MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION SHILLONG

Front Block Left Wing, 1st Floor, New Administrative Building,
Lower, Lachumiere, Shillong, Meghalaya 793001

Order on Case No. 10 of 2026

Petition filed by MePDCL for Approval of the Business Plan for the Fifth Control Period (FY 2027-28 to FY 2031-32)

Coram

Shri. Chandan Kumar Mondol, Chairman

Petitioner:

Meghalaya Power Distribution Corporation Ltd. (MePDCL)
Lum Jingshai, Short Round Road,
Shillong – 793 001

Order
(Dated: 6th November 2026)

The Government of Meghalaya has notified the Power Sector Reforms Transfer Scheme 2010, leading to restructuring, and unbundling of erstwhile Meghalaya State Electricity Board (MeSEB) into four entities. Accordingly, Meghalaya Power Distribution Corporation Limited (MePDCL) has started functioning as a segregated commercial operation utility independently for power distribution in the state of Meghalaya with effect from 01.04.2013.

The Meghalaya State Electricity Regulatory Commission (MSERC) notified the MSERC (Multi Year Tariff) (5 of 2026) Regulations 2026, hereby MSERC Tariff Regulation, 2026 on 31st July 2026, applicable to the Fifth Control Period from 1st April 2027 to 31st March 2032.

Regulation 2.1.2(a) of the MSERC Tariff Regulation, 2026 stipulates as follows:

> *"A detailed Business Plan based on the principles specified in these Regulations, for each year of the Control Period, shall be submitted by the applicant for the Commission's approval prior to the beginning of the Control Period:"*

Further, Regulation 2.5.4 of the MSERC Tariff Regulation, 2026 specifies the scope of the Business Plan for a Distribution Company as follows:

"2.5.4. The Business Plan for the Distribution Licenses shall be for the entire Control Period and shall, interalia contain:

(a) Capital investment plan considering the sales/ demand forecast, power procurement plan, distribution loss trajectory, targets for quality of supply, etc. The capital investment plan shall be consistent with the perspective plan drawn by the Transmission Licensee, and the investment plan should also include yearly phasing of capital expenditure along with the source of funding, financing plan and corresponding capitalisation schedule;

(b) Sales/demand forecast for each customer category and sub-categories for each year of the Control Period;

(c) Distribution loss reduction trajectory for each year of the Control Period; including details of the measures proposed to be taken for achieving the target loss;

(d) The Distribution Licensee shall project the power purchase requirement based on the Merit Order Dispatch principles of all Generating Stations considered for power purchase, details related to availability of power from renewable energy sources and actions proposed for complying with the RPO specified by the Commission under the Meghalaya State Electricity Regulatory Commission (Renewal Energy Purchase Obligation and its Compliance) Regulations, 2018 and its subsequent amendment or re-enactment and the target set, if any, for Energy Efficiency (EE) and Demand Side Management (DSM) schemes;

(e) Collection efficiency improvement trajectory for each year of the Control Period;

(f) The appropriate capital structure of each scheme proposed and cost of financing (interest on debt and return on equity), terms of the existing loan agreements, etc;

……."

The Petitioner herein being MePDCL, has filed a Petition seeking approval of its Business Plan for the Distribution Business for the Fifth Control Period, FY 2027-28 to FY 2031-32, in accordance with the provisions of the MSERC Tariff Regulation, 2026.

The Petition was registered as under:

- MSERC Case No. 10 of 2026: Petition for Approval of Business Plan for Distribution Business for the Fifth Control Period, FY 2027-28 to FY 2031-32.

The Commission has examined the submissions made by MePDCL, along with the relevant information and supporting documents, in accordance with the applicable provisions of the Tariff Regulations, 2026. The Commission's analysis and decisions on the Business Plan, including the proposed Connected Load and Number of Consumers, detailed category-wise sales and demand projections, power procurement plan, Trajectory for T&D Losses, capital investment plan, financing plan, capitalisation schedule and performance parameters, are set out in the subsequent sections of this Order.

This Order shall come into effect in accordance with the applicable provisions of the MSERC Tariff Regulation, 2026 and shall remain applicable for the Fifth Control Period, FY 2027-28 to FY 2031-32, subject to the provisions of the said Regulations and further orders of the Commission.

Sd/-

Chandan Kumar Mondol
Chairman

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1. Background and Brief History

1.1. Introduction

1.1.1. The power distribution in the State of Meghalaya is carried out by Meghalaya Power Distribution Corporation Limited (MePDCL), a wholly owned subsidiary of Meghalaya Energy Corporation Limited (MeECL).

1.1.2. The Power Supply Industry in the State of Meghalaya has been under the governance of erstwhile Meghalaya State Electricity board (MeSEB) since 21st January 1975. The Government of Meghalaya has notified the Power Sector Reforms Transfer Scheme 2010, leading to restructuring, and unbundling of erstwhile Meghalaya State Electricity Board (MeSEB) into four entities. After notification of amendment to the Power Sector Reforms Transfer Scheme by the State Government on 1st April 2012, the un-bundling of MeECL into MePDCL, MePGCL and MePTCL came into effect.

1.1.3. Accordingly, Meghalaya Power Distribution Corporation Limited (MePDCL) (*herein referred to as "Petitioner"*) has started functioning as a segregated commercial operation utility independently for power distribution in the state of Meghalaya with effect from 1st April 2013.

1.1.4. The Meghalaya State Electricity Regulatory Commission (*herein referred as "Commission"*) is an independent statutory body constituted under the provisions of the Electricity Regulatory Commissions (ERC) Act, 1998, which was superseded by Electricity Act (EA), 2003. The Commission is vested with the authority of regulating the power sector in the State inter alia including determination of tariff for electricity consumers

1.2. Facts about this Case

1.2.1. The Petitioner vide letter dated 31st August 2026, had sought extension of time for submission of Business Plan for 15 (fifteen) days. Accordingly, the Commission vide letter dated 2nd September 2026, has considered the request for extension of time till 15th September 2026.

1.2.2. Subsequently, the Petitioner in compliance with Regulation 2.1 and Regulation 2.5 of the MSERC Tariff Regulation, has filed a Petition for Approval of Business Plan for the Fifth Control Period FY 2027-28 to FY 2031-32 dated 15th September 2026.

1.2.3. The Commission vide letter dated 17.09.2026 had admitted the petition, directing MePDCL to publish their Petition in its website and issue Public Notice inviting comments/suggestions/objections from stakeholders and the same to be submitted, within fifteen (15) days from the date of publication

1.2.4. Accordingly, on 23.09.2026 the Petitioner published the Petition in its website and issued Public Notice inviting comments/suggestions/objections from stakeholders, the same of which were published in the local dailies.

1.2.5. This Commission has sought 1st Additional information from MePDCL on the Petition for Approval of Business Plan for the Fifth Control Period FY 2027-28 to FY 2031-32 vide letter dated 05.10.2026.

1.2.6. The Commission received objections/ suggestions from stakeholders i.e., Byrnihat Industries Association (BIA) during the process of evaluating the submitted application on 16.10.2026.

1.2.7. The Petitioner has submitted its response to 1st additional information sought by this Commission on 26.10.2026.

1.2.8. This Commission on 12.10.2026, published a notice for Public Hearing in the website.

1.2.9. On 27.10.2026, in compliance of the due regulatory procedures public hearing of the submitted petition for Approval of Business Plan for the Fifth Control Period FY 2027-28 to FY 2031-32 was conducted including the Petitioner and the stakeholders.

1.2.10. This Commission further sought 2nd Additional information from MePDCL on the Petition for Approval of Business Plan for the Fifth Control Period FY 2027-28 to FY 2031-32 vide email dated 31.10.2026.

1.2.11. The Petitioner has submitted its response to the 2nd additional information sought by this Commission on 03.11.2026.

2. Business Plan of MePDCL for the Control Period FY 2027-28 to FY 2031-32

2.1. Operational Performance

Petitioner's Submission

2.1.1. The Petitioner, Meghalaya Power Distribution Corporation Limited (MePDCL), has submitted that it serves approximately 7.20 lakh consumers with a connected load of around 1,500 MW. The growth in energy sales, connected load and number of consumers from FY 2019-20 to FY 2025-26, as submitted by the Petitioner, is presented in Table 1.

Table 1: Growth in Sales, Connected Load and Number of Consumers

Particular	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Sales (MU)	1259.48	1326.45	1549.65	1781.47	1434.00	1405.02	1636.52
Connected Load (MW)	888.96	1100.79	1206.17	1340.87	1381.57	1378.17	1496.43
No. of Consumers	502565	596014	608752	682030	690596	707341	720950

2.1.2. The Petitioner has further submitted the historical peak demand and energy requirement of the State for FY 2017-18 to FY 2025-26, as presented in Table 2. It has stated that the peak demand as well as the overall energy demand of the State has been met during the last three years without any scheduled load shedding.

Table 2: Peak Demand and Energy Requirement of State

Year	Peak Demand (MW)	Energy Requirement (MU)
2017-18	369	1557
2018-19	374	1957
2019-20	371	2112
2020-21	384	2031
2021-22	408	2256
2022-23	404	2237
2023-24	405	2236
2024-25	408	2046
2025-26	374	2095

2.1.3. The Petitioner further submitted that MePDCL has undertaken measures to reduce Transmission and Distribution (T&D) losses and Aggregate Technical and Commercial (AT&C) losses. The historical performance in respect of AT&C losses, T&D losses, billing efficiency and collection efficiency for FY 2019-20 to FY

2025-26 is presented as below. The Petitioner has also submitted the ACS–ARR gap for FY 2021-22 to FY 2025-26 as per table 4 below:

Table 3: Commercial Parameters as submitted by MePDCL

Parameter	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
AT&C Loss	32.07%	29.67%	25.95%	24.05%	16.12%	10.88%	14.80%
T&D Loss	29.88%	26.75%	21.76%	16.47%	18.88%	16.60%	14.81%
Billing Efficiency	73.60%	72.96%	75.23%	83.53%	81.12%	83.40%	86.80%
Collection Efficiency	90.90%	96.27%	100.23%	86.39%	103%	107%	100.11%

Table 4: ACS ARR Gap of MePDCL

Parameter	2021-22	2022-23	2023-24	2024-25	2025-26
ACS-ARR Gap	0.09	1.41	0.90	(-)0.30	(-)1.50

2.1.4. The Petitioner has submitted the average hours of supply in rural and urban areas for FY 2022-23 to FY 2025-26 as given in below table. The Petitioner has further stated that approximately 90% of MePDCL's feeders have been onboarded on the National Feeder Monitoring System (NFMS) portal, facilitating real-time monitoring of power supply and reliability indices, including the System Average Interruption Frequency Index (SAIFI) and System Average Interruption Duration Index (SAIDI).

Table 5: Hours of Supply as submitted by Petitioner

Particular	FY-22-23		FY-23-24		FY-24-25		FY 25-26	
	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban
Average Hours of Supply	21.40	23.04	21.52	23.14	22.55	23.21	23.03	23.23

2.1.5. The Petitioner has submitted that it has undertaken measures to improve power management and commercial operations to ensure the efficient utilisation of available power sources, with the objective of ensuring 24×7 power availability at an optimal cost.

2.1.6. In this regard, the Petitioner has furnished details of energy management, including the quantum and amount of energy sales and power purchases, along with the corresponding average rates, for FY 2021-22 to FY 2025-26, as presented in Table below:

Table 6: Energy Management as submitted by petitioner

Period	Sale			Purchase		
	Quantum	Amount	Rs./kWh	Quantum	Amount	Rs./kWh
April 2021- March 2022	189.72	92.04	**4.85**	66.50	24.94	**3.75**
April 2022- March 2023	116.04	55.27	**4.76**	62.61	24.41	**3.90**
April 2023- March 2024	126.13	117.63	**9.33**	157.02	54.02	**3.44**
April 2024-March 2025	749.99	531.65	**7.09**	115.09	36.52	**3.17**
April 2025- March 2026	707.11	472.30	**6.68**	347.79	105.23	**3.02**

2.1.7. The Petitioner has further submitted the details of the growth in MePDCL's distribution network from FY 2020-21 to FY 2025-26, covering 33 kV lines, 11 kV lines, LT lines and the number of distribution transformers (DTs). The Petitioner has reported corresponding compound annual growth rates (CAGRs) of 5.74%, 2.79%, 3.97% and 6.44%, respectively, as presented in Table below:

Table 7: Growth in Distribution Network as submitted by the Petitioner

Sl. No.	Year	33 KV Lines Ckt Km.	11 KV Lines Ckt Km.	LT lines Ckt Km.	Number of DT
1	2020-21	2524.00	16902.25	25157.55	11204.00
2	2021-22	2630.00	17240.30	27170.15	12324.00
3	2022-23	2685.00	17585.11	28528.66	13310.00
4	2023-24	2794.00	17936.81	29384.52	13976.00
5	2024-25	3228.00	18295.54	30266.06	14814.00
6	2025-26	3528.00	19942.14	31779.36	16296.00
	CAGR	**5.74%**	**2.79%**	**3.97%**	**6.44%**
	% Increment	**39.78%**	**17.99%**	**26.32%**	**45.45%**

Respondents' submission in this regard

2.1.8. BIA has pointed out that the 33 kV lines increased from 2,524 ckm in FY 2020-21 to 3,528 ckm in FY 2025-26, corresponding to a CAGR of 6.93%, as against 5.74% reported by the Petitioner. Similarly, the CAGR for 11 kV lines, LT lines and the number of distribution transformers works out to 3.36%, 4.78% and 7.78%, respectively, as against 2.79%, 3.97% and 6.44% reported in the Petition. Petitioner appears to have considered six periods instead of five annual periods for the period from FY 2020-21 to FY 2025-26, while calculating the CAGR, because the stated 5.74% is obtained only when six periods are used.

2.1.9. BIA further contended that since the projections of the number of consumers and connected load are based on the CAGR methodology, the Petitioner should reconcile the growth rates reported in Table 7 and confirm the correctness of the rates considered for projections in Tables 8 and 9 of the Petition.

2.1.10. In addition to the above, BIA has submitted that the AT&C loss and T&D loss

figures reported by MePDCL do not reconcile with the corresponding billing efficiency and collection efficiency furnished in the Petition. Further, AT&C loss is an important parameter for assessing the operational performance of the distribution licensee and determining the reasonableness of the proposed loss trajectory. Accordingly, BIA requested the Commission to direct MePDCL to furnish the detailed year-wise computation of the historical AT&C losses, including the billing efficiency and collection efficiency considered for each year, and reconcile the same with the figures reported in the Petition.

Commission's Analysis

2.1.11. The Commission acknowledges the Petitioner's submission and BIA's objection accordingly. The Commission has verified that CAGR is sensitive to the number of intervals used.

2.1.12. Further, it is to be noted that the Commission shall validate the profile of the utility at the time of filing of the True up and ARR/MYT petition of the corresponding financial years.

2.1.13. The Commission directs MePDCL to maintain a GIS-linked asset register and provide scheme-wise additions, retirements and replacement assets along with the True-Up Petition.

2.1.14. The network-growth information is taken on record as a planning indicator. Scheme-wise additions shall be recognized only after reconciliation with the fixed asset register and commissioning records.

2.2. Category Wise Number of Consumers and Connected Load

Petitioner's Submission

2.2.1. The Petitioner has submitted that the projections of the number of consumers and connected load for the Fifth Control Period, i.e., FY 2027-28 to FY 2031-32, have been prepared based on the historical data for FY 2021-22 to FY 2025-26. The Petitioner has adopted the Compound Annual Growth Rate (CAGR) methodology and considered the average of the CAGRs calculated over three different periods, namely five years, four years and three years, to determine the growth rates for projecting the number of consumers and connected load under the respective consumer categories.

2.2.2. The Petitioner has submitted that wherever the average CAGR is negative, the growth rate has been considered as zero. Further, wherever the average CAGR exceeds 10%, the growth rate has been restricted to 10% for projection purposes. The category-wise CAGRs and the growth rates considered for projecting the number of consumers and connected load are presented in Table 8 and Table 9, respectively.

Table 8: Rate Considered for Projection of Number of Consumers as submitted by Petitioner

Consumer Category	CAGR and Rate Considered for Projection - No. of Consumers				
	5 Year CAGR	4 Year CAGR	3 Year CAGR	Average	Rate Considered
LT Category					
Domestic (DLT)	3.78%	1.68%	1.74%	2.40%	2.40%
Commercial (CLT)	8.09%	2.85%	4.29%	5.08%	5.08%
Industrial (ILT)	6.10%	-2.29%	-0.63%	1.06%	1.06%
Agriculture (AP)	37.04%	28.91%	38.14%	34.70%	10.00%
Public Lighting (PL)	5.06%	-4.83%	-3.40%	0.00%	0.00%
Water Supply (WSLT)	12.89%	8.13%	9.71%	10.25%	10.00%
General Purpose (GP)	5.84%	2.80%	6.34%	4.99%	4.99%
BPL	2.13%	-0.03%	0.16%	0.75%	0.75%
Crematorium (CRM)	0.00%	0.00%	0.00%	0.00%	0.00%
HT Category					
Domestic (DHT)	5.28%	2.65%	3.82%	3.92%	3.92%
Water Supply (WSHT)	24.90%	22.27%	23.34%	23.51%	23.51%
Bulk Supply (BS)	5.13%	5.81%	8.00%	6.31%	6.31%
Commercial (CHT)	13.51%	4.87%	7.18%	8.52%	8.52%
Industrial (IHT)	9.58%	1.43%	4.51%	5.17%	5.17%
Ferro Alloy HT	0.00%	0.00%	-9.14%	0.00%	0.00%
EHT Category					
Industrial (EHT)	14.87%	0.00%	0.00%	4.96%	4.96%
Ferro Alloy (EHT)	0.00%	0.00%	10.06%	3.35%	3.35%

Table 9: Rate Considered for Projection of Connected Load as submitted by Petitioner

Consumer Category	CAGR and Rate Considered for Connected Load Projection				
	5 Year CAGR	4 Year CAGR	3 Year CAGR	Average	Rate Considered
LT					
Domestic (DLT)	7.0%	5.27%	2.72%	5.01%	5.01%
Commercial (CLT)	11.4%	9.88%	4.44%	8.59%	8.59%
Industrial (ILT)	5.4%	6.78%	-0.37%	3.94%	3.94%
Agriculture (AP)	21.6%	31.73%	9.75%	10.00%	5.00%
Public Lighting (PL)	-28.0%	-23.25%	-30.04%	-27.11%	0.00%
Water Supply (WSLT)	6.4%	16.23%	13.92%	10.00%	10.00%
General Purpose (GP)	7.0%	4.33%	3.20%	4.84%	4.84%
BPL	9.1%	1.91%	0.16%	3.71%	3.71%
Crematorium (CRM)	0.3%	0.37%	0.49%	0.38%	0.38%
HT					
Domestic (DHT)	6.5%	4.82%	3.36%	4.91%	4.91%
Water Supply (WSHT)	18.4%	19.23%	16.80%	10.00%	10.00%
Bulk Supply (BS)	4.5%	5.48%	5.96%	5.32%	5.32%
Commercial (CHT)	16.4%	15.02%	11.29%	10.00%	5.00%
Industrial (IHT)	-6.5%	1.23%	2.71%	-0.85%	0.00%
Ferro Alloy	0.0%	0.00%	-13.19%	-4.40%	0.00%
EHT					
Industrial (EHT)	35.5%	19.63%	2.22%	10.00%	10.00%
Ferro Alloy (EHT)	-2.6%	-6.59%	-2.97%	-4.06%	0.00%

2.2.3. The Petitioner has further submitted that, until June 2026, four sub-divisions in the State were being operated by Distribution Franchisees. However, with effect from June 2026, the Mawsynram sub-division was taken over by MePDCL. Accordingly, the petitioner has submitted that the number of consumers and the corresponding connected load in the Mawsynram area have been incorporated into the respective consumer categories for FY 2026-27 prior to undertaking the projections. The category-wise details of consumers and connected load incorporated on account of the takeover of the Mawsynram sub-division are presented in Table below:

Table 10: Details of Number of Consumers and Connected Load in Mawsynram Area

Consumer category	No. of Consumers	Connected Load (kW)
BPLM	10155	5285.4
BPLU	336	39.48
BS	7	505
CLT	702	2096.19
DHT	1	129
DLT	10188	12287.47
GP	80	985.16
ILT	28	445.46
WSHT	1	66
WSLT	8	161.78
Total	**21506**	**22000.94**

2.2.4. The Petitioner has also submitted that additional household electrification works are being undertaken under the Revamped Distribution Sector Scheme (RDSS) cover approximately 55,628 identified households and are expected to be completed by March 2028. The petitioner assumed a connected load of 1 kW per household, 30% of the households have been considered for electrification in FY 2026-27 and the remaining 70% in FY 2027-28, with the corresponding connected load incorporated under the LT Domestic (DLT) category.

2.2.5. The Petitioner has submitted that M/s Shri Cement Limited has applied for a connected load of 14 MW, expected to commence in FY 2027-28, and accordingly, one consumer with a connected load of 14 MW has been considered under the Industrial EHT category for FY 2027-28. Further, M/s Eastern Silicon Ferro Alloys commenced operations and started drawing power in FY 2026-27, and accordingly, one consumer with a connected load of 8,890 kVA has been considered under the Ferro Alloys EHT category for FY 2026-27. Both have been considered over and above the growth-rate-based projections.

2.2.6. As per above growth rates and adjustments, the Petitioner has projected the number of consumers and connected load for the Fifth Control Period, FY 2027-28 to FY 2031-32, as presented in the tables below:

Table 11: Projection of Number of Consumers and Connected Load for Fifth Control Period as submitted by Petitioner

Consumer Category	2027-28		2028-29		2029-30		2030-31		2031-32	
	No. of Consumers	Connected Load (kW)	No. of Consumers	Connected Load (kW)	No. of Consumers	Connected Load (kW)	No. of Consumers	Connected Load (kW)	No. of Consumers	Connected Load (kW)
LT										
Domestic (DLT)	413617	754806.47	423550	792604.86	433721	832296.07	444137	873974.90	454803	917740.87
Commercial (CLT)	43378	160538.79	45580	174330.96	47894	189308.03	50325	205571.81	52880	223232.84
Industrial (ILT)	670	11710.65	677	12172.10	684	12651.74	691	13150.27	698	13668.45
Agriculture (AP)	70	298.78	77	313.72	85	329.40	94	345.87	103	363.17
Public Lighting (PL)	64	482.37	64	482.37	64	482.37	64	482.37	64	482.37
Water Supply (WSLT)	757	13401.44	833	14741.59	916	16215.75	1008	17837.32	1109	19621.05
General Purpose (GP)	3061	21162.77	3214	22187.93	3374	23262.76	3542	24389.66	3719	25571.14
BPL	197166	203823.22	198651	211384.94	200147	219227.20	201655	227360.40	203174	235795.34
Crematorium (CRM)	1	138.06	1	138.59	1	139.12	1	139.66	1	140.19
Sub-Total LT	**658784**	**1166362.55**	**672647**	**1228357.05**	**686886**	**1293912.44**	**701517**	**1363252.26**	**716551**	**1436615.42**
HT										
Domestic (DHT)	154	27254.38	160	28592.22	166	29995.72	173	31468.12	180	33012.79
Water Supply (WSHT)	233	31639.07	288	34802.98	356	38283.28	440	42111.60	543	46322.76
Bulk Supply (BS)	304	65472.11	323	68955.98	343	72625.23	365	76489.73	388	80559.87
Commercial (CHT)	327	47785.01	355	50174.26	385	52682.97	418	55317.12	454	58082.98
Industrial (IHT)	241	128957.96	253	128957.96	266	128957.96	280	128957.96	294	128957.96
Ferro Alloy	3	17019.00	3	17019.00	3	17019.00	3	17019.00	3	17019.00
Sub-Total HT	**1262**	**318127.54**	**1382**	**328502.40**	**1519**	**339564.17**	**1679**	**351363.54**	**1862**	**363955.37**
EHT										
Industrial (EHT)	11	151209.46	12	166330.41	13	182963.45	14	201259.79	15	221385.77
Ferro Alloy (EHT)	5	53701.00	5	53701.00	5	53701.00	5	53701.00	5	53701.00
Sub-Total EHT	**16**	**204910.46**	**17**	**220031.41**	**18**	**236664.45**	**19**	**254960.79**	**20**	**275086.77**
Grand Total	**660062**	**1689400.54**	**674046**	**1776890.86**	**688423**	**1870141.05**	**703215**	**1969576.59**	**718433**	**2075657.56**

Respondents' submission in this regard

2.2.7. In context of Household electrification works, BIA has pointed out that MePDCL has considered a connected load of 1 kW for each of the households proposed to be electrified under the Additional Household Electrification works of RDSS and included the same under the Domestic LT category. BIA contended that most of these households are located in rural areas and may belong to the BPL or low-consumption category. Therefore, consideration of a uniform connected load of 1 kW per household may result in over-projection of connected load, energy sales and power-purchase requirement. BIA further highlighted that MePDCL has projected sales of only 53 MU for approximately 1.97 lakh BPL consumers in FY 2027-28. Accordingly, BIA requested the Commission to revalidate the assumption based on the actual connected load and consumption pattern of similarly placed newly electrified households.

