	2.15		2.15	
12	Net Revenue Requirement	6,459.87		6,825.03	
13	Revenue at Existing Tariff	2255.19@ 93% collection efficiency		2688.99@ 93% collection efficiency (at existing tariff)	
14	Revenue Gap/ (Surplus)	4,204.68		4,136.03	

2.4 The Petitioners (JPDCL & KPDCL) have submitted that the UT Government/ Administration has announced subsidy/ financial support/ grant in aid support to the power utilities in the UT of Jammu & Kashmir for FY 2025-26, however the J&K UT Government has conveyed no subsidy support to HT-PIU category consumers. Therefore, the Petitioners (JPDCL & KPDCL) proposes to continue and retain the prevailing subsidized tariff for all the consumer categories except for HT-PIU category. For HT-PIU category consumers, the Petitioners (JPDCL & KPDCL) hereby proposes to impose full cost tariff.

2.5 Category wise Existing Tariff, Proposed Full Cost Tariff (without Govt Subsidy), and the Proposed Subsidized Tariff (with Govt Subsidy) Proposal submitted by the Petitioners (JPDCL & KPDCL) is provided as follows:

Table 5 Existing and Proposed Tariff Hikes by Petitioners (JPDCL & KPDCL)

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
1	Domestic								
A	Below Poverty Line (Consumption up to 50 units/month)								
	Energy Charges	Rs./ kWh	1. 40	3.00	1.40	Rs./ kWh	1.40	3.00	1.40
	Fixed Charges	Rs./ kW or part thereof/ month	5.00	30.00	5.00	Rs./ kW or part thereof / month	5.00	30.00	5.00

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
B	Metered								
	Up to 200 units per month	Rs./ kWh	2.30	7.00	2.30	Rs./ kWh	2.30	7.00	2.30
	201-400 units per month	Rs./ kWh	4.00	7.25	4.00	Rs./ kWh	4.00	7.25	4.00
	>400 units per month	Rs./ kWh	4.35	9.00	4.35	Rs./ kWh	4.35	9.00	4.35
	Fixed Charges	Rs./kW or part thereof/ month	8.00	40.00	8.00	Rs./kW or part thereof / month	8.00	40.00	8.00
C	Un Metered								
	up to 1/4 kW	Rs./ month	227.00	380.00	227.00	Rs./ month	227.00	380.00	227.00
	Above 1/4 kW up to 1/2 kW	Rs./ month	520.00	800.00	520.00	Rs./ month	520.00	800.00	520.00
	Above 1/2 kW up to 3/4 kW	Rs./ month	780.00	1100.00	780.00	Rs./ month	780.00	1100.00	780.00
	Above 3/4 kW up to 1 kW	Rs./ month	1040.00	1370.00	1040.00	Rs./ month	1040.00	1370.00	1040.00
	Above 1 kW up to 2 kW	Rs./ month	Rs 1040+260 for every additional 1/4 kW or part thereof up to 2 kW	Rs 1370+260 for every additional 1/4 kW or part thereof up to 2 kW	Rs 1040+260 for every additional 1/4 kW or part thereof up to 2 kW	Rs./ month	Rs 1040+260 for every additional 1/4 kW or part thereof up to 2 kW	Rs 1370+260 for every additional 1/4 kW or part thereof up to 2 kW	Rs 1040+260 for every additional 1/4 kW or part thereof up to 2 kW
	Above 2 kW	Rs./ month	Rs. 2080 + 650 for every additional 1/4 kW or part thereof above 2 kW	Rs 2840+650 for every additional 1/4 kW or part thereof up to 2 kW	Rs 2080+650 for every additional 1/4 kW or part thereof up to 2 kW	Rs./ month	Rs. 20800 + 650 for every additional 1/4 kW or part thereof above 2 kW	Rs 2840+650 for every additional 1/4 kW or part thereof up to 2 kW	Rs 2080+650 for every additional 1/4 kW or part thereof up to 2 kW

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
2	Non-Domestic/Commercial								
A	Metered Connection								
	Single Phase								
	Up to 200 units/month	Rs./ kWh	3.55	8.90	3.55	Rs./ kWh	3.55	8.90	3.55
	201-500 units/month	Rs./ kWh	5.40	9.00	5.40	Rs./ kWh	5.40	9.00	5.40
	>500 units per month	Rs./ kWh	5.85	9.10	5.85	Rs./ kWh	5.85	9.10	5.85
	Three phase - For all units	Rs./ kVAh	5.85	9.25	5.85	Rs./ kVAh	5.85	9.25	5.85
	Fixed Charges								
	Single Phase	Rs./k W/m onth	60.00	150.00	60.00	Rs./kW /month	60.00	150.00	60.00
	Three phases	Rs./ kVA/ month	130.00	300.00	130.00	Rs./ kVA/ month	130.00	300.00	130.00
B	Un Metered								
	Up to 1/4 kW	Rs./ month	650.00	800.00	650.00	Rs./ month	650.00	800.00	650.00
	>1/4-1/2 kW	Rs./ month	1300.00	1600.00	1300.00	Rs./ month	1300.00	1600.00	1300.00
	>1/2 - 3/4 kW	Rs./ month	1950.00	2400.00	1950.00	Rs./ month	1950.00	2400.00	1950.00
	>3/4 - 1 kW	Rs./ month	2600.00	3200.00	2600.00	Rs./ month	2600.00	3200.00	2600.00
	Above 1 kW and part thereof for every kW above 1 kW	Rs./ month	2600 + 650 for every additional 1/4 kW or part thereof above 1kW	3200 + 650 for every additional 1/4 kW or part thereof above 1kW	2600 + 650 for every additional 1/4 kW or part thereof above 1kW	Rs./ month	2600 + 6500 for every additional 1/4 kW or part thereof above 1kW	3200 + 650 for every additional 1/4 kW or part thereof above 1kW	2600 + 650 for every additional 1/4 kW or part thereof above 1kW
3	State/ Central Govt department								

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
	Energy Charges (Rs/kWh)								
	LT	Rs./ kVAh	7.90	9.50	7.90	Rs./ kVAh	7.90	7.90	7.90
	11 kV supply*	Rs./ kVAh	7.9	9.50	7.90	Rs./ kVAh	7.90	7.90	7.90
	33 kV supply and above**	Rs./ kVAh	7.9	9.40	7.90	Rs./ kVAh	7.90	7.90	7.90
	Fixed Charges								
	For metered consumers	Rs./ kVA/ month	40.00	100.00	40.00	Rs./ kVA/ month	40.00	40.00	40.00
	*2.5% rebate on energy charges.			*2.5% rebate on energy charges.	*2.5% rebate on energy charges.	*2.5% rebate on energy charges.		*2.5% rebate on energy charges.	*2.5% rebate on energy charges.
	**5.0% rebate on energy charges.			**5.0% rebate on energy charges.	**5.0% rebate on energy charges.	**5.0% rebate on energy charges.		**5.0% rebate on energy charges.	**5.0% rebate on energy charges.
4	Agriculture								
A	Metered								
	Energy Charges								
	0-10 HP	Rs./ kWh	0.90	6.00	0.90	Rs./ kWh	0.90	6.00	0.90
	11-20 HP	Rs./ kWh	1.15	8.00	1.15	Rs./ kWh	1.15	8.00	1.15
	Above 20 HP	Rs./ kWh	6.00	9.00	6.00	Rs./ kWh	6.00	9.00	6.00
	Fixed Charges for connected load								
	0-10 HP	Rs./ HP/ month	20.0	45.00	20.00	Rs./ HP/ month	20.0	45.00	20.00

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
	h								
	11-20 HP	Rs./ HP/ month	25.0	60.00	25.00	Rs./ HP/ month	25.0	60.00	25.00
	Above 20 HP	Rs./ HP/ month	45.0	100.00	45.00	Rs./ HP/ month	45.0	100.00	45.00
B	Un Metered								
	0-10 HP	Rs./ HP/ month	325.00	425.00	325.00	Rs./ HP/ month	325.00	425.00	325.00
	11-20 HP	Rs./ HP/ month	357.00	457.00	357.00	Rs./ HP/ month	357.00	457.00	357.00
	Above 20 HP	Rs./ HP/ month	1950.00	3000.00	1950.00	Rs./ HP/ month	1950.00	3000.00	1950.00
5	Public Street Lighting								
A	Metered connection								
	Energy Charge	Rs./ kWh	8.60	10.00	8.60	Rs./ kWh	8.60	10.00	8.60
	Fixed Charge	Rs./kW	60.00	200.00	60.00	Rs./kW	60.00	200.00	60.00
B	Unmetered connection	Rs./ kW/ month or part thereof	4550.00	4550.00	4550.00	Rs./ kW/ month or part thereof	4550.00	4550.00	4550.00
6	LT Public Water Works								
	Energy Charge	Rs./ kWh	8.60	10.00	8.60	Rs./ kWh	8.60	10.00	8.60
	Fixed Charge	Rs./kW/month	60.00	200.00	60.00	Rs./kW/month	60.00	200.00	60.00
7	HT Public Water Works								
A	11 KV supply								

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
	Energy Charge	Rs./ kVAh	8.15	10.00	8.15	Rs./ kVAh	8.15	10.00	8.15
	Demand Charge	Rs./k VA/m onth	250.00	300.00	250.00	Rs./kVA /month	250.00	300.00	250.00
B	33 KV supply and above								
	Energy Charge	Rs./ kVAh	8.05	9.50	8.05	Rs./ kVAh	8.05	9.50	8.05
	Demand Charge	Rs./k VA/m onth	250.00	300.00	250.00	Rs./kVA /month	250.00	300.00	250.00
8	LT Industrial supply								
A	LTIS- I (For all metered consumers except those covered under LTIS-II)								
	For consumers with connected load < 50 kW								
	Energy Charge	Rs./ kVAh	4.20	9.50	4.20	Rs./ kVAh	4.20	9.50	4.20
	Fixed Charge	Rs./ kVA/ month	60.00	300.00	60.00	Rs./ kVA/ month	60.00	300.00	60.00
	For consumers with connected load > 50 kW								
	Energy Charge	Rs./ kVAh	4.20	9.25	4.20	Rs./ kVAh	4.20	9.25	4.20
	Fixed Charge	Rs./k VA/m onth	60.00	300.00	60.00	Rs./kVA /month	60.00	300.00	60.00
B	LTIS II (For all metered consumers and having load up to 15 HP)								
	Energy Charge	Rs./ kWh	4.20	9.25	4.20	Rs./ kWh	4.20	9.25	4.20

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
	Fixed Charge	Rs./k W/m onth	30.00	200.00	30.00	Rs./kW /month	30.00	200.00	30.00
9	HT Industrial supply								
A	11 KV supply								
	Energy Charge	Rs./ kVAh	4.10	9.25	4.10	Rs./ kVAh	4.10	9.25	4.10
	Demand Charge	Rs./k VA/m onth	175.00	400.00	175.00	Rs./kVA /month	175.00	400.00	175.00
B	33 KV supply and above.								
	Energy Charge	Rs./ kVAh	4.00	9.00	4.00	Rs./ kVAh	4.00	9.00	4.00
	Demand Charge	Rs./k VA/m onth	175.00	600.00	175.00	Rs./kVA /month	175.00	600.00	175.00
	TOD Tariff: Surcharge/ rebate: 10%								
10	HT PIU								
A	11 KV supply								
	Energy Charge	Rs./ kVAh	5.00	9.00	9.00	Rs./ kVAh	5.00	9.00	9.00
	Demand Charge	Rs./k VA/m onth	225.00	300.00	300.00	Rs./kVA /month	225.00	300.00	300.00
B	33 KV supply and above								
	Energy Charge	Rs. / kV Ah	4.95	8.75	8.75	Rs./ kVAh	4.95	8.75	8.75
	Demand Charge	Rs./k VA/m onth	225.00	300.00	300.00	Rs./kVA /month	225.00	300.00	300.00
	TOD Tariff for 33 kV and above: Surcharge/ rebate: 10%			TOD Tariff: Surcharge/ rebate: 10%		TOD Tariff for 33 kV and above: Surcharge/ rebate:		TOD Tariff: Surcharge/ rebate: 10%	

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
						10%			
11	Bulk supply								
A	11 KV supply								
	Energy Charge	Rs./ kWh	5.60	9.00	5.60	Rs./ kWh	5.60	9.00	5.60
	Demand Charge	Rs./kVA/month	225.00	300.00	225.00	Rs./kVA/month	225.00	300.00	225.00
B	33 KV supply and above								
	Energy Charge	Rs./ kWh	5.55	8.75	5.55	Rs./ kWh	5.55	8.75	5.55
	Demand Charge	Rs./kVA/month	225.00	300.00	225.00	Rs./kVA/month	225.00	300.00	225.00
	TOD Tariff for 33 kV and above: Surcharge/ rebate: 10%		TOD Tariff for 33 kV and above: Surcharge/ rebate: 10%		TOD Tariff for 33 kV and above: Surcharge/ rebate: 10%		TOD Tariff for 33 kV and above: Surcharge/ rebate: 10%		
12	Electric Vehicle Charging								
A	LT Supply								
	Energy Charge	Rs./ kWh	7.00	9.10	7.00	Rs./ kWh	7.00	9.10	7.00
	Demand Charge	Rs./kVA/month	0.00	0.00	0.00	Rs./kVA/month	0.00	0.00	0.00
B	11 KV supply								
	Energy Charge	Rs./ kWh	6.90	9.05	6.90	Rs./ kWh	6.9	9.05	6.90
	Demand Charge	Rs./kVA/month	0.00	0.00	0.00	Rs./kVA/month	0.00	0.00	0.00
C	33 kV Supply								
	Energy Charge	Rs./ kWh	6.80	8.95	6.80	Rs./ kWh	6.8	8.95	6.80

Utility		JPDCL				KPDCL			
S. No.	Tariff Category	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)	Unit	Existing Tariff FY 2024-25	Proposed Full Cost Tariff for FY 2025-26 (without Govt Subsidy)	Proposed Subsidized Tariff for FY 2025-26 (with Govt Subsidy)
	Demand Charge	Rs./ kVA/ month	0.00	0.00	0.00	Rs./ kVA/ month	0.00	0.00	0.00
	TOD Tariff for 33 kV and above: Surcharge/ rebate: 10%					TOD Tariff for 33 kV and above: Surcharge/ rebate: 10%			
13	Traction								
	11 kV/ 33 kV and above Supply								
	Energy Charge	Rs./ kVAh	5.40	5.40	5.40	Rs./ kVAh	5.40	5.40	5.40
	Demand Charge	Rs./ kVA/ month	300.00	300.00	300.00	Rs./ kVA/ month	300.00	300.00	300.00
	TOD* Tariff only for 33 kV: Surcharge/ rebate: 10%		TOD Tariff only for 33 kV: Surcharge: 20% and rebate: 10%			TOD* Tariff only for 33 kV: Surcharge/ rebate: 10%		TOD Tariff only for 33 kV: Surcharge: 20% and rebate: 10%	

2.6 The Petitioners (JPDCL & KPDCL) have not proposed any change in the No. of Tariff categories, slabs, rebate/ surcharge, applicability, and character of services.



Chapter 3: Public Consultation Process

- 3.1** After the receipt of the Petitions, the Commission examined the submission and identified certain data gaps which were communicated to the Petitioners. Thereafter, a Technical Validation Sessions (TVS) were organized in the office of the Commission. Subsequently, the Commission admitted the Petitions filed by the Petitioners pertaining to approval of APR for FY 2024-25, ARR of FY 2025-26 and tariff proposal for FY 2025-26. The Commission directed the Petitioners to publish the gist of the proposal indicating the salient features of the Petitions in the newspapers & invite comments/objections from the stakeholders and public on the subject matter of the Petitions. The Petitioners were also directed it to make available copies of the Petition to the general public.
- 3.2** As directed by the Commission, the Petitioners published Public Notice in widely read newspapers indicating the salient features of its Petitions and inviting objections and suggestions from the stakeholders and public. The copies of the Petitions, as submitted by JPDCL and KPDCL, were made available to the stakeholders in the offices of JPDCL and KPDCL on payment of photo copying charges. Copies were also made available on official websites of the petitioners as well as the Commission.
- 3.3** JPDCL and KPDCL were directed to reply to each of the objections/comments/suggestions received on their published Gist of Petition within three days of the receipt of the same but not later than 24 days. The stakeholders were advised to submit their rejoinders on replies provided by JPDCL and KPDCL during the public hearing or by 7 days from last date of Publication in News Paper.
- 3.4** Subsequently, the Commission published the notice for public hearing (published in the Kashmir Observer on 14.11.2025 and The Daily Uqab on 15.11.2025), wherein the interested stakeholders were given the option to be heard in person during the public hearing conducted by the Commission.
- 3.5** The Commission held a public hearing on 18.11.2025, at Jammu to discuss the Petition filed by JPDCL. The Commission held a public hearing on 20.11.2025 at Srinagar to discuss the Petition filed by KPDCL. The respondents were given an opportunity to put forth their comments and suggestions on the Petitions. The Commission also allowed persons who had not submitted written responses but who had attended the public hearings to express their views regarding the Petitions and the general functioning of JPDCL and KPDCL.
- 3.6** The Commission and Petitioners received objections/comments in writing from 7 stakeholders. The list of stakeholders who responded to the public notices in writing is listed in Annexure 4 and those who attended the public hearings for JPDCL & KPDCL are listed in Annexure 2 and Annexure 3, respectively.
- 3.7** The issues raised during the public hearing process, the responses of JPDCL and KPDCL and the Commission's observations on the same are elaborated below:

Request for Revision of Character of Supply for HT Industrial Category to Allow 11 kV Supply up to 2.5 MVA in Ghatti Industrial Area

- 3.8** The Commission received an objection from a industrial units of Ghatti requesting amendment of the Character of Service under Schedule-9 of the Tariff Order, seeking to revise the threshold for 33 kV supply from 1 MVA to 2.5 MVA. The Objector submitted that land constraints, non-availability of space for constructing multiple 66/11 kV receiving stations, and practical limitations in installing 66 kV infrastructure make it unfeasible for units with loads between 1-2.5 MVA to shift to 33 kV. The practices followed in Haryana, Himachal Pradesh, and Punjab

were submitted, where 11 kV supply is permitted up to 2 MVA–2.5 MVA. Accordingly, it was prayed before the Commission to modify Schedule-9 to allow 11 kV supply up to 2.5 MVA sanctioned load.

Petitioner's Response

3.9 JPDCL submitted that supply of industrial loads up to 2.0 MVA at 11 kV is technically feasible, subject to availability of feeder capacity, provision of adequate protection and metering, compliance with power factor norms, and other applicable Grid Code and Supply Code requirements. Such feasibility, however, would need to be assessed on a case-to-case basis, depending on network configuration and existing system loading. JPDCL further submitted that several other States permit 11 kV supply for industrial loads in the range of 2–5 MVA, either as a standard provision or subject to technical feasibility and levy of Lower Voltage Supply Surcharge (LVSS). In view of this, JPDCL agreed with the consumer's suggestion and proposed amendment of Schedule-9 (HT Industrial Supply) to allow supply at 11 kV for sanctioned loads exceeding 1 MVA up to 2.0 MVA, at the discretion of the licensee and subject to technical feasibility, network availability, and applicability of LVSS, while loads exceeding 2.0 MVA would continue to be supplied at 33 kV and above.

Commission's View

3.10 The Commission notes the submission of the Objector and JPDCL. The issue is governed by the Supply code and the same cannot be addressed in tariff order. The Commission may revisit the supply code as per submission made by any person and the Objector and Licensees are free to submit their opinion at that time.

Fixed Charges based on Recorded Maximum Demand (RMD) vis-à-vis Contract Demand (CMD)

3.11 One of the Objectors, who is receiving HT bulk supply from JPDCL, submitted that fixed charges should be levied based on Recorded Maximum Demand (RMD) rather than Contract Demand (CMD), with a provision to charge only up to 80% of CMD when RMD is consistently lower, with the following methodology:

- Where the RMD during a monthly billing cycle is less than 80% of CMD, fixed charges may be calculated on 80% of CMD (maximum).
- Where the RMD exceeds 80% of CMD, fixed charges may be computed on the actual RMD for that particular month.

Petitioner's Response

3.12 JPDCL submitted that the concern raised by the Objector is already addressed under the approved Retail Tariff framework. As per the Tariff Order FY 2024-25, the billing demand is defined as the higher of the actual recorded maximum demand or 75% of the Contract Demand, as provided under Clause 9.38 of the Tariff Order dated 24.03.2025. JPDCL further submitted that this mechanism strikes a balance between recovery of fixed costs and consumer flexibility in cases of under-utilisation of contract demand, and is broadly aligned with the principle underlying the Objector's suggestion. Accordingly, JPDCL stated that the existing provision may be considered adequate from both regulatory prudence and revenue sustainability perspectives.

Commission's View

3.13 The Commission has noted the submission. The response of JPDCL is self-explanatory.

Rebate / Discount for Maintenance of Good Power Factor

3.14 Another Objector submitted that a rebate or discount be provided in monthly billing for consumers maintaining a good power factor in the range of 0.95 to 0.99, with a tiered incentive structure. A minimum discount of 0.01% on total energy charges, calculated on the basis of data recorded in the energy meter, has been proposed for incorporation in the tariff schedule for FY 2025-26.

Petitioner's Response

3.15 The Petitioner submitted that the concerned category of consumers is billed on a kWh basis, wherein power factor performance is already inherently accounted for. Under kWh-based billing, a poor power factor results in higher apparent energy consumption and higher bills, while maintenance of a good power factor through appropriate correction measures reduces kWh consumption and automatically lowers energy charges. JPDCL further submitted that since the benefit of maintaining a good power factor is already embedded in the existing billing mechanism, introduction of a separate rebate or discount would result in double incentivization for the same performance parameter. Accordingly, JPDCL stated that no additional explicit rebate for power factor is warranted under the current tariff framework.

Commission's View

3.16 The Commission has noted the submission. The response of JPDCL regarding power factor is self-explanatory.

Rejection of the Petition submitted by JPDCL

3.17 The Commission received few objections stating that JPDCL's ARR/Tariff petition does not demonstrate compliance with the Electricity Act, 2003, the J&K Electricity Act, 2010, the MYT Regulations 2023, the Supply Code, or the Power Procurement Process Regulations. They argue that essential statutory disclosures and methodology requirements are missing, rendering the petition procedurally deficient.

3.18 The objector states that JPDCL has improperly used consolidated UT-level data for all three DISCOMs rather than JPDCL-specific power purchase, sales, and cost information. This, they argue, distorts JPDCL's true ARR and violates regulatory formats requiring licensee-wise segregation.

3.19 The Objector also submitted that the petition should be dismissed because JPDCL has failed to provide complete details required to justify its revenue requirement, invoking settled legal principles that statutory actions must strictly adhere to prescribed procedure.

3.20 The objector requested that the Commission should note that JPDCL did not benchmark its performance against the last approved ARR or highlight deviations from targets fixed in Tariff Order No. JERC/6 of 2022, thereby failing to justify escalations in cost and losses.

3.21 The objector claims that the entire ARR and tariff proposal is not based on the MYT Regulations 2023, especially the mandated approach for estimating ARR, loss trajectory, and cost-to-serve, making the proposal non-compliant.

- 3.22** The Objector highlighted that JPDCL has not anchored its power procurement plan in accordance with the JERC Power Purchase & Procurement Process Regulations 2023, nor cited any provisions while projecting purchase quantum and costs.
- 3.23** The Objector asserts that using consolidated DISCOM power purchase cost instead of JPDCL-specific cost violates prudence, as tariffs must reflect the cost structure of each licensee individually.
- 3.24** The Objector cites that under UDAY (Ujwal DISCOM Assurance Yojana), the UT had committed to reducing AT&C losses to 15% by FY 2019-20, with Commission-approved loss trajectories. JPDCL has not aligned its projections to this path and instead proposed unreasonably high losses.
- 3.25** The Objector also pointed out that Regulation mandates submission of circle-wise loss data; JPDCL has not provided any such details, preventing realistic loss analysis and proper loss-reduction targets.
- 3.26** The Objector submitted that the petition wrongly includes unmetered sales despite earlier JKSERC orders mandating 100% metering and the elimination of unmetered categories. They request rejection of any energy requirement based on unmetered sales.
- 3.27** The objector referenced past Commission directives requiring district-wise and feeder-wise loss publication, noting continued non-compliance and requesting strict enforcement.
- 3.28** The Objector emphasised that voltage-wise loss data is essential for determining cost of supply for different consumer categories; JPDCL has not provided this, contrary to Commission directives and statutory requirements.
- 3.29** The objector asserted that JPDCL has not distinguished technical losses from commercial losses (theft, pilferage, unmetered supply), which is essential for prudence analysis and accountability.
- 3.30** The objector also submitted that prudent loss levels for J&K, based on comparable states like Himachal Pradesh and Uttarakhand, should not exceed 8–14%, urging the Commission to reject the proposed higher levels.
- 3.31** The objector highlighted that JPDCL has not complied with earlier directives (2008, 2010) requiring scientific loss studies, and requests disallowance of inflated losses until a proper study is completed.
- 3.32** The objector also stated that JPDCL's revenue-at-existing-tariff estimate at 93% collection efficiency is flawed and misleading; tariff fixation should assume 100% collection efficiency as per regulatory principle.
- 3.33** The objector contended that JPDCL has incorrectly claimed 1% of ARR instead of 1% of *revenue*, contrary to Regulation 34, and request complete disallowance of the claim.
- 3.34** The objector stated that JPDCL has projected an unwarranted increase in O&M expenses without justification, detailed breakdown, or benchmarking with previous approvals or other utilities.
- 3.35** The objector stated that employee cost is disproportionately high relative to consumers and energy handled, and should be benchmarked against normative levels and other states before allowance.
- 3.36** The Objector further submitted that JKPTCL and PGCIL transmission charges must be allowed only to the extent approved by the Commission, not as proposed by JPDCL
- 3.37** The objector also submitted that since JPDCL has no working capital loan and is funded by government support, interest on working capital should not be allowed; additionally, security deposit deductions were not accounted for
- 3.38** The objector also submitted that JPDCL has not computed category-wise or voltage-wise cost of supply as required under Section 61, 62 and Regulations 66–70, making the tariff design arbitrary and contrary to law.

3.39 The objector further submitted that JPDCL has not explained the methodology for determining demand charges or energy charges for any category, failing to justify the proposed tariff structure.

3.40 The Objector submitted that in the view of the above deficiencies, regulatory non-compliance, inflated losses, arbitrary tariff design, and failure to provide mandatory data, the petition be rejected and that ARR be determined strictly on prudent and approved parameters.

Petitioner's Response

3.41 No response was received from Petitioner.

Commission's View

3.42 The Commission has duly considered the regulatory provisions and approved the ARR for FY 2025-26 accordingly.

Sharp Increase in HT-PIU Tariff Is Unjustified and Violates Tariff Policy

3.43 The Objector opposed the 70–80% increase proposed for HT-PIU tariffs, stating that variable charges exceed actual variable cost (Rs. 4.89/kWh), causing tariff shock and violating cost-reflectivity and cross-subsidy reduction principles.

3.44 The Objector suggested that, consistent with other utilities, demand charges should be based on Contract Demand rather than Maximum Demand to avoid undue burden on industrial consumers.

3.45 One of the Objectors also requested that the demand charges should be lowered for the industrial consumers as industry is the only source that is generating employment effectively in the UT of Jammu & Kashmir.

Petitioner's Response

3.46 No response was received from Petitioner.

Commission's View

3.47 The Commission has reviewed the submission of Objectors and also consider submission of the Petitioner in revised Petition as well as Govt view. The Commission decides the tariff as per subsidy related information received from UT Govt. That is why the Commission during TVS directed the Petitioners to clearly submit the information in this regard. The same was received from UT Govt and the accordingly, the Petitioners made the revised submission after incorporating the direction. The Commission after taking cognizance of UT Govt view on subsidy finalised the tariff for FY 2025-26. The detailed observation is given in Tariff Philosophy chapter.

Shifting inefficiency onto consumers

3.48 The Objector submitted that JPDCL has projected significantly higher power purchase cost and distribution losses than previously approved, without any justification or efficiency improvements, and request the Commission to cap costs strictly at approved levels.

3.49 The Objector further submitted that the Objector opposes the projected 31.82% distribution loss, arguing that such a high level implies consumers would pay for 1.467 units for every 1 unit sold, shifting inefficiency onto consumers, which is against regulatory norms.

3.50 The Objector also submitted that under UDAY (Ujwal DISCOM Assurance Yojana), the UT had committed to reducing AT&C losses to 15% by FY 2019-20, with Commission-approved loss trajectories. JPDCL has not aligned its projections to this path and instead proposed unreasonably high losses.

Petitioner's Response

3.51 No response was received from Petitioner.

Commission's View

3.52 The Commission, while approving the APR and ARR, considers the approved normative loss. The Commission under its Business Plan had approved the year-wise distribution loss and considers the same while approving power purchase quantum and cost. Hence, the inefficiency of Petitioners is not passed on to consumers. The Consumers are paying the tariff as per ARR determined based on normative loss only.

24x7 power supply for all consumers of KPDCL

3.53 One of the Objectors raised concern over 24x7 power supply for all consumers of KPDCL and submitted that the licensee is miserably failed in maintaining the power supply in UT.

Petitioner's Response

3.54 No response was received from Petitioner.

Commission's View

3.55 The Commission directs the Petitioners to supply 24X7 power, in case of not having technical constraint. Further, for any supply related problem, the same should be informed to the consumers.

Setting up of renewable energy plants

3.56 One of the Objectors requested the Commission to pass directions for setting up of solar energy plants in the UT of J&K and Ladakh besides allowing common people to set up solar units in their house roof tops.

Petitioner's Response

3.57 No response was received from Petitioner.

Commission's View

3.58 This is not relevant for tariff proceeding.

Objections Against Proposed 20% ToD Peak Tariff

3.59 The Commission received objections from the All-Kashmir Houseboat Association, who submitted that the association has opposed the proposed implementation of Time-of-Day (ToD) tariff for commercial consumers, due to the fact that the houseboat/tourism sector in Kashmir is already under severe financial distress due to COVID-19, recent tourism setbacks and fragile recovery. They contend that houseboat load patterns are climate-driven and akin to residential usage, with essential heating, lighting and guest services concentrated in peak hours, leaving no

realistic scope for load shifting or availing off-peak benefits. The Association argues that peak-hour ToD surcharges, combined with limited smart meter penetration, would render many operations economically unviable and create inequitable treatment among similarly placed consumers. They have therefore prayed for exclusion of houseboats (and tourism-related commercial consumers) from ToD, or at least deferment of ToD implementation until sectoral recovery and a tailored viability assessment are undertaken.

3.60 The Jammu & Kashmir Fruits & Vegetables Processing & Integrated Cold Chain Association (JKPICCA) also submitted that the JKPICCA strongly opposes the proposed 20% ToD peak-hour surcharge, submitting that industries—particularly CA (Controlled Atmosphere) stores, cold chains, packhouses, and MSMEs—already face 15–20% power shortages and cannot shift load during peak periods. They argue that the increase will substantially raise post-harvest and processing costs, depress farmer returns, and destabilise the ₹5000-crore horticulture value chain that supports lakhs of farming families. JKPICCA highlights J&K's inherent disadvantages—difficult terrain, high logistics cost, climatic limitations—and submits that the ToD hike contradicts national efforts to position J&K as an industrial hub. The Association has requested withdrawal of the ToD proposal and sought classification of CA stores, cold chains, and fruit processing units under the Agriculture Sector for tariff purposes.

3.61 The Kashmir Chamber of Commerce & Industry (KCCI) also submitted that KCCI strongly opposes KPDCL's proposal to impose a 20% ToD surcharge, asserting that it amounts to a hidden tariff hike during the most essential consumption hours. They argue that ToD implementation is technically unviable because nearly half of Kashmir's consumers remain unmetered and smart metering is far from universal, making time-differentiated billing arbitrary and discriminatory. KCCI further submits that imposing surcharges despite AT&C losses of ~47%—along with poor reliability indices (SAIDI/SAIFI far above national averages) and stagnation in local generation capacity—unfairly penalizes honest consumers for systemic inefficiencies. The Chamber therefore seeks rejection of the ToD proposal, 100% smart metering as a precondition, strict enforcement of consumer-rights compensation rules, and a mandated timeline for reducing losses.

3.62 One of the Objectors stated that ToD tariff is impractical for domestic consumers given that ~60% remain unmetered, consumption peaks during unavoidable heating/lighting hours, and billing systems are still stabilizing under RDSS. He requested the Commission to defer ToD for domestic/small commercial consumers.

3.63 One of the Objectors from Tourism Association stated that the JPDCL & KPDCL are burdening the consumers of Jammu & Kashmir with 20% surcharge in the peak hours as the load curve of the consumers from Jammu & Kashmir matches with the peak hours in proposed ToD by JPDCL & KPDCL. The Objector further stated that because of the harsh climatic conditions, it would be impossible for the consumers to shift their load curve to non-peak hours. The Objector further requested the Commission to not implement the 20% ToD surcharge.

3.64 One of the Objectors strongly opposed the proposed 20% peak-hour surcharge, arguing that Kashmir suffers from one of the lowest reliability levels in India (SAIDI/SAIFI far above national averages), making any premium on consumption inequitable. They submit that peak-hour usage in winter is unavoidable due to essential heating and domestic needs, and therefore penalizing such consumption is regressive and anti-consumer. Concerns are also raised regarding unfulfilled assurances linked to smart metering, unresolved vendor-related service failures, and the risk of further public distrust. The stakeholder requests rejection of the surcharge, improved reliability benchmarks, mandatory public consultation, performance audits of smart metering systems, and rebate mechanisms for outages.

Petitioner's Response

3.65 No response was received from Petitioner.

Commission's View

3.66 The Commission notes the concerns about ToD tariff applicability. It is understood that smart meter progress is slower in UT of J&K and most consumers are yet to be covered. Hence, the ToD implementation is not possible if the infrastructure is not in place for billing as per ToD. Although domestic and commercial consumers are proposed by the Petitioners to be covered under ToD, the same is impossible, as the required infrastructure is not in place. The applicability of ToD tariff on such consumers shall be reviewed in next tariff Petition as per progress in smart meter installation. Hence, the ToD applicability is restricted to HT consumers getting supply at 33 kV level or above. The detailed terms and conditions of ToD tariff are provided under Terms and Conditions related of Tariff.

Enhancing Non-Tariff Income Through Pole Rentals, Scrap Disposal and Supervision Charges,

3.67 The Commission received an objection stating that that DISCOMs must strengthen non-tariff revenue streams by enforcing pole-rental billing, geo-tagging of telecom cables, time-bound auctioning of accumulated scrap, and approval of supervision charges for Deposit Contribution works. The Objector highlighted that such measures would improve financial health and transparency.

Petitioner's Response

3.68 No response was received from Petitioner.

Commission's View

3.69 The observation is noted.

Need for Dedicated Enforcement Wings to Curb Meter Tampering and Power Theft, Opposition to Moving Smart Meters to Consumer Premises; Request to Retain Pole-Mounted Metering, and Need for CCMS for Street Lighting to Prevent Energy Loss and Unauthorized Use

3.70 The same objector stressed that smart metering alone cannot address losses unless supported by robust enforcement structures. He advocated for creation of dedicated enforcement wings in both DISCOMs, citing that every rupee invested in enforcement yields nearly ₹100 in revenue protection. The proposal, already approved at DISCOM Board level, awaits government clearance.

3.71 The Objector also stated that shifting smart meters from poles to consumer premises may increase bypassing/tampering, cause technical issues due to undersized service wires, and require additional funding not provided under RDSS. He requested the Commission to restore the earlier practice of pole-mounted metering.

3.72 The Objector claimed that absence of Central Control & Monitoring Systems for LED streetlights leads to wastage, uncontrolled operation, and potential pilferage. He requested directions to H&UDD and EESL to install CCMS on DTs where AB cabling is complete.

Petitioner's Response

3.73 No response was received from Petitioner.

Commission's View

3.74 These are not related to tariff proceedings.

Restoration of KPDCL's DSM Cell and Pursuit of BEE Funding, Adoption of Energy-Efficient and Green Building Codes in J&K, Need for Gap Analysis of DT/HT/LT Infrastructure for Loss Reduction and Planning

3.75 The same objector also pointed out that the Demand Side management (DSM) cell has been closed prematurely due to administrative issues, jeopardizing potential BEE funding for energy-efficiency initiatives. He requested intervention for reinstatement of the DSM cell and continuation of DSM programmes.

3.76 The Objector urged adoption of national ECBC/ECSBC guidelines and Eco-Niwas Samhita, stating that buildings in J&K consume nearly 50% of total electricity—much higher than the national average. Implementation would create jobs, reduce load, and support sustainability.

3.77 The Objector also submitted that KPDCL and JPDCL must undertake a thorough gap analysis of transformers, conductors, and networks to address technical losses and plan system strengthening. He suggested hiring a professional consultant if manpower is insufficient.

Petitioner's Response

3.78 No response was received from Petitioner.

Commission's View

3.79 The Petitioner may note the submission of the Objector and act accordingly. The impact of DSM activities may impact the energy consumption and the same must be included in Resource Adequacy Report also. The Petitioners may participate in various programmes / schemes implemented by BEE.

Compensation to Solar Prosumers for Excess Generation

3.80 One of the Objectors submitted that KPDCL has not compensated prosumers for net surplus injected energy as required by JERC Regulations and requested determination of APPC/feed-in-tariff for pending years and timely.

Petitioner's Response

3.81 No response was received from Petitioner.

Commission's View

3.82 The payment to consumers (having roof-top solar projects) shall be guided by provisions given under Net metering regulations.

Request for Searchable Versions of Commission Orders

3.83 The Commission received a request stating that all tariff orders and regulatory orders be uploaded in searchable (OCR/text) format to facilitate ease of access and reference by consumers and professionals.

Commission's View

3.84 The observation is noted.

Chapter 4: Annual Performance Review for FY 2024-25

Introduction

4.1 Regulations 11.1 of the JERC MYT Regulations 2023 prescribes filing of Annual Performance Review of the current year. The relevant extract of the Regulation is as follows:

"11.1 The Generating Company, Transmission Licensee and Distribution Licensee shall file an application for the annual performance review of the current year, truing up of the previous Year or the Year for which the audited accounts are available and determination of tariff for each of the ensuing Years on or before 30th November of each year, in formats specified by the Commission from time to time:"

1.1.1 Regulation 11.2 of the JERC MYT Regulations 2023 specifies the scope of the Annual Performance Review petition. The relevant extract of the Regulation is as follows:

"11.2 The scope of the annual performance review, truing up, and tariff determination shall be a comparison of the performance of the Generating Company, 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:

- a) True-up: a comparison of the audited performance of the Applicant for the Financial Year for which the true-up is being carried out with the approved forecast for such previous Financial Year, subject to the prudence check;*
- b) Annual Performance Review: a comparison of the revised performance targets of the Applicant for the current Financial Year with the approved forecast in the Tariff Order corresponding to the Control Period for the current Financial Year subject to prudence check;*
- c) Tariff determination for the ensuing Year of the Control Period based on the revised forecast of the Aggregate Revenue Requirement for the Year;*
- d) Review of compliance with directives issued by the Commission from time to time;*
- e) Other relevant details, if any" {Emphasis added}*

In the light of above, the Petitioners (JPDCL & KPDCL) have filed the APR for FY 2024-25.

