

**BEFORE THE HON'BLE APPELLATE TRIBUNAL
FOR ELECTRICITY AT NEW DELHI
(ORIGINAL JURISDICTION)
ORIGINAL PETITION NO. 1 OF 2025**

IN THE MATTER OF:

In Suo Moto action under Section 121 of the EA

...Petitioner(s)

Vs

Forum of Regulators & Ors

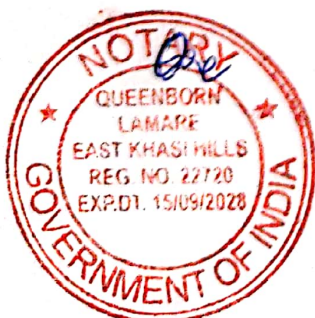
...Respondent

**AFFIDAVIT ON BEHALF OF MEGHALAYA STATE
ELECTRICITY REGULATORY COMMISSION IN
COMPLIANCE OF ORDER DATED 29.08.2025**

I, Eswoll Slong, S/o. Late Drowell Phawa, aged about 66 years, working as Secretary in Meghalaya State Electricity Regulatory Commission, having its office at Lower Lachumiere, Shillong, Meghalaya, do hereby solemnly affirm and say as follows:

1. That I am the Authorized Representative of the Meghalaya State Electricity Regulatory Commission ("MSERC"), and I am competent to affirm this Affidavit on its behalf. I say that the facts stated herein are based on records maintained by the Respondent in the ordinary course of business and believed to be true.
2. That the present Original Petition has been initiated by this Hon'ble Tribunal, in terms of the direction issued by the Hon'ble Supreme Court in WP 105 of 2014 & Batch, under Section 121 of the Electricity Act, 2003 ("Electricity Act") in order to amortize the regulatory asset or revenue gap existing till date.

SL / Instrument No. 11
Date 08-09-2025



Secretary
Meghalaya State Electricity
Regulatory Commission
Shillong



3. That, on 29.08.2025, the present Petition was listed before this Hon'ble Tribunal, whereby this Hon'ble Tribunal directed all the State Commissions to submit their respective affidavit regarding regulatory gap/ revenue gap. The relevant extract of the Order dated 29.08.2025 is reproduced below for ease of reference:

"We, therefore, direct all the Regulatory Commissions to file their respective affidavit within two weeks from today furnishing details of (a) the Regulatory Assets with respect to each Discoms, within their jurisdiction, as on 01.04.2024; (b) the Revenue Gap (whether carried forward or not) as reflected in each ARR upto 01.04.2024; (c) the trajectory/ roadmap for liquidation of these Regulatory Assets/ ending the revenue gap upto 01.04.2024, so as to ensure that the entire Regulatory Assets/ Revenue Gap is liquidated latest by 31.03.2028; (d) the steps taken by each of the Commissions to commence an intensive audit of the circumstances in which the Distribution Companies, operating within their jurisdiction, have continued to function without recovery of the Regulatory Assets/ Revenue Gap; and (e) the year upto which each of..."

[Emphasis Supplied]

4. That, hence, in compliance with the direction issued by this Hon'ble Tribunal vide Order dated 29.08.2025, the Respondent Commission is filing the present Affidavit to

A. **Query:** *Details of the Regulatory Assets with respect to each Discoms, within their jurisdiction, as on 01.04.2024:*

5. It is humbly submitted that in the State of Meghalaya there is only one distribution licensee, i.e., Meghalaya Power Distribution Corporation Limited ("MePDCL"). In respect of MePDCL, it is stated that there is no regulatory asset that has been created by the Answering Respondent as on 01.04.2024.

B. **Query** *The Revenue Gap (whether carried forward or not) as reflected in each ARR up to 01.04.2024:*

It is respectfully submitted that revenue gaps or surpluses can be



Secretary
Meghalaya State Electricity
Regulatory Commission
Shillong



established only upon completion of the truing-up exercise. The Answering Respondent, in accordance with the settled regulatory framework, carries forward such revenue gaps/surpluses into subsequent tariff orders to ensure appropriate adjustment.