2.2.8. BIA further pointed out that the total number of consumers is projected to decline from 7,20,950 in FY 2025-26 to 6,60,062 in FY 2027-28, despite the proposed inclusion of 21,506 consumers from Mawsynram and 55,628 households under the Additional Household Electrification works. BIA submitted that while the connected load of the households proposed to be electrified under the said scheme has been considered, the corresponding number of consumers appears to have been omitted. BIA also highlighted that the number of consumers and connected load pertaining to the Distribution Franchisee areas have not been indicated, although sales from such areas have been projected.

2.2.9. In case of CAGR for projection purpose, BIA has further submitted that MePDCL has stated that the growth rate would be considered as zero where the average of the five-year, four-year and three-year CAGR is negative and would be restricted to 10% where the average CAGR exceeds 10%. However, MePDCL has considered a growth rate of 23.51% for HT Water Supply consumers, which is higher than the stated ceiling of 10%. Additionally, in the case of Agriculture and HT Commercial categories, MePDCL has applied a growth rate of 5%, although the average CAGR, after applying the stated ceiling, works out to 10%. Further, MePDCL has applied a growth rate of 10% for the connected load of the EHT Industrial category, whereas the three-year CAGR for the category is stated to be 2.22%, without furnishing adequate justification for the same.

2.2.10. In view of the above, BIA requested the Commission to revalidate the assumption of 1 kW connected load per household and direct MePDCL to reconcile the category-wise projections of the number of consumers and connected load with the corresponding energy-sales projections, including the consumers and load relating to Mawsynram, Additional Household Electrification works and Distribution Franchisee areas.

Commission's Analysis

2.2.11. The Commission acknowledges the submission of BIA. The Commission vide

First Additional Information Requirement directed the Petitioner to furnish the category-wise sales variance analysis, covering industrial shutdowns, open-access migration, and any other extraordinary factors on actual basis in line with its Audited Annual Accounts.

In response, the Petitioner submitted that energy sales are uncontrollable under the MSERC Tariff Regulations, 2026, and the variations are primarily attributable to changes in the load factor of LT and HT consumers. It further submitted that power procurement by EHT open-access consumers varies depending on prevailing market prices, though open-access consumption has declined since FY 2025-26 due to the levy of additional surcharge. Further, MePDCL sought permission to furnish a consumer-wise analysis of sales variation, along with detailed reasons, at the time of True-up for FY 2025-26. It further submitted that auditor certification of energy-related data may not be feasible and requested the Commission to accept the relevant information duly certified by the officer of MePDCL responsible for sales-related matters. However, the Commission noticed that the Petitioner failed to submit any necessary official copies duly signed by authorized officials to substantiate its claim.

In view of the above, the Commission has considered the figures approved in the True-up Order for FY 2024-25 as the base values for projecting the number of consumers, connected load and energy sales during the Fifth Control Period. The projections shall be reviewed based on audited actuals during the respective True-up proceedings.

2.2.12. Further, the Commission, vide First Additional Information Requirement sought the clarity regarding the difference between total connected load as reported in instant Petition (7,20,950) and as mentioned in the supporting excel (7,20,948) for FY 2025-26. In reply of the above, the Petitioner submitted that two EV consumers were provided connections during FY 2025-26. However, since the connected load and energy consumption of EV consumers were projected using a methodology different from that adopted for other consumer categories, the said consumers were excluded from the supporting Excel model but included in the category-wise projections furnished in the Petition.

2.2.13. In addition to the above, the MePDCL vide First Additional Information Requirement is further directed to submit voltage-wise and category-wise connected load certified by the Auditor in line with Audited accounts. Accordingly, the Petitioner submitted that the compilation of voltage-wise data would require additional time. Accordingly, MePDCL sought permission to submit the voltage-wise details along with the MYT and True-up Petitions due for filing in November 2026.

2.2.14. In response of the clarification regarding Energy requirement, the Petitioner stated that the energy requirement is at State Periphery level and is inclusive of the energy procured by Open Access consumers from outside the State.

2.2.15. The Commission observed inconsistencies regarding the treatment of

Distribution Franchisee areas. While the Petition indicates that the connected load and number of consumers pertaining to the Distribution Franchisee areas are already included in the overall projections, the Excel models project these parameters separately, resulting in higher totals and creating ambiguity in the consumer base and connected load considered for demand and sales forecasting. Accordingly, the Commission sought the justification and in reply, the Petitioner submitted that no separate load forecast was undertaken for these areas since the Distribution Franchisee is billed at the input point and treated as a single entity for Business Plan purposes.

2.2.16. Additionally, the Commission further observed that MePDCL had considered the addition of 21,506 consumers and 22,000.94 kW of connected load from FY 2026-27 following the takeover of distribution operations in Mawsynram. Accordingly, MePDCL was directed to furnish documentary evidence supporting the physical verification and consumer-indexing reconciliation of the consumers and connected load taken over in Mawsynram, duly certified by an auditor or any other authorised Government entity.

In relation to the above, the Petitioner furnished only the termination notice of the LOA for Mawsynram area. Further it has been stated by the Petitioner that the migration of consumers from the Distribution Franchisee billing system to MePDCL's billing system is still under process and, therefore, the supporting documentary evidence can be furnished only upon completion of the migration.

In the absence of supporting documents and certified consumer-indexing reconciliation, the Commission has not considered the impact of the proposed addition of 21,506 consumers and 22,000.94 kW of connected load while projecting the billing determinants for the Fifth Control Period. The Commission may consider the actual number of consumers, connected load and corresponding energy sales after completion of the migration, subject to submission of audited data, consumer-indexing records and other supporting documents, and after prudence check during the relevant True-up proceedings.

2.2.17. The Petitioner vide First Additional Information Requirement, has been further directed to furnish the status and implementation roadmap for EV charging stations and submit revised projections of EV consumers and Connected load corresponding to the projected energy sales for EV charging stations for the Fifth Control Period.

In this context, the MePDCL submitted that the Transport Department, Government of Meghalaya has floated a tender for the establishment of 50 EV charging stations, Accordingly, MePDCL has projected a gradual increase in the connected load of EV charging stations and estimated the corresponding energy sales at a load factor of 37.5%, in accordance with the MSERC Supply Code Regulations, 2026.

2.2.18. The Commission directed MePDCL to substantiate the proposed inclusion of the 14 MW load of Shri Cement and 8,890 kVA load of Eastern Silicon Ferro Alloys through load-sanction letters, connectivity/load-flow studies, commissioning

schedules and demand commitments. The Petitioner, in reply, submitted the application received from M/S Shree Cement and further stated that since M/S Eastern Silicon has already commenced drawal of power from MePDCL, the latest bill of the consumer depicting the connected load has been shared as annexure. The Commission finds merit in considering the connected loads based on the prudence check of the documents.

2.2.19. Further, MePDCL was directed to substantiate the consumer additions and connected load considered under the Jal Jeevan Mission by furnishing application details, released and proposed connections, pending applications with release timelines, and the relevant Government orders, implementation plans and departmental communications. In accordance with the above, the MePDCL submitted that Jal Jeevan Mission is not directly handled by MePDCL and, therefore, compilation of the requisite information would require additional time.

2.2.20. The Commission is of the view that the treatment of 55,628 households under RDSS requires correction, because the impact on consumer base and energy sales has not been considered by the Petitioner. Accordingly, the Commission accords in-principle approval to the household electrification proposal under RDSS. However, the number of households actually electrified and the corresponding connected load and energy sales shall be considered at the time of True-up based on audited accounts and supporting documents. The consequential impact on consumer tariff shall also be considered appropriately in the relevant tariff proceedings.

2.2.21. The Commission further observes from the supporting Excel model that the Petitioner has reported the historical category-wise number of consumers, connected load and energy sales from FY 2021-22 onwards, after excluding the corresponding figures relating to the Distribution Franchisee areas, which have been presented separately in additional line item. Consequently, the historical category-wise energy sales submitted by the Petitioner do not reconcile with the figures approved by the Commission in the respective True-up Orders. However, while projecting the number of consumers and connected load for the Fifth Control Period, the Petitioner has excluded the separate line item relating to the Distribution Franchisee areas without suitably incorporating the corresponding figures in the respective consumer categories.

2.2.22. The Commission is of the view that no separate classification of consumers and connected load between MePDCL's principal supply area and the Distribution Franchisee areas is required for the purpose of demand forecasting. Irrespective of whether the consumers are located within the area directly served by MePDCL or within the Distribution Franchisee areas, the responsibility for overall demand planning and power procurement for the State rests with MePDCL. Accordingly, the entire consumer base and connected load are required to be considered on an aggregated, category-wise basis.

2.2.23. The Commission has, therefore, projected the category-wise number of consumers and connected load without making a separate distinction between MePDCL's supply area and the Distribution Franchisee areas. Except for the aforesaid treatment and the category-specific modifications discussed hereinafter, the Commission finds the Petitioner's broad methodology for determining the applicable growth rates to be reasonable.

2.2.24. The Commission has considered the category-wise number of consumers and connected load approved in the True-up Order for FY 2024-25 as the base figures and has made certain modifications on a category-wise basis and thereby projected the corresponding parameters for the Fifth Control Period based on the historical CAGR of the respective consumer categories derived from the previous trends over the past five years.

2.2.25. The Commission further observes that the projections relating to EV charging stations are not supported by sufficient supporting data, reconciled consumer numbers and corresponding connected load. Accordingly, the Commission has not considered any separate projection for EV charging consumers and connected load at this stage. The same shall be considered based on actuals during the relevant True-up proceedings, subject to submission of audited figures, connection details and other supporting documents. The Petitioner shall submit the projected Number of consumers, Connected Load and Energy Sales for EV charging at the time of filing MYT petition.

2.2.26. However, the projections approved in this Order shall be treated as provisional and shall be reviewed based on audited actuals during the relevant True-up proceedings. The consequential impact on the projections for the ensuing years and consumer tariff shall be considered in the respective tariff proceedings.

2.2.27. The approved number of consumers and connected load for Fifth Control Period by the Commission are as follows:

Table 12: Approved Number of Consumers for Fifth Control Period

Consumer Category	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
LT					
Domestic (DLT)	452687	468547	484962	501952	519538
Commercial (CLT)	45021	46756	48557	50428	52371
Industrial (ILT)	719	719	719	719	719
Agriculture (AP)	21	21	21	21	21
Public Lighting (PL)	66	67	68	69	70
Water Supply (WSLT)	803	883	971	1068	1175
General Purpose (GP)	3084	3187	3293	3403	3517
BPL	265441	269481	273582	277746	281973
Crematorium (CRM)	1	1	1	1	1
Sub-Total LT	**767843**	**789662**	**812174**	**835407**	**859385**
HT					

Consumer Category	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
Domestic (DHT)	162	173	185	198	212
Water Supply (WSHT)	452	677	1013	1516	2269
Bulk Supply (BS)	268	277	286	295	305
Commercial (CHT)	382	434	493	560	636
Industrial (IHT)	295	330	369	413	462
Ferro Alloy	3	3	3	3	3
Sub-Total HT	**1562**	**1894**	**2349**	**2985**	**3887**
EHT					
Industrial (EHT)	21	26	32	40	50
Ferro Alloy (EHT)	4	4	4	4	4
Sub-Total EHT	25	30	36	44	54
Total	**769430**	**791586**	**814559**	**838436**	**863326**

Table 13: Approved Connected Load for Fifth Control Period

Consumer Category	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
LT					
Domestic (DLT)	924.08	1015.18	1115.26	1225.21	1345.99
Commercial (CLT)	198.85	218.74	240.61	264.67	291.14
Industrial (ILT)	15.35	16.40	17.51	18.71	19.98
Agriculture (AP)	0.27	0.28	0.29	0.31	0.32
Public Lighting (PL)	2.09	2.30	2.53	2.78	3.06
Water Supply (WSLT)	15.09	16.60	18.26	20.09	22.10
General Purpose (GP)	24.56	25.80	27.11	28.47	29.91
BPL	243.93	248.81	253.78	258.86	264.04
Crematorium (CRM)	0.15	0.15	0.15	0.15	0.15
Sub-Total LT	**1424.38**	**1544.26**	**1675.51**	**1819.25**	**1976.69**
HT					
Domestic (DHT)	29.74	31.44	33.25	35.16	37.18
Water Supply (WSHT)	33.73	37.10	40.81	44.89	49.38
Bulk Supply (BS)	74.94	80.60	86.69	93.24	100.29
Commercial (CHT)	49.85	52.34	54.96	57.70	60.59
Industrial (IHT)	136.68	136.68	136.68	136.68	136.68
Ferro Alloy	18.91	18.91	18.91	18.91	18.91
Sub-Total HT	**343.84**	**357.08**	**371.30**	**386.59**	**403.03**
EHT					
Industrial (EHT)	155	171	188	206	227
Ferro Alloy (EHT)	74	74	74	74	74
Sub-Total EHT	229	245	262	281	301
Total	**1998**	**2146**	**2309**	**2486**	**2681**

2.3. Category Wise Energy Sales

Petitioner's Submission

2.3.1. The Petitioner has submitted that, the present Petition adopts statistical methods which is more suitable for Meghalaya, namely Time Series Analysis and the Least Square Method. The category-wise historical sales for FY 2021-22 to FY 2025-26, along with the method and time frame adopted for projection, are presented in Table 12 of the Petition.

2.3.2. The Petitioner has submitted that category-wise sales for the Fifth Control Period (FY 2027-28 to FY 2031-32) have been projected using statistical methods, namely Time Series Analysis and the Least Square Method, instead of the CAGR method adopted in previous Petitions, as CAGR-based projections were considered likely to inflate sales. Time Series Analysis has been adopted for categories with average annual consumption exceeding 5 MU over the preceding five years, while the Least Square Method has been used for categories with average annual consumption below 5 MU. The category-wise historical sales, methods of projection and projections for the Fifth Control Period from FY 2027-28 to FY 2031-32 are presented in Table below. The Petitioner has further submitted that the annual projected sales have been converted into monthly sales for each year using the average % consumption in each quarter for past two years.

Table 14: Category-Wise Sales for Past Five Years as submitted by Petitioner

Tariff Category	2021-22	2022-23	2023-24	2024-25	2025-26	Average	Method of Projection	Time Frame Considered
Domestic (DLT)	374.33	388.55	400.48	430.49	419.56	402.68	Time Series	2021-22 to 2025-26
Commercial (CLT)	62.66	78.03	87.32	105.27	111.74	89.00	Time Series	2021-22 to 2025-26
Industrial (ILT)	7.06	4.95	4.89	4.62	5.17	5.34	Time Series	2022-23 to 2025-26
Agriculture (AP)	0.27	0.09	0.10	0.23	0.17	0.17	Least Square Method	2021-22 to 2025-26
Public Lighting (PL)	0.45	1.03	1.27	1.54	1.48	1.15	Least Square Method	2021-22 to 2025-26
Water Supply (WSLT)	8.32	8.43	7.77	8.41	9.13	8.41	Time Series	2021-22 to 2025-26
General Purpose (GP)	14.15	13.03	14.27	15.63	17.79	14.97	Time Series	2021-22 to 2025-26
BPL	77.34	83.72	81.27	77.22	74.81	78.87	Time Series	2021-22 to 2025-26
Crematorium (CRM)	0.14	0.18	0.19	0.16	0.18	0.17	Least Square Method	2021-22 to 2025-26
Domestic (DHT)	20.97	21.54	21.50	23.90	26.90	22.96	Time Series	2022-23 to 2025-26

Tariff Category	2021-22	2022-23	2023-24	2024-25	2025-26	Average	Method of Projection	Time Frame Considered
Water Supply (WSHT)	33.61	34.88	38.98	39.23	46.56	38.65	Time Series	2024-25 to 2025-26
Bulk Supply (BS)	80.77	77.04	80.41	75.44	94.32	81.60	Time Series	2021-22 to 2025-26
Commercial (CHT)	24.16	30.72	34.37	40.89	44.89	35.00	Time Series	2021-22 to 2025-26
Industrial (IHT)	203.18	133.08	114.14	123.17	151.17	144.95	Time Series	2021-22 to 2025-26
Ferro Alloy	106.50	109.20	128.60	72.53	72.20	97.80	Time Series	2023-24 to 2025-26
Industrial (EHT)	64.37	263.36	96.16	46.70	142.65	122.65	Time Series	2024-25 to 2025-26
Ferro Alloy (EHT)	402.46	408.41	198.81	174.14	261.06	288.98	Time Series	2024-25 to 2025-26
Electric Vehicle	0.00	0.00	0.00	0.00	0.00	0.00	Estimation Based on Load Factor	
Distribution Franchisee	68.92	125.22	123.47	165.45	156.75	127.96	CAGR	2021-22 to 2025-26
Total	**1549.65**	**1781.47**	**1434.00**	**1405.02**	**1636.52**			

Table 15: Category Wise Projected Sales for Fifth Control Period as submitted by Petitioner

Category	FY 2025-26 (Actual)	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
DLT	419.56	467.93	497.65	501.10	503.66	505.21	505.65
CLT	111.74	133.27	147.41	163.00	180.18	199.11	219.96
ILT	5.17	4.87	4.75	4.61	4.45	4.27	4.07
AP	0.17	0.33	0.39	0.46	0.54	0.62	0.71
PL	1.48	1.14	1.35	1.56	1.78	1.99	2.21
WSLT	9.13	10.40	10.55	10.64	10.63	10.52	10.28
GP	17.79	18.01	18.45	18.89	19.33	19.76	20.20
CRM	0.18	0.20	0.20	0.21	0.22	0.23	0.24
BPL	74.81	59.21	53.35	46.96	40.03	32.51	24.39
Sub-Total (LT)	**640.01**	**695.35**	**734.10**	**747.43**	**760.81**	**774.23**	**787.70**
DHT	26.90	28.29	29.26	30.25	31.27	32.32	33.40
WSHT	46.56	54.39	56.92	59.41	61.84	64.15	66.31
BS	94.32	94.93	97.36	99.79	102.20	104.59	106.94
CHT	44.89	50.50	51.64	52.78	53.89	54.99	56.06
IHT	151.17	132.98	124.71	116.43	108.16	99.88	91.61
FAHT	72.20	59.74	53.18	46.62	40.06	33.50	35.27
Sub-Total (HT)	**436.03**	**420.82**	**413.06**	**405.28**	**397.42**	**389.43**	**389.59**
IEHT	142.65	161.26	195.74	219.31	230.15	240.97	251.65
FAEHT	261.06	313.71	351.11	388.51	425.91	463.31	500.71

Category	**FY 2025-26 (Actual)**	**FY 2026-27**	**FY 2027-28**	**FY 2028-29**	**FY 2029-30**	**FY 2030-31**	**FY 2031-32**
Sub-Total (EHT)	**403.71**	**474.97**	**546.85**	**607.82**	**656.06**	**704.28**	**752.36**
EV Charging Station	0.00	0.95	2.6352	5.2524	7.8804	9.846	12.85
Distribution Franchisee	**156.75**	**142.53**	**145.66**	**148.89**	**152.20**	**155.60**	**159.10**
Grand Total	**1636.52**	**1734.61**	**1842.32**	**1914.67**	**1974.36**	**2033.38**	**2101.59**

Table 16: Average % Monthly Contribution in Quarterly Sales as submitted by Petitioner

Tariff Category	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Domestic (DLT)	35.21%	31.49%	33.30%	32.41%	33.54%	34.04%	33.44%	34.88%	31.68%	35.92%	33.37%	30.71%
Commercial (CLT)	35.48%	32.55%	31.97%	32.12%	33.49%	34.40%	32.88%	35.63%	31.49%	35.42%	33.21%	31.37%
Industrial (ILT)	35.50%	33.13%	31.37%	32.15%	34.43%	33.42%	32.57%	32.74%	34.69%	34.34%	34.06%	31.60%
Agriculture (AP)	36.88%	33.35%	29.77%	45.33%	24.00%	30.67%	37.94%	30.16%	31.90%	42.00%	35.44%	22.57%
Public Lighting (PL)	34.50%	33.21%	32.29%	36.61%	34.58%	28.81%	33.79%	32.88%	33.33%	30.54%	32.91%	36.55%
Water Supply (WSLT)	35.84%	32.32%	31.84%	38.44%	28.76%	32.80%	33.72%	33.84%	32.43%	30.35%	34.84%	34.81%
General Purpose (GP)	35.50%	30.68%	33.83%	31.08%	32.23%	36.69%	30.22%	35.14%	34.63%	28.97%	31.49%	39.54%
BPL	34.05%	32.49%	33.46%	34.52%	37.04%	28.45%	33.42%	36.58%	30.00%	35.74%	33.11%	31.15%
Crematorium (CRM)	29.57%	37.63%	32.79%	36.51%	32.31%	31.17%	36.18%	31.68%	32.14%	36.44%	31.24%	32.32%
Domestic (DHT)	38.71%	31.71%	29.58%	36.86%	33.34%	29.80%	33.81%	35.30%	30.89%	37.23%	29.91%	32.85%
Water Supply (WSHT)	34.97%	34.53%	30.50%	34.40%	32.33%	33.27%	33.40%	31.80%	34.80%	34.22%	32.27%	33.51%
Bulk Supply (BS)	36.48%	31.31%	32.21%	34.90%	32.37%	32.73%	30.19%	31.72%	38.08%	37.44%	32.52%	30.05%
Commercial (CHT)	33.55%	33.66%	32.79%	35.76%	32.58%	31.66%	33.15%	32.11%	34.74%	35.79%	32.02%	32.20%
Industrial (IHT)	34.10%	32.79%	33.11%	31.09%	36.20%	32.71%	37.73%	31.34%	30.94%	29.99%	38.76%	31.24%
Ferro Alloy	26.63%	32.33%	41.04%	34.56%	32.42%	33.02%	33.25%	37.41%	29.34%	33.76%	31.54%	34.69%
Industrial (EHT)	21.33%	36.99%	41.68%	35.54%	38.49%	25.98%	51.79%	23.18%	25.02%	38.25%	25.46%	36.29%
Ferro Alloy (EHT)	23.69%	38.48%	37.83%	32.82%	34.70%	32.48%	32.05%	32.75%	35.19%	39.72%	20.15%	40.14%
Electric Vehicle												
Distribution Franchisee	34.27%	31.35%	34.39%	33.75%	34.56%	31.68%	31.97%	43.96%	24.08%	27.36%	35.14%	37.50%