No. of consumers, connected load and energy sales

JPDCL's submission

4.2 The number of consumers, connected load (in MW) and energy sales (MU) in FY 2024-25 as submitted by JPDCL is as under:

Table 6 No. of consumers, Connected Load and Energy sales of JPDCL in FY 2024-25

Consumer Category	No. of consumers	Connected Load/Sanction Load (in MW)	Energy Sales (MU)
Domestic – Metered	855274	1300.84	2,467.70
Domestic – Unmetered	179095	101.59	
Non-Domestic/Commercial - Metered	121221	332.68	656.33
Non-Domestic/Commercial – Unmetered	4054	3.97	

Consumer Category	No. of consumers	Connected Load/Sanction Load (in MW)	Energy Sales (MU)
State/Central Govt department	11700	245.12	616.56
Agriculture – Metered	25873	107.89	217.93
Agriculture – Unmetered	0	0.00	
Public Street Lighting - Metered	187	9.60	47.93
Public Street Lighting - Unmetered	0	0.00	
LT Public Water Works	2017	76.04	419.56
HT Public Water Works	228	30.12	170.32
LT Industrial Supply	8069	113.08	130.31
HT Industrial Supply	864	435.61	941.44
HT PIU	20	31.19	95.97
Bulk Supply	234	149.89	233.98
Electric Vehicle (EV) Charging Station	11	1.66	1.66
Traction	3	13.20	23.65
Total	1208850	2952.50	6023.36

KPDCL's submission

4.3 The number of consumers, connected load (in MW) and energy sales (MU) in FY 2024-25 as submitted by KPDCL is as under:

Table 7 No. of Consumers, Connected load/sanctioned load (MW) by KPDCL for FY 2024-25

Consumer Category	Number of Consumers			Connected Load/Sanctioned Load (in MW)	
	Approved in Tariff Order	(H1) Cumulative Actuals	(H2) Cumulative Projected	Approved in Tariff Order	Total Projected
Domestic - Metered	1115294	300750	393948	2777.47	1131.95
Domestic - Unmetered		641360	656879		817.98
Non-Domestic/Commercial - Metered	172730	147315	156703	429.03	410.12
Non-Domestic/Commercial - Unmetered		23676	20663		30.99
State/Central Govt department	5430	5866	6198	192.17	933.73
Agriculture - Metered	1139	1466	1829	70.29	75.98
Agriculture - Unmetered		247	0		0.00
Public Street Lighting - Metered	200	163	266	1.81	9.23

Public Street Lighting - Unmetered		79	0		0.00
LT Public Water Works	619	403	403	17.97	17.21
HT Public Water Works	347	318	320	30.08	31.41
LT Industrial Supply	12129	10308	10334	244.33	185.14
HT Industrial Supply	291	287	308	124.34	142.65
HT PIU	2	3	3	0.511	4.64
Bulk Supply	90	138	144	34.95	53.65
Electric Vehicle (EV) Charging Station	4	1	1	1.64	2.03
Traction	3	4	4	1.54	10.06
Total	1308278	1132384	1248003	3926.12	3856.76

4.4 The forecast of sales in MU by KPDCL for FY 2024-25 is as under:

Table 8 Forecast of sales in MU by KPDCL for Fy 2024-25

Consumer Category	Approved By Commission	(H1) Actual	(H2) Projected	Total
Domestic	2955.24	1764.57	2229.32	3993.89
Non-Domestic/ Commercial	692.92	289.06	337.20	626.26
State/Central Govt department	380	180.69	249.53	430.22
Agriculture	114.36	61.23	20.10	81.34
Public Street Lighting	12.61	5.39	17.28	22.67
LT Public water works	88.46	18.47	19.82	38.29
HT Public water works	83.76	36.78	40.45	77.23
LT Industrial supply	108.03	58.65	55.21	113.86
HT Industrial supply	334.88	170.85	215.04	385.89
HT-PIU Industrial Supply	0.17	1.11	0.72	1.83
General Purpose Bulk	45.41	35.54	45.71	81.25
EV Charging Station	2.23	4.17	4.17	8.34
Traction	3.18	3.82	3.82	7.64
Total	4821.25	2630.33	3238.36	5868.70

Energy Balance

Petitioner's Submission

Transmission Losses

4.5 The Petitioners (JPDCL & KPDCL) have considered the following transmission losses for the FY 2024-25:

Utility	JPDCL	KPDCL
Particulars	Estimate of losses for FY 2024-25	Estimated of losses for FY 2024-25
JKPTCL/ InSTS losses	3.07%	3.07%
ISTS losses	3.54%	3.54%

Distribution Losses

4.6 The JPDCL and KPDCL mentioned in their submission that the various loss reduction measures such as consumer smart metering, HVDS LT cabling, IT/OT enablement works, feeder bifurcation and segregation and Distribution lines related works are progressing behind the schedule. This has impacted the pace at which the actual distribution losses were supposed to reduce as per the trajectory agreed under the RDSS scheme.

4.7 The Petitioners also mentioned that the Power Minister in an interaction held at the office of CERC with Forum of Regulators in New Delhi on 3rd October 2023 stressed that, the AT&C losses shall be realistic and the regulators shall ensure that the tariff is cost reflective. The extract from the press statement is quoted as follows:

*"The Minister urged the regulators to ensure that the **tariff is cost-reflective, covering the entire cost of service of DISCOMs**. He pointed out that Government of India has made energy audit compulsory. This shall be monitored, as it will help in identifying areas of leakage / theft of power and help in reducing AT&C losses. He advised that the trajectories for reduction of AT&C losses should be realistic."*

4.8 In the light of above, the Petitioner has considered actual levels of distribution losses of Petitioner which are ~32.59% for JPDCL, ~48% for KPDCL and ~24% for LPDD.

Energy Balance

4.9 The projected Energy balance by Petitioners (JPDCL & KPDCL) for FY 2024-25 is as under:

Table 9 Projected Energy balance for 2024-25

Distribution Licensee	Sales in MU	Distribution Loss level (%)	Energy at DISCOM Periphery	Energy available from internal generation sources located in Ladakh	Energy required at DISCOM level
JPDCL ^{SS}	6023.36	32.59%	8935.63		8935.63
KPDCL ^{SS}	5868.70	47.79%	11241.07		11241.07
LPDD ^{**}	209.42	24.45%	277.19	15.58	261.61
Total	12101.48		20453.88		20438.30

SS Distribution losses of JPDCL arrived at after adjustment for sales and energy at DISCOM periphery.

** Distribution losses of LPDD as per the Tariff Order for FY 2024-25 dated 27th June, 2024.

Energy required at DISCOM level	Intra-state Transmission loss	Energy required at UT level from JKPC	Supply by JKPCL and others within UT at UT level at Generation Periphery	Supply by CGS and other external sources at UT level	Inter-state Transmission loss	Supply by CGS and other external sources at Generation Periphery
20438.30	3.07%	21085.63	4282.86	16802.77	3.54%	17419.74

4.10 The following table provides the summary of the total quantum of energy purchase required at DISCOM periphery and projected power purchase quantum for FY 2024-25:

Table 10: Projected Power purchase quantum at DISCOM periphery (JPDCL, KPDCL and LPDD) & at Generation periphery for FY 2024-25

Particulars	Legend	FY 2024-25 (APR Projection)
Total quantum of energy purchase required at JKPL <> DISCOM periphery (MU)	A	20453.88
Supply by JKPDL and others within UT at UT level at Generation Periphery (MU)	B	4282.86
Supply by CGS and other external sources at Generation Periphery (MU)	C	17419.74
Total quantum of energy purchase at Generation Periphery (MU)	D = C+B	21702.60

Power Purchase Expenses

Petitioner's Submission

4.11 The Petitioner submitted that Petitioner has arrived at the revised estimate of power purchase expenses for FY 2024-25 based on the total quantum of energy purchase required at the generation periphery and actual power purchase rates and cost for the months from April 2024 to September 2024 as submitted by JKPL.

4.12 **Power Purchase from NTPC, NHPC, NPCIL and Other CSPPs:** The Petitioner has considered actual quantum of energy procured, capacity charges, other charges, and variable charge rate as per actuals for the months from April 2024 to September 2024 as submitted by JKPL. For projecting the power purchase for the remaining months of October 2024 to March 2025 the Petitioner has considered the quantum, energy charge and capacity charges as projected by JKPL.

4.13 **Power Purchase from JKPDL's hydropower stations:** The Commission approved the revised tariff for JKPDL's hydropower stations vide its Order No. JERC/ 07 of 2024 dated 28 June 2024 which was effective from 1st July 2024 onwards. Accordingly, the Petitioner has considered energy charge rate and capacity charges till 30 June 2024 as per the Tariff Order applicable for FY 2023-24 (JERC/10 dated 10 October 2023). Further, the Petitioner has considered the actual monthly quantum of energy procured during the months from April 2024 to September 2024 as submitted by JKPL and has considered the estimated quantum of energy for the remaining months of October 2024 to March 2025. The capacity charges and energy charges for FY 2024-25 are projected based on pro-rated no. of days i.e. 1st April 2024 to 30th June 2024 (90 days) and from 1st July 2024 to 31st March 2025 (275 days).

4.14 **Power Purchase from Renewable (Solar) sources:** Currently, JKPL is procuring 20 MW of solar power from NHPC Ltd. (Source: Aavada). The Petitioner has considered actual quantum of power sourced for the months from April 2024 to September 2024 as submitted by JKPL and has considered projected quantum of power for the remaining months of FY 2024-25 as estimated by JKPL. As for the rate it is considered as per PPA approved by the Commission.

4.15 Allocation of power from Central Sources: The Central Government has allocated 300 MW under the Additional Power from Southern Region (Additional Power from SR) and 393 MW under the Shakti Scheme – V to UT of J&K. Accordingly, based on JKPCL's estimate of quantum and cost the same are included as part of the power purchase for FY 2024-25.

4.16 Power Purchase from short term sources: To meet the power shortfall JKPCL purchases power from various short-term sources such as the power exchange, bilateral sources etc. For the months from April 2024 to September 2024 JKPCL sold surplus energy of Rs. 1437.80 crore worth of power on IEX. Considering the prevailing power purchase rate on the power exchanges JKPCL has projected rate of Rs. 5.50/ kWh. for any additional power to be purchased during the remaining months of FY 2024-25. Considering this it is estimated that Rs. 1414.60 crore would be spent on purchase of power from short term sources in FY 2024-25.

4.17 JKPTCL Transmission charges: The Commission has approved Transmission charges of Rs. 16.91 crores/ month for FY 2024-25 vide its Order No. JERC/ 04 of 2024 dated 26 June 2024. The same is considered for FY 2024-25.

4.18 PGCIL Transmission charges: In FY 2023-24 JKPCL incurred CTU charges of Rs. 1081.128 crores. CTU charges are based on the capacity allocation. It is estimated that for FY 2024-25 there are no likely changes in the transmission capacity allocation and therefore, the same estimated transmission charges are considered for FY 2024-25.

4.19 Other Charges: Other charges such as POSOCO charges, Reactive Energy charges, water usage charges levied by NHPC, Deviation and Settlement Account charges are considered at actuals for H1 of FY 2024-25. It is estimated that for H2 of FY 2024-25 the other charges will be equal to that of H1 of FY 2024-25.

4.20 JKPCL Trading Margin: The Commission vide its Order No. JERC/7 of 2022 dated 21st November 2022 approved trading margin cap of Rs. 0.02/ kWh towards electricity traded/ procured by JKPCL on behalf of the distribution licensees in the UT of J&K and UT of Ladakh. Trading margin of Rs. 0.02/ kWh has been considered toward power purchase cost.

4.21 Supplementary Bills: It is submitted that the Central Sector Generating Stations including NTPC, NHPC, and other CSPPs serve supplementary bills to JKPCL on a monthly basis. These bills consist of charges related to change in law such as increase in railway freight, increase in coal prices, duties and levies etc. In FY 2023-24 JKPCL paid supplementary bills to the tune of Rs. 1200 crores. For FY 2023-24 JKPCL has estimated that the supplementary bills will be around Rs. 1200.61 crores. Accordingly, the same are considered. The Petitioner submits that it shall submit the details of actual supplementary bills paid by JKPCL at the time of truing up.

4.22 Merit Order Despatch: JKPCL procures power from various power plants on the basis of Merit Order Dispatch (MOD) principle after considering the supply from hydro, solar and nuclear as 'Must-run'. For preparing the MOD stack, the variable charges as discussed above are considered. In case of JKSPDCL's hydro power station, the variable charge rate as approved by the Commission are considered. The simulated Merit Order for despatch for remaining period of FY 2024-25 is as follows:

Table 11: Projected Merit Order Despatch for remaining period of FY 2024-25

Name of power station	Source	Source	Variable Charges (Rs./ kWh)
STAKNA	Hydro	Must Run	0.24
KISHANGANGA	Hydro	Must Run	0.25
LOWER JHELUM HEP	Hydro	Must Run	0.40
GANDERBAL HEP	Hydro	Must Run	0.50
CHENANI HEP-I	Hydro	Must Run	0.53
SALAL	Hydro	Must Run	0.54
URI	Hydro	Must Run	0.54
USHP II KANGAN	Hydro	Must Run	0.58
USHP I SUMBAL	Hydro	Must Run	0.63
BHADERWAH HEP	Hydro	Must Run	0.71
BHEP-1	Hydro	Must Run	0.81
URI-II	Hydro	Must Run	0.87
SEWA-II	Hydro	Must Run	0.93
CHENANI HEP-III	Hydro	Must Run	0.94
CHENANI HEP-II	Hydro	Must Run	0.94
CHAMERA-II	Hydro	Must Run	1.07
CHAMERA-I	Hydro	Must Run	1.14
SJVNL Rampur	Hydro	Must Run	1.14
DULHASTI	Hydro	Must Run	1.16
IQBAL HEP	Hydro	Must Run	1.19
SJVNL NJ	Hydro	Must Run	1.20
SIPAT-1	Thermal	Merit Order	1.35
LARA	Thermal	Merit Order	1.36
SIPAT-2	Thermal	Merit Order	1.39
KORBA-3	Thermal	Merit Order	1.40
KORBA-1	Thermal	Merit Order	1.43
DAULIGANGA	Hydro	Must Run	1.45
VINDHYACHAL-4	Thermal	Merit Order	1.50
SINGRAULI THERMAL	Thermal	Merit Order	1.51
VINDHYACHAL-3	Thermal	Merit Order	1.52
VINDHYACHAL-2	Thermal	Merit Order	1.53
RIHAND-III	Thermal	Merit Order	1.53
PARBATI-III	Hydro	Must Run	1.54
VINDHYACHAL-5	Thermal	Merit Order	1.55
RIHAND-II	Thermal	Merit Order	1.55
RIHAND-I	Thermal	Merit Order	1.56
VINDHYACHAL-1	Thermal	Merit Order	1.59
PAHALGAM MHEP	Hydro	Must Run	1.70
KARNAH HEP	Hydro	Must Run	1.73
SEWA HEP-III	Hydro	Must Run	1.78
MARPACHOO HEP	Hydro	Must Run	1.88

HUNDER	Hydro	Must Run	2.14
JHANOR GANDHAR	Thermal	Merit Order	2.17
KAWAS 4 GAS	Thermal	Merit Order	2.20
CHAMERA-III	Hydro	Must Run	2.21
PTC THEP	Hydro	Must Run	2.27
SANJAK	Hydro	Must Run	2.29
DADRI (GAS)	Thermal	Merit Order	2.34
ANTA (GAS)	Thermal	Merit Order	2.36
IGO MERCELLONG HEP	Hydro	Must Run	2.37
AURIYA (GAS)	Thermal	Merit Order	2.38
SECI (Solar 100 MW - Tranche IX)	Solar	Must Run	2.43
KOLDAM	Hydro	Must Run	2.45
JHANOR GANDHAR NAPM	Thermal	Merit Order	2.46
TANAKPUR	Hydro	Must Run	2.48
KAWAS 4 NAPM	Thermal	Merit Order	2.48
NTPC (320 MW)	Solar	Must Run	2.57
SJVNL (600 MW)	Solar	Must Run	2.57
HAFTAL HEP	Hydro	Must Run	2.57
BHEP-2	Hydro	Must Run	2.61
NHPC (Solar 20 MW - Aavada)	Solar	Must Run	2.63
NAPS 1&2	Nuclear	Must Run	2.99
KAHALGAON-II	Thermal	Merit Order	3.05
SUMOOR	Hydro	Must Run	3.09
BAZGO	Hydro	Must Run	3.10
MEJA	Thermal	Merit Order	3.19
KAHALGAON-I	Thermal	Merit Order	3.22
FARAKKA	Thermal	Merit Order	3.38
TAPS 3&4	Nuclear	Must Run	3.42
MOUDA 1	Thermal	Merit Order	3.54
MOUDA 2	Thermal	Merit Order	3.58
GARDWARA	Thermal	Merit Order	3.61
UNCHAHAR-2	Thermal	Merit Order	3.65
RAPP 3&4 and 5&6	Nuclear	Must Run	3.65
TANDA	Thermal	Merit Order	3.79
NIMOO-BAZGO	Hydro	Must Run	3.80
CHUTAK	Hydro	Must Run	3.88
KHARGONE	Thermal	Merit Order	3.90
KAPS	Nuclear	Must Run	3.97
UNCHAHAR-4	Thermal	Merit Order	4.35
KHARI	Hydro	Must Run	4.40
JHAJJAR APCPL	Thermal	Merit Order	4.41
SOLAPUR	Thermal	Merit Order	4.44
UNCHAHAR-3	Thermal	Merit Order	4.65

NCTP-2	Thermal	Merit Order	4.66
UNCHAHAR-1	Thermal	Merit Order	4.75
SINGRAULI HYDRO	Hydro	Must Run	5.04
Shakti Scheme - V	Thermal	Merit Order	5.28
Additional Power from SR	Thermal	Merit Order	5.50
Short Term Power (IEX)	Thermal	Merit Order	5.55
KAWAS 4 LIQUID	Thermal	Merit Order	8.44
JHANOR GANDHAR RLNG	Thermal	Merit Order	11.01
KAWAS 4 RLNG	Thermal	Merit Order	11.11
DADRI (RLNG)	Thermal	Merit Order	11.12
ANTA (RLNG)	Thermal	Merit Order	11.58
AURIYA (RLNG)	Thermal	Merit Order	11.62
AURIYA	Thermal	Merit Order	13.36
ANTA (LIQUID)	Thermal	Merit Order	13.41
DADRI (LIQUID)	Thermal	Merit Order	24.89

4.23 Based on the above inputs and assumptions the source-wise revised projected power purchase quantum, charges and costs as projected by JKPCl for JPDCL, KPDCL and LPDD is provided in the following table:

Table 12: Station wise power purchase quantum and expenses for FY 2024-25 (H1 Actuals + H2 Projected) (in Rs. Crores)

Sr. No.	Name of Power Station	Fuel Source	Annual Energy Purchase	Variable Charge rate		Capacity Charges		Energy Charges	Other Charges	Total Charges
				MU	(Apr 24-30 Jun 24) Rs. / kWh	(July 24-Mar 25) Rs. /kWh	(Apr 24-30 Jun 24) Rs. Crores	(July 24-Mar 25) Rs. Crores		
1	IPP-Within UT		12.92			0.00	0.00	5.68	0.00	5.68
2	KHARI	Hydro	12.92	4.40	4.40	0.00	0.00	5.68	0.00	5.68
3	JKPDC		4269.94			304.43	295.89	592.09	0.00	887.98
4	BAZGO	Hydro	0.26	2.74	3.10	0.30	0.33	0.08	0.00	0.41
5	BHADERWAH HEP	Hydro	0.00	0.69	0.71	0.64	0.66	0.00	0.00	0.66
6	BHEP-1	Hydro	1892.69	0.84	0.81	209.84	202.93	153.31	0.00	356.24
7	BHEP-2	Hydro	1518.91	2.61	2.61	0.00	0.00	396.44	0.00	396.44
8	CHENANI HEP-I	Hydro	63.34	0.54	0.53	5.90	5.81	3.36	0.00	9.17
9	CHENANI HEP-II	Hydro	0.86	0.95	0.94	1.12	1.12	0.08	0.00	1.20
10	CHENANI HEP-III	Hydro	1.36	0.94	0.94	3.41	3.39	0.13	0.00	3.52
11	GANDERBAL HEP	Hydro	13.19	0.51	0.50	4.58	4.44	0.66	0.00	5.10
12	HAFTAL HEP	Hydro	0.59	2.94	2.57	1.42	1.24	0.15	0.00	1.39
13	HUNDER	Hydro	0.46	2.07	2.14	0.36	0.38	0.10	0.00	0.48
14	IGO MERCELLONG HEP	Hydro	5.48	2.26	2.37	3.55	3.73	1.30	0.00	5.03
15	IQBAL HEP	Hydro	0.39	1.19	1.19	2.50	2.51	0.05	0.00	2.56
16	KARNAH HEP	Hydro	7.34	1.76	1.73	1.97	1.94	1.27	0.00	3.21
17	LOWER JHELUM HEP	Hydro	569.73	0.41	0.40	24.89	24.14	22.79	0.00	46.93
18	MARPACHOO HEP	Hydro	0.15	1.88	1.88	0.90	0.91	0.03	0.00	0.94
19	PAHALGAM MHEP	Hydro	5.29	1.55	1.70	2.65	2.91	0.90	0.00	3.81
20	SANJAK	Hydro	0.91	2.25	2.29	0.99	1.01	0.21	0.00	1.22
21	SEWA HEP-III	Hydro	0.00	1.85	1.78	6.04	5.80	0.00	0.00	5.80
22	STAKNA	Hydro	0.00	0.24	0.00	0.46	0.46	0.00	0.00	0.46

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Annual Energy Purchase	Variable Charge rate		Capacity Charges		Energy Charges	Other Charges	Total Charges
				MU	(Apr 24-30 Jun 24) Rs. / kWh	(July 24-Mar 25) Rs. /kWh	(Apr 24-30 Jun24) Rs. Crores	(July 24-Mar 25) Rs. Crores	Rs. Crores	Rs. Crores
23	SUMOOR	Hydro	0.12	2.76	3.09	0.12	0.14	0.04	0.00	0.18
24	USHP I SUMBAL	Hydro	51.00	0.66	0.63	6.92	6.63	3.21	0.00	9.84
25	USHP II KANGAN	Hydro	137.85	0.59	0.58	25.87	25.41	8.00	0.00	33.41
26	NHPC		4102.91					447.60	0.21	753.77
27	CHAMERA-I	Hydro	79.71	1.14	7.46	9.08	0.00	16.54		
28	CHAMERA-II	Hydro	151.79	1.07	9.22	16.31	0.01	25.55		
29	CHAMERA-III	Hydro	104.56	2.21		19.76		23.13	0.01	42.90
30	CHUTAK	Hydro	166.70	3.88		63.90		64.68	0.00	128.58
31	DAULIGANGA	Hydro	110.93	1.45		12.28		16.12	0.01	28.41
32	DULHASTI	Hydro	537.36	1.16		9.75		62.30	0.01	72.07
33	KISHANGANGA	Hydro	250.88	0.25		2.66		6.22	0.01	8.90
34	NIMOO-BAZGO	Hydro	234.50	3.80		50.19		89.12	0.00	139.31
35	PARBATI-III	Hydro	58.54	1.54		57.04		9.01	0.09	66.14
36	SALAL	Hydro	1155.93	0.54		5.53		62.03	0.01	67.57
37	SEWA-II	Hydro	86.43	0.93		11.11		8.06	0.01	19.19
38	TANAKPUR	Hydro	29.26	2.48		36.12		7.24	0.01	43.38
39	URI	Hydro	748.18	0.54		6.80		40.61	0.01	47.42
40	URI-II	Hydro	388.16	0.87		14.13		33.68	0.01	47.82
41	NPCIL		1257.86			0.00		432.80	0.00	432.80
42	KAPS	Nuclear	45.50	3.97		0.00		18.05	0.00	18.05
43	NAPS 1&2	Nuclear	404.93	2.99		0.00		120.98	0.00	120.98
44	RAPP 3&4 and 5&6	Nuclear	766.81	3.65		0.00		279.88	0.00	279.88
45	TAPS 3&4	Nuclear	40.63	3.42		0.00		13.89	0.00	13.89

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Annual Energy Purchase	Variable Charge rate		Capacity Charges		Energy Charges	Other Charges	Total Charges
				MU	(Apr 24-30 Jun 24) Rs. / kWh	(July 24-Mar 25) Rs. /kWh	(Apr 24-30 Jun24) Rs. Crores	(July 24-Mar 25) Rs. Crores	Rs. Crores	Rs. Crores
46	NTPC		5951.15			436.83		1629.37	53.94	2120.14
47	ANTA (GAS)	Thermal	0.00	2.36		0.00		0.00	0.00	0.00
48	ANTA (LIQUID)	Thermal	0.00	13.41		0.00		0.00	0.00	0.00
49	ANTA (RLNG)	Thermal	1.61	11.58		24.63		1.86	0.00	26.49
50	AURIYA	Thermal	0.00	13.36		0.00		0.00	0.00	0.00
51	AURIYA (GAS)	Thermal	0.00	2.38		0.00		0.00	0.00	0.00
52	AURIYA (RLNG)	Thermal	1.08	11.62		33.87		1.26	0.00	35.12
53	DADRI (GAS)	Thermal	0.00	2.34		0.00		0.00	0.00	0.00
54	DADRI (LIQUID)	Thermal	0.00	24.89		0.00		0.00	0.00	0.00
55	DADRI (RLNG)	Thermal	1.67	11.12		36.91		1.86	15.74	54.51
56	FARAKKA	Thermal	94.09	3.38		9.65		31.79	3.73	45.17
57	GARDWARA	Thermal	51.54	3.61		21.90		18.58	0.00	40.48
58	JHANOR GANDHAR	Thermal	0.00	2.17		0.00		0.00	0.00	0.00
59	JHANOR GANDHAR NAPM	Thermal	0.00	2.46		-66.81		0.00	0.81	-66.00
60	JHANOR GANDHAR RLNG	Thermal	0.00	11.01		0.00		0.00	0.00	0.00
61	KAHALGAON-I	Thermal	217.42	3.22		12.98		70.06	0.00	83.04
62	KAHALGAON-II	Thermal	568.39	3.05		10.55		173.57	0.03	184.16
63	KAWAS 4 GAS	Thermal	0.00	2.20		-66.00		0.00	0.00	-66.00
64	KAWAS 4 LIQUID	Thermal	0.00	8.44		0.00		0.00	0.00	0.00
65	KAWAS 4 NAPM	Thermal	0.00	2.48		0.00		0.00	0.00	0.00
66	KAWAS 4 RLNG	Thermal	0.01	11.11		0.00		0.01	0.00	0.01
67	KHARGONE	Thermal	53.01	3.90		23.38		20.70	2.75	46.83
68	KOLDAM	Hydro	428.97	2.45		22.96		105.18	0.00	128.14

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Annual Energy Purchase	Variable Charge rate		Capacity Charges		Energy Charges	Other Charges	Total Charges
				MU	(Apr 24-30 Jun 24) Rs. / kWh	(July 24-Mar 25) Rs. /kWh	(Apr 24-30 Jun24) Rs. Crores	(July 24-Mar 25) Rs. Crores	Rs. Crores	Rs. Crores
69	KORBA-1	Thermal	44.56	1.43		8.02		6.36	0.25	14.64
70	KORBA-3	Thermal	19.93	1.40		10.62		2.79	0.74	14.15
71	LARA	Thermal	62.85	1.36		16.94		8.54	0.34	25.82
72	MEJA	Thermal	455.94	3.19		23.13		145.59	0.00	168.71
73	MOUDA 1	Thermal	30.96	3.54		11.90		10.97	0.18	23.05
74	MOUDA 2	Thermal	42.69	3.58		15.74		15.28	0.01	31.03
75	NCTP-2	Thermal	92.96	4.66		26.04		43.34	0.57	69.94
76	RIHAND-I	Thermal	560.31	1.56		9.93		87.15	0.00	97.09
77	RIHAND-II	Thermal	751.60	1.55		9.16		116.63	0.41	126.20
78	RIHAND-III	Thermal	559.13	1.53		16.87		85.67	0.59	103.13
79	SINGRAULI HYDRO	Hydro	1.58	5.04		0.00		0.80	0.00	0.80
80	SINGRAULI THERMAL	Thermal	133.46	1.51		13.81		20.14	4.22	38.16
81	SIPAT-1	Thermal	69.27	1.35		14.29		9.36	0.02	23.67
82	SIPAT-2	Thermal	29.90	1.39		10.73		4.17	0.10	14.99
83	SOLAPUR	Thermal	48.70	4.44		18.88		21.65	0.00	40.53
84	TANDA	Thermal	548.84	3.79		17.49		208.11	0.02	225.62
85	UNCHAHAR-1	Thermal	114.66	4.75		37.65		54.44	0.00	92.09
86	UNCHAHAR-2	Thermal	235.71	3.65		12.87		85.95	0.03	98.86
87	UNCHAHAR-3	Thermal	116.72	4.65		13.73		54.27	0.01	68.01
88	UNCHAHAR-4	Thermal	458.89	4.35		24.11	199.52	1.21	224.84	458.89
89	VINDHYACHAL-1	Thermal	35.74	1.59		9.65	5.68	0.12	15.44	35.74
90	VINDHYACHAL-2	Thermal	30.69	1.53		8.47	4.70	0.11	13.27	30.69
91	VINDHYACHAL-3	Thermal	29.65	1.52		8.67	4.50	0.76	13.93	29.65

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Annual Energy Purchase	Variable Charge rate		Capacity Charges		Energy Charges	Other Charges	Total Charges
				MU	(Apr 24-30 Jun 24) Rs. / kWh	(July 24-Mar 25) Rs. /kWh	(Apr 24-30 Jun24) Rs. Crores	(July 24-Mar 25) Rs. Crores	Rs. Crores	Rs. Crores
92	VINDHYACHAL-4	Thermal	39.07	1.50		17.66	5.85	15.12	38.63	39.07
93	VINDHYACHAL-5	Thermal	19.53	1.55		16.46	3.03	6.07	25.56	19.53
94	Other CSPP		3509.36	24.70		87.81	1325.91	0.58	1414.30	3509.36
95	Additional Power from SR	Thermal	456.00	5.50		0.00	250.80	0.00	250.80	456.00
96	JHAJJAR APCPL	Thermal	355.45	4.41		18.20	156.69	0.00	174.89	355.45
97	PTC THEP	Hydro	13.91	2.27		0.00	3.16	0.00	3.16	13.91
98	Shakti Scheme - V	Thermal	1356.98	5.28		0.00	716.49	0.00	716.49	1356.98
99	SJVNL NJ	Hydro	757.96	1.20		12.20	91.18	0.52	103.90	757.96
100	SJVNL Rampur	Hydro	196.98	1.14		12.69	22.46	0.02	35.17	196.98
101	THDC	Hydro	275.57	2.12		18.93	58.28	0.02	77.24	275.57
102	THDC KOTESHWAR	Hydro	96.51	2.78		25.79	26.85	0.02	52.67	96.51
103	SHORT TERM		2548.83	5.55		0.00	1414.60	0.00	1414.60	2548.83
104	Short Term Power (IEX)	Thermal	2548.83	5.55		0.00	1414.60	0.00	1414.60	2548.83
105	RENEWABLE		49.64	10.20		0.00	13.05	0.00	13.05	49.64
106	NHPC (Solar 20 MW - Aavada)	Solar	49.64	2.63		0.00	13.05	0.00	13.05	49.64
107	NTPC (320 MW)	Solar	0.00	2.57		0.00	0.00	0.00	0.00	0.00
108	SECI (Solar 100 MW - Tranche IX)	Solar	0.00	2.43		0.00	0.00	0.00	0.00	0.00
109	SJVNL (600 MW)	Solar	0.00	2.57		0.00	0.00	0.00	0.00	0.00
110	TRANSMISSION CHG.					1286.30	0.00	0.00	1286.30	
111	BANKING (UPPTCL)		122.52	0.00		0.00	0.00	0.00	0.00	122.52
112	JKPTCL		0.00	0.00		202.95	0.00	0.00	202.95	0.00
113	PGCII		0.00	0.50		1081.13	0.00	0.00	1081.13	0.00
114	POSOCO CHARGES		0.00	0.00		2.22	0.00	0.00	2.22	0.00

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Annual Energy Purchase	Variable Charge rate		Capacity Charges		Energy Charges	Other Charges	Total Charges
				MU	(Apr 24-30 Jun 24) Rs. / kWh	(July 24-Mar 25) Rs. /kWh	(Apr 24-30 Jun24) Rs. Crores	(July 24-Mar 25) Rs. Crores	Rs. Crores	Rs. Crores
115	TANDA TRANSMISSION CHG		0.00	0.00		0.00	0.00	0.00	0.00	0.00
116	TRANSMISSION OTHERS						350.49	0.00	0.00	350.49
117	DEVIATION & SETTLEMENT A/C						51.81	0.00	0.00	51.81
118	NHPC WATER USAGE CHG.						297.70	0.00	0.00	297.70
119	NRPC CHARGES						0.00	0.00	0.00	0.00
120	REACTIVE ENERGY CHG. (CTU)						0.98	0.00	0.00	0.98
121	REACTIVE ENERGY CHG. (PSPCL)						0.00	0.00	0.00	0.00
122	SUPPLEMENTARY BILLS FROM GENERATORS						0.00	0.00	1200.61	1200.61
123	SUPPLEMENTARY BILLS						0.00	0.00	1200.61	1200.61
124	JKPCL Trading Margin								44.67	44.67
125	Grand Total						3067.72	5861.10	1298.75	10227.57

4.24 JPDCL's submission

The total power purchase cost from various generating stations at generation periphery and other related expenses (transmission charges, water charges, POSOCO charges, JKPCPL trading margin etc.) are apportioned to the various Distribution Licensees by multiplying the average power purchase cost at DISCOM periphery by the energy at distribution periphery for the Distribution Licensees. The table below provides the estimate of apportioned power purchase expenses for the Petitioner.

Table 13: Apportionment of Power Purchase Cost (in Rs crores) for JPDCL for FY 2024-25

Particulars	Legend	FY 2024-25 APR
Cost of Total Power Purchase (Rs. Crore)	A	10227.57
Total Energy purchased at DISCOM periphery (MU)	B	20453.88
Average power purchase cost at DISCOM periphery (MU)	C = A/B*10	5.00
Energy at JPDCL periphery (MU)	D	8935.63
Power Purchase Cost for JPDCL (Rs. Crores)	E = C*D	4468.09

KPDCL's submission

4.25 The total power purchase cost from various generating stations at generation periphery and other related expenses (transmission charges, water charges, POSOCO charges, JKPCPL trading margin etc.) are apportioned to the various Distribution Licensees by multiplying the average power purchase cost at DISCOM periphery by the energy at distribution periphery for the Distribution Licensees. The table below provides the estimate of apportioned power purchase expenses for the Petitioner.

Table 14: Apportionment of Power Purchase Cost (in Rs crores) for KPDCL

Particulars	Legend	FY 2023-24 APR	Approved by Commission	Deviation
Cost of Total Power Purchase (Rs. Crore)	A	10227.57	A	10227.57
Total Energy purchased at DISCOM <> JKPCPL- periphery (MU)	B	20453.88	B	20453.88
Average power purchase cost at DISCOM <> JKPCPL periphery (MU)	C = A/B*10	5.00	C = A/B*10	5.00
Energy at KPDCL periphery (MU)	D	11241.07	D	11241.07
Power Purchase Cost for KPDCL (Rs. Crores)	E = C*D	5620.88	E = C*D	5620.88

Capital Expenditure and Capitalization

JPDCL's submission

4.26 JPDCL submitted that the Petitioner (JPDCL) shall submit the capital expenditure and capitalization related details regarding RDSS scheme in due course of time.

4.27 The details of the actual capital expenditure under UT Capex Scheme for H1 FY 2024-25 and planned capital expenditure for H2 FY 2024-25 are summarized in the following table:

Table 15: Capital Expenditure incurred in FY 2024-25 by JPDCL (in Rs crores)

Particulars	Actual FY 2024-	Projected FY 2024-	Total	Approved by	Deviation

	25 (H1)	25 (H2)		Commission	
UT Scheme	52.86	191.51	244.36	17.74	(226.62)
REC Loan	0.00	1.25	1.25	0	(1.25)
UT Share for Central Sponsored Scheme	0.00	8.09	8.09	-	
UT Share for installation of Smart Meters under PMDP	1.00	0.42	1.42	-	
UT Capex	53.86	201.27	255.12	17.74	(237.38)

4.28 The details of the actual capitalization of UT capex scheme for H1 FY 2024-25 and planned capitalization for H2 FY 2024-25 are discussed in the following table:

Table 16: Actual & Projected Capitalization for JPDCL for FY 2024-25 (in Rs. crores)

Particulars	Actual FY 2024-25 (H1)	Projected FY 2024-25 (H2)	Total	Approved by Commission	Deviation
UT Scheme	26.43	122.185	148.615	163.00	14.38
REC Loan	0	0.625	0.625	17.06	16.43
UT Share for Central Sponsored Scheme	0	4.045	4.045	4.05	-
UT Share for installation of Smart Meters under PMDP	0.5	0.71	1.21	1.21	-
Total	26.93	127.565	154.495	185.31	30.81

KPDCL's submission

4.29 KPDCL submitted that the Petitioner (KPDCL) shall submit Capital Expenditure related details regarding RDSS scheme in due course of time.

4.30 The details of the actual and projected capital expenses for FY 2024-25 are summarized in the following table:

Table 17: KPDCL details of actual and projected capital expenditure in FY 2024-25 (in Rs. Crores)

Particulars	Actual (H1)	Projected (H2)	Total (H1+H2)
CE P&P	0.21	1.01	1.22
CE Distribution	95.37	77.26	172.63
CE Projects	4.13	6.84	10.97
UT Share for Central Sponsored Scheme	1.35	144.5	145.85
UT Capex	101.06	229.61	330.67

4.31 The details of the actual capitalization of UT Capex Scheme for H1 FY 2024-25 and planned capitalization for H2 FY 2024-25 are discussed in the following table:

Table 18: Details of actual and estimated capitalization in FY 2024-25 (in Rs. Crores) by KPDCL

Particulars	Actual H1	Projected H2	Total
CE P&P	0.105	0.61	0.715
CE Distribution	47.685	86.315	134
CE Projects	2.065	5.485	7.55
UT Share for Central Sponsored Scheme	0.675	72.925	73.6
UT Capex	50.53	165.335	215.865

Operations & Maintenance Expenses

Petitioner's Submission

JPDCL

4.32 The Petitioner has considered actual Employee expenses, A&G expenses and R&M expenses incurred in the first half (H1) of FY 2024-25 and has projected the corresponding expenses for the second half (H2) of FY 2024-25 assuming that the same amount of expenses would be incurred in H2.

Table 19: O&M expenses forecasted for FY 2024-25 period (Rs. in Crores)

Sr. No.	Particulars	(H1) Actual	(H2) Projected	Actual + Projected	Approved by Commission	Deviation
1	Employee Expenses	213.58	313.52	527.10	431.92	(95.18)
2	A&G Expenses	3.28	17.05	20.33	8.91	(11.42)
3	IT Expenses [Smart Meters]	9.42	9.56	18.98	0	(18.98)
4	R&M Expenses	9.08	42.21	51.29	56.01	4.72
5	O&M Expense capitalised	0.00	0.00	0.00	0.00	-
	Total Operation & Maintenance Expenses (net of capitalisation)	235.36	382.34	617.70	496.84	(120.86)

KPDCL's submission

4.33 The Petitioner has bifurcated O&M expenses into 3 heads namely:

1. O&M expenses of the Petitioner consisting of Employee expenses, A&G Expenses and R&M Expenses (Normal O&M Expenses),
2. Expenses towards supplying off-grid consumers of Gurez and Tulail which are mostly towards the fuel (Off-grid material and supply expenses), and
3. Provision of O&M expenses towards IT initiatives namely per meter per month expenses payable by the Petitioner to the smart meter vendors and recoverable from the consumers (Provision: IT Initiatives, Smart Meter PMPM expenses).

Normal O&M Expenses

4.34 The Petitioner has considered actual Employee expenses, A&G expenses and R&M expenses incurred in the first half (H1) of FY 2024-25 and has projected the corresponding expenses for the second half (H2) of FY 2024-25 assuming that the same amount of expenses would be incurred in H2.

