



**MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION  
SHILLONG**

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

**CORRIGENDUM**  
**(Dated 7<sup>th</sup> August 2025)**

1. The Commission vide Order Dated 22<sup>nd</sup> March 2025 in MSERC Case No. 07 of 2024, has approved the Revised Aggregate Revenue Requirement & Generation Tariff for FY 2025-26 for Meghalaya Power Generation Corporation Limited (herein referred as 'MePGCL' in the Order).
2. The Commission in the aforesaid Tariff Order dated 22<sup>nd</sup> March 2025 in Case No. 07 of 2024 (*herein referred as 'Tariff Order'*) in Table No. 78 (*refer Page No. 77 of 86 of the Order*), had allocated the approved ARR among various generating stations of MePGCL, including Umiam Stage III, which was allocated an ARR of Rs. 68.49 Cr, along with an installed capacity of 60 MW.
3. Further, this Commission, while computing the energy charges, based on the submissions of MePGCL during the proceedings of the case, had acknowledged that Umiam Stage III would be under complete shutdown for FY 2025–26 due to Renovation, Modernisation and Upgradation (RMU) and had accordingly considered 0 'zero' energy charges (*in Rs./ kWh*) to the station.
4. Subsequently, this Commission vide letter No. MePGCL/D/GEN/Misc-43/2008/Pt-XXV/52, dated 2<sup>nd</sup> July 2025, has received a submission from the Petitioner, highlighting an error apparent on the face of the record in the said Order. MePGCL vide the said letter, has submitted that since Umiam Stage III would be entirely non-operational for the whole of FY 2025–26, so no capacity would be available from the station and hence no capacity charges can be billed or recovered against the allocated ARR for the station and has requested Commission to reallocate Capacity Charge allocated to Umiam Stage III to other stations so as to recover total ARR from the stations available for generation
5. The Commission has examined the submissions of the Petitioner, in light of the applicable regulatory framework and finds no merit in the claim made by MePGCL. The Commission has

noted that Umiam Stage III will be going for R&M. As and when it is recommissioned and becomes operational, it will be eligible for recovery of Annual Fixed Charge in the form of Capacity Charge and Energy Charge. It is not expected that without making available capacity and generating a single unit of electricity, MePGCL can claim Capacity Charge or Energy Charge respectively. In accordance with the applicable regulatory provision i.e., Regulation 57.1 of the MSERC (Multi Year Tariff) Regulations, 2014, Capacity Charges are recoverable only when the generating station is available for generation. The relevant extract of Regulation 57.1 of the MSERC (Multi Year Tariff) Regulations, 2014 is being reproduced below:

***“57 Computation and payment of capacity charge and energy charge for Hydro generating stations***

***57.1 Capacity Charges:***

*(1) The fixed cost of a hydro generating station shall be computed on annual basis, based on norms specified under these regulations, and recovered on monthly basis under capacity charge (inclusive of incentive) and energy charge, which shall be payable by the beneficiaries in proportion to their respective allocation in the saleable capacity of the generating station, that is to say, in the capacity excluding the free power to the home State:*

*Provided that during the period between the date of commercial operation of the first unit of the generating station and the date of commercial operation of the generating station, the annual fixed cost shall provisionally be worked out based on the latest estimate of the completion cost for the generating station, for the purpose of determining the capacity charge and energy charge payment during such period.”*

***<Emphasis Added>***

6. This Commission also takes into cognizance of the applicable provision under Section 22.2 of the MSERC (Multi Year Tariff) Regulations 2014, as reproduced below:

***“22 Review of Tariff Order***

*.....*

***22.2 On being satisfied that there is a need to review the tariff of any generating company or the licensee, the Commission may on its own initiate process of review of the tariff of any generating company or the licenses. The Commission may also, in***

*its own motion review any tariff order to correct any clerical error or any error apparent of the face of the record.”*

