Order on

True up for FY 2019-20
Annual Performance Review for
FY 2020-21
&
ARR for FY 2021-22
Uttarakhand Power Corporation Ltd.

April 26, 2021

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Vidyut Niyamak Bhawan,

Near I.S.B.T., P.O. Majra, Dehradun – 248171

Table of Contents

List of Tables

Before

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Petition No.: 16 of 2021

In the Matter of:

Petition filed by Uttarakhand Power Corporation Limited for True up for FY 2019-20, Annual Performance Review for FY 2020-21 and ARR and Tariff for FY 2021-22.

AND

In the Matter of:

Uttarakhand Power Corporation Limited

Urja Bhawan, Kanwali Road, Dehradun …Petitioner

Coram

Shri D.P. Gairola	**Member (Law)**
Shri M.K. Jain	**Member (Technical)**

Date of Order: April 26, 2021

Section 64(1) read with Section 61 and 62 of the Electricity Act, 2003 (hereinafter referred to as "the Act") requires the Generating Companies and the Licensees to file an application for determination of tariff before the Appropriate Commission in such manner and along with such fee as may be specified by the Appropriate Commission through Regulations.

In accordance with the relevant provisions of the Act, the Commission had notified Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2011 (hereinafter referred to as "UERC Tariff Regulations, 2011") for the first Control Period from FY 2013-14 to FY 2015-16 specifying therein terms, conditions and norms of operation for licensees, generating companies and SLDC. The Commission had issued the MYT Order dated May 6, 2013 for the Control Period from FY 2013-14 to FY 2015-16. In accordance with the provisions of the UERC Tariff Regulations, 2011, the Commission had carried out the Annual Performance Review for FY 2013-14, FY 2014-15 and FY 2015-16 vide its Orders dated April 10, 2014, April 11, 2015 and April 5, 2016 respectively.

Further, in accordance with the relevant provisions of the Act, the Commission had notified the Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2015 (hereinafter referred to as "UERC Tariff Regulations, 2015") for the second Control Period from FY 2016-17 to FY 2018-19 specifying therein terms, conditions and norms of operation for licensees, generating companies and SLDC. The Commission had issued the Order on approval of Business Plan and Multi Year Tariff dated April 5, 2016 for the Control Period from FY 2016-17 to FY 2018-19. In accordance with the provisions of the UERC Tariff Regulations, 2015, the Commission had carried out the Annual Performance Review for FY 2016-17, FY 2017-18 and FY 2018-19 vide its Orders dated March 29, 2017, March 21, 2018 and February 27, 2019 respectively.

In accordance with the relevant provisions of the Act, the Commission had notified Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2018 (hereinafter referred to as "UERC Tariff Regulations, 2018") for the third Control Period from FY 2019-20 to FY 2021-22 specifying therein terms, conditions and norms of operation for licensees, generating companies and SLDC. The Commission had issued Order on approval of Business Plan and Multi Year Tariff dated February, 27, 2019 for the Control Period FY 2019-20 to FY 2021-22. Further, the Commission had carried out the Annual Performance Review for FY 2019-20 vide its Order dated April 18, 2020.

As per the provisions of Regulation 12 and 16 of the UERC Tariff Regulations, 2018, UPCL filed a Petition (Petition No. 16 of 2021 and hereinafter referred to as the "Petition"), giving details of its revised projections of Aggregate Revenue Requirement (ARR) for FY 2021-22, based on the true up for FY 2019-20 and Annual Performance Review for FY 2020-21 on January 14, 2021.

The Petition filed by UPCL had certain infirmities/deficiencies which were informed to UPCL vide Commission's letter no. UERC/6/TF-604/2010-21/2021/1201 dated Januray 25, 2021 and UPCL was directed to rectify the said infirmities in the Petition and submit certain additional information necessary for admission of the Petition. UPCL vide its letter no. 25/UPCL/RM/B-23 dated February 04, 2021 submitted most of the information sought for admission of the Petition by the Commission. Based on the submission dated February 04, 2021 made by UPCL, the Commission vide its Order dated February 09, 2021 provisionally admitted the Petition for further processing with the condition that UPCL shall furnish any further information/ clarifications as deemed necessary by the Commission during the processing of the Petition within the time frame, as may be stipulated by the Commission, failing which the Commission may proceed to dispose of the matter as it deems fit based on the information available with it.

This Order, accordingly, relates to the APR Petition filed by UPCL for true up for FY 2019-20, APR for FY 2020-21 and ARR for FY 2021-22 and is based on the original as well as all the subsequent submissions made by UPCL during the course of the proceedings.

Tariff determination being the most vital function of the Commission, it has been the practice of the Commission to elaborate in detail the procedure and to explain the underlying principles in determination of tariffs. Accordingly, in the present Order also, in line with the past practices, the Commission has tried to elaborate the procedure and principles followed by it in determining the ARR of the licensee. For the sake of convenience and clarity, this Order has further been divided into following Chapters:

Chapter 1 - Background and Procedural History

Chapter 2 - Stakeholders' Objections/suggestions, Petitioner's Responses & Commission's Views

Chapter 3- Petitioner's Submissions, Commission's Analysis, Scrutiny and Conclusion on Truing up for FY 2019-20

Chapter 4 - Petitioner's Submissions, Commission's Analysis, Scrutiny and Conclusion on APR for FY 2020-21 and ARR for FY 2021-22.

Chapter 5 – Tariff Rationalisation, Tariff Design and related issues

Chapter 6 - Commission's Directives

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1. Background and Procedural History

In accordance with the provisions of the Uttar Pradesh Reorganization Act 2000 (Act 29 of 2000), enacted by the Parliament of India on August 25, 2000, the State of Uttaranchal came into existence on November 9, 2000. Section 63(4) of the above Reorganization Act allowed the Government of Uttaranchal (hereinafter referred to as "GoU" or "State Government") to constitute a State Power Corporation at any time after the creation of the State. GoU, accordingly, established the Uttaranchal Power Corporation Limited (UPCL) under the Companies Act, 1956, on February 12, 2001 and entrusted it with the business of transmission and distribution in the State. Subsequently, from April 1, 2001, all works pertaining to the transmission, distribution and retail supply of electricity in the area of Uttaranchal were transferred from UPPCL to UPCL, in accordance with the Memorandum of Understanding dated March 13, 2001, signed between the Governments of Uttaranchal and Uttar Pradesh. On May 31, 2004, GoU first vested all the interests, rights and liabilities related to Power Transmission and Load Despatch of "Uttaranchal Power Corporation Limited" into itself and, thereafter, re-vested them into a new company, i.e. "Power Transmission Corporation of Uttaranchal Limited", now renamed as "Power Transmission Corporation of Uttarakhand Limited" after change of name of the State. Since then Uttarakhand Power Corporation Ltd. (UPCL) a company wholly owned by the Government of Uttarakhand became the sole distribution licensee engaged in the business of distribution and retail supply of power in the State of Uttarakhand.

The Commission vide its Order dated May 6, 2013 issued the Order on approval of Business Plan for UPCL for the first Control Period from FY 2013-14 to FY 2015-16 and Tariff for FY 2013-14. Further, the Commission had issued the Tariff Orders for FY 2014-15 and FY 2015-16 vide its Orders dated April 10, 2014 and April 11, 2015 respectively.

The Commission vide its Order dated April 5, 2016 issued the Order on approval of Business Plan for UPCL for the second Control Period from FY 2016-17 to FY 2018-19 and Tariff for FY 2016-17. Further, the Commission had issued the Tariff Orders for FY 2017-18 and FY 2018-19 vide its Orders dated March 29, 2017 and March 21, 2018 respectively.

The Commission, thereafter, vide its Order dated February 27, 2019 issued the Order on approval of Business Plan for UPCL for the second Control Period from FY 2019-20 to FY 2021-22 and Tariff for FY 2019-20. Further, the Commission had issued the Tariff Order for FY 2020-21 vide its Order dated April 18, 2020.

As per the provisions of Regulation 12 of the UERC Tariff Regulations, 2018, UPCL filed a Petition (Petition No. 16 of 2021 and hereinafter referred to as the "Petition"), giving details of its revised projections of Aggregate Revenue Requirement (ARR) for FY 2021-22, based on the true up for FY 2019-20 and Annual Performance Review for FY 2020-21 on January 14, 2021.

The Petition filed were provisionally admitted by the Commission vide its Orders dated February 09, 2021. The Commission, through its above Admittance Order dated February 09, 2021, to provide transparency to the process of tariff determination and give all the stakeholders an opportunity to submit their objections/suggestions /comments on the proposals of the Distribution Licensee, also directed UPCL to publish the salient points of its Petitions in the leading newspapers. The salient points of the Petitions were published by the Petitioner in the following newspapers:

Table 1.1: Publication of Notice

S.No.	Newspaper Name	Date of Publication
1.	Amar Ujala	13.02.2021
2.	Dainik Jagran	13.02.2021
3.	Hindustan (Hindi)	26.02.2021
4.	Times of India	13.02.2021

Through above notice, the stakeholders were requested to submit their objections/suggestions/comments latest by 31.03.2021 (copy of the notice is enclosed as **Annexure 3**). The Commission received in all 39 objections/suggestions/comments in writing on the Petition filed by UPCL. The list of stakeholders who have submitted their objections/suggestions/comments in writing is enclosed as **Annexure-4.**

Further, for direct interaction with all the stakeholders and public at large, the Commission also held public hearings on the proposals filed by the Petitioner at the following places in the State of Uttarakhand.

Table 1.2: Schedule of Hearings

S. No	Place	Date
1.	Nainital	April 6, 2021
2.	Dehradun	April 10, 2021

The list of participants who attended the Public Hearing is enclosed at **Annexure-5**.

The Commission also sent the copies of salient features of tariff petitions to Members of the

State Advisory Committee and the State Government. The salient features of the tariff Petitions submitted by UPCL were also made available on the website of the Commission, i.e. www.uerc.gov.in. The Commission also held a meeting with the Members of the Advisory Committee on April 12, 2021, wherein, detailed deliberations were held with the Members of the Advisory Committee on the various issues linked with the Petition filed by UPCL.

The objections/suggestions/comments, as received from the stakeholders through mail/post as well as during the course of public hearing were sent to the Petitioner for its response. All the issues raised by the stakeholders and Petitioner's response and Commission's views thereon are detailed in Chapter 2 of this Order. In this context, it is also to underline that while finalizing this Order, the Commission has, as far as possible, tried to address the issues raised by the stakeholders.

Meanwhile, based on the scrutiny of the Petition submitted by UPCL, the Commission vide its letter no. UERC/6/TF-604/2020-21/2021/1201 dated January 25, 2021 and letter no. UERC/6/TF-604/2020-21/2021/1314 dated February 19, 2021, pointed out certain data gaps in the Petitions and sought following additional information/clarifications from the Petitioner:

- Resubmit the Formats with break-up of actuals for H1 (April to September) and estimated for H2 (October to March) for the current year FY 2020-21 using formulae and appropriately link the same to the relevant formats for ensuring consistency and accuracy of the data submitted.
- Calculations of rate of free power in accordance with the methodology specified by the Commission.
- Relevant information along with supporting documents for substantiating the actual expenses incurred on account of Water Tax for FY 2019-20.
- Break up of capitalization done in FY 2019-20 into HT and LT Works and Electrical Inspector Certificates for all HT works claimed in the Petition. Further, all pending Electrical Inspector Certificates in support of additional capitalization till FY 2019-20.
- Category wise actual amount of Bad Debts written off in FY 2019-20.
- Voltage wise cost of supply for current year and FY 2021-22 and the cross subsidy w.r.t. voltage wise cost of supply.

- Audited Financial Statements for FY 2019-20, Audited Com Data and Commercial Dairy for FY 2019-20.
- Com Data and Commercial Dairy for FY 2020-21 upto December 2020
- Town wise nos. of vigilance raids conducted in towns with AT&C losses higher than 50%.
- Division wise nos. of visits with proper details conducted by SE/Chief Engineer for KCC consumers along with site visit reports.
- Monthly time block wise short-term power purchased from Exchanges and Open Market
- Agency wise break up of legal and professional charges along with the purpose of the appointment.
- Category wise monthly load shedding data for FY 2019-20.
- Month wise quantum of surplus energy along with monthly revenue received.
- Current compliance to the Directives issued by the Commission.

So as to have better clarity on the data submitted by the Petitioner and to remove inconsistency in the data, a Technical Validation Session (TVS) was also held with the Petitioner's officers on March 03, 2021, for further deliberations on certain issues related to the Petition filed by UPCL. Minutes of above Technical Validation Session were sent to the Petitioner vide Commission's letter no. UERC/6/TF-604/2020-21/2021/1347 dated March 04, 2021, for its response.

The Petitioner submitted the replies to the data gaps and clarifications sought during TVS vide its letter no. letter no. 67/UPCL/RM/B-23 dated March 15, 2021. The submissions made by UPCL in the Petition as well as additional submissions have been discussed by the Commission at appropriate places in the Order along with the Commission's views on the same.

2. Stakeholders'Objections/Suggestions, Petitioner's Responses and Commission's Views

The Commission has received suggestions and objections on UPCL's Petition for True up for FY 2019-20, Annual Performance Review for FY 2020-21, and Determination of Aggregate Revenue Requirement for FY 2021-22. List of stakeholders who have submitted their suggestions and objections in writing is given at **Annexure-4** and the list of Respondents who have participated in the Public Hearings is enclosed at **Annexure-5**. The Commission also obtained responses from UPCL on the comments received from the stakeholders.

For the sake of clarity, the objections raised by the stakeholders and responses of the Petitioner have been consolidated and summarized issue-wise. In the subsequent Chapters of this Order, the Commission has kept in view the suggestions/objections/comments of the stakeholders and replies of the Petitioner while deciding the ARR for UPCL.

2.1 Overall Tariff Increase

2.1.1.1 Stakeholder's Comments

Brig. K. G. Behl, All India Consumers Council submitted that the domestic tariff rates should not be increased. Further, the stakeholder sought the basis for imposing the fixed charges.

Shri Susheel Tyagi and Shri Arvind Kumar Gupta (Netaji Sangharsh Samiti) submitted that UPCL has increased the domestic electricity rate and fixed charge several times in the past years and is seeking opinion from the public for further increase from April 2021 onwards. There is no justification for increase in charges per 100 units depending on the amount of fixed charges. When the electricity price per unit is being given by the consumer, then recovery of fixed charge is unjust.

Shri Sunil Kumar Gupta of Teesri Aankh ka Tehalka submitted that at this stage the Tariffs should not be increased.

Shri Rajendra Chaudhary of District Congress Committee, Haridwar submitted that the farmers should be given free electricity.

Shri R. K. Singh of Tata Motors Ltd. submitted that the proposed tariff hike of 5% is not favourable for Industries and no tariff hike should be made for FY 2021-22.

Shri Man Singh of M/s ALPS Industries Ltd. submitted that due to COVID–19, textile sector has suffered a lot, therefore, the electricity tariff should not be revised this year particularly for textile sector keeping in view the above genuine facts and the Commission should consider extending some concession for smooth working of spinning units.

Shri Maruti Nandan Sah, Praantiya Udyog Vyapar Mandal submitted that the financial front of business has been affected due to COVID–19, hence, the electricity tariff should not be revised this year.

Shri Vivek Talwar of M/s Hindustan National Glass & Industries Ltd. submitted that tariff must be decreased as solar tariff has decreased since the last 4-5 years.

Shri Dinesh Sah, Nainital Hotels and Restaurants Association submitted that the Tourism and Hospitality Industry has been affected by COVID-19 and no tariff hike should be made for FY 2021-22. He further submitted that no relief package has been announced either by Central Government or State Government for tourism sector and there has been hike in other miscellaneous cost like fuel, maintenance of property, municipal taxes, water and electricity charges. The stakeholder requested the Commission to provide incentives or reduce/decrease the commercial tariff.

Shri Dinesh Sah, Nainital Hotels and Restaurants Association submitted that Electricity Duty, Green Energy Cess, fixed demand charge for contracted load and fuel adjustment charge, etc. must be abolished and the consumers must be charged based on the actual consumption as reflected in the electricity meter.

Shri Dinesh Sah, Nainital Hotels and Restaurants Association also submitted that the electricity rates imposed on the consumers are on the higher side even though there are many hydro projects in the State of Uttarakhand.

Bharatiya Kisan Union submitted that electricity bills are being increased without considering farmers interests, hence, the tariff for farmers should be reduced.

Shri Ram Kumar Goel of Hotel Association, Mussoorie submitted that the overall tariff has doubled within few years, hence, the tariff should not be increased this year and some additional reliefs should be provided. He also submitted that the existing consolidated tariff is more than Rs 7.00 per unit. The proposal to increase tariff should be strictly discouraged as the confidence of the consumers on law has shattered.

Shri Beena Tomar of Thakur Krishi Farm submitted that the tariff for domestic consumers is already on a higher side, while the budget of the domestic expenditure remains impaired, hence, the tariff should not be raised and some relief should be provided.

Shri Kishan Singh Negi of Vyapar Mandal Mallitaal submitted that business class is not in favour of increase in tariff rates. He further submitted that electricity rates of Uttarakhand are already higher as compared to other States and bringing in the Petition to further increase the electricity rate is saddening that too at the time when whole world is facing the effects of Covid-19, therefore, the tariff should not be raised and instead some relief be provided.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that due to Covid-19, which has slowed the developmental progress, stakeholders are adversely affected and, hence, a tariff hike is not in the interest of the State. Hence, the Commission should not permit any increase in the current year tariff.

Shri Kishor Upadhyaya has submitted that in 2018, the State had 3,399 MW power generation capacity but for FY 2020-21 the data is not available. Only 1,400 MW of Tehri Hydroelectric Project is giving 12% power free of cost to the State. The Commission should make provision to provide free 100 units consumption to every consumer of Uttarakhand, 300 units free consumption to consumer living in difficult terrain of Uttarakhand and reduce tariff rates of Commercial consumers.

Shri S. R. Gupta submitted the proposal of 20% reduction in electricity tariff from existing tariff, in FY 2021-22, and also proposed to allow 10% discount to consumer coming under Senior Citizen age group.

Smt. Suman Devi submitted that there should be no increase in electricity tariff for the monthly consumption up to 300 units.

Shri Rajendra Chaudhary of District Congress Committee, Haridwar submitted that electricity generated by Uttarakhand Hydroelectric Department should be given to domestic users at the cost of Rs. 1.31/kWh.

Shri Pawan Agarwal of M/s Uttarakhand Steel Manufacturers Association submitted that the higher Electricity Duty along with Green Energy Cess is burdening consumers, therefore, tariff hike should not be allowed.

Shri Adarsh Jaiswal of M/s Ambuja Cement Ltd has submitted that UPCL has proposed approximately 2.70% increase in demand charges. The existing demand charges of Rs. 370/kVA/month is itself very high as compared to many States like Rajasthan (Rs. 270 /kVA/month), Haryana (Rs. 180/kVA/month), and Chhattisgarh (Rs. 350/kVA/month). Hence, the stakeholder requested the Commission to not consider any increase in Demand Charges.

UPCL has proposed 5.21% and 5.1% increase in Energy Charges in normal and off-peak hours, respectively. This increase in charges will heavily impact the consumer and becomes very difficult to do business in this COVID-19 pandemic and competitive environment. So, the Commission should consider minimum increase of energy charges, which will benefit consumer.

2.1.1.2 *Petitioner's Reply*

The Petitioner submitted that UPCL is a commercial organization and is required to meet its Annual Revenue Requirement out of the revenue realized from the consumers through electricity tariffs. Justification has been provided in the Petition in respect of each claim of expenditure by UPCL. Further, additional information has also been provided to the Commission as per its directions. The current Tariff Petition depicting the claims as well as their justification for the True up of FY 2019-20 and ARR for FY 2021-22 has been filed in accordance with UERC Tariff Regulations, 2018.

The comparison of demand charges across the States is not appropriate as the Tariff design principles depends upon a multitude of factors such as demography, geography of the State, etc. The Petitioner's proposal of hike in demand charges is just and in line with the Tariff Regulations.

While the hike in energy charges (under normal hours) is commensurate with the overall Tariff hike as explained above, the Petitioner has reduced the energy charges under peak hours by more than 4.5%. Such reduction in peak hours would reduce the burden on the consumers.

The revenue deficit for FY 2021-22 at existing tariff has been estimated at Rs. 952.48 Crore (Rs. 8047.94 Crore – Rs. 7095.46 Crore). Keeping in view the economic slowdown due to COVID–19 pandemic, UPCL has proposed recovery of additional revenue of Rs. 323.76 Crore only during FY 2021-22 for which an overall tariff hike of 4.56% is required. Creation of Regulatory Assets has been proposed with the remaining gap of Rs. 628.72 Crore as against the average tariff hike of 4.56%, a tariff hike of 1.99% for Domestic, 0% for BPL consumers, 4.05% for Non-Domestic, 0.00% for PTW, 2.50% for LT Industry and 5.13% for HT Industry has been proposed.

Due to lockdown imposed in the State of Uttarakhand to prevent the spread of COVID–19, UPCL, as per direction of GoU, has provided the following relief in electricity tariff to the consumers:

(a) The fixed charges of Hotels, Restaurants, Dhabas, Dharmshalas and Cinema Halls have been waived off for the month of March, 2020 to May, 2020.

(b) The delayed payment surcharges of those Private Tube well Consumers that have made payment of their electricity bills have been waived off for the period from 01.04.2020 to 30.06.2020.

(c) The fixed charges of the remaining commercial consumers have been waived off for the consumption month of April, 2020.

(d) The fixed charges of industrial consumers for the consumption month of April, 2020 have been charged based on their actual demand in place of the provision of charging the same on the basis of their contracted load/billable demand. In this way, relief in fixed charges has been provided to these consumers.

(e) The fixed charges of the remaining commercial consumers for the consumption month from March, 2020 to May, 2020 have been deferred and recovery of the same has been made for the period from July, 2020 to October, 2020 without levy of any delayed payment surcharge.