Off-grid material and supply expenses

4.35 The Petitioner supplies electricity to its consumers in far flung areas of Gurez and Tulail which are not connected to its distribution network. As the Petitioner has universal service obligation as a Distribution Licensee, Petitioner supplies electricity to these far-flung areas by means of generating electricity using D.G. sets set up locally and ensures supply for its consumers on everyday morning and evening regularly. For this purpose, the Petitioner has set up 22 D.G. sets running on High-Speed Diesel (HSD). KPDCL sources HSD directly from the Indian Oil Corporation. The Petitioner has already expended around Rs. 8 crores towards procurement of HSD and has procured HSD for the winter season in H2. Further, the Petitioner has projected additional Rs. 5.08 crores for running off-grid stations in H2 and has sent the proposal to the UT Administration for approval and release of funds. Thus, an amount of Rs. 13.08 crores are projected to be incurred towards running of off-grid stations during FY 2024-25.

4.36 Based on the above details, the summary of the revised projection of the O&M expenses and deviation are as follows:

Table 20: O&M expenses forecasted for FY 2024-25 (Rs. in Crores)

Sr. No.	Particulars	(H1) Actual	(H2) Projected	Total	Approved by Commission	Deviation
1	Employee Expenses	307.51	307.51	615.03	516.75	(98.28)
2	A&G Expenses	1.48	1.48	2.97	44.51	41.54
2.1	Off-Grid Material & Supply	8.00	5.08	13.08		(13.08)
2.2	IT Expenses [Smart Meters]		10.33	19.86		(19.86)
3	R&M Expenses	2.54	2.54	5.09	29.99	24.90
	Total Operation & Maintenance Expenses (net of capitalisation)	319.54	326.95	656.02	591.25	(64.77)

Depreciation

Petitioner's Submission

4.37 It is submitted that the Petitioners (JPDCL & KPDCL) are undertaking the capital expenditure in FY 2024-25 by means of funding received from the Government/ UT Administration in the form of grants/ grant-in-aid. Thus, the Petitioner does not intend to finance any capital works through any capital loan and/ or infused equity to create assets in FY 2024-25.

4.38 As specified in regulation 25.4 (c) and additional proviso of regulation 30.1 of the JERC MYT Regulations 2023, depreciation on assets created from grant is not allowed. Relevant excerpts are reproduced here as follows:

Regulation 25.4 (c)

"c) depreciation to the extent of works performed through consumer contribution, deposit work, capital subsidy or grant shall not be allowed as specified in Regulation 30;"

Regulation 30.1

"30.1 The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:

Provided also that the no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant."

4.39 In line with the above said provisions, the Petitioners (JPDCL & KPDCL) have claimed Nil depreciation (Depreciation as per regulatory accounts) on assets during FY 2024-25.

Interest on long term loans

Petitioner's Submission

4.40 As discussed in the above section, Petitioners (JPDCL & KPDCL) are not financing any capital works through any capital loan and/ or infused equity to create assets in FY 2024-25.

4.41 As specified in regulation 25.4 (e) and regulation 28.7 of the JERC MYT Regulations 2023, interest on loan capital on financial support corresponding to grant. Relevant excerpts are reproduced here as follows:

"Regulation 25.4 (e)

"e) provisions related to interest on loan capital, as specified in Regulation 28, shall not be applicable to the extent of financial support provided through consumer contribution, deposit work, capital subsidy or grant.."

Regulation 28.7

"The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by Transmission Licensee or Distribution Licensee."

4.42 In line with the above-said provisions, the Petitioners (JPDCL & KPDCL) have claimed Nil interest on long term loans on assets during FY 2024-25.

Return on Equity

Petitioner's Submission

4.43 As submitted above, the Petitioners (JPDCL & KPDCL) are not financing any capital works through any capital loan and/ or infused equity to create assets in FY 2024-25.

4.44 As specified in regulation 25.4 (d) of the JERC MYT Regulations 2023, return on equity is not applicable to financial support corresponding to the grant. Relevant excerpts are reproduced here as follows:

“d) provisions related to return on equity, as specified in Regulation 27, shall not be applicable to the extent of financial support provided through consumer contribution, deposit work, capital subsidy or grant;”

4.45 In line with the above-said provisions, the Petitioners (JPDCL & KPDCL) have claimed Nil return on regulatory equity on assets during FY 2024-25.

Interest on working capital

Petitioner's Submission

4.46 As specified in the provision of regulation 51.1 of the JERC MYT Regulations 2023, interest on working capital is to be allowed as per provisions of chapter 3, i.e. Financial Principles of the aforesaid regulations. Relevant excerpt is reproduced here as follows:

Provision of Regulation 51.1

“Provided that Return on Equity, Interest on Loan Capital, Depreciation, Interest on Working Capital, Interest on deposits from Consumers and distribution system users, and Income Tax for Distribution Wires Business shall be allowed in accordance with the provisions specified in Chapter 3 of these Regulations:”

4.47 Accordingly, as per regulation 31.4 read with regulation 31.5 of the JERC MYT Regulations 2023, interest on working capital loan is allowable on normative basis at interest rate of SBI MCLR rate (1-year) as on 01.04.2023 plus 200 basis points, relevant excerpt is reproduced here as follows:

“31.4 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.

31.5 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points.”

4.48 It is submitted that; the Petitioners (JPDCL & KPDCL) have not availed any actual loan for funding its working capital needs. However, as per the Regulations, the Petitioners (JPDCL & KPDCL) are entitled to interest on working capital loan on a normative basis.

4.49 As per regulation 31.3 of the JERC MYT Regulations 2023, norms of working capital for distribution wire business and retail supply business are as per chapter 6 and chapter 7 of these regulations. Relevant excerpt is reproduced here as follows:

"The norms for working capital for Distribution Wires Business and Retail Supply Business shall be as specified in Chapter 6 and Chapter 7 of these Regulations."

4.50 Accordingly, as specified in regulation 53.1 of the JERC MYT Regulations 2023, normative working capital for distribution wire business consists of O&M expenses equivalent of 1 month, maintenance spares @ 40% R&M expenses for 1-month, receivable equivalent 2 months of the expected revenue from charges for use of distribution wires at the prevailing tariff less amount if held as security deposit. Further, proviso of the said regulation provides that working capital requirement is to be re-calculated on the basis of values of components of working capital approved in truing up. Relevant excerpt is reproduced here as follows:

"52.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Distribution Wires Business for the Financial Year, computed as follows:

- (a) O&M Expenses for one (1) month; plus*
- (b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month;*
- (c) Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff;*

Less

- (d) Amount, , if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from distribution system users except the security deposits held in the form of Bank Guarantees:*

Provided that at the time of truing up for any Year, the working capital requirement shall be re-calculated on the basis of the values of components of working capital approved by the Commission in the truing up."

4.51 Regulation 66.1 of the JERC MYT Regulations 2023 specifies that, the working capital for Retail Supply Business shall be determined in accordance with Regulation 58 of the Regulations. However, Regulation 58 do not provide the norms for calculation of the normative working capital for the Retail Supply Business. In absence of the norms, the Petitioner has relied on the adopted JERC for the state of Goa and UTs (Generation, Transmission and Distribution) Regulations 2018 for calculation of the normative working capital requirement of the retail supply business.

4.52 Since JERC for the state of Goa and UTs (Generation, Transmission and Distribution) Regulations 2018 has similar provisions for deriving working capital for distribution wires business and retail supply business, working capital and interest on working capital is calculated for the Petitioner as a whole business. As regard the rate of interest, State Bank of India (SBI) MCLR rate applicable as on 01.04.2024 is 8.65% which is added with 200 basis points to arrive at applicable rate of interest of 10.65%.

JPDCL's submission

4.53 Detailed calculations for normative interest on working capital as submitted by JPDCL are tabulated as follows:

Table 21: Details of Normative Working Capital for FY 2024-25 (amount in Rs. crores) by JPDCL

Particulars	FY 2024-25		
	APR	Approved by Commission	Deviation
Computation of Working Capital			
O&M expenses	51.47	41.40	
Maintenance Spares	1.71	1.87	
Receivables	872.79	409.71	
Working Capital requirement	925.98	452.98	
Less:			
Amount held as security deposit from Distribution System Users	0.00	0.00	
Total Working Capital	925.98	452.98	(473.00)
Computation of working capital interest			
Interest Rate (%)	10.65%	10.50%	
Interest on Working Capital	98.62	47.56	(51.05)

KPDCL's submission

4.54 Detailed calculations for normative interest on working capital as submitted by KPDCL are tabulated as follows:

Table 22: Deviation of Normative Working Capital for FY 2024-25 (amount in Rs. crores) by KPDCL

Particulars	FY 2024-25		
	APR Projection	Approved by Commission	Deviation
Computation of Working Capital			
O&M expenses	54.67	49.27	
Maintenance Spares	0.17	1.00	
Receivables	1076.65	300.13	
Working Capital requirement	1,131.48	350.40	(781.08)
Less:			
Amount held as security deposit from Distribution System Users	0.00		
Total Working Capital	1,131.48	350.40	(781.08)
Computation of working capital interest			
Interest Rate (%)	10.65%	10.50%	
Interest on Working Capital	120.50	36.50	(84.00)

Contribution to Contingency Reserves

Petitioner's Submission

4.55 The Petitioners (JPDCL & KPDCL) have submitted that they have not planned any contribution to contingency reserves for FY 2024-25.

Provision for bad and doubtful debts

Petitioner's Submission

4.56 In accordance with Regulation 65.1 of the JERC MYT Regulations 2023; the Petitioner claims 1% of the Annual Revenue Requirement towards provision for bad and doubtful debts. The Petitioner shall claim actual provision made towards bad and doubtful debts at the time of True up for the respective years.

Income Tax

Petitioner's Submission

4.57 The Petitioners (JPDCL & KPDCL) submitted that, they are claiming Nil income tax. However, the Petitioners (JPDCL & KPDCL) reserve their right to approach the Commission to claim any future payment towards Income tax under Regulation 32 of the JERC MYT Regulations 2023.

Non-tariff income

Petitioner's Submission

JPDCL

4.58 The Petitioner has considered non-tariff income of Rs. 1.27 crore, in its Business Plan and MYT Petition. The Petitioner continues with the above said projection of the non-tariff income for FY 2024-25. The Petitioner would submit the actual value of non-tariff income (if any) at the time of True up of ARR of FY 2024-25.

KPDCL

4.59 The Petitioner had considered non-tariff income of Rs. 2.15 crore, in its Business Plan and MYT Petition. The Petitioner continues with the above said projection of the non-tariff income for FY 2024-25. The Petitioner would submit the actual value of non-tariff income (if any) at the time of True up of ARR of FY 2024-25.

Estimate of Revenue Gap/ (Surplus) for FY 2024-25

Petitioner's Submission

4.60 Based on the estimate of ARR for FY 2024-25 and estimate of revenue at existing tariff at the estimate of revenue gap/ (surplus) is as follows:

Table 23: Estimate of Revenue Gap/ (Surplus) (in Rs. crores) by JPDCL & KPDCL

Particulars	Amount claimed by JPDCL	Amount claimed by KPDCL
Revised Projected ARR	5235.49	6,459.87
Estimated Revenue at Existing Tariff @ realistic collection efficiency	2751.27	2,255.19
Revenue Gap/ (Surplus)	2484.22	4,204.68

Commission's analysis for Revenue Gap/ (Surplus) for FY 2024-25

4.61 The Commission has reviewed the submission made by the Petitioners (JPDCL & KPDCL). The Petitioners (JPDCL & KPDCL) have submitted the details of the estimated power procurement quantum and power purchase cost. Further, O&M expenses and interest on working capital expenses are also projected by the Petitioner for FY 2024-25.

4.62 The Commission has reviewed the performance of the Petitioners. JPDCL has projected distribution loss of 32.59% and KPDCL's distribution loss is 47.79%, which are significantly higher than approved distribution loss. Consequently, the power purchase quantum and cost submitted by the Petitioners is significantly higher for proposed higher distribution loss. The Commission will review the same at the time of true-up and consequently compute the sharing of loss with respect to approved loss as per regulatory provisions.

4.63 Further, the Petitioners submitted the O&M expenses. The Commission has approved the normative O&M expenses for FY 2024-25 in FY 2024-25 tariff order. The difference of actual and normative O&M expenses will be dealt at the time of true-up. Additionally, the Petitioners submitted the expenses related smart meter rent, the observation of the Commission has been given in ARR chapter.

4.64 The Commission has observed that FY 2024-25 is already over and as per the relevant Regulations, i.e. JERC MYT Regulations, 2023, the Petitioners should have submitted the true-up Petition of FY 2024-25 along with Petition for ARR FY 2026-27 by 30th November 2025. The Petitioners should obey the timeline given in the regulations. Further, the true-up Petition submission date is not far from publication of this tariff order. So, the determination of APR of FY 2024-25 is irrelevant in the present context.

4.65 On the basis of the above, the Commission directs the Petitioners (JPDCL & KPDCL) to submit the true-up Petition based on the Audited Annual Account of FY 2024-25. The Commission shall carry out the trueing up exercise for FY 2024-25 based on actual expenses and income recorded in the Audited account vis a vis the FY 2024-25 tariff order approved by the Commission.

Chapter 5: Revised ARR Projections for FY 2025-26

Overall approach for ARR Projection

5.1 The Commission has published the Joint Electricity Regulatory Commission for the UT of Jammu & Kashmir and the UT of Ladakh (Terms and Conditions for Determination of Multi-Year Generation, Transmission, Distribution Tariff), Regulations, 2023 [henceforth “JERC MYT Regulations, 2023”] on 1.11.2023. The control period of these Regulations is from the date of their publication in the Official Gazette and shall remain in force till March 31, 2026. So, the same Regulations are applicable for the determination of ARR and tariff for FY 2025-26. The provisions of Regulation 11 of JERC MYT Regulations, 2023 deal with the tariff determination process. Relevant excerpts of the Regulation are reproduced here as follows:

“11.1 The Generating Company, Transmission Licensee and Distribution Licensee shall file an application for the annual performance review of the current year, truing up of the previous Year or the Year for which the audited accounts are available and determination of tariff for each of the ensuing Years on or before 30th November of each year, in formats specified by the Commission from time to time:”

5.2 Regulation 11.2 of the JERC MYT Regulations 2023 specifies the scope of the tariff determination Petition. The relevant extract of the Regulation is as follows:

“11.2 The scope of the annual performance review, truing up, and tariff determination shall be a comparison of the performance of the Generating Company, 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:

- a) True-up: a comparison of the audited performance of the Applicant for the Financial Year for which the true-up is being carried out with the approved forecast for such previous Financial Year, subject to the prudence check;*
- b) Annual Performance Review: a comparison of the revised performance targets of the Applicant for the current Financial Year with the approved forecast in the Tariff Order corresponding to the Control Period for the current Financial Year subject to prudence check;*
- c) Tariff determination for the ensuing Year of the Control Period based on the revised forecast of the Aggregate Revenue Requirement for the Year;*
- d) Review of compliance with directives issued by the Commission from time to time;*
- e) Other relevant details, if any” {Emphasis added}*

5.3 In line with the above provisions the Petitioners (JPDCL & KPDCL) have filed the current Petitions which include determination of ARR and Tariff for FY 2025-26. The Commission has determined the ARR for FY 2025-26 as per details given in the following paragraphs.

Revised forecast of No. of consumers, connected load and energy sales.

Petitioner's Submission

JPDCL's Submission

5.4 JPDCL has submitted the following forecast No. of consumers, connected load and energy sales:

Table 24 Forecast No. of consumers, connected load and energy sales for 2025-26 by JPDCL

Consumer Category	Forecast of No. of consumers	Connected load / Sanctioned Load (MW)	Energy Sales (MU)
Domestic - Metered	1037666	1,507.29	2715.31
Domestic - Unmetered	18664	10.59	
Non-Domestic/Commercial - Metered	128424	350.08	712.51
Non-Domestic/Commercial - Unmetered	2238	2.20	
State/Central Govt department	12340	266.39	674.11
Agriculture - Metered	26988	112.54	217.93
Agriculture - Unmetered	0	-	
Public Street Lighting - Metered	193	9.91	47.93
Public Street Lighting - Unmetered	0	-	
LT Public Water Works	2071	78.08	420.25
HT Public Water Works	228	30.12	206.40
LT Industrial Supply	8072	113.12	130.31
HT Industrial Supply	929	468.73	996.31
HT PIU	20	31.19	95.97
Bulk Supply	262	166.46	233.98
Electric Vehicle (EV) Charging Station	11	3.03	1.72
Traction	3	3.94	24.59
Total	1238109	3,153.66	6477.32

KPDCL's Submission

5.5 KPDCL has submitted the following forecast No. of consumers, connected load and energy sales:

Table 25 Forecast No. of consumers, connected load and energy sales for 2025-26 by KPDCL

Consumer Category	Forecast of No. of consumers	Connected load / Sanctioned Load (MW)	Energy Sales (MU)
Domestic - Metered	734283	2116.05	4619.18
Domestic - Unmetered	792939	1045.92	
Non-Domestic/Commercial - Metered	183566	470.63	701.68

Consumer Category	Forecast of No. of consumers	Connected load / Sanctioned Load (MW)	Energy Sales (MU)
Non-Domestic/Commercial - Unmetered	8802	13.20	
State/Central Govt department	7016	1040.36	701.68
Agriculture - Metered	2162	80.66	81.56
Agriculture - Unmetered	0	0.00	
Public Street Lighting - Metered	325	11.28	26.41
Public Street Lighting - Unmetered	0	0.00	
LT Public Water Works	403	17.97	40.75
HT Public Water Works	325	33.38	86.57
LT Industrial Supply	10390	191.27	127.15
HT Industrial Supply	331	148.06	446.33
HT PIU	3	4.64	1.83
Bulk Supply	161	60.07	92.75
Electric Vehicle (EV) Charging Station	1	2.03	10.00
Traction	4	10.06	8.00
Total	1740711	5245.56	6726.95

Commission's Analysis

5.6 The Commission has reviewed the submission made by the Petitioners (JPDCL & KPDCL). The Commission has considered the past actual data on consumer number, load and sales. Further, the conversion of consumers from un-metered to metered category has been considered based on progress given under the smart meter scheme of RDSS, as per details submitted by the Petitioner. The said conversion factor has been appropriately considered while finalising the load and sales (un-metered and metered).

5.7 The Commission has noted that as per Regulation 8.6 of JERC MYT Regulations, 2023, the sales Forecast shall be done as per the provisions of the prevalent Power Purchase and Procurement Process Regulations. The Commission published the Joint Electricity Regulatory Commission for the UT of J&K and the UT of Ladakh (Guidelines for Load Forecasts, Resources Plans, and Power Procurement Process) Regulations, 2023. For sales forecast, the relevant provision of the said Regulations is referred to; the relevant provisions are given below:

"A. Demand and Energy Forecast:

4.4 The assessment shall be based on trends and statistical analysis of historical data, future projections, and forecasted results of the implementation of business plans.

4.5 The demand and energy forecast shall be prepared considering the following:

a) Category-wise monthly energy consumption and monthly & yearly energy requirement forecast based on the year-on-year growth/Compound Annual Growth Rate (CAGR) for the past period and time series analysis.

b) Overall economic growth projections;

c) Change in number of consumers for categories, expected increase in connected load (kW), applications for load enhancement/load reduction/new

connections/disconnections, and the month-wise energy consumption for each consumer category;

d) The impact of the possible switchover of consumers to open access and captive generation;

e) Impact of Storage capacities including Batteries, Pump Storage systems, Electric Vehicle charging stations, etc.;

f) Impact of decentralized renewable energy plants set up under various initiatives;

g) Impact due to new schemes implemented by UT Govt/Central Government;

h) The effect of important festivals, working days or non-working days, the impact of Peak and Off-peak hours load pattern, hours of operation, and seasonal variations, cropping pattern, rainfall pattern, etc;

i) Standards to be maintained with regard to quality and reliability of supply, in accordance with the relevant Regulations of the Commission;

j) Measures taken and proposed for energy conservation, energy efficiency, and Demand Side Management;

4.6 The Distribution Licensee(s) may follow the methodology adopted by the Central Electricity Authority (CEA) or any other method like econometric analysis for forecasting.

4.7 The Licensee shall carry out Load Research studies of various consumer categories to understand their diurnal consumption pattern and how diversity in their usages helps in flattening the demand curve.”

5.8 Further, the Commission has published the Joint Electricity Regulatory Commission for UT of JK and UT of Ladakh (Guidelines for Load forecast, Resource Plans, and Power Procurement Process) Regulations 2023. Demand forecast related provisions are given below.

“6. Long-term and Medium-term Demand Forecast

6.1. Demand assessment and forecasting is an important step for Resource Adequacy assessment. It shall entail hourly or sub-hourly assessment and forecasting of demand within the distribution area of distribution licensee for multiple horizons (short/medium/long-term) using comprehensive input data and policies and drivers and scientific mathematical modelling tools.

6.2. The distribution licensee shall be responsible for the assessment and forecasting of demand (MW) and energy (MWh) within its own control area.

6.3 The distribution licensee shall determine the load forecast for each consumer category for which the Commission has determined separate retail tariff.

6.4. The distribution licensee shall determine the load forecast for a customer category by adopting any of the following and/or combination of following methodologies:

a) Compounded average growth rate (CAGR);

b) Endues or partial endues;

c) Trend analysis;

d) Auto-regressive integrated moving average (ARIMA);

e) AI including machine learning, ANN techniques; and

f) econometric (specifying the parameters used, algorithm, and source of data).

5.9 The Commission has analysed the past actual data for consumer number, load and sales. The CAGR of past periods (4-year, 3-year, 2-year) have been derived and suitable CAGR is considered for consumer number projection. For load, load per consumer for each category has been derived and the same is multiplied with respective category-wise consumer number to finalise the load. For sales, the demand forecast has to be based on trends and statistical analysis of historical data and future projections. Based on historical data, appropriate CAGR is derived for consumer categories and using the same the sales for each consumer category has been derived. Suitable adjustment in sales is made for conversion of un-metered to metered category.

5.10 Based on the above approach, the consumer number, load and sales are approved as given below.

Table 26 Approved No. of consumers, connected load and energy sales for 2025-26

JPDCL

Category	No. of consumers	sanctioned Load in kW	Sales in MU
Domestic	1056331	1519885	2436
Non Domestic/Commercial	130661	351791	792
State/Central Govt department	12341	260827	672
Agriculture	27311	113488	152
Public Street Lighting	189	9727	37
LT Public water works	2071	78078	381
HT Public water works	228	30120	311
LT Industrial supply	8072	113132	133
HT Industrial supply	929	467760	1087
HT PIU	20	31189	112
Bulk supply	262	166521	207
Electric Vehicle (EV) Charging Station	11	1662	2
Traction	3	13200	25
Total	1238429	3157379	6347.32

KPDCL

Category	No. of consumers	sanctioned Load in kW	Sales in MU
Domestic	1171500	2820745	4451
Non Domestic/Commercial	190344	480958	642
State/Central Govt department	7004	1034288	483
Agriculture	2093	78791	65
Public Street Lighting	316	10962	26
LT Public water works	403	14012	36
HT Public water works	323	33754	87
LT Industrial supply	10386	190785	114
HT Industrial supply	316	143607	446
HT PIU	3	4638	0.17
Bulk supply	163	60560	88

Category	No. of consumers	sanctioned Load in kW	Sales in MU
Electric Vehicle (EV) Charging Station	1	2025	10
Traction	4	10055	8
Total	1382855	4885180	6458.33

Energy Balance and Power Purchase Expenses

Petitioner's Submission

Transmission Losses

5.11 The Petitioners (JPDCL & KPDCL) have considered the following forecast of transmission losses for the FY 2025-26:

Utility	JPDCL	KPDCL
Particulars	Estimate of losses for FY 2025-26	Estimated of losses for FY 2025-26
JKPTCL/ InSTS losses	3.00%	3.00%
ISTS losses	3.54%	3.54%

Distribution Losses

5.12 The Petitioners (JPDCL & KPDCL) have estimated that, as the various loss reduction measures will pick pace in FY 2025-26, the Petitioners will be able to reduce distribution losses by around ~ 1-2%.

5.13 Based on the sales projections, the proposed reduction in the distribution losses, the level of transmission losses and energy procurement planned by JKPCl at the UT levels, the projected energy balance for FY 2025-26 is as follows:

Table 27 Projected Energy Balance for FY 2025-26 (All values in MU) by JPDCL and KPDCL

Distribution Licensee	Sales in MU	Distribution Loss level (%)	Energy at DISCOM Periphery	Energy available from internal generation sources located in Ladakh	Energy required at DISCOM level
JPDCL	6477.32	31.82%	9500.74		9500.74
KPDCL	6726.95	46.41%	12551.79		12551.79
LPDD**	305.62	18.92%	376.96	15.58	361.38
Total	13509.89		22429.50		22413.92

**As approved by the Commission in Order No. JERC/ 12 of 2023 dated 10 October 2023

Energy required at DISCOM level	Intra-state Transmission loss	Energy required at UT level from JKPCl	Supply by JKPCL and others within UT	Supply by CGS and other external	Inter-state Transmission loss	Supply by CGS and other external

Distribution Licensee	Sales in MU	Distribution Loss level (%)	Energy at DISCOM Periphery	Energy available from internal generation sources located in Ladakh	Energy required at DISCOM level	
			at UT level at Generation Periphery	sources at UT level		sources at Generation Periphery
22413.92	3.07%	23123.82	4282.86	18840.96	3.54%	19532.77

5.14 The following table provides the summary of the total quantum of energy purchase required at DISCOM periphery and the projected power purchase quantum for FY 2025-26:

Table 28 Projected Power purchase quantum at DISCOM periphery (JPDCL, KPDCL and LPDD) & at Generation periphery for FY 2025-26

Particulars	Legend	FY 2024-25 (ARR Projection)
Total quantum of energy purchase required at JKPCl <> DISCOM periphery (MU)	A	22429.50
Supply by JKPDL and others within UT at UT level at Generation Periphery (MU)	B	4282.86
Supply by CGS and other external sources at Generation Periphery (MU)	C	19532.77
Total quantum of energy purchase at Generation Periphery (MU)	D = C+B	23815.63

Power purchase expenses

5.15 The Petitioners (JPDCL & KPDCL) have arrived at the revised estimate of power purchase expenses for FY 2025-26 based on the estimation of the total quantum of energy purchase required at the generation periphery and actual power purchase rates for the months April 2024 – September 2024 as submitted by JKPCl.

5.16 **Power Purchase from NTPC, NHPC, NPCIL and Other CSPPs:** The Petitioners (JPDCL & KPDCL) have projected power station wise quantum of energy procured as estimated by JKPCl while, the capacity charge, other charges, and variable charge rate are considered as per actuals for the months April 2024 – September 2024 as submitted by JKPCl.

5.17 **Power Purchase from JKPDL's hydropower stations:** The Commission approved the tariff for JKPDL's hydropower stations vide its Order No. JERC/ 07 of 2024 dated 28th June 2024. The Petitioner has considered the monthly quantum of energy procured for FY 2025-26 as submitted by JKPCl. As for the capacity charges and variable charge rate the Petitioner has considered capacity charges and variable charge rate based on the Commission's Order dated 28th October 2024.

5.18 **Power Purchase from Renewable (Solar) sources:** Currently, JKPCl is procuring 20 MW of solar power from NHPC Ltd. (Source: Aavada) and JKPCl is expecting another 720 MW of

Solar power from other sources for FY 2025-26 as per details given below:

Source/ Scheme	Quantum (MW)	SCOD
NTPC SOLAR (CPSU)	320	April 2025
SJVNL SOLAR (CPSU)	300	April 2025
SECI Solar Manufacture Linked Scheme	100	April 2025

5.19 For FY 2025-26 the Petitioner has considered projected quantum of energy procurement as per JKPCL and cost as per PPA approved rate.

5.20 **Allocation of power from Central Sources:** The Central Government has allocated 300 MW under the Additional Power from Southern Region (Additional Power from SR) and 393 MW under the Shakti Scheme – V to UT of J&K. Accordingly, based on JKPCL's estimate of quantum and cost the same are included as part of the power purchase for FY 2025-26.

5.21 **Power Purchase from short term sources:** In order to meet the power shortfall JKPCL purchases power from various short-term sources such as the power exchange, bilateral sources etc. In line with the projection for FY 2024-25 the Petitioner has considered quantum of power requirement estimated by JKPCL for purchase from short term sources. Considering the prevailing power purchase rate on the power exchanges JKPCL has projected rate of Rs. 5.55/ kWh. for any additional power to be purchased during FY 2025-26. Considering this it is estimated that Rs. 763.70 crore would be spent on purchase of power from short term sources in FY 2025-26.

5.22 **JKPTCL Transmission charges:** The Petitioner has considered already approved transmission charges of Rs. 202.95 crores for FY 2025-26.

5.23 **PGCIL Transmission charges:** In line with estimation for FY 2024-25, JKPCL has projected no change in the transmission capacity allocation by CTU for UT of J&K. Accordingly, CTU charges of Rs. 1081.13 crores are considered as an estimate for FY 2024-25.

5.24 **Other Charges:** Other charges such as POSOCO charges, Reactive Energy charges, water usage charges levied by NHPC, Deviation and Settlement Account charges are considered equal to the revised projections of FY 2024-25.

5.25 **JKPCL Trading Margin:** The Commission vide its Order No. JERC/7 of 2022 dated 21st November 2022 approved trading margin cap of Rs. 0.02/ kWh towards electricity traded/ procured by JKPCL on behalf of the distribution licensees in the UT of J&K and UT of Ladakh. Trading margin of Rs. 0.02/ kWh has been considered toward power purchase cost.

5.26 **Supplementary Bills:** In line with the estimation for FY 2024-25 JKPCL has estimated that around 1200 crore would be the total value of the supplementary bills for FY 2025-26. Accordingly, the same are considered. The Petitioner submits that it shall submit the details of actual supplementary bills paid by JKPCL at the time of truing up.

5.27 **Merit Order Despatch:** JKPCL procures power from various power plants on the basis of Merit Order Dispatch (MOD) principle after considering the supply from hydro, solar and nuclear as 'Must-run'. The simulated Merit Order for despatch for FY 2025-26 is as follows:

Table 29 Projected Merit Order Despatch for remaining period of FY 2025-26

Name of power station	Source	Source	Variable Charges (Rs. /kWh)
STAKNA	Hydro	Must Run	0.00
KISHANGANGA	Hydro	Must Run	0.25
LOWER JHELUM HEP	Hydro	Must Run	0.40
GANDERBAL HEP	Hydro	Must Run	0.50
CHENANI HEP-I	Hydro	Must Run	0.53
SALAL	Hydro	Must Run	0.54
URI	Hydro	Must Run	0.54
USHP II KANGAN	Hydro	Must Run	0.58
USHP I SUMBAL	Hydro	Must Run	0.63
BHADERWAH HEP	Hydro	Must Run	0.71
BHEP-1	Hydro	Must Run	0.81
URI-II	Hydro	Must Run	0.87
SEWA-II	Hydro	Must Run	0.93
CHENANI HEP-III	Hydro	Must Run	0.94
CHENANI HEP-II	Hydro	Must Run	0.94
CHAMERA-II	Hydro	Must Run	1.07
CHAMERA-I	Hydro	Must Run	1.14
SJVNL Rampur	Hydro	Must Run	1.14
DULHASTI	Hydro	Must Run	1.16
IQBAL HEP	Hydro	Must Run	1.19
SJVNL NJ	Hydro	Must Run	1.20
SIPAT-1	Thermal	Merit Order	1.35
LARA	Thermal	Merit Order	1.36
SIPAT-2	Thermal	Merit Order	1.39
KORBA-3	Thermal	Merit Order	1.40
KORBA-1	Thermal	Merit Order	1.43
DAULIGANGA	Hydro	Must Run	1.45
VINDHYACHAL-4	Thermal	Merit Order	1.50
SINGRAULI THERMAL	Thermal	Merit Order	1.51
VINDHYACHAL-3	Thermal	Merit Order	1.52
VINDHYACHAL-2	Thermal	Merit Order	1.53
RIHAND-III	Thermal	Merit Order	1.53
PARBATI-III	Hydro	Must Run	1.54
VINDHYACHAL-5	Thermal	Merit Order	1.55
RIHAND-II	Thermal	Merit Order	1.55
RIHAND-I	Thermal	Merit Order	1.56
VINDHYACHAL-1	Thermal	Merit Order	1.59
PAHALGAM MHEP	Hydro	Must Run	1.70
KARNAH HEP	Hydro	Must Run	1.73
SEWA HEP-III	Hydro	Must Run	1.78
MARPACHOO HEP	Hydro	Must Run	1.88
HUNDER	Hydro	Must Run	2.14
JHANOR GANDHAR	Thermal	Merit Order	2.17
KAWAS 4 GAS	Thermal	Merit Order	2.20
CHAMERA-III	Hydro	Must Run	2.21

Name of power station	Source	Source	Variable Charges (Rs. /kWh)
PTC THEP	Hydro	Must Run	2.27
SANJAK	Hydro	Must Run	2.29
DADRI (GAS)	Thermal	Merit Order	2.34
ANTA (GAS)	Thermal	Merit Order	2.36
IGO MERCELLONG HEP	Hydro	Must Run	2.37
AURIYA (GAS)	Thermal	Merit Order	2.38
SECI (Solar 100 MW - Tranche IX)	Solar	Must Run	2.43
KOLDAM	Hydro	Must Run	2.45
JHANOR GANDHAR NAPM	Thermal	Merit Order	2.46
TANAKPUR	Hydro	Must Run	2.48
KAWAS 4 NAPM	Thermal	Merit Order	2.48
NTPC (320 MW)	Solar	Must Run	2.57
SJVNL (600 MW)	Solar	Must Run	2.57
HAFTAL HEP	Hydro	Must Run	2.57
BHEP-2	Hydro	Must Run	2.61
NHPC (Solar 20 MW - Aavada)	Solar	Must Run	2.63
NAPS 1&2	Nuclear	Must Run	2.99
KAHALGAON-II	Thermal	Merit Order	3.05
SUMOOR	Hydro	Must Run	3.09
BAZGO	Hydro	Must Run	3.10
MEJA	Thermal	Merit Order	3.19
KAHALGAON-I	Thermal	Merit Order	3.22
FARAKKA	Thermal	Merit Order	3.38
TAPS 3&4	Nuclear	Must Run	3.42
MOUDA 1	Thermal	Merit Order	3.54
MOUDA 2	Thermal	Merit Order	3.58
GARDWARA	Thermal	Merit Order	3.61
UNCHAHAR-2	Thermal	Merit Order	3.65
RAPP 3&4 and 5&6	Nuclear	Must Run	3.65
TANDA	Thermal	Merit Order	3.79
NIMOO-BAZGO	Hydro	Must Run	3.80
CHUTAK	Hydro	Must Run	3.88
KHARGONE	Thermal	Merit Order	3.90
KAPS	Nuclear	Must Run	3.97
UNCHAHAR-4	Thermal	Merit Order	4.35
KHARI	Hydro	Must Run	4.40
JHAJJAR APCPL	Thermal	Merit Order	4.41
SOLAPUR	Thermal	Merit Order	4.44
UNCHAHAR-3	Thermal	Merit Order	4.65
NCTP-2	Thermal	Merit Order	4.66
UNCHAHAR-1	Thermal	Merit Order	4.75
SINGRAULI HYDRO	Hydro	Must Run	5.04
Shakti Scheme - V	Thermal	Merit Order	5.28
Additional Power from SR	Thermal	Merit Order	5.50

Name of power station	Source	Source	Variable Charges (Rs. /kWh)
Short Term Power (IEX)	Thermal	Merit Order	5.55
KAWAS 4 LIQUID	Thermal	Merit Order	8.44
JHANOR GANDHAR RLNG	Thermal	Merit Order	11.01
KAWAS 4 RLNG	Thermal	Merit Order	11.11
DADRI (RLNG)	Thermal	Merit Order	11.12
ANTA (RLNG)	Thermal	Merit Order	11.58
AURIYA (RLNG)	Thermal	Merit Order	11.62
AURIYA	Thermal	Merit Order	13.36
ANTA (LIQUID)	Thermal	Merit Order	13.41
DADRI (LIQUID)	Thermal	Merit Order	24.89

5.28 Based on the above inputs and assumptions the source-wise revised projected power purchase quantum, charges and costs as projected by JKPCl for JPDCL, KPDCL and LPDD are provided in the following table:

Table 30 Revised projection of station wise power purchase quantum and cost for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Installed Capacity	Summer Entitlement	Winter Entitlement	Annual Energy Purchase	Variable Charge rate	Capacity Charges	Energy Charges	Other Charges	Total Charges
			MW	MW	MW	MU	Rs. /kWh	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
1	IPP-Within UT		3.75	3.75	3.75	12.92		0.00	5.68	0.00	5.68
2	KHARI	Hydro	3.75	3.75	3.75	12.92	4.40	0.00	5.68	0.00	5.68
3	JKPDC		1211.96	1061.96	1061.96	4269.94		295.89	592.09	0.00	887.98
4	BAZGO	Hydro	0.30	0.30	0.30	0.26	3.10	0.33	0.08	0.00	0.41
5	BHADERWAH HEP	Hydro	1.50	1.50	1.50	0.00	0.71	0.66	0.00	0.00	0.66
6	BHEP-1	Hydro	450.00	300.00	300.00	1892.69	0.81	202.93	153.31	0.00	356.24
7	BHEP-2	Hydro	450.00	450.00	450.00	1518.91	2.61	0.00	396.44	0.00	396.44
8	CHENANI HEP-I	Hydro	23.30	23.30	23.30	63.34	0.53	5.81	3.36	0.00	9.17
9	CHENANI HEP-II	Hydro	2.00	2.00	2.00	0.86	0.94	1.12	0.08	0.00	1.20
10	CHENANI HEP-III	Hydro	7.50	7.50	7.50	1.36	0.94	3.39	0.13	0.00	3.52
11	GANDERBAL HEP	Hydro	15.00	15.00	15.00	13.19	0.50	4.44	0.66	0.00	5.10
12	HAFTAL HEP	Hydro	1.00	1.00	1.00	0.59	2.57	1.24	0.15	0.00	1.39
13	HUNDER	Hydro	0.40	0.40	0.40	0.46	2.14	0.38	0.10	0.00	0.48
14	IGO MERCELLONG HEP	Hydro	3.00	3.00	3.00	5.48	2.37	3.73	1.30	0.00	5.03
15	IQBAL HEP	Hydro	3.75	3.75	3.75	0.39	1.19	2.51	0.05	0.00	2.56
16	KARNAH HEP	Hydro	2.00	2.00	2.00	7.34	1.73	1.94	1.27	0.00	3.21
17	LOWER JHELUM HEP	Hydro	105.00	105.00	105.00	569.73	0.40	24.14	22.79	0.00	46.93
18	MARPACHOO HEP	Hydro	0.75	0.75	0.75	0.15	1.88	0.91	0.03	0.00	0.94
19	PAHALGAM MHEP	Hydro	4.50	4.50	4.50	5.29	1.70	2.91	0.90	0.00	3.81
20	SANJAK	Hydro	1.26	1.26	1.26	0.91	2.29	1.01	0.21	0.00	1.22
21	SEWA HEP-III	Hydro	9.00	9.00	9.00	0.00	1.78	5.80	0.00	0.00	5.80
22	STAKNA	Hydro	4.00	4.00	4.00	0.00	0.00	0.46	0.00	0.00	0.46
23	SUMOOR	Hydro	0.10	0.10	0.10	0.12	3.09	0.14	0.04	0.00	0.18
24	USHP I SUMBAL	Hydro	22.60	22.60	22.60	51.00	0.63	6.63	3.21	0.00	9.84
25	USHP II KANGAN	Hydro	105.00	105.00	105.00	137.85	0.58	25.41	8.00	0.00	33.41
26	NHPC		4304.00	938.63	862.05	4102.91		305.96	447.60	0.21	753.77
27	CHAMERA-I	Hydro	540.00	21.06	21.06	79.71	1.14	7.46	9.08	0.00	16.54