Table 17: Projected Monthly Sales for FY 2027-28 as submitted by Petitioner

Category	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
DLT	41.52	37.14	39.27	37.31	38.62	39.19	41.09	42.85	38.92	50.92	47.29	43.53
CLT	11.54	10.59	10.40	10.39	10.83	11.13	10.52	11.40	10.08	12.89	12.09	11.41
ILT	0.43	0.40	0.38	0.38	0.41	0.40	0.38	0.39	0.41	0.40	0.39	0.37
AP	0.03	0.03	0.03	0.04	0.02	0.03	0.04	0.03	0.03	0.04	0.04	0.02
PL	0.11	0.11	0.10	0.12	0.11	0.10	0.12	0.11	0.11	0.11	0.12	0.13
WSLT	0.98	0.88	0.87	1.04	0.78	0.89	0.82	0.82	0.79	0.77	0.88	0.88
GP	1.49	1.29	1.42	1.31	1.35	1.54	1.31	1.53	1.50	1.53	1.66	2.08
CRM	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
BPL	4.48	4.27	4.40	4.60	4.94	3.79	4.40	4.82	3.95	4.89	4.53	4.26
Sub-Total (LT)	**60.60**	**54.72**	**56.89**	**55.21**	**57.08**	**57.08**	**58.70**	**61.96**	**55.81**	**71.56**	**67.02**	**62.71**
DHT	2.77	2.27	2.12	2.76	2.50	2.23	2.75	2.87	2.51	2.41	1.94	2.13
WSHT	5.02	4.96	4.38	4.59	4.31	4.44	4.69	4.47	4.89	5.19	4.89	5.08
BS	7.60	6.53	6.71	7.07	6.56	6.63	7.78	8.18	9.82	11.41	9.91	9.16
CHT	3.93	3.94	3.84	4.42	4.02	3.91	4.47	4.33	4.69	5.05	4.52	4.54
IHT	10.48	10.08	10.18	8.90	10.36	9.36	11.22	9.32	9.20	10.68	13.80	11.12
FAHT	3.60	4.38	5.55	4.07	3.82	3.89	4.69	5.28	4.14	4.64	4.34	4.77
Sub-Total (HT)	**33.41**	**32.15**	**32.78**	**31.81**	**31.58**	**30.47**	**35.61**	**34.45**	**35.25**	**39.37**	**39.39**	**36.80**
IEHT	11.69	20.27	22.83	20.17	21.85	14.75	21.14	9.46	10.22	16.59	11.04	15.74
FAEHT	22.58	36.66	36.04	30.89	32.66	30.56	26.24	26.81	28.81	31.72	16.09	32.05
Sub-Total (EHT)	**34.26**	**56.93**	**58.88**	**51.06**	**54.50**	**45.31**	**47.38**	**36.28**	**39.02**	**48.31**	**27.13**	**47.79**
EV Charging Station	0.11	0.11	0.11	0.22	0.22	0.22	0.22	0.22	0.22	0.33	0.31	0.33
Distribution Franchisee	**10.32**	**10.10**	**12.66**	**14.06**	**13.89**	**13.73**	**13.03**	**10.62**	**12.20**	**12.86**	**11.65**	**10.56**
Grand Total	**138.70**	**154.01**	**161.31**	**152.36**	**157.27**	**146.80**	**154.94**	**143.53**	**142.50**	**172.44**	**145.50**	**158.20**

Table 18: Projected Monthly Sales for FY 2028-29 as submitted by Petitioner

Category	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
DLT	41.84	37.42	39.57	37.58	38.90	39.47	41.36	43.14	39.19	51.24	47.59	43.81
CLT	14.12	12.95	12.72	12.71	13.25	13.61	12.87	13.95	12.32	15.76	14.78	13.96
ILT	0.42	0.39	0.37	0.37	0.40	0.39	0.37	0.37	0.40	0.38	0.38	0.35
AP	0.04	0.04	0.03	0.05	0.03	0.03	0.04	0.04	0.04	0.05	0.04	0.03
PL	0.13	0.12	0.12	0.14	0.13	0.11	0.13	0.13	0.13	0.13	0.14	0.15
WSLT	1.01	0.91	0.89	1.06	0.80	0.91	0.83	0.84	0.80	0.78	0.90	0.90
GP	1.56	1.35	1.49	1.37	1.42	1.62	1.38	1.60	1.58	1.60	1.74	2.19
CRM	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
BPL	3.98	3.80	3.91	4.06	4.36	3.35	3.87	4.23	3.47	4.26	3.95	3.71
Sub-Total (LT)	**63.11**	**57.00**	**59.13**	**57.37**	**59.30**	**59.51**	**60.88**	**64.31**	**57.94**	**74.23**	**69.54**	**65.11**
DHT	2.87	2.35	2.19	2.85	2.58	2.31	2.85	2.97	2.60	2.49	2.00	2.20
WSHT	5.25	5.18	4.58	4.80	4.51	4.64	4.89	4.66	5.10	5.41	5.10	5.30
BS	7.80	6.69	6.88	7.25	6.72	6.80	7.98	8.38	10.06	11.69	10.15	9.38
CHT	4.01	4.03	3.92	4.51	4.11	4.00	4.57	4.43	4.79	5.16	4.61	4.64
IHT	9.80	9.43	9.52	8.31	9.68	8.75	10.47	8.70	8.59	9.95	12.86	10.37
FAHT	3.18	3.86	4.90	3.58	3.35	3.42	4.11	4.62	3.62	4.04	3.78	4.15
Sub-Total (HT)	**32.91**	**31.54**	**32.00**	**31.30**	**30.96**	**29.91**	**34.86**	**33.76**	**34.76**	**38.74**	**38.51**	**36.04**
IEHT	12.30	21.33	24.03	21.67	23.47	15.84	24.36	10.90	11.77	20.51	13.65	19.46
FAEHT	25.07	40.72	40.03	34.21	36.17	33.85	28.99	29.62	31.83	34.96	17.73	35.33
Sub-Total (EHT)	**37.37**	**62.05**	**64.06**	**55.88**	**59.64**	**49.69**	**53.36**	**40.53**	**43.60**	**55.47**	**31.38**	**54.79**
EV Charging Station	0.32	0.33	0.32	0.45	0.45	0.43	0.45	0.43	0.45	0.56	0.50	0.56
Distribution Franchisee	**10.55**	**10.32**	**12.94**	**14.37**	**14.19**	**14.04**	**13.31**	**10.86**	**12.47**	**13.15**	**11.91**	**10.79**
Grand Total	**144.26**	**161.24**	**168.45**	**159.37**	**164.54**	**153.58**	**162.86**	**149.88**	**149.21**	**182.14**	**151.84**	**167.29**

Table 19: Projected Monthly Sales for FY 2029-30 as submitted by Petitioner

Category	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
DLT	42.09	37.64	39.80	37.78	39.10	39.69	41.57	43.35	39.38	51.46	47.80	44.00
CLT	15.61	14.32	14.07	14.05	14.65	15.04	14.23	15.41	13.62	17.42	16.33	15.43
ILT	0.41	0.38	0.36	0.36	0.39	0.38	0.36	0.36	0.38	0.37	0.37	0.34
AP	0.05	0.04	0.04	0.06	0.03	0.04	0.05	0.04	0.04	0.06	0.05	0.03
PL	0.15	0.14	0.14	0.16	0.15	0.13	0.15	0.15	0.15	0.14	0.15	0.17
WSLT	1.01	0.91	0.90	1.06	0.80	0.91	0.83	0.84	0.80	0.78	0.90	0.90
GP	1.60	1.38	1.52	1.40	1.45	1.66	1.41	1.64	1.61	1.64	1.78	2.24
CRM	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
BPL	3.44	3.28	3.38	3.48	3.74	2.87	3.28	3.59	2.94	3.58	3.32	3.12
Sub-Total (LT)	**64.36**	**58.12**	**60.22**	**58.38**	**60.33**	**60.72**	**61.90**	**65.40**	**58.95**	**75.47**	**70.72**	**66.24**
DHT	2.96	2.43	2.26	2.95	2.67	2.39	2.94	3.07	2.69	2.57	2.07	2.27
WSHT	5.47	5.40	4.77	4.99	4.69	4.83	5.09	4.85	5.31	5.62	5.30	5.51
BS	7.99	6.86	7.05	7.43	6.89	6.96	8.17	8.58	10.30	11.97	10.40	9.61
CHT	4.10	4.11	4.01	4.61	4.20	4.08	4.66	4.52	4.89	5.26	4.71	4.74
IHT	9.12	8.78	8.86	7.73	9.00	8.13	9.72	8.07	7.97	9.23	11.93	9.61
FAHT	2.76	3.35	4.25	3.08	2.89	2.95	3.52	3.96	3.11	3.44	3.22	3.54
Sub-Total (HT)	**32.40**	**30.92**	**31.20**	**30.79**	**30.34**	**29.34**	**34.11**	**33.06**	**34.26**	**38.10**	**37.62**	**35.27**
IEHT	12.92	22.40	25.24	22.75	24.64	16.63	25.56	11.44	12.35	21.50	14.32	20.41
FAEHT	27.57	44.77	44.02	37.53	39.69	37.14	31.74	32.43	34.85	38.20	19.37	38.60
Sub-Total (EHT)	**40.49**	**67.17**	**69.25**	**60.28**	**64.32**	**53.77**	**57.30**	**43.87**	**47.20**	**59.70**	**33.69**	**59.01**
EV Charging Station	0.54	0.56	0.54	0.56	0.56	0.54	0.78	0.76	0.78	0.78	0.71	0.78
Distribution Franchisee	**10.78**	**10.55**	**13.23**	**14.69**	**14.51**	**14.35**	**13.61**	**11.10**	**12.74**	**13.44**	**12.17**	**11.03**
Grand Total	**148.57**	**167.32**	**174.45**	**164.70**	**170.05**	**158.72**	**167.70**	**154.18**	**153.94**	**187.50**	**154.90**	**172.33**

Table 20: Projected Monthly Sales for FY 2030-31 as submitted by Petitioner

Category	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
DLT	42.25	37.78	39.96	37.91	39.24	39.82	41.68	43.47	39.49	51.58	47.91	44.10
CLT	17.25	15.83	15.55	15.52	16.19	16.62	15.72	17.03	15.05	19.25	18.05	17.05
ILT	0.39	0.36	0.35	0.35	0.37	0.36	0.34	0.35	0.37	0.36	0.35	0.33
AP	0.06	0.05	0.04	0.07	0.04	0.05	0.06	0.05	0.05	0.07	0.06	0.04
PL	0.16	0.16	0.15	0.18	0.17	0.14	0.17	0.17	0.17	0.16	0.17	0.19
WSLT	1.00	0.90	0.89	1.06	0.79	0.90	0.82	0.83	0.79	0.77	0.88	0.88
GP	1.63	1.41	1.56	1.43	1.49	1.69	1.44	1.67	1.65	1.67	1.82	2.29
CRM	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
BPL	2.86	2.73	2.81	2.85	3.06	2.35	2.65	2.90	2.38	2.84	2.63	2.47
Sub-Total (LT)	**65.62**	**59.25**	**61.32**	**59.39**	**61.36**	**61.96**	**62.91**	**66.48**	**59.96**	**76.72**	**71.89**	**67.36**
DHT	3.06	2.51	2.34	3.05	2.76	2.47	3.04	3.17	2.78	2.66	2.14	2.35
WSHT	5.68	5.61	4.96	5.18	4.87	5.01	5.28	5.03	5.50	5.83	5.50	5.71
BS	8.18	7.02	7.22	7.60	7.05	7.13	8.36	8.78	10.54	12.25	10.64	9.83
CHT	4.18	4.20	4.09	4.70	4.29	4.17	4.76	4.61	4.99	5.37	4.80	4.83
IHT	8.45	8.12	8.20	7.14	8.32	7.52	8.97	7.45	7.36	8.50	10.99	8.86
FAHT	2.33	2.83	3.59	2.59	2.43	2.47	2.93	3.30	2.59	2.84	2.66	2.92
Sub-Total (HT)	**31.88**	**30.29**	**30.40**	**30.27**	**29.71**	**28.76**	**33.34**	**32.35**	**33.76**	**37.45**	**36.72**	**34.49**
IEHT	13.54	23.48	26.45	23.82	25.80	17.42	26.75	11.97	12.93	22.49	14.97	21.35
FAEHT	30.07	48.83	48.00	40.86	43.20	40.43	34.49	35.24	37.87	41.44	21.02	41.87
Sub-Total (EHT)	**43.60**	**72.30**	**74.45**	**64.68**	**69.00**	**57.85**	**61.24**	**47.22**	**50.79**	**63.93**	**35.99**	**63.22**
EV Charging Station	0.76	0.78	0.76	0.78	0.78	0.76	0.78	0.76	0.78	1.00	0.91	1.00
Distribution Franchisee	**11.02**	**10.79**	**13.52**	**15.02**	**14.83**	**14.67**	**13.92**	**11.35**	**13.03**	**13.74**	**12.44**	**11.28**
Grand Total	**152.89**	**173.41**	**180.45**	**170.14**	**175.68**	**163.99**	**172.19**	**158.15**	**158.32**	**192.84**	**157.95**	**177.36**

Table 21: Projected Monthly Sales for FY 2031-32 as submitted by Petitioner

Category	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
DLT	42.32	37.85	40.03	37.96	39.29	39.87	41.71	43.50	39.52	51.59	47.92	44.11
CLT	19.06	17.49	17.18	17.15	17.88	18.37	17.37	18.82	16.63	21.26	19.94	18.83
ILT	0.37	0.35	0.33	0.33	0.35	0.34	0.33	0.33	0.35	0.34	0.33	0.31
AP	0.06	0.06	0.05	0.08	0.04	0.05	0.07	0.05	0.06	0.08	0.06	0.04
PL	0.18	0.18	0.17	0.20	0.19	0.16	0.19	0.18	0.19	0.17	0.19	0.21
WSLT	0.99	0.89	0.88	1.03	0.77	0.88	0.80	0.81	0.77	0.75	0.86	0.86
GP	1.67	1.44	1.59	1.47	1.52	1.73	1.47	1.71	1.69	1.71	1.86	2.34
CRM	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
BPL	2.22	2.12	2.18	2.17	2.33	1.79	1.96	2.15	1.76	2.04	1.89	1.78
Sub-Total (LT)	**66.90**	**60.40**	**62.43**	**60.41**	**62.39**	**63.21**	**63.92**	**67.57**	**60.98**	**77.96**	**73.07**	**68.48**
DHT	3.16	2.59	2.42	3.15	2.85	2.55	3.14	3.28	2.87	2.75	2.21	2.43
WSHT	5.88	5.81	5.13	5.36	5.04	5.18	5.46	5.19	5.68	6.02	5.67	5.89
BS	8.36	7.18	7.38	7.77	7.21	7.29	8.55	8.98	10.78	12.52	10.87	10.05
CHT	4.27	4.28	4.17	4.80	4.37	4.25	4.85	4.70	5.08	5.47	4.90	4.92
IHT	7.77	7.47	7.55	6.56	7.64	6.90	8.22	6.83	6.74	7.78	10.05	8.10
FAHT	2.72	3.30	4.19	3.03	2.84	2.89	2.49	2.80	2.20	2.98	2.78	3.06
Sub-Total (HT)	**32.16**	**30.63**	**30.83**	**30.67**	**29.94**	**29.06**	**32.71**	**31.79**	**33.36**	**37.51**	**36.48**	**34.45**
IEHT	14.15	24.54	27.65	24.89	26.95	18.19	27.93	12.50	13.49	23.46	15.62	22.27
FAEHT	32.56	52.88	51.99	44.18	46.72	43.72	37.24	38.05	40.88	44.68	22.66	45.15
Sub-Total (EHT)	**46.72**	**77.42**	**79.63**	**69.07**	**73.67**	**61.91**	**65.17**	**50.55**	**54.38**	**68.14**	**38.28**	**67.41**
EV Charging Station	0.97	1.00	0.97	1.12	1.12	1.08	1.12	1.08	1.12	1.12	1.04	1.12
Distribution Franchisee	**11.27**	**11.03**	**13.83**	**15.35**	**15.17**	**15.00**	**14.23**	**11.60**	**13.32**	**14.05**	**12.72**	**11.53**
Grand Total	**158.02**	**180.48**	**187.69**	**176.61**	**182.28**	**170.26**	**177.14**	**162.59**	**163.15**	**198.77**	**161.60**	**182.99**

Respondents' submission in this regard

2.3.3. BIA has objected that the projected monthly sales of 1,827.60 MU for FY 2027-28, as furnished in Table 15 of the Petition, do not reconcile with the annual sales projection of 1,842.32 MU in Table 13. BIA has pointed out that Commercial LT sales of 133.27 MU considered in the monthly projection correspond to FY 2026-27, as against 147.41 MU projected for FY 2027-28. BIA contended that the discrepancy requires rectification as it also affects the power procurement projections.

2.3.4. BIA has further submitted that the time-series forecasting adopted for EHT Industrial, EHT Ferro Alloy and HT Water Supply categories is based on only eight quarters of historical data, which may not adequately capture economic cycles, seasonal variations and operational patterns. BIA also pointed out that earlier historical data, including EHT Industrial sales of 64 MU in FY 2021-22 and 263 MU in FY 2022-23, have been excluded without justification. Accordingly, BIA requested MePDCL to justify the period considered, provide statistical validation of the forecasting methodology and assess the projections using a longer historical dataset.

2.3.5. BIA has highlighted inconsistencies between the projected number of consumers, connected load and energy sales across several categories. In the BPL category, sales are projected to decline from 74.81 MU in FY 2025-26 to 24.39 MU in FY 2031-32, despite an increase in consumers and connected load. Similarly, HT Industrial sales are projected to decline from 151.17 MU to 91.61 MU, despite a 22% increase in consumers and a largely unchanged connected load. BIA contended that the declining HT Industrial sales projection is also inconsistent with the proposed investment of Rs. 540 crore under the Meghalaya Power Distribution Sector Project for meeting the anticipated growth in industrial demand in Ri-Bhoi and Byrnihat.

2.3.6. BIA has further pointed out that Public Lighting sales are projected to increase by approximately 49%, while the number of consumers and connected load remain unchanged. According to BIA, the projected sales imply annual utilization of approximately 4,580 hours, which requires justification in the absence of any proposed addition to street-lighting infrastructure or change in operating hours.

2.3.7. With regard to EV charging, BIA submitted that MePDCL has projected sales of 2.64 MU for FY 2027-28 against a connected load of 276 kW. BIA pointed out that the said load can support a maximum annual consumption of approximately 2.42 MU even at a 100% load factor. BIA, therefore, requested MePDCL to reconcile the projected EV sales with the corresponding number of consumers, connected load and load-factor assumptions.

2.3.8. BIA has also submitted that the increase of approximately 11.5% in Domestic LT sales during FY 2026-27 has been attributed to the inclusion of Mawsynram and Additional Household Electrification consumers. However, separate sales projections for these consumers have not been furnished. BIA, therefore,

requested MePDCL to provide the detailed calculations showing the respective contribution of Mawsynram and Additional Household Electrification consumers to the projected Domestic LT sales.

2.3.9. BIA further submitted that the connected load of the EHT Ferro Alloy category remains constant at 53,701 kW throughout the Control Period, whereas sales are projected to increase from 261.06 MU in FY 2025-26 to 500.71 MU in FY 2031-32. BIA pointed out that the stated connected load can support a maximum annual consumption of approximately 470.4 MU even at a 100% load factor. Accordingly, BIA requested that the sales projection be rationalised based on the historical load factor.

2.3.10. In view of the above, BIA requested the Commission to examine the reasonableness and robustness of the underlying sales assumptions, direct MePDCL to reconcile the annual and monthly projections with the number of consumers and connected load, and undertake sensitivity analysis to assess the impact of variations in consumption by major consumers.

Commission's Analysis

2.3.11. The Commission acknowledges the submission of the BIA regarding the proposed Energy sales of MePDCL. Further, the Commission observes multiple discrepancies in considering the base value and growth rates adopted by the Petitioner for projecting category-wise energy sales for fifth control period.

2.3.12. The Commission observes that the Petitioner has considered the actual energy sales for FY 2025-26 as the base figures for projecting sales during the Fifth Control Period. However, the billing data for FY 2025-26 has neither been fully reconciled nor supported by an auditor's certificate. Therefore, the Commission does not consider it appropriate to adopt the energy sales for FY 2025-26 as the base figures. The Commission further observes that the growth rates derived by the Petitioner contain inconsistencies in the application of the CAGR calculation methodology. Accordingly, the Commission has made suitable category-wise modifications to align the projected growth rates with the historical sales trends.

2.3.13. The Commission has, therefore, considered the category-wise energy sales approved in the True-up Order for FY 2024-25 as the base figures for projecting energy sales during the Fifth Control Period. The projections have been determined after examining the historical CAGR and year-on-year growth trends of the respective consumer categories.

2.3.14. With regard to energy sales from EV charging stations, the Commission has adopted the same treatment as considered for the corresponding number of consumers and connected load. Accordingly, no separate energy sales have been considered for EV charging stations at this stage. The same shall be considered based on actuals during the relevant True-up proceedings, subject to submission of audited figures and supporting documents. The Petitioner shall submit the projected Number of consumers, Connected Load and Energy Sales for EV

charging at the time of filing MYT petition.

2.3.15. In view of the above, the Commission has analysed the historical category-wise energy sales, the corresponding CAGR and year-on-year growth trends and has suitably realigned the sales projections. Accordingly, the Commission provisionally approves the category-wise energy sales for the Fifth Control Period, considering the audited energy sales for FY 2024-25 as the base figures, as depicted in the table below. The projections shall be reviewed based on audited actuals during the respective True-up proceedings.

Table 22: Approved Energy Sales for Fifth Control Period

Consumer Category	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
LT					
Domestic (DLT)	503.89	513.44	523.16	533.07	543.17
Commercial (CLT)	139.76	142.56	145.41	148.32	151.28
Industrial (ILT)	8.57	9.01	9.48	9.96	10.47
Agriculture (AP)	0.24	0.26	0.27	0.28	0.30
Public Lighting (PL)	1.63	1.67	1.70	1.73	1.77
Water Supply (WSLT)	10.16	10.36	10.57	10.78	10.99
Genral Purpose (GP)	21.12	21.54	21.97	22.41	22.86
BPL	164.36	167.16	170.00	172.89	175.82
Crematorium (CRM)	0.17	0.17	0.18	0.18	0.18
Sub-Total LT	**849.91**	**866.16**	**882.72**	**899.62**	**916.85**
HT					
Domestic (DHT)	28.65	30.16	31.74	33.41	35.17
Water Supply (WSHT)	47.65	50.58	53.68	56.98	60.48
Bulk Supply (BS)	85.26	88.91	92.71	96.67	100.81
Commercial (CHT)	60.08	67.09	74.92	83.66	93.43
Indutrial (IHT)	155.92	168.42	181.92	196.50	212.24
Ferro Alloy	118.47	139.52	164.31	193.50	227.88
Sub-Total HT	**496.03**	**544.67**	**599.28**	**660.73**	**730.01**
EHT					
Indutrial (EHT)	213.47	217.51	221.63	225.83	230.11
Ferro Alloy (EHT)	298.26	303.91	309.66	315.53	321.51
Sub-Total EHT	**511.72**	**521.42**	**531.29**	**541.36**	**551.61**
Total	**1,857.67**	**1,932.24**	**2,013.30**	**2,101.70**	**2,198.47**

2.3.16. The Commission directs the Petitioner to file category-wise and monthly actual Energy sales duly certified by the Statutory Auditor, at the time of filing the True-up and Tariff Petitions for the respective financial years.

2.4. Distribution Loss Trajectory

Petitioner's Submission

2.4.1. The Petitioner has submitted that the Hon'ble Commission approved the T&D loss trajectory for the Fourth Control Period (FY 2024-25 to FY 2026-27) at 17.00%, 16.50% and 16.00%, for FY 2024-25, FY 2025-26 and FY 2026-27 respectively. Against the approved trajectory, the actual T&D losses achieved were 16.60% in FY 2024-25 and 14.81% in FY 2025-26.

2.4.2. The Petitioner has submitted that the approved loss trajectory was based on RDSS targets, which MePDCL achieved during the first two years of the Fourth Control Period. However, RDSS loss-reduction works remain ongoing and are expected to be completed in FY 2027-28. The Petitioner has further submitted that, although the sunset date of RDSS has been extended to March 2028, the Ministry of Power has not prescribed a revised loss trajectory, and the targets under the scheme were applicable only up to FY 2024-25.

2.4.3. Considering the expected gradual reduction in T&D losses upon completion of the loss-reduction works, the Petitioner has proposed a T&D loss trajectory as under:

Table 23: Proposed Trajectory of T&D Losses as submitted by Petitioner

Particular	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
T&D Losses	15.50%	15.50%	15.00%	15.00%	14.50%

Respondents' submission in this regard

2.4.4. BIA has pointed out that the proposed loss level of 15.50% for FY 2027-28 and FY 2028-29 is higher than the actual loss of 14.81% reportedly achieved in FY 2025-26. Further, the proposed trajectory envisages an improvement of only 0.31 percentage points by FY 2031-32 over the actual level achieved in FY 2025-26. BIA contended that the proposed trajectory is arbitrary and relaxed, particularly considering the investments already undertaken and proposed under RDSS, ADB-funded works and smart metering for reduction of technical and commercial losses.