The Water Tax is levied to avail the facility to draw water from any sources for generation of electricity in Uttarakhand under the provisions of the Uttarakhand Water Tax on Electricity Generation Act, 2012. The water tax is imposed by UJVNL in its electricity bills, which is to be paid by UPCL. Finally, the amount of water tax is payable to GoU by the collecting agency. Therefore, the matter may be taken up with GoU.

Further justification has been provided in the Petition in respect of each claim of expenditure by UPCL. Further, additional information has also been provided to the Commission as per its directions. The current Tariff Petition along with True-up for FY 2019-20 has been filed in accordance with UERC Tariff Regulations, 2018. It is also pertinent to mention that the Tariff structure proposed by UPCL incentivized higher consumption (higher load factor) and connectivity at higher Voltage level for HT category consumers. Such measure would help industries run at optimum costs.

Further, with a view to recover arrears and provide relief to the consumer due to lockdown imposed in the State, UPCL vide its Office Memorandum No. 534/UPCL/RM/K-3 dated 19.02.2021 has introduced Surcharge Waiver Scheme for the period from 19.02.2021 to 18.05.2021 for the consumers of domestic, non-domestic (up to 75 kW), PTW and LT Industry categories.

In case State Government wants to give any concession to any category, it may give subsidy to that category as provided under Section 65 of the Electricity Act, 2003.

The Petitioner submitted that as per Section 62(3) of the Electricity Act, 2003, tariff may be differentiated on the basis of load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required. Accordingly, the tariff cannot be differentiated on the basis of age of the consumers.

The Petitioner submitted that with regard to procurement from Solar Energy sources, the rates applicable are as per the respective Tariff Orders issued by the Commission. The overall power purchase cost from other stations has been considered as discussed in the Petition. On the basis of overall power purchase cost, ARR has been computed.

The Petitioner submitted as per Section 3 of Uttar Pradesh Electricity (Duty) Act (Uttarakhand adaptation and modification) order, 2001, State Government is empowered to fix the rates of Electricity Duty to be charged from various categories of consumers. Government of Uttarakhand vide its Notification No. 79/I/2016-01(3)/01/2003, dated 25.01.2016 has fixed these rates applicable w.e.f. 01.01.2016. UPCL is charging Electricity Duty as per Government orders. The Electricity Duty charged from consumers is payable by UPCL to GoU. Therefore, the matter may be taken up with GoU.

As per Section 4 of the Uttarakhand Green Energy Cess Act, 2014, Green Energy Cess upto 10 paise per unit shall be levied on the electricity supplied to Commercial and Industrial Consumers of the State. This Cess will be levied, collected and payable by UPCL. As per GoU Notification dated 17.06.2015, rate of Cess has been determined @ 10 paise per unit. Therefore, the matter may be taken up with GoU.

With respect to supplying electricity from UJVNL to domestic consumer @ Rs 1.31 per unit, as per regulatory provisions, the Petitioner submitted that the determination of tariff is under powers of the Commission and the Commission decides on tariff considering various factors including cross subsidy. However, the Commission may decide on the matter and ensure that the Petitioner is revenue neutral due to any change in tariffs.

The Petitioner with respect to Domestic consumer paying fixed charge submitted that ARR of UPCL can be segregated into Power Purchase Cost and Other costs. The other costs, which are of fixed nature along with fixed component of Power purchase costs contributes to more than 80% of the total expenses. Realizing that the fixed cost is supposed to be recovered by way of revenue from demand (fixed) charges, the Petitioner has, accordingly, proposed the tariff hike. Further, the reduction in Billable demand would lead to the reduction in revenue fhrom fixed charges, which would further drive the demand charges/ energy charges to higher levels.

In the absence of Fixed Charge, the cost of creation of infrastructure pertaining to the consumers not using their electricity connections shall be shifted to the consumers who use their electricity connections.

Section 45 (3) of the Electricity Act, 2003 mandates for imposition of Fixed Charge in addition to the Energy Charge for electricity supplied. Irrespective of the actual consumption of energy, UPCL is required to be ready to supply energy according to the contracted demand of the consumer. For this purpose, a certain amount of expenditure is required to be incurred by UPCL, which is not related to energy consumed but related to the contracted load of the consumer. The recovery of this amount should be done through demand/fixed charge whether or not the consumer consumes electricity.

The Petitioner with respect to power procurement from cheaper sources like hydro submitted that the change in the ARR/Tariff is also on account of variation in power purchase expenses from other conventional or non-hydro sources and variations in the other expenses such as O&M expenses, interest/finance cost, etc.

2.1.1.3 Commission's Views

With regard to the basis for imposing the fixed charges, Section 45 (3) of the Electricity Act, 2003 stipulates that:

> *"(3) The charges for electricity supplied by a distribution licensee may include*
>
> *(a) a fixed charge in addition to the charge for the actual electricity supplied…"*

Further, the Commission would like to clarify that the fixed charges component in the ARR for FY 2021-22 is around 50%, which the Petitioner has to incur irrespective of consumption. The Commission in Chapter 5 of this Order has discussed the same in detail while approving the Fixed/Demand Charges for each Consumer Category.

The Commission is of the view that the overall tariff increase is a function of projected Annual Revenue Requirement for the ensuing year (including impact of truing up of expenses and revenue for previous year) and projected revenue at existing tariffs. The Commission has carried out the detailed scrutiny of ARR for FY 2021-22 and truing up for FY 2019-20 in accordance with the provisions of the relevant Regulations as discussed in subsequent Chapters of this Order and as an outcome of scrutiny, the Commission has approved an overall tariff increase of around 3.54% as discussed in Chapter 5 of this Order.

Further, as regards charging of Electricity Duty and Energy Cess, the Commission is of the view that the same is not under the jurisdiction of this Commission and the consumer may approach the State Government for any relief. Further, FCA is being approved in accordance with the Electricity Act, 2003 and the UERC Tariff Regulations, 2018 based on the revision in actual energy charges vis-à-vis the approved charges of thermal generating stations due to change in fuel costs.

2.2 Tariff Hike – Industrial Tariff

2.2.1.1 Stakeholder's Comments

Shri Vivek Talwar of M/s Hindusthan National Glass & Industries Ltd. submitted that fixed charges should not be increased as it is on the higher side when compared with the neighbouring states. Further, the stakeholder submitted that high Electricity Duty along with Green Energy Cess is burdening the consumers, hence, either of the two should be discontinued.

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that the revenue shortfall of UPCL is due to the load shedding on Industrial consumers and in other States, the rostering of Industrial consumers is done as a last resort to maintain grid balance.

Shri Rakesh Bhatia of Indian Industries Association submitted that the fixed charges should not be applicable to all categories of Industries. Further, the stakeholder suggested to remove the fixed charges from consumers who have installed Solar Power plant. Considering the less power consumption in the past year, the stakeholder requested the Commission to avoid increase in the price of electricity units. He also requested the Commission to not discriminate between the consumers based on category for usage of electricity by cross subsidy, rather to maintain uniform rate of electricity throughout the State.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. submitted that the three charges, namely, Green Cess, Electricity Duty and royalty on water, which are levied on electricity, directly and indirectly affects the tariff and makes electricity costlier by Re. 1/ unit. Therefore, the stakeholder suggested the State Government to reduce its charges. He also submitted that Industrial Consumer constitutes 0.53% of consumer mix, 56.36% of consumption and 61.69% of revenue mix. It can be simply concluded that it is the Industrial consumer, which in spite of its meagre mix gives the maximum revenue. The Commission should undertake broad welfare analysis while deciding on tariff schedules and cross subsidization rate for different categories.

Shri Pawan Agarwal of M/s Uttarakhand Steel Manufacturers Association submitted that for the past few years, the Commission is allowing Rs. 0.60 per unit Water tax as submitted by

UPCL in the Tariff Petition.

Water tax is directly increasing the actual power cost and giving benefits to the State Government, which is violating the Electricity Act, 2003. Thus Rs. 0.30 per unit Cess, Rs. 0.10 per unit Royalty and Rs. 0.60 per unit Water Tax should be fully abolished during fixing of the electricity tariff for FY 2021-22.

2.2.1.2 Petitioner's Reply

The Petitioner submitted that in the truing–up exercise for FY 2019-20, UPCL proposed deficit of revenue amounting to Rs. 943.09 Crore which has been added in the ARR for FY 2021-22. This true-up has been prepared on the basis of Audited Accounts and as per provisions of UERC Tariff Regulations, 2018. As regards availability of quality power, it is to inform that UPCL has been making consistent efforts to provide uninterrupted power supply to its Consumers. The load shedding during FY 2019-20 is only 0.14% of the overall energy demand (18.79 MU). No scheduled power cuts are being imposed and rostering is being done only due to emergency breakdown / shutdown.

The Petitioner submitted that the Cess and Royalty are imposed on the saleable energy generated from the existing hydro power projects of the State Government under UJVN Limited, which are under Commercial Operation for more than 10 years and whose cost of electricity generation is not more than Rs. 2 per unit. The rate of Cess and Royalty is Rs. 0.30 per unit and Rs. 0.10 per unit, respectively. These cess and royalty are imposed by UJVNL in its electricity bills, which has to be paid by UPCL. Finally, the amount of cess and royalty is payable to GoU by the collecting agency.

The Water Tax is levied to avail the facility to draw water from any sources for generation of electricity in Uttarakhand under the provisions of the Uttarakhand Water Tax on Electricity Generation Act, 2012. The water tax is imposed by UJVNL in its electricity bills, which has to be paid by UPCL. Finally, the amount of water tax is payable to GoU by the collecting agency.

The Petitioner submitted that Section 45(3) of the Electricity Act, 2003 mandates for imposition of Fixed Charge in addition to the Energy Charge for electricity supplied. Irrespective of the actual consumption of energy, UPCL is required to be ready to supply energy according to the contracted demand of the consumer. For this purpose, a certain amount of expenditure has necessarily to be incurred by UPCL, which is not related to energy consumed but related to the contracted load of the Consumer. The recovery of this amount should be done through demand / fixed charges whether or not the consumer consumes electricity.

The total cost of UPCL may be segregated into power purchase cost and other cost. The other cost is about 10% to 15% of total cost and fixed in nature. This cost should be recovered through fixed/demand charges. In the absence of Fixed Charge, the cost of creation of infrastructure pertaining to the consumers not using their electricity connections shall be shifted to the consumers who use their electricity connections. Therefore, Fixed / Demand Charges are required to be part of Tariff.

Further, the comparison of demand charges across the States is not appropriate as the Tariff design principles depends upon a multitude of factors such as demography, geography of the State, etc. The Petitioner's proposal of hike in demand charges is in line with the UERC Tariff Regulations 2018.

The Petitioner submitted that the total cost of UPCL may be segregated into power purchase cost and other cost. While the majority of expenditure is of fixed nature, therefore, this cost should be recovered through fixed/demand charges. For recovery of this fixed cost billable demand has been decided by the Commission as 80% of the Contracted Load or actual recorded demand during the month, whichever is higher. Reduction in billable demand from 80% to 75% would reduce the recovery of fixed charges, which should be avoided in a mandate of two-part tariff. Further, in case demand charges are reduced, the energy charges will have to be increased in order to have the composite tariff equivalent to the cost of supply plus required level of cross subsidy. Further, the energy charges proposed for Industrial category in the instant Petition are modified to incentivize higher consumption.

The Petitioner submitted that as per Section 3 of Uttar Pradesh Electricity (Duty) Act (Uttarakhand adaptation and modification) order 2001, the State Government is empowered to fix the rates of Electricity Duty to be charged from various categories of consumers. Government of Uttarakhand vide its Notification No. 79/I/2016-01(3)/01/2003 dated 25.01.2016 has fixed these rates applicable w.e.f. 01.01.2016. UPCL is charging Electricity Duty as per Government orders. The Electricity Duty charged from consumers is payable by UPCL to GoU. Therefore, the matter may be taken up with GoU.

The Petitioner further submitted that as per Section 4 of the Uttarakhand Green Energy Cess Act, 2014, Green Energy Cess upto 10 paise per unit shall be levied on the electricity supplied to

Commercial and Industrial Consumers of the State. This Cess will be levied, collected and payable by UPCL.

As per GoU notification dated 17.06.2015, rate of Cess has been determined @ 10 paise per unit. Therefore, the matter may be taken up with GoU.

The Cess and Royalty is imposed on the saleable energy generated from the existing hydro power projects of the State Government under UJVN Limited, which are under Commercial Operation for more than 10 years and whose cost of electricity generation is not more than Rs. 2 per unit. The rate of Cess and Royalty is Rs. 0.30 per unit and Rs. 0.10 per unit, respectively. The cess and royalty are imposed by UJVNL in its electricity bills, which is to be paid by UPCL. Finally, the amount of cess and royalty is payable to GoU by the collecting agency.

The Water Tax is levied to avail the facility to draw water from any sources for generation of electricity in Uttarakhand under the provisions of the Uttarakhand Water Tax on Electricity Generation Act, 2012. The water tax is imposed by UJVNL in its electricity bills, which to be paid by UPCL. Finally, the amount of water tax is payable to GoU by the collecting agency. Therefore, the matter may be taken up with GoU.

The Petitioner submitted that in the proposed tariff and tariff structure for FY 2021-22, the Petitioner has:

- Proposed no Tariff hike for BPL and PTW consumers,
- Marginal increase of 1.99% in other Domestic category,
- 4.05% hike in Non-domestic and 5% hike in industrial category consumers
- Increase in all other categories has been proposed in line with the Tariff Policy and the Proposed ARR to be recovered in FY 2021-22
- Rationalization of Fixed Charges in Domestic and HT Industry category

The Petitioner has not proposed any hike in the 0-100 units consumption slab, which contributes majority of the sales in the domestic category. Further, the Petitioner in the current tariff proposal has made efforts towards improving the tariff structure by reducing the total tariff slabs and rationalizing the applicable fixed charges across these slabs.

The Petitioner submitted that while the consumer recognizes the geographical as well as demographical differences within the State of Uttarakhand, UPCL submits that the same factors explain the deviation in the expenses claimed by the Petitioner as compared to the different geographical or demographical places. The Tariff proposed by the UPCL has taken into consideration many factors such as income levels, demographic spread, HT:LT mix, etc. In the said context, the proposal of UPCL w.r.t ARR claim for FY 2021-22 is in consonance with the methodology adopted by the Commission in previous Orders as well as UERC Tariff Regulations, 2018.

2.2.1.3 Commission's Views

The Commission is of the view that the overall tariff increase is a function of projected Annual Revenue Requirement for the ensuing year (including impact of truing up of expenses and revenue for previous year) and projected revenue at existing tariffs. The Commission has carried out the detailed scrutiny of ARR for FY 2021-22 and truing up for FY 2019-20 in accordance with the provisions of the relevant Regulations as discussed in subsequent Chapters of this Order and as an outcome of scrutiny, the Commission has approved an average tariff increase of 3.54% as discussed in Chapter 5 of this Order.

With regard to suggestion not to increase fixed charges as it is on the higher side or the fixed charges should not be applicable to all categories of Industries, Section 45(3) of the Electricity Act, 2003 stipulates that:

"*(3) The charges for electricity supplied by a distribution licensee may include*

(a) a fixed charge in addition to the charge for the actual electricity supplied…"

Further, the Commission would like to clarify that the fixed charges component in the ARR for FY 2021-22 is around 50%, which the Petitioner has to incur irrespective of consumption. The Commission in Chapter 5 of this Order has discussed the same in detail while approving the Demand Charges for each Consumer Category.

Issues raised by stakeholders with regards to charging of Electricity Duty, Energy Cess and Royalty on Water are not under the jurisdiction of this Commission and the consumers may approach the State Government for any relief.

2.3 Domestic Tariff

2.3.1.1 Stakeholder's Comments

Shri Suresh Kumar Srivastava, Haridwar Greens Residents' Welfare Association suggested that the consumer who stays in the residential colony/township and uses the energy for domestic purposes has to be treated as domestic consumer instead of consumer under Single Point Bulk Supply category. Further, the stakeholder suggested that UPCL should take over the distribution system of above areas, which will ensure proper revenue recovery. He further added that the unit charges are being charged at flat rate as per tariff rate per unit consumed by the residents as per SPBS tariff rates.

Further, the stakeholder requested the Commission to include the provisions for individual consumer/user in restricting from seeking individual domestic connection directly from the distribution licensee and such connections shall be released preferably through prepaid meters either provided by distribution licensee or procured by the consumer as per CEA Metering Regulations, utilizing the existing infrastructure created by developer/builder/CGHS.

Further, the stakeholder submitted that about 82 applications were submitted in the office of SDO, SIDCUL, UPCL, Haridwar but till date no action has been taken by UPCL. In addition to these, few residents have reapplied through online mode and further they have submitted the hard copies of the same along with the desired documents to the office of SDO, SIDCUL, UPCL, Haridwar but still no action has been taken from UPCL's end.

Shri Susheel Tyagi of Sanyukt Nagrik Sangathan submitted the electricity consumption by departmental employees and pensioners should be metered like other consumers and no free electricity should be provided to anyone in the State since this leads to misuse and additional burden on honest consumers.

Shri Susheel Tyagi and Mukesh Gupta (Netaji Sangharsh Samiti) submitted that UPCL has increased the domestic electricity rates and fixed charges several times in the past years and is seeking opinion from the public for further increase from April 2021 onwards. There is no justification for increase in charge per 100 units depending on the amount of fixed charges. When the electricity price per unit is being given by the consumer, then recovery of fixed charge is unjust.

Shri Susheel Tyagi submitted that State agencies take funds for their requirements from the banks not from the State, on which comparatively much higher interest is payable and there is increase in electricity cost, which is additional burden on the domestic consumer. This should be abolished in the public interest.

Shri Susheel Tyagi submitted that State agencies take funds for their requirements from the banks not from the State, on which comparatively much higher interest is payable and there is increase in electricity cost, which is additional burden on the domestic consumer. This should be abolished in the public interest.

2.3.1.2 Petitioner's Reply

The Petitioner submitted that as per Tariff Order for FY 2018-19, RTS-6 category of mixed load applies to single point bulk supply connection of more than 75 kW where the supply is used predominantly for domestic purposes (with more than 60% domestic load) and also for other non-domestic purposes. However, in case of bulk supply connections under domestic tariff, energy is exclusively used for domestic purpose. Therefore, the tariff for domestic category has been kept lower than mixed load. It is submitted that the Tariff Schedule is amply clear regarding SPBS and the consumer has a choice to apply for Individual connection also. The proposed clause in the Tariff Schedule regarding Single Point Bulk Supply is reiterated as under:

Single Point Bulk Supply for Domestic, Non-Domestic and Mixed Load Categories

(i) *Single Point Bulk Supply connection shall only be allowed for Sanctioned/ Contracted Load above 75 kW with single point metering for further distribution to the end users. <u>However, this shall not restrict the individual owner/occupier from applying for individual connection</u>.*

(ii) *The person who has taken the single point supply shall be responsible for all payments of electricity charges to the Licensee. He is authorized to bill the end consumers as per the approved tariff for the single point bulk supply of the concerned category as per the Rate Schedule and the distribution licensee shall ensure the compliance of the same.*

(iii) *The person who has taken the single point supply shall also be deemed to be an agent of Licensee to undertake distribution of electricity for the premises for which single point supply is given under seventh proviso to section 14 of the Electricity Act, 2003 and distribution licensee shall be responsible for compliance of all provisions of the Act and Rules & Regulations thereunder within such area.*

(iv) *Single Point Bulk Supply under "Domestic" shall only be applicable for Residential Colonies/Residential Multi-storeyed Buildings including common facilities (such as Lifts, Common Lighting and Water Pumping system) of such Residential Colonies/Residential Multi-storeyed Buildings. In case these Residential Colonies/Residential Multi-storeyed Buildings also have some shops or other commercial establishments, the tariff of Mixed Load shall be applicable for such premises subject to conditions provided in the Rate Schedule of Mixed Load Category.*

(v) *Single Point Bulk Supply Under "Non-Domestic" shall only be applicable for Shopping Complexes/Multiplex/Malls*

The Petitioner submitted that it would look into the status of all the cases pending at Haridwar and take necessary steps/action. The present Petition is limited to the ARR/ Tariff proposal filed by the Petitioner.

The Petitioner submitted that while the consumer recognizes the geographical as well as demographical differences within the State of Uttarakhand, the same factors explain the deviation in the expenses claimed by the Petitioner as compared to the different geographical or demographical places. The Tariff proposed by the UPCL has taken into consideration many factors such as income levels, demographic spread, HT:LT mix, etc. In the said context, the proposal of UPCL w.r.t. ARR claim for FY 2021-22 is in consonance with the methodology adopted by the Commission in previous Orders as well as UERC Tariff Regulations, 2018.

The Petitioner submitted that employees of UPCL are being given the facility of departmental electricity connection since U.P. State Electricity Board was in existence. Under this facility, a fixed lump-sum amount is charged from the employees according to their designation towards electricity charges for electricity supplied to them and, therefore, this electricity is not free. Erstwhile UPSEB was unbundled under the provisions of Uttar Pradesh Electricity Reforms Act, 1999 and Section 23(7) of the said Act provides "terms and conditions of service of the personnel shall not be less favourable to the terms and conditions which were applicable to them before the transfer". The same spirit has been echoed under first proviso of Section 133(2) of the Electricity Act, 2003. The benefits for employees/pensioners as provided in Section 12(b)(ii) of the Uttar Pradesh Reform Transfer Scheme, 2000 include "concessional rate of electricity", which means concession in rate of electricity to the extent it is not inferior to what was existing before 14th January, 2000. The rates and charges indicated above for this category are strictly in adherence of the above statutory provisions. As UPCL is the successor entity of UPPCL (formed as a result of unbundling of UPSEB), the above legal provisions are also applicable on it (UPCL).

2.3.1.3 Commission's Views

The Commission is of the view that the overall tariff increase is a function of projected Annual Revenue Requirement for the ensuing year (including impact of truing up of expenses and revenue for previous year) and projected revenue at existing tariffs. The Commission has carried out the detailed scrutiny of ARR for FY 2021-22 and truing up for FY 2019-20 in accordance with the provisions of the relevant Regulations as discussed in subsequent Chapters of this Order and as an outcome of scrutiny, the Commission has approved an average tariff increase of 3.54% as discussed in Chapter 5 of this Order.