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Installed Capacity	Summer Entitlement	Winter Entitlement	Annual Energy Purchase	Variable Charge rate	Capacity Charges	Energy Charges	Other Charges	Total Charges
			MW	MW	MW	MU	Rs. /kWh	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
28	CHAMERA-II	Hydro	300.00	35.14	27.66	151.79	1.07	9.22	16.31	0.01	25.55
29	CHAMERA-III	Hydro	231.00	26.30	21.50	104.56	2.21	19.76	23.13	0.01	42.90
30	CHUTAK	Hydro	44.00	44.00	44.00	166.70	3.88	63.90	64.68	0.00	128.58
31	DAULIGANGA	Hydro	280.00	29.55	23.74	110.93	1.45	12.28	16.12	0.01	28.41
32	DULHASTI	Hydro	390.00	99.98	91.87	537.36	1.16	9.75	62.30	0.01	72.07
33	KISHANGANGA	Hydro	330.00	57.70	50.84	250.88	0.25	2.66	6.22	0.01	8.90
34	NIMOO-BAZGO	Hydro	45.00	45.00	45.00	234.50	3.80	50.19	89.12	0.00	139.31
35	PARBATI-III	Hydro	520.00	59.20	48.40	58.54	1.54	57.04	9.01	0.09	66.14
36	SALAL	Hydro	690.00	237.29	237.29	1155.93	0.54	5.53	62.03	0.01	67.57
37	SEWA-II	Hydro	120.00	28.39	25.89	86.43	0.93	11.11	8.06	0.01	19.19
38	TANAKPUR	Hydro	94.00	7.22	7.22	29.26	2.48	36.12	7.24	0.01	43.38
39	URI	Hydro	480.00	163.01	163.01	748.18	0.54	6.80	40.61	0.01	47.42
40	URI-II	Hydro	240.00	84.79	54.57	388.16	0.87	14.13	33.68	0.01	47.82
41	NPCIL		3280.00	164.47	112.03	1257.86		0.00	432.80	0.00	432.80
42	KAPS	Nuclear	880.00	11.04	11.04	45.50	3.97	0.00	18.05	0.00	18.05
43	NAPS 1&2	Nuclear	440.00	52.14	43.27	404.93	2.99	0.00	120.98	0.00	120.98
44	RAPP 3&4 and 5&6	Nuclear	880.00	95.72	52.15	766.81	3.65	0.00	279.88	0.00	279.88
45	TAPS 3&4	Nuclear	1080.00	5.57	5.57	40.63	3.42	0.00	13.89	0.00	13.89
46	NTPC		54901.01	3507.31	2621.76	5951.15		436.83	1629.37	53.94	2120.14
47	ANTA (GAS)	Thermal	419.00	47.84	39.11	0.00	2.36	0.00	0.00	0.00	0.00
48	ANTA (LIQUID)	Thermal	419.00	47.84	39.11	0.00	13.41	0.00	0.00	0.00	0.00
49	ANTA (RLNG)	Thermal	419.00	47.84	39.11	1.61	11.58	24.63	1.86	0.00	26.49
50	AURIYA	Thermal	663.00	73.62	59.91	0.00	13.36	0.00	0.00	0.00	0.00
51	AURIYA (GAS)	Thermal	663.00	73.62	59.91	0.00	2.38	0.00	0.00	0.00	0.00
52	AURIYA (RLNG)	Thermal	663.00	73.62	59.91	1.08	11.62	33.87	1.26	0.00	35.12
53	DADRI (GAS)	Thermal	830.00	94.59	76.72	0.00	2.34	0.00	0.00	0.00	0.00
54	DADRI (LIQUID)	Thermal	830.00	94.59	76.72	0.00	24.89	0.00	0.00	0.00	0.00
55	DADRI (RLNG)	Thermal	830.00	94.59	76.72	1.67	11.12	36.91	1.86	15.74	54.51

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Installed Capacity	Summer Entitlement	Winter Entitlement	Annual Energy Purchase	Variable Charge rate	Capacity Charges	Energy Charges	Other Charges	Total Charges
			MW	MW	MW	MU	Rs. /kWh	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
56	FARAKKA	Thermal	1600.00	13.60	13.60	94.09	3.38	9.65	31.79	3.73	45.17
57	GARDWARA	Thermal	1600.00	8.30	8.30	51.54	3.61	21.90	18.58	0.00	40.48
58	JHANOR GANDHAR	Thermal	657.39	0.04	0.04	0.00	2.17	0.00	0.00	0.00	0.00
59	JHANOR GANDHAR NAPM	Thermal	657.39	0.04	0.04	0.00	2.46	-66.81	0.00	0.81	-66.00
60	JHANOR GANDHAR RLNG	Thermal	657.39	0.04	0.04	0.00	11.01	0.00	0.00	0.00	0.00
61	KAHALGAON-I	Thermal	840.00	30.91	30.91	217.42	3.22	12.98	70.06	0.00	83.04
62	KAHALGAON-II	Thermal	1500.00	83.40	83.40	568.39	3.05	10.55	173.57	0.03	184.16
63	KAWAS 4 GAS	Thermal	656.20	0.04	0.04	0.00	2.20	-66.00	0.00	0.00	-66.00
64	KAWAS 4 LIQUID	Thermal	656.20	0.04	0.04	0.00	8.44	0.00	0.00	0.00	0.00
65	KAWAS 4 NAPM	Thermal	656.20	0.04	0.04	0.00	2.48	0.00	0.00	0.00	0.00
66	KAWAS 4 RLNG	Thermal	656.20	0.04	0.04	0.01	11.11	0.00	0.01	0.00	0.01
67	KHARGONE	Thermal	1320.00	6.85	6.85	53.01	3.90	23.38	20.70	2.75	46.83
68	KOLDAM	Hydro	800.00	105.50	97.80	428.97	2.45	22.96	105.18	0.00	128.14
69	KORBA-1	Thermal	2100.00	5.79	5.79	44.56	1.43	8.02	6.36	0.25	14.64
70	KORBA-3	Thermal	500.00	2.59	2.59	19.93	1.40	10.62	2.79	0.74	14.15
71	LARA	Thermal	1600.00	8.23	8.23	62.85	1.36	16.94	8.54	0.34	25.82
72	MEJA	Thermal	1320.00	67.62	53.90	455.94	3.19	23.13	145.59	0.00	168.71
73	MOUDA 1	Thermal	1000.00	3.75	3.75	30.96	3.54	11.90	10.97	0.18	23.05
74	MOUDA 2	Thermal	1320.00	6.79	6.79	42.69	3.58	15.74	15.28	0.01	31.03
75	NCTP-2	Thermal	980.00	10.56	5.67	92.96	4.66	26.04	43.34	0.57	69.94
76	RIHAND-I	Thermal	1000.00	79.75	75.23	560.31	1.56	9.93	87.15	0.00	97.09
77	RIHAND-II	Thermal	1000.00	104.60	99.69	751.60	1.55	9.16	116.63	0.41	126.20
78	RIHAND-III	Thermal	1000.00	77.40	71.94	559.13	1.53	16.87	85.67	0.59	103.13
79	SINGRAULI HYDRO	Hydro	8.00	0.36	0.19	1.58	5.04	0.00	0.80	0.00	0.80
80	SINGRAULI THERMAL	Thermal	2000.00	19.63	10.54	133.46	1.51	13.81	20.14	4.22	38.16
81	SIPAT-1	Thermal	1980.00	10.27	10.27	69.27	1.35	14.29	9.36	0.02	23.67
82	SIPAT-2	Thermal	1000.00	3.62	3.62	29.90	1.39	10.73	4.17	0.10	14.99
83	SOLAPUR	Thermal	1320.00	6.85	6.85	48.70	4.44	18.88	21.65	0.00	40.53

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Installed Capacity	Summer Entitlement	Winter Entitlement	Annual Energy Purchase	Variable Charge rate	Capacity Charges	Energy Charges	Other Charges	Total Charges	
			MW	MW	MW	MU	Rs. /kWh	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	
84	TANDA	Thermal	1320.00	79.76	74.95	548.84	3.79	17.49	208.11	0.02	225.62	
85	UNCHAHAR-1	Thermal	420.00	15.56	14.83	114.66	4.75	37.65	54.44	0.00	92.09	
86	UNCHAHAR-2	Thermal	420.00	34.93	32.64	235.71	3.65	12.87	85.95	0.03	98.86	
87	UNCHAHAR-3	Thermal	210.00	15.43	14.31	116.72	4.65	13.73	54.27	0.01	68.01	
88	UNCHAHAR-4	Thermal	500.00	61.08	58.35	458.89	4.35	24.11	199.52	1.21	224.84	
89	VINDHYACHAL-1	Thermal	1260.00	4.93	4.93	35.74	1.59	9.65	5.68	0.12	15.44	
90	VINDHYACHAL-2	Thermal	1000.00	3.79	3.79	30.69	1.53	8.47	4.70	0.11	13.27	
91	VINDHYACHAL-3	Thermal	1000.00	3.79	3.79	29.65	1.52	8.67	4.50	0.76	13.93	
92	VINDHYACHAL-4	Thermal	1000.00	5.19	5.19	39.07	1.50	17.66	5.85	15.12	38.63	
93	VINDHYACHAL-5	Thermal	11650.04	1978.07	1275.58	19.53	1.55	16.46	3.03	6.07	25.56	
94	Other CSPP		6525.02	1042.79	681.95	5218.38	24.70	87.81	2228.27	0.58	2316.67	
95	Additional Power from SR	Thermal	300.00	300.00	0.00	456.00	5.50	0.00	250.80	0.00	250.80	
96	JHAJJAR APCPL	Thermal	1500.00	34.09	18.29	355.45	4.41	18.20	156.69	0.00	174.89	
97	PTC THEP	Hydro	1020.00	18.05	18.05	13.91	2.27	0.00	3.16	0.00	3.16	
98	Shakti Scheme - V	Thermal	393.00	393.00	393.00	3066.00	5.28	0.00	1618.85	0.00	1618.85	
99	SJVNL NJ	Hydro	1500.00	149.54	128.90	757.96	1.20	12.20	91.18	0.52	103.90	
100	SJVNL Rampur	Hydro	412.02	40.60	35.38	196.98	1.14	12.69	22.46	0.02	35.17	
101	THDC	Hydro	1000.00	77.60	63.89	275.57	2.12	18.93	58.28	0.02	77.24	
102	THDC KOTESHWAR	Hydro	400.00	29.92	24.43	96.51	2.78	25.79	26.85	0.02	52.67	
103	SHORT TERM		0.00	0.00	0.00	1376.03	5.55	0.00	763.70	0.00	763.70	
104	Short Term Power (IEX)	Thermal	0.00	0.00	0.00	1376.03	5.55	0.00	763.70	0.00	763.70	
105	RENEWABLE		740.00	740.00	740.00	1626.44	10.20	0.00	419.87	0.00	419.87	
106	NHPC (Solar 20 MW - Aavada)	Solar	20.00	20.00	20.00	49.64	2.63	0.00	13.05	0.00	13.05	
107	Solar (720 MW)	Solar	720.00	720.00	720.00	1576.80	2.58	0.00	406.81	0.00	406.81	
108	SECI (Solar 100 MW - Tranche IX)	Solar	0.00	0.00	0.00	0.00	2.43	0.00	0.00	0.00	0.00	
109	SJVNL (600 MW)	Solar	0.00	0.00	0.00	0.00	2.57	0.00	0.00	0.00	0.00	
110	TRANSMISSION CHG.		0.00						1286.30	0.00	0.00	1286.30
111	BANKING (UPPTCL)		0.00	0.00	0.00	-661.50	0.00	0.00	0.00	0.00	0.00	

JPDCL & KPDCL ARR and Tariff for FY 2025-26

Sr. No.	Name of Power Station	Fuel Source	Installed Capacity	Summer Entitlement	Winter Entitlement	Annual Energy Purchase	Variable Charge rate	Capacity Charges	Energy Charges	Other Charges	Total Charges
			MW	MW	MW	MU	Rs. /kWh	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
112	JKPTCL		0.00	0.00	0.00	0.00	0.00	202.95	0.00	0.00	202.95
113	PGCIL		0.00	0.00	0.00	0.00	0.50	1081.13	0.00	0.00	1081.13
114	POSOCO CHARGES		0.00	0.00	0.00	0.00	0.00	2.22	0.00	0.00	2.22
115	TANDA TRANSMISSION CHG		0.00	0.00	0.00	17713.67	0.00	0.00	0.00	0.00	0.00
116	TRANSMISSION OTHERS							350.49	0.00	0.00	350.49
117	DEVIATION & SETTLEMENT A/C							51.81	0.00	0.00	51.81
118	NHPC WATER USAGE CHG.							297.70	0.00	0.00	297.70
119	NRPC CHARGES							0.00	0.00	0.00	0.00
120	REACTIVE ENERGY CHG. (CTU)							0.98	0.00	0.00	0.98
121	REACTIVE ENERGY CHG. (PSPCL)							0.00	0.00	0.00	0.00
122	SUPPLEMENTARY BILLS FROM GENERATORS							0.00	0.00	1200.61	1200.61
123	SUPPLEMENTARY BILLS							0.00	0.00	1200.61	1200.61
124	JKPCL Trading Margin									48.18	48.18
125	Grand Total					24091.20		2763.29	6519.38	1303.53	10586.19

Power purchase cost

5.29 The total power purchase cost from various generating stations at generation periphery and other related expenses (transmission charges, water charges, POSOCO charges, JKPCl trading margin etc.) are apportioned to the various Distribution Licensees by multiplying the average power purchase cost at DISCOM periphery by the energy at distribution periphery for the Distribution Licensees. The table below provides the estimate of apportioned power purchase expenses for the Petitioner:

Table 31 Apportionment of Power Purchase Cost by JPDCL & KPDCL

Particulars	Legend	JPDCL	KPDCL
Cost of Total Power Purchase (Rs. Crore)	A	10586.19	10586.19
Total Energy purchased at DISCOM periphery (MU)	B	22429.50	22429.50
Average power purchase cost at DISCOM periphery (MU)	C = A/B*10	4.72	4.72
Energy at JPDCL periphery (MU)	D	9500.74	12551.79
Power Purchase Cost for JPDCL/KPDCL (Rs. Crores)	E = C*D	4484.13	5924.15

Commission's Analysis

5.30 The Commission has approved the energy sales for the FY 2025-26 in the previous section. For FY 2025-26, the Commission has approved distribution loss for JPDCL and KPDCL in its Tariff Order dated 24.11.2023 under the Business Plan for the control period. The same has been considered under the ARR of 2025-26. Based on the same, the power purchase requirement for FY 2025-26 has been derived.

Power Purchase Quantum

5.31 The Commission has noted the provisions given in Regulation 8.8 of JERC MYT Regulations, 2023, regarding the power purchase plan. The relevant provisions are described below:

“8.8 Power Procurement Plan

The Distribution Licensee shall prepare a plan for procurement of power shall be done as per the provisions of the prevalent Power Purchase and Procurement Process Regulations.

Provided further that such power procurement plan may include long-term, medium-term and short- term sources of power procurement, in accordance with these Regulations;”

5.32 Further, the relevant provisions from the Joint Electricity Regulatory Commission for the UT of J&K and the UT of Ladakh (Guidelines for Load Forecasts, Resources Plans, and Power Procurement Process) Regulations, 2023, regarding the assessment of availability in the power procurement plan is reproduced below:

“B. Assessment of Availability:

4.8 The Distribution Licensees along with JKPCl shall carry out technology/fuel-wise categorization of existing generation capacity and any pipeline capacity which has been planned to be added to get an optimal energy mix to meet the rise in energy demand.

4.9 The Distribution Licensees along with JKPCl shall develop a resource plan with different scenarios for RE integration with conventional power sources and the adoption of different storage technologies to meet the peak load during high-demand seasons.

4.10 The Plant Availability (PAF) of the State Thermal power plants shall be considered on the basis of past patterns. In the case of Central Generating stations, the planning norms as per CEA/CERC as applicable for coal-based and gas-based units may be considered. In the case of IPPs, past performance shall be considered to estimate the availability of power. PAF for all new/upcoming thermal projects shall be considered as per norms provided in the State/Central tariff regulations.

4.11 The Capacity Utilization Factor (CUF) of existing solar and non-solar power plants shall be considered on the basis of the past performance of the plant. For new/upcoming projects the CUF shall be estimated considering CUF as per the PPA of the plant.

4.12 For estimating availability from Hydro Power Plants (HPPs), past years' rainfall pattern and corresponding actual month-wise energy availability shall be considered, thereby reflecting the seasonal variation in generation pattern for estimating the quantum of energy for forthcoming years.

4.13 The Distribution Licensees / JKPCL shall follow a similar method as detailed above in Regulations 4.10 to 4.12 in case of consideration of Auxiliary consumption for different power plants.

4.14 The quantum of energy to be procured from renewable energy plants shall be as per the RPO trajectory in the relevant Regulations and amendments thereof.

4.15 While estimating the energy availability, the Distribution Licensees / JKPCL shall explore other options like banking/power market and bilateral arrangements with other state-owned utilities to ensure power availability during Peak Periods."

5.33 The Commission notes that LPDD procures maximum power from JKPCL as power generation from internal generation sources is limited in the Ladakh region. Further, the other generating plants mentioned by LPDD (diesel- and hydro-based) are considered internal sources of LPDD. The energy procurement from these plants is considered by the Commission. Based on the same, the energy balance and the quantum of power to be purchased from JKPCL at DISCOM periphery and energy available from internal generation (applicable for LPDD) for FY 2025-26 have been approved by the Commission as per the details given below:

Table 32: Approved Energy Balance and Power Purchase Quantum for FY 2025-26

FY	Sales	Distribution Loss	Energy Required at Discom level	Energy Available from Projects Other Than JKPCL (Internal Sources of LPDD)	Energy Required at DISCOM Periphery Level from JKPCL
JPDCL	6347.32	15%	7467.44		7467.44
KPDCL	6458.33	17%	7781.13		7781.13
LPDD	274.62	18.90%	338.61	13.85	324.77
Total	13080.27		15587.18		15573.33

Power Purchase Cost of JKPCCL

5.34 The Commission notes that JKPCCL is responsible for power purchases on behalf of all distribution utilities. To determine the power purchase cost of JKPCCL, it is necessary to consider the power purchase quantum of JPDCL, KPDCL and LPDD from JKPCCL.

5.35 For FY 2025-26, the Commission has considered 15573.95 MU of power requirement at the distribution level based on approved sales and distribution losses of the distribution licensees, namely JPDCL, KPDCL and LPDD. Further, considering the approved intra-state transmission losses, the power to be procured by JKPCCL at the UT level (combining J&K and Ladakh) is 16055.61 MU. The energy requirement of JKPCCL can be met through power procurement from JKPDCL, IPP (within the UT) and other central sector power projects (NTPC, NHPC, NPCIL, SJVN, etc). Considering the power procurement from JKPDCL and other sources within the UT, the energy requirement from outside (central generating sources and others) stands at 11772.75 MU at the UT level and 12218.74 MU at the generator level, after considering an inter-state transmission loss of 3.65%.

5.36 The inter-state transmission loss is taken as per data available on the National Load Despatch Centre¹ website for inter-state transmission losses. The Central Electricity Regulatory Commission (CERC) has notified CERC (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 on 04.05.2020 w.e.f. Nov 01.11.2020. As per Clause (10) of these regulations, transmission loss for Inter-State Transmission System (ISTS) shall be calculated on an all-India average basis for each week, from Monday to Sunday. The all-India transmission loss would be based on the average loss computed from the Special Energy Meter (SEM) data of the previous week. Considering the actual data of FY 2024-25, inter-state transmission loss of 3.65% is considered while performing the energy balance. Based on the above methodology, the energy balance for FY 2025-26 has been derived, the details of which are given in the table below:

Table 33: Energy Balance for FY 2025-26, as Approved by the Commission

FY	Energy Required at DISCOM Level (MU)	Intra-State Transmission Loss	Energy Required at UT level from JKPCCL (MU)	Supply by JKPDCL and Others within the UT	Remaining Supply by CGS and Others at UT Level	Inter-State Transmission Loss	Supply by CGS and Others (Generator Level)
FY 2025-26	15573.95	3.00%	16055.61	4282.86	11772.75	3.65%	12218.74

5.37 Further, to decide the energy purchase quantum from Central Generating Stations (CGSs), the Commission has considered supply from different power plants as per the merit order despatch principle after considering the supply from hydro, renewable and nuclear as 'must-run'. The energy availability data has been obtained from JKPCCL. While running the merit order, in the first step, the Commission has identified all the projects (from which JKPCCL procures power) as 'must-run' projects and 'merit order' projects, depending on the fuel sources, details of which are provided in the previous APR chapter.

¹ <https://posoco.in/side-menu-pages/applicable-transmission-losses/>

5.38 Considering the above, in the next step, the Commission has considered the energy available from 'must-run' plants (i.e. hydro, nuclear and renewable) and the remaining energy (i.e. total requirement minus energy from must-run) is considered from 'merit order' plants (thermal: coal and gas). While deciding the merit order, the Commission has prepared the merit order stack as per variable cost (Rs./unit) of the thermal power projects. The variable cost data for the same has been considered as per data submitted by JKPCL, as per direction of the Commission.

5.39 Further, the merit order despatch analysis has been considered for each month based on monthly requirements and availability. It has been observed that for some months the availability is more than a requirement, then the surplus power during the month is assumed to be banked and considered further banked-in (import) in the following months. Similarly, where availability is less than demand, power from the open market (like power exchange) is considered to be procured by JKPCL. The power purchases from must-run and merit-order plants are given below:

Table 34: Power Purchase from Must-run Plants and Plants Considered under Merit Order for FY 2025-26, as Approved by the Commission (MU)

FY	Energy Required at the UT Level from JKPCL	Supply by JKPCL and Others within the UT (Must- run)	Supply by CGS and Others at UT level	Remaining Supply by CGS and Others at UT level	Inter-State Transmission Loss	Supply by CGS and Others (Generator Level)	Supply by CGS and Others (Generator Level)	Supply by CGS and Others (Generator Level)
FY 2025-26	16055.61	4282.86	11772.75	3.65%		12218.74	8758.69	3460.05

5.40 Now, to drive the cost of power projects, the Commission considers the power purchase cost of JKPCL power projects and the power purchase cost of CGSs and other projects. In the case of JKPCL, the power purchase cost approved by the Commission for FY 2025-26 is taken into consideration. For CGSs and other projects, the relevant CERC orders (latest available for FY 2019–20 to FY 2023–24 period) and JKPCL submission are referred.

5.41 In the case of determination of fixed charges, the Commission has considered the relevant CERC orders and derived the annual fixed charges applicable for JKPCL as per allocation (in terms of MW) details submitted by JKPCL. It is noticed that CERC has published the Tariff regulations for 2024-29 period and hence, the relevant Petitioners are yet to be prepared for CGSs. For variable charges (in terms of Rs/kWh) of CGSs, the Commission has reviewed the variable charges submitted by JKPCL and accordingly approves the variable charges for FY 2025-26, as per FY 2024-25. For fixed charges, the values considered in FY 2024-25 has been considered for FY 2025-26. Further, for supplementary bills in FY 2025-26, 10% escalation is considered on FY 2024-25 value. Other charges (mainly NHPC water charges), as proposed by the Petitioner is considered.

5.42 Further, transmission charges to be paid to the intra-state transmission licensee —Jammu and Kashmir Power Transmission Corporation Limited (JKPTCL), as approved by the Commission in the transmission Tariff Order for FY 2025-26 have been considered by the Commission. For PGCIL and POSOCO charges, a 10% escalation on FY 2024-25 approved cost has been considered for FY 2024-25, as the Petitions for determining transmission charges and RLDC charges for FY 2025-26 by CTU and NRLDC are yet to be approved by CERC. Additionally, JKPCl's trading margin of 2 paisa/unit is considered, which was approved by the Commission (Petition No. JERC/P/07 of 2022 and Order No. JERC/07 of 2022 dated 21.11.2022). After taking into account all the above costs, the total power purchase cost of JKPCl for FY 2025-26 is derived, which is given in the table below:

Table 35: Total Power Purchase Cost for FY 2025-26, as Approved by the Commission

S.No	SOURCE	FUEL TYPE	INSTALLED CAPACITY IN MW	ENERGY RECEIVED (in MU's)	CHARGES (in Cr)						Cost Per Unit energy purchased	
					TOTAL Annual Fixed charges (Rs Cr)	CAPACITY CHARGES (in Cr.)	VARIABLE CHARGES (in Cr.)	VARIABLE COST PER UNIT (Rs. /kWh)	OTHER CHARGES (in Cr)	TOTAL (in Cr.)		
				1	2	3	4	5	6 = 3+4+5			
NHPC POWER HOUSES												
1.00	SALAL	HYDRO	690.00	1155.93		71.77	64.68	0.56	0.01	136.46	1.18	
2.00	TANAKPUR	HYDRO	94.00	29.26		7.48	7.26	2.48	0.01	14.75	5.04	
3.00	CHAMERA-I	HYDRO	540.00	79.71		6.43	9.08	1.14	0.00	15.51	1.95	
4.00	CHAMERA-II	HYDRO	300.00	151.79		9.94	18.29	1.21	0.01	28.25	1.86	
5.00	CHAMERA-III	HYDRO	231.00	104.56		13.72	21.83	2.09	0.01	35.57	3.40	
6.00	URI	HYDRO	480.00	748.18		73.03	49.97	0.67	0.01	123.01	1.64	
7.00	DAULIGANGA	HYDRO	280.00	110.93		7.67	14.20	1.28	0.01	21.88	1.97	
8.00	DULHASTI	HYDRO	390.00	537.36		81.65	43.38	0.81	0.01	125.04	2.33	
9.00	SEWA-II	HYDRO	120.00	86.43		19.39	8.80	1.02	0.01	28.21	3.26	
10.00	NIMOO-BAZGO	HYDRO	45.00	234.50		89.21	93.01	3.97	0.00	182.22	7.77	
11.00	CHUTAK	HYDRO	44.00	166.70		78.48	64.68	3.88	0.00	143.16	8.59	
12.00	URI-II	HYDRO	240.00	388.16		43.34	54.36	1.40	0.01	97.72	2.52	
13.00	PARBATI-III	HYDRO	520.00	58.54		15.86	7.97	1.36	0.09	23.92	4.09	
14.00	KISHANGANGA	HYDRO	330.00	250.88		45.71	16.57	0.66	0.01	62.29	2.48	
A	TOTAL NHPC			4102.91		563.68	474.08	1.16	0.21	1037.97	2.53	
NTPC POWER HOUSES												
1.00	ANTA	GAS	419.00	1.61	215.20	13.22	0.38	2.36	0.00	13.60	84.48	
2.00	AURIYA	GAS	663.00	1.08	305.00	43.08	0.26	2.38	0.00	43.34	400.51	
3.00	DADRI	GAS	830.00	1.67	309.50	21.48	0.39	2.34	15.74	37.62	224.66	
4.00	Unchahar-I (Feroz Gandhi-I)	COAL	420.00	39.92	308.00	9.91	14.49	3.63	0.00	24.40	6.11	
5.00	Unchahar-II (Feroz Gandhi-II)	COAL	420.00	92.27	309.00	22.57	33.60	3.64	0.03	56.21	6.09	
6.00	Unchahar-III (Feroz Gandhi-III)	COAL	210.00	41.99	192.00	10.65	15.17	3.61	0.01	25.83	6.15	
7.00	Unchahar-IV (Feroz Gandhi-IV)	COAL	500.00	167.24	578.00	63.15	56.76	3.39	1.21	121.12	7.24	
8.00	FARAKKA	COAL	1600.00	42.60	916.00	8.79	14.43	3.39	3.73	26.95	6.33	
9.00	GARDWARA	COAL	1600.00	23.50	2320.00	12.62	7.79	3.31	0.00	20.41	8.69	
10.00	JHANOR GANDHAR	COAL	657.39	0.00	504.20	0.00	0.00	0.00	0.81	0.81		
11.00	KHARGONE	COAL	1320.00	19.66		9.96	7.54	3.83	2.75	20.25	10.30	

S.No	SOURCE	FUEL TYPE	INSTALLED CAPACITY IN MW	ENERGY RECEIVED (in MU's)	CHARGES (in Cr)						Cost Per Unit energy purchased	
					1	2	3	4	5	6 = 3+4+5		
12.00	KAHALGAON-I	COAL	840.00	94.34	596.00	22.05	29.07	3.08	0.00	51.12	5.42	
13.00	KAHALGAON-II	COAL	1500.00	273.72	1141.00	53.86	78.86	2.88	0.03	132.75	4.85	
14.00	KOLDAM	HYDRO	800.00	428.97	1290.00	65.05	95.43	2.22	0.00	160.48	3.74	
15.00	KORBA-1	COAL	2100.00	22.96	1079.00	3.03	3.26	1.42	0.25	6.55	2.85	
16.00	KORBA-3	COAL	500.00	11.37	471.00	2.05	1.58	1.39	0.74	4.37	3.85	
17.00	KAWAS 4	GAS	656.20	0.00	417.00	0.00	0.00	10.00	0.00	0.00		
18.00	LARA	COAL	1600.00	31.47	1869.00	13.31	3.71	1.18	0.34	17.36	5.52	
19.00	MOUDA 1	COAL	1000.00	11.93	1311.00	4.45	4.11	3.45	0.18	8.74	7.33	
20.00	MOUDA 2	COAL	1320.00	14.66	1368.00	7.53	5.05	3.44	0.01	12.59	8.59	
21.00	NCTP-2	COAL	980.00	25.49	988.00	10.93	10.81	4.24	0.57	22.31	8.75	
22.00	RIHAND-I	COAL	1000.00	308.23	578.00	39.82	51.32	1.67	0.00	91.14	2.96	
23.00	RIHAND-II	COAL	1000.00	406.65	536.00	51.38	67.18	1.65	0.41	118.97	2.93	
24.00	RIHAND-III	COAL	1000.00	270.74	1007.00	67.67	44.21	1.63	0.59	112.47	4.15	
25.00	SOLAPUR	COAL	1320.00	16.69	1585.00	9.83	7.06	4.23	0.00	16.89	10.12	
26.00	SIPAT-1	COAL	1980.00	31.56	1833.00	9.05	5.61	1.78	0.02	14.68	4.65	
27.00	SIPAT-2	COAL	1000.00	15.36	864.00	2.50	2.82	1.84	0.10	5.41	3.52	
28.00	SINGRAULI HYDRO	HYDRO	8.00	1.58		0.00	0.80	5.04	0.00	0.80	5.04	
29.00	SINGRAULI THERMAL	COAL	2000.00	84.66	906.00	7.99	15.08	1.78	4.22	27.29	3.22	
30.00	TANDA	COAL	1320.00	167.11	1361.00	19.10	58.32	3.49	0.02	77.44	4.63	
31.00	VINDHYACHAL-1	COAL	1260.00	19.26	664.00	3.06	3.89	2.02	0.12	7.08	3.67	
32.00	VINDHYACHAL-2	COAL	1000.00	15.78	765.00	2.07	3.06	1.94	0.11	5.23	3.32	
33.00	VINDHYACHAL-3	COAL	1000.00	16.00	485.00	2.42	3.07	1.92	0.76	6.25	3.91	
34.00	VINDHYACHAL-4	COAL	1000.00	19.45	1093.00	6.09	3.70	1.90	15.12	24.91	12.81	
35.00	VINDHYACHAL-5	COAL	500.00	9.03	577.00	3.10	1.77	1.96	6.07	10.94	12.12	
B	TOTAL NTPC			2728.56		621.77	650.58	2.38	53.94	1326.30	4.86	
NPCIL POWER HOUSES												
1.00	NAPPS	NUCLEAR	440.00	404.93		0.00	120.87	2.98	0.00	120.87	2.98	
2.00	RAPS 3&4	NUCLEAR	440.00	306.72		0.00	116.74	3.81	0.00	116.74	3.81	
3.00	RAPS 5&6	NUCLEAR	440.00	460.09		0.00	175.11	3.81	0.00	175.11	3.81	
4.00	KAPPS	NUCLEAR	440.00	45.50		0.00	19.62	4.31	0.00	19.62	4.31	
5.00	TAPPS	NUCLEAR	1080.00	40.63		0.00	13.99	3.44	0.00	13.99	3.44	
C	TOTAL NPCIL			1257.87		0.00	446.33		0.00	446.33	3.55	
D	SVJNL NJ	HYDRO	1500.00	757.96		63.99	111.68	1.47	0.52	176.19	2.32	
E	SVJNL RAMPUR	HYDRO	412.02	196.98		23.97	40.99	2.08	0.02	64.99	3.30	
F	THDC	HYDRO	1000.00	275.57		24.69	58.28	2.11	0.02	83.00	3.01	
G	THDC KOTESHWAR	HYDRO	400.00	96.51		12.49	28.47	2.95	0.02	40.98	4.25	
H	APCPL (JHAJJAR)	COAL	1500.00	164.82		42.07	65.93	4.00	0.00	108.00	6.55	
I	MEJA	COAL	1320.00	211.76		59.70	63.46	3.00	0.00	123.17	5.82	
J	PTC THEP	HYDRO	1020.00	13.91		0.00	3.16	2.27	0.00	3.16	2.27	
K	Shakti Scheme - V			693.47		0.00	366.15	5.28	0.00	366.15	5.28	
L	Additional Power from SR			0.00		0.00	0.00	5.50	0.00	0.00	5.50	
M	PTC (IEX)			91.99		0.00	45.99	5.00	0.00	45.99	5.00	
STATE OWNED POWER HOUSES												
a	CHENANI HEP-I		23.00	63.34		7.19	4.18	0.66	0.00	11.37		
b	CHENANI HEP-II		2.00	0.86		1.29	0.09	1.09	0.00	1.38		
c	CHENANI HEP-III		7.50	1.36		4.04	0.15	1.12	0.00	4.19		
d	SEWA HEP-III		9.00	0.00		6.17	0.00	1.89	0.00	6.17		

S.No	SOURCE	FUEL TYPE	INSTALLED CAPACITY IN MW	ENERGY RECEIVED (in MU's)	CHARGES (in Cr)						Cost Per Unit energy purchased	
					TOTAL Annual Fixed charges (Rs Cr)	CAPACITY CHARGES (in Cr.)	VARIABLE CHARGES (in Cr.)	VARIABLE COST PER UNIT (Rs./kWh)	OTHER CHARGES (in Cr)	TOTAL (in Cr.)		
				1	2	3	4		5	6 = 3+4+5		
e	BHADERWAH HEP		1.00	0.00		1.16	0.00	1.24	0.00	1.16		
f	PAHALGAM MHEP		3.00	5.29		3.33	1.03	1.95	0.00	4.36		
g	GANDERBAL HEP		15.00	13.19		5.02	0.74	0.56	0.00	5.76		
h	KARNAH HEP		2.00	7.34		2.05	1.34	1.83	0.00	3.39		
i	Lower Jehlum HEP		105.00	569.73		28.37	26.78	0.47	0.00	55.15		
j	USHP I SUMBAL		22.60	51.00		7.86	3.83	0.75	0.00	11.69		
k	USHP II KANGAN		105.00	137.85		28.20	8.82	0.64	0.00	37.02		
l	IGO MERCELLONG HEP		3.00	5.48		3.74	1.30	2.38	0.00	5.04		
m	MARPACHOO HEP		0.75	0.15		0.94	0.03	1.94	0.00	0.97		
n	HAFTAL HEP		1.00	0.59		1.47	0.18	3.04	0.00	1.65		
o	IQBAL HEP		3.75	0.39		3.20	0.06	1.52	0.00	3.26		
p	SUMOOR		0.10	0.12		0.14	0.04	3.19	0.00	0.18		
q	HUNDER		0.40	0.46		0.39	0.10	2.24	0.00	0.49		
r	BAZGO		0.30	0.26		0.32	0.08	2.97	0.00	0.40		
s	Stakna		4.00	0.00		0.00	0.00	0.00	0.00	0.00		
t	Sanjak		1.26	0.91		1.29	0.27	2.92	0.00	1.56		
u	BHEP-II		450.00	1518.91		0.00	396.44	2.61	0.00	396.44		
v	BHEP-1 HEP		450.00	1892.69		111.03	168.45	0.89	0.00	279.47		
N	TOTAL PDC & BHEP			4269.94		217.20	613.91		0.00	831.11	1.95	
IPP												
O	Khari IPP			3.75	12.92		0.00	5.68	4.40	0.00	5.68	4.40
Interstate Transmission charges												
P	PGCIL						797.10			797.10		
Q	RE and NRLDC charges											
a	NHPC (Solar 20 MW)			49.64			13.05	2.63		13.05	2.63	
b	NHPC (Solar 280 MW)			0.00			0.00	0.00		0.00		
c	NTPC solar (700 MW)			1576.80			406.81	2.58		406.81	2.58	
d	SECI (Solar 100 MW - Tranche IX)			0.00			0.00	0.00		0.00		
e	SECI (Solar 100 MW - Mfg LS)			0.00			0.00	0.00		0.00		
f	SJVNL (600 MW)			0.00			0.00	0.00		0.00		
g	POSOCO						2.44			2.44		
OTHERS												
R	SUPPLEMENTARY BILLS								332.50	332.50		
S	Others								298.68	298.68		
T	TRANSMISSION JKPTCL						214.44			214.44		
U	JKPCL TRADING MARGIN									32.11		
GRAND TOTAL				16501.60	0.00	1629.57	4408.57	2.67	685.92	6756.17	4.09	

5.43 The above power purchase cost implies that the power purchase cost of JKPCl is Rs. 4.09/kWh (at generator bus bar), Rs. 4.21/kWh (at UT periphery) and Rs. 4.34/kWh (at DISCOM level). Based on JKPCl's average cost of Rs. 4.34/kWh at Discom periphery {Rs 6756.17 crore divided by 15573.95 MU combined (JPDCL, KPDCL and LPDD), energy purchased at distribution periphery} and requirement of Discoms, the total cost of power

purchase for JPDCL and KPDCL for FY 2025-26 is derived as Rs.3239.44 crore and Rs.3375.52 crore, respectively.

Capital Expenditure and Capitalization

JPDCL's Submission

5.44 The Petitioner has projected to incur capital expenditure of Rs. 472.28 crores in the FY 2025-26. This includes Rs. 120.00 crores under RDSS scheme and Rs. 343.00 crores on account of various UT Government schemes during FY 2025-26.

5.45 The details of the Capital expenditure projected to be incurred in FY 2025-26 are as follows:

Table 36 Details of Capital Expenditure projected to be incurred in FY 2025-26 (in Rs. Crores)

Particulars	Revised Estimate
	FY 2025-26
State UT Scheme (A)	343.00
RDSS Scheme (C)	200.00
CSS Scheme (B)	9.28
Grand Total (A+B)	552.28

5.46 The details of the projected capitalization for the FY 2025-26 are as follows:

Table 37 Details of project Capitalization for MYT Control Period (in Rs. Crores)

Particulars	ARR
	FY 2025-26
State UT Scheme (A)	267.28
RDSS Scheme (C)	100.00
CSS Scheme (B)	5.00
Grand Total (A+B)	372.28

KPDCL's Submission

5.47 The Petitioner has projected to incur a capital expenditure of Rs. 519.10 crores in the FY 2025-26. This includes Rs. 250 crores under RDSS scheme and Rs. 240.00 crores on account of various UT Government schemes during FY 2025-26.

5.48 The details of the Capital expenditure projected to be incurred in FY 2025-26 are as follows:

Table 38 Details of Capital Expenditure projected to be incurred in FY 2025-26 (in Rs. Crores)

Particulars	Revised Estimate
	FY 2025-26
State UT Scheme (A)	240.00
RDSS Scheme (C)	250.00
CSS Scheme (B)	29.10
Grand Total (A+B)	519.10

5.49 The details of the projected capitalization for the FY 2025-26 are as follows:

Table 39 Details of project Capitalization for MYT Control Period (in Rs. Crores)

Particulars	ARR
	FY 2025-26
State UT Scheme (A)	121.51
RDSS Scheme (C)	180.00
CSS Scheme (B)	20.00
Grand Total (A+B)	321.51

Commission's Analysis

5.50 The Commission has noted the projected capital expenditure and capitalisation submitted by the Petitioners. The Petitioners were directed to submit the information on progress of work, especially RDSS schemes. The submission made by the Petitioners are given below.