2.4.5. BIA further submitted that a one percentage-point variation in distribution loss represents approximately 26 MU to 29 MU of annual energy and may have a material impact on the energy requirement, power procurement cost and consumer tariff. BIA also contended that fixing the normative loss target above the level already achieved may enable MePDCL to earn efficiency gains merely by maintaining its existing performance under the applicable gain-sharing mechanism.

2.4.6. BIA has highlighted that Regulation 2.5.4(c) requires the Business Plan to specify the year-wise distribution-loss reduction trajectory and the measures proposed for achieving the same, while Regulation 6.5.1 requires the capital investment plan to indicate the physical targets for loss reduction, reliability improvement and metering. However, MePDCL has not furnished adequate justification for the proposed year-wise trajectory or quantified the loss-reduction benefits expected from approximately Rs. 904 crore of RDSS works, more than Rs. 1,240 crore of ADB-funded works and deployment of approximately 1.9 lakh smart meters.

2.4.7. BIA further referred to the directions issued by the Commission in its Order dated September 22, 2022 in Case No. 02 of 2022 regarding implementation of the milestones under the UDAY Scheme. BIA submitted that MePDCL had undertaken to implement measures for reducing losses and achieve AT&C loss of 15%, and therefore, higher losses should not be allowed as a pass-through to consumers.

2.4.8. In view of the above, BIA requested the Commission to approve a realistic but appropriately challenging trajectory commencing at or below the actual loss achieved in FY 2025-26 and reducing progressively during each year of the Control Period. Accordingly, BIA proposed T&D loss of 14.50%, 14.00%, 13.00%, 12.50% and 12.00% for FY 2027-28 to FY 2031-32, respectively, considering the past performance of MePDCL and the anticipated benefits of the ongoing loss-reduction investments.

Commission's Analysis

2.4.9. The Commission observed that the reduction in T&D loss from 16.60% in FY 2024-25 to 14.81% in FY 2025-26 was not supported by a complete audited energy balance and billing data. Accordingly, MePDCL was directed to submit the detailed energy balance duly certified by the auditor. In response the Petitioner submitted that the process of CAG Audit for FY 2025-26 Statement of Account is in progress and hence the audited data cannot be furnished. However, the detailed calculation of Energy Balance has been provided and further, confirmed to submit the audited SOA of FY 2025-26 at the time of true up Petition for FY 2025-26.

2.4.10. The Commission observed that the distribution loss of 15.50% proposed for FY 2027-28 is higher than the actual loss of 14.81% reported for FY 2025-26, despite the substantial that loss-reduction investments proposed under RDSS and other initiatives. Accordingly, MePDCL was directed to justify the projected loss trajectory and submit a revised trajectory, if required, based on the audited base-year loss and RDSS commitments. MePDCL was further directed to quantify and demonstrate the expected technical and commercial benefits arising from the proposed loss-reduction investments.

In response, the Petitioner submitted that the distribution loss trajectory for the Fifth Control Period has been projected through gradual reduction from the trajectory approved for the Fourth Control Period. It further stated that

distribution loss is a controllable factor subject to the sharing mechanism and that prescribing more stringent targets may result in non-achievement and consequential burden on consumers.

Further, MePDCL clarified that although RDSS has been extended up to March 2028, no revised loss trajectory has been approved under the scheme. Accordingly, the proposed trajectory has been based on the earlier approved trajectory, while MePDCL would continue its efforts to progressively reduce distribution losses.

2.4.11. The Commission observes that the Petitioner achieved a distribution loss of 16.60% in FY 2024-25, whereas the reported loss of 14.81% for FY 2025-26 has not been supported by audited data. Accordingly, the Commission has considered the loss trajectory approved in the previous Business Plan Order as the basis for determining the trajectory for the Fifth Control Period. Considering the approved distribution loss of 16.00% for FY 2026-27, the Commission has approved a reduction of 0.50 percentage points for FY 2027-28, thereby fixing the loss target at 15.50%. Thereafter, taking a balanced view of the operational constraints and the expected benefits of the proposed loss-reduction measures, the Commission approved a progressive reduction of 0.25 percentage points in each subsequent year of the Fifth Control Period.

2.4.12. Accordingly, the Commission, based on the considerate view, approves the following distribution loss trajectory:

Table 24: Approved Trajectory of T&D Losses for Fifth Control Period

Particular	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
MePDCL Proposal	15.50%	15.50%	15.00%	15.00%	14.50%
Commission Approved	15.50%	15.25%	15.00%	14.75%	14.50%

2.4.13. The Commission, therefore adopted a balanced trajectory that preserves improvement from the stated baseline while recognizing data-quality risk and the time required for scheme benefits to materialize. The trajectory shall operate as the target for planning and subsequent tariff proceedings, subject to the sharing mechanism under the Regulations.

2.5. Collection Efficiency

Petitioner's Submission

2.5.1. The Petitioner has proposed collection efficiency of 99.75% throughout the Fifth Control Period. The proposed trajectories are presented in Table below:

Table 25: Proposed Collection Efficiency for Fifth Control Period as submitted by Petitioner

Particular	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
Collection Efficiency	99.75%	99.75%	99.75%	99.75%	99.75%

Respondents' submission in this regard

2.5.2. BIA has submitted that MePDCL has proposed a collection efficiency of 99.75% throughout the Fifth Control Period, although the actual collection efficiency was at or above 100% in four financial years out of the preceding five financial years.

2.5.3. BIA further contended that the proposed flat trajectory does not reflect the improvement envisaged under Regulation 2.5.4(e) and is lower than the recent actual performance. BIA also pointed out that 99.75% corresponds to the threshold specified under Regulation 3.11.4(b) for earning an additional Return on Equity of 0.50%.

2.5.4. In view of the above, BIA requested the Commission to approve collection efficiency of not less than 100% for each year of the Fifth Control Period.

Commission's Analysis

2.5.5. The Commission is of the view that considering the arrear collection from the debtors as per Audited Accounts, the collection efficiency has been determined above 100% for past financial years, however, it cannot be considered as confirm revenue for each financial year.

2.5.6. Accordingly, the Commission allows the Collection Efficiency as proposed by the Petitioner for the fifth control period, as shown in the table below:

Table 26: Approved Collection Efficiency for Fifth Control Period

Particular	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
Collection Efficiency	99.75%	99.75%	99.75%	99.75%	99.75%

2.6. Power Procurement Plan

Petitioner's Submission

2.6.1. The Petitioner has submitted that Meghalaya receives power from State Generating Stations owned and operated by Meghalaya Power Generation Corporation Limited (MePGCL) and Central Generating Stations operated by NEEPCO, NHPC, NTPC and OTPC.

2.6.2. The Petitioner has submitted that Umiam Stage III's capacity is expected to

increase by 6 MW upon completion of RMU works. Further, four of the eight units of NHPC's Subansiri project have been commissioned, with the remaining units expected by the end of the current financial year. Accordingly, the full allocation of 49.41 MW has been considered from FY 2027-28.

2.6.3. The Petitioner has stated that although Meghalaya's allocation from OTPC's Pallatana station is 78.99 MW, gas availability constraints have reduced the effective allocation to approximately 56 MW.

2.6.4. The details of the installed capacity of these generating stations and the corresponding power allocation to Meghalaya are presented in Table 23 of the Petition.

Table 27: Existing Allocation of Power from Various Generating Stations as submitted by Petitioner

Name of Generating Station	Installed Capacity (MW)	Allocation to Meghalaya (MW)
MePGCL		
Umiam -I	36.00	36.00
Umiam -II	20.00	20.00
Umiam -III	66.00	66.00
Umiam -IV	60.00	60.00
MLHEP	126.00	126.00
Sonapani	1.50	1.50
New Umtru	50.00	50.00
Ganol	22.50	22.50
Lakroh	1.50	1.50
NEEPCO		
Kopili	200.00	34.79
Kopili-Ext	25.00	3.42
Khandong	50.00	8.45
Ranganadi	405.00	46.60
Doyang	75.00	8.59
AGBPP	291.00	34.37
AGTPP CC	135.00	17.06
Pare	110.00	14.67
Kameng	600.00	15.00
NHPC		
Loktak	105	13.00
Subansiri	2000	49.41
NTPC		
Bongaigaon TPS	750	88
OTPC		
Pallatana	726	78.99

2.6.5. The Petitioner has submitted that power availability during the Fifth Control Period has been projected considering existing generating stations and upcoming projects, including the Umran and Nongummer Small Hydro Projects,

the 150 MW Solar Plus BESS Project through SJVN, the proposed allocation of 50 MW thermal power from APDCL, and the Riangdo Small Hydro Project. For existing hydro stations, procurement has been estimated based on design energy, while thermal power procurement is based on the preceding three-year average, except for Bongaigaon and OTPC, for which a two-year average has been considered. The projected long-term power procurement for the Fifth Control Period is presented in Table below:

Table 28: Power Procurement Plan from Long Term Sources for Fifth Control Period as submitted by Petitioner

Name of Generating Station	2027-28	2028-29	2029-30	2030-31	2031-32
Within the State					
MePGCL					
Umiam -I	116.00	116.00	116.00	116.00	116.00
Umiam -II	46.00	46.00	46.00	46.00	46.00
Umiam -III	152.90	152.90	152.90	152.90	152.90
Umiam -IV	207.00	207.00	207.00	207.00	207.00
MLHEP	486.00	486.00	486.00	486.00	486.00
Sonapani	5.00	5.00	5.00	5.00	5.00
New Umtru	235.00	235.00	235.00	235.00	235.00
Ganol	88.70	88.70	88.70	88.70	88.70
Lakroh	11.00	11.00	11.00	11.00	11.00
Riangdo	0.00	0.00	28.00	28.00	28.00
Total MePGCL	**1347.60**	**1347.60**	**1375.60**	**1375.60**	**1375.60**
Private Developers					
Nongummer SHP	0.00	0.00	0.00	24.69	24.69
Umran SHP	0.00	0.00	0.00	13.89	13.89
Free Power from Private Developers	0.00	0.00	0.00	17.56	17.56
Total Private	**0**	**0**	**0**	**56.14**	**56.14**
Total Within State	**1347.60**	**1347.60**	**1375.60**	**1431.74**	**1431.74**
Out Side State					
NEEPCO					
Kopili	106.82	106.82	106.82	106.82	106.82
Kopili-Ext	10.12	10.12	10.12	10.12	10.12
Khandong	26.82	26.82	26.82	26.82	26.82
Ranganadi	162.88	162.88	162.88	162.88	162.88
Doyang	19.76	19.76	19.76	19.76	19.76
AGBPP	103.80	103.80	103.80	103.80	103.80
AGTPP CC	50.81	50.81	50.81	50.81	50.81
Pare	71.03	71.03	71.03	71.03	71.03
Kameng	58.93	58.93	58.93	58.93	58.93
Free Power from NEEPCO	78.19	78.19	78.19	78.19	78.19
NHPC					

Name of Generating Station	2027-28	2028-29	2029-30	2030-31	2031-32
Loktak	140.78	140.78	140.78	140.78	140.78
Subansiri	183.35	183.35	183.35	183.35	183.35
NTPC					
Bongaigaon TPS	386.27	386.27	386.27	386.27	386.27
OTPC					
Pallatana	384.14	384.14	384.14	384.14	384.14
New Proposed					
Thermal Allocation from Assam	0.00	0.00	0.00	0.00	372.30
Solar Plus BESS	0.00	353.78	497.00	497.00	497.00
Total Outside the State	**1783.69**	**2059.28**	**2202.50**	**2202.50**	**2574.80**
Total Procurement	**3131.29**	**3406.87**	**3578.10**	**3634.24**	**4006.54**

2.6.6. The Petitioner has also submitted estimation from short-term power requirements and surplus availability by assessing monthly data to capture variations in demand and supply. The Petitioner has also estimated monthly availability from existing stations using historical monthly procurement patterns, while new stations have been assessed using average monthly generation patterns of hydro and thermal stations. Power availability has been adjusted for auxiliary consumption and transmission losses, including inter-State transmission losses of 3.87%, based on POSOCO data for FY 2025-26.

2.6.7. The Petitioner has submitted that monthly power availability has been projected using the respective monthly generation patterns for the Solar Plus BESS project, new hydro and thermal stations, and existing generating stations. The power availability in terms of percentage of total power from the generating station is submitted by petitioner as tabulated below:

Table 29: Availability of Power as Percentage from Solar Plus BESS Project as submitted by Petitioner

Month	Solar	BESS
Apr	10.91%	8.22%
May	11.45%	8.49%
Jun	7.91%	8.22%
Jul	5.45%	8.49%
Aug	5.93%	8.49%
Sept	7.10%	8.22%
Oct	8.66%	8.49%
Nov	7.71%	8.22%
Dec	7.38%	8.49%
Jan	8.14%	8.49%
Feb	8.51%	7.67%
Mar	10.85%	8.49%

Table 30: Availability of Power as Percentage from New Hydro and Thermal Generating Stations as submitted by Petitioner

Month	Hydro	Thermal
Apr	5%	7%
May	9%	8%
Jun	14%	7%
Jul	15%	8%
Aug	15%	9%
Sept	12%	9%
Oct	10%	9%
Nov	5%	9%
Dec	4%	9%
Jan	4%	9%
Feb	3%	7%
Mar	4%	9%
Total		

2.6.8. The availability of power from the existing generating stations in terms of percentage of total power procurement from the respective station is tabulated below:

Table 31: Availability of Power as Percentage from Existing Hydro and Thermal Generating Stations as submitted by Petitioner

Month	Loktak	Kopili I	Kopili Ext	Khandong	Ranganadi	Doyang	AGBPP	AGTCPP	Pare	Kameng	Bongaigaon	Pallatana	MePGCL
Apr	2%	3%	5%	8%	6%	1%	9%	9%	6%	4%	6%	7%	6%
May	3%	6%	8%	6%	9%	3%	10%	10%	9%	7%	8%	8%	9%
Jun	8%	9%	12%	9%	14%	8%	8%	9%	14%	11%	9%	6%	15%
Jul	12%	10%	12%	11%	14%	20%	9%	10%	15%	14%	9%	8%	16%
Aug	14%	11%	12%	14%	15%	23%	8%	8%	15%	14%	8%	9%	15%
Sept	14%	15%	12%	17%	12%	20%	9%	9%	12%	12%	10%	9%	12%
Oct	13%	16%	12%	17%	11%	10%	7%	8%	12%	11%	10%	9%	10%
Nov	11%	7%	7%	7%	5%	4%	8%	8%	6%	8%	11%	9%	4%
Dec	9%	4%	8%	5%	4%	4%	8%	8%	4%	5%	8%	9%	4%
Jan	7%	7%	7%	2%	2%	3%	8%	8%	3%	4%	8%	9%	4%
Feb	4%	6%	3%	1%	2%	2%	7%	7%	2%	4%	6%	8%	3%
Mar	3%	7%	2%	2%	5%	2%	9%	7%	4%	5%	8%	9%	4%

2.6.1. The petitioner submitted that monthly power requirements at the DISCOM periphery have been estimated by grossing up projected sales with the proposed T&D loss trajectory. The difference between monthly availability and requirement has been used to determine surplus power and short-term procurement needs. The detailed projections of long-term power procurement, short-term power requirement and surplus power availability are presented in the tables below:

Table 32: Estimation of Surplus Power and Short Term Procurement for FY 2027-28 as submitted by Petitioner

Particular	**Apr-27**	**May-27**	**Jun-27**	**Jul-27**	**Aug-27**	**Sep-27**	**Oct-27**	**Nov-27**	**Dec-27**	**Jan-28**	**Feb-28**	**Mar-28**
Availability from Thermal	62.67	76.36	70.66	78.74	79.16	85.08	84.91	85.17	79.98	77.67	65.01	79.59
Auxiliary Consumption	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Net Generation	57.03	69.49	64.30	71.66	72.04	77.43	77.27	77.50	72.78	70.68	59.15	72.43
Availability from Hydro and RE	37.91	60.81	97.92	113.33	119.62	115.79	106.74	58.11	42.19	39.06	29.67	37.52
Auxiliary Consumption	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Availability Hydro	37.53	60.20	96.94	112.19	118.42	114.64	105.68	57.53	41.77	38.67	29.37	37.15
Total Net Availability from CGS	94.57	129.69	161.24	183.85	190.46	192.06	182.95	135.04	114.55	109.35	88.52	109.57
Inter-State Transmission Losses	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%
Power Available from CGS at State Periphery	90.91	124.67	155.00	176.73	183.08	184.63	175.87	129.81	110.12	105.12	85.10	105.33
Inter-State Generation from MePGCL	78.66	126.30	202.71	209.80	201.60	160.69	128.05	54.95	47.85	50.60	39.04	47.35
Auxiliary Consumption MePGCL	1.10	1.76	2.83	2.93	2.81	2.24	1.79	0.77	0.67	0.71	0.54	0.66
Intra State Generation from Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Auxiliary Consumption Private Developers	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Generation from Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Free Power From Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Net Intra-State Generation	77.56	124.53	199.88	206.87	198.79	158.44	126.27	54.18	47.18	49.90	38.49	46.69
Intra-State Transmission Losses	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Power Available at DISCOM Periphery	163.41	241.73	344.24	372.09	370.41	332.78	293.07	178.48	152.58	150.37	119.88	147.46
Projected Sales	158.02	180.48	187.69	176.61	182.28	170.26	177.14	162.59	163.15	198.77	161.60	182.99
Projected Distribution Loss	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
Requirement at DISCOM Periphery	187.01	213.58	222.12	209.01	215.72	201.49	209.64	192.42	193.08	235.23	191.24	216.56
Surplus/ Deficit	**-23.59**	**28.14**	**122.12**	**163.09**	**154.69**	**131.29**	**83.44**	**-13.94**	**-40.50**	**-84.87**	**-71.36**	**-69.10**

Surplus Power (MU)	682.76
Short Term Procurement (MU)	303.35

Table 33: Estimation of Surplus Power and Short-Term Procurement for FY 2028-29 as submitted by Petitioner

Particular	Apr-28	May-28	Jun-28	Jul-28	Aug-28	Sep-28	Oct-28	Nov-28	Dec-28	Jan-29	Feb-29	Mar-29
Availability from Thermal	62.67	76.36	70.66	78.74	79.16	85.08	84.91	85.17	79.98	77.67	65.01	79.59
Auxiliary Consumption	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Net Generation	57.03	69.49	64.30	71.66	72.04	77.43	77.27	77.50	72.78	70.68	59.15	72.43
Availability from Hydro and RE	37.91	60.81	97.92	144.53	152.54	152.59	149.57	97.12	80.36	79.99	70.84	88.26
Auxiliary Consumption	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Availability Hydro	37.53	60.20	96.94	143.09	151.02	151.06	148.07	96.15	79.56	79.19	70.13	87.38
Total Net Availability from CGS	94.57	129.69	161.24	214.74	223.05	228.49	225.35	173.65	152.34	149.87	129.28	159.81
Inter-State Transmission Losses	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%
Power Available from CGS at State Periphery	90.91	124.67	155.00	206.43	214.42	219.65	216.62	166.93	146.45	144.07	124.28	153.62
Inter-State Generation from MePGCL	78.66	126.30	202.71	209.80	201.60	160.69	128.05	54.95	47.85	50.60	39.04	47.35
Auxiliary Consumption MePGCL	1.10	1.76	2.83	2.93	2.81	2.24	1.79	0.77	0.67	0.71	0.54	0.66
Intra State Generation from Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Auxiliary Consumption Private Developers	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Generation from Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Free Power From Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Net Intra-State Generation	77.56	124.53	199.88	206.87	198.79	158.44	126.27	54.18	47.18	49.90	38.49	46.69
Intra-State Transmission Losses	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Power Available at DISCOM Periphery	163.58	241.98	344.59	401.32	401.22	367.13	332.95	214.71	188.01	188.34	158.05	194.50
Projected Sales	144.26	161.24	168.45	159.37	164.54	153.58	162.86	149.88	149.21	182.14	151.84	167.29
Projected Distribution Loss	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
Requirement at DISCOM Periphery	170.73	190.82	199.35	188.61	194.72	181.75	192.73	177.38	176.58	215.55	179.69	197.98
Surplus/ Deficit	**-7.15**	**51.16**	**145.25**	**212.71**	**206.50**	**185.38**	**140.22**	**37.33**	**11.43**	**-27.21**	**-21.64**	**-3.47**

Surplus Power (MU)	989.97
Short Term Procurement (MU)	59.47

Table 34: Estimation of Surplus Power and Short-Term Procurement for FY 2029-30 as submitted by Petitioner

Particular	**Apr-29**	**May-29**	**Jun-29**	**Jul-29**	**Aug-29**	**Sep-29**	**Oct-29**	**Nov-29**	**Dec-29**	**Jan-30**	**Feb-30**	**Mar-30**
Availability from Thermal	62.67	76.36	70.66	78.74	79.16	85.08	84.91	85.17	79.98	77.67	65.01	79.59
Auxiliary Consumption	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Net Generation	57.03	69.49	64.30	71.66	72.04	77.43	77.27	77.50	72.78	70.68	59.15	72.43
Availability from Hydro and RE	88.51	113.71	137.64	144.53	152.54	152.59	149.57	97.12	80.36	79.99	70.84	88.26
Auxiliary Consumption	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Availability Hydro	87.62	112.57	136.27	143.09	151.02	151.06	148.07	96.15	79.56	79.19	70.13	87.38
Total Net Availability from CGS	144.66	182.06	200.57	214.74	223.05	228.49	225.35	173.65	152.34	149.87	129.28	159.81
Inter-State Transmission Losses	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%
Power Available from CGS at State Periphery	139.06	175.02	192.81	206.43	214.42	219.65	216.62	166.93	146.45	144.07	124.28	153.62
Inter-State Generation from MePGCL	80.29	128.92	206.93	214.16	205.79	164.03	130.72	56.09	48.84	51.65	39.85	48.33
Auxiliary Consumption MePGCL	1.12	1.80	2.89	2.99	2.87	2.29	1.82	0.78	0.68	0.72	0.56	0.67
Intra State Generation from Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Auxiliary Consumption Private Developers	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Generation from Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Free Power From Private Developers	0	0	0	0	0	0	0	0	0	0	0	0
Net Intra-State Generation	79.17	127.12	204.04	211.17	202.92	161.74	128.89	55.31	48.16	50.93	39.29	47.66
Intra-State Transmission Losses	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Power Available at DISCOM Periphery	212.77	294.59	386.92	407.16	406.90	371.85	336.88	216.69	189.74	190.13	159.48	196.25
Projected Sales	148.57	167.32	174.45	164.70	170.05	158.72	167.70	154.18	153.94	187.50	154.90	172.33
Projected Distribution Loss	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Requirement at DISCOM Periphery	174.79	196.84	205.23	193.77	200.06	186.73	197.29	181.39	181.10	220.59	182.24	202.74
Surplus/ Deficit	**37.98**	**97.74**	**181.69**	**213.39**	**206.84**	**185.12**	**139.58**	**35.30**	**8.64**	**-30.46**	**-22.76**	**-6.49**

Surplus Power (MU)	1106.29
Short Term Procurement (MU)	59.71

Table 35: Estimation of Surplus Power and Short-Term Procurement for FY 2030-31 as submitted by Petitioner