2.4 Proposed rate schedule for FY 2021-22

2.4.1.1 Stakeholder's Comments

Shri R. K. Singh of Tata Motors Ltd. requested the Commission to direct UPCL for categorizing 220 kV consumers separate from 132 kV consumers and to provide lower demand charges and higher voltage supply rebate for 220 kV consumers, as UPCL is proposing demand charges linked to the connectivity at voltage level, i.e. higher the voltage lower the demand charges but demand charges have been proposed same for 132 kV level and 220 kV level.

2.4.1.2 Petitioner's Reply

The Petitioner submitted that at present, voltage-wise losses, which are a mix of technical losses and commercial losses are not available. UPCL further submitted that the technical losses at 132 kV and 220 kV are at similar levels, which are considerably low, therefore, the impact of the same on the Tariff would be insignificant to consider. In this regard, UPCL has proposed rationalization in the Tariff structure for HT category consumers by making necessary changes in demand charges such as linked to the connectivity at voltage level, i.e. higher the voltage level lower the demand charges. UPCL has also proposed energy charges in a manner to incentivize higher load factor, i.e. higher the consumption lower the energy charges.

2.4.1.3 Commission's Views

The Commission has taken note of the concerns raised by the stakeholders and UPCL. **The Commission decides to continue with the existing approach and directs UPCL to conduct a detailed study on the same.**

2.5 Distribution Loss

2.5.1.1 Stakeholder's Comments

Shri R. K. Singh of Tata Motors Ltd. submitted that the Commission must keep stringent targets for UPCL, which will improve performance and result in revenue increase for UPCL and also safeguard its consumers from tariff increase.

Shri Pankaj Gupta of Industries Association of Uttarakhand requested the Commission to direct UPCL to conduct energy audit at Sub-station level and at various voltage levels to determine the actual reasons for the losses and audit findings should be shared in the Petition.

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that the percentage of sale of power to industrial consumers is increasing year after year and, therefore, loss levels should be controlled. He also submitted that the overall losses that have been set by the Commission may have been much lesser.

Shri Vijay Singh Verma submitted that the losses submitted by UPCL are on the lower side in comparison to actual conditions and the same must be analysed. He further submitted that UPCL should focus on reduction of commercial losses as it affects the viability of the distribution business. The Commission is requested to ask UPCL/PTCUL to get their losses examined.

Shri Pawan Agarwal of M/s Uttarakhand Steel Manufacturers Association submitted that for the last 10 years, the retail electricity tariff for the consumers is being fixed at around 14% line loss. It should have come down gradually and till now technical loss should be 5% but unfortunately it has neither come down nor a remarkable decrease has been seen. Therefore, it is suggested that Industrial tariff should be fixed considering the distribution losses @ 5%.

Shri S R Gupta submitted that UPCL should take measures to reduce Technical and Transmission Loss to recover the loss in revenue.

Shri Adarsh Jaiswal of M/s Ambuja Cement Ltd. submitted that the Distribution loss for Open Access consumer should be less than 5% in place in place of 14.00%.

Shri. Pramod Singh Tomar and Shri Susheel Tyagi of Sanyukt Nagrik Sangathan submitted that a considerable decrease in line losses have been observed in past year, and its benefit should be passed on to the consumers by not increasing the tariff.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. requested the Commission to adopt some scientific approach and methodology to work out and evaluate voltage-wise and category-wise cost of service to different consumers. Accordingly, the losses should be decided and burden avoided on industrial consumer. He further stated that in the current tariff, UPCL has targeted distribution losses @ 13.75% as instructed by the Commission which needs to be considered on the level of losses actually borne by consumers.

He further submitted that the distribution losses needs to be assessed according to practical study considering actual losses at different voltage level by UPCL and in absence of exercise conducted by UPCL, the Commission may determine distribution losses as per States where they have been made applicable and, accordingly, the same may be applied for different category of consumers separately and the tariff should be decided accordingly. For 33 kV, the voltage rebate should be 7.5% and for 132 kV it should be @ 10%.

Shri R. K. Singh of Tata Motors Ltd. requested the Commission to abolish distribution losses for 220 kV level consumers.

2.5.1.2 Petitioner's Reply

The Petitioner submitted that Concurrent Energy Audit has been carried out by UPCL through M/s Feedback Ventures of 17 Distribution Divisions as per directions of the Commission. The energy audit report is being submitted to the Commission as per its directions.

The Petitioner submitted that as against the approved distribution loss level of 14.25% for FY 2019-20, UPCL has over-achieved the level of these losses at 13.40% and has claimed in the true-up for FY 2019-20 accordingly. Further, the distribution losses are computed based upon the actual input energy and the sales. Despite the reduction in distribution losses below 15% being very difficult, UPCL for FY 2020-21 and FY 2021-22 has proposed distribution loss of 14.00% and 13.75%, which is in line with the loss levels approved by the Commission.

It further submitted that during the period FY 2016-17 to FY 2019-20, the sales contribution from HT consumers has been almost at similar levels (52.1%, 52.2% and 53.7% for FY 2017, FY 2018 and FY 2019, respectively).

UPCL is striving hard to contain the losses within the levels approved by the Commission. Further, the following actions are being taken for reduction of distribution losses:

- Vigilance raids are being conducted and cases are being registered under Section 126 and 135 of Electricity Act, 2003. Legal proceedings are being initiated against the person(s) found indulging in theft of electricity.
- Mechanical meters are being replaced by electronic meters.
- Defective Meters are being replaced.
- LT ABC is being laid in theft prone areas.
- Automatic Meter Reading is being done for high value consumers.
- Android based billing has been introduced for improvement in Billing Efficiency.

The Petitioner further submitted that UPCL has achieved losses to the tune of 13.40%, which clearly depicts that UPCL is continuously working on the improvement and strengthening of the distribution network within the State. The Petitioner further submitted that over the past years, the Commission has been approving the ARR based upon the loss trajectory approved by the Commission. The Tariff so determined by the Commission is reflective of the Cost of Supply and the ARR for the year.

The Petitioner submitted that presently, voltage-wise / category-wise losses are not available and category-wise Tariff has been calculated on the basis of average cost of supply and permissible level of cross subsidy. This is as per Regulation 91 of the UERC Tariff Regulations, 2018. In the absence of availability of voltage-wise losses, which is mix of technical losses and commercial losses, the distribution losses are required to be charged on average basis from all category of consumers as well as open access consumers.

The Petitioner submitted that the rebate for taking supply at higher voltage was revised by the Commission in its Tariff Order dated 10th April 2014 from 1.5% to 2.5% and 5% to 7.5% for taking supply at 33 kV and 132 kV and above, respectively. The Commission vide Order dated 27.02.2019 also held that the rebate levels of 7.5% and 2.5% (for 132 kV and 33 kV) are appropriate.

The relevant extracts of the said Order are reproduced below:

"The Commission in its Order dated April 10,2014 considering the requests made by various stakeholders and UPCL's response on the same had modified the provisions of voltage rebate and the Commission feels that the provisions of the prevalent voltage rebate are appropriate."

The Petitioner submitted that the wheeling charges have been computed in accordance with Regulation 20(2) of UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015 and its subsequent amendment.

In the absence of availability of voltage-wise losses, which is mix of technical losses and commercial losses, the distribution losses are required to be charged on average basis from all the category of consumers as well as open access consumers.

2.5.1.3 Commission's Views

The Commission has taken note of the concerns raised by the stakeholders and the initiatives taken by UPCL for reducing the losses. The Commission would like to clarify that the distribution losses submitted by the petitioner is lower than the losses approved by the Commission in the MYT Tariff Order for the control period from 2019-20 to FY 2021-22. However, the Commission approves the actual losses as per the actual data submitted by the Petitioner and the re-casted sales and the same has been discussed in Chapter 3 and 4 of the Order. The Commission would also like to point out on the concurrent audit referred to the Petitioner. In the past also the Commission had pointed out that the same was not energy audit but billing/sales audit. No report on energy audit has been submitted by the Petitioner despite categorical directions of the Commission.

2.6 Power Procurement Plan

2.6.1.1 Stakeholder's Comments

Shri Jogendra Behera of Indian Energy Exchange submitted that the Commission must consider a framework by which the Short-Term Open Access (STOA)/Power Exchange Rates can be considered as a part of merit order of Discom, as this will ensure the optimization of power purchase cost.

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that UPCL should analyse the benefits of purchasing more power from gas-based plants (Gama and Shravanti) as the cost of gas has come down in the past months. He further submitted that the power purchase expenses can be controlled by reducing Transmission and Distribution Losses.

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that UPCL should always endeavour to have long-term power purchase agreement, as purchase from Power Exchange comes with heavy transmission charges of PGCIL.

Shri Vijay Singh Verma has submitted that power should be procured from the cheaper source of energy so as to diminish overall tariff burden of consumers. If and when demand supply gap occurs with adverse effect on distribution business, load shedding can be carried out in certain hours in a day.

Shri K. G. Behl, All India Consumers Council submitted that in order to reduce expenditure incurred for purchasing of power during immediate demands, where the rates are higher than the normal rates, the Petitioner must do proper planning for projecting the demand of power, after keeping in mind the requirements in a planned manner in the beginning of the year, so that electricity is available at cheaper rates.

Shri R. K. Singh of Tata Motors Ltd. submitted that the power purchase cost should be reduced, as the HT/LT consumers have either installed their own solar power plants or are planning for installation. Further, there is a scheme for domestic consumers run by State Government named as "Mukhya Mantri Saur Swarojgar Yojana" giving UPCL an opportunity not to purchase costlier power from open market thereby reducing power purchase cost.

Shri R. K. Singh of Tata Motors Ltd. submitted that the actual energy sales to industries in FY 2019-20 declined with respect to actual sales of FY 2018-19, which shows that probably alternate cheaper options are available for consumers during normal hours and the Petitioner needs to take suitable actions to provide cost competitive quality power to its consumers during day time specially for RTS-5 (LT and HT category).

Shri Sunil Kumar Gupta of Teesri Aankh ka Tehalka submitted that the power purchase cost from gas based stations is very high and UPCL should re-negotiate the PPAs with Gas based IPPs. He also submitted that UPCL is not promoting the usage of solar power.

2.6.1.2 Petitioner's Reply

The Petitioner submitted that it plans to procure power from firm sources (after evaluating best options), short-term purchase and the remaining (shortfall if any) on day ahead basis through IEX purchase. It would be in the best interests of UPCL if the power procurement mix were in the ratio of 85:10:5 (procurement of power from tied up power: short term purchase: Day ahead market purchase). Further, procurement of power from firm sources other than tied up sources would help UPCL realize optimum per unit power purchase cost (as fixed charges would be spread out over the maximum quantum of energy procured). It may be relevant to emphasize that the short-term power purchase cost is on a downward trend since FY 2019-20. On comparison of variable charges, the costly power of the coal and gas-based plants is being replaced with the cheaper power available in the market/Exchange.

The Petitioner further submitted that the PGCIL charge of Rs. 755 Crore is on account of arrears and due to revision in Transmission Charges by CERC. Further, it is prudent to state that the power purchase portfolio of the Utility has to include Short-term purchase from Power Exchange also in case of any shortfall as well as due to their price competitiveness.

The Petitioner submitted that the major part of the ARR pertains to the Power purchase cost and submitted that due actions are being taken to source cheaper power. Further, the grid demand varies across the seasons as well as on daily basis, and UPCL plans for the power procurement based upon the availability of the generating stations as well as the cost of power from the generator. It is further submitted that owing to mismatch in grid demand and supply in real time owing to consumption pattern of the consumer, UPCL has to purchase power from short-term sources as well.

The Petitioner submitted that in an ideal condition in a grid, the energy demand should perfectly match the energy availability, but it does not happen in real time. The energy demand is projected by the Petitioner considering various factors such as historical data, weather conditions, etc. This projected demand always remains subjected to low or severe variation depending upon use of electricity by the consumer. Further, with regard to the forecast of energy availability, UPCL depends on the schedules provided by the generators on day ahead basis.

In case of Uttarakhand, maximum share of energy availability is from Hydro generators and in present regulatory framework, hydro generators with must run status, cannot be stopped by the Petitioner in any case of load variations, unforeseen breakdowns, etc. Further, to maintain the grid balance and UPCL being consumer centric, has to purchase power from the Open Market, however, the purchase from Open market is merely 10% of the total power purchase. Despite all the challenges, UPCL is trying its level best to keep financial impact of such incidences to minimum possible extent.

UPCL has been proactively procuring power from non-conventional sources to fulfil the Renewable Purchase Obligation (RPO) target for each year. UPCL is also in discussion with SECI and private developers to procure solar power at cheaper rates. However, the generic tariff for private IPPs and rooftops is high due to smaller capacities and higher financing costs. Therefore, UPCL has been cautiously expanding the energy portfolio to ensure that the average power purchase cost remains at market competitive rates.

The Petitioner submitted that the HT sales in FY 2019-20 have dipped by 250 MU as compared to FY 2018-19, which is largely on account of nation-wide lockdown that started in March, 2020. Accordingly, the industrial establishments were not operative for around 10 days leading to a reduction in sales in this category. The sales in March, 2020 over March, 2019 itself shows reduction in sales by 20%. Further, UPCL in the Tariff proposal for HT category consumers has proposed several measures to make industries more lucrative. For example, the voltage-wise demand charges have been proposed for RTS 5 category. The energy charges for HT category have been proposed to incentive the industries operating at high Load factor. Such steps would surely augment the industrial capability of the State and would provide competitive and quality power.

2.6.1.3 Commission's Views

The Commission has noted the comments and suggestions of the stakeholders. the issues related to source-wise power purchase quantum and costs have been deliberated by the Commission in Chapter 3 and 4 of this Order.

As regards the gas based IPPs, the Commission has approved the Power Purchase Agreements considering the shortage of power in the State and decision of the Government of Uttarakhand and UPCL's proposal in this regard. In addition to having gas based power, UPCL has to procure short term power to meet the requirement. There are numerous Judgments of Higher Courts which says that PPA once approved cannot be rescinded unless there is an event of default.

2.7 RPO Status and compliance

2.7.1.1 Stakeholder's Comments

Shri R. K. Singh of Tata Motors Ltd. requested that the Commission should direct UPCL to purchase RPO as per requirement and to allow UPCL to carry forward the surplus RPO of 344.85 MU to avoid any burden on consumers.

Shri Jogendra Behera of Indian Energy Exchange submitted that Green-Term Ahead Market has been introduced in which the Solar and Non-Solar Renewable Energy is being transacted and hence, the Discoms can meet their RPO obligations by procuring power through Green-Term Ahead Market.

2.7.1.2 Petitioner's Reply

The Petitioner submitted that they have requested the Commission to exercise its powers available under Regulation 51 "Power to Remove Difficulties" of RE Regulations, 2018 and permit the excess Non-Solar Energy to be carried forward for future years to meet Non-Solar/ Solar RPO compliance in case of any deficit in future year. This will ensure that in case of any likely deficit in RPO, the Petitioner does not resort to high-cost procurement of Non-Solar / Solar Power or RECs and burden the consumers by excess power purchase cost.

The Petitioner with respect to fulfilment of the RPO submitted that the State has a peculiar demand supply position owing to large amount of hydro capacity in its power portfolio. Over the years, the quantum of non-solar RPO met has exceeded the annual targets and the same is apparent from the recommendation of the Commission for Non-Solar REC accreditation vide letter dated 10.09.2020.

The Petitioner, therefore, requested the Commission to allow it to sell the surplus non-solar power by way of non-solar RECs and utilize the amount from the same to procure the solar RECs to meet the shortfall in Solar purchase obligation and the Commission may consider the net impact (if any) of REC purchase at the time of True up.

2.7.1.3 Commission's Views

The Commission appreciates the concern of the stakeholder and informs that the Petitioner is required to purchase power from all the sources available to it to meet the RPO in case of deficit. The Commission allows the cost of such purchases after carrying out the prudence check.

With respect to the carry forward of surplus Non-Solar/ Solar RPO to the ensuing year, the Commission has discussed the same in Chapters 3 and 4 of the Order.

2.8 Capital Expenditure and Capitalization

2.8.1.1 Stakeholder's Comments

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that the issue of Electrical Inspector Certificate for Capitalization should be taken seriously by UPCL as it has heavy money involvement and safety measures as well.

Shri Sunil Kumar Gupta of Teesri Aankh ka Tehalka submitted the copies of newspaper cuttings and mentioned that there is unnecessary wastage of money due to corruption by the people while incurring the capital expenditure.

2.8.1.2 Petitioner's Reply

The Petitioner submitted that it has provided the necessary information required by the Commission pertaining to the Electrical Inspector Certificates. UPCL is also providing clarification on the same as desired by the Commission.

The Petitioner submitted that newspaper cuttings are carrying content, which are out of purview of ARR/ Tariff Petition. The Petitioner submitted that the ARR/ Tariff Petition are filed as per regulatory provisions including the true-up of FY 2019-20, which is based on audited accounts. The objector may raise specific queries / objections on the Tariff Petition figures and approach.

2.8.1.3 Commission's Views

The Commission has duly scrutinised the actual and proposed capitalisation for FY 2019-20, FY 2020-21 and FY 2021-22 in accordance with the provisions of UERC Tariff Regulations, 2018 and the same has been discussed in Chapters 3 and 4 of the Order.

While carrying out any capital expenditure UPCL is required to take note of the shortcomings pointed out by the stakeholder.

2.9 O&M Expenses

2.9.1.1 Stakeholder's Comments

Shri K. G. Behl, All India Consumers Council and Shri Susheel Tyagi of Sanyukt Nagrik Sangathan submitted that there is drastic increase in O&M expenses, and the Commission must examine these expenses and find methodology for reducing the same.

Shri Sunil Kumar Gupta of Teesri Aankh ka Tehalka submitted that there is a misuse of vehicles given to the staff, which leads to increase in O&M expenses., instead the staff may be given a fixed allowance in lieu of vehicle.

2.9.1.2 Petitioner's Reply

The Petitioner submitted that it has claimed the O&M expenses for FY 2019-20 on actual basis. There is a major impact on employee expenses due to pay revision on account of the 7th Pay Commission. Further, the O&M expenses for FY 2021-22 have been projected in line with the UERC Tariff Regulations, 2018. The detailed explanation for each component within O&M, i.e. employee expenses, R&M expenses, and A&G expenses has been provided in the current ARR and Tariff Petition. The Petitioner has considered an increase of 5.35% and 2.96% in CPI and WPI, respectively, which forms the basis for projecting the O&M expenses for FY 2021-22.

2.9.1.3 Commission's Views

The issue of O&M expenses has been deliberated by the Commission in Chapters 3 and 4 of this Order and the Commission has approved the O&M expenses on normative basis in accordance with the provisions of UERC Tariff Regulations, 2018. Director (HR). **UPCL is directed to take note of the suggestions given by the stakeholder of granting a fixed allowance to the staff of UPCL in lieu of official vehicle and also review the present practice being followed by it for allocating official vehicle to its officers and staff. UPCL is required to submit its report on the same within 2 month of the date of Order.**

2.10 Interest on Loans

2.10.1.1 Stakeholder's Comments

Shri K. G. Behl, All India Consumers Council submitted that the actual interest paid for the last year by the Petitioner is more than what was approved by the Commission and the same needs to be investigated to check for under-recovery from consumers, if any.

Further, the stakeholder also submitted that action must be taken on pending cases where many funds are due to UPCL, thus giving benefit to UPCL and in the process relief to the consumers without increasing rates.

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that the Commission must relook into the rate of interest allowed as rate of interest is showing downward trend.

Shri Susheel Tyagi of Sanyukt Nagrik Sangathan submitted that State agencies take funds for their requirements from the bank rather than the State, on which comparatively higher interest is payable and increase in electricity cost is there, which is additional burden on the domestic consumer. This should be abolished in the public interest.

2.10.1.2Petitioner's Reply

The Petitioner submitted that a part of true-up Petition is based on actual capitalization in FY 2019-20 as against the capitalization approved by the Commission at the beginning of the Control Period in the MYT Order dated 27.02.2019 and hence, the variation.

The Petitioner submitted that in the Tariff Order for FY 2019-20 dated 27.02.2019, the Commission had approved total interest on loan as Rs. 57.20 Crore for FY 2019-20 on normative basis in line with the UERC Tariff Regulations, 2018. The Commission had computed the same on the basis of the projected capitalization for FY 2019-20 and the opening loan balance for the year. However, the Petitioner in the current true-up Petition has claimed Rs. 77.54 Crore towards the interest expenses on actual basis based on the actual addition in loan and repayment during the year.

The Petitioner submitted that the Interest on Loan has been considered at a weighted average rate of interest of 9.40%, similar to actuals of FY 2019-20 and in line with the existing arrangement of loans with REC and PFC and other financial institutions.

2.10.1.3Commission's Views

The Commission while carrying out the truing up for FY 2019-20 as discussed in Chapter 3 of this Order has carried out detailed computation of the rate of interest and interest allowed to the Petitioner.

2.11 Return on Equity

2.11.1.1Stakeholder's Comments

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that UPCL comes out with new methodology for computation of Return on Equity, due to which the Return on Equity being claimed is on the higher side. He also submitted that the Commission has given clear principle for the computation of Return on Equity in its various Orders. Therefore, the stakeholder requested the Commission to follow the principles as approved in the past.

2.11.1.2Petitioner's Reply

The Petitioner submitted that Return on Equity is computed as per Regulation 26(2) of UERC Tariff Regulations, 2018. Return on equity is to be calculated on post-tax basis at 16.50% as mentioned below:

"(1) Return on equity shall be computed on the equity base determined in accordance with Regulation 24.

Provided that, Return on Equity shall be allowed on amount of allowed equity capital for the assets put to use at the commencement of each financial year.