JPDCL submission:

Sr. No.	RDSS Scheme Component	Total Cost of the Project	Total Outlay end of March'24	Total Outlay plan for FY 2024-25	Total Outlay of the Funds in FY 2024-25 till Sep'24	Name of responsible agency	Current Status of the Scheme	Original start date	Closing Year
1	Smart Metering Work	678.81	0	237.58 Cr	-	RECPDCL	Ongoing	06-Oct-23	2026
2	ERP System/Any other Software	50.59	0	20.00 Cr	-	JPDCL	Under Tendering	NA	2026
3	HVDS	100.21							
4	Distribution Lines (LT Bare to LT AB & 11 KV Bifurcation)	928.54							
5	11KV Segregation & Reconductoring	493.44							
6	Augmentation/ Replacement of DTs	392.28							
7	Barbed Wires and Capacitor Banks	149.17							

KPDCL submission:

Sr. No.	RDSS Scheme Component	Total Cost of the Project (In Cr.)	Total Outlay plan for FY 2024-25	Total Outlay of the Funds in FY 2024-25 till Sep'24 (In Cr.)	Current Status of the Scheme	Original start date	Closing Year
1	Smart Metering Works	1041.27			On-Going Project	26.12.2023	FY2026-27
2	IT/ OT Enablement Works	64.44			On-Going Project	23.03.2023	FY2025-26
3	Conversion of LT Network to HT with replacement of Old DTs						
4	LT Bare to LT AB	2214.34	50%	229.7	On-Going Project	21.01.2023	FY2025-26
5	Bifurcation and Segregation						
6	Reconductoring						

5.51 The submission has been noted and it is observed that major projects are planned to be completed during FY 2025-26. Further, the progress of the schemes will be reviewed under APR of FY 2025-26 and during the true-up of FY 2025-26. The Commission directs the Petitioner to complete the schemes as per the given timeline without any time or cost overruns. Further, it has been noticed that all the schemes have been financed by Central Govt or UT Government under various schemes through grants only. Hence, the impact of the capitalisation cannot be considered under depreciation, interest on loan or return on equity calculation, as all are funded through grant only.

Operations & Maintenance Expenses

Petitioner's Submission

JPDCL' Submission

5.52 The Petitioner (JPDCL) has bifurcated O&M expenses into 2 heads namely:

- O&M expenses of the Petitioner consisting of Employee expenses, A&G Expenses and R&M Expenses (Normal O&M Expenses),
- Provision of O&M expenses towards IT initiatives namely per meter per month expenses payable by the Petitioner to the smart meter vendors and recoverable from the consumers (Provision: IT Initiatives, Smart Meter PMPM expenses).

5.53 The Petitioner (JPDCL) has considered the 3-year average CPI inflation to be 5.46% and the 3-year average WPI inflation to be 7.23%.

5.54 The Petitioner (JPDCL) has also considered the revised estimate of O&M expenses of FY 2024-25 as base and used the above average CPI and WPI inflation to arrive at the estimate of normative O&M expenses of FY 2025-26. As regard the 'Growth Factor (G)' under the employee expenses, the Petitioner submits that, currently the Petitioner does not undertake recruitments on its own. All its employees are deputed by JKPDD under the

Transfer Scheme. Therefore, it is difficult to project the Growth Factor (G) at this stage. The Petitioner has covered 'Per Meter Per Month charges' payable to the Smart Meter vendors under the 'Provisions' head of the A&G expenses as expenses towards the smart metering initiative undertaken by the Licensee.

5.55 The Petitioner (JPDCL) also submitted that, the Petitioner (JPDCL) has achieved 'Go-live' with the 100% prepaid smart meters under the PMDP Phase 2 scheme from March-April 2024. Similarly, the installation and 'Go-live' of meters installed under RDSS scheme will pick up pace in FY 2025-26. It is to be noted that, the prepaid smart meters installed under the PMDP Phase 2 and under the RDSS scheme are implemented under the TOTEX mode. The TOTEX mode relates to the CAPEX+OPEX mode.

5.56 The Petitioner (JPDCL) also submitted that a portion of the capital expenditure will be paid towards the CAPEX by the Distribution Licensee/ Government (Rs. 202.90 crores). As the amount will be paid as Grant-in-aid by the Government the same will not be recovered from the consumers through the ARR (depreciation, RoE and Interest on long term loans etc.). Thus, only the balance portion of the capital expenditure along with operational expenditure will be recovered under the TOTEX mode.

5.57 It has also been submitted that the TOTEX mode the remaining part of the CAPEX and the operational expenses (OPEX) will be paid by the Petitioner to the implementing agencies/ vendors in the form of monthly charges over the 9-year period (108 months) which cumulatively amounts to Rs. 169.48 crores for smart meters under PMDP Lot-A and Lot-B. Whereas for smart meters under Lot-C/ RDSS scheme the Petitioner would pay Rs. 680.76 crores cumulatively over ~ 8 years (93 months).

5.58 Petitioner (JPDCL) also submitted that the Prepaid Smart metering of all its consumers is an initiative undertaken by the Petitioner to reduce the overall AT&C losses and to achieve the AT&C loss trajectory as approved under the RDSS scheme and by the Commission.

5.59 Based on the above, the O&M forecasted by JPDCL for FY 2025-26 are as under:

Table 40 O&M Forecasted by JPDCL (in Rs crores) for FY 2025-26

Sr. No.	Particulars	Projected
1	Employee Expenses	555.86
2	A&G Expenses	21.44
2.2	Provision: IT Initiatives, Smart Meter PMPM expenses	38.23
3	R & M Expenses	55.00
4	Total O&M Expenses	670.53

KPDCL' Submission

5.60 The O&M forecasted by KPDCL for FY 2025-26 are as under:

Table 41 O&M Forecasted by KPDCL (in Rs crores) for FY 2025-26

Sr. No.	Particulars	Projected
1	Employee Expenses	648.58
2	A&G Expenses	3.18

2.1	Off-Grid Material & Supply	14.03
2.2	IT Expenses [Smart Meters]	42.52
3	R&M Expenses	5.45
	O&M Expense capitalised	-
4	Total Operation & Maintenance Expenses (net of capitalisation)	713.76

Commission's Analysis

5.61 The Commission observes that Regulation 52 and Regulation 63 of the JERC MYT Regulations, 2023, specify the detailed methodology for determining the O&M expenses for the wheeling business and retail supply business. The method is similar for both businesses. Hence, for reference, Regulation 52 is reproduced below:

"O&M expenses for the n^{th} year of the control period shall be approved based on the formula given below.

$$O\&M_n = (R\&M_n + EMP_n + A\&G_n) + \text{Terminal Liabilities}$$

Where,

(a) Employee Cost

Employee cost shall be computed on employee expenses for previous years escalated by consumer price index (CPI) and suitable Growth Factor adjusted by provisions for expenses beyond the control of the Distribution Licensee such as recovery/adjustment of terminal benefits, implications of Pay Commission, arrears and Interim Relief, governed by the following formula:

$$EMP_n = (EMP_{n-1}) \times (1 + \text{CPI inflation}) + \text{Growth Factor}(G) + \text{Provisions}$$

Where,

EMP_n – Employee expenses of the Distribution Licensee for the nth Year;

EMP_{n-1} – Average Employee expenses for past three years, if n=1; Employee expenses for (n-1)th year, otherwise.

CPI inflation – is the average increase in Consumer Price Index (CPI) for immediately preceding three (3) Years before the base Year;

Growth Factor(G) – Shall be Year-on-Year/CAGR/any escalation factor considered by the licensee for projecting the employee expenses considering future recruitment/retirement plans or requirement of additional manpower;

Provision: Provision for expenses beyond control of the Distribution Licensee and expected one-time expenses as specified above.

(b) Repairs and Maintenance(R&M) Expense

Repairs and Maintenance expense shall be calculated on Actual R&M expenses incurred for previous years escalated by Wholesale Price Index (WPI) as per the following formula:

$$R\&M_n = (R\&M_{n-1}) \times (1 + \text{WPI inflation})$$

where,

R&M_n – Repair and Maintenance expenses of the Distribution Licensee for the nth Year;

R&M_{n-1} – Average Repair and Maintenance expenses for past three years, if n=1; Repair and Maintenance expenses for (n-1)th year, otherwise.

WPI inflation – is the average increase in the Wholesale Price Index (WPI) for immediately preceding three (3) Years before the base Year;

(c) Administrative and General Expense

A&G expense shall be computed on actual A&G expenses of previous years escalated by wholesale price index (WPI) and adjusted by provisions for confirmed initiatives (IT initiatives as proposed by the Distribution Licensee and validated by the Commission) or other expected one-time expenses, and shall be governed by following formula:

$$A&G\ n = (A&G\ n-1) \times (1 + WPI\ inflation) + Provision$$

A&G n – Administrative and General expenses of the Distribution Licensee for the nth Year;

A&G n-1 – Average Administrative and General expenses for past three years, if n=1; Administrative and General expenses for (n-1)th year, otherwise.

WPI inflation – is the average increase in the Wholesale Price Index (WPI) for immediately preceding three (3) Years before the base Year;

Provision: Cost for initiatives or other one-time expenses as proposed by the Distribution Licensee and validated by the Commission

(d) Terminal liabilities

Terminal liabilities of employees of the Licensee including pension expenses etc. shall be approved as per actuals submitted by the Licensee, subject to prudence check or be established through actuarial studies.

Additionally, any variation due to changes recommended by the pay commission shall be allowed separately by the Commission, subject to prudence check.

52.4 For the purpose of estimation, the same value of factors – CPI inflation and WPI inflation shall be used for all Years of the Control Period. However, the Commission shall consider the actual values of the factors – CPI inflation and WPI inflation during the truing up exercise for the Year for which true up is being carried out and true up the O&M Expenses for that Year, only to the extent of inflation.”

5.62 The Commission has approved the normative expenses for FY 2024-25 in the previous order, based on which the expenses for FY 2025-26 are approved following the formula given in the Regulations. The appropriate inflation factors are considered while approving the expenses for FY 2025-26 based on FY 2024-25 approved expenses. The Commission considers 5.28% for CPI and 7.12% for WPI inflation. Further, the Commission decides that X_n , i.e. the efficiency factor for the n^{th} year, should be zero. The terminal benefit is already covered under employee expenses, and hence, no separate approval is required for it.

5.63 The Commission has approved the O&M expenses on normative basis. Hence, no separate item-wise approval is being given. However, the details of actual expenses shall be reviewed by the Commission in true-up exercise. The Petitioners have submitted considerable expenses under smart meter related expenses, for which some information was received without the necessary details of scheme, phase wise bidding details, meter rent discovered etc and the calculation of meter rent. The rent charges under TOTEX scheme cannot be approved through this order without review of the required documents, as the same would-be part O&M expenses, as claimed by the Petitioners. Hence, the rent mentioned by the Petitioners have to be approved by the Commission first and for which the Commission directs the Petitioners to submit required Petition for approval of the rates under different phases of smart metering project. Based on the above discussion, the approved normative O&M expenses for FY 2025-26 are given below:

Table 42: Approved O&M Expenses for FY 2025-26 (Rs. crore)

Sl. No	Particulars	JPDCL		KPDCL	
		FY 2024-25 (approved in last order)	FY 2025-26	FY 2024-25 (approved in last order)	FY 2025-26
1	Employee Expenses	427.47	450.04	513.82	540.95
2	A&G Expenses	56.96	61.02	45.03	48.24
3	R&M Expenses	9.01	9.65	30.50	32.67
4	Total O&M Expenses	493.44	520.71	589.35	621.86

Depreciation

Petitioner's Submission

5.64 Petitioners (JPDCL & KPDCL) are undertaking the capital expenditure in FY 2025-26 by means of funding received from the Government/ UT Administration in the form of grants/ grant-in-aid. Thus, the Petitioner does not intend to finance any capital works through any capital loan and/ or infused equity to create assets in FY 2025-26.

5.65 As specified in regulation 25.4 (c) and additional proviso of regulation 30.1 of the JERC MYT Regulations 2023, depreciation on assets created from grant is not allowed. Relevant excerpts are reproduced here as follows:

Regulation 25.4 (c)

"c) Depreciation to the extent of works performed through consumer contribution, deposit work, capital subsidy, or grant shall not be allowed as specified in Regulation 30

Regulation 30.1

The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission:

Provided that the depreciation shall be allowed after reducing the approved original cost of the retired or replaced or decapitalized assets:

Provided also that no depreciation shall be allowed on the assets financed through consumer contribution, deposit work, capital subsidy or grant."

5.66 In line with the above-said provisions, the Petitioners (JPDCL & KPDCL) have claimed Nil depreciation (Depreciation as per regulatory accounts) on assets during FY 2025-26.

Commission's Analysis

5.67 The Commission observed that no depreciation has been claimed as the assets are proposed to be funded through capital grants only. As per Regulation 25.4 (c) and Provision of Regulation 30.1 of JERC MYT Regulations, 2023, no depreciation has been allowed on assets financed through capital subsidy or grant. As such, the Commission approves Nil depreciation for FY 2025-26.

Interest on long term loans

Petitioner's Submission

5.68 As discussed in the above section on Depreciation, Petitioners (JPDCL & KPDCL) does not intend to finance any capital works through any capital loan and/ or infused equity to create assets in FY 2025-26.

5.69 As specified in regulation 25.4 (e) and regulation 28.7 of the JERC MYT Regulations 2023, interest on loan capital on financial support corresponding to grant. Relevant excerpts are reproduced here as follows:

“Regulation 25.4 (e) ”

“e) provisions related to interest on loan capital, as specified in Regulation 28, shall not be applicable to the extent of financial support provided through consumer contribution, deposit work, capital subsidy or grant.”

Regulation 28.7

“The above interest computation shall exclude the interest on loan amount, normative or otherwise, to the extent of capital cost funded by consumer contribution, deposit work, capital subsidy or grant, carried out by Transmission Licensee or Distribution Licensee.”

5.70 In line with the above said provisions, the Petitioners (JPDCL & KPDCL) have claimed Nil interest on long-term loans on assets during FY 2025-26.

Commission's Analysis

5.71 The Petitioners (JPDCL & KPDCL) submitted that interest on loan capital is not applicable as they have projected the asset addition through capital grants only. Following the provisions of Regulation 25.4 (e) and Regulation 28.7 of JERC MYT Regulations,2023, no interest on loan capital is approved for FY 2025-26.

Return on Equity

Petitioner's Submission

5.72 As specified in regulation 25.4 (d) of the JERC MYT Regulations 2018, return on equity is not applicable on financial support corresponding to grant. Relevant excerpts are reproduced here as follows:

“d) provisions related to return on equity, as specified in Regulation 27, shall not be applicable to the extent of financial support provided through consumer contribution, deposit work, capital subsidy or grant;”

5.73 In line with the above-said provisions, the Petitioners (JPDCL & KPDCL) have claimed Nil return on regulatory equity on assets during FY 2025-26.

Commission's Analysis

5.74 The Commission has reviewed the submission made by the Petitioners (JPDCL & KPDCL) and accepts the submission with regard to Return on Equity. Therefore, the Commission has not considered any return on equity for FY 2025-26 as the capitalization is funded through capital subsidy/grant and hence equity amount is Nil in the present case.

Interest on working capital

Petitioner's Submission

5.75 As specified in provision of regulation 51.1 of the JERC MYT Regulations 2023, interest on working capital is to be allowed as per provisions of chapter 3, i.e. Financial Principles of the aforesaid regulations. Relevant excerpt is reproduced here as follows:

Provision of Regulation 51.1

"Provided that Return on Equity, Interest on Loan Capital, Depreciation, Interest on Working Capital, Interest on deposits from Consumers and distribution system users, and Income Tax for Distribution Wires Business shall be allowed in accordance with the provisions specified in Chapter 3 of these Regulations:"

5.76 Accordingly, as per regulation 31.4 read with regulation 31.5 of the JERC MYT Regulations 2023, interest on working capital loan is allowable on normative basis at interest rate of SBI MCLR rate (1-year) as on 01.04.2023 plus 200 basis points, relevant excerpt is reproduced here as follows:

"31.4 The interest on working capital shall be a payable on normative basis notwithstanding that the Licensee has not taken working capital loan from any outside agency or has exceeded the working capital loan based on the normative figures.

31.5 The rate of interest on working capital shall be equal one (1) Year State Bank of India (SBI) MCLR / any replacement thereof as notified by RBI for the time being in effect applicable for one (1) Year period, as may be applicable as on 1st April of the Financial Year in which the Petition is filed plus 200 basis points."

5.77 It is submitted that; the Petitioners (JPDCL & KPDCL) does not intend to avail any actual loan for funding its working capital needs. However, as per the Regulations it is entitled to interest on working capital loan on normative basis.

5.78 As specified in regulation 31.3 of the JERC MYT Regulations 2023, norms of working capital for distribution wire business and retail supply business are as per chapter 6 and chapter 7 of these regulations. Relevant excerpt is reproduced here as follows:

"The norms for working capital for Distribution Wires Business and Retail Supply Business shall be as specified in Chapter 6 and Chapter 7 of these Regulations"

5.79 Accordingly, as specified in regulation 53.1 of the JERC MYT Regulations 2023, normative working capital for distribution wire business consists of O&M expenses equivalent of 1 month, maintenance spares @ 40% R&M expenses for 1-month, receivable equivalent 2 months of the expected revenue from charges for use of distribution wires at the prevailing tariff less amount if held as security deposit. Further, proviso of the said regulation provides that working capital requirement is to be re-calculated on the basis of values of components of working capital approved in truing up. Relevant excerpt is reproduced here as follows:

"52.1 The Distribution Licensee shall be allowed interest on the estimated level of working capital for the Distribution Wires Business for the Financial Year, computed as follows:

(a) O&M Expenses for one (1) month; plus

(b) Maintenance spares at 40% of repair and maintenance expenses for one (1) month; plus

(c) Receivables equivalent to two (2) months of the expected revenue from charges for use of distribution wires at the prevailing tariff;

Less

(d) Amount, if any, held as security deposits under clause (b) of sub-section (1) of Section 47 of the Act from distribution system users except the security deposits held in the form of Bank Guarantees."

5.80 Regulation 66.1 of the JERC MYT Regulations 2023 specifies that the working capital for the Retail Supply Business shall be determined in accordance with Regulation 58 of the Regulations. Regarding the rate of interest, State Bank of India (SBI) MCLR rate applicable as on 01.04.2024 is 8.65% which is added with 200 basis points to arrive at applicable rate of interest of 10.65%.

5.81 Detailed calculations for normative interest on working capital for JPDCL for FY 2025-26 are tabulated as follows:

Table 43 Normative Interest on Working Capital Requirement by JPDCL for FY 2025-26 (Rs. Crore)

Particulars	ARR (Rs. crores)
Computation of Working Capital	
O&M expenses	55.88
Maintenance Spares	1.83
Receivables	872.79
Working Capital requirement	930.50
Less:	
Amount held as security deposit from Distribution System Users	0.00
Total Working Capital	930.50
Computation of working capital interest	
Interest Rate (%)	10.65%
Interest on Working Capital	99.10

5.82 Detailed calculations for normative interest on working capital for KPDCL for FY 2025-26 are tabulated as follows:

Table 44 Estimated normative interest on working capital by KPDCL for FY 2025-26

Particulars	ARR (in Rs. Crores)
Computation of Working Capital	
O&M expenses	58.11
Maintenance Spares	0.96
Receivables	1077.00
Working Capital requirement	1,136.07
Less:	
Amount held as security deposit from Distribution System Users	0.00
Total Working Capital	1,136.07
Computation of working capital interest	
Interest Rate (%)	10.65%
Interest on Working Capital	120.99

Commission's Analysis

5.83 The Commission has reviewed the provisions given in JERC MYT Regulations, 2023. As per JERC MYT regulations, 2023 the norms for working capital for the Distribution Wires Business and Retail Supply Business should be as per details given in Chapter 6 and Chapter 7 of the said Regulations, respectively.

5.84 In view of the above provisions, the Commission has considered the working capital requirement as per approved values of parameters given in this Order. Considering same components of working capital are specified for the wire business and retail supply business, the Commission decides to approve the working capital requirement for the whole distribution business.

5.85 Further, the interest on working capital has to be considered as per provisions given in Regulation 31.5 of JERC MYT regulations, 2023. The Commission observes that the one-year SBI MCLR as of 1 April 2024 was 8.65%. Hence, interest on working capital is considered as 10.65% (i.e. 8.65% + 200 basis point).

5.86 Further, the Commission, in its earlier tariff orders, directed the Petitioner to submit the details of security deposit. In its compliance, the Petitioners (JPDCL & KPDCL) submitted that they collect Security deposit (SD) above Rs. 1000/- in the form of Fixed Deposit Receipts (FDR) which are a form of guarantee. No interest is paid on the same as it is a security instrument and not actual money received by the Petitioner. For Security deposit amounts lower than Rs. 1000/-, the Petitioners (JPDCL & KPDCL) submitted that they collect it in the form of cash. The Petitioner is in the process of collecting the information regarding SD collected from consumers in the form of cash from its various divisions. The Commission directs the Petitioners (JPDCL & KPDCL) to submit detailed information with regard to SD amounts lower than Rs. 1000/-. Thus, in light of the present submission,

security deposit has not been considered while approving the working capital for FY 2025-26. The details of approved interest on working capital are given below:

Table 45: Approved Interest on Working Capital for FY 2025-26 (in Rs. Crore)

Sl. No	Particulars	JPDCL	KPDCL
Computation of Working Capital			
1	O&M expenses	43.39	51.82
2	Maintenance Spares	2.03	1.09
3	Receivables	596.45	482.09
4	Working Capital requirement	641.88	535.01
Less:			
5	Amount held as security deposit from Distribution System Users		
6	Total Working Capital	641.88	535.01
Computation of working capital interest			
7	Interest Rate (%)	10.65%	10.65%
8	Interest on Working Capital	68.36	56.98

Contribution to contingency reserves

Petitioner's Submission

5.87 It is submitted that the Petitioners (JPDCL & KPDCL) have not planned any contribution towards contingency reserves for FY 2025-26.

Commission's Analysis

5.88 Considering the submission made by the Petitioners (JPDCL & KPDCL), no amount for contribution towards contingency reserves for FY 2025-26 is considered by the Commission.

Provision for bad and doubtful debts

Petitioner's Submission

5.89 In accordance with Regulation 65.1 of the JERC MYT Regulations 2023; the Petitioner (JPDCL & KPDCL) claims 1% of the Annual Revenue Requirement towards provision for bad and doubtful debts. The Petitioner shall claim actual provision made towards bad and doubtful debts at the time of True up for the respective years.

Commission's Analysis

5.90 The Commission has reviewed the provisions given in JERC MYT Regulations, 2023, with respect to bad and doubtful debts.

5.91 It is clear from the above that the provision for bad and doubtful debts shall be limited to 1% of ARR. It also clarified that the same should be based on the past trend of actual bad debts written off, subject to prudence check. As per the provisions given in JERC MYT Regulations, 2023, 1% of approved ARR (of JPDCL and KPDCL) is considered a bad debt write-off. For JPDCL, the approved amount is Rs 38.66 Crore and for KPDCL it is Rs 40.93

Crore. The Commission directs the Petitioners (JPDCL & KPDCL) to submit actual data of bad debts written off based on audited accounts in the next Tariff Petition.

Income Tax

Petitioner's Submission

5.92 The Petitioners (JPDCL & KPDCL) submitted that they are claiming Nil income tax. However, the Petitioner reserves its right to approach the Commission to claim any future payment towards Income tax under Regulation 32 of the JERC MYT Regulations 2023.

Commission's Analysis

5.93 The Commission has not considered any income tax amount for FY 2025-26 as per submission made by JPDCL and KPDCL.

Non-tariff income

Petitioner's Submission

5.94 JPDCL had considered non-tariff income of 1.27 crore, in its Business Plan and MYT Petition. The Petitioner continues with the above said projection of the non-tariff income for FY 2025-26. The Petitioner would submit the actual value of non-tariff income (if any) at the time of True up of ARR of FY 2025-26.

5.95 KPDCL had considered non-tariff income of Rs. 2.15 crore, in its Business Plan and MYT Petition. The Petitioner continues with the above said projection of the non-tariff income for FY 2025-26. The Petitioner would submit the actual value of non-tariff income (if any) at the time of True up of ARR of FY 2025-26.

Commission's Analysis

5.96 The Commission notes that the following incomes can be considered non-tariff incomes as per Regulation 54.2 and Regulation 67.2 of JERC MYT Regulations, 2023.

"67.2 The Non-Tariff Income shall inter-alia include:

- (a) Income from rent of land or buildings;*
- (b) Income from sale of scrap;*
- (c) Income from statutory investments;*
- (d) Interest on advances to suppliers/contractors;*
- (e) Rental from staff quarters;*
- (f) Rental from contractors;*
- (g) Income from hire charges from contractors and others;*
- (h) Income from advertisements, etc.;*
- (i) Meter/metering equipment/service line rentals;*

- (j) Service charges;
- (k) Consumer charges;
- (l) Recovery for theft and pilferage of energy;
- (m) Rebate availed on account of timely payment of bills;
- (n) Miscellaneous receipts;
- (o) Deferred Income from grant, subsidy, etc., as per Annual Accounts;
- (p) Prior period income, etc.:"

5.97 The Petitioners (JPDCL & KPDCL) have projected the non-tariff income for FY 2025-26 based on the Business Plan order. The Commission has reviewed the data and accordingly non-tariff income has been considered by the Commission for FY 2025-26 as proposed by the Petitioners (JPDCL & KPDCL). The Petitioners (JPDCL & KPDCL) should submit the information on non-tariff income based on audited accounts during the true-up exercise.

Aggregate Revenue Requirement (ARR) for FY 2025-26

Petitioner's Submission

5.98 The summary of expenses during FY 2025-26 as submitted by the Petitioners (JPDCL & KPDCL), as per the JERC MYT Regulations, 2023 are tabulated as follows:

Table 46: Projected ARR for FY 2025-26 of JPDCL & KPDCL (in Rs. Crore)

Sr. No.	Particulars	JPDCL	KPDCL
1	Power Purchase Expenses	4484.13	5,924.15
2	Operation & Maintenance Expenses	670.53	713.76
3	Depreciation	0.00	0.00
4	Interest & Finance Charges	0.00	0.00
5	Interest on Working Capital	99.10	120.99
6	Bad Debts written off	53.06	68.27
7	Contribution to contingency reserves	0.00	0.00
8	Total Revenue Expenditure	5306.81	6,827.18
9	Return on Equity Capital	0.00	0.00
10	Income Tax	0.00	0.00
11	Aggregate Revenue Requirement	5306.81	6,827.18
12	Less: Non-Tariff Income	1.27	2.15
13	Less: Income from Other Business	0.00	0.00
14	Aggregate Revenue Requirement of Distribution Business	5305.54	6,825.03

5.99 The Petitioners (JPDCL & KPDCL) requested the Commission to approve the above projections of ARR of FY 2025-26.

Commission's Analysis

7.2. The Commission notes that Regulation 58.1 of JERC MYT Regulations, 2023, specifies the components of ARR for retail supply business. Similarly, Regulation 51.1 of JERC MYT

Regulations, 2023, specifies the components of ARR for the Distribution Wires Business. The relevant part for the retail supply business is given below.

"58.1 The tariff for retail supply of the Distribution Licensee shall provide for the recovery of the Aggregate Revenue Requirement of the Retail Supply Business for the respective Years of the Control Period, as approved by the Commission and comprising the following components:

- a) Cost of own power generation and power purchase expenses from other sources including Jammu Kashmir Power Corporation Ltd (JKPCL);*
- b) Inter-State transmission charges;*
- c) RLDC fees;*
- d) Intra-State transmission charges;*
- e) SLDC fees and charges;*
- f) Balance Aggregate Revenue Requirement for Distribution Wires Business, as determined under Chapter 6 of these Regulations, after deducting income from wheeling charges payable by distribution system users other than the retail Consumers getting electricity supply from the same Distribution Licensee in accordance with prevalent Open Access Regulations, as amended from time to time;*
- g) Provision for bad and doubtful debts;*
- h) Return on Equity capital;*
- i) Operation and Maintenance Expenses;*
- j) Depreciation;*
- k) Interest and finance charges on Loan Capital;*
- l) Interest on Working Capital;*
- m) Interest on consumer security deposits;*
- n) Income Tax;*

Less

- o) Non-Tariff income;*
- p) Income from Other Business, to the extent specified in these Regulations;*
- q) Receipts on account of Cross-Subsidy Surcharge;*
- r) Receipts on account of Additional Surcharge:*

Provided that Depreciation, Interest on Loan Capital, Interest on Working Capital, Interest on consumer security deposits, Contribution to Contingency Reserves, Return on Equity, and Income Tax for Retail Supply Business shall be allowed in accordance with the provisions specified in Chapter 3 of these Regulations:

Provided further that prior period income/expenses shall be allowed by the Commission at the time of truing up based on audited accounts, on a case-to-case basis, subject to prudence check:

Provided also that all penalties and compensation payable by the Licensee to any party for failure to meet any Standards of Performance or for damages, as a consequence of the orders of the Commission, Courts, Consumer Grievance Redressal Forum, and Ombudsman, etc. or penalty imposed by Commission on Licensee for noncompliance with Renewable Purchase Obligations in accordance, as amended from time to time shall not be allowed to be recovered through the Aggregate Revenue Requirement:

Provided also that the Distribution Licensee shall maintain separate details of such penalties and compensation paid or payable by the Licensee, if any, and shall submit them to the Commission along with its Petition."

5.100 Based on the above provisions and components of ARR already approved in this chapter, the approved ARR for JPDCL and KPDCL for FY 2025-26 are given below.

Table 47: Approved ARR for FY 2025-26 of JPDCL and KPDCL (in Rs. Crore)

Sr. No.	Particulars	JPDCL	KPDCL
1	Power Purchase Expenses	3239.44	3375.52
2	Operation & Maintenance Expenses	520.71	621.86
3	Depreciation		
4	Interest & Finance Charges		
5	Interest on Working Capital	68.36	56.98
6	Bad Debts written off	38.66	40.93
7	Contribution to contingency reserves		
9	Return on Equity Capital		
10	Income Tax		
11	Aggregate Revenue Requirement	3867.16	4095.28
12	Less: Non-Tariff Income	1.27	2.15
13	Less: Income from Other Business		
14	Aggregate Revenue Requirement	3865.89	4093.13

Estimate of Revenue at Existing Tariff for FY 2025-26

Petitioner's Submission

5.101 Based on the forecast of consumer category-wise No. of consumers, connected load and sales the Petitioners (JPDCL & KPDCL) have worked out an estimate of revenue at the existing tariff for FY 2025-26. The revenue estimate at existing tariff (i.e. tariff notified and effective vide Order No. JERC/13 of 2023 dated 24 November 2023 from 1st December 2023) at 100% collection efficiency is as follows:

Table 48 Forecast by JPDCL & KPDCL of Estimated revenue at existing tariff at 100% collection efficiency (Rs. in crores) for FY 2025-26

Consumer category	JPDCL	KPDCL
Domestic	909.56	1843.78
Non-Domestic/Commercial	375.48	291.26
State/Central Govt. department	534.94	392.31
Agriculture	116.91	25.45
Public Street Lighting	41.28	16.09
LT Public Water Works	361.88	35.16
HT Public Water Works	169.65	71.87
LT Industrial Supply	56.26	55.98
HT Industrial Supply	421.59	187.99
HT PIU	49.12	1.14
Bulk Supply	138.74	54.84

Electric Vehicle (EV) Charging Station	1.19	6.90
Traction	45.38	5.00
Total	3221.98	2987.77

5.102 However, it is important to note that 100% collection efficiency is an ideal condition. In reality, the collection efficiency is lower than 100%. The Petitioners (JPDCL & KPDCL) have projected that they will be able to achieve collection efficiency of 93% in FY 2025-26. Accordingly, the Petitioners (JPDCL & KPDCL) have projected realistic revenue at 93% collection efficiency for FY 2025-26. The same is as follows:

Table 49 Forecast by JPDCL & KPDCL of Estimated revenue at existing tariff at 93% collection efficiency (Rs. in crores) for FY 2025-26

Consumer category	JPDCL	KPDCL
Domestic	818.60	1659.40
Non-Domestic/Commercial	337.93	262.14
State/Central Govt department	481.45	353.08
Agriculture	105.22	22.91
Public Street Lighting	37.15	14.48
LT Public Water Works	325.69	31.64
HT Public Water Works	152.69	64.69
LT Industrial Supply	50.63	50.39
HT Industrial Supply	379.43	169.19
HT PIU	44.20	1.03
Bulk Supply	124.87	49.36
Electric Vehicle (EV) Charging Station	1.07	6.21
Traction	40.85	4.50
Total	2899.79	2688.99

Commission's Analysis

5.103 The Commission has noted that existing tariff rates are as per the Retail Supply Tariff Order for FY 2024-25 (JPDCL and KPDCL) issued by the Commission vide Tariff Order No.05/2025 dated 24 March 2025. The Commission has approved the revenue (with existing tariff) for FY 2025-26 from the sale of power based on the number of consumers, connected load and energy sales as approved in this Order and the prevailing tariffs. The Collection efficiency is a controllable parameter and hence the petitioner shall make efforts to increase the same. The inefficiencies on the part of the Petitioners (JPDCL & KPDCL) cannot be passed on to the consumers.

5.104 The revenue from the sale of power (for FY 2025-26) with existing tariff as approved by the Commission is summarized in the following table:

Table 50: Approved revenue at existing tariff for FY 2025-26 of JPDCL and KPDCL (Rs. in Crore)

Particulars	JPDCL	KPDCL
Total Revenue	3578.70	2892.59

Estimate of Revenue Gap/ (Surplus) for FY 2025-26

Petitioner's Submission

5.105 Based on the estimate of ARR for FY 2025-26 and the estimate of revenue at the existing tariff, the estimate of revenue gap/ (surplus) is as follows:

Table 51 : Estimate of Revenue Gap/ (Surplus) (in Rs. crores) for FY 2025-26 by JPDCL & KPDCL

Particulars	JPDCL	KPDCL
Revised Projected ARR	5305.54	6825.03
Estimated Revenue at Existing Tariff @ realistic collection efficiency	2899.79	2688.99
Revenue Gap/ (Surplus)	2405.75	4136.03

Commission's Analysis

5.106 The Commission has already approved the ARR and revenue with the existing tariff for FY 2025-26. Based on the same, the approved gap is given below.

Table 52: Approved Revenue Gap/ (Surplus) for JPDCL and KPDCL (FY 2025-26) (in Rs. Crore)

Particulars	JPDCL	KPDCL
Approved ARR	3865.89	4093.13
Revenue at Existing Tariff	3578.70	2892.59
Revenue Gap/ (Surplus)	287.20	1200.54



Chapter 6: Tariff Proposal for FY 2025-26

Regulatory framework

6.1. Regulation 70 of the JERC MYT Regulations 2023 provides the regulatory framework for the determination of retail supply tariffs. The relevant extracts are reproduced below:

"70. Determination of Tariff

70.1 The Commission may categorize Consumers on the basis of their load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required and any other factor as considered appropriate by the Commission.

70.2 The Commission shall endeavor to determine cost of supply for each category/ sub-category of Consumers.

70.3 The Commission shall endeavor to reduce gradually the cross-subsidy between Consumer categories with respect to the cost of supply in accordance with the provisions of the Act.

70.4 The tariff proposal by Licensee and the tariff determination by the Commission shall be based on the following principles:

a) The tariff for all categories shall preferably be two parts, consisting of fixed and variable charges.

b) The fixed charges in tariff shall progressively reflect actual fixed cost incurred by Distribution Licensee;

c) The overall retail supply tariff for different Consumer categories shall progressively reflect the cost of supply for respective categories of Consumers;

d) The tariff for residential Consumers shall be set considering the affordability of tariff for various class of Consumers;

e) The tariff shall be set in such a manner that it may not present a tariff shock to any category of Consumers."

6.2. The Commission vide its Order No. JERC/6 of 2022 dated 13th October 2022 approved full cost tariff and subsidized tariff for FY 2022-23 effective immediately from the date of the Order. This tariff was effective from 13th October 2022 till 30th November 2023.

6.3. The Commission vide its Order No. JERC/ 13 of 2023 dated 24 November 2023 approved subsidized tariff for FY 2023-24 effective from 1st December 2023 onwards.

6.4. The Petitioners (JPDCL & KPDCL) filed the petition for ARR and Tariff for FY 2024-25 which was admitted by the Commission. The Commission vide its order dated 24th March 2025

approved subsidized tariff as is it was approved in the previous Order No. JERC/ 13 of 2023 dated 24 November 2023.

6.5. In this instance of the Petition Petitioners (JPDCL & KPDCL) have worked out full cost tariff for FY 2025-26 and proposed subsidized tariff in line with the direction received from the Government.

Proposal for Full Cost and Subsidized Retail Supply Tariff for FY 2025-26

Petitioner's submission

6.6. The Petitioners (JPDCL & KPDCL) does not propose any change in the No. of Tariff categories, slabs, rebate/ surcharge, applicability, and character of services as against the same notified by the Commission in its Order No. JERC/ 13 of 2023 dated 30 November 2023.

6.7. The Petitioners (JPDCL & KPDCL) has considered the ARR for the Distribution Wires Business and Retail Supply Business to determine the Retail Supply Tariff in accordance with Regulation 7.1 of the JERC MYT Regulations 2023.

Philosophy behind the Full Cost Tariff calculations for FY 2025-26:

6.8. The Commission directed the Petitioners (JPDCL & KPDCL) as follows:

"The Commission feels that the fixed charges and energy charges recovered from consumers should reflect the fixed and energy charges payable by DISCOMs to the generators. The Commission expects the DISCOMs to carry out above exercise and propose the category of fixed charge and energy charge to be recovered from consumer accordingly."

6.9. Further, the Regulation 70.4 of the JERC MYT Regulations 2023 specifies the principles on which the tariff proposal of the Petitioner and the tariff determination by the Commission shall be based upon.

"70.4 The tariff proposal by Licensee and the tariff determination by the Commission shall be based on the following principles:

a) The tariff for all categories shall preferably be two parts, consisting of fixed and variable charges.

- b) The fixed charges in tariff shall progressively reflect actual fixed cost incurred by Distribution Licensee;*
- c) The overall retail supply tariff for different Consumer categories shall progressively reflect the cost of supply for respective categories of Consumers;*
- d) The tariff for residential Consumers shall be set considering the affordability of tariff for various class of Consumers;*
- e) The tariff shall be set in such a manner that it may not present a tariff shock to any category of Consumers."*

6.10. In line with the above principles the Petitioners (JPDCL & KPDCL) have proposed a Full Cost Tariff wherein the tariff for the metered consumers is in two parts viz. demand charges and energy charges.

6.11. For the metered consumer categories, the Petitioner has worked out a full-cost tariff. The rationale behind the full cost tariff is that the overall average billing rate (ABR) at 100% collection efficiency shall be equal to the Average Cost of supply (ACoS). The tariff charged to any consumer category is normally a two-part tariff (except for the unmetered categories). Thus, for any consumer category if its ABR (which is a function of the two-part tariff and billing determinants (e.g. sanctioned load, No. of consumers, energy sales)) equals the ACoS the tariff is full cost reflective.

6.12. As for the unmetered consumer categories viz. Domestic – unmetered, Non-Domestic/ Commercial – unmetered and Agriculture - unmetered, since the actual energy sales are not recorded it is not possible to calculate the ABR. Therefore, considering this limitation the Petitioner has proposed the Full Cost Tariff same as that approved by the Commission vide its Order No. JERC/ 13 of 2023 dated 30 November 2023.