7. For the purpose of illustration for the Hon'ble Tribunal, a sample statement for the period beginning FY 2021-22 is furnished below, which demonstrates the manner in which the revenue gaps/surpluses have been dealt with in successive tariff orders:

Financial Year	Approved ARR in True Up Order (in Rs crore)	Revenue Earned (in crore)	Revenue Gap/ Surplus(-) (in crore)	Tariff Order Financial Year wherein gap/surplus is adjusted
FY 2020-21	1046.41	817.93	228.48	FY 2023-24
FY 2021-22	858.66	927.06	(-)68.40	FY 2024-25 (True Up Petition filed by Discom after Tariff Order for FY 2023-24)
FY 2022-23	1233.60	1093.51	140.09	FY 2024-25
FY 2023-24	1476.01	968.98	507.03	FY 2025-26
FY 2024-25	True Up Petition to be filed by 30 th November 2025		Does not arise	

8. It is submitted that the above table demonstrates the regulatory practice being followed by MSERC, wherein:

- (a) Revenue gaps/surpluses are established post truing up of each year.



Secretary
Meghalaya State Electricity
Regulatory Commission
Shillong



(b) The determined gap/surplus is then carried forward and adjusted in the tariff order of the subsequent year(s).

9. Therefore, this approach ensures that all adjustments are based on actual audited figures as crystallized through the true-up process and no revenue gap is carried forward creating unnecessary burden upon the distribution licensee or the consumers.

C. *Query: The trajectory/ roadmap for liquidation of these Regulatory Assets/ ending the revenue gap up to 01.04.2024, so as to ensure that the entire Regulatory Assets/ Revenue Gap is liquidated latest by 31.03.2028:*

10. It is respectfully submitted that the question regarding the trajectory for liquidation of Regulatory Assets/Revenue Gaps does not arise in the present case. This is for the reason that the revenue gaps/surpluses, as and when determined in the trueing-up exercise, are immediately carried forward and adjusted in the Tariff Order of the financial year in which the True-up Order is issued.

D. *Query: The steps taken by each of the Commissions to commence an intensive audit of the circumstances in which the Distribution Companies, operating within their jurisdiction, have continued to function without recovery of the Regulatory Assets/ Revenue Gap:*

11. It is respectfully submitted that the issue of investigation does not arise in the present case, in as much as there are no Regulatory Assets for DISCOMSs (i.e., MePDCL) within the jurisdiction of the Answering Respondent.

E. *The year up to which each of these Commissions have passed true up/ ARR orders with respect to each of the Distribution Companies within their jurisdiction:*

It is respectfully submitted that the true-up exercise has been carried out up to FY 2023-24 and in this regard Answering



Secretary
Meghalaya State Electricity
Regulatory Commission

Respondent has passed Order dated 24.03.2025 (passed in Case No. 06 of 2024). Further, the Tariff Order has been issued up to FY 2025–26 and, in this regard, Answering Respondent has passed Order dated 24.03.2025 (passed in Case No. 09 of 2024).

13. That the Answering Respondent seeks liberty to place on record further data as and when directed by this Hon'ble Tribunal
14. That the Answering Respondent hereby humbly prays that this Hon'ble Tribunal may be pleased to take the present Affidavit on record.
15. That I have read the contents of the present Affidavit being submitted on behalf of the Answering and the same are true and correct to the best of my knowledge and belief as derived from official records and information.
16. That the Annexures filed along with this Affidavit are true copies of their respective originals.



DEPONENT

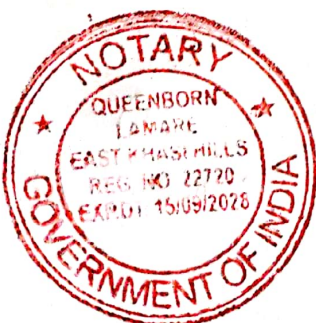
Secretary

Meghalaya State Electricity
Regulatory Commission
Shillong

VERIFICATION

I, the above-named deponent, do hereby verify that the contents of this Affidavit are true and correct to the best of my knowledge and belief, no part of it is false and nothing material has been concealed therefrom.

Verified at Shillong, on this 8th day of September 2025.




Solemnly Affirmed before me this Day on

8/9/25 The deponent is identified
by MS G. C. Narayan Naiti

I Certify that the contents of the Affidavit are
read over and Explained to the Deponent
who verified the same before me.

Are 8/9/25
Queenborn Lamare
NOTARY
East Khasi Hills District
Reg. No. 22720



DEPONENT

Secretary

Meghalaya State Electricity
Regulatory Commission
Shillong