"(2) Return on equity shall be computed on at the base rate of 15.5% for thermal generating stations, transmission licensee, SLDC and run of the river hydro generating station and ***at the base rate of 16.50% for the storage type hydro generating stations and run of river generating station with pondage and distribution licensee on a post-tax basis.****"*

Accordingly, UPCL has computed RoE at 16.50% on opening equity for FY 2020-21 and FY 2021-22. The opening equity for FY 2020-21 has been arrived based on the closing equity for FY 2019 20 as per the calculation of equity as shown in the true up for FY 2019-20. The addition in equity each year during FY 2020-21 and FY 2021-22 is based on the proposed funding of capitalization as per the details provided in the previous section of capital expenditure and capitalization. However, after considering the funding through Grant amount, the overall equity has been restricted to 30% of the balance amount.

2.11.1.3 Commission's Views

The Commission while carrying out the truing up for FY 2019-20 as discussed in Chapter 3 of this Order has carried out detailed computation of Return on Equity.

2.12 Rebate on Online payment of Electricity Bills

2.12.1.1 Stakeholder's Comments

Shri R. K. Singh of Tata Motors Ltd. requested the Commission to allow UPCL to continue this initiative, which will help in achieving better collection efficiency, at the same time it would encourage its consumers for timely payment and, hence, avoid risk of bad debts for UPCL.

2.12.1.2 Petitioner's Reply

The Petitioner submitted that they had initiated the scheme with effect from 01.04.2020 to provide rebate of 1% on current bill amount to the consumers who make payment of bills through online mode by the due date. The amount of rebate is capped up to Rs. 10,000/- for LT consumers and up to Rs. 1 lakh for HT consumers. The rebate amount will be credited in the next electricity bill. The Petitioner has also proposed the said rebate amount to the consumers for making digital/ online payment of bills for FY 2021-22.

2.12.1.3Commission's Views

The Commission in this Order has allowed a prompt payment rebate of 1.25% for payment through digital mode and rebate of 0.75% for payment through any other mode within 10 days from the date of issuance of bill/bill date. The details regarding the rebates has been deliberated by the Commission in Chapter 5 of this Order.

2.13 Voltage Rebate

2.13.1.1Stakeholder's Comments

Shri Man Singh of M/s ALPS Industries Ltd., Shri Vivek Talwar of M/s Hindusthan National Glass & Industries Ltd., and Shri Harindra K. Garg of SIDCUL Manufacturers Association of Uttarakhand submitted that voltage rebate on 132 kV and above should be increased from 7.5% to 10 % and that on 33 kV from 2.5% to 5 %.

Shri Man Singh of M/s ALPS Industries Ltd., Shri Vivek Talwar of M/s Hindusthan National Glass & Industries Ltd., Shri Harindra K. Garg of SIDCUL Manufacturers Association of Uttarakhand suggested that voltage rebate should be given on Open Access units.

Shri R. K. Singh of Tata Motors Ltd. submitted that the estimated Revenue Gap of UPCL for FY 2020-21 is Rs. 12.12 Crore and for FY 2021-22 is Rs. 9.39 Crore. The gap of Rs. 952.96 Crore is carri forward to FY 2021-22 as FY 2021-22 being a pandemic year. Any tariff hike due to carry forward (Revenue gap) of last year and previous years is totally unwarranted and the Commission is requested to direct UPCL for providing additional rebates to industries during this tough time rather than any increase.

2.13.1.2 Petitioner's Reply

The Petitioner submitted that the Rebate for taking supply at higher voltage was revised by the Commission in its Tariff Order dated 10.04.2014 from 1.5% to 2.5% and 5% to 7.5% for taking supply at 33 kV and 132 kV and above, respectively. The Commission vide Order dated 27.02.2019 also held that the rebate levels of 7.5% and 2.5% (for 132 kV and 33 kV) are appropriate. The relevant extracts of the said Order (at para 2.11.1.13) are reproduced below:

"The Commission in its Order dated April 10, 2014 considering the requests made by various stakeholders and UPCL's response on the same had modified the provisions of voltage rebate and the Commission feels that the provisions of the prevalent voltage rebate are appropriate."

It further submitted that UPCL has proposed Demand charges linked to the connectivity at voltage level, i.e. higher the voltage-level lower the demand charges. The Petitioner has also proposed energy charges in a manner to incentivize higher load factor, i.e. higher the consumption lower the energy charges. Such a proposal shall augment the benefits to a consumer connected at a higher voltage level.

The Petitioner submitted that high voltage rebate is admissible on the Energy Charges. As no energy charges is payable on the Open Access Energy, no question arises for allowing rebate on Open Access Energy.

2.13.1.3Commission's Views

The Commission in its Order dated 10.04.2014 considering the requests made by various stakeholders and UPCL's response on the same had modified the provisions of voltage rebate and the Commission feels that the provisions of the prevalent voltage rebate are appropriate.

2.14 Metering and Billing Efficiency

2.14.1.1 Stakeholder's Comments

Shri Rakesh Bhatia of Indian Industries Association submitted that third party meter auditing agency should be formed for meter testing and ensuring the proper functioning of meters.

Shri Vijay Singh Verma submitted that the billing cycle for domestic consumers should be on a monthly basis so as to reduce the burden on domestic consumers and provisional billing should be minimized.

Shri Vijay Singh Verma submitted that the reading of PTW connection should be on a monthly basis, billing should be done after two months and surcharge for late payment should be applied after 6 months so as to diminish the cases of NA/NR/IDF.

Shri Rakesh Bhatia of Indian Industries Association submitted that there should be provision for acceptance of part payment of Bills in the UPCL website.

2.14.1.2 Petitioner's Reply

The Petitioner submitted that Regulation 5.1.3(5) of the UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020 already provides for the checking of meters as mentioned below:

"The Licensee shall, within 30 days of receiving the complaint, carry out testing of the meter as per the procedure specified in these regulations and shall furnish duly authenticated test results to the consumer. The consumer shall be informed of proposed date and time of testing at least 2 days in advance.

Provided that where the Licensee is installing a test/check meter along with the meter under test for verification of energy consumption, in such cases the Licensee shall be required to provide a copy of the valid test report of such test/check meter to the consumer before initiating the testing."

The Petitioner submitted that the monthly billing of the domestic consumers with contracted load of 4 kW and above has been started from the month of October, 2019. It also submitted that UPCL is putting efforts to convert the billing of domestic consumers from bi-monthly basis to monthly basis.

The Petitioner with respect to PTW connections submitted that the Late payment surcharge is being charged in accordance with the appropriate Regulations of the Commission and the previous year Orders of the Commission.

The Petitioner submitted that it has metered more than 99.50% electricity connections. The remaining connections are also being metered.

The Petitioner submitted that UPCL in accordance with the Draft Amendments in the Tariff Policy has tried to simplify the existing tariff structure. The Draft Amendment stipulates the following:

"8.3A Simplification of tariff categories and rationalization of retail tariff Over the years, the tariff structure across the States has become very complex and disparate and there is a need to not only simplify and rationalize the tariff structure, but also make it harmonious across all States. Towards this end, the following principles shall be adopted:

(i) Based on the 'purpose of use', there shall be not more than five major consumer categories such as Domestic, Commercial, Agricultural, Industrial and Institutional……….

(ii) Sub-categorization for each category will be based on 'supply voltage level' (LT/HT) to enable reflection of the actual cost of supply in tariffs. The LT Domestic sub-category may contain further consumption-based slabs in addition to a slab for poorer sections of the society as mentioned in para 8.3 of this Policy."

The Draft Amendment stipulates to simplify the tariff structure to limit the number of categories along with the slabs so that the tariff prudently reflects the cost of supply. Hence, UPCL has proposed revised structure/number of slabs/subcategories, which also results in easy comprehension of the tariff schedule by a consumer.

The Petitioner submitted that the ARR of UPCL can be segregated into Power Purchase Cost and Other costs. The other costs which are of fixed nature along with fixed component of Power purchase costs contributes to more than 85% of the total expenses. Realizing that the fixed cost is supposed to be recovered by way of revenue from demand (fixed) charges, the Petitioner has, accordingly, proposed the tariff hike. Further, the reduction/removal of fixed charges will lead to increase in charges for other consumer categories, which are also against the regulatory provisions.

Regarding the abolishment of meter rent, the same is levied as per Tariff Order issued by the Commission from time to time.

The Petitioner submitted that consumers are required to make payment as per the provisions of the UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020. Since this matter pertains to Supply Code, hence, may be dealt separately.

2.14.1.3Commission's Views

The Commission has taken note of various suggestions received from the stakeholders regarding improvement in metering and billing and the **Commission has directed UPCL to consider the suggestions given by the stakeholders to improve its metering and billing system in subsequent Chapters of this Order**. Further, with regard to grace period, the Commission has discussed the issue in detail in Chapter 5 of the Order.

2.15 Open Access

2.15.1.1Stakeholder's Comments

Shri Man Singh of M/s ALPS Industries Ltd. and Shri Harindra K. Garg of SIDCUL Manufacturers Association of Uttarakhand suggested that UPCL is charging huge surcharge on open access electricity, and proposed wheeling charges are also very high. Such huge charges makes open access unprofitable and some relaxations should be given to open access consumers.

Shri Jogendra Behera of Indian Energy Exchange has requested the Commission to consider actual losses at HT Voltage to avoid undue burden on the consumers.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. submitted that high cross-subsidies have a detrimental impact and result in waste of economic resources and revenue loss for the State utilities and requested that Open Access needs to be made competitive in the State. He further submitted that the charges on the open access, especially the additional surcharge has taken away the attraction of open access power, which has become unviable. It was further submitted that UPCL always gives plea that its power gets stranded, without making arrangement by budgeting the open access power procured in previous year by the consumers and not considering the trend of power purchase in previous years. UPCL too meets shortage of power by purchasing it from open market, but consumers are being restricted to exercise their options of getting power at competitive rates.

Shri Adarsh Jaiswal of M/s Ambuja Cement Ltd submitted that Distribution loss for Open Access consumer should be less than 5% in place of 14.00%.

Shri Adarsh Jaiswal of M/s Ambuja Cement Limited submitted that NOC for short-term open access should be for a minimum period of one entire year and since system is already online, relaxation has to be granted for submission of hard copies.

Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that with reference to provisions in the Tariff Policy, 2016, it is clear that the surcharge under the Electricity Act, 2003 is only for the purpose of meeting the fixed cost of the distribution licensee on account of its obligation to supply. The obligation to supply is provided under Section 43 of the Electricity Act, 2003. The Commission is requested, while determining the additional surcharge from time to time, to follow the methodology and principles as laid down under the Electricity Act, 2003 and the Tariff Policy. The Commission may consider the issue and approve retail tariff for FY 2021-22 by reducing per unit tariff for all types of consumers.

2.15.1.2 Petitioner's Reply

The Petitioner submitted that Surcharge on open access is being charged as per provisions of UERC (Terms and Conditions of Intra – State Open Access) Regulations, 2015 and as approved by the Commission. The proposal for wheeling charges has also been made as per the provisions of the said Regulations.

The Petitioner submitted that presently, the Open Access Consumers with the Petitioner are of embedded nature. These Open Access Consumers buy power from the Petitioner as well as through Open Access as per their financial suitability but the Petitioner is required to supply power to them as per their contracted capacity with the Petitioner, in the cases these Open Access Consumers do not go for Open Access and choose to buy power from the Petitioner. Accordingly, the Petitioner is required to have an arrangement of power sufficient to meet the requirement of these Open Access Consumers including the quantum, which they were buying earlier through Open Access.

Due to its obligation, UPCL has made arrangement to supply power to the consumers including Open Access Consumers, which they were buying earlier through Open Access. In case, any consumer goes for Open Access, the Power Purchase commitments of the Petitioner become stranded and, therefore, the Open Access Consumers are required to bear fixed component of power purchase cost of the Petitioner. Also, absence of suitable additional surcharge levied to the open access consumer would result in undue burdening on the other consumers of the Licensee.

The Petitioner submitted that in such matters, the Commission vide its Tariff Order dated 18-04-2020 at para 2.16.1.3 had held as follows:

"Some of the stakeholders have raised the issues related to Open Access such as renewal of open access applications etc., which are governed by Uttarakhand Electricity Regulatory Commission (Terms and Conditions of Intra State Open Access) Regulations, 2015. The principles for calculating Transmission/Wheeling charges, cross-subsidy surcharges & losses have already been specified in the Regulations and are, therefore, worked out on such specified principle."

The Petitioner submitted that the wheeling charges have been computed in accordance with the Regulation 20(2) of UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015 and its subsequent amendment. Presently, voltage-wise/category-wise losses are not available and Category wise Tariff has been calculated on the basis of average cost of supply and permissible level of cross subsidy. This is as per Regulation 91 of the UERC Tariff Regulations, 2018. In the absence of availability of voltage-wise losses, which is a mix of technical losses and commercial losses, the distribution losses are required to be charged on average basis from all the category of consumers as well as open access consumers.

The Petitioner submitted that additional Surcharge on open access is being charged as per provisions of UERC (Terms and Conditions of Intra – State Open Access) Regulations, 2015 and as approved by the Commission. On the Petition filed by UPCL, the Commission vide its Order dated 23.03.2021 determined the additional surcharge at the rate of Rs. 1.13 per unit for the period from 01.04.2021 to 30.09.2021 on the energy drawn by the consumers through open access.

2.15.1.3 Commission's Views

Some of the stakeholders have raised the issues related to Open Access charges and the applicability, which are governed by Uttarakhand Electricity Regulatory Commission (Terms and Conditions of Intra State Open Access) Regulations, 2015 and its amendment thereof. The principles for calculating Transmission/rate charges, wheeling charges, cross-subsidy and additional surcharges and losses have already been specified in the Regulations and are, therefore, worked out on such specified principles.

2.16 Billable Demand

2.16.1.1Stakeholder's Comments

Shri Man Singh of M/s ALPS Industries Ltd., Shri Harindra K. Garg of SIDCUL Manufacturers Association Uttarakhand, Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry, and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that the billable demand must be changed from 80% of contracted load to 75% of contracted load and the demand charges should be same as in FY 2020-21.

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that UPCL has proposed various demand charges for different voltage levels, which will increase the burden on industrial consumers.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that Billable demand should be the actual maximum demand or 80 % of the contracted load, whichever is higher. It was further submitted that fixed charges should not be increased and for calculation of billable demand for fixed charge, it should be on average basis of whole month instead of peak load of a particular slot of a month.

2.16.1.2Petitioner's Reply

The Petitioner submitted that the ARR of UPCL can be segregated into Power Purchase Cost and Other costs. The other costs which are of fixed nature along with fixed component of Power purchase costs contributes to more than 80% of the total expenses. Realizing that the fixed cost is supposed to be recovered by way of revenue from demand (fixed) charges, the Petitioner has, accordingly, proposed the tariff hike. Further, the reduction in the rates of demand charges would lead to the reduction in revenue from fixed charges, which would further drive the demand charges/ energy charges to higher levels.

For recovery of this fixed cost, billable demand has been decided by the Commission as 80% of the Contracted Load or actual recorded demand during the month, whichever is higher. Reduction in billable demand from 80% to 75% would reduce the recovery of fixed charges which should be avoided in a mandate of two-part tariff. Further, in case demand charges are reduced, the energy charges will have to be increased in order to have the composite tariff equivalent to the cost of supply plus required level of cross subsidy. Further, since the distribution network has to be laid down to meet the peak demand of the consumer, the demand charges are recovered to cover the system cost to meet the peak.

2.16.1.3 Commission's Views

The Commission would like to clarify that the fixed charges component in the ARR for FY 2021-22 is around 50%, which the Petitioner has to incur irrespective of consumption. The Commission in Chapter 5 of this Order has discussed the same in detail while approving the Fixed/Demand Charges for each Consumer Category.

2.17 Continuous Supply Surcharge

2.17.1.1 Stakeholder's Comments

Shri Man Singh of M/s ALPS Industries Ltd. and Shri Harindra K. Garg of SIDCUL Manufacturers Association of Uttarakhand submitted that the Commission should reduce the continuous power supply surcharge from 7.5% to 5%, as adequate power is now available in the State. Further, the stakeholder submitted that UPCL should be penalized in case of non-supply of power to its continuous supply consumers.

Shri Vivek Talwar of M/s Hindusthan National Glass & Industries Ltd. suggested waiving off the continuous supply surcharge. Further, in spite of paying continuous surcharge, there are frequent power stoppages and fluctuations, which add to the losses.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. submitted that it is the responsibility of UPCL to supply 24 hours uninterrupted power supply, hence, no charges should be levied for providing continuous supply and if it is not capable to fulfil its commitment, then it needs to compensate its consumers.

Shri Hanumanth K. Rao of Carborundum Universal Ltd. and Pravin Ahire of Finolex Cables Ltd. submitted that M/s Carborundum Universal Ltd. and Finolex Cables Ltd. are the biggest Industry in Haridwar district and are one of the biggest paying consumer of M/s UPCL in Haridwar District, however, they are not getting the benefit they should get as their production process is a continuous process and, hence, they are on continuous power from last 10 years. Due to continuous feeder, they are paying 7.5% extra on account of continuous supply surcharge. This amount is huge and as a result of this, their electricity bill is increasing and hitting their bottom line, and hence, the Commission is requested to waive off continuous supply surcharge from the tariff, and as new electricity tariff will be declared next month, it is requested to kindly consider the same while deciding the new tariff.

Shri Adarsh Jaiswal of M/s Ambuja Cement Ltd has submitted that the industries availing continuous power supply are beneficial for the Licensee as the utility may enter into a long-term PPA with a power producer. This leads to better power purchase for such consumers. Charging premium for continuous power is unjustifiable on account of poor power purchase planning by the utility. It is the obligation of UPCL to provide continuous, quality and reliable power supply to all consumers and as such is not justified to levy premium for continuous power supply.

Shri Harindra K. Garg of SIDCUL Manufacturers Association of Uttarakhand submitted that the sanctioning and execution process for providing continuous power supply must be a time bound process.

Shri Vijay Singh Verma submitted that power situation in Roorkee, Laksar and Landhora is still grim as transmission at 220 kV/132 kV level network is still over loaded. The Commission is requested to hold PTCUL / UPCL accountable for the remedial action taken till today, and if not, appropriate action should be taken by the Commission.

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry has submitted that in the last Tariff Order, the Commission provided for levy of 7.5% additional energy charges for continuous supply to those consumers who have opted to avail continuous supply during the year. The Commission had determined separate tariff, accordingly, for such HT industries. It is submitted that the Commission is enjoined to follow the Tariff Policy, which in Clause 8.2.1, squarely requires the Commission to determine the ARR of the UPCL in such a manner so as to ensure that the power is available for 24 hours. It cannot deny the Licensee its legitimate cost of power required to maintain supply for 24 hours. Neither can UPCL suppress its Aggregate Technical & Commercial (AT&C) losses by denying the consumers 24-hour supply. In the last Tariff Order, neither did the Commission determine the ARR of UPCL for ensuring 24 hours supply nor did UPCL propose in its ARR the quantum of power purchase and the cost thereof required to ensure 24-hour supply to all the consumers. Similar is the position in the current ARR and Tariff Proposal of UPCL for FY 2021-22. The Commission in the last Tariff Orders had been determining the revenue requirement of UPCL by assuming that only some of the consumers would require 24-hour supply and, therefore, such consumers need to pay 7.5% higher energy charges for continuous supply for the whole year. The Commission may compute the power purchase cost for 24 hours supplies across all categories. It is further submitted that "nature of supply" as defined above cannot be in the form of continuous or non-continuous supply. The Commission cannot differentiate between consumers subjected to load shedding and consumers exempted from load shedding and thereby charge differential tariff. It is against the spirit of Electricity Act, 2003 and may encourage the utility to resort to load shedding by restricting supply to a group of consumers although resort to load shedding has not been done in the State in past few years. In view of the aforesaid situation, the Commission's order for levy of 7.5% additional charge for continuous supply needs to be reconsidered in accordance with the provisions of the Act and Tariff Policy. Further, with the existing provision in tariff, consumer opting for continuous supply is subjected to 7.5% higher energy charge round the year even though load shedding may be warranted for a few weeks or months in the year. Therefore, if at all such additional charge is to be levied for whole of the year, it should not be more than 5% on the energy charges of the opting consumers.

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry further submitted that as per the last Tariff Order, the industries opting for continuous supply have to pay continuous supply surcharge @7.5% of energy charges. Continuous supply has neither been defined in Tariff or Regulations nor any standards have been fixed for such supply. The tariff only provides that such industrial consumers who opt for continuous supply shall be exempted from load shedding during scheduled/ unscheduled power cuts and during restricted hours of the period of restriction on usage approved by the Commission except load shedding due to emergency breakdown and shutdown. The breakdowns and shutdowns take place in continuous supply feeders as in the general industrial feeders. Many of the industries have withdrawn their option in account of above situation. There is an urgent need to define continuous Supply and fixation of performance standards with provision of compensation from UPCL for interruptions and breakdowns, etc.

Shri Harindra K. Garg of SIDCUL Manufacturers Association of Uttarakhand submitted that the unscheduled rostering should be checked and neutralized.

2.17.1.2 Petitioner's Reply

The Petitioner submitted that as per Clause 8.2.1 (1) of the Tariff Policy, the consumers willing to avail continuous and quality power supply are required to pay a tariff, which reflects efficient costs. This is an additional charge (premium) payable by the consumer to have the facility of getting continuous supply of power. These consumers are exempted from load shedding during scheduled/unscheduled power cuts and during restricted hours of the period of restriction of usage approved by the Commission from time to time. However, load shedding required due to emergency break-down / shut-down is imposed on these consumers as and when the situation arises. For the purpose of ensuring continuous supply, UPCL is required to incur extra infrastructure cost as well as arrangement for additional energy, which is at a higher cost. Therefore, a rate below 7.5% of energy charges will not be adequate and is required to be recovered from the consumers having the facility of getting continuous supply.