6.13. Further, the tariff notified by the Commission is for the entire UT of J&K comprising consumers supplied by the Licensees JPDCL and KPDCL. The consumer mix and the billing determinants of the two licensees i.e. the mix of consumer category-wise sanctioned load, No. of consumers and the energy sales is diverse for the two licensees. Therefore, the Full Cost Tariff shall be capable of recovering the total ARR of JPDCL and KPDCL combined together i.e. the consolidated Average Billing Rate (ABR) of the two utilities shall be equal to the consolidated Average Cost of Supply (ACoS) for JPDCL and KPDCL.

6.14. The ACoS so determined is divided into two parts (i) fixed part of the ACoS that covers the capacity charges and other charges of the power purchase cost as well as other ARR components such as O&M expenses, interest on working capital etc. and (ii) variable part of the ACoS that covers the energy charges (which are variable in nature) of the power purchase cost.

6.15. The above exercise is undertaken to compare:

- the fixed part of the ACoS with the ABR derived from demand charges which are of fixed in nature and
- variable part of the ACoS with the ABR derived from energy charges which are of variable in nature.

6.16. The aim of the above exercise is to gradually increase the demand charges so that, the fixed charges in tariff shall progressively reflect the actual fixed cost incurred by the Petitioner.

6.17. The following table provides the consolidated ACoS of JPDCL and KPDCL for FY 2025-26.

Table 53: Average Cost of Supply for UT of J&K in FY 2025-26, proposed by Discoms

Average Cost of Supply	FY 2025-26				
	JPDCL	KPDCL	JPDCL+KPDCL	ACoS (Rs./ kWh)	%
Total units billed/ sales (in MU)	6535.12	6726.95	13262.07		
Fixed component of ARR (Rs. Cr.)	2544.04	3176.71	5720.76	4.31	47.16%
Variable component of ARR (Rs. Cr.)	2761.49	3648.31	6409.81	4.83	52.84%
Total ARR (Rs. Cr.)	5305.54	6825.03	12130.57	9.15	100.00%

6.18. Thus, the Full Cost Tariff shall achieve overall ABR equal to ACoS of Rs. 9.08/ kWh. It may be noted that at consolidated level, the ACoS comprises of Rs. 4.19/ kWh of fixed component (representing the fixed portion of the ARR consisting of capacity charges and other charges paid to the generators, O&M expenses, Interest on working capital etc.) and Rs. 4.89/ kWh of variable component (consisting of the energy charges which is the only variable charge the utilities bear towards power procurement). Thus, in the ideal scenario, the utilities should recover 46.19% of the consolidated ARR from fixed charges/ demand charges and 53.81% of the consolidated ARR from energy charges.

6.19. The table below shows the ABR derived from the existing subsidized tariff applicable for JPDCL and KPDCL for FY 2024-25 on a consolidated basis:

Table 54 Proportion of recovery of fixed and variable part of ABR based on existing subsidized tariff

Consumer Category	ABR as per Existing Tariff for FY 2024-25				
	ABR (FC+DC) (Rs./ kWh)	ABR (VC) (Rs./ kWh)	Total ABR (Rs./ kWh)	ABR (FC+DC) as % of total ABR	ABR (VC) as % of total ABR
Domestic - Metered	0.0007	3.5577	3.56	0.02%	99.98%
Non-Domestic/Commercial - Metered	0.0113	5.2869	5.30	0.21%	99.79%
State/Central Govt department	0.0101	7.9000	7.91	0.13%	99.87%
Agriculture	0.0027	8.4213	8.42	0.03%	99.97%
Public Street Lighting	0.0017	7.6998	7.70	0.02%	99.98%
LT Public Water Works	0.0013	8.6000	8.60	0.01%	99.99%
HT Public Water Works	0.0122	8.1222	8.13	0.15%	99.85%
LT Industrial Supply	0.0160	4.2000	4.22	0.38%	99.62%
HT Industrial Supply	0.0168	4.0571	4.07	0.41%	99.59%
HT PIU	0.0185	4.9531	4.97	0.37%	99.63%
Bulk Supply	0.0351	5.5738	5.61	0.63%	99.37%
Electric Vehicle (EV) Charging Station	0.0000	6.9002	6.90	0.00%	100.00%
Traction	0.0174	5.4000	5.42	0.32%	99.68%

6.20. In the above table ABR (FC+DC) represents the Average Billing Rate derived based on revenue from Fixed Cost and Demand charges while ABR (VC) represents the Average Billing Rate derived based on revenue from Energy Charge. From the above table it may be observed that the existing subsidized tariff recovers less than 1% of total ABR for each of the consumer category through the Fixed charges/ demand charges while more than 99% recovery of ABR happens through the energy charges. Thus, in the existing tariff there is an imbalance in the fixed charges/ demand charges and energy charges which needs to be corrected gradually over the future years.

Subsidized Retail Supply Tariff for FY 2025-26

6.21. Regulation 20 of the JERC MYT Regulations 2023 provides the regulatory framework for consideration of the subsidy mechanism. The relevant extracts are reproduced below:

“20. Subsidy Mechanism

20.1 If the Government requires to grant any subsidy to any Consumer or class of Consumers in the tariff determined by the Commission, the Government shall, notwithstanding any direction which may be given under Section 108 of the Act, pay in advance the amount to compensate the Distribution Licensee/person affected by the grant of subsidy, as a condition

for the Licensee or any other person concerned to implement the subsidy provided for by the Government, in the manner specified in these Regulations:

Provided that no such direction of the Government shall be operative if the payment is not made in accordance with the provisions contained in these Regulations, and the tariff fixed by the Commission shall be applicable from the date of issue of orders by the Commission in this regard. In Case the UT Government decide to extend financial support /subsidy in the form of grant in aid support to the power utilities till it achieves turnaround in T&D sector as envisaged in the 'Financial Feasibility Plan for the distribution utilities of UT of J&K and UT of Ladakh' prepared by the Committee constituted by JKPDD, Government of J&K vide order No 164-PDD of 2019 dated 20th September 2019. The Commission shall factor in such grant in support in tariff computation and construed it as tariff related revenue subsidy provided under Section 65 of the Electricity Act 2003. It is desirable that the UT Government shall provide the subsidy to the intended class of consumer as envisaged in Section 65 of the Electricity Act."

6.22. The Petitioner received letter No. PDD-ACC/82/2025-12-PDD (E-7651680) dated 4th July 2025 from the Director Finance, PDD, Government of Jammu and Kashmir. Accordingly, as per the directions the Petitioner is hereby proposing subsidized retail supply tariff for FY 2025-26.

6.23. As per the directions from the Director Finance, PDD, Government of Jammu and Kashmir, the Petitioner proposes to continue and retain the prevailing subsidized tariff for all the consumer categories except for HT-PIU category.

6.24. For the HT-PIU category, the Petitioner proposes to charge full cost tariff. This is so because HT-PIU consumer's substantial power requirement often necessitates JKPCCL to procure power at higher rates.

6.25. Since the J&K UT Government has conveyed no subsidy support to HT-PIU category consumers, the Petitioner hereby proposes to impose full cost tariff on HT-PIU category consumers.

6.26. As detailed in the above sub-section, the Petitioner has strived to follow the principles as laid by the Commission in JERC MYT Regulations 2023. Accordingly, the Petitioner has worked out Full Cost Tariff schedule for FY 2025-26. and In line with the directions received from the Government of J&K the Petitioner has proposed Subsidized Tariff schedule for FY 2025-26.

6.27. The table below provides proposed Full Cost and Subsidized Tariff Schedule for FY 2025-26, and also compares the existing subsidized tariff with the proposed subsidized tariff:

Table 55: Proposed Full Cost and Subsidized tariff for FY 2025-26

Particulars	Unit	Proposed Full Cost Tariff	Existing Subsidized Tariff	Proposed Subsidized Tariff	% Increase
Domestic					
Below Poverty Line (Consumption up to 30 units/ month)					
Energy Charges	Rs./ kWh	3.00	1.40	1.40	0%
Fixed Charges	Rs./ kW or part thereof/ month	30.00	5.00	5.00	0%
Metered					
Up to 200 units per month	Rs./ kWh	7.00	2.30	2.30	0%
201-400 units per month	Rs./ kWh	7.25	4.00	4.00	0%
>400 units per month	Rs./ kWh	9.00	4.35	4.35	0%
Fixed Charges	Rs./kW or part thereof/ month	40.00	8.00	8.00	0%
Un Metered					
up to 1/4 kW	Rs./ month	380.00	227.00	227.00	0%
Above 1/4 kW up to 1/2 kW	Rs./ month	800.00	520.00	520.00	0%
Above 1/2 kW up to 3/4 kW	Rs./ month	1100.00	780.00	780.00	0%
Above 3/4 kW up to 1 kW	Rs./ month	1370.00	1040.00	1040.00	0%
Above 1 kW up to 2 kW	Rs./ month	Rs 1370+260 for every additional 1/4 kW or part thereof up to 2 kW	Rs 1040+260 for every additional 1/4 kW or part thereof up to 2 kW	Rs 1040+260 for every additional 1/4 kW or part thereof up to 2 kW	0%
Above 2 kW	Rs./ month	Rs 2840+650 for every additional 1/4 kW or part thereof up to 2 kW	Rs 2080+650 for every additional 1/4 kW or part thereof up to 2 kW	Rs 2080+650 for every additional 1/4 kW or part thereof up to 2 kW	0%
Non-Domestic/ Commercial					
Metered Connection					
Single Phase					
Up to 200 units/month	Rs./ kWh	8.90	3.55	3.55	0%
201-500 units/month	Rs./ kWh	9.00	5.40	5.40	0%
>500 units per month	Rs./ kWh	9.10	5.85	5.85	0%
Three phase - For all units	Rs./ kVAh	9.25	5.85	5.85	0%
Fixed Charges					

Particulars	Unit	Proposed Full Cost Tariff	Existing Subsidized Tariff	Proposed Subsidized Tariff	% Increase
Single Phase	Rs./kW/month	150.00	60.00	60.00	0%
Three phases	Rs./ kVA/month	300.00	130.00	130.00	0%
Un Metered					
Up to 1/4 kW	Rs./ month	800.00	650.00	650.00	0%
>1/4-1/2 kW	Rs./ month	1600.00	1300.00	1300.00	0%
>1/2 - 3/4 kW	Rs./ month	2400.00	1950.00	1950.00	0%
>3/4 - 1 kW	Rs./ month	3200.00	2600.00	2600.00	0%
Above 1 kW and part thereof for every kW above 1 kW	Rs./ month	3200 + 650 for every additional 1/4 kW or part thereof above 1kW	2600 + 650 for every additional 1/4 kW or part thereof above 1kW	2600 + 650 for every additional 1/4 kW or part thereof above 1kW	0%
State/ Central Govt department					
Energy Charges (Rs/kWh)					
LT	Rs./ kVAh	9.50	7.90	7.90	0%
11 kV supply*	Rs./ kVAh	9.50	7.90	7.90	0%
33 kV supply and above**	Rs./ kVAh	9.40	7.90	7.90	0%
Fixed Charges					
For metered consumers	Rs./ kVA/month	100.00	40.00	40.00	0%
*2.5% rebate on energy charges.					
**5.0% rebate on energy charges.					
Agriculture					
Metered					
Energy Charges					
0-10 HP	Rs./ kWh	6.00	0.90	0.90	0%
11-20 HP	Rs./ kWh	8.00	1.15	1.15	0%
Above 20 HP	Rs./ kWh	9.00	6.00	6.00	0%
Fixed Charges for connected load					
0-10 HP	Rs./ HP/month	45.00	20.00	20.00	0%
11-20 HP	Rs./ HP/month	60.00	25.00	25.00	0%
Above 20 HP	Rs./ HP/month	100.00	45.00	45.00	0%
Un Metered					
0-10 HP	Rs./ HP/month	425.00	325.00	325.00	0%
11-20 HP	Rs./ HP/	457.00	357.00	357.00	0%

Particulars	Unit	Proposed Full Cost Tariff	Existing Subsidized Tariff	Proposed Subsidized Tariff	% Increase
	month				
Above 20 HP	Rs./ HP/month	3000.00	1950.00	1950.00	0%
Public Street Lighting					
Metered connection					
Energy Charge	Rs./ kWh	10.00	8.60	8.60	0%
Fixed Charge	Rs./kW	200.00	60.00	60.00	0%
Unmetered connection	Rs./ kW/month or part thereof	4550.00	4550.00	4550.00	0%
LT Public water works					
Energy Charge	Rs./ kWh	10.00	8.60	8.60	0%
Fixed Charge	Rs./kW/month	200.00	60.00	60.00	0%
HT Public water works					
11 KV supply					
Energy Charge	Rs./ kVAh	10.00	8.15	8.15	0%
Demand Charge	Rs./ kVA/month	300.00	250.00	250.00	0%
33 KV supply and above					
Energy Charge	Rs./ kVAh	9.50	8.05	8.05	0%
Demand Charge	Rs./kVA/month	300.00	250.00	250.00	0%
LT Industrial supply					
LTIS- I (For all metered consumers except those covered under LTIS-II)					
For consumers with connected load < 50 kW					
Energy Charge	Rs./ kVAh	9.50	4.20	4.20	0%
Fixed Charge	Rs./ kVA/month	300.00	60.00	60.00	0%
For consumers with connected load > 50 kW					
Energy Charge	Rs./ kVAh	9.25	4.20	4.20	0%
Fixed Charge	Rs./ kVA/month	300.00	60.00	60.00	0%
LTIS II (For all metered consumers and having load above 15 HP)					
Energy Charge	Rs./ kVAh	9.25	4.20	4.20	0%
Fixed Charge	Rs./ kVA/month	200.00	30.00	30.00	0%
HT Industrial supply					
11 KV supply					
Energy Charge	Rs./ kVAh	9.25	4.10	4.10	0%
Demand Charge	Rs./ kVA/	400.00	175.00	175.00	0%

Particulars	Unit	Proposed Full Cost Tariff	Existing Subsidized Tariff	Proposed Subsidized Tariff	% Increase
	month				
33 KV and above supply for Industry					
Energy Charge	Rs./ kVAh	9.00	4.00	4.00	0%
Demand Charge	Rs./ kVA/ month	600.00	175.00	175.00	0%
HT PIU					
11 KV supply					
Energy Charge	Rs./ kVAh	9.00	5.00	9.00	80.00%
Demand Charge	Rs./ kVA/ month	300.00	225.00	300.00	33.33%
33 KV supply and above. (ToD tariff)					
Energy Charge	Rs./ kVAh	8.75	4.95	8.75	76.77%
Demand Charge	Rs./ kVA/ month	300.00	225.00	300.00	33.33%
Bulk supply					
11 KV supply					
Energy Charge	Rs./ kVAh	9.00	5.60	5.60	0%
Demand Charge	Rs./ kVA/ month	300.00	225.00	225.00	0%
33 KV supply and above					
Energy Charge	Rs./ kVAh	8.75	5.55	5.55	0%
Demand Charge	Rs./ kVA/ month	300.00	225.00	225.00	0%
Electric Vehicle Charging Station					
LT Supply					
Energy Charge	Rs./ kVAh	9.10	7.00	7.00	0%
Demand Charge	Rs./ kVA/ month	0.00	0.00	0.00	0%
11 KV supply					
Energy Charge	Rs./ kVAh	9.05	6.90	6.90	0%
Demand Charge	Rs./ kVA/ month	0.00	0.00	0.00	0%
33 KV Supply					
Energy Charge	Rs./ kVAh	8.95	6.80	6.80	0%
Demand Charge	Rs./ kVA/ month	0.00	0.00	0.00	0%
Traction					
11 KV/ 33 KV and above supply					
Energy Charge	Rs./ kVAh	5.40	5.40	5.40	0%
Demand Charge	Rs./ kVA/ month	300.00	300.00	300.00	0%

Consumer Categories	Peak Hours	Solar Hours	Off-Peak Hours
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Consumer Categories	Peak Hours	Solar Hours	Off-Peak Hours
Time Period	0600-0900 Hrs. and 1700- 2200 Hrs. (total 7 hours)	0900 Hrs. – 1700 Hrs.(total 8 hours)	2300-0500 Hrs. (total 6 hours)
HT-Industrial Supply (33 kV and above), HT PIU (33 kV and above), Bulk Supply (33 kV and above), EV Charging Station (33 kV and above) and Traction (33 kV and above)	Surcharge: 20%	Rebate: 0%	Rebate: 10%
Domestic, Non-Domestic, State/Central Govt. Department, Public Street Lighting, LT Public Water Works, HT Public Water Works HT-Industrial Supply (11 kV supply), HT PIU (11 kV supply), Bulk Supply (11 kV supply), EV Charging Station (11 kV supply) and Traction (11 kV supply)	Surcharge: 20%	Rebate: 0%	Rebate: 0%
Agriculture	Surcharge: 0% Rebate: 0%	Surcharge: 0% Rebate: 0%	Surcharge: 0% Rebate: 0%

6.28. The above Full Cost Tariff achieves consolidated ABR equal to the ACoS (achieving the full cost tariff) and also maintains the cross subsidies within \pm 20% of the ACoS as per the Tariff Policy. The following table provides the details of consumer category-wise ABR derived based on the Full Cost Tariff and level of cross subsidization across the consumer categories:

Table 56 Consolidated ABR based on Proposed Full Cost Tariff for FY 2025-26 and level of cross subsidy

Categories	Consolidated ABR (JPDCL+KPDCL) based on Full Cost Tariff (Rs./ kWh)	ABR as % of ACoS (Level of cross subsidy)
Domestic – Metered	7.86	85.95%
Non Domestic/Commercial - Metered	9.39	102.70%
State/Central Govt department	9.72	106.26%
Agriculture – Metered	8.75	95.63%
Public Street Lighting	9.01	98.51%
LT Public Water Works	10.04	109.78%
HT Public Water Works	12.28	134.23%
LT Industrial Supply	10.01	109.47%
HT Industrial Supply	9.95	108.82%
HT PIU	17.12	187.18%
Bulk Supply	11.37	124.30%
Electric Vehicle (EV) Charging Station	9.05	98.94%
Traction	13.23	144.68%
Total	9.15	100.00%

Commission's Analysis

- 6.29. The Commission notes that the Petitioners (JPDCL & KPDCL) had not proposed any change in the number of tariff categories, slabs, rebate/ surcharge, applicability, and character of services as against the same notified by the Commission in it except HT PIU. Further, the Petitioners (JPDCL & KPDCL) submitted the Full Cost tariff, without factoring the Govt subsidy.
- 6.30. During TVS, the Commission enquired about the grant-in support available from the Government. The Petitioners (JPDCL & KPDCL) were advised to approach the Government and submit the details about grant-in-aid support/subsidy available from the Government.
- 6.31. After continuous follow-up, the Commission received a letter from JPDCL & KPDCL (PDD-ACC/82/2025-12-PDD (E-7651680) dated 04-07-2025) stating the Government will provide the subsidy to maintain the existing tariff. The declaration was based on the letter No. PDD-ACC/82/2025-12-PDD (E-7651680) dated 04-07-2025 from the Director of Finance, JKPDD. The main content of the letter issued by the Director of Finance JKPDD is given below:

"No: PDD-ACC/82/2025-12-PDD (E-7651680)

Dated: 04.07.2025

Subject: - Draft tariff petition for 2025-26.

Sir,

Kindly refer the subject cited above. In this context, I am directed to convey the approval of the department to the filing of tariff petition for 2025-26 before the JERC subject to the condition that the high-power consuming HT Power Intensive Units should not be given subsidy on power tariff as their substantial power requirement often necessitates procurement of power at higher rates. However, other category of consumers shall continue to get the power on the already notified subsidized rates without any enhancement in the tariff during the current financial year i.e. 2025-26."

- 6.32. It is amply clear from the above letter now that the Government decided to bridge the revenue gap between the ARR for FY 2025-26 and revenue received from consumers with the levy of existing tariff (as applicable for FY 2024-25) by providing the grant-in-aid to the petitioner and intend to maintain the existing Tariff (applicable for FY 2024-25) without any change except that of Power Intensive Industries.
- 6.33. The Commission has noted the content of the letter and the Government decision with regard to the provision of the grant-in-support/subsidy so as to maintain the existing tariff as it is except for that of power-intensive industries. The Commission accepts the proposal and finalises the tariff for FY 2025-26, accordingly.
- 6.34. The Commission is responsible for timely determination of tariff as per mandate vested under the Electricity Act 2003 and subsequent policy and regulations framed under the provisions of the Act. The Commission therefore feel appropriate to notify the tariff order

for FY 2025-26 based on the clarification submitted by the J&K government vide aforementioned letter.

6.35. The Commission decides to continue with the existing tariff approved by the Commission as per the FY 2024-25 Tariff order for JPDCL & KPDCL (Order No 05 of 2025 dated 24.03.2025), except Power Intensive Industries. For Power Intensive Industries, the energy rate proposed by the Petitioner is accepted (without any change in fixed charge) and the same is considered under applicable tariff of Power Intensive Industries.

6.36. After applying the prudent check, scrutiny of the ARR components & considering the normative distribution loss reduction trajectory, the Commission has approved the ARR for FY 2025-26 for JPDCL and KPDCL.

6.37. The Commission observed that if the unmet revenue gap is to be met by increasing the tariff in Jammu license area and Kashmir license area uniformly, then there will be around 23% hike in present tariff of FY 2024-25, which will be a tariff shock for all categories of the consumers in the UT of J&K.

6.38. The Commission has noted that as per the Section 65 of the Act, if the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission then the state Government requires to pay the same in advance. The Commission has noted that as per the "Jammu and Kashmir Power Development Department (Re-organisation) First Transfer Scheme 2020", the Transferees shall be eligible for and shall continue to receive support from the Government in the form of revenue support, equity support, capital subsidies, loans, interest subsidies and such other monetary and financial assistance, whether under a Central or State scheme or otherwise, as may be necessary for the due and effective performance of their functions until the time Transferees achieve commercial viability on their own. The petitioners, JPDCL and KPDCL are one of the transferees in the above scheme intrusted with overseeing the distribution business in UT of J&K.

6.39. The Commission notes that restructuring and unbundling of Jammu and Kashmir Power Development Department into various power utilities to look after the Generation transmission and Distribution business in UT of J&K and UT of Ladakh is primarily aims towards initiating reform in the power sector to enable self-reliant and cost-efficient operation of these corporations in generation, transmission and distribution business in the future. It is therefore imperative that the financial support / Grant –in - aid made available to such utilities during the initial stage needs to be gradually phased out over the period and the revenue requirement to run the business of these utilities shall be met through the tariff charged to the consumers.

6.40. Section 61 of the Electricity Act, 2003 provides guiding principles for tariff determination. The Commission is guided by the following while finalising the retail tariff:

- safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner;
- principles rewarding efficiency in performance.
- In terms of Section 61(g) of the Act, the tariff should progressively reflect the efficient and prudent cost of supply of electricity.

6.41. In view of above, the Commission decided to factor-in the budgetary provision made by the UT Government of J&K as an assured grant-in-aid support to the Petitioners (JPDCL & KPDCL) and construed it as tariff related revenue subsidy provided under Section 65 of the Act and approve the ARR and Revenue for FY 2025-26 to meet the un-met revenue gap

considering uniform retail supply tariff across Jammu & Kashmir as shown in following table:

Table 57: Approved ARR and Revenue for FY 2025-26 (in Rs Crore)

Particulars	Amount
JPDCL and KPDCL ARR (Net) for FY 2025-26 after prudent check by Commission	7959.03
Revenue with Existing Tariff of FY 2024-25 for JPDCL & KPDCL for FY 2025-26	6471.29
Revenue Gap for FY 2025-26 with Existing Tariff	1487.74
Revenue for FY 2025-26 after revised tariff	6516.16
Un-met Gap to be met through grant-in-aid in JPDCL & KPDCL area	1442.87
State Government Grant –in -Aid (assured grant for consumer)	1442.87

6.42. For clarity of stakeholders, the Commission decided to provide two tariffs i.e. Full Cost Tariff (as given below) without considering the grant –in –aid support from the UT of J&K Government and Subsidized tariff (as given in Chapter 9) after factoring in the grant-in-aid support provided by UT of J&K.

Table 58: Category-wise Full Cost Tariff for FY 2025-26 (JPDCL & KPDCL)

Particulars	Unit	Full Cost Tariff for FY 2025-26
Domestic		
Below Poverty Line (Consumption up to 50 units/month)		
Energy Charges	Rs./ kWh	4.00
Fixed Charges	Rs./ kW or part thereof/month	5.00
Metered		
Up to 200 units per month	Rs./ kWh	4.30
201-400 units per month	Rs./ kWh	5.60
>400 units per month	Rs./ kWh	5.95
Fixed Charges	Rs./kW or part thereof/month	8.00
Un Metered		
up to 1/4 kW	Rs./ month	380.00
Above 1/4 kW up to 1/2 kW	Rs./ month	800.00
Above 1/2 kW up to 3/4 kW	Rs./ month	1100.00
Above 3/4 kW up to 1 kW	Rs./ month	1370.00
Above 1 kW up to 2 kW	Rs./ month	Rs 1370+260 for every additional 1/4 kW or part thereof up to 2 kW
Above 2 kW	Rs./ month	Rs 2840+650 for every additional 1/4 kW or part thereof up to 2 kW
Non-Domestic/ Commercial		
Metered Connection		
Single Phase		
Up to 200 units/month	Rs./ kWh	5.15
201-500 units/month	Rs./ kWh	7.00

Particulars	Unit	Full Cost Tariff for FY 2025-26
>500 units per month	Rs./ kWh	7.45
Three phase - For all units	Rs./ kVAh	7.45
Fixed Charges		
Single Phase	Rs./kW/month	60.00
Three phases	Rs./ kVA/ month	130.00
Un Metered		
Up to 1/4 kW	Rs./ month	800.00
>1/4-1/2 kW	Rs./ month	1600.00
>1/2 - 3/4 kW	Rs./ month	2400.00
>3/4 - 1 kW	Rs./ month	3200.00
Above 1 kW and part thereof for every kW above 1 kW	Rs./ month	3200 + 650 for every additional 1/4 kW or part thereof above 1kW
State/ Central Govt department		
Energy Charges (Rs/kWh)		
LT	Rs./ kVAh	7.98
11 kV supply*	Rs./ kVAh	7.98
33 kV supply and above**	Rs./ kVAh	7.98
Fixed Charges		
For metered consumers	Rs./ kVA/ month	40.00
*2.5% rebate on energy charges.		
**5.0% rebate on energy charges.		
Agriculture		
Metered		
Energy Charges		
0-10 HP	Rs./ kWh	3.18
11-20 HP	Rs./ kWh	3.43
Above 20 HP	Rs./ kWh	8.18
Fixed Charges for connected load		
0-10 HP	Rs./ HP/ month	20.00
11-20 HP	Rs./ HP/ month	25.00
Above 20 HP	Rs./ HP/ month	45.00
Un Metered		
0-10 HP	Rs./ HP/ month	425.00
11-20 HP	Rs./ HP/ month	457.00
Above 20 HP	Rs./ HP/ month	3000.00
Public Street Lighting		
Metered connection		
Energy Charge	Rs./ kWh	8.80
Fixed Charge	Rs./kW	60.00
Unmetered connection	Rs./ kW/ month or part thereof	4550.00
LT Public water works		
Energy Charge	Rs./ kWh	8.80
Fixed Charge	Rs./kW/month	60.00
HT Public water works		

Particulars	Unit	Full Cost Tariff for FY 2025-26
11 KV supply		
Energy Charge	Rs./ kVAh	8.23
Demand Charge	Rs./ kVA/ month	250.00
33 KV supply and above		
Energy Charge	Rs./ kVAh	8.18
Demand Charge	Rs./kVA/month	250.00
LT Industrial supply		
LTIS- I (For all metered consumers except those covered under LTIS-II)		
For consumers with connected load < 50 kW		
Energy Charge	Rs./ kVAh	7.05
Fixed Charge	Rs./ kVA/ month	60.00
For consumers with connected load > 50 kW		
Energy Charge	Rs./ kVAh	7.05
Fixed Charge	Rs./ kVA/ month	60.00
LTIS II (For all metered consumers and having load above 15 HP)		
Energy Charge	Rs./ kVAh	7.05
Fixed Charge	Rs./ kVA/ month	60.00
HT Industrial supply		
11 KV supply		
Energy Charge	Rs./ kVAh	6.93
Demand Charge	Rs./ kVA/ month	175.00
33 KV and above supply for Industry		
Energy Charge	Rs./ kVAh	6.88
Demand Charge	Rs./ kVA/ month	175.00
<i>TOD Tariff only for 33 KV: Surcharge: 20% and rebate: 20%</i>		
HT PIU		
11 KV supply		
Energy Charge	Rs./ kVAh	9.00
Demand Charge	Rs./ kVA/ month	225.00
33 KV supply and above. (ToD tariff)		
Energy Charge	Rs./ kVAh	8.75
Demand Charge	Rs./ kVA/ month	225.00
<i>TOD Tariff only for 33 KV: Surcharge: 20% and rebate: 20%</i>		
Bulk supply		
11 KV supply		
Energy Charge	Rs./ kVAh	8.15
Demand Charge	Rs./ kVA/ month	225.00
33 KV supply and above		
Energy Charge	Rs./ kVAh	8.10
Demand Charge	Rs./ kVA/ month	225.00
<i>TOD Tariff only for 33 KV: Surcharge: 20% and rebate: 20%</i>		
Electric Vehicle Charging Station		
LT Supply		

Particulars	Unit	Full Cost Tariff for FY 2025-26
Energy Charge	Rs./ kVAh	7.00
Demand Charge	Rs./ kVA/ month	0.00
11 KV supply		
Energy Charge	Rs./ kVAh	6.90
Demand Charge	Rs./ kVA/ month	0.00
33 KV Supply		
Energy Charge	Rs./ kVAh	6.80
Demand Charge	Rs./ kVA/ month	0.00
<i>TOD Tariff only for 33 KV: Surcharge: 20% and rebate: 20%</i>		
Traction		
11 KV/ 33 KV and above supply		
Energy Charge	Rs./ kVAh	8.90
Demand Charge	Rs./ kVA/ month	300.00
<i>TOD Tariff only for 33 KV: Surcharge: 20% and rebate: 20%</i>		

Wheeling Charges and Cross Subsidy Surcharge (CSS)

Petitioner's Submission

6.43. Regulation 55 of the JERC MYT Regulations 2023 specifies that, the Commission shall specify the wheeling charge of distribution wires business. The extract of the Regulation is as follows:

"55. Determination of wheeling Charges

55.1 The Commission shall specify the Wheeling Charge of Distribution Wires Business of the Distribution Licensee in its Order passed under sub-section (3) of Section 64 of the Act:

Provided that the revenue from wheeling charges paid by the distribution system users other than the retail Consumers under the above proviso shall be used to reduce the Aggregate Revenue Requirement of the Distribution Wires Business to be recovered from the retail Consumers of the concerned Distribution, as amended from time to time."

6.44. Further, Regulation 7.1 and 7.2 of the JERC MYT Regulations 2023 specifies that, the ARR for Distribution Wires Business shall be used to determine the wheeling charges. The extract of the Regulation is as follows:

"7.1 The Distribution Licensee shall segregate the accounts of the Licensed Business into Distribution Wires Business and Retail Supply Business. The ARR for Distribution Wires Business shall be used to determine wheeling charges. The ARR for Retail Supply Business,

which shall include the ARR for Distribution Wires Business, in accordance with Regulation 58, shall be used to determine retail supply tariff.

7.2 For such period until accounts are segregated, the Licensees shall use the Allocation Statement provided in Regulation 49.1 to apportion costs and revenues to respective businesses."

6.45. It is submitted that the Petitioners (JPDCL & KPDCL) has not segregated the accounts into Distribution wires business and retail supply business. Accordingly, the Petitioner has considered following allocation statement in line with the provisions of Regulation 49.1 of the JERC MYT Regulations 2023.

Table 59: Allocation Statement for segregation of Distribution Wires Business and Retail Supply Business

Particulars	Wires Business (%)	Retail Supply Business (%)
Power Purchase Expenses	0%	100%
Inter-State Transmission Charges	0%	100%
Intra-State Transmission Charges	0%	100%
Employee Expenses	40%	60%
Administration & General Expenses	50%	50%
Repair & Maintenance Expenses	90%	10%
Capital Cost	90%	10%
Depreciation	90%	10%
Interest on Long-term Loan Capital	90%	10%
Interest on working capital and on consumer security deposits	10%	90%
Bad Debts Written off	0%	100%
Income Tax	90%	10%
Non-Tariff Income	10%	90%
Income from Other Business	50%	50%

6.46. In line with the method followed by Commission in its Order No. JERC/ 13 of 2023 dated 24 November 2023 the Petitioner has considered consolidated ARR of Distribution Wires Business of JPDCL and KPDCL. Further, the Petitioner has allocated O&M costs in 90:10 proportion and other costs as well as non-tariff income in proportion of 50:50 to arrive at the wheeling charge for LT and HT separately.

Table 60: Calculation for arriving at wheeling charge for LT and HT consumers

Particulars	KPDCL		JPDCL		Consolidated (JPDCL+KPDCL)	
	LT	HT	LT	HT	LT	HT
Operation & Maintenance Expenses	247.81	27.53	271.51	30.17	519.32	57.70
Interest on Working Capital	5.96	5.96	4.95	4.95	10.92	10.92
Less: Non-Tariff Income	0.11	0.11	0.06	0.06	0.17	0.17

Particulars	KPDCL		JPDCL		Consolidated (JPDCL+KPDCL)	
	LT	HT	LT	HT	LT	HT
Aggregate Revenue Requirement of Wires Business	253.67	33.39	276.40	35.06	530.07	68.45
Billed Energy (MU)	6091.47	635.48	4920.07	1557.25	11011.54	2192.73
Wheeling Charge (Rs./ kWh)					0.48	0.31

Commission's Analysis

6.47. The Commission has noted that, Regulation 7.1 and 7.2 of the JERC MYT Regulations 2023 specifies that the ARR for Distribution Wires Business shall be used to determine the wheeling charges. Further, every Distribution Licensee shall segregate accounts for Distribution Wires Business and Retail Supply Business and shall prepare an Allocation Statement. The wheeling charges pertaining to Distribution Wires Business of the Distribution Licensee shall be determined by the Commission on the basis of these segregated accounts. Further in case complete accounting segregation has not been done, an allocation matrix shall be applicable. The extract of the Regulation is as follows:

“7.1 The Distribution Licensee shall segregate the accounts of the Licensed Business into Distribution Wires Business and Retail Supply Business. The ARR for Distribution Wires Business shall be used to determine wheeling charges. The ARR for Retail Supply Business, which shall include the ARR for Distribution Wires Business, in accordance with Regulation 58, shall be used to determine retail supply tariff.

7.2 For such period until accounts are segregated, the Licensees shall use the Allocation Statement provided in Regulation 49.1 to apportion costs and revenues to respective businesses.”

6.48. The provision related to determination of wheeling charges is given below:

“55. Determination of wheeling Charges

55.1 The Commission shall specify the Wheeling Charge of Distribution Wires Business of the Distribution Licensee in its Order passed under sub-section (3) of Section 64 of the Act:

Provided that the revenue from wheeling charges paid by the distribution system users other than the retail Consumers under the above proviso shall be used to reduce the Aggregate Revenue Requirement of the Distribution Wires Business to be recovered from the retail Consumers of the concerned Distribution, as amended from time to time.”

6.49. Following the same, the Commission determines the allocation for wheeling and retail supply business, which are given below.

Table 61: Wheeling cost for JPDCL & KPDCL for FY 2025-26 (in Rs Crore)

	Wires Business (%)	Retail Supply Business (%)	Wires Business (Rs Cr)	Retail Supply Business (Rs Cr)
Power Purchase Expenses		100%	0.00	6614.95
Employee Expenses	40%	60%	396.40	594.59
Administration & General Expenses	50%	50%	28.94	28.94
Repair & Maintenance	90%	10%	84.32	9.37

	Wires Business (%)	Retail Supply Business (%)	Wires Business (Rs Cr)	Retail Supply Business (Rs Cr)
Expenses				
Depreciation	90%	10%		
Interest on Long-term Loan Capital	90%	10%		
Interest on working capital and on security deposits	10%	90%	12.53	112.80
Return on equity	90%	10%		
Bad Debts Written off		100%	0.00	79.59
Income Tax	90%	10%		
Non-Tariff Income	10%	90%	0.34	3.08
Income from Other Business	50%	50%		
Aggregate Revenue Requirement			521.85	7437.18

6.50. Further, the Commission has decided to allocate the O&M cost and other costs into LT and HT category in the ratio of 90:10 and 50:50, respectively; as no such information of cost allocation is available from the Petitioners. Considering the LT and HT sales in JPDCL and KPDCL area, **the wheeling charges is approved Rs 0.48/kWh (LT) and Rs 0.18/kWh (HT)**.

6.51. The Commission notes that Section 2(47) of the Electricity Act, 2003 defines “Open Access” and Section 42 of the said Act inter-alia mandates the Distribution Licensee to provide Open Access to eligible consumers, subject to payment of “Cross Subsidy Surcharge”, and other applicable charges. The relevant provision of the Regulation 42(2) of the Act is reproduced below:

“(2) The State Commission shall introduce open access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints:

Provided that such open access shall be allowed on payment of a surcharge in addition to the charges for wheeling as may be determined by the State Commission:

Provided further that such surcharge shall be utilised to meet the requirements of current level of cross subsidy within the area of supply of the distribution licensee:

Provided also that such surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission:”

6.52. The Central Government notified the revised Tariff Policy on 28th January, 2016 and has given the “Surcharge Formula” as follows:

$$S = T - [C/ (1 - L/ 100) + D + R]$$

Where,

S is the Surcharge

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level

R is the per unit cost of carrying regulatory assets.

6.53. The Commission has taken a note that the ceiling cap of +/- 20% across consumer categories is mentioned in the Para. 8.3 (2) of the Tariff Policy, 2016. Further, the Commission notes that MOP has recently notified Amendments to the Rules, namely, Electricity (Amendment) Rules, 2022, on 29th December 2022, wherein it has stipulated that cross-subsidy surcharge to be determined by the Appropriate Commission shall not exceed twenty percent (20%) of average cost of supply.

6.54. The Commission has determined the average cost of supply for JPDCL and KPDCL, combined and applied the formula given in the Tariff Policy subject to the fact that CSS should not be more than 20% of ACoS. Accordingly, CSS for all HT consumers is approved as Rs 1.24/kVAh.



Chapter 7: Tariff Design

7.1 In determining the ARR and the retail supply tariff of JPDCL and KPDCL for FY 2025-26, the Commission has been guided by the provisions of the EA 2003, National Electricity Policy (NEP), Tariff Policy, and JERC MYT Regulations 2023.

7.2 Section 61 of the EA 2003 lays down the broad principles and guidelines for the determination of retail supply tariffs. The basic principle is to ensure that tariffs should progressively reflect the cost of the supply of electricity and gradually reduce the cross-subsidies between categories. The EA 2003 lays down special emphasis on safeguarding consumers' interests and also requires that the costs should be recovered in a reasonable manner. The EA 2003 mandates that tariff determination should be guided by factors which encourage competition, efficiency, economical uses of resources, good performance and optimum investment.

7.3 The EA 2003 provides that while determining the tariff, the Commission shall not show undue preference to any consumer of electricity but may differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required.

7.4 The tariff policy mentions that for achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within $\pm 20\%$ of the average cost of supply.

7.5 Further, MoP, GoI has issued Electricity (Second Amendment) Rules, 2023, dated 26.07.2023, which discussed the framework for the financial sustainability of utilities. The Commission has considered the framework while finalising the ARR of Petitioners (JPDCL & KPDCL). The relevant part is reproduced below:

"20. Framework for Financial Sustainability: (1) The Aggregate Technical and Commercial loss reduction trajectory to be approved by the State Commissions for tariff determination shall be in accordance with the trajectory agreed by the respective State

Governments and approved by the Central Government under any national scheme or programme, or otherwise.