Particular	**Apr-30**	**May-30**	**Jun-30**	**Jul-30**	**Aug-30**	**Sep-30**	**Oct-30**	**Nov-30**	**Dec-30**	**Jan-31**	**Feb-31**	**Mar-31**
Availability from Thermal	62.67	76.36	70.66	78.74	79.16	85.08	84.91	85.17	79.98	77.67	65.01	79.59
Auxiliary Consumption	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Net Generation	57.03	69.49	64.30	71.66	72.04	77.43	77.27	77.50	72.78	70.68	59.15	72.43
Availability from Hydro and RE	88.51	113.71	137.64	144.53	152.54	152.59	149.57	97.12	80.36	79.99	70.84	88.26
Auxiliary Consumption	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Availability Hydro	87.62	112.57	136.27	143.09	151.02	151.06	148.07	96.15	79.56	79.19	70.13	87.38
Total Net Availability from CGS	144.66	182.06	200.57	214.74	223.05	228.49	225.35	173.65	152.34	149.87	129.28	159.81
Inter-State Transmission Losses	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%
Power Available from CGS at State Periphery	139.06	175.02	192.81	206.43	214.42	219.65	216.62	166.93	146.45	144.07	124.28	153.62
Inter-State Generation from MePGCL	80.29	128.92	206.93	214.16	205.79	164.03	130.72	56.09	48.84	51.65	39.85	48.33
Auxiliary Consumption MePGCL	1.12	1.80	2.89	2.99	2.87	2.29	1.82	0.78	0.68	0.72	0.56	0.67
Intra State Generation from Private Developers	2.07	3.33	5.31	5.75	5.69	4.78	4.03	1.95	1.55	1.47	1.15	1.49
Auxiliary Consumption Private Developers	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Generation from Private Developers	2.05	3.29	5.26	5.69	5.64	4.74	3.99	1.93	1.53	1.46	1.14	1.47
Free Power From Private Developers	0.94	1.51	2.42	2.62	2.59	2.18	1.83	0.89	0.70	0.67	0.52	0.68
Net Intra-State Generation	82.17	131.93	211.72	219.48	211.14	168.65	134.71	58.13	50.39	53.06	40.95	49.81
Intra-State Transmission Losses	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Power Available at DISCOM Periphery	215.70	299.28	394.41	415.26	414.92	378.59	342.55	219.44	191.92	192.21	161.10	198.35
Projected Sales	152.89	173.41	180.45	170.14	175.68	163.99	172.19	158.15	158.32	192.84	157.95	177.36
Projected Distribution Loss	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Requirement at DISCOM Periphery	179.87	204.01	212.30	200.17	206.69	192.93	202.58	186.06	186.26	226.87	185.83	208.65
Surplus/ Deficit	**35.83**	**95.27**	**182.12**	**215.09**	**208.24**	**185.66**	**139.97**	**33.38**	**5.66**	**-34.67**	**-24.72**	**-10.31**

Surplus Power (MU)	1101.21
Short Term Procurement (MU)	69.70

Table 36: Estimation of Surplus Power and Short-Term Procurement for FY 2031-32 as submitted by Petitioner

Particular	**Apr-31**	**May-31**	**Jun-31**	**Jul-31**	**Aug-31**	**Sep-31**	**Oct-31**	**Nov-31**	**Dec-31**	**Jan-31**	**Feb-31**	**Mar-31**
Availability from Thermal	89.02	107.40	98.03	110.01	111.40	118.71	117.93	117.84	112.65	109.59	92.64	112.09
Auxiliary Consumption	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Net Generation	81.01	97.73	89.21	100.11	101.37	108.02	107.32	107.24	102.51	99.73	84.31	102.00
Availability from Hydro and RE	88.51	113.71	137.64	144.53	152.54	152.59	149.57	97.12	80.36	79.99	70.84	88.26
Auxiliary Consumption	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Availability Hydro	87.62	112.57	136.27	143.09	151.02	151.06	148.07	96.15	79.56	79.19	70.13	87.38
Total Net Availability from CGS	168.63	210.31	225.48	243.19	252.39	259.09	255.39	203.39	182.07	178.92	154.43	189.38
Inter-State Transmission Losses	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%	3.87%
Power Available from CGS at State Periphery	162.11	202.17	216.75	233.78	242.62	249.06	245.51	195.51	175.02	172.00	148.46	182.05
Inter-State Generation from MePGCL	80.29	128.92	206.93	214.16	205.79	164.03	130.72	56.09	48.84	51.65	39.85	48.33
Auxiliary Consumption MePGCL	1.12	1.80	2.89	2.99	2.87	2.29	1.82	0.78	0.68	0.72	0.56	0.67
Intra State Generation from Private Developers	2.07	3.33	5.31	5.75	5.69	4.78	4.03	1.95	1.55	1.47	1.15	1.49
Auxiliary Consumption Private Developers	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Net Generation from Private Developers	2.05	3.29	5.26	5.69	5.64	4.74	3.99	1.93	1.53	1.46	1.14	1.47
Free Power From Private Developers	0.94	1.51	2.42	2.62	2.59	2.18	1.83	0.89	0.70	0.67	0.52	0.68
Net Intra-State Generation	82.17	131.93	211.72	219.48	211.14	168.65	134.71	58.13	50.39	53.06	40.95	49.81
Intra-State Transmission Losses	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Power Available at DISCOM Periphery	238.78	326.58	418.83	443.06	443.56	408.31	371.67	247.94	220.35	219.99	185.15	226.64
Projected Sales	158.02	180.48	187.69	176.61	182.28	170.26	177.14	162.59	163.15	198.77	161.60	182.99
Projected Distribution Loss	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%
Requirement at DISCOM Periphery	184.82	211.09	219.53	206.56	213.20	199.13	207.18	190.16	190.82	232.48	189.00	214.03
Surplus/ Deficit	**53.96**	**115.50**	**199.30**	**236.50**	**230.36**	**209.18**	**164.48**	**57.77**	**29.53**	**-12.49**	**-3.85**	**12.62**

Surplus Power (MU)	1309.19
Short Term Procurement (MU)	16.34

Table 37: Overall Power Procurement Plan for Fifth Control Period as submitted by Petitioner

Name of Generating Station	2027-28	2028-29	2029-30	2030-31	2031-32
Within the State					
MePGCL					
Umiam -I	116.00	116.00	116.00	116.00	116.00
Umiam -II	46.00	46.00	46.00	46.00	46.00
Umiam -III	152.90	152.90	152.90	152.90	152.90
Umiam -IV	207.00	207.00	207.00	207.00	207.00
MLHEP	486.00	486.00	486.00	486.00	486.00
Sonapani	5.00	5.00	5.00	5.00	5.00
New Umtru	235.00	235.00	235.00	235.00	235.00
Ganol	88.70	88.70	88.70	88.70	88.70
Lakroh	11.00	11.00	11.00	11.00	11.00
Riangdo	0.00	0.00	28.00	28.00	28.00
Total MePGCL	**1347.60**	**1347.60**	**1375.60**	**1375.60**	**1375.60**
Private Developers					
Nongummer SHP	0.00	0.00	0.00	24.69	24.69
Umran SHP	0.00	0.00	0.00	13.89	13.89
Free Power from Private Developers	0.00	0.00	0.00	17.56	17.56
Total Private	**0**	**0**	**0**	**56.14**	**56.14**
Total Within State	**1347.60**	**1347.60**	**1375.60**	**1431.74**	**1431.74**
Out Side State					
NEEPCO					
Kopili	106.82	106.82	106.82	106.82	106.82
Kopili-Ext	10.12	10.12	10.12	10.12	10.12
Khandong	26.82	26.82	26.82	26.82	26.82
Ranganadi	162.88	162.88	162.88	162.88	162.88
Doyang	19.76	19.76	19.76	19.76	19.76
AGBPP	103.80	103.80	103.80	103.80	103.80
AGTPP CC	50.81	50.81	50.81	50.81	50.81
Pare	71.03	71.03	71.03	71.03	71.03
Kameng	58.93	58.93	58.93	58.93	58.93
Free Power from NEEPCO	78.19	78.19	78.19	78.19	78.19
NHPC					
Loktak	140.78	140.78	140.78	140.78	140.78
Subansiri	183.35	183.35	183.35	183.35	183.35
NTPC					
Bongaigaon TPS	386.27	386.27	386.27	386.27	386.27
OTPC					
Pallatana	384.14	384.14	384.14	384.14	384.14
New Proposed					
Thermal Allocation from Assam	0.00	0.00	0.00	0.00	372.30
Solar Plus BESS	0.00	353.78	497.00	497.00	497.00

Name of Generating Station	2027-28	2028-29	2029-30	2030-31	2031-32
Total Outside the State	1783.69	2059.28	2202.50	2202.50	2574.80
Short -Term Power Procurement	303.35	59.47	59.71	69.70	16.34
Total Procurement	3434.64	3466.35	3637.80	3703.94	4022.88

Respondents' submission in this regard

2.6.2. BIA has submitted that the power procurement projections require detailed scrutiny, considering that the existing allocation of approximately 796 MW is substantially higher than the State's historical peak demand of 374 MW to 408 MW. BIA pointed out that MePDCL has further proposed to add around 217 MW from Solar with BESS, APDCL thermal allocation, private small hydro projects and Riangdo HEP. Consequently, while the projected procurement increases by approximately 28% during the Control Period, the surplus power increases from 682.76 MU in FY 2027-28 to 1,309.19 MU in FY 2031-32. Despite such surplus, MePDCL has projected short-term purchase of 303.35 MU in FY 2027-28.

2.6.3. BIA further contended that the fixed-cost liability associated with excess contracted capacity is ultimately borne by consumers, while any difference between the cost of surplus power and the revenue realised from its sale is passed through in tariff. BIA also pointed out that the surplus-sale realisation of Rs. 6.68/kWh achieved in FY 2025-26 may not be sustainable with increasing surplus, particularly where the incremental availability is predominantly solar power. Accordingly, BIA requested that the power procurement plan be examined in light of the incentive mechanism for surplus sale under Regulation 6.11.2.

2.6.4. It is further objected by BIA that the projected energy balance indicates monsoon surplus and winter deficit, which should be managed through seasonal banking or swapping arrangements instead of simultaneous surplus sale and short-term purchase. BIA, therefore, requested MePDCL to furnish a year-wise and month-wise energy balance showing the basis of surplus, proposed sale, banking and subsequent drawal, and establish that the projected surplus does not arise from conservative demand or optimistic availability assumptions.

2.6.5. Additionally, BIA has further submitted that MePDCL has adopted inconsistent methodologies for estimating availability from different generating sources. While hydro availability has generally been considered based on design energy, thermal availability has been projected based on the average generation of the preceding three years, with a two-year average adopted for Bongaigaon and OTPC. BIA pointed out that the design energy considered for Loktak, Kopili and existing MePGCL hydro stations is materially higher than their historical average generation and may overstate hydro availability and understate the requirement for short-term purchase.

2.6.6. BIA further contended that the procurement plan has not been prepared on the basis of Merit Order Dispatch as required under Regulation 2.5.4(d). In the absence of station-wise tariff and merit-order analysis, it is not possible to assess whether the projected procurement prioritises lower-cost sources and minimises the overall power purchase cost. Accordingly, BIA requested MePDCL to furnish station-wise availability assumptions, the basis of the historical periods considered and a merit-order-based dispatch analysis.

2.6.7. BIA has also sought clarification regarding the deduction of auxiliary consumption from Central Generating Stations at approximately 9% for thermal generation and 1% for hydro generation. BIA contended that if the energy quantities already represent ex-bus or billable energy, a further deduction would result in double counting of auxiliary consumption and understatement of the energy available to MePDCL.

2.6.8. With regard to the proposed Solar and BESS project, BIA submitted that MePDCL has projected approximately 362 MU from solar and 135 MU from BESS. BIA contended that if the BESS is charged from the associated solar project, treating the entire solar generation and BESS discharge as separate sources may result in double counting. BIA further pointed out that the capacity, storage duration, charging source, round-trip efficiency, operating cycle, tariff and contractual status of the proposed BESS have not been furnished. Accordingly, BIA requested MePDCL to submit a detailed energy-flow statement and obtain the Commission's approval before finalising the arrangement.

2.6.9. BIA has further referred to the Commission's Order dated November 16, 2023 in Case No. 22 of 2023, wherein MePDCL was directed to examine surrender of surplus capacity from NTPC Bongaigaon and review procurement of high-cost power from Doyang HEP and AGBPP. BIA contended that the continued consideration of these sources is inconsistent with the earlier directions and the Merit Order Dispatch principles applied by the Commission. BIA, therefore, requested MePDCL to explore lower-cost alternatives.

2.6.10. BIA has also submitted that the proposed 50 MW thermal allocation from APDCL has been considered despite the projected surplus of 1,309.19 MU in FY 2031-32. BIA contended that the in-principle consent was issued without prior approval of the Commission and that reference to the CEA Resource Adequacy Plan does not substitute the requirement of a utility-specific Resource Adequacy Plan and demonstration of consumer benefit under the applicable Regulations.

2.6.11. BIA further requested MePDCL to furnish the project-wise tariff, free-power obligation, net availability and contractual basis for procurement from Umran and Nongummer small hydro projects. BIA also sought the latest commissioning schedule and physical progress of the Subansiri project, as the full allocation of 49.41 MW and corresponding availability of 183.35 MU have been considered from FY 2027-28 despite uncertainty regarding commissioning of the generating units.

2.6.12. In view of the above, BIA requested the Commission to direct MePDCL to submit a least-cost power procurement plan containing the month-wise energy balance, station-wise availability and tariff, Merit Order Dispatch, seasonal banking and swapping strategy, surplus-disposal plan, contractual status of proposed sources, and the overall power purchase cost and tariff impact before approval of the proposed procurement plan.

Commission's Analysis

2.6.13. The Commission acknowledges the submission of BIA regarding the proposed Power Purchase of MePDCL.

2.6.14. The Commission vide First Additional Information Requirement directed MePDCL to reconcile whether procurement from the Umran and Nongummer Small Hydro Projects represents 30% of installed capacity or 30% of the net energy generated. In reply, the Petitioner submitted that the energy proposed to be procured from the Umran and Nongummer Small Hydro Projects represents 30% of the net electrical energy available after deduction of 13% free power. Further, in response to the Second Additional Information Requirement, the Petitioner submitted that, at the time of filing the draft Power Purchase Agreements for approval, the developers had agreed to supply power to MePDCL at the generic tariff determined in accordance with the applicable Regulations of the Commission or the Central Electricity Regulatory Commission (CERC). The Petitioner further clarified that, since both sets of Regulations prescribe a normative auxiliary consumption of 1% for Small Hydro Projects, the same has been considered for the Umran and Nongummer Small Hydro Projects.

2.6.15. Further, the PPA status, tariff, BESS charging source, round-trip efficiency, degradation, dispatch commitment and commissioning schedule of the 150 MW Solar plus BESS Project has been sought by the Commission to be furnished by the Petitioner vide First Additional Information Requirement. The Petitioner, in response, mentioned that the indicated tariff is Rs. 3.39/kWh. However, several issues remain under discussion with SJVNL and no final decision has been taken on the procurement. MePDCL additionally enclosed the RfP issued by SJVN as annexure with its official response.

2.6.16. The Commission, in addition to the above, directed the Petitioner to justify the deferment of power availability from the APDCL thermal project to FY 2031-32 despite its proposed commissioning in FY 2030-31, and furnish the cost-benefit analysis, allocation letter, PSA/PPA, expected COD, landed tariff and exit liabilities. In this context, the Petitioner stated that only an in-principle consent has been provided for procurement of power from Assam and no formal acceptance, PPA or other agreement has been executed. MePDCL also mentioned that it would approach the Commission for approval once the arrangement is finalized.

2.6.17. The Petitioner has been asked to reconcile the commissioning schedule of the Riangdo Small Hydro Project with the timeline submitted by MePGCL; and in

accordance with the above, the Petitioner clarified that the commencement of power supply from the Riangdo Small Hydro Project has been considered as per the schedule provided by MePGCL.

2.6.18. The Commission, vide First Additional Information Requirement, sought the justification of non-consideration of the Sidiguri Small Hydro Power Project in the procurement plan. Accordingly, in reply, the Petitioner clarified that power from the Sidiguri Project has not been considered since the project is presently under survey and investigation and no commissioning schedule has been provided by MePGCL.

2.6.19. The Commission further directed MePDCL, vide First Additional Information Requirement, to apply station-specific approved auxiliary consumption instead of a uniform rate of 9% for all external thermal stations and furnish the supporting regulatory Orders.

Regarding this auxiliary consumption, MePDCL submitted that the rates for inter-State generating stations have been considered in accordance with the CERC Regulations, while those for intra-State generating stations have been considered in accordance with the Regulations notified by the Commission.

2.6.20. MePDCL vide First Additional Information Requirement, was also directed to transparently incorporate and reconcile the impact of thermal backing down due to solar availability in the annual procurement and surplus-power calculations.

In this context, MePDCL clarified that the thermal backing-down computation in the supporting Excel model was prepared for internal purposes. Since no final decision has been taken on the BESS Project, the impact of such backing down has not been incorporated in the power procurement plan. The same would be considered in the relevant Tariff Petition if MePDCL proceeds with the project.

2.6.21. Further, MePDCL was directed to submit source-wise monthly power procurement data for FY 2021-22 to FY 2025-26 in Excel format, duly certified by the auditor, vide First Additional Information Requirement.

MePDCL in its reply submitted that the source-wise monthly power procurement data for FY 2021-22 to FY 2025-26 has been enclosed as annexure with its submission. It further stated that auditor certification of the energy data is not feasible; however, the annual procurement from each station can be reconciled with the audited accounts for the respective years.

2.6.22. The Commission observes that a Business Plan procurement forecast must be based on monthly demand, contracted capacity, expected station availability.

2.6.23. The Commission has examined the methodology adopted by the Petitioner for estimating power availability from thermal generating stations. Considering that procurement from such stations depends on their actual availability, declared capacity, scheduled outages, operational performance and MePDCL's allocated share, the Commission considers the recent historical procurement to be a reasonable basis for projection. Accordingly, the Commission approves the

procurement from AGBPP and AGTPPC based on the average power procured during the preceding three years. In the case of Bongaigaon TPP and OTPC Palatana, the average procurement of the preceding two years is considered appropriate, as the recent period provides a more representative basis for assessing their current availability and procurement pattern. The Commission, therefore, approves the thermal power procurement as proposed by the Petitioner, subject to reconciliation of the historical procurement figures with the source-wise energy accounts and optimization of actual procurement in accordance with the Merit Order Dispatch principles. The Commission further directs that the Petitioner will file detailed energy cost at the time of filing MYT Petition and based on the Merit Order, the Commission will decide procurement from each station at the time of issuance of MYT/ARR Order.

2.6.24. The Commission has examined the projected availability of power from the hydro generating stations of MePGCL and considers it appropriate to adopt the station-wise design energy approved in the MePGCL Business Plan Order for the Fifth Control Period. Further, with respect to Umiam Stage-III and New Umtru Hydro Power Stations, the Petitioner, in response to the Second Additional Information Requirement, clarified that the installed capacity of Umiam Stage-III is expected to increase to 66 MW following the completion of Renovation, Modernisation and Upgradation (RMU) works, with an enhancement of 3 MW per unit. The Petitioner further submitted that MePGCL has projected an annual generation of 152 MU in its Petition, which is approximately 10% higher than the existing design energy, reflecting the anticipated increase in generation following RMU. With regard to New Umtru Hydro Power Station, the Petitioner clarified that the installed capacity was inadvertently indicated as 50 MW instead of the actual installed capacity of 40 MW.

2.6.25. Accordingly, the Commission approves the procurement from MePGCL's hydro generating stations in line with the design energy approved in the said Business Plan Order. Any variation in the approved energy availability shall be considered in the relevant True-up proceedings based on the actual generation and supporting records, subject to prudence check by the Commission.

2.6.26. The Commission has examined the projected availability from the hydro generating stations of NHPC and NEEPCO and considers it appropriate to adopt the design energy approved in the latest Tariff Order for FY 2026-27, as the same represents the normative generation capability determined after regulatory scrutiny and provides a consistent basis for estimating hydro power availability during the Fifth Control Period. Accordingly, the Commission approves the procurement from the hydro generating stations based on the approved design energy.

2.6.27. However, if the design energy or generation capability of any hydro station increases due to renovation and modernization, major repair and maintenance, efficiency improvement or any other technical intervention, the MePDCL shall substantiate such improvement at the time of True-up by furnishing valid

technical studies, completion and performance-test reports, generation records and other supporting documents. The Commission may consider the revised design energy after prudence check and upon being satisfied that the improvement is technically established and sustainable.

2.6.28. The Commission observes that the proposed procurement from the Solar plus BESS Project is not supported by essential technical, contractual and commercial details, including the status of the Power Purchase Agreement, approved applicable tariff, BESS charging source, storage capacity, round-trip efficiency, degradation assumptions, dispatch obligations and scheduled commercial operation date. In the absence of these details, the Commission is unable to assess the reasonableness of the projected energy availability, the possibility of double counting solar generation and BESS discharge, and the overall cost-benefit and tariff implications for consumers. Accordingly, the Commission does not approve the proposed procurement from the Solar plus BESS Project as part of the present Business Plan. MePDCL shall file a separate Petition seeking prior approval of the proposed arrangement, along with the finalized PPA and complete technical, financial and operational details, whereupon the Commission shall examine the proposal on merits and in accordance with the applicable Regulations and accordingly may allow the power procurement from this source subject to prudence check.

2.6.29. The Commission observes that the proposed procurement from the APDCL thermal power project is not supported by essential contractual and commercial documents, including the power allocation letter, PSA/PPA, expected COD, landed tariff and exit liabilities. In the absence of these details, the Commission is unable to assess the necessity, cost-effectiveness and tariff implications of the proposed procurement. Accordingly, the Commission does not approve the procurement from the APDCL thermal source in the present Business Plan. MePDCL shall file a separate Petition seeking prior approval of the arrangement, along with all requisite documents, for consideration by the Commission in accordance with the applicable Regulations and accordingly the Commission may allow the power procurement from this source subject to prudence check.

2.6.30. The Commission directs that the Petitioner should explore economical sources of power to optimise the overall power procurement cost and reduce the tariff burden on consumers. Accordingly, the Commission directs the Petitioner to optimise procurement from the existing long-term tied-up sources in accordance with Merit Order Dispatch principles and explore short-term bilateral procurement, power exchanges, banking and swapping arrangements, on a case-to-case basis, for meeting seasonal or temporary deficits and replacing costlier source of power, wherever economically beneficial. The Commission, therefore, accords only in-principle approval to short-term power procurement as an enabling option and does not approve any specific quantum or cost at this stage. The actual procurement shall be subject to demonstrated requirement, prevailing market conditions, source-wise cost comparison and prudence check in the relevant Tariff and True-up proceedings.