Further, on the demand of the consumers, the Commission vide its Tariff Order dated 18.04.2020 reduced the continuous supply surcharge from 10% of energy charges to 7.5% of energy charges. The Commission in the said Order at Para 5.1.3.7 has also held in the matter as follows:

"The Commission would like to clarify that the State of Uttarakhand is still facing power shortage and UPCL is procuring short term power from market to meet the demand. Even for FY 2020-21, the Commission has estimated a deficit of about 1237 MU in winter months during October to March in the requirement of UPCL which is of substantial nature. The Commission has estimated a surplus of about 489 MU during April, 2020 to September, 2020 in the requirement of UPCL for FY 2020-21 which would be banked with other States to offset the deficit during winter months. Hence, the Commission does not find any reason to abolish the continuous supply surcharge altogether as during winters UPCL is still having deficit. However, the deficit in winter months has reduced as compared to the previous years. Hence, the Commission has decided to reduce the continuous supply surcharge from 10% of energy charges to 7.5% of energy charges. The Commission will review the same once the aforesaid deficit in UPCL's requirement is wiped off."

Further, w.r.t the execution process, the Petitioner shall take up the matter with the concerned officials and ensure execution in a time bound manner in future.

As regards availability of quality power, UPCL has been making consistent efforts to provide uninterrupted power supply to its consumers. The load shedding during FY 2019-20 is only 0.14% of the overall energy demand (18.79 MU). Further, no scheduled power cuts are being imposed and rostering is being done only due to emergency breakdown / shutdown.

The Petitioner submitted that required report is being sought from the concerned field officer and suitable action will be taken if required.

The Petitioner submitted that UPCL has taken appropriate actions such as system augmentation/ upgradation, amongst various other measures, are being undertaken to ensure that the continuous power is made available to the consumers of the State.

2.17.1.3 Commission's Views

The Commission has already reduced the Continuous Supply Surcharge from 15% to 10% vide its Tariff Order dated 21.03.2018 and from 10% to 7.5% vide its Tariff Order dated 18.04.2020.

As discussed in subsequent Chapters, UPCL is still having shortages in winter months, which are primarily met through short-term power purchase and, hence, the Commission has decided to continue with the Continuous Supply Surcharge. The Commission will review the same once the aforesaid deficit in UPCL's requirement is completely wiped off.

2.18 Recovery of Pending Bills

2.18.1.1 Stakeholder's Comments

Shri K. G. Behl, All India Consumers Council submitted that lot of funds can be recovered from resolving of pending cases on the basis of actuals leaving aside interest portion against the consumers or other State Corporations where lots of funds are due to UPCL but those cases are lingering on and the amounts are mounting due to interest every year, which is unlikely to be recovered.

Further, the stakeholder also submitted that action must be taken on pending cases where many funds are due to UPCL, thus, giving benefit to UPCL and in the process relief to the consumers without increasing rates.

Shri Susheel Tyagi of Sanyukt Nagrik Sangathan submitted that legal action should be taken for immediate recovery of arrears from commercial and domestic power users, on which outstanding dues of heavy electricity bills are payable and the amount of interest is increasing, which will reduce the overall loss and justify the increase in electricity rates.

Shri Balkar Singh of Bhartiya Kisan Union on behalf of farmers of Kashipur, Udham Singh Nagar submitted that:

a. Arrears of about Rs. 983 crore are due from commercial category in different areas such as Jaspur, Kashipur and Bazpur.
b. There are 729 industries which are not giving due bill payment of about Rs. 18 Crore to UPCL in Kashipur.
c. Four different Government Departments in Rudrapur are not giving due bill of about Rs. 56 Lakh to UPCL.
d. Government Departments are not giving due payments of electricity bills of about Rs. 35 Crore to UPCL.
e. Arrears of tube well of farmers in Uttarakhand is about Rs. 7 Crore/Year.

2.18.1.2 Petitioner's Reply

The Petitioner submitted that the Commission vide its Tariff Order dated 18.04.2020 for FY 2020-21 approved the target of collection efficiency @ 99.10% and distribution losses @ 14%. With a view to achieve collection efficiency and billing efficiency as approved by the Commission, the Petitioner has fixed the month-wise revenue collection targets of all the distribution divisions.

The Petitioner submitted that monitoring of collection targets for FY 2020-21 is being done at Corporate Office and on the basis of energy received during the previous month, revenue collection targets for the next month are being communicated to the field units by Corporate Office.

For recovery of outstanding arrears, the Petitioner submitted that the connections of defaulting consumers are being disconnected and notices under Section 3 and 5 of the Uttarakhand (U.P. Government Electricity undertakings (Dues Recovery) Act, 1958) Adaptation and Modification order, 2002 are being issued regularly and the same shall be taken-up more promptly for ensuing early recovery of outstanding arrears.

Further, with a view of recovering arrears and to provide relief to the consumer due to lockdown imposed in the State, UPCL vide its Office Memorandum No. 534/UPCL/RM/K-3 dated 19.02.2021 has introduced Surcharge Waiver Scheme for the period from 19.02.2021 to 18.05.2021 for the consumers of domestic, non-domestic (upto 75 kW), PTW and LT Industry categories.

Further, the Petitioner submitted that the matter of pending cases is out of the purview of ARR and Tariff Petition. The consumer is requested to approach appropriate forum for grievance.

2.18.1.3 Commission's Views

The Commission has given due consideration to the issues raised by the stakeholders and the replies submitted by the Petitioner. The Petitioner should continue to take all possible steps to reduce the arrears, in order to improve its cashflows. However, it is clarified that collection of arrears will not result in tariff reduction, as the tariffs are determined on accrual basis and not on cash basis.

2.19 Delayed Payment Surcharge

2.19.1.1 Stakeholder's Comments

Shri Pankaj Gupta of Industries Association of Uttarakhand requested the Commission to continue with its previous policy of allowing Delayed Payment Surcharge as Non-Tariff Income.

Shri Susheel Tyagi of Sanyukt Nagrik Sangathan submitted that UPCL should earn rebate by making prompt payment and avoid Late Payment Surcharge.

Shri R. K. Singh of Tata Motors Ltd. requested the Commission to abolish grace period and direct UPCL to upload bills in system between 1st to 3rd of every month as even after automatic meter reading (AMR) system bills are not getting uploaded in system till 7th or 8th day of the month and several times there is a case of error in UPCL bills that needs to be rectified from Dehradun billing centre.

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that the bills are mostly received after due date. Therefore, the grace period of 15 days for making payments of bills may be continued as in the past.

Shri Rakesh Bhatia of Indian Industries Association submitted that the bills are mostly uploaded after due date and requested the Commission to direct UPCL to generate the bill in time. Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that UPCL has proposed to abolish the grace period for payment of electricity bills by consumer. The grace period facility was allowed by the Commission to provide appropriate and reasonable time for payment of bills without delayed payment surcharge. Presently, due date given by Licensee is only 2-3 days' from the date of generation of bill which is against the provisions of Electricity Supply Code Regulations, which provide for due date of 15 days from the date of delivery of bill to consumer and further, 15 days grace period for payment without delayed payment surcharge. UPCL is continuously making non-compliance of this provision by allowing due date of only 2-3 days from date of generation of bill. The proposal of Licensee to abolish grace period is highly opposed. The facility of grace period introduced by the Commission years back should not be withdrawn.

2.19.1.2 Petitioner's Reply

The Petitioner submitted that Delayed Payment Surcharge (DPS) or interest on delayed payment or late payment surcharge is a well-recognized element across the industries. DPS becomes applicable only when there is delay in payment and is in the nature of compensatory charges.

The Petitioner submitted that based on the cash flow position, the utility is making early payments and earning rebates wherever possible. The same rebate is also taken into account, which reduces the ARR. The cash flow issues arise mainly due to non-payment of electricity dues by consumers on regular basis. Hence, in such situation there are instances of late payment surcharge.

The Petitioner submitted that the Commission in previous Tariff Order dated 18.04.2020 had approved to abolish the grace period only for HT Industries and other consumers being billed through Automatic Meter Reading (AMR) system. The Petitioner submitted that it has improved its billing and distribution system and as requested in previous Petition, again requested the

Commission to abolish the grace period and provide in the Rate Schedule that the Delayed Payment Surcharge shall be levied after the due date of bill for the remaining consumer categories also.

Further, keeping in view the improvement in the billing and bill distribution system, UPCL proposes to abolish the grace period as the consumers are notified about the bill well in advance and through various channels.

2.19.1.3 Commission's Views

The Commission has gone through the comments of stakeholders and submissions of the Petitioner. DPS is leviable only in case the consumer is unable to pay, in full, the amount by due date and the Petitioner is bound to allow 15 days' time for payment of bills. With regard to Grace Period, the Commission has dealt with the issue in detail in Chapter 5 of this Order.

2.20 Provision for Bad & Doubtful Debts

2.20.1.1Stakeholder's Comments

Shri Pankaj Gupta of Industries Association of Uttarakhand submitted that neither has the Commission fixed any norm for Bad & Doubtful debts nor has UPCL written off the bad debts as per the transparent policy approved by the Commission. He further submitted that there is no provision allowed for bad debts. He also submitted that utmost care has to be taken while dealing with bad and doubtful debts as UPCL is a public as well as a commercial entity.

The representatives of Bhartiya Kisan Union submitted that the debts of the Discoms due to inefficiency from collecting pending dues from Commercial, Industrial and Government department should not be passed on to the other consumers.

2.20.1.2 Petitioner's Reply

The Petitioner has provided for bad and doubtful debts of Rs.124.88 Crore for FY 2019-20 as per audited accounts and in line with Accounting Policies. The Policy for writing off of Bad and doubtful debts is under finalization by the Commission. On finalization of the said Policy, bad and doubtful debts shall be written off as per the provision of the Policy.

The Petitioner submitted that as per Regulation 31(1) of the UERC Tariff Regulations, 2018, the provision for bad and doubtful debts is as under:

"The Commission may allow a provision for bad and doubtful debts up to one percent (1%) of the estimated annual revenue of the distribution licensee, subject to actual writing off bad debts by it in the previous years."

However, the Petitioner has not claimed any Bad and doubtful debts for FY 2021-22.

2.20.1.3 Commission's Views

The issue of the provision for Bad & Doubtful debts has been deliberated by the Commission in Chapter 3 and 4 of the Order.

2.21 Theft

2.21.1.1 Stakeholder's Comments

Shri K. G. Behl, All India Consumers Council submitted that strict measures must be taken to reduce theft of power as normal consumer is getting overburdened due to increase in the power theft in the State.

Shri S. R. Gupta of Human Rights Protection Society submitted that efforts should be made to convert the incapable employees into capable employees. Targets of employees should be fixed for prevention of theft of electricity.

2.21.1.2 Petitioner's Reply

The Petitioner submitted that to increase the working efficiency of employees and officers, regular training is being provided by UPCL. Loss reduction and revenue collection targets have been fixed for each Electricity Distribution Division. The monitoring of performance against these targets is being done at Corporate Office of UPCL. Also, in case any employee is found indulging in theft of electricity, there is a provision in the rules to take action against him.

The Petitioner further submitted that following action is being taken for reduction of theft of energy:

a) Vigilance raids are being conducted and cases are being registered under Section 126 and 135 of the Electricity Act, 2003. Legal proceedings are being initiated against the person(s) who are found indulging in theft of electricity.
b) Defective Meters are being replaced
c) LT ABC is being laid in theft prone areas.
d) Automatic Meter Reading is being done for high value consumers.
e) Android based billing has been introduced for improvement in Billing Efficiency.
f) Monthly billing of domestic consumers having load above 4 kW has been started.
g) Supply of defaulting consumers is being disconnected.
h) Action is being taken under Sections 3 and 5 of the Uttarakhand (U.P. Government Electricity undertakings (Dues Recovery) Act, 1958) Adaptation and Modification order, 2002 for recovery of arrears.
i) Verified bills of arrears shall be submitted to GoU and the matter will be pursued for payment of such arrear amount.

j) Policy for writing off of bad and doubtful debts is under finalization. On finalization of the same, the fictitious and irrecoverable arrears shall be written off.

2.21.1.3 Commission's Views

The Commission has taken note of the concerns raised by the stakeholders and the initiatives taken by UPCL for reducing the theft and losses.

2.22 KCC Data

2.22.1.1 Stakeholder's Comments

Shri Pankaj Gupta of Industries Association of Uttarakhand suggested that the Commission may set up a cell for scrutinizing the KCC data, which should be independent. He also submitted that this initiative will help in proper diagnosis of ills and maladies prevailing in UPCL at division level and will also highlight the vital areas to be settled.

2.22.1.2 Petitioner's Reply

The Petitioner submitted that MRI report and billing of the HT consumers are being checked at Corporate Office on regular basis. Corrective actions are being taken on the irregularities found in the checking of the metering system and billing of these consumers.

2.22.1.3 Commission's Views

As regards the suggestion for scrutiny of KCC data**, the Commission directs UPCL to constitute a cell in its commercial wing for analysis and monitoring of KCC data including low load factor cases, meter tamper cases, etc. The Commission directs UPCL to submit the report on analysis and monitoring of KCC data on monthly basis by 15th of every month.**

2.23 Tariff Structure

2.23.1.1 Stakeholder's Comments

Shri Dinesh Sah, Nainital Hotels and Restaurants Association submitted that the tariff structure should be simplified and slab-wise categorization should be abolished.

Shri Vijay Singh Verma submitted that in RTS-1, energy charges for domestic consumer with consumption within 0-100 units, 101-200 units, etc., should be in proportion to the allowable percentage variation of +/- 20% (as per Tariff Policy) as in case of subsidized and subsidizing consumer from average cost of supply, and same may also be implemented for fixed charges.

He further submitted that Tariff for RTS-4 category should be reduced and tariff for RTS-4(A) should be increased in order that margin of 20% tariffs is maintained in between RTS-4 and RTS-4(A). Mushroom cultivation plant is fully Air Conditioned, so it should be covered under RTS-

2. Shri Nishant Kumar of M/s Uttarakhand Steel Manufacturers Association submitted that tariff is linked to cost of services.

2.23.1.2 Petitioner's Reply

The Petitioner submitted that the Tariff proposal submitted by the Petitioner for RTS 1 consumers (domestic) is to simplify and rationalize the tariff structure in accordance with the provisions laid down in the draft Tariff Policy, 2020. It also submitted that the Tariff structure comprising fixed and energy charges proposed by UPCL is on the basis of average cost of supply.

The Petitioner submitted that it has not proposed any hike for RTS 4 and RTS 4A category of consumers. The tariff proposed is same as that of previous year tariff.

The Petitioner submitted that Commission may take a view on tariff applicable for mushroom cultivation.

The Petitioner submitted that for HT-Industry, UPCL has proposed structure based on voltage and consumption volume. UPCL has proposed demand charges linked to the connectivity at voltage level, i.e., higher the voltage level lower the demand charges. Further, UPCL has also proposed energy charges in a manner to incentivize higher load factor, i.e. higher the consumption lower the energy charges. This ensures that HT consumer at higher voltage and consuming higher energy pays lesser charges compared to other consumer at lower voltage and consuming lesser energy.

2.23.1.3 Commission's Views

The Commission has gone through the suggestions of the stakeholders and has duly considered the same while designing and rationalizing the tariff and has discussed the issues in detail in Chapter 5 of this Order.

2.24 New Connections

2.24.1.1 Stakeholder's Comments

Shri Harindra K. Garg of SIDCUL Manufacturers Association of Uttarakhand submitted that UPCL takes at least one-month average time for execution of new connections, however, the timeline for the same should be kept at maximum of 15 days.

2.24.1.2 Petitioner's Reply

The Petitioner submitted that the release of new connections is being done as per the provisions of the Regulations.

2.24.1.3 Commission's Views

This matter pertains to Supply Code.

2.25 Load Reduction and Load Enhancement

2.25.1.1 Stakeholder's Comments

Shri Harindra K. Garg of SIDCUL Manufacturers Association of Uttarakhand submitted that at present UPCL is allowing to amend load only once in a financial year, which should be increased to minimum of 2 times. Further, the time taken for load reduction and load enhancement is 1 month, which should be done in time period of maximum of 15 days.

Shri Rakesh Bhatia of Indian Industries Association submitted that there should be a proper system for adjustment of charges when an industrial consumer goes for enhancement of load.

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that as per the supply voltage to the consumers provided in Tariff Order and the Regulations, no margin has been provided for the consumers requiring marginal enhancement of load. In case of even slight enhancement of load beyond the above specified limit, the consumer has to shift to higher supply voltage, which necessarily requires change of all existing power supply equipment's/ apparatus installed by him for the existing supply voltage. This puts heavy burden on such consumer. The Commission may consider this matter and allow such consumers to avail certain percentage of load enhancement (say up to 10% of existing load) without going into higher supply voltage category. This will be a great facility to the consumers desiring marginal load enhancement either to regularize exceeding maximum demand beyond contracted demand or for some minor expansion in the unit requiring load beyond existing threshold limits of supply voltage.

2.25.1.2 Petitioner's Reply

The Petitioner submitted that consumers are required to be connected as per the contracted load and connection voltage defined in Regulation 2.1 of the UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020. Since this matter pertains to Supply Code it may be dealt separately.

2.25.1.3 Commission's Views

The Commission is of the view that the issues raised regarding margin in Load Enhancement are governed by the provisions of the Supply Code Regulations.

2.26 Energy Charge Calculation

2.26.1.1 Stakeholder's Comments

Shri Ram Kumar Goel of Hotel Association, Mussoorie submitted that the Petitioner charges Fixed Charges, Energy Charges, Electricity Duty, and Green Energy Cess. In addition to this, the energy charges for electric connections more than 25 kW is charged on kVA basis instead of kW, which is almost 12% more than the energy charges and fixed charges based on kW and it can be noted that all the calculations right from the load sanction are done in kW by the department. The method of calculating the energy charge and other charges on kVA are misleading and unjust. Hence, this should be rectified and all calculations should be done on kW basis only rather than kVA.

2.26.1.2 Petitioner's Reply

The Petitioner submitted that as per Section 3 of Uttar Pradesh Electricity (Duty) Act (Uttarakhand adaptation and modification) order 2001, State Government is empowered to fix the rates of Electricity Duty to be charged from various categories of consumers. Government of Uttarakhand vide its Notification No. 79/I/2016-01(3)/01/2003 dated 25-01-2016 has fixed these rates applicable w.e.f. 1-01-2016. UPCL is charging Electricity Duty as per Government orders. The Electricity Duty charged from consumers is payable by UPCL to GoU. Therefore, the matter may be taken up with GoU.

The Non-domestic consumers with load >25 kW are charged on kVA/kVAh basis. Further, in the current tariff proposal for the other Non-domestic consumers, the fixed charges in Rs. /kW and Rs. /kVA are the same.

2.26.1.3 Commission's Views

The Commission has already elaborated the philosophy behind charging Fixed Charges and Energy Charges on kVA/kVAh basis in the previous Orders.

2.27 Aggregate Receipt

2.27.1.1 Stakeholder's Comments

Shri Rakesh Bhatia of Indian Industries Association submitted that UPCL is writing "aggregate receipts" in Petition, which is not clear. Rather, UPCL should show total supply value for which metering has been done. It appears that there is a big gap between sale price and revenue receipt. If due to inefficiency, UPCL cannot recover supply price it should not be allowed and UPCL should recover the amount because it has many powers to recover including recovery as revenue balance. At present this practice has been stopped and the Petitioner is happy by disconnecting connection only.

2.27.1.2 Petitioner's Reply

The Petitioner has claimed the Revenue Gap for FY 2019-20 on the basis of revenue billed and not on realized basis. Further, to contain the losses in high theft prone areas, various measures have been taken by UPCL. The following actions are being taken for reduction of losses:

a) Vigilance raids are being conducted and cases are being registered under Section 126 and 135 of Electricity Act, 2003. Legal proceedings are being initiated against the person(s) found indulging in theft of electricity.
b) Mechanical meters are being replaced by electronic meters.
c) Defective Meters are being replaced.
d) LT ABC is being laid in theft prone areas.
e) Automatic Meter Reading is being done for high value consumers.
f) Android based billing has been introduced for improvement in Billing Efficiency.

2.27.1.3 Commission's Views

The Commission has taken note of the concerns raised by the stakeholders and the initiatives taken by UPCL for reducing the theft and losses. It is clarified that the Revenue and Revenue Gap are approved on the basis of revenue billed and not on revenue realized. However, the Petitioner should continue its drive to improve its revenue collection, to improve its cash flows.

2.28 Street Light Dues and Maintenance

2.28.1.1 Stakeholder's Comments

Shri Prakash Chandra Joshi of Nagar Palika Parishad, Almora submitted that Almora Municipality in form of street lights dues has been billed Rs 22,945,46 by the Petitioner till March 2021 whereas Municipality has demanded Rs. 4,24,932,25 for the carriage of electric poles and transformers, etc., in the city till January 2024 from the Petitioner, but the Petitioner is not very keen on clearing their dues and stated that on the electric poles and transformers, the carriage is not payable by them. This issue has been repeatedly raised before the Government, but it has not been resolved. Earlier, in the States of Uttar Pradesh and Uttarakhand, only through the State Finance Commission, the dues of street lights have been paid. This matter was also raised in the last year meeting with the Commission held in Almora, on which the Commission in the meeting itself instructed that this matter is to be decided at the Government level and the Nagar Palika Parishad, Almora does not have to pay it. The sources of income of the municipality are very low. The amount received from the State Finance Commission is not sufficient to pay the salaries, pension and remnant salaries, etc. of the employees, for which now the municipality has taken a loan of Rs. 3 Crore from the State Government, due to which only the salary and pension of the month till March 2021 is to be paid. No money has been taken from the public to pay the dues of street lights. Clarity should be provided as to who will be paying the street lights dues and give a permanent solution to this issue.

Shri Vijay Singh Verma of Bhartiya Kisan Club submitted that the street lights in the rural area should be maintained properly by UPCL or Gram Sabha and it should be metered. Shri Vijay Singh Verma further submitted that AB Cables installed by UPCL in the field level are not of good quality, resulting in frequent breakdown and accident. Enquiry should be done against the concerned authorities who are involved in allotting the AB Cable.

Smt. Beena Tomar of Thakur Krishi Farm submitted that in the rural areas, especially during April-May, the supply is cut off by substations and the spark caused by interconnected wires can cause fire in the wheat sugarcane crop. In connection with the above, UPCL should be directed for maintenance of lines, making sure lines are tight and keeping trees trimmed.

