

**COST OF SERVICE**

The Petitioner has considered same approach for determining the cost of supply for different voltage levels as adopted by the Hon'ble Commission in its Tariff Orders.

The total ARR has been allocated in the Wheeling and Retail Supply business to different voltage levels and the same has been considered along with the energy sales to the respective voltage level to arrive at the per unit Wheeling charge and Retail Supply Charge for that voltage level.

**ALLOCATION OF WHEELING ARR**

The Petitioner has considered the gross energy sales (MU) for the FY 2024-25 and has allocated the same to different voltage levels in the proportion of energy sales (MU) to these voltages to total sales. The voltage wise estimated energy sales for FY 2024-25 is as shown in the following table:

**Table 5.1: Estimated Energy Sales for FY 2024-25**

Particulars	MUs
Sales above 66 kV level	139.59
Sales at 33/66 kV level	86.33
Sales at 11 kV level	975.60
Sales at LT level	8,801.67
<b>Total</b>	<b>10,003.19</b>

The Petitioner has thereafter grossed up the energy sales (MU) at the specific voltage level with the respective distribution losses (%) at that level to arrive at the Energy Input (MU) for that level. The summary of the voltage wise distribution losses considered by the Hon'ble Commission are as follows:

**Table 5.2: Estimated Distribution Loss for FY 2024-25**

Particulars	Percent
Loss above 66 kV level	0.00%
Loss at 33/66 kV level	0.77%
Loss at 11 kV level	2.60%
Loss at LT level	7.43%

The Petitioner would like to mention that the voltage wise distribution losses considered above are estimates and based on same the Energy Input (MU) for the respective voltage levels are shown as follows:

**Table 5.3: Estimated Energy Input for FY 2024-25**

Particulars	MUs
Input for 66 kV level	139.59
Input for 33/66 kV level	87.00
Input for 11 kV level	1,001.65
Input for LT level	9,508.11
<b>Total</b>	<b>10,736.34</b>

Pending detail evaluation of the allocation ratio between Wheeling and Retail Business, the ratio as given in Business Plan Regulations, 2023 2023 has been considered and the wheeling ARR for FY 2024-25 is computed as below:

Wheeling Business		Ratio	Amount Rs Cr
A	O&M Expenses	62%	638.17
B	Depreciation	77%	247.34
C	ROCE	72%	409.55
D	Carrying cost	14%	106.16
E	Non-Tariff Income	40%	40.67
F	<b>Total Wheeling ARR</b>		<b>1,360.55</b>

The Wheeling ARR for the year has been apportioned in proportion of the energy input at different voltage levels. The wheeling cost allocated to different voltage levels is tabulated as follows:

**Table 5.4: Wheeling cost for different voltages for FY 2024-25**

Particulars	Amount Rs Cr
Above 66 kV level	17.69
At 33/66 kV level	11.02
At 11 kV level	126.93
At LT level	1,204.90
<b>Total</b>	<b>1,360.55</b>

Based on the energy sales at the respective voltage levels the Petitioner has determined Wheeling Charge per unit for different voltages for FY 2024-25 as follows:

**Table 5.5: Wheeling Charges for FY 2024-25**

Particulars	Rs-kWh Per unit
Above 66 kV level	1.27
At 33/66 kV level	1.28
At 11 kV level	1.30
At LT level	1.37
<b>Average</b>	<b>1.36</b>

**ALLOCATION OF RETAIL SUPPLY ARR**

Pending detail evaluation of the allocation ratio between Wheeling and Retail Business, the ratio as given in Business Plan Regulations, 2023 has been considered and the Retail Wheeling ARR for FY 2024-25 is computed as below:

Retail Business		Ratio	Amount Rs Cr
	<b>Expenditure</b>		
<b>A</b>	Power Purchase Cost	100%	6,981.23
<b>B</b>	O&M Expenses	38%	391.14
<b>C</b>	Depreciation	23%	73.88
<b>D</b>	ROCE including Tax	28%	159.27
<b>E</b>	Carrying Cost	86%	652.12
<b>F</b>	NTI	60%	61.01
<b>G</b>	<b>Total Retail Business ARR</b>		<b>8,196.63</b>

The Petitioner has allocated the Retail Supply ARR in the ratio of energy input determined above for different voltage levels. The Petitioner has thereafter determined the Retail Supply charge for a particular voltage level by considering energy sales at that voltage level. The summary of Retail supply ARR Allocation to different voltage levels for FY 2024-25 is given as follows:

**Table 5.6: Retail Supply cost for different voltages for FY 2024-25**

Particulars	Amount Rs Cr
Above 66 kV level	106.57
At 33/66 kV level	66.42
At 11 kV level	764.70
At LT level	7,258.94
<b>Total</b>	<b>8,196.63</b>

Based on the energy sales at the respective voltage levels, the Petitioner has determined retail supply charges per unit for different voltages for FY 2023-24 as follows:

**Table 5.7: Retail Supply Charges at different voltages for FY 2023-24**

Particulars	Rs-kWh/unit
Above 66 kV level	7.63
At 33/66 kV level	7.69
At 11 kV level	7.84
At LT level	8.25
<b>Average</b>	<b>8.19</b>

The cost of supply determined by the Commission for the different voltage levels is shown as follows:

**Table 5.8: Tariff at different voltages for FY 2024-25**

Particulars	Rs-kWh/unit
Above 66 kV level	8.90
At 33/66 kV level	8.97
At 11 kV level	9.14
At LT level	9.62
<b>Average</b>	<b>9.55</b>