2.6.31. The Commission, considering the above, approves the power availability and power procurement plan for Meghalaya state for control period FY 2024-25 to FY 2026-27 as projected in the table below:

Table 38: Approved Capacity Allocation Summary for Fifth Control Period

	Petitioner's Submission			Approved by Commission		
Name of Generating Station	**Installed Capacity (MW)**	**Allocation to Meghalaya (MW)**	**Design Energy (MU)**	**Installed Capacity (MW)**	**Allocation to Meghalaya (MW)**	**Design Energy (MU)**
Intra - State						
MePGCL						
Umiam -I	36.00	36.00	116.00	36.00	36.00	116.00
Umiam -II	20.00	20.00	46.00	20.00	20.00	46.00
Umiam -III	66.00	66.00	152.90	66.00	66.00	152.90
Umiam -IV	60.00	60.00	207.00	60.00	60.00	207.00
MLHEP	126.00	126.00	486.00	126.00	126.00	486.00
Sonapani	1.50	1.50	5.00	1.50	1.50	5.00
New Umtru	50.00	50.00	235.00	40.00	40.00	235.00
Ganol	22.50	22.50	88.70	22.50	22.50	88.70
Lakroh	1.50	1.50	11.00	1.50	1.50	11.00
Riangdo	6.00	6.00	28.00	6.00	6.00	28.00
Private Developers						
Nogummer SHP	24	7.2	24.69	24.00	7.20	24.69
Umran SHP	13.5	4.05	13.89	13.50	4.05	13.89
Total Intra - State	**427.00**	**400.75**	**1414.18**	**417.00**	**390.75**	**1414.18**
Inter - State						
NEEPCO						
Kopili	200.00	34.79	106.82	200.00	35.10	106.80
Kopili-Ext	25.00	3.42	10.12	25.00	3.50	10.10
Khandong	50.00	8.45	26.82	50.00	8.50	26.80
Ranganadi	405.00	46.60	162.88	405.00	47.10	162.90
Doyang	75.00	8.59	19.76	75.00	8.70	19.80
AGBPP	291.00	34.37	103.80	291.00	34.70	103.80
AGTPP CC	135.00	17.06	50.81	135.00	16.60	50.81
Pare	110.00	14.67	71.03	110.00	14.00	66.93
Kameng	600.00	15.00	58.93	600.00	15.00	55.52
NHPC						
Loktak	105	13.00	140.78	105	13	140.78
Subhansiri	2000	49.41	183.35	2000	49.41	183.35
NTPC						
Bongaigaon TPS	750	88	386.27	750	88	386.27
OTPC						
Palatana	726	78.99	384.14	726	78.99	384.14
New Proposed						
Thermal Allocation from Assam	50	50	372.30	50.00	50.00	Not allowed
Solar Plus BESS	150	150	497	150	150	Not allowed

	Petitioner's Submission			Approved by Commission		
Name of Generating Station	**Installed Capacity (MW)**	**Allocation to Meghalaya (MW)**	**Design Energy (MU)**	**Installed Capacity (MW)**	**Allocation to Meghalaya (MW)**	**Design Energy (MU)**
Total Inter - State	**5672.00**	**612.35**	**2574.80**	**5672.00**	**612.60**	**1698.00**
Total	**6099.00**	**1013.10**	**3988.98**	**6089.00**	**1003.35**	**3112.18**

Table 39: Approved Annual Procurement Plan for Fifth Control Period

Name of Generating Station	Petitioner's submission (MUs)					Approved by Commission (MUs)				
	2027-28	2028-29	2029-30	2030-31	2031-32	2027-28	2028-29	2029-30	2030-31	2031-32
Intra - State										
MePGCL										
Umiam -I	116.00	116.00	116.00	116.00	116.00	116.00	116.00	116.00	116.00	116.00
Umiam -II	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00
Umiam -III	152.90	152.90	152.90	152.90	152.90	152.90	152.90	152.90	152.90	152.90
Umiam -IV	207.00	207.00	207.00	207.00	207.00	207.00	207.00	207.00	207.00	207.00
MLHEP	486.00	486.00	486.00	486.00	486.00	486.00	486.00	486.00	486.00	486.00
Sonapani	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
New Umtru	235.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00	235.00
Ganol	88.70	88.70	88.70	88.70	88.70	88.70	88.70	88.70	88.70	88.70
Lakroh	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Riangdo	0.00	0.00	28.00	28.00	28.00	0.00	28.00	28.00	28.00	28.00
Total MePGCL	**1347.60**	**1347.60**	**1375.60**	**1375.60**	**1375.60**	**1347.60**	**1375.60**	**1375.60**	**1375.60**	**1375.60**
Private Developers										
Nogummer SHP	0.00	0.00	0.00	24.69	24.69	0.00	0.00	24.69	24.69	24.69
Umran SHP	0.00	0.00	0.00	13.89	13.89	0.00	0.00	13.89	13.89	13.89
Free Power from Private Developers	0.00	0.00	0.00	17.56	17.56	0.00	0.00	17.56	17.56	17.56
Total Private	**0.00**	**0.00**	**0.00**	**56.14**	**56.14**	**0.00**	**0.00**	**56.14**	**56.14**	**56.14**
Total Intra - State	**1347.60**	**1347.60**	**1375.60**	**1431.74**	**1431.74**	**1333.70**	**1351.62**	**1407.76**	**1407.76**	**1407.76**
Inter - State										
NEEPCO										
Kopili	106.82	106.82	106.82	106.82	106.82	106.80	106.80	106.80	106.80	106.80
Kopili-Ext	10.12	10.12	10.12	10.12	10.12	10.10	10.10	10.10	10.10	10.10
Khandong	26.82	26.82	26.82	26.82	26.82	26.80	26.80	26.80	26.80	26.80
Ranganadi	162.88	162.88	162.88	162.88	162.88	162.90	162.90	162.90	162.90	162.90

Name of Generating Station	Petitioner's submission (MUs)					Approved by Commission (MUs)				
	2027-28	2028-29	2029-30	2030-31	2031-32	2027-28	2028-29	2029-30	2030-31	2031-32
Intra - State										
Doyang	19.76	19.76	19.76	19.76	19.76	19.80	19.80	19.80	19.80	19.80
AGBPP	103.80	103.80	103.80	103.80	103.80	103.80	103.80	103.80	103.80	103.80
AGTPP CC	50.81	50.81	50.81	50.81	50.81	50.81	50.81	50.81	50.81	50.81
Pare	71.03	71.03	71.03	71.03	71.03	66.93	66.93	66.93	66.93	66.93
Kameng	58.93	58.93	58.93	58.93	58.93	55.52	55.52	55.52	55.52	55.52
Free Power from NEEPCO	78.19	78.19	78.19	78.19	78.19	78.19	78.19	78.19	78.19	78.19
NHPC										
Loktak	140.78	140.78	140.78	140.78	140.78	140.78	140.78	140.78	140.78	140.78
Subhansiri	183.35	183.35	183.35	183.35	183.35	183.35	183.35	183.35	183.35	183.35
NTPC										
Bongaigaon TPS	386.27	386.27	386.27	386.27	386.27	386.27	386.27	386.27	386.27	386.27
OTPC										
Palatana	384.14	384.14	384.14	384.14	384.14	384.14	384.14	384.14	384.14	384.14
New Proposed										
Thermal Allocation from Assam	0.00	0.00	0.00	0.00	372.30	Not allowed	Not allowed	Not allowed	Not allowed	Not allowed
Solar Plus BESS	0.00	353.78	497.00	497.00	497.00	Not allowed	Not allowed	Not allowed	Not allowed	Not allowed
Total Inter - State	**1783.69**	**2059.28**	**2202.50**	**2202.50**	**2574.80**	**1776.19**	**1776.19**	**1776.19**	**1776.19**	**1776.19**
Short -Term Power Procurement	303.35	59.47	59.71	69.70	16.34	In-Principally allowed	In-Principally allowed	In-Principally allowed	In-Principally allowed	In-Principally allowed
Total Procurement	**3434.64**	**3466.35**	**3637.80**	**3703.94**	**4022.88**	**3109.89**	**3127.81**	**3183.95**	**3183.95**	**3183.95**

2.6.32. The Commission directs the Petitioner to file a year-wise RPO/RCO statement showing obligation, physical procurement, banked certificates, expected shortfall and compliance cost in its MYT Petition. Renewable procurement shall be planned together with resource adequacy.

2.7. Capital Investment Plan

Petitioner's Submission

2.7.1. The Petitioner has submitted that the Capital Investment Plan has been prepared to address the long-term requirements of the distribution network, including strengthening ageing infrastructure, evacuating power from upcoming MePTCL grid substations, catering to new load centres and increased demand, improving power quality and reliability, ensuring appropriate network loading and grid stability, and reducing losses and outages. The Plan includes details of ongoing schemes, tentative completion timelines, funding patterns and projected capitalization during the Fifth Control Period.

2.7.2. The Petitioner has further submitted that the Plan covers only identified investments for which have already been identified and the DPRs have been prepared. Considering the evolving requirements of the distribution business and dependence on Central and State Government schemes, the Petitioner has sought liberty to propose additional capital expenditure during the Control Period, subject to appropriate justification.

Commission's Analysis

2.7.3. The Commission is of the view that the Capitalization shall follow actual commissioning and put-to-use, supported by scheme sanction, technical approval, work order, completion certificate, funding proof, asset-wise cost, and de-capitalization of replaced assets (if any). Cost overruns, liquidated damages, contractor defaults and delayed commissioning shall be examined separately.

2.7.4. The Commission has analyzed the scheme wise CAPEX in the following section. The capital investment plan shall be considered as an indicative planning envelope, and the actual capital expenditure shall be subject to prudence scrutiny based on the reasonableness of capital costs incurred and the assets actually commissioned.

2.8. Ongoing Schemes: Revamped Distribution Sector Scheme- Loss Reduction Works

Petitioner's Submission

2.8.1. The Petitioner has submitted that it is implementing the Revamped Distribution Sector Scheme (RDSS), which aims to reduce AT&C losses, bridge the ACS-ARR gap, and improve the quality and reliability of power supply. The scheme comprises smart metering and distribution loss reduction works. The smart

metering component is being implemented under the TOTEX model and, accordingly, no capitalization towards this component has been considered under the present Capital Investment Plan.

2.8.2. The petitioner has stated that for distribution loss reduction works or the Distribution Infrastructure will be done through capital expenditure funded through grants as under:

Table 40: Details of RDSS Scheme-Sanction and Funding Pattern as submitted by Petitioner

Name of Component	Sanctioned Amount (Rs. Cr.)	Awarded Cost (Rs. Cr.)	Funding Pattern	Grants from Central Governmen t (Rs. Cr)	Grants from State Governmen t (Rs. Cr.)
Loss Reduction Works	764.82	904.05	90% of Sanctioned Cost from GOI 10% Counter Funding from State Government	688.39	76.48

2.8.3. The Petitioner has submitted that the awarded cost exceeded the sanctioned amount by approximately Rs. 140 Crores, MePDCL approached the State Government to meet the additional funding requirement. The State Government has approved the revised funding arrangement, thereby avoiding an additional financial burden on consumers as depicted in the table below. The petitioner also submitted the physical works involved under the LR works along with the completion till 31st March 2026:

Table 41: Revised Funding Pattern of Loss Reduction Works as submitted by Petitioner

Name of Component	Sanctioned Amount (Rs. Cr.)	Awarded Cost (Rs. Cr.)	Grants from Central Government (Rs. Cr)	Grants from State Government (Rs. Cr.)
Loss Reduction Works	764.82	904.05	688.39	216.00

Table 42: Current Status of LR Works (Physical Progress) as submitted by Petitioner

Sl. No.	A. Distribution Infrastructure Works	UOM	Scope Quantity	Completed as on 31.03.2026	Balance
1	33 KV Reconductoring of lines	Ckm	244.85	31.35	213.50
2	11 KV Reconductoring of lines	Ckm	1137.19	238.45	898.74
3	LTABC Reconductoring	Km	2373.03	1514.30	858.73
4	New 11 KV Lines	Ckm	1091.12	446.50	644.62
5	LT to HT Conversion	Ckm	1926.03	76.95	1849.08
6	New LT AB Cable	km	1249.81	710.60	539.21
7	63 KVA Distribution Transformer	No.	1234.00	578.00	656.00
8	100 KVA Distribution Transformer	No.	1354.00	675.00	679.00
9	250 KVA Distribution Transformer	No.	7.00	3.00	4.00

2.8.4. The petitioner further submitted that as on 31 March 2026, works valued at Rs. 339.92 crore had been completed, with no capitalization recorded till that date and the work is expected to be capitalized in FY 2026-27, while the balance works valued at Rs. 564.42 crore are expected to be completed by FY 2027-28 and capitalized by FY 2028-29.

2.8.5. The projected physical progress during the fifth control period is tabulated below:

Table 43: Physical Targets of LR Works for Fifth Control Period as submitted by Petitioner

Sl. No.	Distribution Infrastructure Works	UOM	Scope Quantity	Balance as on 31.03.2026	FY 2026-27	FY 2027-28
1	33 KV Reconductoring of lines	Ckm	244.85	213.50	42.70	170.80
2	11 KV Reconductoring of lines	Ckm	1137.19	898.74	179.75	718.99
3	LTABC Reconductoring	Km	2373.03	858.73	171.75	686.98
4	New 11 KV Lines	Ckm	1091.12	644.62	128.92	515.70
5	LT to HT Conversion	Ckm	1926.03	1849.08	369.82	1479.26
6	New LT AB Cable	km	1249.81	539.21	107.84	431.37
7	63 KVA Distribution Transformer	No.	1234.00	656.00	131.00	525.00
8	100 KVA Distribution Transformer	No.	1354.00	679.00	136.00	543.00
9	250 KVA Distribution Transformer	No.	7.00	4.00	1.00	3.00

2.8.6. The details of capitalization in terms of amount for Fifth control period is

tabulated below:

Table 44: Capitalization Pertaining to LR Works in Fifth Control Period as submitted by Petitioner

					Amount in Rs. Cr.
Name of the Scheme	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**
RDSS (LR Works)	112.88	451.54	0.00	0.00	0.00

Respondent's Submission in this regard

2.8.7. BIA has submitted that the cost of RDSS Loss Reduction Works has increased from the sanctioned cost of Rs. 764.82 crore to the awarded cost of approximately Rs. 904.05 crore, resulting in a cost escalation of about Rs. 139 crore. BIA pointed out that although MePDCL has stated that the additional cost would be borne by the Government of Meghalaya, no Government Order, sanction letter or funding approval has been furnished in support of the same. Accordingly, BIA requested the Commission to ensure that the cost overrun is not passed on to consumers unless the same is established to be grant-funded.

2.8.8. BIA further highlighted the slow physical progress of the LT-to-HT conversion works, wherein only 76.95 ckm out of 1,926.03 ckm has been completed, while 1,479.26 ckm is proposed to be completed during FY 2027-28. BIA contended that the proposed implementation schedule carries significant execution risk in the absence of a detailed component-wise work programme, physical targets and contractor commitments.

2.8.9. BIA also objected out that approximately Rs. 451.54 crore is proposed to be capitalised in FY 2028-29, whereas the RDSS implementation period is stated to end in March 2028. BIA submitted that the Petition does not clarify whether the works would be physically completed within the scheme period, whether the capitalization has merely been deferred, or whether grant assistance would remain available for works capitalized after March 2028.

2.8.10. BIA further contended that any delay in project completion or release of grant may require the expenditure to be funded through loans or equity, resulting in additional interest, return on equity and depreciation burden on consumers. In view of the above, BIA requested the Commission to undertake a detailed prudence check and ensure that cost overruns, implementation delays or any reduction in grant assistance are not passed through to consumers.

Commission's Analysis

2.8.11. The Commission, vide First Additional Information Requirement, directed MePDCL to reconcile the capitalization schedule under the RDSS Loss Reduction Scheme with the package-wise actual execution progress and completion certificates and substantiate the value of completed works through an auditor's certificate along with the details of the loss-reduction programmes approved by

the State Government or any other competent authority. In response, MePDCL furnished the package-wise erection progress.

2.8.12. MePDCL, vide First Additional Information Requirement, was also directed to furnish the approved loss-reduction programmes and schemes, justify the proposed 20:80 phasing of the balance works between FY 2026-27 and FY 2027-28, and explain the deferment of capitalization to FY 2027-28 and FY 2028-29 despite the proposed completion of works by FY 2027-28. MePDCL, in response of the query, clarified that the proposed phasing of capital expenditure in the ratio of 20:80 is based on assumptions and would be subject to actual execution, without affecting the overall project-completion schedule.

2.8.13. Further, MePDCL was asked to submit documentary evidence confirming the approval of the Central and State Government grants proposed for funding the entire scheme. Accordingly in reply, MePDCL submitted that a time gap of one financial year has been considered between physical completion and capitalization on account of the activities required to be completed before capitalization. Regarding the funding pattern, MePDCL stated that the same is specified under the RDSS notified by the Ministry of Power and sought permission to furnish the relevant sanction letter issued by the Government of India.

2.8.14. The Commission considers RDSS works important for network strengthening and loss reduction. The Commission has examined the scope, implementation status and funding arrangement of the RDSS Loss Reduction Works and considers the scheme necessary for strengthening MePDCL's distribution network, particularly in view of the dispersed consumer base, difficult terrain, long distribution lines and operational constraints prevailing in the State. The proposed conversion of LT lines to HT lines, network augmentation, system metering and associated works are expected to improve voltage profile, reduce technical and commercial losses, enhance reliability of supply and facilitate the delivery of electricity to consumers in remote and rural areas.

2.8.15. Further, the availability of Central and State Government grants is expected to moderate the financing cost and no tariff burden on consumers. Accordingly, the Commission approves the RDSS Loss Reduction Scheme as proposed by MePDCL, subject to the sanctioned scope and cost.

2.8.16. However, the actual capitalization shall be allowed only after prudence check based on package-wise actual expenditure, physical completion, commissioning and put-to-use certificates, verified grant receipts and an asset-wise capitalization statement in line with MSERC Multi Year Tariff (5 of 2026) Regulation 2026. Any cost overrun, reduction in grant, change in funding pattern or expenditure beyond the sanctioned scope shall not be passed through to consumers without prior approval of the Commission and adequate supporting justification.

Table 45: Approved CAPEX and Capitalization for RDSS Loss Reduction Scheme for Fifth Control Period

Amount in Rs. Crore

Name of Project	Total Capex of the Scheme	Grant	Equity	Loan	Capitalization FY 2025-26	Capitalization FY 2026-27	Capitalization FY 2027-28	Capitalization FY 2028-29	Capitalization FY 2029-30	Capitalization FY 2030-31	Capitalization FY 2031-32	Total Capitalization (fifth control period)
RDSS Loss Reduction Works	904.34	564.42	0	0	0.00	339.92	112.88	451.54	0.00	0.00	0.00	564.42

2.9. Ongoing Schemes: Additional Household Electrification

Petitioner's Submission

2.9.1. The Petitioner has submitted that the sanction for Additional Household Electrification (AHHE) Works under RDSS in Meghalaya was received on 6 March 2024 for Rs. 429.26 crore, followed by approval of the Government of Meghalaya Cabinet on 12 March 2024. Pursuant to the sanction conditions, a detailed habitation-wise survey was conducted and completed in June 2024. The survey identified 55,628 un-electrified households across 2,500 villages/habitations, compared with the initial estimates of 50,501 households across 1,939 habitations. The district-wise distribution of households and habitations is presented in Table below:

Table 46: District Wise Details of Households and Villages under AHHE as submitted by Petitioner

SL No.	Districts	Household	Villages/Habitations
1	East Khasi Hills	10032	426
2	Southwest Khasi Hills	3081	158
3	West Khasi Hills & Eastern West Khasi Hills	8817	552
4	Ri-Bhoi	6046	303
5	West Jaintia Hills	8123	222
6	East Jaintia Hills	4318	121
7	West Garo & Southwest Garo Hills	7766	342
8	East Garo & North Garo Hills	4557	252
9	South Garo Hills	1562	72
10	West Garo Hills	1326	52
Total		**55628**	**2500**

2.9.2. The petitioner stated that to cover all the households and villages in parallel the corporation has awarded the total scope into 12 packages. The details of these packages are as under:

Table 47: Package Wise Details of Households and Villages under AHHE as submitted by Petitioner

SL No.	Circle	Division	Packages	Household	Villages/ Habitations
1	Shillong	Shillong (East+West+ Central)	Package-I	3401	91
2	Khasi Hills	East Khasi Hills Dist Division (EKHDD)	Package-II	6631	335
3		South Khasi Hills Dist Division (SKHDD)	Package-III	3081	158
4		West Khasi Hills Dist Division (WKHDD)	Package-IV	8817	552
5	Ri- Bhoi	Nongpoh Dist Division NDD+ Byrnihat (BDD)	Package-V	2147	135
		Umiam Dist Division (UDD)	Package-VI	3899	168
7	JH	Jowai Rural Dist. Division (JRDD)	Package-VII	5612	129
8		Jowai Dist. Division (JDD)	Package-VIII	2511	93
9		Khliehriat Dist. Division (KDD)	Package-IX	4318	121
10	WGH	West Garo Hills Dist. Division (WGHDD)+South West Garo Hills Dist. Division (SWGHDD)	Package-X	7766	342
11	EGH	East Garo Hills Dist. Division (EGHDD)	Package-XI	4557	252
12		South Garo Hills Dist. Division (SGHDD)	Package-XII	1562	72
13	Tura	Tura East Dist. Division (TEDD)+ Tura West Dist. Division (TWDD)+ Tura North Dist. Division (TNDD)	Package-XIII	1326	52
Total				**55628**	**2500**

**Package 13 and Package 10 have been merged together.*

2.9.3. The Petitioner has submitted that electrification of the 55,628 identified households requires additional and upgraded distribution infrastructure. The proposed works across the 13 packages, subsequently consolidated into 12, include new 11 kV lines, distribution transformers of various capacities, LT aerial bundled cables and service connection materials, detailed as under:

Table 48: Total Scope of Physical Infrastructure Under AHHE as submitted by Petitioner

Sno.	Description	Unit	Total Scope
1	New 11KV Lines	CKM	1145
2	New DTs (25 KVA)	No.	527
3	New DTs (63KVA)	No.	786
4	New DTs (100KVA)	No.	194
5	New AB Cable -(3 Ph-4Wire)	KM	328
6	New AB Cable -(1 Ph-2-Wire)	KM	2961
7	New DT(250 KVA)	No.	16
8	Material for Providing Service Connection to Households.	No.	55628

2.9.4. The Petitioner has submitted that the Board of Directors of MePDCL approved the tendering of 13 packages for the Additional Household Electrification Works under RDSS, covering the entire State, at an estimated cost of Rs. 472.84 crore on 22 August 2024. Following the retendering of certain packages, the total awarded cost was Rs. 426.07 crore, which is within the sanctioned amount.

2.9.5. The details of Physical Progress as submitted by the petitioner under the Additional Household Works under RDSS during the fifth control period is as under:

Table 49: Projected Physical Progress Under AHHE as submitted by Petitioner

Description	Unit	Total Quantity in Scope	FY 2026-27	FY 2027-28
New 11KV Lines	CKM	1145	343.39	801.23
New DTs (25 KVA)	No.	527	159	370
New DTs (63KVA)	No.	786	236	551
New DTs (100KVA)	No.	194	58	136
New AB Cable -(3 Ph-4Wire)	KM	328	98.4	229.6
New AB Cable -(1 Ph-2-Wire)	KM	2961	888.3	2072.7
New DT(250 KVA)	No.	16	6	11
Material for Providing Service Connection to Households.	No.	55628	16688	38940

2.9.6. The capitalization during the fifth control period is submitted by the petitioner as under:

Table 50: Projected Capitalization in Rs. Cr. under AHHE in Fifth Control Period as submitted by Petitioner

					Amount in Rs. Cr.
Name of the Scheme	Capitalization FY 2027-28	Capitalization FY 2028-29	Capitalization FY 2029-30	Capitalization FY 2030-31	Capitalization FY 2031-32
RDSS (AHHE Works)	128.01	298.30	0.00	0.00	0.00

Respondent's Submission in this regard

2.9.7. BIA has sought reconciliation of the project cost reported as Rs. 426.07 crore and Rs. 426.31 crore, correction of the household/load treatment, sanction and

funding documents, package-wise progress and quantified loss-reduction benefits. It has also questioned delayed capitalization and concentration of expenditure in a single year.

Commission's Analysis

2.9.8. The Commission observed that MePDCL had proposed the Additional Household Electrification works under RDSS for electrification of 55,628 households at a sanctioned cost of Rs. 429.26 crore. Accordingly, MePDCL was directed to furnish the relevant grant sanction letter. In response, the Petitioner (MePDCL) submitted the relevant sanction letter from REC.

2.9.9. Additionally, the Petitioner, in response to the Second Additional Information Requirement, clarified that the discrepancy in the project cost had arisen due to inadvertent rounding off of figures. The Petitioner confirmed that the correct awarded cost of the AHHE Works is Rs. 426.07 crore and accordingly submitted the revised capital expenditure and capitalization projections. As per the revised submission, the capital expenditure of Rs. 127.89 crore and Rs. 298.18 crore is projected for FY 2026-27 and FY 2027-28, respectively, while the corresponding capitalization is proposed in FY 2027-28 and FY 2028-29, respectively, aggregating to Rs. 426.07 crore.

2.9.10. The Commission further observed that although the works were proposed to be completed during FY 2026-27 and FY 2027-28, the corresponding capitalization had been deferred to FY 2027-28 and FY 2028-29. MePDCL was, therefore, directed to reconcile the inconsistency between the proposed completion and capitalization schedules. MePDCL, in reply, clarified that there has to be timing difference in the physical completion and capitalization, as there are lot of activities involved in between and hence the difference of one financial year has been kept in capitalization and project completion.

2.9.11. The Commission also observed an error in the treatment of the households proposed to be electrified, wherein 30% of the identified households were considered in FY 2026-27 and the remaining 70% in FY 2027-28 for projecting connected load under the Domestic LT category. Accordingly, MePDCL, vide First Additional Information Requirement, was directed to rectify the error and submit revised projections of the number of consumers, connected load and energy sales, along with all other parameters affected by the revised estimation of household electrification. In response of query, the Petitioner clarified that the works under the Additional Household has been awarded in 12 packages and the survey work has just been completed, and the implementation is about to start. Hence, the planning is tentative. The details of the awarded quantities along with the agreements is placed before the Commission.