2.28.1.2 Petitioner's Reply

The Petitioner submitted that the payment against street lighting is to be done by Nagar Palikas. With regard to collection of dues from Government organizations, arrears are regularly being recovered from Government organizations.

The Petitioner submitted that the responsibility to operate and maintain the street lights lies with the Municipal Corporation (local body) of respective cities on which UPCL has no jurisdiction. Further, it is submitted that separate metering is done for street light feeder.

The Petitioner submitted that with regard to the power cuts, UPCL has been making consistent efforts to provide uninterrupted power supply to its consumers. The load shedding during FY 2019-20 is only 0.14% of the overall energy demand (18.79 MU). Further, no scheduled power cuts are being imposed and rostering is being done only due to emergency breakdown / shutdown (if any). It is also submitted that from time-to-time UPCL has undertaken investments to improve its distribution system and power supply. UPCL endeavours to further reduce the load shedding or power cuts in future.

2.28.1.3Commission's Views

The Commission is of the view that street lighting/public lamps system is the responsibility of the local bodies namely Municipal Corporations, Panchayats, etc. and these local bodies have elected public representatives as their heads and the staffs in these bodies are primarily Government employees. In case local bodies decides to handover operation & maintenance of the above system to UPCL, it conducts the operation and maintenance of street light/public lamp system as an agency to these local bodies and material cost incurred is borne by these local bodies while UPCL is entitled for labour charges to be recovered by these local bodies. It is for these bodies and the Government to decide amongst themselves as to who would be making payments for electricity consumed by them. However, the billed amounts have to be paid to UPCL.

2.29 Tariff for Cane Crusher

2.29.1.1 Stakeholder's Comments

Shri Vijay Singh Verma submitted that under RTS-4, cane crusher, rice huller, chuff cutter connection should be separated from PTW connection. It should be placed in permanent category. For cane crusher, fixed charges should be applied for running from October to March.

He further submitted that meters have not been installed in the premise, however, NA/NR/IDF bills are being generated.

2.29.1.2 Petitioner's Reply

The Petitioner submitted that the matter is pertaining to tariff determination and, accordingly, the Commission may take a view on the same.

The Petitioner submitted that the matter will be taken up with the concerned section/ division office.

2.29.1.3 Commission's Views

The cane crushers are covered under Rate Schedule RTS-4 as per the terms and conditions provided in the Rate Schedule. The same is not a permanent activity and is for incidental agricultural processes.

2.30 Vigilance Cell

2.30.1.1 Stakeholder's Comments

Shri Vijay Singh Verma submitted that the Vigilance Cell of UPCL is not functioning properly and the presence of the Vigilance Cell is not visible at the field level, which results in theft at field level.

2.30.1.2 Petitioner's Reply

The Petitioner submitted that in order to contain the AT&C losses, UPCL has undertaken a host of measures including the vigilance raids at field level. Such actions of the UPCL have resulted into better distribution losses and collection efficiency over the past few years. Further, the cases of theft are charged as per Section 3 & 5 of the Uttarakhand (U.P. Government Electricity undertakings (Dues Recovery) Act, 1958) Adaptation and Modification order, 2002 for recovery of arrears.

2.30.1.3 Commission's Views

The Commission has taken note of the concerns raised by the stakeholders and the initiatives taken by UPCL for reducing the theft and losses.

2.31 Cess, Royalty and Water Tax by State Government

2.31.1.1 Stakeholder's Comments

Shri Pawan Agarwal of M/s Uttarakhand Steel Manufacturers Association submitted that ever since the Commission has been formed, power production cost has been artificially raised and its benefit has been given to the State Government. Whatever Hydro Generation is happening in the State every year and the production cost of the project is up to Rs. 2.00 per unit, 30 paise per unit cess and 10 paise per unit Royalty on electricity units is given to the State Government. This process is being adopted every year for tariff calculation. By increasing the actual power cost, the State has been giving benefits to the Government. Therefore, stakeholder again strongly protested in this regard because Electricity Act, 2003 is a Central Act and no State Act or legislation can supersede it.

Shri Pawan Agarwal of M/s Uttarakhand Steel Manufacturers Association further submitted that for the past few years, UPCL is provisioning about 0.60 Rs. per unit Water tax on UJVNL and the Commission is also allowing it. Water tax is directly increasing the actual power cost and giving benefits to the State Government, which is violating the Electricity Act, 2003. Thus, 30 paise per unit Cess, 10 paise per unit Royalty, and 60 paise per unit Water Tax should be fully abolished while setting the electricity tariff for FY 2021-22.

2.31.1.2Petitioner's Reply

The Petitioner submitted that the Cess and Royalty is imposed on the saleable energy generated from the existing hydro power projects of the State Government under UJVN Limited, which are under Commercial Operation for more than 10 years and whose cost of electricity generation is not more than Rs. 2 per unit. The rate of Cess and Royalty is Rs. 0.30 per unit and Rs. 0.10 per unit, respectively. The cess and royalty are imposed by UJVNL in its electricity bills, which to be paid by UPCL. Finally, the amount of cess and royalty is payable to GoU by the collecting agency. Therefore, the matter may be taken up with GoU.

The Water Tax is levied to avail the facility to draw water from any sources for generation of electricity in Uttarakhand under the provisions of the Uttarakhand Water Tax on Electricity Generation Act, 2012. The water tax is imposed by UJVNL in its electricity bills, which to be paid by UPCL. Finally, the amount of water tax is payable to GoU by the collecting agency. Therefore, the matter may be taken up with GoU.

2.31.1.3 Commission's Views

Issues raised with regard to charging of Electricity Duty, Energy Cess and Royalty on Water are not under the jurisdiction of this Commission and the consumer may approach the State Government for any relief. The Commission has to allow all the legitimate costs incident on UPCL.

2.32 Cross Subsidy

2.32.1.1 Stakeholder's Comments

Shri Pawan Agarwal of M/s Uttarakhand Steel Manufacturers Association requested for removal of Cross Subsidy burden from Factories and Industries.

Shri Chandan Bhandari of BST Textile Mills Pvt. Ltd. and Shri Nishant Kumar of Uttarakhand Steel Manufacturers Association submitted that the cross subsidy should be calculated at actual cost of supply of various voltages. UPCL, by showing no intention to switch to voltage-wise cost of supply wants to continuously charge a much higher cross subsidy than what the Commission is showing on average cost of supply. This is one big reason UPCL is not taking interest in switching to actual voltage-wise cost of supply. The cross subsidies have to be reduced every year and brought to nil in a time bound manner. However, the Commission has neither reduced the cross-subsidy levels nor fixed trajectory for the same.

It is further submitted that industrial consumers are cross subsidizing other consumers, which is against the spirit of Electricity Act, 2003 and the Tariff Policy. The cross-subsidy surcharge on Open Access electricity puts burden on Open Access consumers, thus making Open Access non-viable in the State of Uttarakhand. Open Access needs to be made competitive in the State. At present Cross Subsidy for Private Tube wells are -63.07%. It is pertinent to mention that for Private Tube wells, the Cross-Subsidy is the same for FY 2019-20 and FY 2020-21. It is clear from the Table given in the Final Tariff Order of UPC'L for FY 2020-21, that in so far as Private Tube wells are concerned, there has been no gradual reduction in the Cross Subsidy, which is against the mandate of the Act and the Tariff Policy, 2016.

Non-reduction of Cross-Subsidy and the consequential Cross-Subsidy Surcharge for Industrial Consumers adversely effects the financial health of such consumers and does not promote the concept of open access, which is a salient feature of the Electricity Act, 2003. This has a substantial impact on the manufacturing cost of the industry, which adversely impacts the competitiveness of businesses and hence, reduces the whole idea behind open-access.

It is pertinent to mention that the Hon'ble Appellate Tribunal for Electricity vide its Judgment in case of Kashi Vishwanath Steels Ltd. vs UERC in Appeal Nos. 124, 125 and 177 of 2005 and 18 of 2006 has held that cross subsidy ought to be progressively reduced and the Commissions ought to notify a road map in accordance with Clause 8.3 of the Tariff Policy.

Therefore, cross-subsidies need to be reduced and competitiveness of the business promoted in the State. Moreover, the cross-subsidies for Private Tube wells needs to be reduced this Financial Year.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. submitted that while designing the electricity tariff structure, the tradition always has been for some consumer categories such as Commercial, Industrial and High-End Domestic Consumers to pay tariffs significantly higher than the average tariffs with other Consumers belonging to generally lower-end Domestic and Agriculture categories paying less than the average tariffs. However, the problem is compounded as within each consumer category, there is generally a slab system with higher consumption entailing higher rate, which ensures that low-end consumers are further cross subsidized by high-end consumers. High level of cross subsidies exists in tariff design across States.

Shri Rakesh Bhatia of Indian Industries Association requested the Commission to not discriminate between the consumers based on category for usage of electricity by cross subsidy, rather to maintain uniform rate of electricity throughout the State.

Shri Adarsh Jaiswal of M/s Ambuja Cement Ltd. has submitted that UPCL has proposed approximately 43% increase in cross subsidy surcharge. This will kill Open Access. Hence, the Commission should not consider any increase in cross subsidy surcharge.

2.32.1.2 *Petitioner's Reply*

The Petitioner submitted that cross subsidy surcharge is in line with the provisions of the UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015 and its subsequent amendments. For HT Industrial consumers, UPCL has claimed Rs. 0.49 /unit CSS against existing levels of Rs. 0.53/ unit (reduction of 7.54%). This is as per provisions of the UERC Tariff Regulations, 2018 and Tariff Policy, 2016.

The Petitioner further submitted that in the past it has made efforts to maintain the cross-subsidy reduction trajectory. However, due to Covid-19 pandemic in 2020, the Petitioner deemed it fit to provide relief to certain class of consumers and, therefore, level of cross subsidy has been slightly increased in some categories.

2.32.1.3 Commission's Views

The Commission has been designing the tariffs for previous years with gradual reduction in cross subsidies and similar approach has been followed while designing the tariffs for FY 2021-22 as deliberated in Chapter 5 of the Order.

2.33 Review of peak hours

2.33.1.1 Stakeholder's Comments

Shri Pawan Agarwal of M/s Uttarakhand Steel Manufacturers Association submitted that peak hours in Uttarakhand should be reduced to 4 hours (presently Winter Peak hours - 7 hours and Summer Peak Hours - 5 hours). The maximum rate during peak hours should be +15%, which is currently +50%. Further, if rates are appropriate, then Open Access for industries should be promoted.

Shri Nishant Kumar of M/s Uttarakhand Steel Manufacturers Association also submitted that the tariff charged for peak hours is nearly 50% higher than the normal hour rate for Industrial Category. Energy Charge during peak hours for HT Industry in the State as per the Tariff Order for FY 2020-21 is Rs. 6.90/kVAh as opposed to Rs. 3.57/kVAh during Off-peak hours and Rs. 4.20/kVAh during Normal hours. In Himachal Pradesh, Energy Charge for peak hours is Rs. 6.20/kVAh as opposed to Rs. 6.90/kVAh in the State of Uttarakhand, therefore, the same is substantially lower in the State of Himachal Pradesh which is a similarly situated State. Furthermore, peak hours in the State of Himachal Pradesh are restricted to 6:30 PM to 10 PM, whereas, in the State of Uttarakhand it evidently clear that peak hours are substantially higher than that of similarly placed hilly States such as Himachal Pradesh. Therefore, the Commission either needs to reduce the peak hour tariffs for Industrial consumers or reduce the peak hours. The peak hours as envisaged by the Commission are adversely affecting the competitive nature of the market and not allowing the businesses in the State to compete with the businesses outside the State. Hence, the Commission ought to take a pragmatic view of the matter.

The applicable surcharge during the peak hours and rebate during the off-peak hours are required to be reconsidered by the Commission. In this regard, reference to the Judgment dated

09.04.2013 passed by Hon'ble APTEL in Appeal No. 257/2012 was made. Relevant portion is reproduced below for the ready reference of the Commission:

> "*17. (vi) The aim of providing differential tariff for peak and off-peak hours is to shift load from peak to off peak hours with a view to optimize the generation capacity and minimize the cost of power procurement for the distribution licensee. However, in the absence of a specific study on pricing of electricity for different time blocks the weighted average energy rate for peak, off-peak and normal hours (other than peak and off-peak) should be equal to the average energy rate decided for a particular category of consumer. In the present case when no specific study for pricing of electricity has been carried out, the energy rate of tariff decided by the Commission for the Appellant's category is lower than the weighted average rates of energy for peak, off-peak and normal hours. It is also to be considered whether in view to the Restriction and Control Measures ad penal rates for withdrawal in excess of peak hours demand and energy quota, whether there is any purpose of having a differential tariff for peak and off-peak hours. We, therefore, direct the State Commission to reconsider and re-determine the differential price of electricity for peak and off-peak hours. Accordingly, the matter is remanded back to the State Commission*".

As such, the surcharge and rebate applicable during peak and off-peak hours are required to be rationalized by the Commission.

Apart from the aforesaid, the Commission while allowing the peak hours and off-peak hours for FY 2021-22, should also take into consideration the observations made by the full bench of Hon'ble APTEL vide its Judgment dated 11.01.2011 in Appeal No. 111 of 2010. The relevant portion is reproduced herein below for the ready reference of the Commission:

> "*44. Having decided these questions of law regarding excess demand and excess energy charges, we observe that the proposal made by the Electricity Board in Petition NO. 42 of 2008 was for Restriction and Control Measures for indefinite period. Such drastic cuts on industrial and commercial establishments that too for indefinite period indicates lack of planning on the part of the Electricity Board to meet the consumer demand. The Act permits regulation of power supply but such regulations have to be an exception for conditions such as unforeseen outages of generating units or excessive increase in demand of power due to abnormal weather conditions or due to any other Unforeseen contingency or event. The system has to be planned for mal planned outages, normal load growth and credible contingencies. The National Electricity Policy lays emphasis for meeting the increasing demand requirements in an optimum manner and well-coordinated approach in development of the power sector for providing reliable uninterrupted quality power supply to all consumers. In the interest of the consumers, we direct the State Commission to initiate Suo-moto*

proceedings regarding short term, medium term and long-term plan for meeting the requirement of power both peak hours and energy in the state Of Tamil Nadu. The Electricity Board/Utilities in Tamil Nadu may be directed by the State Commission to submit their comprehensive proposal before the State Commission. We expect this exercise to be completed within a period of six months. The State Commission may also take measure to encourage open excess in transmission and distribution so that the consumers could arrange power directly to meet their demands."

The Tariff applicable to the HT industry consumers are already on a higher side and by imposing the surcharge of 50% during peak hours and allowing only 15% rebate during the off-peak hours would render such industries as unviable, thereby, leading in ultimate loss to the State of Uttarakhand. Therefore, in view of the observations made by Hon'ble APTEL in the above-mentioned Judgment, it is respectfully submitted before the Commission that instead of continuing with the levy of surcharge during peak hours, the Commission may kindly direct UPCL to plan its power procurement in such a manner that the levy of surcharge during peak hours is not required. In the meantime, the Commission being a sector regulator and in the interest of consumers at large, should take suitable measures to encourage open excess in transmission and distribution so that the consumers could arrange power directly to meet their demands. The said measures can be in the form of waiver of CSS and AS for the power procured by the open access consumers during the peak hours.

2.33.1.2 Petitioner's Reply

The Petitioner submitted that the peak hours are decided as per the peak demand during the season. During winters, the demand goes on peak in the morning also and, therefore, morning peak hours have been kept in the winter season whereas there is no peak in the morning during summer season, therefore, no morning peak hours have been kept during summer season. Similarly, the evening peak hours have been decided keeping in view the peak demand during different time slots in summer season and winter season.

The Commission vide its Tariff Order dated 27.02.2019 revised the Time of Day slots and reduced the morning peak hours from 3.50 hours to 3.00 hours and evening peak hours from 4.50 hours to 4.00 hours during winter months, i.e., from October to March.

The Commission in its Tariff Order dated 27.02.2019 at Para 2.8.1.3 has also held in the matter as follows:

"The Commission has analysed the actual daily hourly load curves in the State of Uttarakhand and has found that apparent morning peak demand exists in the State during winter months which

exceeds the demand in evening peak. The Commission feels the need for Demand Side Management (DSM) and having ToD tariff as a measure for ensuring curtailment of morning as well as evening peaks. However, considering the suggestions received during the State Advisory Committee (SAC) meeting, the Commission has modified the peak hours and off peak hours during winter season……. "

Further, the Petitioner has also proposed reduced Peak Hour charges from earlier 150% of Energy charges of normal hours to ~136% of energy charges of normal hours. This reduction in peak charges will provide relief to the industrial consumers.

2.33.1.3 Commission's Views

The Commission has analysed the actual daily hourly load curves in the State of Uttarakhand and has found that apparent morning peak demand exists in the State during winter months, which exceeds the demand in evening peak. The Commission feels the need for Demand Side Management (DSM) and having ToD tariff as a measure for ensuring curtailment of morning as well as evening peaks. In the last Tariff Order dated 18.04.2020, the Commission had already modified the peak hours and off-peak hours during winter season after considering the suggestions received during public hearing and State Advisory Committee (SAC) meeting. The details regarding the existing peak hour charges and off-peak hour rebates are elaborated in Chapter 5 of the Order.

However, the Petitioner is directed to estimate the impact assessment of cost of power during peak/ off-peak hours and charge it collects/spends against the same and submit the same alongwith next Tariff Petition.

2.34 Fuel Adjustment Charges

2.34.1.1 Stakeholder's Comments

Shri Pawan Agarwal of M/s Uttarakhand Steel Manufacturer Association submitted that the Fuel Adjustment Charges are unnecessarily being imposed additionally. If required, these should be planned and incorporated in the overall bills.

2.34.1.2 Petitioner's Reply

The Petitioner submitted as per Section 62(4) of the Electricity Act, 2003, Fuel Charge Adjustment (FCA) can be imposed for recovery of additional power purchase cost over and above the approved power purchase cost. Accordingly, FCA is being charged by the Petitioner only when the actual power purchase cost in any quarter is more than the approved/considered power purchase cost for that quarter in the Tariff Order.

The Petitioner submitted that the Fuel cost (and subsequently power purchase) is dependent on a variety of factors, which are uncontrollable in nature such as change in duty/ cess, fuel price variation, etc. Not passing the impact of the same at the appropriate time would result in the financial distress to the utility. The Commission in its Tariff Order dated 27-02-2019 at Para 2.9.1.3 has also held in the matter as follows:

"The Commission during the tariff proceedings projects the cost of power purchase on the basis of past year variable charges which in turn depends upon the fuel cost. The Commission carries out due diligence while approving the rate of power purchase, however, due to several unforeseen reasons like fuel price increase, change in royalty and tax structure governing fuel prices the variable charges of fuel increases which needs to be passed on to the Petitioner as per the mechanism specified under UERC Tariff Regulations, 2018 in accordance with the provisions of the Act and numerous Judgments of Hon'ble ATE in the matter. The Commission in this Order has taken due care that the impact of such increase is mitigated to a large extent by taking suitable rate of increase in variable (fuel) cost."

2.34.1.3 Commission's Views

With regard to FCA recovery allowed by the Commission, it is clarified that the FCA adjustment of tariffs is allowed under Section 62(4) of the Electricity Act, 2003 and in consonance with Judgement of Hon'ble ATE.

2.35 Industrial Feeder/Voltage Rebate

2.35.1.1 Stakeholder's Comments

Shri Kartik Tomar of M/s PSR Innovations submitted that all small industries in rural areas with contract demand of less than or equal to 500 kVA should be given higher rebate in demand charge and energy charge rate.

He further submitted that development of dedicated Industrial feeders for small Industrial establishments in rural areas should be done at own expense.

Shri Pramod Singh Tomar submitted that consumers connected to 11 kV lines with contracted load of 100 kVA to 1000 kVA should be provided with higher rebate.

2.35.1.2 Petitioner's Reply

The Petitioner submitted that two sub categories, i.e., contracted load up to 1000 kVA and contracted load above 1000 kVA, have been proposed in HT Industrial category. The demand charges for contracted load up to 1000 kVA is less than the demand charges for the consumers having contracted load more than 1000 kVA. As per the provision of draft amendment in Tariff Policy, the sub-categories should not be increased. The tariff of HT Industrial category has been proposed considering the base voltage of 11 kV and, therefore, rebates have been proposed for supply at voltage higher than 11 kV.

The Petitioner further submitted that the feeder separation for agricultural load is done for supply of electricity to agricultural and non-agricultural consumers (domestic and others) separately through dedicated feeders. The key objective for segregation of the agricultural load is to regulate power supply to agricultural consumers as and when required and for effective demand side management (DSM). This also enables better load management and increased power supply to rural households and small industries. The separation of feeders enables regulated supply to agricultural consumers and continuous supply to non-agricultural consumers in rural areas (including small industrial establishments in rural areas).

2.35.1.3 Commission's Views

The Commission in its previous orders considering the requests made by various stakeholders and UPCL's response on the same had modified the provisions of voltage rebate and the Commission feels that the provisions of the prevalent voltage rebate are appropriate.

2.36 Load Shedding

2.36.1.1 Stakeholder's Comments

Shri Pramod Singh Tomar submitted that power cuts are often observed several times in a month by UPCL which indicates its administrative failure. Due to frequent power cut, monthly wages of employees working in small industries is lost as these power cuts are considered under emergencies due to which employees working in other industries suffer.

2.36.1.2 Petitioner's Reply

The Petitioner submitted that with regard to the availability of quality power, UPCL has been making consistent efforts to provide uninterrupted power supply to its consumers. The load shedding during FY 2019-20 is only 0.14% of the overall energy demand (18.79 MU). Further, no scheduled power cuts are being imposed and rostering is being done only due to emergency breakdown / shutdown.

2.36.1.3 Commission's Views

In this regard, the Commission in its Tariff Order dated 18.04.2020 has already directed the Petitioner to obtain the prior approval of the Commission for load shedding to be carried out continuously for certain number of hours in a day for 15 days or more.