**<Emphasis Added>**

7. The Commission after detailed analysis & prudence check, hereby issues this Corrigendum to the Order dated 22<sup>nd</sup> March 2025 and approves the following revised “*Table 78: Project wise Annual Fixed Charges and Energy charges for FY 2025-26*” as detailed below.
8. Further, this Commission observes that the recovery of fixed charges, specifically Capacity Charges (*i.e., 50% of Annual Fixed Charges*), is intrinsically linked to the availability of the generating station for ex-bus injection. In accordance with Regulation 57.1 of the MSERC (Multi Year Tariff) Regulations 2014, Capacity Charges are recoverable only when the generating station is available to deliver scheduled energy to the grid. In case of Umiam Stage III, since the station is scheduled to remain under complete shutdown throughout FY 2025–26 due to Renovation, Modernisation & Upgradation (RMU) works, the station shall not be available for ex-bus injection, and therefore, MePGCL shall not be entitled to recover Capacity Charges for this station during the period the station remains unavailable for generation.
9. The Commission further clarifies that under exceptional circumstances Capacity Charges are admissible only when the station is available but unable to inject power due to factors beyond the control of the generator. Since the shutdown of Umiam Stage III is a planned activity under MePGCL’s RMU program, the Commission shall not allow the recovery of the Fixed Cost for the station during its period of unavailability for generation. Additionally, since the station won’t be able to generate any unit and shall remain unavailable during its RMU period, so the tariff to be recovered as part of Energy Charge, as per the quoted order of the Commission dated 22<sup>nd</sup> March, 2025, shall also not be admissible to the Station during its period of unavailability, due to nil generation.
10. The Commission further clarifies that, the under recovery of Capacity Charge amount of Rs. 34.245 Cr & Energy Charge amount of Rs 34.245 Cr *i.e.* Rs.2.49/unit for Umiam Stage III shall not be considered / admissible during the true-up process for FY 2025-26, on account of unavailability due to RMU for the whole year of FY 2025-26, as originally indicated by the petitioner vide letter No. MePGCL/D/GEN/Misc-43/2008/Pt-XXV/52 dated 2<sup>nd</sup> July 2025. However, the Commission is of the view that if the station becomes available for any period

during FY 2025–26, the Capacity Charge and Energy Charges shall be recoverable on a pro-rata basis in accordance with the Normative Annual Plant Availability Factor (NAPAF), for the duration during which the station is available for ex-bus injection, as per Regulation 58.1 of the MSERC (Multi Year Tariff) Regulations, 2014. Similarly, Energy Charges shall be payable to the extent of actual generation during such period, calculated in accordance with Regulation 57.2 of the MSERC (Multi Year Tariff) Regulations, 2014.

11. Further, the Commission notes that expenditure incurred by MePGCL towards RMU activities may be considered during the true-up of FY 2025–26, subject to prudence check and compliance with all applicable provisions and Regulation 53.3 of the MSERC (Multi Year Tariff) Regulations 2014.
12. In view of the above, we are not allocating Capacity Charge of Umiam Stage III to other stations and the Table 78 is revised as below:

**Table 78 (Revised): Project wise Annual Fixed Charges and Energy charges for FY 2025-26**

Sl. No.	Name of the Power Station	Installed Capacity (MW)	Design Generation (MU)	Aux Gen (%)	Net Generation (MU)	Annual Fixed Charges (AFC)	Capacity Charge (50% of AFC) (Rs. Cr)	Energy Charge Rate Rs/kWh	Average Tariff (Rs/Unit)
1	Umiam I	36	116	1.2	114.61	41.09	20.55	1.79	3.58
2	Umiam II	20	46	1.2	45.45	22.83	11.41	2.51	5.02
3	Umiam III	60	139	1.2	137.33	68.49	34.24	2.49	4.98
4	Umiam IV	60	207	1.5	203.9	68.49	34.24	1.67	3.35
5	Sonapani	1.5	5	1.2	4.94	1.71	0.86	1.73	3.46
	<b>Sub-Total</b>	<b>177.5</b>	<b>513</b>	<b>-</b>	<b>506.23</b>	<b>202.60</b>	<b>101.30</b>	<b>-</b>	<b>4.00</b>
6	MLHEP	126	486	1.5	478.71	143.82	71.91	1.50	3.00
7	NUHEP	40	235	1.5	231.48	45.66	22.83	0.98	1.97
8	Lakroh MHP	1.5	11.01	1.5	10.84	1.71	0.86	0.79	1.57
9	<b>Total (without Ganol)</b>	<b>345</b>	<b>1245.01</b>	<b>-</b>	<b>1227.26</b>	<b>393.79</b>	<b>196.90</b>	<b>-</b>	<b>3.208</b>

13. Except for the above, all other terms of the Order Dated 22<sup>nd</sup> March 2025 in MSERC Case No. 07 of 2024, shall remain unaltered.

Sd/-  
**Ramesh Kumar Soni**  
**Member (Law)**

Sd/-  
**Chandan Kumar Mondol**  
**Chairman**