2.9.12. Considering Meghalaya's dispersed rural habitations, difficult terrain and the need to provide reliable electricity access to unserved households, the Commission is of the view that the proposed works are necessary for achieving universal household electrification and extending the distribution network to

remote areas. The scheme is also expected to improve the socio-economic conditions of the beneficiary households and promote equitable access to electricity.

2.9.13. Accordingly, the Commission approves the AHHE scheme within the scope and cost sanctioned by the competent authorities (REC). However, final capitalization shall be allowed only after verification of the actual number of households electrified, consumer indexing, energisation and put-to-use certificates, asset-wise expenditure and receipt of the sanctioned grants. MePDCL shall also ensure that the beneficiary households, connected load and corresponding sales are appropriately reflected in the consumer database without duplication. Any cost overrun, reduction in grant or change in the approved scope or funding pattern shall require prior approval of the Commission and shall not be passed through to consumers without prudence check.

Table 51: Approved CAPEX and Capitalization for RDSS AHHE Scheme for Fifth Control Period

Amount in Rs. Crore

Name of Project	Total Capex of the Scheme	Grant	Equity	Loan	Capitalization FY 2027-28	Capitalization FY 2028-29	Capitalization FY 2029-30	Capitalization FY 2030-31	Capitalization FY 2031-32	Total Capitalization (fifth control period)
RDSS Additional Household Electrification Works	426.07	426.07	0	0	127.89	298.18	0.00	0.00	0.00	426.07

2.10. Ongoing Schemes: ADB Distribution Improvement Programme

Petitioner's Submission

2.10.1. The Petitioner has submitted that the Meghalaya Power Distribution Sector Improvement Project, funded with assistance from the Asian Development Bank (ADB), has an approved cost of Rs. 1,240.51 crore, including a USD 2 million grant under the Japan Fund for Poverty Reduction (JFPR), being implemented by MNREDA. The project financing includes an ADB loan component of USD 132.8 million and State Government counterpart funding of USD 46.48 million.

2.10.2. The petitioner submitted that the project aims to strengthen and modernise the distribution network, improve power supply reliability, reduce losses and enhance MePDCL's institutional capacity. The project covers substation development and augmentation, construction and reconductoring of distribution lines, smart metering, and consultancy services.

2.10.3. The Petitioner has submitted that the project is being implemented across East Garo Hills, West Garo Hills and Central Circle, covering East and West Khasi Hills. The major works include installation of 24 new 33/11 kV substations and augmentation of 45 existing substations at an awarded cost of Rs. 341.83 crore; construction and reconductoring of 33 kV and 11 kV lines at Rs. 596.56 crore; replacement of 1,80,000 consumer meters with smart meters, along with associated metering infrastructure, at Rs. 239.59 crore; and consultancy services for project implementation and management support and development of a Distribution Master Plan, costing Rs. 6.05 crore and Rs. 8.96 crore, respectively. The Petitioner has also reported delays in certain packages due to contractor non-performance, necessitating re-tendering of the affected works. The Overall physical progress under this project is as under:

Table 52: Current Physical Progress under ADB Project as submitted by Petitioner

Sl No.	Work Description	Unit	Scope	Completed as on 31.03.2026
1	33/11kV New Substation Development	NOS	23	9
2	Augmentation /Upgradation of existing 33/11 Kv Substations	NOS	45	24
	Total for Substation work		**68**	**33**
3	New 33kV Single Circuit Line	CKM	424	150
4	New 11kV Single Circuit Line	CKM	218	105
5	Reconductoring of existing 33kV Line	CKM	205	147
6	Reconductoring of existing 11kV Line	CKM	157	98
7	Fault Passage Indicator	Nos	324	324
8	11Kv Poles Replacement	Nos	6305	6305
	Total for Distribution Line work		**1004**	**7129**
9	Installation of Consumer Smart Meter	Nos	195943	142740

Table 53: Physical Targets Under ADB Scheme as submitted by Petitioner

Sl No.	Work Description	Unit	Balance Scope	Target 2026-27	Target 2027-28
1	33/11kV New Substation Development	NOS	14	5	9
2	Augmentation /Upgradation of existing 33/11 KV Substations	NOS	21	9	12
3	**Total for Substation work**		**35**	**14**	**21**
4	New 33kV Single Circuit Line	CKM	274	100	174
5	New 11kV Single Circuit Line	CKM	113	60	53
6	Reconductoring of existing 33kV Line	CKM	58	30	28

Sl No.	Work Description	Unit	Balance Scope	Target 2026-27	Target 2027-28
7	Reconductoring of existing 11kV Line	CKM	59	29	30
8	Fault Passage Indicator	Nos	0	0	0
9	11Kv Poles Replacement	Nos	0	0	0
	Total for Distribution Line work		**504**	**219**	**285**
10	Installation of Consumer Smart Meter	Nos	**53203**	**23000**	**30203**

2.10.4. Based on the projected physical progress, the Petitioner has proposed capitalization of the Fifth Control Period as given below:

Table 54: Proposed Capitalization Plan Under ADB Scheme as submitted by Petitioner

					Amount in Rs. Cr.
Name of the Scheme	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**
ADB DIP	182.41	254.16	0.00	0.00	0.00

2.10.5. The Petitioner has further submitted that Rs. 268.85 crore was capitalized up to FY 2025-26, with Rs. 295.62 crore expected to be capitalized in FY 2026-27.

Respondent's Submission in this regard

2.10.6. BIA has submitted that the proposed capitalization of approximately Rs. 1,001 crore under the ADB-funded programme does not reconcile with the package-wise awarded costs. BIA pointed out that the Petition reflects different costs for the construction and augmentation of substations, distribution-line works, smart metering and consultancy services, resulting in an unexplained difference between the proposed capitalization and the awarded contract values. Accordingly, BIA requested MePDCL to furnish a package-wise reconciliation of the sanctioned cost, awarded cost, expenditure incurred, committed expenditure and projected completion cost.

2.10.7. BIA further submitted that the contracts awarded to M/s RKI and M/s Gupta Power Infrastructure Limited were terminated due to non-performance, while the balance works are proposed to be retendered. However, the Petition does not disclose the invocation of bank guarantees, recovery of advances, levy of liquidated damages or status of legal proceedings against the defaulting contractors. BIA, therefore, requested MePDCL to furnish contractor-wise details of the terminated packages and ensure that all recoverable amounts are adjusted against the project cost and are not passed through to consumers.

2.10.8. In addition to the above, BIA has also highlighted the inconsistencies in the physical scope of the programme. While the Petition refers to the construction of

24 new 33/11 kV substations, Table 44 reflects only 23 substations. Similarly, the Petition refers to replacement of 1.80 lakh smart meters, whereas Table 44 indicates 1,95,943 meters, resulting in different per-meter costs. BIA requested MePDCL to reconcile the approved, tendered, awarded, completed and balance scope of the substations and smart meters, along with the corresponding unit costs.

2.10.9. BIA further highlighted that Table 44 aggregates distribution lines measured in circuit kilometres with poles and fault passage indicators, although these items have different units of measurement. BIA contended that such aggregation incorrectly inflates the reported physical progress and prevents proper assessment of the actual works completed. In view of the above, BIA requested the Commission to direct MePDCL to present each component separately and consider capitalization only after package-wise reconciliation of the cost, scope, physical progress and recoveries from the defaulting contractors.

2.10.10. Further, in context of Smart Metering project, BIA has submitted that MePDCL proposes to implement smart metering under RDSS through the TOTEX model, without capitalizing the meters as assets. However, the Petition does not clarify the accounting and regulatory treatment of approximately 1.90 lakh smart meters proposed under the ADB-funded programme at an estimated cost of Rs. 239.59 crore.

2.10.11. BIA has contended that the RDSS and ADB smart-metering programmes have not been clearly segregated in terms of meter quantity, project area, installation cost, funding source, asset ownership, accounting treatment and recovery from consumers. BIA contended that the absence of such segregation may result in overlapping scope and double recovery of metering costs from consumers.

2.10.12. BIA further submitted that Regulations 6.27.2 and 6.27.5 require disclosure of the scope, cost, benefits and payback of metering projects and prohibit recovery of the same expenditure more than once. However, MePDCL has not clarified whether the cost of ADB-funded meters would be capitalized, treated under the TOTEX model or fully funded without any tariff impact.

2.10.13. In view of the above, BIA requested the Commission to direct MePDCL to furnish project-wise and asset-wise reconciliation of the smart meters covered under the RDSS and ADB programmes, including the respective funding and regulatory treatment, and demonstrate that no meter or related expenditure has been claimed under more than one programme.

Commission's Analysis

2.10.14. The Commission observed that the implementation schedule of the ADB Distribution Improvement Programme may be affected by the re-tendering of certain packages. Accordingly, MePDCL was directed to furnish the latest package-wise implementation status and physical and financial progress, duly certified by the auditor, along with the financing agreements and documentary clarification regarding whether the funds are treated as loan, grant or State

Government support in the books of accounts. In response, MePDCL submitted the requisite details and reiterated that the project is funded 100% through grants.

2.10.15. The Petitioner, in response to the Second Additional Information Requirement, clarified that the smart metering works undertaken under the ADB-funded scheme are distinct from those proposed under the Revamped Distribution Sector Scheme (RDSS). Under the ADB scheme, approximately 1.80 lakh consumer meters have been envisaged, of which around 1.20 lakh meters have already been installed, while the balance meters are proposed to be procured for replacement of IDF meters. The Petitioner further submitted that, against a total consumer base of approximately 7.00 lakh, around 5.20 lakh consumers would remain to be covered under RDSS even after considering the entire quantity of meters under the ADB scheme. Further, the Petitioner clarified that the meters procured under the ADB scheme would be capitalized in the books of accounts of MePDCL and funded through grants, whereas the meters installed under RDSS would be implemented under the TOTEX model without capitalization in the books of accounts. Under the RDSS arrangement, payments to the Advanced Metering Infrastructure Service Provider (AMISP) would be made in 93 instalments after adjustment of the applicable Government of India subsidy per meter, in accordance with the RDSS guidelines. Accordingly, the Petitioner submitted that there is no duplication in the quantity of smart meters proposed under the two schemes.

2.10.16. The Commission further observed inconsistencies in the physical scope reported in the Petition. The quantities of distribution lines, fault passage indicators and poles were not presented separately in their respective units. Further, the proposed installation of 24 new 33/11 kV substations did not reconcile with the scope of 23 substations reported in Table 44. MePDCL was, therefore vide Second Additional Information Requirement, directed to reconcile the component-wise physical scope with valid supporting documents.

2.10.17. The Petitioner, in response to the Second Additional Information Requirement, clarified that a total of 24 substations have been envisaged under the scheme, of which 23 substations have been identified for construction, while the remaining one is yet to be planned. The Petitioner further sought liberty from the Commission to revise the number of substations in the event that the remaining substation is taken up for implementation. Additionally, the Petitioner submitted that the entire project is proposed to be funded through grants and, therefore, would have no impact on the tariff. Additionally, the Petitioner clarified that the discrepancy in the table 44 of the original petition had arisen due to an inadvertent error in the summation of figures and requested the Commission to condone the same.

2.10.18. The Commission also noticed that the stated scope of 1,80,000 smart meters did not reconcile with the 1,95,943 meters reported as completed and the further 53,203 meters proposed for installation, aggregating to 2,49,146 meters.

Accordingly, MePDCL, vide Second Additional Information Requirement, was directed to reconcile the sanctioned, awarded, completed and balance quantities of smart meters and substantiate the same with supporting documents.

2.10.19. The Petitioner, in response to the Second Additional Information Requirement, clarified that the figure of 1,95,943 meters indicated in Table 44 represents the total scope of work under the contract and not the number of meters installed. Against the total contracted quantity, 1,42,740 meters have been installed, while the balance 53,203 meters are proposed to be installed during the next Control Period.

2.10.20. The Commission further noted that the total awarded cost of Rs. 1,192.99 crore did not reconcile with the proposed capitalization of Rs. 1,001.04 crore, resulting in an unexplained difference of Rs. 191.95 crore. In this context, MePDCL vide Second Additional Information Requirement, was asked to furnish a package-wise reconciliation of the awarded cost and proposed capitalization, together with the grant, loan and equity components of each activity.

2.10.21. The Petitioner, in response to the Second Additional Information Requirement, clarified that the originally awarded project cost was Rs. 1,192.99 crore. However, with certain works nearing completion, the cost of some packages has been revised downward, resulting in a revised total project cost of Rs. 1,001.04 crore. The Petitioner further submitted that the consultancy package and the package relating to the preparation of the Distribution Master Plan are non-capital in nature and, accordingly, have been excluded from the proposed capitalization.

2.10.22. In addition to the above, the Commission identified that the funding of the ADB programme was classified as a loan in the Petition but as a grant in the supporting Excel model. Accordingly, vide Second Additional Information Requirement, the Commission sought clarification regarding the inconsistency and furnish the correct funding pattern along with the relevant financing agreements and supporting documents.

The Petitioner, in response to the Second Additional Information Requirement, clarified that the ADB-funded Distribution Improvement Programme is an Externally Aided Project and that the loan component indicated in the project description pertains to the Government of Meghalaya and not to MePDCL. The Petitioner further submitted that, from MePDCL's perspective, the project is entirely funded through grants, with no equity or loan component attributable to MePDCL.

2.10.23. The Commission has examined the scope, progress and proposed capitalization under the ADB-funded Distribution Improvement Programme and recognizes that the scheme is intended to strengthen the distribution network through construction and augmentation of substations, expansion and replacement of distribution lines, deployment of smart meters and preparation of a long-term distribution system plan.

2.10.24. Further, the Commission has also scrutinized the smart-metering programme proposed under the ADB-funded scheme and RDSS-TOTEX model and observes that deployment of smart meters is necessary for improving billing accuracy, real-time energy accounting, consumption monitoring, collection efficiency and identification of distribution losses.

2.10.25. In context of dispersed consumer base, growing load requirements and the need to improve voltage profile, system reliability, energy accounting and quality of supply in Meghalaya, the Commission considers the proposed investments necessary for strengthening MePDCL's distribution infrastructure. Moreover, the smart metering programme is expected to strengthen revenue management and improve consumer services.

2.10.26. Accordingly, the Commission approves the ADB-funded programme within the scope and cost sanctioned by the competent authorities.

2.10.27. However, capitalization shall be allowed only after package-wise reconciliation of the sanctioned cost, awarded cost, actual expenditure, physical progress and assets commissioned and put to use in line with MSERC Multi Year Tariff (5 of 2026) Regulation, 2026. MePDCL shall also reconcile the number of substations and smart meters, separately report distribution lines, poles and fault passage indicators in their respective units, and adjust all recoveries, liquidated damages, encashed bank guarantees and unadjusted advances relating to the terminated contracts against the project cost. Capitalization of ADB-funded meters shall be allowed only upon actual installation, commissioning and integration with the billing system, whereas payments under the TOTEX model shall be considered separately based on verified operational meters and achievement of the prescribed service levels.

2.10.28. Further, the ADB smart meters shall be clearly segregated from the meters covered under RDSS-TOTEX to prevent overlapping scope or double recovery. Any cost overrun, variation in scope, change in funding pattern or expenditure arising from contractor default shall be considered only after detailed prudence check and shall not be passed through to consumers without prior approval of the Commission.

2.10.29. The Commission directs the MePDCL to ensure that the same meter or associated expenditure is not claimed under more than one scheme and that no duplicate recovery is made through capitalization, depreciation, return on equity, operation and maintenance expenses or TOTEX charges. Any variation in scope, cost or funding pattern shall be subject to submission of detailed justification along with proper reconciliation followed by prior approval and prudence check by the Commission.

Table 55: Approved CAPEX and Capitalization for ADB Distribution Improvement Program for Fifth Control Period

Amount in Rs. Crore												
Name of Project	**Total Capex of the Scheme**	**Grant**	**Equity**	**Loan**	**Capitalization FY 2025-26**	**Capitalization FY 2026-27**	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**	**Total Capitalization (fifth control period)**
ADB Distribution Improvement	1001.04	436.57	0	0	268.85	295.62	182.41	254.16	0.00	0.00	0.00	436.57

2.11. Ongoing Schemes: SASCI Scheme

Petitioner's Submission

2.11.1. The Petitioner has submitted that, to reduce congestion at existing substations and improve the reliability and quality of power supply in the Garo Hills region, MePDCL has proposed the construction of seven new substations under the SASCI Scheme. The proposal has been approved by the Government of Meghalaya for funding, and the project is under implementation, with completion expected by FY 2028-29. The details of the proposed substations are presented in Table below:

Table 56: Details of Sub-Stations to Be Constructed under SASCI Scheme as submitted by Petitioner

SL No.	Package	Name of Districts	Locations	Unit	Qty	Capacity (MVA)	Sanctioned Cost (Rs in Lakh)
1	I	West Garo Hills	Tura Sericulture	No.	1	5	784.43
2		West Garo Hills	Tura SSB Land	No.	1	5	774.44
3		West Garo Hills	Dakopgre	No.	1	5	636.37
Sub Total					**3**	**15**	**2195.24**
1	II	West Garo Hills	Kherapara	No.	1	5	677
2		South Garo Hills	Karukhol	No.	1	5	738.88

SL No.	Package	Name of Districts	Locations	Unit	Qty	Capacity (MVA)	Sanctioned Cost (Rs in Lakh)
Sub Total					**2**	**10**	**1415.88**
1	III	North Garo Hills	Bhaghabatta	No.	1	5	454.55
2		East Garo Hills	Cherangre	No.	1	5	755.15
Sub Total					**2**	**10**	**1209.7**
Grand Total					**7**	**35**	**4820.82**

Table 57: Physical Targets Under SASCI Scheme as submitted by Petitioner

S No.	Work Description	Unit	Balance Scope	Target 2026-27	Target 2027-28	Target 2028-29
1	Construction of 7 New 33/11 kV Sub-Stations under SASCI	NOS	7	1	4	2

2.11.2. The capitalization during the fifth control period as submitted by the petitioner is tabulated below;

Table 58: Projected Capitalization under SASCI Scheme for Fifth Control Period as submitted by Petitioner

					Amount in Rs. Cr.
Name of the Scheme	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**
SASCI	28.92	19.28	0.00	0.00	0.00

Respondent's Submission in this regard

2.11.3. BIA has raised question on the funding classification of SASCI. BIA objected that the petition provides no documentary proof for these funds. It did not clarify that whether the SASCI funding will be transferred as grants under Regulation 3.8.1(c). Therefore, BIA requested to the Commission that these funding assumptions must be verified before the expenses are treated as grants for setting tariffs.

Commission's Analysis

2.11.4. In response of Second Additional Information Requirement, MePDCL furnished the approval issued by the Government of Meghalaya for funding the SASCI Scheme.

2.11.5. The Petitioner, in response to the Second Additional Information Requirement, clarified that SASCI stands for Special Assistance for State Capital Intensive

Schemes, under which the Government of Meghalaya provides funding in the form of grants, similar to the funding arrangement adopted for certain transmission projects in the past. The Petitioner further submitted that the substations covered under the scheme are entirely funded through grants, with no loan or equity component involved.

2.11.6. The Commission further observed that the construction of seven substations in the Garo Hills region, at a sanctioned cost of Rs. 48.21 crore, was proposed to be completed in phases comprising one substation in FY 2026-27, four substations in FY 2027-28 and two substations in FY 2028-29. However, the capitalization was proposed only during FY 2027-28 and FY 2028-29, with no capitalization corresponding to the substation proposed to be commissioned in FY 2026-27. Accordingly, vide Second Additional Information Requirement, MePDCL was asked to reconcile the project implementation schedule with the proposed capitalization plan and submit the corrected capitalization schedule along with the approval of the Board of Directors and other relevant supporting documents.

The Petitioner, in response to the Second Additional Information Requirement, clarified that there is no discrepancy in the proposed capitalization schedule. The Petitioner reiterated its earlier submission that a time lag exists between the actual completion of works and their capitalization in the books of accounts. Accordingly, projects anticipated to be completed towards the end of a financial year have been considered for capitalization in the subsequent financial year.

2.11.7. The Commission noted that the "Guidelines for Special Assistance to States for Capital Investment (SASCI), 2026-27" vide F. No. 44(1)/PF-S/2026-27 (CAPEX) issued by Ministry of Finance, GoI demonstrates that under the SASCI scheme, the financial assistance is extended to State Governments in the form of 50-year interest-free loans. the SASCI scheme. However, the Petitioner has explicitly claimed this Scheme as Grant. The Commission in this regard, states that SASCI support shall be classified strictly in terms of the Government order, whether grant, loan or other assistance. Hence, the expenditure and capitalization shall be considered only after sanction, DPR approval, financing terms and procurement schedule are filed.

2.11.8. Accordingly, the Commission in-principally allows this scheme, associated works and funding pattern as proposed by the Petitioner.

Table 59: Approved CAPEX and Capitalization for SASCI Scheme for Fifth Control Period

Amounts in Rs Cr										
Name of Project	**Total Capex of the Scheme**	**Grant**	**Equity**	**Loan**	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**	**Total Capitalization (fifth control period)**
SASCI Scheme	48.20	48.20	0	0	28.92	19.28	0.00	0.00	0.00	48.20

2.12. Upcoming Scheme: Meghalaya Power Distribution Sector Strengthening Program

Petitioner's Submission

2.12.1. The Petitioner has submitted that MePDCL has proposed the Meghalaya Power Distribution Sector Strengthening Program to strengthen the distribution network in Ri Bhoi (Byrnihat), improve supply reliability, reduce AT&C losses and cater to growing industrial demand. The proposal, submitted to the Government of Meghalaya on 9 January 2026 for approval under externally aided project funding, is yet to receive approval.

2.12.2. The petitioner has included the scheme in its Capital Investment Plan, considering the proposed grant-based funding arrangement. The total project cost is estimated at Rs. 540 crore, with 80% funding proposed through ADB/World Bank assistance and the remaining 20% as counterpart funding from the Government of Meghalaya. The proposed works include construction and augmentation of substations, development and renovation of 33 kV and 11 kV lines, installation and augmentation of distribution transformers, and strengthening of LT lines. The project is expected to improve network resilience through meshed/ring configurations, reduce outages and distribution losses, enhance revenue protection, and provide reliable power supply to the region. The proposed capitalization under the scheme is presented in the subsequent table.

Table 60: Projected Capitalization Under Meghalaya PDSP in Fifth Control Period as submitted by Petitioner

Amount in Rs. Cr.					
Name of the Scheme	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**
Meghalaya PDSP	0.00	162.00	108.00	216.00	54.00

Respondent's Submission in this regard

2.12.3. BIA has submitted that MePDCL has proposed an investment of approximately

Rs. 540 crores under the Meghalaya Power Distribution Sector Project for strengthening the distribution network and improving supply reliability, particularly in areas such as Byrnihat. However, the Petition provides only a broad description of the proposed works and does not furnish the detailed cost break-up, package-wise estimates, unit costs or item-wise quantities required to assess the reasonableness and cost-effectiveness of the investment.

2.12.4. BIA has pointed out that the proposal includes construction of approximately 316 ckm of 33 kV lines and 452.20 ckm of 11 kV lines, without providing the corresponding unit costs or reconciliation with the total project cost. BIA further contended that the Petition does not quantify the expected benefits in terms of reduction in distribution losses and interruptions, improvement in reliability and voltage profile, augmentation of network capacity and enhancement of supply quality, as required under Regulations 3.2.7 and 6.5.5.

2.12.5. BIA further submitted that preparation of the DPR does not establish that the project has received the requisite administrative and financial sanctions or that the funding arrangement has been secured. Accordingly, BIA requested MePDCL to furnish the DPRs, sanction orders, funding approvals, implementation schedule and cost-benefit analysis before approval of the proposed investment.

2.12.6. BIA has also highlighted that the Petition does not identify whether any part of the project comprises deposit works, consumer-contribution works, works funded by specific industrial or private consumers, or expenditure recoverable from third parties. BIA contended that such expenditure should be separately identified and excluded from the capital cost recoverable from the general body of consumers in accordance with Regulations 3.8.1 and 6.6.6.