2.37 Voltage-wise Cost of supply

2.37.1.1 Stakeholder's Comments

Shri Chandan Bhandari of BST Textile Mills Pvt. Ltd. submitted that UPCL has not submitted the Tariff Petition with voltage-wise cost of supply by factoring in line losses as per voltage of supply. UPCL has been doing so year after year and the Commission is allowing UPCL to do so in disregard to APTEL orders. The 33 kV consumers are paying as high as 11.5% line losses. UPCL has submitted the line losses in 2019 but UERC did not pass direction to design voltage-wise cost of supply and not average cost of supply. Hence, the Commission must direct UPCL to file voltage-wise cost of supply and propose the Tariff design accordingly.

Shri Chandan Bhandari of BST Textile Mills Pvt Ltd. submitted that the actual line losses of 33 KV should be applied while arriving at quantum of drawal at the consumers end in open access power purchase.

Shri Chandan Bhandari of BST Textile Mills Pvt Ltd. also submitted that the cross subsidies should be calculated on actual voltage-wise cost of supply. Load factor-based tariff should be designed in such a way that higher the load factor lower the Tariff as cost of servicing the consumer reduces.

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry submitted that in all the Tariff Orders issued by the Commission, the Licensee has been directed to workout voltage-wise and category-wise losses and cost of supply for fixation of category-wise tariffs. However, the Licensee did not comply with the direction. On this account, the Commission has been fixing tariff on pooled average losses for all the categories. Section 61 (g) of Electricity Act 2003 states that appropriate Commission should be guided by the objective that the tariff progressively reflects the efficient and prudent cost of supply. The Licensee has again ignored the direction of the Commission and the current ARR and Tariff proposed does not depict any such concrete exercise by the Licensee. The Commission may again make assumptions for HT losses while approving the ARR and Tariffs for FY 2021-22. Such assumptions, which are not based on facts and figures may be detrimental to the interest of the HT consumers. The Commission is requested to take appropriate action to protect interest of consumers and compliance of provision of Section 61 (g) of the Electricity Act, 2003 by the Licensee.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that the tariff should be computed on voltage-wise cost of supply, and in absence of such tariff, accounting the distribution losses mere (2-5%) at high voltage, the rebates need to be increased, and for 33 kV consumers, rebate should be 7.5% and for 132 kV consumers, rebate should be 10%.

2.37.1.2 Petitioner's Reply

The Petitioner submitted that presently, voltage-wise / category-wise losses are not available and Category-wise Tariff has been calculated on the basis of average cost of supply and permissible level of cross subsidy. This is as per Regulation 91 of the UERC Tariff Regulations, 2018. In the absence of availability of voltage-wise losses, which is mix of technical losses and commercial losses, the distribution losses are required to be charged on average basis from all category of consumers as well as open access consumers.

The Petitioner further submitted that rebate for taking supply at higher voltage was revised by the Commission in its Tariff Order dated 10th April 2014 from 1.5% to 2.5% and 5% to 7.5% on energy charges for taking supply at 33 kV and 132 kV and above, respectively. Further, UPCL in this Petition has proposed voltage-wise demand charges and the demand charges at higher voltage have been kept lower. The Commission in its Tariff Order dated 27-02-2019 at para 2.11.1.13 has also held in the matter as follows:

> *"The Commission in its Order dated April 10, 2014 considering the requests made by various stakeholders and UPCL's response on the same had modified the provisions of voltage rebate and the Commission feels that the provisions of the prevalent voltage rebate are appropriate."*

2.37.1.3 Commission's Views

The Commission has taken note of the concerns raised by the stakeholders and further **directs UPCL to compute Voltage-wise losses & also segregate voltage wise costs for each category of consumers and submit the data on voltage-wise losses and cost of supply along with next Tariff Petition.**

2.38 Separate Tariff for EHT Industrial Consumers

2.38.1.1 Stakeholder's Comments

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that as UPCL is finding it difficult to workout voltage-wise and category-wise cost of supply to various categories of consumers for fixation of their tariff, it is proposed that the Commission may consider to evolve a separate tariff at least for EHT industrial consumers. There are few industries that are getting supply directly from 220 kV and 132 kV grid substations under PTCUL through dedicated feeders. The line losses on the feeders are around 0.5% - 1 .0%. It will not be a difficult task for UPCL to calculate cost of supply to these EHT consumers on the basis of which a separate tariff can be evolved by the Commission. This will be in the interest of such consumers. They should not be made to suffer due to not working out voltage-wise/category-wise cost of supply by UPCL. EHT industries may be categorized as a separate category in tariff schedules and distinct tariffs can be formulated for them based on actual cost of supply as per the line losses in their feeders and other O&M expenses in maintenance of supply and other related services to them by UPCL and PTCUL. The Commission may consider this matter to provide relief to EHT industries who have made huge expenditure towards construction of EHT feeders from their substations, establishment of EHT substations and step-down transformers in their premises for supply to their process at desired voltage.

2.38.1.2Petitioner's Reply

The Petitioner submitted that the Tariff proposed by UPCL for FY 2021-22 is on the basis of Average Cost of Supply to various categories of consumers. Further, for HT and EHT category, UPCL has proposed Demand Charges, which are linked to their connectivity levels. This shall give additional benefit to HT and EHT consumers in their fixed charge component. Also, the energy charges proposed for Industrial category in the instant Petition are modified to incentivize higher consumption. In the said regard, the proposed tariff structure gives HT and EHT consumer's additional incentive as above and, therefore, there is no need for any separate category for EHT consumers.

2.38.1.3 Commission's Views

The Commission clarifies that the Commission in its previous orders considering the requests made by various stakeholders and UPCL's response on the same had modified the provisions of voltage rebate and the Commission feels that the provisions of the prevalent voltage rebate are appropriate and, therefore,there is no need for any separate tariff category for EHT consumers.

2.39 Load Factor based Tariff

2.39.1.1 Stakeholder's Comments

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry has submitted that the load factor-based tariff has increased the cross-subsidy burden on HT industries. Thus, the concept of load factor-based tariff as introduced for HT industries being contrary to equitable principles, may be reviewed by the Commission. It was further submitted that on the representation of industries on Tariff Proposals, in the earlier Tariff Orders, the Commission had justified load factor-based tariff to HT industries on the ground that the utility has to procure marginal power at a costlier rate due to increased consumption by the industrial consumers in the State. In this regard, it is submitted that upon entering into an agreement with the consumer to supply power, the onus is on the Licensee to arrange for power up to the agreed contracted demand. The stakeholder also submitted that procuring marginal power at a costlier rate due to increased consumption by the industrial consumers defies logic and further, the Petitioner did not provide any data to prove that such marginal power is procured exclusively for HT industries. The Licensee's Petitions never provided any data to prove that such marginal power is procured by the Licensee exclusively for HT industrial category to which load factor-based tariff has been levied while all other categories of consumers also draw power from the utility without any restriction. The Commission should provide telescopic tariff for charging incremental consumption beyond specified load factor on higher rates instead of charging the whole consumption at higher rate of energy charge for the particular load factor slab.

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that the formula considered by the Commission for Load Factor calculation results in paying of higher energy charges while using 80% of the contracted demand and needs to be rectified as below:

$$Load\ factor = \frac{Consumption\ during\ billing\ period \times 100}{\begin{array}{c}Billable\ demand\ or\ Contracted\ demand\ if\ the\ billable\ demand\ is\ higher\\ than\ the\ contracted\ demand \quad \times No.\ of\ hours\ in\ the\ billing\ period\end{array}}$$

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. submitted that Utilities in Indian States do not possess or record consumer category-wise hourly load profile based on which the end consumer load profile analysis may be carried out to analyse the impact of TOD tariff at consumer level, this is also one of the constraints, which has been highlighted by the respective SERCs. The fixed charges have also been kept according to the 33 kV and 132 kV. It is further submitted that this needs to be worked on scientific basis, hence, till then fixed charges should not be increased.

Shri Chandan Bhandari of BST Textile Mill Pvt. Ltd. submitted that the load factor-based tariff should be designed in such a way that higher the load factor the tariff is lower, as cost of servicing the consumer reduces.

2.39.1.2 Petitioner's Reply

The Petitioner submitted that UPCL in the current Petition has proposed Rs. 4.98/kVAh for load factor up to 40% and Rs. 4.84/kVAh for load factor above 40% for HT Industry category. Thus, higher energy charges have been proposed for consumers having low load factor and low energy charges for consumers having higher load factor.

The Petitioner further submitted in the current tariff proposal; the load factor formula has been revised as follows:

For tariff purposes Load Factor (%) would be deemed to be =

$$\frac{\text{Consumption (excluding the energy received through open access) during the billing period}}{\text{Maximum Demand or Contracted Demand whichever is higher x No. of hours in the billing period}} \times 100$$

Provided that in cases where maximum demand during the month occurs in a period when open access is being availed by the consumer, then maximum demand for the purpose of computation of load factor shall be that occurring during the period when no open access is being availed.

The Petitioner submitted that UPCL in this Petition has proposed voltage-wise demand charges and the demand charges at higher voltage have been kept lower. The Petitioner has also proposed energy charges in a manner to incentivize for higher load factor, i.e., higher the consumption lower the energy charges. Such a proposal shall augment the benefits to a consumer connected at higher voltage level.

2.39.1.3 Commission's Views

This issue had been dealt in detail by the Commission in the in-house paper issued during the MYT Order for the second Control Period. Since, the marginal cost of power is higher than the average cost of power, therefore, to have cost reflective tariffs, the energy charges should increase with load factor. Further, the Commission has deliberated on this issue in detail in Chapter 5 of the Order.

2.40 Tariff to Hotels & Cinema

2.40.1.1Stakeholder's Comments

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry has submitted that the consumers of these categories are billed under non-domestic category, which is the highest tariff prevailing in UPCL. In the plain areas of Uttarakhand, there is more consumption of electricity in summers in these categories due to running of air conditioners but the consumption is reduced in winters. On the other hand, in the hills there is more consumption in winters due to usage of heaters and geysers and less consumption in summers due to no usage of air conditioners. Thus, seasonal variation needs to be considered in fixation of tariff to such consumers.

2.40.1.2 Petitioner's Reply

The Petitioner submitted that the Commission may take a view on the request of the consumer.

2.40.1.3 Commission's Views

The Commission has gone through the suggestions of the stakeholders and has duly considered the same while designing and rationalizing the tariff and has discussed the issues in detail in Chapter 5 of this Order.

2.41 Consumer Security Deposit

2.41.1.1 Stakeholder's Comments

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that at present cash security equal to two months average billing in a financial year is required by UPCL. The security is for the purpose of providing security to UPCL in case of default. Industrial consumers pay initial security @ Rs. 1000/- per kVA at the time of connection in cash and, thereafter, on year-to-year basis as per above criteria. They find it difficult to arrange cash security. The UPCL's bill can be secured through Bank Guarantee also. Bank Guarantee will facilitate the industries and at the same time serve the purpose of UPCL, and the Commission may consider this matter. Presently, the Commission has allowed interest on consumer security deposits at Bank Rate, which is less than the rate at which banks give credit to the consumers. On the other hand, UPCL has been allowed delayed payment surcharge, which is also interest payable by the consumer at the rate of 1.25% per month, i.e. 15% per annum for delay in payment of bills. Thus, there is a big anomaly in the rate of interest payable to the consumers on their security deposits and rate of interest chargeable by UPCL for delay in payment of bills. The Commission may consider removing this anomaly and allowing the same rate of interest on consumer security deposit and for delayed payments for consumer bills.

Shri Susheel Tyagi of Sanyukt Nagrik Sangathan submitted that accounting done against the security collected from consumer is not proper and the Commission is requested to bring transparency in the system maintained for consumer security deposit.

2.41.1.2 Petitioner's Reply

The Petitioner submitted that as per Section 47 (4) of the Electricity Act, 2003, the Distribution Licensee is required to pay interest on the security deposit. As interest cannot be paid on the money held with UPCL as Bank Guarantee / Letter of Credit, the security deposits should only be in the form of cash / bank draft.

Further, the Commission in its Tariff Order dated 27-02-2019 at para 2.16.1.3 has also held in the matter as follows:

> *"The Commission is of the view that the issues raised regarding quantum and mode of payment of Security Deposit are governed by the provisions of the Supply Code Regulations and, hence, cannot be modified through Tariff Order."*

Delayed Payment Surcharge is the cost if money is not received by UPCL in time. This surcharge is levied with a view to discourage the consumers who do not pay their bills within due date and, therefore, the rate of delayed payment surcharge should be more than interest on security deposits.

The Petitioner submitted that UPCL is accounting for the security deposits and the same is reflected in audited accounts. UPCL also makes payment for Interest on Security deposit on periodic basis.

2.41.1.3 Commission's Views

The Commission is of the view that the issues raised regarding mode of payment of Security Deposit are governed by the provisions of the Supply Code Regulations and, hence, cannot be modified through Tariff Order. Further, it is to be recognised that DPS is not a source of income for UPCL, but a penalty mechanism to deter the consumers from defaulting in payments of their bill on time.

2.42 Delayed Payment Surcharge

2.42.1.1 Stakeholder's Comments

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that as per General Conditions of supply given in Annexure-I to Rate Schedules, the existing provision for delayed payment surcharge (Late Payment Surcharge) is as follows:

Delayed Payment Surcharge (DPS) (for all categories except PTW) - In the event of electricity bill rendered by licensee, not being paid in full within 15 days grace period after due date, a surcharge of 1.25% on the principal amount of the bill which has not been paid, shall be levied from the original due date for each successive month or part thereof until the payment is made in full without prejudice to the right of the licensee to disconnect the supply in accordance with Section 55(6) of the Electricity Act, 2003.

The Licensee should clearly indicate in the bill itself the total amount, including DPS, payable for different dates after the due date, after allowing for the grace period of 15 days, taking month as the unit. It is evident that delayed payment surcharge is to be levied on the principal amount of the bill, which remains unpaid excluding the delayed payment surcharge levied in previous months. However, as per practice prevailing in UPCL, if the bill is not paid by the consumer, the delayed payment surcharge is levied on the total unpaid amount including delayed payment surcharge for previous month. The provision in the billing software is such that the arrears are not split into principal amount and delayed payment surcharge in the following month to enable levy of delayed payment surcharge on the principal amount only. Thus, once a consumer becomes defaulter, delayed payment surcharge is charged on both principal amount and previous delayed payment surcharge in arrears. This anomaly needs to be corrected and billing software needs to be modified suitably so that delayed payment surcharge is levied on the principal amounts remaining unpaid and not on delayed payment surcharge levied in previous months.

Shri Ashok Bansal of M/s Kumaun Garhwal Chamber of Commerce & Industry submitted that the consumer's bill issued by the Licensee violates the provisions of the Regulations and Tariff. The UERC (Electricity Supply Code) Regulations, 2007 provides that delivery of each bill to the consumer shall be effected 15 days before the due date of payment of the bill. The provisions of Tariff lay down grace period of 15 days from the due date before levy of delayed payment surcharge. Evidently, a consumer is not liable for delayed payment surcharge if the bill is paid by him within 30 days of receipt of the bill. As per practice prevailing in UPCL for billing, due date is fixed giving only 3-4 days' time from bill generation date (instead of minimum 15 days provided in the Regulations) and then grace period is fixed allowing 15 days grace period from due date. Thus, consumer is not allowed the specified period to pay the bill without delayed payment surcharge. The Commission may look into this anomaly in the billing of the consumers so that they are not penalized unnecessarily by violations of the provisions by the Licensee. Further, the due dates and grace period should be system generated. The billing software should be modified so that due date is automatically fixed 15 days on the bill generation and further 15 days grace period is fixed, accordingly, for payment without inviting delayed payment surcharge.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. and Shri Rajeev Gupta of M/s Kashi Vishwanath Steel Pvt. Ltd. submitted that UPCL is charging LPS against the Tariff Order and relevant Regulations framed, as it charges LPS @ 1.25% for whole month in spite of the consumer paying its liability on 24.03.2021 (after due date but within March). The stakeholder questioned how UPCL can charge LPS for the remaining days when there is no liability on the consumer to pay. It is against the laws and arbitrary working of UPCL charging interest on the period when no balance is outstanding in its books against the consumer. UPCL can charge LPS only on the period till the bill is not paid.

The second anomaly is that when the bill is issued on 6th of March taken as an example, can LPS be charged for the period prior to the period bill is issued, i.e. between 1st of March and 6th of March. The stakeholder is of the opinion that when there is no bill there is no liability. The liability arises only when the bill is issued and the grace period is given from the date of bill. The Tariff Order guides that the LPS shall be levied from the original due date, question arises what is that original due date, is it 1st of March (from where billing month starts), 6th of March (date of bill issued) or 21st of March (due date mentioned in the bill). It needs to be clarified in the interest of the consumer as well as Distribution Licensee.

It was further submitted that the UPCL is not the better judge but the bill date, the one on which it is emailed/dispatched/SMS to the consumer is a better judge.

Therefore, the Commission was requested to provide suitable example to have a transparent chargeability of LPS in the bills.

2.42.1.2Petitioner's Reply

The Petitioner submitted that the Delayed Payment Surcharge is not being levied on the arrear amount of delayed payment surcharge. This is being levied only on the principal amount of electricity arrears.

Late Payment Surcharge is being charged as per provisions of Tariff Order and it is difficult to provide the complete computation of the same in the electricity bill.

2.42.1.3 Commission's Views

The Commission has gone through the comments of stakeholders and submissions of the Petitioner, DPS is leviable only on the principal amount in case the consumer is unable to pay, in full, the amount by due date and the Petitioner is bound to allow 15 days' time for payment of bills. With regard to Grace Period, the Commission has dealt with the issue in detail in Chapter 5 of this Order.

2.43 Cost of Free Power

2.43.1.1 Stakeholder's Comments

Shri Nishant Kumar of M/s Uttarakhand Steel Manufacturers Association submitted that on the issue of determination of cost of free power, which is being procured by UPCL from the State of Uttarakhand, the Govt. of Uttarakhand by way of various Cess, Royalty and Water Tax is collecting approximately Rs. 1/unit, which is being collected from the consumers. Further, an Electricity Duty of Rs. 50 paise/unit is also leviable upon the consumers of Uttarakhand. As such, the benefit of free power is not at all being extended to the consumers in any manner whatsoever. This is for the reason that, on one hand, the tariff of free power has been determined by the Commission at Rs. 2.32 per unit and on the other hand the consumers are also made to bear the various taxes and levies collected by the State of Uttarakhand.

As such, the Commission while determining the tariff of free power, is required to take into consideration the cess, royalty, water tax and electricity duty, which are applicable to the consumers of Uttarakhand.

2.43.1.2 Petitioner's Reply

The Petitioner submitted that as per Section 3 of Uttar Pradesh Electricity (Duty) Act (Uttarakhand adaptation and modification) order 2001, the State Government is empowered to fix the rates of Electricity Duty to be charged from various categories of consumers. Government of Uttarakhand vide its Notification No. 79/I/2016-01(3)/01/2003, dated 25-01-2016 has fixed these rates applicable w.e.f. 1-01-2016. UPCL is charging Electricity Duty as per Government orders. The Electricity Duty charged from consumers is payable by UPCL to GoU. Therefore, the matter may be taken up with GoU.

As per Section 4 of the Uttarakhand Green Energy Cess Act, 2014, Green Energy Cess upto 10 paise per unit shall be levied on the Electricity supplied to Commercial and Industrial Consumers of the State. This Cess will be levied, collected and payable by UPCL. As per GoU notification dated 17-06-2015, rate of Cess has been determined @ 10 paise per unit. Therefore, the matter may be taken up with GoU.

2.43.1.3 Commission's Views

The issues related to source-wise power purchase plan and costs have been deliberated by the Commission in Chapter 3 and 4 of this Order. Further, the issues raised with regard to charging of Electricity Duty, Energy Cess and Royalty on Water are not under the jurisdiction of the Commission and the consumer may approach the State Government for any relief. Moreover, The Electricity (Removal of Difficulty) Third Order, 2005 gives the State Govt. the right to use free power in whatsoever manner, and the jurisdiction of the Commission in only to fix the rate of such free power, which the Commission has been doing on the principles & which serves the best interest of the people of the State.

2.44 Promotion of Prepaid Meters

2.44.1.1 Stakeholder's Comments

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. submitted that all willing big industrial consumers should be allowed to have prepaid meters as Smart metering would empower consumers with tools to help them conserve energy and plan their electricity usage in an efficient and optimum manner and will also improve the collection of UPCL, thereby, improving working capital management.

2.44.1.2 Petitioner's Reply

The Petitioner submitted that they agree with the view of the stakeholder and has proposed Prepaid Metering Scheme as a part of the MYT Tariff Petition. Further, in line with the GoI's Smart Metering National Program (SMNP), UPCL has proposed implementation of smart meter project in Roorkee Circle on OPEX model and has also constituted a Committee for preparation of Detailed Project Report (DPR) and Preliminary Project Report (PPR) and further necessary action. UPCL shall suitably approach the Commission for approval of the smart meter project for the Roorkee circle. The scheme will be formulated separately for Roorkee Circle and balance 16 divisions. The proposal for Roorkee Circle consists of complete feeder metering, DT metering and smart metering, and consumer tagging along with Metering, Billing & Collection (MBC) services on outsourced basis. The proposal for balance 16 divisions shall consist of complete feeder metering, DT metering, consumer tagging along with smart metering limited to town areas (i.e. R-APDRP and IPDS towns).

2.44.1.3 Commission's Views

The Commission has taken note of suggestion received from the stakeholder regarding improvement in metering and billing and **the Commission directs UPCL to consider the suggestions given by the stakeholders to improve its metering and billing system.**

2.45 Multiple categories and tariff slabs

2.45.1.1 Stakeholder's Comments

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. and Shri Dinesh Sah submitted that In Uttarakhand, there are several tariff slabs with reasoning known better to the Commission, but it results in creating multiple consumer categories and, thus, become very complex structure, which leads to multiple inefficiencies. Too many tariff slabs, which may not necessarily reflect the cost of supply, lead to much higher administrative costs for monitoring consumers. It is also worthwhile to note that multiple slabs coupled with cross subsidies also incentivize the consumer to manipulate his number of connections to maximize the subsidy benefits. Hence, it is suggested that there should be a single tariff corresponding to the voltage of supply and all consumers connected to the same voltage level should see a common tariff commensurate to the cost of supplying power to them.