(2) The trajectory for both collection and billing efficiency, for distribution licensee shall be determined by the State Commission in accordance with the trajectory approved under sub-rule (1).

(3) All the prudent costs of power procurement, incurred by distribution licensee for ensuring 24x7 supply of electricity to consumers under the Electricity (Rights of Consumers) Rules, 2020 and for meeting requirements as per Resource Adequacy plan prepared under the Electricity (Amendment) Rules 2022 shall be taken into account, provided that the procurement of power has been done in a transparent manner or procurement price has been approved by the Appropriate Commission.

(4) All the prudent costs incurred by the distribution licensee for creating the assets for development and maintenance of distribution system in accordance with sub-section (1) of section 42 of the Act shall be pass through:

Provided that such pass-through of the cost for the assets created by the distribution licensee shall be subject to following conditions:

(i) the asset has been created in accordance with the capex roll out plan for the licensee approved by the respective State Commission.

(ii) the asset has been procured in competitive and transparent manner.

(iii) the asset is geo-tagged and properly recorded in Fixed Asset Register.

(5) Gains or losses accrued to distribution licensee due to deviation from approved Aggregate Technical and Commercial loss reduction trajectory shall be quantified on the basis of Average Power Purchase Cost and shared between the distribution licensee and consumers. Two third of the gains shall be passed on to the consumers in tariff and rest shall be retained by the distribution licensee. Two third of the losses shall be borne by the distribution licensee and rest shall be borne by the consumers.

(6) The operation and maintenance norms for distribution licensee shall be determined by the State Commissions in accordance with the guidelines issued by the Authority.

(7) Reasonable Return on Equity shall be permitted, with the assessment of overall risk and the prevalent cost of capital.

(8) The Return on Equity by the State Commission shall be aligned with the Return on Equity specified by the Central Commission for generation and transmission in its Tariff Regulations for the relevant period, with appropriate modification taking into account the risks involved in distribution business.”

7.6 The Commission noted that Electricity (Second Amendment) Rules 2023 dated 26.07.2023 recommends that the Aggregate Technical and Commercial loss reduction trajectory to be approved by the State Commissions for tariff determination shall be in accordance with the trajectory agreed by the respective State Governments and approved by the Central Government under any national scheme or programme.

7.7 The Commission has considered the interests of industrial and commercial consumers and also maintained a balance between all categories of consumers. The Commission has

computed the average cost of supply (ACoS) in terms of Rs. /kWh based on the ARR approved for JPDCL and KPDCL for FY 2025-26. The ACoS for JPDCL and KPDCL approved by the Commission for FY 2025-26 is Rs 6.22/kWh (total ARR of JPDCL and KPDCL divided by total sales of JPDCL and KPDCL).

7.8 For FY 2025-26, the Petitioners have not proposed any modifications or alternations in tariff categories and tariff slabs and hence, the same are kept unchanged except HT PIU. In order to incentivise customers to take power at higher voltage level, general practice of offering them a lower energy rate, is continued in this Order by the Commission. The Commission has decided a lower tariff rate for consumers getting supply in 33/66 kV level in comparison with 11 kV or LT level.

7.9 The applicability of kVA and kVAh based tariff is kept unchanged in this order. Further, no new consumer category is introduced in this order. The Commission's decision on some tariff-structure-related issues are narrated below.

Implementation of Time of Day (ToD) Tariff for all consumer categories except the Agricultural consumer category

Petitioner's submission

7.10 The Ministry of Power, Government of India vide notification no. G.S.R. 437(E) dated 14th June 2023 published the Electricity (Rights of Consumers) Amendment Rules, 2023. The rules inserted following provisions:

"(8A) Time of Day Tariff:-The Time of Day tariff for Commercial and Industrial consumers having maximum demand more than ten Kilowatt shall be made effective from a date not later than 1st April, 2024 and for other consumers except agricultural consumers, the Time of Day tariff shall be made effective not later than 1st April, 2025 and a Time of Day tariff shall be made effective immediately after installation of smart meters, for the consumers with smart meters:

Provided that, the Time of Day Tariff specified by the State Commission for Commercial and Industrial consumers during peak period of the day shall not be less than 1.20 times the normal tariff and for other consumers, it shall not be less than 1.10 times the normal tariff:

Provided further that, tariff for solar hours of the day, specified by the State Commission shall be at least twenty percent less than the normal tariff for that category of consumers:

Provided also that the Time of Day Tariff shall be applicable on energy charge component of the normal tariff:

Provided also that the duration of peak hours shall not be more than solar hours as notified by the State Commission or State Load Despatch Centre.

Explanation:- For the purposes of this rule, the expression "solar hours" means the duration of eight hours in a day as specified by the State Commission." {Emphasis Added}

- 7.11** The Petitioners (JPDCL & KPDCL) submits that, currently, HT-Industrial Supply (33 kV and above), HT PIU (33 kV and above), Bulk Supply (33 kV and above), EV Charging Station (33 kV and above) and Traction category (33 kV and above) have surcharge of 20% and rebate of 10% in line with the above provisions.
- 7.12** The Petitions (JPDCL & KPDCL) submits that it has directed AMISPs (under PMDP Phase 2) to procure HT smart meters as per their assigned scope and the same has been initiated. Further, ToD billing related changes in the Unified Billing System (UBS) is under the design stage.
- 7.13** The Petitioners also submitted that, ToD tariffs recognize "solar hours," which are the periods of the day when solar power generation is most abundant. These hours typically coincide with peak solar irradiance, allowing for lower electricity tariffs assuming solar power is generated and pumped into the power grid. The purpose of solar hours and Time of Day (ToD) tariffs, introduced by the Ministry of Power, is to incentivize consumers to shift their electricity consumption to periods when solar power generation is at its peak. However, this is true for states/ UTs that procure substantial power through solar sources (> 25% of power is sourced from solar).
- 7.14** In case of the UT of J&K only 7% of the overall power purchase is through the solar sources. Whereas JKPCl purchases approximately 42% of its energy sourced from hydroelectric sources. There are seasonal variations in power purchase mix wherein JKPCl procures hydropower during the summer seasons and procures thermal power majorly during the winter season. Thus, the assumption that, low tariffs during the day time as a result of power purchase from solar sources does not hold true in case of UT of J&K.

7.15 Furthermore, the Petitioner submits that, Electricity (Rights of Consumers) Amendment Rules, 2023 specify that the tariff for solar hours of the day, shall be at least 20% less than the normal tariff for that category of consumers. The existing subsidized tariffs applicable to various consumer categories are already low compared to the average power purchase cost at discom periphery. The table below shows a comparison of the tariff after rebate of 20% and the average power purchase cost at discom periphery.

Table 62: Comparative analysis of energy charges with 20% rebate against the average power purchase cost at discom periphery

Consumer Category, Subcategory and Slabs	Energy Charge as per prevailing subsidized tariff (Rs. /kWh)	Energy Charge with 20% rebate (Rs. /kWh)	Difference between energy charge with 20% rebate and Avg. Power Purchase Cost at Discom Periphery (Rs. 4.72/ kWh)
	A	B = 0.8*A	C = B – 4.72
Domestic			
Below Poverty Line (Consumption up to 30 units/ month)	1.40	1.12	-3.60
Up to 200 units per month	2.30	1.84	-2.88
201-400 units per month	4.00	3.20	-1.52
> 400 units per month	4.35	3.48	-1.24
Non Domestic/Commercial			
Single Phase Up to 200 units per month	3.55	2.84	-1.88
Single Phase 201-500 units per month	5.40	4.32	-0.40
Single phase > 500 units per month	5.85	4.68	-0.04
Three Phase for all units	5.85	4.68	-0.04
State/Central Govt department			
LT Supply	7.90	6.32	1.60
11 kV Supply	7.90	6.32	1.60
33 kV Supply and above	7.90	6.32	1.60
Public Street Lighting			
Public Street Lighting - Metered	8.60	6.88	2.16
LT Public Water Works			
LT Public water works	8.60	6.88	2.16
HT Public Water Works			
11 kV Supply	8.15	6.52	1.80
33 kV Supply	8.05	6.44	1.72

7.16 From the above table it is clear that, a 20% rebate on the prevailing energy charges would result in negative difference between energy charge with 20% rebate and average power

purchase cost at Discom periphery (Rs. 4.72/ kWh) leading to selling power at below the average power purchase cost for the domestic and non-domestic category consumers. It is important to highlight that; domestic and non-domestic category represents ~80% of the total power sale for the Petitioner. Thus, giving rebate @20% is likely to lead to substantial losses to the Petitioner if 20% rebate is given during the solar hours.

7.17 The prevailing energy charge(s) for the domestic category consumers is below the average power purchase cost at Discom periphery (Rs. 4.72/ kWh). Whereas for the non-domestic category the energy charges are marginally higher than the average power purchase cost at Discom periphery (for consumption above 200 units). Thus, any rebate on the prevailing energy charges is likely to further subsidize the already subsidized tariff for the domestic and non-domestic category consumers.

7.18 In this context, considering that, the Petitioner procures ~7% of power from the solar sources and the Petitioner also subsidizes the tariff for all of its consumers. The Petitioner proposes 0% rebate to all the consumer categories during the solar hours to limit the adverse impact on its financial performance.

7.19 The Petitioner's (JPDCL & KPDCL) proposal for ToD Tariff is as follows:

Consumer Categories	Peak Hours	Solar Hours	Off-Peak Hours
Time Period	0600-0900 Hrs. and 1700-2200 Hrs. (total 7 hours)	0900 Hrs. – 1700 Hrs. (total 8 hours)	2300-0500 Hrs. (total 6 hours)
HT-Industrial Supply (33 kV and above), HT PIU (33 kV and above), Bulk Supply (33 kV and above), EV Charging Station (33 kV and above) and Traction (33 kV and above)	Surcharge: 20%	Rebate: 0%	Rebate: 10%
Domestic, Non-Domestic, State/ Central Govt. Department, Public Street Lighting, LT Public Water Works, HT Public Water Works HT-Industrial Supply (11 kV supply), HT PIU (11 kV supply), Bulk Supply (11 kV supply), EV Charging Station (11 kV supply) and Traction (11 kV supply)	Surcharge: 20%	Rebate: 0%	Rebate: 0%
Agriculture	Surcharge: 0% Rebate: 0%	Surcharge: 0% Rebate: 0%	Surcharge: 0% Rebate: 0%

Commission's Analysis

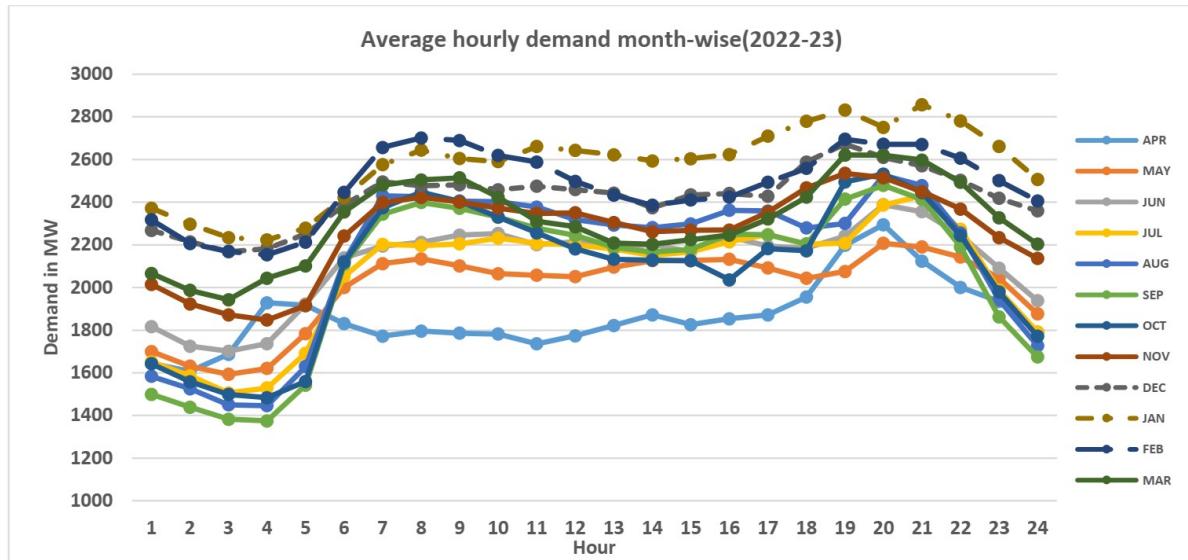
7.20 The Commission notes that the Ministry of Power, Government of India vide notification no. G.S.R. 437(E) dated 14th June 2023 published the Electricity (Rights of Consumers) Amendment Rules, 2023. The rules mentioned about timeline for implementation of ToD tariff and ToD implementation is related to installation of smart meters. The Commission has reviewed the progress of smart meters in UT of J&K and noticed that considerable progress has been made; however, still significant consumers are to be covered under smart meter scheme. Therefore, in this order, the Commission has decided not to change the applicability of ToD tariff and the same is applicable for HT 33 kV consumers only. Based on the progress of smart meter installation, to be submitted by the Petitioners in next tariff Petition, the Commission shall review the applicability of ToD tariff.

7.21 The Commission has reviewed the time period under ToD mentioned by the Petitioners. It is noticed that under Electricity (Rights of Consumers) Amendment Rules, 2023, "solar hours" means the **duration of eight hours in a day** as specified by the State Commission. Accordingly, the Commission decides that solar hours shall be 900 hrs – 1700 hrs, i.e. eight hours duration in a day. However, the Commission has not agreed to the proposal of zero rebate in the solar hours and decides that the **rebate of 20%** shall be applicable for the consumption during solar hours. This is as per provision under Electricity (Rights of Consumers) Amendment Rules, 2023, which mentioned that tariff for solar hours of the day shall be at least twenty percent less than the normal tariff.

7.22 The Commission has reviewed the hourly load curve of J&K as given in the Central Electricity Authority (CEA) report on 'Report On Resource Adequacy Plan for the Union Territory of J&K and Ladakh (Period: 2024-25 to 2034-35)'. The report mentioned the following about two peak demand period in a day in J&K.

"Hourly demand pattern of 2022-23 and 2023-24 (till Dec) was analyzed and it was observed that the peak demand season for J&K is during the months of December, January and February. J&K witnesses peak demand during both day and night hours."

7.23 The demand curve is reproduced below.



7.24 The Commission has reviewed the above graph and observes that two different peak period is seen in a day, i.e. morning and evening peak period. Accordingly, the Commission decides that peak period shall be 0600 hrs – 0900 hours (three hours) and 1700 hrs – 2200 hrs (five hours), i.e. eight hours in a day for implementation of ToD tariff. The present **surcharge of 20%** will be continued in peak hours (of eight hours).

7.25 The remaining period, i.e. 2200 hrs – 0600 hrs shall be considered as normal period without any surcharge or rebate. The Commission noted that under Electricity (Rights of Consumers) Amendment Rules, 2023, there is no provision of off-peak hours and corresponding rebate as mentioned by the Petitioner. Hence, normal tariff shall be applicable during normal hours as specified by the Commission.

Levy of Penalty for exceeding Contract demand/ Maximum demand for consumers with smart meters

Petitioner's submission

7.26 The Petitioners (JPDCL & KPDCL) submitted that, the existing provision regarding levy of penalty on consumer who exceed the contract demand/ maximum demand is as follows:

"Any consumer having energy meter with Maximum Demand Indicators (MDI) installed, found to have actual load drawn greater than the contracted demand shall be levied fixed/ demand charges/ for the excess load at twice the normal rate. The energy charges for consumption proportionate to the excess demand shall also be billed at twice the

normal rate. In cases where no MDI is installed, the excess load shall be billed as per provisions given in Supply Code Regulations and its amendments in force."

7.27 The Petitioners (JPDCL & KPDCL) submits that, the above provision is implemented for consumers without smart meters by levying a penalty in the form of fixed/ demand charges for excess load at twice the normal rate for the entire period for which the bill is generated/ calculated. In case of consumers with smart meters, the Petitioner carries out daily reconciliation of energy consumed and outstanding balance. Further, it is possible to verify whether the consumer exceeded the contract demand/ maximum demand during the day or not.

7.28 The Petitioners (JPDCL & KPDCL) also submitted that, Electricity (Rights of Consumers) Amendment Rules, 2023 has following provision regarding levy of penalty on discovery of higher connected load for a consumer with smart meters:

"(5B) In case maximum demand recorded by the smart meter exceeds the Sanctioned Load in a month, the bill, for that billing cycle, shall be calculated based on the actual recorded maximum demand and consumers shall be informed of this change in calculation through Short Message Service or mobile application:

Provided that the revision of the Sanctioned Load, if any, based on the actual recorded maximum demand shall be as under:

(a) in case of increase in recorded maximum demand, the lowest of the monthly maximum demand, where the recorded maximum demand has exceeded the sanctioned load limit atleast three times during a financial year, shall be considered as the revised Sanctioned Load, and the same shall be automatically reset from the billing cycle in next financial year; and

(b) in case of reduction of maximum demand, the revision of sanctioned load shall be done in accordance with the Supply codes/ Standard Operating Procedures issued by the respective Regulatory Commission."

7.29 In the above context, the Petitioners (JPDCL & KPDCL) submitted that, for consumers with smart meters the penalty for exceeding the contract demand/ maximum demand shall be calculated for the day (during which the actual load drawn is greater than the contracted demand) and the Petitioner shall indicate the calculations to the consumers through its App. Further, the procedure for revision of the Sanctioned Load shall be as per the Electricity

(Rights of Consumers) Amendment Rules, 2023. The Petitioner requests the Commission to take on record above requests of the Petitioner and approve the same.

Commission's Analysis

7.30 The Commission has noted the submission of Petitioners and provisions given under Electricity (Rights of Consumers) Amendment Rules, 2023. The Petitioners have mentioned about existing provisions which clearly mentioned that any consumer having energy meter with MDI installed, found to have actual load drawn greater than the contracted demand shall be levied fixed/ demand charges/ for the excess load at twice the normal rate and the energy charges for consumption proportionate to the excess demand shall also be billed at twice the normal rate.

7.31 This clearly indicates that actual load (or actual recorded maximum demand) shall be considered for monthly billing when it is crossing the contracted demand and this is as per Electricity (Rights of Consumers) Amendment Rules, 2023, which mentioned that in case maximum demand recorded by the smart meter exceeds the sanctioned load in a month, the bill, for that billing cycle, shall be calculated based on the actual recorded maximum demand. Hence, no changes are required in the existing terms and conditions in this condition.

7.32 Further, in the existing supply code has the provisions for revision of sanctioned load, which is applicable for all the consumers. Hence, the supply code provisions shall be followed by the Petitioners. In case of revision of the supply code in future, the comments may be submitted by the Petitioners, accordingly.

Tariff Rationalization Measures to minimize revenue shortfall or improve collection efficiency

Implementation of Prepaid Smart Meters

Petitioner's Submission

7.33 The Petitioner (JPDCL) aims to implement prepaid smart meters across 100% of its consumer base. By transitioning to a prepaid system, consumers are required to pay for electricity upfront, significantly minimizing the risk of unpaid bills. Petitioner has already initiated a smart metering initiative to reduce the number of the unmetered consumers and counter the distribution loss related issue. Under PMDP Phase 1 the Petitioner has already installed

65,909 smart meters. They are functional at full capacity and have achieved 'Go-live'. Installation of smart meters under the Phase 2 is in progress. In phase 2, the Metering is planned under LOT-A (awarded through competitive bidding process to Anvil Cables under PMDP project), LOT-B (awarded through competitive bidding process to Techno under PMDP project) and LOT-C (award won through competitive bidding process by Techno under RDSS project). RECPDCL is the Project Implementation Agency (PIA) for undertaking smart metering works under the RDSS scheme.

Commission's Analysis

7.34 The Commission has noted the submission related to smart meter installation and directs the Petitioners to complete the smart meter installation process as per timeline given in the respective contracts.

Amnesty Scheme for Defaulters

Petitioner's Submission

7.35 Recognizing the challenges faced by some consumers in settling outstanding dues, from time to time the Petitioner conducts an Amnesty Scheme for Defaulters. It allows consumers to clear past dues with reduced penalties, encouraging them to settle their accounts and helping to decrease the collective outstanding accounts receivables.

Commission's Analysis

7.36 The submission has been noted by the Commission.

Establishment of Consumer Grievance Redressal Forum (CGRF)

Petitioner's Submission

7.37 A fully operational Consumer Grievance Redressal Forum provides a platform for addressing consumer complaints and grievances efficiently. By quickly resolving issues related to billing, metering, and service interruptions, the Petitioner aims to improve consumer satisfaction and instil greater trust, thereby enhancing timely payments.

Commission's Analysis

7.38 The Petitioners shall continue to operate the Consumer Grievance Redressal Forums effectively for proper redressal of consumer complaints and grievances.

Online Bill Payment Facilities

Petitioner's Submission

7.39 Emphasizing convenience and accessibility, the Petitioner has upgraded its systems to facilitate online bill payments. By allowing consumers to pay via digital platforms, the corporation not only makes the process more consumer-friendly but also ensures faster receipt of payments, reducing reliance on cash transactions or physical collection.

Commission's Analysis

7.40 Online bill payment through digital medium should be encouraged and the facilities available should be informed to the consumers, time to time.

Public Awareness and Engagement Programs

Petitioner's Submission

7.41 The Petitioner is also investing in public awareness campaigns to educate consumers about the benefits of smart meters, timely payment, and energy conservation. By actively engaging with the community through workshops and informational sessions, the Petitioner aims to foster a culture of timely bill payments and conscientious energy usage.

Commission's Analysis

7.42 The Petitioners should continue the public awareness campaigns and engaged with consumers.

Green tariff

7.43 The Commission has noticed that MoP, GoI, in exercise of the powers conferred by sub-section (1) read with clause (z) of sub-section (2) of section 176 of the Electricity Act, 2003, has published Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022. Under the said rules, any entity, whether obligated or not may elect to generate, purchase and consume renewable energy as per their requirements by one or more methods including by requisition from the distribution licensee. The relevant extract from the said rule is given below:

"(C) By requisition from distribution licensee—(a) Any entity may elect to purchase green energy either upto a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their distribution licensee, which shall procure such quantity of green energy and supply it and the consumer shall have the flexibility to give separate requisition for solar and non-solar;

- (b) *The consumer may purchase on a voluntary basis, more renewable energy, than he is obligated to do and for ease of implementation, this may be in steps of Twenty-five per cent and going upto Hundred per cent;*
- (c) *The tariff for the green energy shall be determined separately by the Appropriate Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;*
- (d) *Any requisition for green energy from a distribution licensee shall be for a minimum period of one year;*
- (e) *The quantum of green energy shall be pre-specified for at least one year;*
- (f) *The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee;*
- (g) *The Accounting of renewable energy supplied at distribution licensee level shall be on a monthly basis;*"

7.44 The Commission observes that the Government of India has taken various initiatives to promote renewable energy and the target for renewable energy-based projects was mentioned under India's nationally determined contribution (NDC). The target is: "To achieve about 50 per cent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030, with the help of the transfer of technology and low-cost international finance including from Green Climate Fund (GCF)".

7.45 Further, the corporate groups are keen to achieve the net-zero or zero-carbon goal. This is increasing demand for renewable electricity and creating a shift in demand patterns away from fossil fuels. The green tariff can help consumers in this regard.

7.46 As mentioned above, the above-referred rules mandate the Electricity Regulatory Commissions to determine the Green Power Tariff. It is observed that the concept of Green Tariff has been introduced in some States, like Andhra Pradesh, Karnataka, Madhya Pradesh, Maharashtra and Gujarat to encourage consumers to use green power, to be supplied by Distribution Utilities. Further, in accordance with Section 86(1)(e) of the Electricity Act, 2003, the Commission is mandated to promote renewable energy (RE). The Commission observes that the concept of green tariff is new in UT of J&K and the Renewable Energy development is in a nascent stage compared to other states. Considering this the Commission decides to continue with the green tariff of Rs 0.50/kWh, which will be paid by the interested consumers over and above the tariff rates applicable for their respective category. The following conditions shall be followed in this regard.

- ✓ All consumers (High Voltage and Low Voltage) shall be eligible for opting the Green power on payment of Green Power Tariff, which will be in addition to energy charges.
- ✓ Revenue earned through Green Power Tariff shall be treated as tariff income of Distribution Licenses and shall be part of revenue income from the tariff. However, the quantum of such revenue shall be provided by Distribution Licenses, if required.
- ✓ The Consumer will have option to select the quantum of green power to be purchased in steps of 25% and going up to 100% of the consumption.
- ✓ The Distribution Licensee will levy Green Power Tariff only for the percentage of consumption opted by the Consumer.
- ✓ Any requisition for green energy from a distribution licensee shall be for a minimum period of one year.
- ✓ Distribution Licensee shall process the request of Consumer for Green Power Tariff not later than 30 days from the receipt of the request.
- ✓ The Distribution Licensee shall ensure wide publicity of this scheme.

7.47 The Commission directs the Petitioners (JPDCL & KPDCL) to submit the result of this scheme in the next tariff Petition.

Operationalizing the Fuel and Power Purchase Cost Adjustment (FPPCA)

7.48 The Commission has noted that in the exercise of the powers conferred by section 176 of the Electricity Act, 2003 (36 of 2003), MoP, GoI published the Electricity (Amendment) Rules, 2022, to amend the Electricity Rules, 2005. Rule 14, which deals with Fuel and Power Purchase Adjustment Surcharge, is important to refer to, which is given below.

"14. Timely recovery of power purchase costs by distribution licensee.-The Appropriate Commission shall within ninety days of publication of these rules, specify a price adjustment formula for recovery of the costs, arising on account of the variation in the price of fuel, or power purchase costs and the impact in the cost due to such variation shall be automatically passed through in the consumer tariff, on a monthly basis, using this formula and such monthly automatic adjustment shall be true up on annual basis by the Appropriate Commission:

Provided that till such a methodology and formula is specified by the Appropriate Commission, the methodology and formula specified in the Schedule – II annexed to these rules shall be applicable:

Provided further that the existing methodology and the formula specified by the Appropriate Commission shall suitably be amended in accordance with these rules, to implement the automatic pass through of fuel and power purchase adjustment surcharge, on a monthly basis:

Provided also that in case the distribution licensee fails to compute and charge fuel and power purchase adjustment surcharge within the time line, specified by the

Appropriate Commission, except in case of any force majeure condition, its right for recovery of costs on account of fuel and power purchase adjustment surcharge shall be forfeited and in such cases, the right to recovery the fuel and power purchase adjustment surcharge determined during true-up shall also be forfeited and the true up of fuel and power purchase adjustment surcharge by the Appropriate Commission, for any financial Year, shall be completed by 30th June of the next financial year.”

7.49 The Commission has already formulated the Joint Electricity Regulatory Commission for the UT of Jammu & Kashmir and the UT of Ladakh (Generation, Transmission and Distribution, Multi-Year Tariff), Regulations, 2023, where the necessary formula and terms and conditions are mentioned. The formula is based on Schedule – II annexed to the Electricity (amendment) Rules, 2022. As the said regulations are already published in the Gazette, the same shall be applicable to the distribution licensees operating in UT and their power procurer JKPCCL, who is procuring power on behalf of Distribution Utilities. Hence, the Distribution Licensees and JKPCCL should note the same and act accordingly implement the Fuel and Power Purchase Cost Adjustment formula in true spirit. The required information should be submitted before the Commission as per provisions of the MYT Regulations. The progress and steps undertaken by Petitioners and JKPCCL must be submitted in quarterly basis. The first report must be submitted by 10 April, 2026.



Chapter 8: Directives

The Commission, based on its analysis of the Petitions and the previous directives given by the Commission in its tariff order for FY 2024-25, compliance with directives submitted by the Petitioners (JPDCL & KPDCL), directs the Petitioners (JPDCL & KPDCL) to comply with the following directives. This section discusses the Petitioners' (JPDCL & KPDCL) submission on compliance with the directives of the Commission vide Order dated 24.03.2025 and the Commission's observation on the same.

Sr. No.	Commission's Directive	Compliance to the Directive	Commission's View
1.	<p>TIMELY FILING OF TARIFF PETITIONS The Commission notes that even after so much follow up from Commission side, the Licensees are not serious enough to file the same in time and requested to extend the submission time. The Commission directs the Licensees to adhere to the timelines of Regulatory filings as stipulated in the relevant regulations and should not request for time extension. The Commission directs the Petitioner to file the Petitions on time, in future. If the Petitioner fails to do so, the Commission shall be forced to initiate Suo-moto proceedings for determination of tariff.</p>	<p>The Petitioner submits that it has noted Commission's Directions and has strived to submit the Petition on priority basis.</p>	<p>The Commission decides to continue with the directive and directs the Petitioners (JPDCL & KPDCL) to maintain the time line.</p>
2.	<p>SUBMISSION OF AUDITED ACCOUNTS AND TRUE UP PETITION The Commission has noted the submission regarding status of annual audit of account. The Petitioners (JPDCL & KPDCL) shall</p>	<p>The Petitioner submits that; its Accounts for FY 2019-20 are audited by the Internal Auditor appointed by CAG. It is awaiting observations/remarks by CAG. Further, Accounts of FY 2020-21 are being audited by the internal auditor</p>	<p>The Commission has issued true-up order of past period, up to FY 2021-22. The directives given in true-up order should be followed by the Petitioners (JPDCL & KPDCL) while submitting the future true-up Petitions.</p>

Sr. No.	Commission's Directive	Compliance to the Directive	Commission's View
	work proactively and complete the process in time.	appointed by CAG. Further, the annual accounts of JKPCL (for power purchase expenses) for FY 2019-20 are being audited by the internal auditor appointed by CAG. As soon as the Annual Accounts of the Petitioner and JKPCL are adopted by the Board of Directors of Petitioner and of JKPCL respectively, the Petitioner would submit the same along with Truing Up Petition.	
3.	ACTION PLAN FOR METERING THE UNMETERED CONSUMERS The Commission has noted the plan of Petitioners (JPDCL & KPDCL) under RDSS scheme of metering of un-metered consumers. The progress with respect to target under RDSS scheme shall be submitted in next tariff Petition.	The Petitioner has submitted the progress of prepaid smart metering in the Petition.	The progress is noted. The Petitioner should update the Commission about the progress in next tariff Petition.
4.	CAPITAL INVESTMENT AND CAPITALIZATION PLAN ALONG WITH DETAILS OF SOURCE OF FUNDING The Petitioners (JPDCL & KPDCL) submitted the capitalization plan. However, the Petitioners (JPDCL & KPDCL) ignore the important point mentioned by the Commission regarding quarterly monitoring. The same is reiterate below: The Petitioners (JPDCL & KPDCL) should apropos the Commission about the progress in this regard.	The Petitioner has included the information of physical and financial progress of the various capital expenditure schemes undertaken by it in Q1 and Q 2 of FY 2023-24 in Form F 4.1, F 4.2 and F 4.3 of its Petition. Further, the Petitioner has noted the directions of the Commission and it shall submit the Monthly Progress Report (MPR) at the end of each quarter to comply with these directions.	The directive is continued for review of progress of work.

Sr. No.	Commission's Directive	Compliance to the Directive	Commission's View
	For better monitoring of the capital investment plan drawn by the Petitioner, the Commission directs the Petitioner to submit the details of the physical and financial milestones/ targets along with progress achieved vis-a-vis the action plan on strengthening of distribution infrastructure and reducing the AT&C losses, on a quarterly basis.		
5.	<p>ENERGY ACCOUNTING AND DETERMINATION OF LOSS</p> <p>The Commission observes that the instead of providing required data, the Petitioners (JPDCL & KPDCL) have mentioned the website address only where only data is available. The directive was issued to evaluate the performance of the sub divisions. If the required data is available with the Petitioners (JPDCL & KPDCL), then they should produce a comprehensive analysis report. This type of approach is not acceptable and can be considered by the Commission under Section 142: Punishment for non-compliance of directions by Appropriate Commission. They shall refrain to make sum</p>	<p>The Petitioner regrets the inconvenience caused.</p> <p>The Petitioners (JPDCL & KPDCL) submitted the Quarter-wise Energy Accounts report.</p>	<p>The Petitioners (JPDCL & KPDCL) should continue to submit the report and act on the recommendations made in those reports.</p>

Sr. No.	Commission's Directive	Compliance to the Directive	Commission's View
	reply. The required reports shall be produced in next tariff Petitions.		
6.	POWER PROCUREMENT The Commission directs JKPCCL to submit the details regarding fixed cost being paid to generators, who are not getting schedule continuously due to higher variable charges and power procurement under short term purchase for FY 2021-22 and FY 2022-23 Within 31.12.2023.	The Petitioner submits that it has conveyed the Commission's directive to JKPCCL and is continuously following up with JKPCCL for the information. The Petitioner shall submit the requisite information as soon as it receives the same from JKPCCL.	The directive is continued. Further, the directive regarding fuel and power purchase adjustment surcharge should be followed. First of such report should be submitted by 10 April, 2026.
7.	ONLINE BILLING AND E - PAYMENTS AGAINST BILLS The status report under Unified Billing System shall be submitted along with next tariff Petition.	JPDCL shall submit the information in due course of time. Status Report on Unified Billing System implementation submitted by KPDCL	The directive is continued.
8.	TOD TARIFF The Petitioner shall submit the load curve study in its next Petition. No further delay shall be entertained.	The Petitioner shall submit the information in due course of time.	The directive is continued.
9.	kVAh TARIFF The Petitioner shall submit the required study report in its next Petition only. No further delay shall be entertained.	The Petitioner shall submit the information in due course of time.	The directive is continued.
10.	RECOVERY OF ARREARS JPDCL and KPDCL shall Scheme provide consumer category wise arrears (as on 31.3.2021, 31.3.2022 and 31.3.2023) in the next tariff Petitions.	Only KPDCL has submitted the information.	The directive is continued.
11.	SECURITY DEPOSIT The Petitioners (JPDCL & KPDCL) shall submit	The Petitioner shall submit the information in due course of time.	The directive is continued.

Sr. No.	Commission's Directive	Compliance to the Directive	Commission's View
	the details at the earliest.		
12.	Fixed charges of various Category The Commission feels that the fixed charges and energy charges recovered from consumers should reflect the fixed and energy charges payable by DISCOMs to the generators. The Commission expects the DISCOMs to carry out above exercise and propose the category of fixed charge and energy charge to be recovered from consumer accordingly.	The Petitioner submitted that it has discussed this issue in the Petition and has accordingly suggested the Full Cost Tariff.	The Commission will review this in next tariff order.
13.	Miscellaneous charges		The Commission directs the Petitioners to review the existing charges and submit a proposal in this regard based on expenditure incurred by them in tariff Petition.

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Chapter 9: Tariff Schedule for FY 2025-26 (Subsidized tariff)

Schedule 1: Domestic Supply

Applicability

- 9.1. The Commission has fixed the applicability of the domestic tariff for supplies pertaining to domestic premises, religious institutions, group housing societies, orphanages, old-age and infirm homes, charitable institutions providing services free of cost or on nominal charges, post offices at residences of villagers and residential premises of architects, engineers, advocates, doctors, teachers, artists, weavers, stitching and embroidery workers occupying not more than 20% of built-up area for respective professional purposes. This tariff category is applicable to electricity used for operating various appliances such as lighting, heating, cooling, cooking, washing/cleaning, entertainment/leisure, water pumping, etc.
- 9.2. In addition, a separate Below Poverty Line (BPL) consumer category has been created to provide relief to socio-economic backward consumers for consumption of up to 30 units/month. It should be noted that only those consumers who submit a BPL certificate from a competent authority of the State Government will be included in the BPL category. In case consumption within this category exceeds 30 units/month, the consumption over and above it would be charged as per the applicable rates for the domestic (metered) category in accordance with the relevant consumption slab.

Character of Services

- (a) Alternating current (A.C.) 50 Hz, 230 volts, for single-phase up to and including a load of 5 kW.
- (b) A.C, 50 Hz, three-phase, 400 volts for load above 5 kW up to 100 kW (110kVA).

Rate of Charge

Approved Tariff for Domestic Supply

Description	Approved Tariff for FY 2025-26
Below Poverty Line (Consumption up to 30 units/month)	
Energy charges (Rs./kWh)	1.40
Fixed Charges (Rs./kW/month)	5.00
Metered Consumers	
Energy Charges for Metered Connection (Rs./kWh)	
Up to 200 units/month	2.30
201 - 400 units/month	4.00
> 400 units/month	4.35
Fixed Charges for contracted load (Rs./kW/month)	
Load (in kW) to be rounded off to the next 1/2 kW (0.5 kW) for the	

Description	Approved Tariff for FY 2025-26
purpose of application of Fixed Charges.	
For all units	8.00
Unmetered Consumers	
Flat Rate (Rs./month)	
Up to 1/4 kW	227.00
Above 1/4 kW up to 1/2 kW	520
Above 1/2 kW up to 3/4 kW	780
Above 3/4 kW up to 1 kW	1040
Above 1 kW up to 2 kW	Rs.1040 + Rs.260 for every additional 1/4 kW or part thereof up to 2 kW
Above 2 kW	Rs.2080 + Rs.650 for every additional 1/4 kW or part thereof above 2 kW

Illustration for Computation of Electricity Charges:

a) **Metered Connection:** Assuming a connected load of 3.0 kW and monthly powerconsumption of 500 kWh

	Description	Electricity Rate (Rs./kWh)	No. of units (kWh)	Total Charge (Rs.)
Energy Charges for Metered Connection				
(i)	upto 200 units /month	2.30	100	230
(ii)	201 - 400 units /month	4.00	200	800
(iii))	> 400 units /month	4.35	200	870
A	TOTAL ENERGY CHARGES		500	1900
Fixed Charges for Contracted Load				
		(Rs./kW)	Load(kW)	Total Charge(Rs.)
	For all units	8.00	3.0	24
B	TOTAL FIXED CHARGES		3.0	24
C	TOTAL CHARGES IN Rs. (A + B)			1948*

*Note: This excludes any other cess levied by the State Government

b) **Unmetered Connection:** Assuming a connected load of 3.0 kW

Description	Electricity Rate(Rs./month)	Total Charge (Rs.)
Flat Rate Tariff		
Above 2 KW	Rs.2080 + Rs.650 for every additional 1/4 kW or part thereof above 2 kW	2080+(650*4) =4680
TOTAL CHARGES IN Rs.		4680*

*Note: This excludes any other cess levied by the State Government

9.3. Group housing societies can avail of single-point power supply. The energy bill of a housing society shall be divided by the number of houses in it to determine the consumption of each house.

- 9.4.** If there are 10 houses in a society the consumption shall be charged in the following manner: The first 2000 (200 x 10) units would be charged at a tariff of the first 200 units; the next 2000 (200 x 10) units at a tariff of 200-400 units and the remaining units at a tariff of >400 units along with fixed charges for entire load at fixed charges per kW per month.
- 9.5.** Any matter regarding supply to group housing societies should be as per the Regulations laid down in the prevalent Supply Code Regulations.

Schedule 2: Non-Domestic/Commercial Supply

Applicability

9.6. This tariff category shall be applicable to the following: shops, showrooms, business houses, offices, educational/technical institutions, clubs, meeting halls, places of public entertainment, hotels, cinemas, hospitals, dispensaries, clinics, nursing homes, X-ray units, diagnostic centres, pathological labs, fisheries, aqua-culture, sericulture, dairy, hatcheries, printing presses (other than those qualifying to be charged under the LT industrial supply category), milk chilling centres (other than those specifically mentioned under Agricultural Supply), poultry farms, cattle breeding farms, nurseries, plantations, mushroom growing, carpenters and furniture makers, juice centres, hoardings and advertisement services, typing institutes, internet cafes, STD/ISD PCOs, FAX/photocopying shops, tailoring shops, photo studios and colour labs, laundries, cycle shops, compressors for filling air, restaurants, eating establishments, guest houses, marriage gardens, welding transformer and lathe machines for repair works and services, book binders, petrol pumps and service stations, lifts and other appliances in shopping centers and offices, tourist house-boats, and other similar establishments.