2.12.7. In view of the above, BIA requested the Commission to consider the proposed investment only after MePDCL furnishes a project-wise funding statement and establishes the scope, necessity, cost, expected benefits, sanction status and funding arrangement of the Meghalaya Power Distribution Sector Project.

Commission's Analysis

2.12.8. The Commission observed that the proposed investment of Rs. 540 crore under the Meghalaya Power Distribution Sector Project was yet to receive the requisite approval of the State Government. In this regard, the Commission vide First Additional Information Requirement, directed the MePDCL to furnish the final approval of the Board of Directors, funding sanction and detailed implementation schedule. In context to the above query, the Petitioner (MePDCL) submitted that that the instant petition which covers the capital expenditure has been approved by the Board of Directors. However, MePDCL requested to allow to submit the approval of the Government, Board approval etc. as and when the same is received from the Government.

2.12.9. The Commission further observed that approval for funding 80% of the project cost through ADB/World Bank assistance and the remaining 20% through State Government counterpart funding was pending. Further, the nature and terms of

the proposed counterpart contribution had not been specified. In accordance with this, MePDCL vide Second Additional Information Requirement, was directed to submit the latest status of funding approval and clarify the source, nature and regulatory treatment of each funding component.

2.12.10. The Petitioner, in response to the Second Additional Information Requirement, submitted that the funding proposal has been forwarded by the Government of Meghalaya to the Ministry of Power (MoP). The Petitioner further clarified that the additional information sought by MoP has been furnished and the proposal is presently awaiting final approval. Accordingly, the Petitioner sought liberty from the Commission to submit the approval upon its receipt from MoP. The Petitioner also submitted that the project would be undertaken only upon availability of grant funding.

2.12.11. The Commission recognizes the need for strengthening and augmenting the distribution network, particularly in load-intensive areas such as Ri-Bhoi and Byrnihat, where industrial growth requires adequate network capacity, voltage stability and reliable power supply.

2.12.12. The proposed construction and augmentation of 33 kV and 11 kV networks may also improve system reliability, reduce technical losses and address existing and prospective demand. However, the project is presently at the proposal stage and the Petitioner has not furnished the final administrative and financial sanctions, approved funding arrangement, package-wise cost estimates and quantified cost-benefit analysis. Accordingly, the Commission approves the Meghalaya PDSP only as an **indicative investment under the Business Plan**, subject to the ceiling of Rs. 540 crore.

2.12.13. The Commission, further, directs MePDCL to obtain prior approval of the Commission before undertaking expenditure or seeking capitalization. Such approval shall be sought through a separate Petition supported by the approved DPR, administrative and financial sanctions, package-wise scope and cost, implementation schedule, funding pattern, cost-benefit analysis and quantified improvements in network capacity, reliability, voltage profile and distribution losses.

2.12.14. MePDCL shall also separately identify deposit works, consumer-contribution works and expenditure recoverable from industrial consumers or other third parties. No expenditure shall be admitted in the ARR or capitalization unless the project is sanctioned, commissioned and put to use and the cost is found prudent by the Commission.

Table 61: Approved CAPEX and Capitalization for Meghalaya PDSP for Fifth Control Period

Amounts in Rs Cr										
Name of Project	**Total Capex of the Scheme**	**Grant**	**Equity**	**Loan**	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**	**Total Capitalization (fifth control period)**
RDSS Additional Household Electrification Works	540.00	540.00	0	0	0.00	162.00	108.00	216.00	54.00	540.00

2.13. Upcoming Scheme: Re-engineering Works

Petitioner's Submission

2.13.1. The Petitioner has submitted that MePDCL has proposed re-engineering and augmentation of the 33 kV lines from Mawprem to Rilbong, Rilbong to Kench's Trace Substation, and NEHU Substation to SE Falls Substation by replacing existing ACSR Wolf conductors with HTLS Copenhagen conductors. The upgrades are intended to cater to increasing load demand, enhance line capacity from 15–18 MW to 25–30 MW, improve operational efficiency and supply reliability, and ensure adequate power infrastructure in Shillong ahead of the upcoming National Games.

2.13.2. The estimated costs of the two augmentation works are Rs. 14.91 crore and Rs. 9.01 crore, respectively. MePDCL has proposed funding under the SASCI Scheme; however, as approval is awaited, the expenditure has been considered through its own resources in the present Petition.

2.13.3. The Petitioner has sought permission to revise the funding pattern from equity to grants upon approval under SASCI. The projects are expected to be completed and capitalized in FY 2027-28 as under:

Table 62: Projected Capitalization under Re-engineering Schemes in Fifth Control Period as submitted by Petitioner

Amount in Rs. Cr.					
Name of the Scheme	**FY 2027-28**	**FY 2028-29**	**FY 2029-30**	**FY 2030-31**	**FY 2031-32**
Re-engineering and augmentation of 33 KV Double Circuit Line from Mawprem to Rilbong and Riblong to 33/11 KV Kench's Trace Sub-Station from ACSR Wolf to HTLC Copenhagen Conductors	7.46	7.46	0.00	0.00	0.00

					Amount in Rs. Cr.
Name of the Scheme	**FY 2027-28**	**FY 2028-29**	**FY 2029-30**	**FY 2030-31**	**FY 2031-32**
Re-engineering and augmentation of 33 KV Single Circuit Line from 132 KV NEHU Sub-Station to 33 KV SE Falls Sub-Station from ACSR Wolf to HTLC Copenhagen Conductors	4.51	4.51	0.00	0.00	0.00

Respondent's Submission in this regard

2.13.4. BIA has submitted that MePDCL has proposed re-engineering of two 33 kV lines in Shillong at an estimated cost of Rs. 14.91 crore and Rs. 9.01 crore, respectively, aggregating to Rs. 23.92 crore. BIA pointed out that MePDCL proposes to fund the works through equity pending approval of funding under SASCI.

2.13.5. BIA further contended that the Petition does not contain adequate justification or cost-benefit analysis establishing the necessity and prudence of the proposed investment. The existing network constraints, present and projected loading of the lines, expected improvement in capacity and reliability, alternative technical solutions and incremental benefits of the proposed works have not been furnished.

2.13.6. BIA also submitted that the availability of SASCI funding has not been established and no approval for interim funding through equity has been furnished. Accordingly, BIA requested the Commission not to allow any return or other tariff-related recovery on the proposed equity funding unless the necessity of the works, funding arrangement and regulatory treatment are duly established.

2.13.7. In view of the above, BIA requested the Commission to disallow the proposal until MePDCL furnishes the detailed technical studies, cost-benefit analysis, funding approval and regulatory treatment of the proposed works.

Commission's Analysis

2.13.8. The Commission observed that MePDCL had proposed an expenditure of Rs. 23.92 crore from its own resources for the re-engineering works, subject to subsequent approval of funding under SASCI. In context to the above, the Commission asked MePDCL to furnish the approved project schedule, technical study and loading assessment, basis of the detailed cost estimates, procurement status and capitalization schedule, duly reconciling the proposed capital expenditure with the corresponding completion and capitalization timelines. In reply, MePDCL provided the requisite Detailed Project Report.

2.13.9. The Commission has prudently verified the proposal for re-engineering of the two 33 kV lines in Shillong at an estimated cost of Rs. 23.92 crore and recognizes that strengthening of critical distribution corridors is necessary for meeting the increasing load, improving voltage profile and enhancing reliability of supply in

the Shillong area.

2.13.10. The Commission is of the view that Re-engineering works shall be supported by network studies and shall specify reliability, voltage and loss benefits. In consideration of the importance of ensuring reliable supply to a major urban load centre, the Commission considers the proposed works necessary and approves the same within the proposed cost, subject to the sanctioned scope. However, capitalization shall be allowed only after submission of the detailed technical study, loading and reliability assessment, approved cost estimates, completion and commissioning certificates, and confirmation that the assets have been put to use.

2.13.11. MePDCL is also directed to furnish documentary evidence of SASCI funding and separately identify any expenditure temporarily met through equity. Upon receipt of SASCI assistance, the corresponding amount shall be adjusted against the equity funding, and no return on equity or other financing cost shall be allowed on the portion funded through grant. MePDCL should expedite the process of getting the approval of Grant fund for this re-engineering works.

2.13.12. Further, MePDCL shall de-capitalize the replaced assets from the Gross Fixed Assets and ensure that any cost overrun, change in scope or reduction in anticipated grant is not passed through to consumers without prior approval and prudence check by the Commission.

2.13.13. In view of the above, the Commission has considered the capital expenditure and capitalization for this re-engineering works.

Table 63: Approved CAPEX and Capitalization for Re-engineering works for Fifth Control Period

Amounts in Rs Cr

Name of Project	**Total Capex of the Scheme**	**Grant**	**Equity**	**Loan**	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**	**Total Capitalization (fifth control period)**
Re-engineering and augmentation of 33 KV Double Circuit Line from Mawprem to Rilbong and Riblong to 33/11 KV Kench's Trace Sub-Station from ACSR Wolf to HTLC Copenhagen Conductors	14.91	0	14.91	0	7.46	7.46	0.00	0.00	0.00	14.91

Amounts in Rs Cr										
Name of Project	**Total Capex of the Scheme**	**Grant**	**Equity**	**Loan**	**Capitalization FY 2027-28**	**Capitalization FY 2028-29**	**Capitalization FY 2029-30**	**Capitalization FY 2030-31**	**Capitalization FY 2031-32**	**Total Capitalization (fifth control period)**
Re-engineering and augmentation of 33 KV Single Circuit Line from132 KV NWHU Sub-Station to 33 KV SE Falls Sub-Station from ACSR Wolf to HTLC Copenhagen Conductors	9.01	0	9.01	0	4.51	4.51	0.00	0.00	0.00	9.01

2.14. Materials of Capital Nature bought under O&M head

Petitioner's Submission

2.14.1. The Petitioner has submitted that routine repair and maintenance of the distribution network requires replacement of damaged or obsolete equipment with materials of a capital nature, which are not covered under specific schemes and are funded through its own resources (equity). These materials include poles, distribution transformers, cables and conductors, current transformers, CT-PT sets, insulators and other accessories.

2.14.2. The Petitioner has reported submit that the details of the materials purchased under O&M head in last two years is as under:

Particular	**Amount in Cr.**
Purchase in FY 2024-25	50.73
Purchase in FY 2025-26	27.42
Average	39.07
Utilization Rate	80.00%
Amount Put to Use	**31.26**

2.14.3. The Petitioner has estimated capitalization of Rs. 31.26 crore annually throughout the Fifth Control Period, funded entirely through equity. The overall projected capitalization and funding pattern for the Control Period is presented in the subsequent table:

Respondent's Submission in this regard

2.14.4. BIA has submitted that MePDCL has proposed annual capitalization of Rs. 31.26

crore towards materials of capital nature purchased under the O&M head, based on 80% of the average material purchases during FY 2024-25 and FY 2025-26. BIA pointed out that the cumulative capitalization of ₹156.30 crore during the Control Period constitutes a substantial portion of the equity-funded capital investment proposed by MePDCL.

2.14.5. BIA further contended that the materials proposed for capitalization, including poles, transformers, cables, conductors, CTs and insulators, are also ordinarily used for routine repairs, replacement and maintenance of the distribution network. Since normative R&M expenses are separately recoverable under Regulation 6.26.3, capitalization of such materials may result in double recovery through O&M expenses as well as depreciation and return on the capitalized assets.

2.14.6. BIA has also submitted that replacement of assets below the prescribed capitalization threshold is required to be met from O&M expenses in terms of Regulation 3.4.2. However, MePDCL has not furnished the asset-wise details, project scope or replacement schedule required to establish that the proposed expenditure qualifies for capitalization.

2.14.7. BIA further pointed out that procurement or issue of materials does not by itself constitute capitalization. According to BIA, MePDCL has not furnished the stores records, material issue notes, work-completion certificates, fixed-asset additions or asset-register entries necessary to establish creation and commissioning of identifiable capital assets. Further, no details have been provided regarding de-capitalization of the replaced assets in accordance with Regulations 3.2.12 and 3.6.

2.14.8. BIA has also highlighted the absence of Board approval for the proposed equity funding, scheme-wise cost-benefit analysis, project-wise scope, geo-tagged asset details and commissioning records. BIA contended that allowing the proposed expenditure entirely as equity may impose a substantial tariff burden through Return on Equity and depreciation and may not be consistent with the normative debt-equity treatment under the Regulations.

2.14.9. In view of the above, BIA requested the Commission not to approve the proposed capitalization merely on the basis of historical material purchases or an assumed utilization rate of 80%. BIA requested that capitalization be considered only for identifiable assets actually created, commissioned and entered in the fixed-asset register, after adjustment of the replaced assets and verification that the expenditure has not already been recovered through normative O&M and R&M expenses.

Commission's Analysis

2.14.10. The Commission observed that MePDCL had proposed annual capitalization of Rs. 31.26 crore towards materials of capital nature procured under the O&M head, based on 80% of the average procurement during FY 2024-25 and FY 2025-26. As capitalization of materials used for routine repair and replacement

may overlap with the normative R&M expenses and may not satisfy the applicable asset-recognition criteria, MePDCL was directed to justify the proposed capitalization with asset-wise details, utilization records and supporting documents demonstrating the creation and commissioning of identifiable capital assets. In response, MePDCL submitted that the materials proposed under this head are intended for replacement of existing assets and are distinct from spares used for routine repair and maintenance. MePDCL further undertook to claim capitalization only for materials actually put to use and to furnish the material-wise details along with the corresponding details of the replaced assets.

2.14.11. The Commission vide MSERC Multi Year Tariff (5 of 2026) Regulation, 2026 has allowed O&M spares on Normative basis and Capital spares on actual basis. The Commission is of the view that there is no need of seeking separate approval from Commission towards the expenditure pertaining to the spares of capital nature. MePDCL is required to optimize the procurement of capital spares as well as O&M spares in line with the said Regulation.

2.15. Upgradation in Mawsynram Sub-Division

Petitioner's Submission

2.15.1. The Petitioner has submitted that the Mawsynram Sub-Division, previously operated under a distribution franchisee arrangement since 2019, was taken over by MePDCL following termination of M/s FEDCO's contract with effect from 31 October 2025. Although M/s Sai Computers was selected as the new franchisee through competitive bidding, it could not take over operations due to public protests.

2.15.2. The Petitioner has further submitted that, owing to inadequate maintenance of the distribution infrastructure under the previous franchisee, urgent upgradation is required. While a detailed survey is underway, an estimated expenditure of Rs. 5 crore has been identified for replacement of transformers, cables, CT-PT sets and consumer metering. Accordingly, MePDCL has proposed capitalization of Rs. 5 crore, funded through equity, and has sought permission to revise the estimate based on the detailed survey findings before filing the MYT Petition.

2.15.3. The Petitioner has presented the consolidated projected capitalization and funding pattern for the Fifth Control Period in the subsequent table.

2.15.4. The Petitioner has further submitted that several Government and private construction projects are coming up in New Shillong, which are expected to require additional capital expenditure for providing electricity connections. As the specific requirements have not yet been received, the estimates and associated schemes cannot presently be finalised. The Petitioner has stated that such expenditure is expected to be funded primarily through the SASCI Scheme or deposit works, with minimal or no impact on tariffs, and has sought liberty to

submit the schemes for approval as and when the requirements arise.

Respondent's Submission in this regard

2.15.5. BIA has submitted that the proposed capital expenditure for the Mawsynram area is based on a survey that is yet to be completed and that MePDCL has reserved the right to revise the estimates. Therefore, the scope, basis and cost of the proposed works remain uncertain.

2.15.6. BIA further pointed out that the proposed works relating to distribution transformers, lines, cables, CT-PT sets and meters may overlap with the infrastructure covered under RDSS Loss Reduction Works, the ADB-funded programme and materials proposed under the O&M head. In the absence of an asset-wise and scheme-wise segregation, BIA contended that there is a risk of duplication and recovery of the same or similar assets under multiple schemes.

2.15.7. In view of the above, BIA requested the Commission not to approve the proposed capital expenditure until MePDCL completes the field survey and furnishes the detailed scope, asset-wise cost, funding source and scheme-wise reconciliation demonstrating that the proposed works do not overlap with any other ongoing programme.

Commission's Analysis

2.15.8. The Commission observed that MePDCL had proposed additional capitalization of Rs. 5 crore for urgent network improvement works in Mawsynram, to be funded through equity. Although the equity-funded capitalization for FY 2027-28 was revised to Rs. 48.22 crore in Table 52, the corresponding total capitalization remained unchanged at Rs. 495.45 crore instead of Rs. 500.45 crore. Accordingly, MePDCL was directed to clarify the discrepancy and submit the corrected capitalization and funding schedule. In reposne, MePDCL rectified the inadvertent error and confirmed that the equity funding may please be considered as Rs. 500.45 Crore.

2.15.9. Additionally, the Petitioner, in response to the Second Additional Information Requirement, clarified that the proposed works primarily involve replacement of damaged transformers to ensure reliable power supply, reconductoring of cables wherever necessary to safeguard life and property, and consumer metering, among others. The Petitioner further submitted that only those works which are not covered under RDSS would be undertaken under the proposed scheme to avoid duplication and minimize the impact on tariff. With regard to funding, the Petitioner reiterated that the proposed works would primarily be financed through equity. Further, the Petitioner clarified that the works proposed in the Mawsynram area are subject to completion of the requisite survey, following which the estimated cost may be revised, potentially downward. Regarding statutory approvals, the Petitioner submitted that separate approval of the Board of Directors (BoD) for the individual works has not yet been obtained. However, since the overall Petition has been approved by the BoD, the Petitioner considers

that in-principle approval for the proposed works is already in place. Accordingly, the Petitioner sought liberty from the Commission to submit the specific BoD approvals upon completion of the survey and finalization of the detailed cost estimates.

2.15.10. The Commission has analysed the proposed upgradation works in the Mawsynram Sub-Division and recognizes the need for strengthening the distribution infrastructure following the takeover of the area by MePDCL. The proposed works are expected to improve voltage profile, reliability of supply, metering and energy accounting in the area.

2.15.11. Accordingly, the Commission approves the proposed expenditure of Rs. 5 Crore in FY 2027-28 as an indicative ceiling, subject to completion of the field survey and finalization of the detailed scope and cost. Capitalization shall be allowed only upon submission of the approved estimates, asset-wise expenditure, funding details, completion and commissioning certificates and confirmation that the assets have been put to use.

2.15.12. The Commission directs that the Mawsynram expenditure shall be separately reconciled and reflected in the total capitalization without duplication. MePDCL shall also reconcile the proposed assets with the works covered under RDSS, the ADB-funded programme and materials procured under the O&M head to ensure that there is no double recovery. Any revision in scope or cost shall require prior approval of the Commission and shall be considered only after prudence check.

2.16. Summary of Capitalization and Funding Pattern

Petitioner's Submission

Table 64: Summary of Capitalization Proposed During Fifth Control Period (Rs. Cr.) as submitted by Petitioner

Sl. No.	Name of Project	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
1	RDSS Loss Reduction Works	112.88	451.54	0.00	0.00	0.00
2	ADB Distribution Improvement Program	182.41	254.16	0.00	0.00	0.00
3	RDSS Additional Household Works	128.01	298.30	0.00	0.00	0.00
4	Construction of 33/11 kV Sub-Station in Garo Hills Region	28.92	19.28	0.00	0.00	0.00
5	Meghalaya Power Distribution Sector Strengthening Program	0.00	162.00	108.00	216.00	54.00
6	Re-engineering and augmentation of 33 KV Double Circuit Line from Mawprem to Rilbong and Riblong to 33/11 KV Kench's Trace Sub-Station from ACSR Wolf to HTLC Copenhagen Conductors	7.46	7.46	0.00	0.00	0.00

7	Re-engineering and augmentation of 33 KV Single Circuit Line from132 KV NWHU Sub-Station to 33 KV SE Falls Sub-Station from ACSR Wolf to HTLC Copenhagen Conductors	4.51	4.51	0.00	0.00	0.00
8	Operation and Maintenance Materials	31.26	31.26	31.26	31.26	31.26
9	Upgradation In Mawsynram Sub-Division	5	-	-	-	-
	Total	**500.45**	**1228.50**	**139.26**	**247.26**	**85.26**

Table 65: Funding Pattern of the Projected Capitalization During Fifth Control Period (In Rs. Cr.) as submitted by Petitioner

Particular	**FY 2027-28**	**FY 2028-29**	**FY 2029-30**	**FY 2030-31**	**FY 2031-32**
Additional Capitalization Funded Through Grants	452.22	1185.27	108.00	216.00	54.00
Additional Capitalization Funded Through Equity	48.22	43.22	31.26	31.26	31.26
Total	**500.45**	**1228.50**	**139.26**	**247.26**	**85.26**

Commission's Analysis

Table 66: Approved Summary of Capitalization Proposed During Fifth Control Period (Rs. Cr.)

Sl. No.	**Name of Project**	**FY 2027-28**	**FY 2028-29**	**FY 2029-30**	**FY 2030-31**	**FY 2031-32**
1	RDSS Loss Reduction Works	112.88	451.54	0.00	0.00	0.00
2	ADB Distribution Improvement Program	182.41	254.16	0.00	0.00	0.00
3	RDSS Additional Household Works	128.01	298.30	0.00	0.00	0.00
4	SASCI Scheme: Construction of 33/11 kV Sub-Station in Garo Hills Region	28.92	19.28	0.00	0.00	0.00
5	Meghalaya Power Distribution Sector Strengthening Program	0.00	162.00	108.00	216.00	54.00
6	Re-engineering and augmentation of 33 KV Double Circuit Line from Mawprem to Rilbong and Riblong to 33/11 KV Kench's Trace Sub-Station from ACSR Wolf to HTLC Copenhagen Conductors	7.46	7.46	0.00	0.00	0.00

Sl. No.	Name of Project	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
7	Re-engineering and augmentation of 33 KV Single Circuit Line from132 KV NWHU Sub-Station to 33 KV SE Falls Sub-Station from ACSR Wolf to HTLC Copenhagen Conductors	4.51	4.51	0.00	0.00	0.00
8	Operation and Maintenance Materials	As per MSERC Multi Year Tariff Regulation, 2026				
9	Upgradation In Mawsynram Sub-Division	5	0	0	0	0
	Total	**469.19**	**1197.24**	**108.00**	**216.00**	**54.00**

Table 67: Approved Funding Pattern of the Projected Capitalization During Fifth Control Period (In Rs. Cr.)

Particular	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
Additional Capitalization Funded Through Grants	452.22	1185.27	108.00	216.00	54.00
Additional Capitalization Funded Through Equity	16.96	11.96	0	0	0
Total	**469.19**	**1197.24**	**108.00**	**216.00**	**54.00**

2.17. Quality of Supply, Reliability and Consumer Service

Petitioner's Submission

2.17.1. The Petitioner has submitted that network strengthening, metering and automation will improve supply reliability, voltage profile and consumer service. However, the Petitioner has not provided any details of the operational parameters in this context.

Respondent's Submission in this regard

2.17.2. BIA has submitted that the Petition does not provide a measurable year-wise trajectory for supply availability, wires availability, SAIFI, SAIDI, feeder interruptions, voltage performance and standards of performance.

Commission's Analysis

2.17.3. The Commission directs MePDCL to submit the performance parameter data in line with the MSERC Standard of Performance (7 of 2026) Regulation, 2026.

2.18. Manpower Plan and Implementation Governance

Petitioner's Submission

2.18.1. The Petitioner has referred to implementation of multiple schemes and modernization initiatives during the Fifth Control Period, but has not furnished

any additional manpower requirement for fifth control period.

Respondent's Submission in this regard

2.18.2. BIA has submitted that the Petition does not contain an adequate manpower plan covering existing strength, vacancies, retirements, recruitment, outsourcing, productivity and skills required for smart grids and smart metering.

Commission's Analysis

2.18.3. The Commission has allowed O&M cost on normative basis for the Control Period FY 2027-28 to FY 2031-32, It is for the MePDCL to decide on the appropriate manpower requirement for execution/maintenance of these schemes.

3. Applicability of the Order

This Order shall come into effect from 1st April 2027.

The Petition of Meghalaya Power Distribution Corporation Limited in Case No. 10 of 2026 stands disposed of accordingly.

Sd/-
Chandan Kumar Mondol
Chairman