9.7. In addition, any connection not covered under other categories shall be billed under this category. However, this would exclude connections pertaining to State/Central Government or Defence services, which have been included in a separate category.

Character of Services

- (a) AC, 50 Hz, 230 volts, single-phase up to and including a load of 5 kW.
- (b) AC, 50 Hz, three-phase, 400 volts supply for load above 5 kW up to 100 kW (110 kVA).

Rate of Charge

Approved Tariff for Non-Domestic/Commercial Supply

Particulars	Approved Tariff for FY 2025-26
Metered Non-Domestic Tariff	
Energy Charges (Rs./kWh)	
Single Phase	
Upto 100 units/month	3.55
101 to 200 units/month	3.55
201 to 500 units/month	5.40
Above 500 units/month	5.85
Three Phase	
For all units (Rs./kVA)	5.85
Fixed Charges/Demand Charges	
Single Phase (Rs./kW/month)	60.00
Load (in kW) to be rounded off to the next 1/2 kW (0.5 kW) for the purpose of application of Fixed Charges. (Example: 0.25 kW to be charged as 0.5 kW and 1.2 kW to be charged as 1.5 kW and so on.)	
Three Phase (Rs./kVA/month)	130.00

Particulars	Approved Tariff for FY 2025-26
Or part thereof on Billing Demand	
Unmetered Non-Domestic Tariff	
Flat Rate Charges (Rs./month)	
Upto 1/4 kW	650
Above 1/4 kW up to 1/2 kW	1300
Above 1/2 kW up to 3/4 kW	1950
Above 3/4 kW up to 1 kW	2600
Above 1 kW and part thereof for every kW above 1 kW	Rs.2600 + Rs.650 for every additional 1/4 kW or part thereof above 1 kW

- 9.8. For connections with a sanctioned load below 100 kW (110 kVA) supplied and metered on HT, a 5% rebate on energy charges of Non-domestic/Commercial Tariff shall be allowed.
- 9.9. Any matter regarding supply to Commercial Complexes with single-point delivery/supply should be as per the prevalent Supply Code Regulations.

Schedule 3: State/Central Government Departments

Applicability

9.10. The Commission has fixed the applicability of the State/Central Government department category to all connections including educational/technical institutions, taken by the departments of the State and Central Governments, defence and para-military forces excluding public sector enterprises/undertakings.

9.11. This shall not include connections taken for agricultural purposes, water pumping and street lighting by the Central/State Government Departments for which tariffs provided in the appropriate tariff schedules shall apply.

Character of Services

- (a)** AC, 50 Hz, 230 volts; single-phase up to and including a load of 5 kW.
- (b)** AC, 50 Hz, three-phase; 400 volts supply for sanctioned load above 5 kW up to 100 kW (110 kVA).
- (c)** AC, 50 Hz, three-phase; 11 kV supply for sanctioned load above 100 kW(110 kVA) up to 1 MVA.
- (d)** AC, 50 Hz, three-phase; 33 kV and above supply for sanctioned load above 1 MVA.

Rate of Charge

Approved Tariff for State/Central Government Departments

Particulars	Approved Tariff for FY 2025-26
Energy Charges (Rs./kVAh)	7.90
11 kV Supply	2.5% rebate on energy charges
33 kV and above Supply	5.0% rebate on energy charges
Fixed Charges (Rs./kVA/month)	
Or part thereof on Billing Demand	
For metered consumers	40.00

Schedule 4: Agricultural Supply

Applicability

9.12. The Commission has fixed applicability of the agricultural tariff to agricultural loads and lift irrigation connections including threshers. This tariff is also applicable to State Govt. lift irrigation and pumping loads. It is also applicable to Goshala or Tabela, which involve milk collection only and is not associated with industrial/commercial activity of milk processing or dairy/chilling plants, which are separately covered under Non-domestic/Commercial tariffs.

Character of Services

- (a)** AC, 50 Hz, 230 volts, single-phase up to a load of 5 kW (6.70 HP).
- (b)** AC, 50 Hz, three-phase, 400 volts supply for sanctioned load up to 100 kW(134 HP).
- (c)** AC, 50 Hz, three-phase, 11kV supply for sanctioned load above 100 kW(134 HP) up to 1 MVA.
- (d)** AC,50 Hz, three-phase, 33/66kV supply for sanctioned load above 1 MVA.

Rate of Charge

Approved Tariff for Agriculture Supply

Particulars	Approved Tariff for FY 2025-26
Metered Tariff	
Energy Charges (Rs./kWh) *	
0 to 10 HP	0.90
11 to 20 HP	1.15
Above 20 HP	6.00
Fixed Charges for connected load (Rs./HP/month)**	
0 - 10 HP	20.00
11 to 20 HP	25.00
Above 20 HP	45.00
Flat Rate Unmetered connections for connected load (Rs./HP/month)**	
0 to 10 HP	325
11 to 20 HP	357
Above 20 HP	1950

* 2.5% & 5% rebate on Energy Charges for connection at 11 kV and 33 kV and above respectively.
 **to be rounded off to the next 1/2 HP (0.5 HP) for the purpose of application of Fixed Charges.

Schedule 5: Public Street Lighting

Applicability

9.13. The tariffs for this category will be applicable to public street lighting established and maintained by Corporations, Municipalities, Town Area/Notified Area Committees, other local bodies and agencies authorized by the State Government to establish and maintain public street lighting.

Character of Services

- (a)** AC, 50 Hz, 230 volts, single-phase up to and including a load of 5 kW.
- (b)** AC, 50 Hz, three-phase, 400 volts supply for load above 5 kW.

Rate of Charge

Approved Tariff for Public Street Lighting

Particulars	Approved Tariff for FY 2025-26
Metered Tariff	
Energy Charge	
Rs./kWh	8.60
Fixed Charge (Rs./kW/month) Load (in kW) to be rounded off to the next whole number for the purpose of application of Fixed Charges	60.00
Unmetered Tariff	
Rs./kW/month or any part thereof	4550.00

Schedule 6: LT Public Water Works

Applicability

9.14. The tariffs for this consumer category shall apply to water works and sewerages/drainage installations established and maintained by Corporations, Municipalities, Town Area/Notified Area Committees, other local bodies and government agencies authorized by the State Government to establish and maintain public water works/sewerage installations.

Character of Services

- (a)** AC, 50 Hz, 230 volts, single-phase up to and including a load of 5 kW.
- (b)** AC, 50 Hz, three-phase, 400 volts supply for sanctioned load up to 100 kW.

Rate of Charge

Approved Tariff for LT Public Water Works

Particulars	Approved Tariff for FY 2025-26
Metered Tariff	
Energy Charge	
For all Units (Rs./kWh)	8.60
Fixed Charges for metered consumers (Rs./kW/month) Load (in kW) to be rounded off to the next whole number for the purpose of application of Fixed Charges.	60.00

Schedule 7: HT Public Water Works

Applicability

9.15. The tariffs for this consumer category shall apply to water works and sewerages/drainage installations established and maintained by Corporations, Municipalities, Town Area/Notified Area Committees, other local bodies and Government agencies authorized by the State Government to establish and maintain public water works/sewerage installations.

Character of Services

- (a)** AC, 50 Hz, three-phase; 11 kV supply for load up to 1 MVA.
- (b)** AC, 50 Hz, three-phase; 33 kV and above supply for sanctioned load above 1 MVA.

Rate of Charge

Approved Tariff for HT Public Water Works

Particulars	Approved Tariff for FY 2025-26
Metered Consumers	
11 kV Supply	
Energy Charge (Rs./kVAh) *	8.15
Demand Charge (Rs./kVA/month) *^	250.00
<small>* For Connections above 100 kW metered on LT, Additional 5% Surcharge on Demand and Energy Charges at 11 kV tariff shall be chargeable.</small>	
<small>^ Or part thereof on billing demand.</small>	
33 kV and above Supply	
Energy Charge (Rs./kVAh)	8.05
Demand Charge (Rs./kVA/month) ^	250.00
<small>^ Or part thereof on billing demand</small>	

Schedule 8: LT Industrial Supply

Applicability

9.16. The Commission has decided that LT industrial supply shall be applicable to all units registered with the Industries & Commerce Department, Government of UT of J&K covered under the Factories Act. The list of entities covered shall include various industrial installations and workshops with manufacturing facilities where raw materials are converted to finished goods. This shall mean and include all energy consumed in factories, offices, stores, canteens, compound lighting, etc., and the consumption for residential use therein.

9.17. LTIS-II shall be applicable to “Atta chakkis, rice huskers, oil expellers, cotton ginning” in the rural and unorganized sectors having loads up to 15 HP (11.19 kW). LTIS-I would include all LT industrial consumers except those covered under LTIS-II.

Character of Services

(a) AC, 50 Hz, 230 volts, single-phase up to and including a load of 5 kW.

(b) AC, 50 Hz, three-phase, 400 volts supply for sanctioned load up to 100 kW (110 kVA).

Rate of Charge

Approved Tariff for LT Industrial Category

Particulars	Approved Tariff for FY 2025-26
LTIS-I (for all metered consumers except those covered under LTIS-II)	
<i>For consumers with load <50 kW, kWh tariff shall be applicable</i>	
Energy Charges (Rs./kVAh)	4.20
Demand Charges (Rs./kVA/month) ^	60.00
<i>For consumers with load >50 kW, kWh tariff shall be applicable</i>	
Energy Charges (Rs./kVAh)*	4.20
Demand Charges (Rs./kVA/month) ^	60.00
* For Connections with sanctioned load below 100 kW (110 kVA) supplied and metered on HT, 5% rebate on Energy Charges shall be allowed.	
^ Or part thereof on billing demand.	
LTIS-II (for all metered consumers and having load up to 15 HP)	
Energy Charges (Rs./kWh)*	4.20
Fixed Charges (Rs./kW/month) ^	30.00
* For Connections with sanctioned load below 100 kW supplied and metered on HT, 5% rebate on Energy Charges shall be allowed.	
^ Load (in kW) to be rounded off to the next whole number for the purpose of application of Fixed Charges.	

Schedule 9: HT Industrial Supply

Applicability

9.18. The Commission has decided that HT industrial supply shall be applicable to all units registered with the Industries Department, Government of UT of J&K and covered under the Factories Act. The list of entities covered shall include various industrial installations and workshops with manufacturing facilities where raw materials are converted to finished goods. This shall mean and include all energy consumed in factories, offices, stores, canteens, compound lighting, etc. and residential use therein, excluding power-intensive industries.

Character of Services

- (a)** AC, 30phase; 50 Hz on 11 kV with sanctioned load above 100 kW (110 kVA) up to 1MVA.
- (b)** AC, 3-phase; 50 Hz, 33 kV and above for sanctioned load of 1 MVA and above.

Rate of Charge

Approved Tariff for HT Industrial Category

Particulars	Approved Tariff for FY 2025-26
11 kV Supply	
Energy Charge (Rs./kVAh) *	4.10
Demand Charge (Rs./kVA/month) *^	175.00
* For Connections with sanctioned load above 100 kW metered on LT, additional 5% Surcharge on Demand& Energy Charges at 11 kV tariff shall be chargeable.	
^ Or part thereof on Billing Demand.	
33 kV Supply#	
Energy Charge (Rs./ kVAh)**	4.00
Demand Charge (Rs./ kVA/ month) ^	175.00
#ToD tariff applicable.	
** Rebate to Connections at higher voltages: For 66 kV – 15 paisa/kVAh on the Energy Charge for 33 kV Supply.	
^ Or part thereof on Billing Demand.	

Schedule 10: HT Industrial Supply for Power Intensive Industries

Applicability

9.19. The Commission has decided that HT Industrial supply for power-intensive industries shall be applicable to all units registered with the Industries & Commerce Department, Government of UT of J&K and covered under the Factories Act. This category shall apply to HT consumers manufacturing any one of the following products and/or industries engaged in any one or more of the processes listed below and/or using induction/arc furnaces. This shall mean and include all energy consumed in factories, offices, stores, canteens, compound lighting, etc., and the consumption for residential use therein.

- (a)** Calcium carbide
- (b)** Caustic soda
- (c)** Charge chrome
- (d)** Ferro manganese
- (e)** Ferro silicon
- (f)** Ferro alloys
- (g)** Potassium chlorate
- (h)** Silicon carbide
- (i)** Sodium chlorate
- (j)** Sodium metal
- (k)** Chlorates/per chlorates
- (l)** Melting of metals and alloys
- (m)** Industries engaged in electro-chemical/electro-thermal processes
- (n)** Industries using induction/arc furnace
- (o)** In other cases, where the cost of power is more than 25% of the cost of the product manufactured.

Character of Services

- (a)** AC, 3-phase; 50 Hz, 11 kV up to 1 MVA.
- (b)** AC, 3-phase; 50 Hz, 33 kV and above for load of 1 MVA and above.

Rate of Charge

Approved Tariff for HT Industrial Supply for Power Intensive Industries

Particulars	Approved Tariff for FY 2025-26
11 kV Supply	
Energy Charge (Rs./kVAh)	9.00
Demand Charge (Rs./kVA/month)[^]	225.00
^ Or part thereof on Billing Demand	
33 kV Supply#	
Energy Charge (Rs./kVAh)*	8.75
Demand Charge (Rs./kVA/month) ^	225.00
# ToD tariff applicable	
* Rebate to Connections at higher voltages: For 66 kV – 15 paisa/kVAh on the Energy Charge for 33 kV Supply. ^ Or part thereof on Billing Demand.	

Schedule 11: General Purpose Bulk Supply

Applicability

9.20. This category contains all non-industrial consumers having mixed types of loads greater than 100 kW (110 kVA). This includes domestic consumers, offices, educational/technical institutions, religious institutions, residential colonies, commercial establishments and other similar consumers.

9.21. All connections having a load of 100 kW or above and not covered in any other category shall be billed under tariffs applicable to this category. However, any such connections belonging to State/Central Governments, defence and para-military forces shall not be considered in this category.

Character of Services

(a) AC, 3-phase; 50 Hz on 11 kV up to 1 MVA.

(b) AC, 3-phase; 50 Hz on 33 kV and above for load of 1 MVA and above.

Rate of Charge

Approved Tariff for General Purpose Bulk Supply

Particulars	Approved Tariff for FY 2025-26
11 kV Supply	
Energy Charge (Rs./kVAh) *	5.60
Demand Charge (Rs./kVA/month) *^	225.00
* For Connections above 100 kW metered on LT, additional 5% Surcharge on Demand and Energy Charges at 11 kV tariff shall be chargeable.	
^ Or part thereof on Billing Demand.	
33 kV Supply#	
Energy Charge (Rs./kVAh)**	5.55
Demand Charge (Rs./kVA/month) ^	225.00
# ToD tariff applicable.	
** Rebate to Connections at higher voltages: For 66 kV – 15 paisa/kVAh on the Energy Charge for 33 kV Supply.	
^ Or part thereof on Billing Demand.	

Schedule 12: LT and HT Temporary Connections

Applicability

9.22. The Commission has fixed the applicability for this category to all loads of a temporary nature, such as exhibitions, touring talkies, circuses, fairs, marriages, temporary agricultural loads, temporary supply for construction including civil works by Government departments and other similar purposes.

Rate of Charge

9.23. The Commission has approved the tariff for temporary connections at 1.5 times the applicable rates (on fixed/demand and energy charges).

Time Period for Temporary Connection

9.24. Temporary connections shall be granted for a period of up to 12 months at a time. However, if the period of temporary connection is extended beyond 12 months, the tariff would be two times that of the applicable fixed/demand and energy charges.

Schedule 13: Electric Vehicle (EV) Charging Station

Applicability

9.25. This tariff category is applicable to Electric Vehicle Charging Stations including battery swapping stations for Electric Vehicle.

9.26. In case the consumer uses an electricity supply for charging his own electric vehicle at his premises, the tariff applicable shall be as per the category of such premises.

Character of Services

(a) AC, 3-phase; 50 Hz: 400 volts supply for sanctioned load up to 100 kW (110 kVA).

(b) AC, 3-phase; 50 Hz on 11 kV above 110 kVA and up to 1 MVA.

(c) AC, 3-phase; 50 Hz on 33 kV and above for load of 1 MVA and above.

Rate of Charge

Approved Tariff for EV charging station

Particulars	Approved Tariff for FY 2025-26
LT Supply	
Energy Charge (Rs./kVAh)	7.00
Demand Charge (Rs./kVA/month) ^	0
11 kV Supply	
Energy Charge (Rs./kVAh) *	6.90
Demand Charge (Rs./kVA/month) *^	0
* For Connections above 100 kW metered on LT, additional 5% Surcharge on Demand and Energy Charges at 11 kV tariff shall be chargeable.	
33 kV Supply#	
Energy Charge (Rs./kVAh)**	6.80
Demand Charge (Rs./kVA/month) ^	0
# ToD tariff applicable.	
** Rebate to Connections at higher voltages: For 66 kV – 15 paisa/kVAh on the Energy Charge for 33 kV Supply.	
^ Or part thereof on Billing Demand.	

Schedule 14: Traction

Applicability

9.27. This tariff category is applicable to the power supply at High Voltage for Railways, including stations and shops, workshops, yards, etc.

Character of Services

- (a) AC, 3-phase; 50 Hz on 11 kV up to 1 MVA.
- (b) AC, 3-phase; 50 Hz on 33 kV and above for load of 1 MVA and above.

Rate of Charge

Approved Tariff for Traction

Particulars	Approved Tariff for FY 2025-26
11 kV / 33 kV Supply#	
Energy Charge (Rs./kVAh) *	5.40
Demand Charge (Rs./kVA/month) *^	300

ToD tariff applicable for 33 kV supply only.
 * For Connections above 100 kW metered on LT, Additional 5% Surcharge on Demand and Energy Charges at 11 kV tariff shall be chargeable.
 ^ Or part thereof on Billing Demand.



Chapter 10: Terms and Conditions of Tariff/Definitions

10.1 The terms and conditions for the application of tariff for FY 2025-26 as approved by the Commission are provided below.

Terms and Conditions of Tariff

10.2 These tariffs supersede all tariffs thus far in force.

10.3 The tariffs are subject to revision and/or surcharge that may be levied by the Distribution Licensee from time to time as per the directives of the Commission.

10.4 The tariffs are subject to the provisions of the applicable Regulations and any directions that may be issued by the Commission from time to time.

10.5 The Fixed charges, Demand charges, and slabs of consumption of energy for Energy Charges mentioned shall not be subject to any adjustment on account of the existence of any broken period within the billing period arising from consumer supply being connected or disconnected at any time within the duration of the billing period for any reason.

10.6 The utility shall provide single-phase LT connections up to and including a load of 5 kW, beyond which all connections shall be three-phase in nature.

10.7 The Distribution Licensee may provide three-phase connections to consumers with a load of less than 5 kW on request from the consumer accompanying justification for the same. Three-phase tariff shall be applicable to all such connections.

10.8 Unless specifically stated to the contrary, the figures of Energy Charge are denominated in Rupees per unit (kWh or kVAh as the case may be) for the energy consumed during the month. The billing of energy charges will be done on complete one kilo-watt-hour (kWh) or kilo-volt-ampere-hour (kVAh).

Points of Supply

10.9 The tariff will be applicable to one point supply unless otherwise specified in the agreement between the Licensee and consumer.

Minimum Agreement Period

10.10 The minimum period for which the Licensee shall provide a permanent connection for power supply to a consumer shall be six months (LT supply), one year (HT supply) and two years (EHT supply) starting from the date of commencement of supply. The minimum period of the agreement shall continue until the end of the billing cycle in which the end date of the months/one year/two years period expires. Any consumer applying for permanent disconnection of supply before the expiry of the period as specified above, shall pay to the utility guaranteed charges/minimum charges/demand charges for the unexpired period of the agreement. However, this condition of paying minimum charges can be relaxed for domestic and agricultural consumers.

Security Deposit

10.11 All matters regarding Security Deposits will be as per provisions given in Supply Code Regulations and its amendments in force.

Late Payment Surcharge

10.12 The Licensee shall levy a late payment surcharge @ 1.5% per month on the unpaid (beyond due date) principal amount of energy charges, fixed/demand charges and/or minimum charges as may be the case for authorized connections.

Example 1: In case no payment has been made before due date

- *Amount payable on account of energy and fixed/demand charges by due date*
= Rs. 1,000
- *Due Date = 31st May.*
- *Actual paid by due date = Nil*
- *Amount payable after due date but by 30th June = Rs.1,015 (1000 +15)*
- *Amount payable by 31st July = Rs.1,030 (1000 + 15 + 15) and so on (Note: Surcharge for the period beyond June would be computed on the unpaid principal amount only)*

Example 2: In case partial payment has been made before due date

- *Amount payable on account of energy and fixed/demand charges by due date*
= Rs. 1,000
- *Due Date = 31st May*
- *Actual paid by due date = 500*
- *Unpaid Amount payable after due date but by 30th June = Rs.507.5(500 + 7.5)*
- *Amount payable by 31st July = Rs.515 (500 + 7.5 + 7.5) and so on (Note: Surcharge for the period beyond June would be computed on the unpaid principal amount only)*

Rebate for Pre-paid Smart Meter

10.13 Consumers with prepaid smart metered connections shall be entitled to rebate of 2% in the Energy Charge Rate applicable for that consumer category.

Excess/Unauthorized Load

10.14 Any consumer having an energy meter with Maximum Demand Indicators (MDI) installed, found to have an actual load drawn greater than the contracted demand shall be levied fixed/demand charges for the excess load at twice the normal rate. The energy charges for consumption proportionate to the excess demand shall also be billed at twice the normal rate. In cases where no MDI is installed, the excess load shall be billed as per provisions given in Supply Code Regulations and its amendments in force.

Example:

(a) *For consumers where fixed charges on the basis of contracted load/demand have been specified:*

- *Contracted load = 30 kW, Maximum Demand = 43 kW, Excess Demand*

= 13 kW (43-13)

- Recorded consumption for month = 10,320 KWh
- Consumption corresponding to contracted load = $(10,320 / 43 * 30) = 7,200 \text{ kWh}$
- Consumption corresponding to excess demand = $(10,320 - 7,200) = 3,120 \text{ kWh}$
- Normal Fixed Charge Rate = Rs.47/kW/month, Normal Energy Charge rate = Rs.3.00/kWh
- Fixed Charges for contracted load = $(30 * 47) = \text{Rs.1,41}$
- Fixed Charges for excess load = $(13 * 47 * 2) = \text{Rs.1,222}$
- Total Fixed Charges = $(1,410 + 1,222) = \text{Rs.2,632}$
- Energy Charges for consumption corresponding to contracted load = $(7,200 * 3) = \text{Rs.21,600};$
- Energy Charges for consumption corresponding to excess load = $(3,120 * 3 * 2) = \text{Rs.18,720};$
- Total Energy Charges = $(21,600 + 18,720) = \text{Rs.40,320}$

(b) For industrial consumers billed on billable demand:

- Contracted demand = 500 kVA, Maximum Demand = 800 kVA, Excess Demand = 300 kVA (800-500)
- Recorded consumption for month = 3,26,400 KVAh
- Consumption corresponding to contracted demand = $(3,26,400 * 500 / 800) = 2,04,000 \text{ KVAh};$
- Consumption corresponding to excess demand = $(3,26,400 - 2,04,000) = 1,22,400 \text{ KVAh}$
- Normal Demand Charge Rate = Rs. 130/kVA/month, Normal Energy Charge rate = Rs.2.60/KVAh
- Fixed Charges for contracted demand = $(500 * 130) = \text{Rs.65,000}$
- Fixed Charges for excess demand = $(300 * 130 * 2) = \text{Rs.78,000}$
- Total Fixed Charges = $(65,000 + 78,000) = \text{Rs.1,43,000}$
- Energy Charges for consumption corresponding to contracted demand = $(2,04,000 * 2.60) = \text{Rs.5,30,400};$
- Energy Charges for consumption corresponding to excess demand = $(1,22,400 * 2.60 * 2) = \text{Rs.6,36,480};$
- Total Energy Charges = $(5,30,400 + 6,36,480) = \text{Rs.11,66,880}$

Electricity Duty

10.15 The tariffs are exclusive of Electricity Duty (ED) or any other taxes levied by the Government. The ED and any other levy shall be charged extra and remitted to the Government separately based on the actual payment from consumers.

Irregular Power Supply

10.16 Wherever the utility is unable to supply power to the entire area/locality fed by a particular substation for a continuous period of 15 days or more, no electricity charges will be payable by the affected consumers for the period for which the power remains off continuously.

10.17 The areas where the power supply is less than 12 hours a day continuously for a period of thirty days, the minimum charges/fixed charges/demand charges shall be levied proportionately for the actual period of supply.

Government Employees moving with Darbar

10.18 Government employees moving between Jammu and Srinagar along with Darbar and occupying government accommodation shall be granted an electric connection for a period of six months. On expiry of six months, the utility will disconnect the installation immediately and no charges will be levied for the period the installation remains disconnected. All such installations shall be deemed to be permanent connections for determination of tariff.

Defective/Burnt/Stolen Meters

10.19 In the case of a defective/stolen/burnt meter, the consumer shall be billed on the basis of the provisions given in the Supply Code Regulations and its amendments in force.

Charges for Dishonoured Cheques

10.20 A consumer whose cheque has been dishonoured shall have to make payments within 7 days either in cash or net banking. Other conditions shall be as per provisions given in Supply Code Regulations and its amendments in force.

Resale of Energy

10.21 Resale of power will be governed by the provisions given in the Supply Code Regulations and its amendments in force.

Applicability of Tariff

10.22 In case of dispute between the utility and the consumer regarding the applicability of the tariff, the decision of the Commission shall be final.

Contradiction to the Agreement

10.23 All conditions prescribed herein shall be applicable to the consumer, notwithstanding, the provisions, if any, in the agreement entered by the consumer with the licensee being to the contrary.

Time of Day (ToD) Tariff

10.24 ToD tariff is applicable in addition to energy charges for HT consumers with load above 1 MVA getting supply at 33 kV level and above. For the implementation of the ToD tariff, peak hours will be considered as 0600-0900 Hrs and 1700-2200 Hrs (total eight hours duration in a day) and solar hours will be 900-1700 Hrs (eight hours duration in a day). During peak hours a 20% surcharge on energy charges will be applicable. During solar hours a 20% rebate on energy charges will be applicable.

Rebate for Use of Solar Energy

10.25 During the winter months, the consumption of electricity is very high, especially during the morning hours resulting in a peaking of demand in addition to the normal peaking witnessed in the evening hours. Climatic conditions in the State are such that hot water is required by domestic as well as commercial consumers and it appears that one of the reasons for this peak demand in the morning during the winter months is the use of water

heating appliances like geysers and immersion rods etc. These heating appliances are heavy guzzlers of electricity.

10.26 This requirement of consumers is real and cannot be curbed or discouraged beyond a point. Therefore, for the sake of proper grid management, it is essential that consumers should be nudged and encouraged to opt for alternative methods to meet their water heating and cooling requirements. Solar water heaters and/or solar cookers offer an excellent alternative to electrical water heating systems and can help in a big way in reducing the demand, particularly during morning hours. The weather conditions in the State are conducive to tapping solar energy for this purpose. Responsible and progressive consumers are already using such devices to substantially reduce their energy bills. The use of solar heating is thus a win-win situation for consumers as well as the utility.

10.27 In order to encourage consumers to switch over to solar water heating systems, the Commission proposes a monthly rebate of Rs.150 for all metered consumers who have installed such solar heating systems with a minimum capacity of 100 litres for meeting their requirements of hot water. To avail of this rebate, the consumer will be required to give documentary proof of having obtained JAKEDA or purchase from a registered dealer of such a system. He will also have to supply an affidavit to the effect that such a system has been installed on his premises and is being used regularly to meet such heating requirements.

10.28 This declaration will be verified by the Licensee's meter representative. In case such declaration is found to be false, the Licensee in addition to taking appropriate legal action against such consumer would also be entitled to recover the entire rebate allowed to such consumers with a 100% penalty.

Definitions

Connected Load

10.29 "Connected load" expressed in kilo Watt (kW), kilo Volt Ampere (kVA) or Horse Power (HP), means the aggregate of the manufacturer's rated capacities of all energy-consuming devices or apparatus connected with the Distribution Licensee's service line on the consumer's premises, which can be simultaneously used and shall be determined as per the procedure laid down in the Supply Code. This shall be expressed in kW or kVA. If the rating is in kVA, the same shall be converted to kW by multiplying the kVA with a Power Factor of 0.9. If the same or any other apparatus is rated in HP, the HP shall be converted to kW by multiplying it by 0.746.

10.30 However, this shall not include the load of extension plug sockets, stand-by or spare energy-consuming apparatus installed, through change-over switch, which cannot be operated simultaneously and any other load exclusively meant for firefighting purposes.

10.31 In the case of domestic consumers, a higher cooling load (air conditioners, coolers, etc.) or heating load (excluding equipment used for cooking) only shall be taken for determination of the total load.

10.32 Any equipment which is under installation and not connected electrically such as equipment stored in warehouses/showrooms either as spare or for sale will not be considered as the part of the Connected Load.

Sanctioned Load

10.33 Sanctioned Load: Shall mean load (in kW, kVA or HP) for which the Licensee has agreed to supply from time to time subject to the governing terms and conditions in the absence of an agreement between the distribution licensee and the consumer.

Contract Demand

10.34 Contract demand means the maximum demand in kW, kVA or HP, agreed to be supplied by the Licensee and indicated in the agreement executed between the Licensee and the consumer. The contract demand cannot be reduced to less than 60% of the sanctioned connected demand.

Maximum Demand

10.35 Maximum Demand for any month shall mean the highest average load measured in kVA or kW (kilo volt amperes/kilo watt) during any consecutive 30-minute period of the month.

Demand Charges

10.36 Demand Charges shall mean the amount chargeable based upon the billing demand as defined in para 11.37 below.

Average Power Factor

10.37 Average Power Factor: This shall mean the average energy factor and shall be taken as the ratio of the kilo-watt-hour (kWh) to the kilo-volt-ampere-hour (kVAh) supplied during any period.

Billing Demand

10.38 The billing demand (for kVA-based billing) for any month shall be taken to be the higher of the actual maximum recorded demand or 75% of the Contract Demand.



Chapter 10: Schedule of Miscellaneous Charges

Approved Schedule of miscellaneous charges for FY 2025-26

Sl.No	Description	Units	Approved Charges for FY 2025-26
1	For single phase and three phase connection upto 5 KW		
1.a	<i>Changing Meter Board in same premises.</i>	Rs	80
1.b	<i>Changing Meter at Consumers request in same premises.</i>	Rs	80
1.c	<i>Resealing PDDs cut-out in Consumers premises.</i>	Rs	25
2	Re-sealing of Meters, Maximum Demand Indicators in Consumers premises		
2.a	<i>Single Phase LT Connection.</i>	Rs	100
2.b	<i>Three phase LT Connection</i>	Rs	150
2.c	<i>HT Connection</i>	Rs	850
3	Meter Testing charge at Consumers request		
3.a	<i>Single phase LT Meter.</i>	Rs	60
3.b	<i>Three phase 4W/3W Meter without CT.</i>	Rs	100
3.c	<i>Three phase 4W/3W Meter with CT</i>	Rs	350
3.d	<i>LT CT Meter</i>	Rs	200
3.e	<i>HT Meter along with metering equipment (CT/PT).</i>	Rs	1200
4	Special meter reading		
4.a	<i>LT Connection</i>	Rs	30
4.b	<i>HT Connection</i>	Rs	250
5	Replacement of burnt Meter (if burnt due to Consumers fault)	Rs	Cost of Meter+15% supervision charges
6	Fuse Off call charges-Replacement		
6.a	<i>PDD's cut out fuse</i>	Rs	25
6.b	<i>LT Consumers fuse</i>	Rs	25
7	Replacement of missing Meter card	Rs/Card	15
8	Replacement of broken glass of Meter	Rs/Glass	40
9	Reconnection/disconnection charges		
9.a	<i>LT Consumers</i>	Rs	50
9.b	<i>HT Consumers</i>	Rs	250
10	Rechecking of installation on request of Consumer		
10.a	<i>Single phase</i>	Rs	100
10.b	<i>Three phase</i>	Rs	250
11	Re-rating of equipment	Rs/ Equipment	120
12	Supervision charge for Service Connection(if service line laid by Consumer through licensed Contractor)		
12.a	<i>Single phase LT connection</i>	Rs	200
12.b	<i>Three phase LT connection</i>	Rs	450
12.c	<i>Loop LT connection</i>	Rs	120
13	Parallel Operation charge for availing Grid support	Rs/kVA	As per

Sl.No	Description	Units	Approved Charges for FY 2025-26
	by CPP	per month	JERC Regulations
		on the installed capacity of CPP	
14	Shifting of connection	Rs	Actual material cost+15% supervision charge
15	Hiring of Utility's plant and equipment		
15.a	For initial hire agreement period	Rs	1% pm on current schedule of rates
15.b	For subsequent period of hire agreement	Rs	Twice of 15.a
15.c	For LT consumers (more than 100 HP) converting to HT	Rs	Same as 15.a & 15.b
16	Transfer of Name		
16.a	LT	Rs	120
16.b	HT	Rs	600
17	Booklet for HT/LT Tariff	Rs	25
18	Connection/disconnection charges for temporary connection		
18.a	LT temporary connection	Rs	150
18.b	HT temporary connection	Rs	700



Annexure 1:

List of participants in State Advisory Committee Meeting

Date: 10th December, 2025

Venue: Conference Hall, JERC Office, Panama (Ambedkar Chowk, Jammu.

List of participants in SAC meeting

S.N.	Name of the Member/Officers	Department/Organization
OFFICERS of JERC/PDD		
1	Shri R. K. Chaudhary	Hon'ble Chairperson, JERC
2	Shri Shailendra Kumar	Additional Chief Secretary PDD
3	Shri Saurabh Bhagat	Commissioner Secretary CAPD
4	Shri Mohd. Ashraf	Secretary, JERC
5	Shri Zakir H. Wani	Additional Secretary, PDD
6	Shri Zahoor A. Wani	Director Finance, PDD
7	Shri H Y Malik	Special Secretary, PDD
8	Shri Rajinder Singh	DLO, JERC
9	Shri Surendra Pimparkhedkar	Joint Director (WISE), Consultant, JERC
10	Shri Satadru Chakraborty	Fellow (WISE), Consultant, JERC
11	Shri Ahmed Sarfraz Khan	Researcher (WISE), Consultant, JERC
OFFICERS/REPRESENTATIVES OF JKPCl/ JPDCL/KPDCL		
12	Shri G. P. Singh	MD JPDCL
13	Shri K K Thappa	Chief Engineer JPDCL
14	Shri Vikas Anand	CE Project JPDCL
15	Shri Vijay Balnotra	CE P&P JPDCL
16	Shri Mehmood Shah (Virtual)	MD KPDCL
SAC MEMBERS		
17	Shri Vijay Singh Chib	President AJKTP
18	Shri Ashok Kumar	General Secretary
19	Shri Shahid Kamli	President FCIK
20	Shri Sanjeev Anand	Assistant Professor SMVDU
21	Shri Kuchluu Sharma	President IMTWC
22	Shri Ankit Dubey	Assistant Professor IIT Jammu
23	Shri Abid Bazaz (Virtual Mode)	HOD NIIT Srinagar



Annexure 2: List of stakeholders who participated in Public Hearing for JPDCL

Date: 18th November, 2025

Venue: Conference Hall, JERC Office, Panama (Ambedkar) Chowk, Jammu.

List of participants in Public Hearing for JPDCL

S.N.	Name of the Member/Officers	Department/Organization
OFFICERS of JERC		
1	Shri R. K. Chaudhary	Hon'ble Chairperson, JERC
2	Shri Mohammad Ashraf	Secretary, JERC
3	Shri Rajinder Singh	DLO, JERC
4	Shri Ahmed Sarfraz Khan	Researcher WISE-Consultant JERC
OFFICERS/REPRESENTATIVES OF JKPCCL/ JPDCL/ PDD and Stakeholders		
5	Shri G. P. Singh	MD, JPDCL
6	Shri K. K. Thapa	CE Distribution JPDCL
7	Shri Vijay Balnotra	CE& P&P, JPDCL
8	Shri Pawan Sharma	Er ECAO JPDCL
9	Shri Vijay Baloch	TO, CE Project JPDCL
10	Shri A. K. Chibber	SE JPDCL
11	Shri Sunina Koul	AE JPDCL
12	Shri Tushar Kothrala	PWC-Consultant JPDCL
13	Shri Akshat Narkhi	PWC-Consultant JPDCL
14	Shri Neha Sharma	Company Secretary JPDCL
15	Shri Kunal Sharma	RDSS-Consultant JPDCL
16	Shri Javed H Akthar	X-en JPDCL
17	Shri Ashwani Kumar	Assistant X-en JPDCL
18	Shri Abhijeet Gupta	AE (TO) JPDCL
19	Shri Pawan Kumar	AE E/M HQ CWE Jammu
20	Shri Pawan Kumar	AE E/M HQ CWE Jammu
21	Shri Deleep Cherun	Representative OPI Group of Industries



Annexures 3: List of Stakeholders who participated in Public hearing for KPDCL

Date: 20th November, 2025

Venue: Banquet Hall, Polo View, Srinagar.

List of participants in Public Hearing for KPDCL

S. No.	Name	Department/Organisation
OFFICERS of JERC		
1.	Shri R. K. Chaudhary	Hon'ble Chairperson, JERC
2.	Shri Mohammad Ashraf	Secretary, JERC
3.	Shri Rajinder Singh	DLO, JERC
4.	Shri Ahmed Sarfraz Khan	Researcher WISE-Consultant JERC
OFFICERS of KPDCL/PDD/JKPCL and Stakeholders from Public		
5.	Shri Mehmood Ahmad Shah	MD, KPDCL
6.	Shri Nisar Ahmed Loe	CE, KPDCL
7.	Shri Gulam Nabi	X-en KPDCL
8.	Shri Moyeed	KPDCL
9.	Shri Shabir Ahmad	CEO IT KPDCL
10.	Shri Syed Ahmed Wani	X-en ED-II to MD KPDCL
11.	Shri Lateef Ahmed	KPDCL
12.	Shri Azher Yasin	AE KPDCL
13.	Shri Musroor Hussain	AEE KPDCL
14.	Shri Iffat Rashid	AEE KPDCL
15.	Shri Munawar Ahmed Bhat	AE KPDCL
16.	Shri Mushtaq Ahmed Malla	AEE KPDCL
17.	Shri Khalid Majeed	AEE KPDCL
18.	Shri Junaid Ahmed	AEE KPDCL
19.	Shri Izaan Javaid	Vice-President, JKPICCA
20.	Shri Bashir Ahmed Naik	President JKPICCA
21.	Shri Omar Afzal	Member JKPICCA
22.	Shri Shahid Kamili	President FCIK
23.	Shri Sheikh Nisar Ahmed	FCIK
24.	Shri Aijaz Ahmed	FCIK
25.	Shri Javaid Siddiqui	Citizen

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Annexure 4:
List of stakeholders who responded in writing to the public notice

S.No.	Objector
JPDCL	
1.	Shri Amit Bhardhwaj, Col. CWE
2.	Shri Rahal Bansal, Partner Kashmir ISPAT
3.	Shri Rakesh Goel, MD OPI Group of Companies
KPDCL	
1.	Shri Faiz Ahmad Bakshi, Secretary General, The Kashmir Chamber of Commerce and Industry (KCCI)
2.	Shri. Bashir Ahmad Dar, Managing Director, JKPTCL/ Secretary Technical, JKPDD, (Rtd.)
3.	President, Federation of Chamber of Commerce & Industries (FCCI), Kashmir
4.	Shri Bashir Ahmad Naik, President, JKPICCA
5.	Chairman, All Kashmir House Boats Association

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