2.45.1.2 Petitioner's Reply

The Petitioner submitted that the current tariff structure for the Non-domestic category is primarily divided into two categories, i.e. up to 25 kW and above 25 kW and no unit-wise slab structure. Further, in case of Domestic categories it is important to provide the slab-wise benefit to certain groups with low consumption and low-income level.

The Petitioner submitted that UPCL in accordance with the Draft Amendments in the Tariff Policy has tried to simplify the existing tariff structure. The Draft Amendment stipulates the following:

"8.3A Simplification of tariff categories and rationalization of retail tariff over the years, the tariff structure across the States has become very complex and disparate and there is a need to not only simplify and rationalize the tariff structure, but also make it harmonious across all States. Towards this end, the following principles shall be adopted:

a) Based on the 'purpose of use', there shall be not more than five major consumer categories such as Domestic, Commercial, Agricultural, Industrial and Institutional.

b) *Sub-categorization for each category will be based on 'supply voltage level' (LT/HT) to enable reflection of the actual cost of supply in tariffs. The LT Domestic sub-category may contain further consumption-based slabs in addition to a slab for poorer sections of the society as mentioned in para 8.3 of this Policy."*

The Draft Amendment stipulates to simplify the tariff structure to limit the number of categories along with the slabs so that the tariff prudently reflects the cost of supply. Hence, UPCL has proposed revised structure/number of slabs/subcategories, which also results in easy comprehension of the tariff schedule by a consumer.

2.45.1.3 Commission's Views

The Commission has gone through the suggestions of the stakeholders and has duly considered the same while designing and rationalizing the tariff and has discussed the issues in detail in Chapter 5 of this Order.

2.46 Absence of Cost Reflective Tariffs

2.46.1.1 Stakeholder's Comments

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. submitted that the tariffs set by the Commission does not reflect the costs incurred since there are several expenditures, which are not accounted for in the absence of information or due to some regulatory requirement and is unconsidered or is carried forward. This results in creation of large Regulatory gaps and it may be one more reason that they are being avoided to save the tariff shocks to consumers. These regulatory gaps are not beneficial for the utilities as they defer cost recovery and put credibility of the DISCOM at risk. On the other hand, they burden the consumers unnecessarily with the carrying costs. In the previous year tariffs, it came to notice that such cost was later considered and additional tariff burden was levied on the consumers in the form of Additional Energy Charge.

Shri Shakeel A. Siddiqui of M/s Kashi Vishwanath Textile Mill (P) Ltd. further submitted that there is an urgent need to determine costs attributable to every consumer category for cost reflective tariff design. For this, there is a pressing need to shift to more advanced methodologies to determine cost of supply from the current practice of Average Cost of Supply, which burdens industrial and commercial consumers. Simultaneously, to ensure that tariffs do not overburden the poorer section of consumers by making the tariffs cost reflective, there is a need to balance the tariffs with the ability to pay. The measurement of appropriate tariff levels that ensure affordability of electricity shall help in better tariff designs for these consumers.

2.46.1.2 Petitioner's Reply

The Petitioner submitted that the ARR and Tariff are as per the provisions of the Tariff Regulations notified by the Commission and past practices, methodology and normative approach adopted by the Commission. Certain parameters/elements of the ARR are claimed on actual basis as per the actual expenses incurred. However, certain expenses are allowed on normative basis so as to cover the same to the extent of actual expenses. These expenses are subject to the prudent investigation of the Commission. The tariff so determined by the Commission is reflective of the Cost of Supply and the ARR for the year.

2.46.1.3 Commission's Views

The Commission appreciates the concern of the stakeholder and informs that certain parameters/elements of the ARR are claimed on actual basis as per the actual expenses incurred. However, certain expenses are allowed on normative basis so as to cover the same to the extent of actual expenses. These expenses are trued-up after prudent investigation by the Commission. In this Tariff Order, the Commission has trued-up for FY 2019-20 in accordance to the provisions of the UERC Tariff Regulations, 2018 and past practices and methodology adopted by the Commission.

2.47 Computation of wheeling and transmission charges in Rs. /unit

2.47.1.1 Stakeholder's Comments

Shri Jogendra Behera of Indian Energy Exchange submitted that the Petitioner has computed the transmission and wheeling charges on Rs./MW/day basis. Regulation 20(1) & (2) of the Uttarakhand Electricity Regulatory Commission (Terms and Condition of Intra- State Open Access) Regulations, 2015 provides for determination of transmission and wheeling charges for STOA consumers in Rs./MW/day basis. Though this claim is in accordance with the Regulations, it is submitted that no transmission as well as distribution capacity/corridor is booked in STOA transaction and it is granted on the inherent design margin and have the least priority among all the transactions. Thus, the charges for STOA must be levied on usage basis, i.e. Rs./MWh or Rs./Unit and not on Rs./MW/day basis. Also, with the introduction of Real Time Market (RTM) the consumer will have to avail Open Access for rolling sessions. Thus, levy in Rs./MW for each instance of Open Access availed will make it completely unviable for such consumers.

2.47.1.2 Petitioner's Reply

The Petitioner has proposed the charges in Rs./MW/day basis in line with the provisions of Regulation 20 of the Uttarakhand Electricity Regulatory Commission (Terms and Condition of Intra- State Open Access) Regulations, 2015.

It is apposite to mention that capacity approved by NLDC/RLDC/SLDC for bi-lateral/collective transactions is in MW and such schedules are generally part of the day and for varying no. of hours, therefore, wheeling charges are proposed on Rs./MW/day basis and not on per unit basis.

2.47.1.3 Commission's Views

Some of the stakeholders have raised the issues related to computation of the Transmission and Wheeling charges in Rs./MW/day basis, etc., which are governed by the Uttarakhand Electricity Regulatory Commission (Terms and Conditions of Intra State Open Access) Regulations, 2015 and its amendments thereof. The principles for calculating Transmission/Wheeling charges, cross-subsidy surcharges and losses have already been specified in the Regulations and are, therefore, worked out on such specified principles.

2.48 Views of State Advisory Committee

During the State Advisory Committee Meeting held on April, 12, 2021, the Members made the following suggestions on the True-Up Petition for FY 2019-20, APR for FY 2020-21 and Determination of Tariff for FY 2021-22:

a) UPCL did not file the current Petition within the due date as per the Regulations and hence should be penalized for delay in filing the Tariff Petition. Further, the tariff schedule for new financial year should be applicable from or after the date of release of the Tariff Order and not retrospectively.
b) Public notice on tariff published by the utilities does not encourage general consumers to participate in the tariff proceedings and suggested that the awareness campaign on tariff should be held by the Commission and Utilities.
c) Huge variation in month on month Losses (%) has been observed and requested the Commission to look in to the same.
d) Appropriate view needs to be taken by the Commission on the distribution losses of UPCL and suggested for using of Data Analytics tools and techniques for reducing the same.

e) Considering the current scenario of COVID-19 Pandemic, the growth rate (%) of Industrial consumers sales which has been considered by UPCL in Tariff Proposal is on higher side, and the Commission should look in to the same.

f) Collection efficiency in some of the Government and Non-Government Zones has been decreasing from last three years. UPCL should submit the reason for claiming lower collection efficiency and measures taken to improve the same, and the Commission should look in to the same.

g) Many issues with the current Billing mechanism of UPCL and the proposal of UPCL for abolishing grace period of 15 days beyond due date for levying Delayed Payment Surcharge should be considered only after the improvement of current Billing mechanism as in most of the cases, bills are manually prepared even after installation of Automated Metering Reader (AMR).

h) UPCL should provide the details of defective meters such as number of defective meters, number of defective meters which have been replaced, details regarding time taken to replace such meters and impact due to delay should also be submitted by UPCL.

i) Peak hours should be fixed in such a manner that the single day shift industry gets clear 8 hours (plus one-hour break) for continuous operation at normal tariffs.

j) It has been observed that UPCL is under-drawing power during the Peak hours.

k) UPCL should establish a Cell separately for Power Purchase planning and procurement. The Cell will help UPCL to purchase power at economical rate and decrease the burden on the consumers.

l) UPCL has paid Rs. 24.35 Crore against Late Payment Surcharge (LPSC) to NTPC. The Commission should look into this and this amount should not be passed on to the consumers in ARR.

m) UPCL should clarify that the per unit rate provided for power purchase from Power Exchanges is landed cost to UPCL or not. If not, then UPCL should specify the landed cost after including transmission charges and any other cost incurred on the same.

n) UPCL should submit the reason for claiming higher Transmission Charges in comparison to previous years.

o) UPCL has proposed exorbitantly high capital expenditure of Rs. 1335.60 Crore in comparison with approved capital expenditure of Rs. 601.32 Crore for FY 2021-22 and requested the Commission to look in to the need and justification for such huge variation.

Further, due to proposed higher capital expenditure, ARR shall be increased, which will burden the end consumers.

p) Electrical Inspector Certificates submitted by UPCL in support of additional capitalization have certain discrepancies, viz., approval of 12 No. of schemes on a non-working day by a single officer. The Commission should look in to the same before approving the same.

q) Why UPCL own employees have been designated as Electrical Inspector for review of their own schemes.

r) UPCL should clearly mention the source of money invested in Fixed Deposits as the same also includes the Security Deposits provided by the consumers.

s) Infrastructure network of the Distribution Licensee should be properly managed. The placement of transformer and high-tension line should not be very near to residential areas.

t) The stakeholders opposed the tariff increase proposed by UPCL and submitted that the existing tariff is already on the higher side.

u) The stakeholders submitted that there is a need to relook at the various levies by State Govt, viz. Electricity Duty and Green Cess in view of the cost of free power being paid to the State Govt. Further, the GoU should subsidize the Electricity instead of charging the consumers.

2.48.1.1Petitioner's Reply

The Petitioner submitted the following replies:

a) With regard to the Automated Metering Reader (AMR), UPCL submitted that Automated Metering Reader is been implemented in a phased manner and assured that the same will be completed soon. UPCL further submitted that most of the Automated Metering Reader is working efficiently and the defective ones get replaced within time.

b) UPCL has given proposal to abolish grace period and also agreed to provide the cost benefit analysis of rebate that will be given to the consumers on abolition of grace period. UPCL further justified the proposal of abolition of Grace period as the payments for power purchase from various generators has to be made in order to avoid late payment surcharge.

c) Apart from the online payment rebate, UPCL also proposed that the Commission may consider extending a rebate on prompt payment.

d) UPCL submitted that they are maintaining their network efficiently and the per unit cost incurred for R&M is on lower side if compared to other States like Himachal Pradesh, Madhya Pradesh, Haryana, etc.

e) UPCL welcomed the suggestion of Consultative Forum made by the members of SAC.

2.48.1.2 Commission's Views

The issues raised by the Members of the Advisory Committee have been taken into consideration while deciding on the Petitioner's claims in the Petition filed for approval of Truing Up for FY 2019-20, APR for FY 2020-21 and Determination of Tariff for FY 2021-22 as detailed in subsequent Chapters of this Order. **UPCL is directed to submit its responses to the issues raised by Members of the SAC mentioned at S.No. (b.), (f.), (k.), (r.), (s.) given at Para 2.48 above within 2 months of the the date of the order and the Commission will take appropriate view based on the response submitted by UPCL.**

3. Petitioner's Submissions, Commission's Analysis, Scrutiny and Conclusion on Truing Up for FY 2019-20

3.1 Truing-up for FY 2019-20

Regulation 12(3) of the UERC (Terms and Conditions for Determination of Tariff) Regulations, 2018 specifies as under:

"(3) The scope of the Annual Performance Review shall be a comparison of the actual performance of the Applicant with the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise of following:

a) A comparison of the audited performance of the applicant for the previous financial year with the approved forecast for such previous financial year and truing up of expenses and revenue subject to prudence check including pass through of impact of uncontrollable factors;

b) Categorisation of variations in performance with reference to approved forecast into factors within the control of the applicant (controllable factors) and those caused by factors beyond the control of the applicant (un-controllable factors).

c) Revision of estimates for the ensuing financial year, if required, based on audited financial results for the previous financial year;

d) Computation of the sharing of gains and losses on account of controllable factors for the previous year."

The Petitioner submitted that the Commission vide its MYT Order dated February 27, 2019 had approved the expenses and revenues of the Petitioner for FY 2019-20 based on the UERC Tariff Regulations, 2018, the historical trends and the revised projections of the Petitioner.

The Commission has analysed the head-wise elements of ARR and revenue for FY 2019-20 in the succeeding paragraphs. The head-wise details of variations in expenses and revenues are enumerated below.

3.1.1 *Sales*

The Commission had approved the energy sales for FY 2019-20 in its MYT Order dated February 27, 2019 as 12397.76 MU. The Petitioner in the current Petition has submitted the actual sales for FY 2019-20 as 12021.35 MU and requested the Commission to approve the actual sales as claimed for true-up.

The Commission continuing with its earlier approach, directed the Petitioner to submit the breakup of sales for all the consumer categories into two parts, i.e. sales based on actual meter reading and sales billed on provisional/assessment basis for FY 2019-20 during the current proceedings. In reply to the Commission's direction, the Petitioner submitted the following:

Table 3.1: Break up of Sales submitted by the Petitioner for FY 2019-20 (MU)

S. No.	Category/Sub-Category	Based on Actual Meter Reading			Based on Assessment			Total		
		No. of Consumers (No)	Connected Load (KW)	Sales (MU)	No. of Consumers (No)	Connected Load (KW)	Sales (MU)	No. of Consumers (No)	Connected Load (KW)	Sales (MU)
1.	**Domestic**									
(i)	**BPL and Kutir Jyoti**	384729	391126	219.03	22568	17709	16.76	407297	408835	235.79
(ii)	**Other Domestic Consumers**	1735813	2699633	2679.60	49379	73181	79.92	1785192	2772814	2759.53
(iii)	**UPCL Employees and Pensioners**	6653	19876	27.48	203	500	1.29	6856	20376	28.77
(iv)	**UJVNL Employees and Pensioners**	2165	5265	13.92	28	76	0.41	2193	5341	14.34
(v)	**PTCUL Employees and Pensioners**	1019	2797	8.98	19	63	0.24	1038	2860	9.22
(vi)	**Single Point Bulk Supply**	115	35575	53.32	1	255	0.29	116	35830	53.60
(vii)	**Temporary Supply**	13019	45492	12.60	0	0	0.00	13019	45492	12.60
	Total Domestic	**2143513**	**3199764**	**3014.93**	**72198**	**91784**	**98.91**	**2215711**	**3291548**	**3113.85**
2.	**Non-domestic**	258748	1138940	1361.21	5168	15720	34.92	263916	1154660	1396.13
3.	**PTW**	31399	173241	122.08	5928	31885	68.03	37327	205126	190.11
4.	**Agriculture Allied Activities**	158	5755	12.34	3	24	0.17	161	5779	12.51
5.	**Public Lamps**	1934	15868	32.73	412	2617	13.72	2346	18485	46.45
6.	**Govt. Irrigation System**	1703	63517	159.24	173	4395	19.60	1876	67912	178.84
7.	**Public Water Works**	1863	113692	437.66	103	3019	15.37	1966	116711	453.03
8.	**LT Industry**	11990	251331	309.34	116	1983	2.59	12106	253314	311.94
9.	**HT Industry**	2183	1759562	6092.37	7	367	12.87	2190	1763255	6105.24
10.	**Mixed Load**	77	55970	180.71	1	-	1.76	78	56337	182.47
11.	**Railway Traction**	2	14000	29.08	-	-	-	2	14000	29.08
12.	**Other State Supply**	4	900.00	1.71	-	-	-	4	900	1.71
Total		**2453574**	**6792540**	**11753.40**	**84109**	**155487.00**	**267.95**	**2537683**	**6948027**	**12021.35**

The Commission in its Tariff Order dated March 21, 2017 had analysed the division wise commercial statement for FY 2015-16 and observed that like previous years, the average billing rate (ABR) of certain categories of consumers in some divisions were even less than the energy charge approved for that category and had directed the Petitioner to rectify such anomalies failing which the Commission would examine the matter and if required necessary corrections to this extent would be made in the subsequent years.

The Commission again in its Order dated March 21, 2018 while analysing the ABR of various consumer categories observed that the ABR of PTW consumer category was Rs. 1.41/kWh which was substantially lower than the approved Energy charge of Rs. 1.55/kWh. The Commission in the above Order directed the Petitioner to instruct its field officers to carry out the necessary corrections in sales.

The Commission in its MYT Order dated February 27, 2019 while analysing the commerical diary for FY 2017-18 observed that ABR for almost all the categories for some divisions were abnormally low as compared to the ABR approved by the Commission. The Commission in the said Order held as follows:

> ***"The Commission has taken serious note of the same and the Petitioner's continued non-compliance of the repeated directions of the Commission to rectify such data distortion. The Commission is of the view that enough opportunity and time has been provided to the Petitioner to rectify the same and, therefore, the Commission in this tariff order has re-casted category wise sales of those divisions that have abnormally low ABR."***

The Commission in its Tariff Order dated April 18, 2020 while analysing the commercial diary for FY 2018-19 again observed that ABR for almost all the categories for some divisions were abnormally low as compared to the ABR approved by the Commission including the additional energy charges approved for recovery of Fuel Charge Adjustment (FCA) in FY 2018-19. Accordingly, the Commission in the said Order re-casted the category wise sales of those categories that were having abnormally low ABR.

The Commission in the current proceedings also sought the commercial diary for FY 2019-20 to check division wise sales and revenue data. The Petitioner in its reply submitted the same. The Commission while analysing the same found that the ABR of almost all the categories for some of the divisions were abnormally low as compared to the ABR approved by the Commission including the additional energy charges, approved for recovery of power purchase cost incurred in excess of the approved power purchase cost for FY 2018-19, allowed by the Commission in FY 2019-20.

In view of the above discrepancies observed in the sales data included in the commercial diary submitted by the Petitioner for FY 2019-20, the Commission in this Tariff Order has re-casted category wise sales of those categories that have abnormally low ABR. The approach adopted for re-casting the category wise sales of UPCL for FY 2019-20 is discussed hereunder:

a) Domestic Consumers

Based on the detailed analysis of the division wise sales and ABR submitted by the Petitioner for FY 2019-20, it is observed that the following divisions have abnormally low ABR.

Table 3.2: UPCL Divisions with Lower ABR for Domestic Category

S.No.	Name of Division/Circles	No. of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR Actual (Rs./kWh)
Domestic (Except RTS 1.1)						
1.	EDD, Gopeshwar	25596	29582	19.70	731.69	3.72
2.	EDD, Rudraprayag	35078	36048	22.38	823.83	3.68
3.	EDD, Nainital	44081	65120	24.98	934.25	3.74
4.	EDD, Kashipur	57240	111093	132.05	4,915.70	3.72
5.	EDD, Bageshwar	39181	44098	22.50	878.16	3.90
6.	EDD, Bhikiyasain	24413	30164	8.45	403.62	4.78
7.	EDD, Champawat	34304	35707	34.22	1,206.83	3.53
RTS 1.1 (BPL/Lifeline)						
1.	EDD (N), Dehradun	498	498	0.91	33.03	3.23
2.	EDD (S), Dehradun	176	176	0.28	11.82	3.71
3.	EDD (C), Dehradun	27	27	0.04	1.55	4.00
4.	EDD, Laksar	3420	3420	4.50	251.11	3.60
5.	EDD, Kashipur	1038	1038	2.29	89.21	3.24
6.	EDD, Rudrapur	8111	8111	13.48	432.71	2.86
7.	EDD, Sitarganj	14239	14239	14.31	514.66	2.98

The Commission in its previous Tariff Orders has been recasting the assessed sales based on the load factor of metered consumers. However, for FY 2019-20 division wise re-casting has been done where the actual ABR is found to be considerably lower than the approved tariffs. In order to assess normative ABR on the basis of Rate Schedule approved by the Commission, the Commission has computed the same for Domestic Consumers including RTS 1.1 (BPL/Lifeline Consumers) considering the energy charges (including additional energy charges) and fixed charges applicable for the consumers considering the consumption per kW per month for domestic consumers except BPL consumers. However, for BPL/Lifeline consumers, the Commission has considered the consumption per consumer per month against consumption per kW per month, in deviation to its approach followed in previous years as in certain divisions BPL/Lifeline consumers had load exceeding 1 kW. UPCL was asked to clarify the same to which it replied that the same was in accordance with UERC (Supply Code) Regulations, 2007. However, tariff of BPL/lifeline consumers is applicable to the consumers having load upto 1 kW and consumption upto 60 units/month. Based on the normative ABR and revenue booked, excess sales to be disallowed has been computed for each division. The excess sale to be disallowed for the above Divisions is as shown below:

Table 3.3: Excess Sales to be disallowed for Domestic Category (Except RTS 1.1)

S. No	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	Consumption /kW/ month	ABR (Normative) Rs./kWh	Excess Sales (MU)
1.	EDD, Gopeshwar	29582	19.70	731.69	3.72	64.12	3.81	0.48
2.	EDD, Rudraprayag	36048	22.38	823.83	3.68	53.17	3.98	1.7
3.	EDD, Nainital	65120	24.98	934.25	3.74	47.22	4.11	2.27

Table 3.3: Excess Sales to be disallowed for Domestic Category (Except RTS 1.1)

S. No	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	Consumption /kW/ month	ABR (Normative) Rs./kWh	Excess Sales (MU)
4.	EDD, Kashipur	111093	132.05	4,915.70	3.72	192.24	3.78	1.86
5.	EDD, Bageshwar	44098	22.50	878.16	3.90	47.85	4.1	1.08
6.	EDD, Bhikiyasain	30164	8.45	403.62	4.78	28.84	4.86	0.14
7.	EDD, Champawat	35707	34.22	1,206.83	3.53	83.13	3.61	0.8
Total								**8.34**

Table 3.4: Excess Sales to be disallowed for Domestic Category (RTS1.1 – BPL/Lifeline)

S. No	Name of Division/Circles	Consumer	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	Consumption /Con./month	ABR (Normative) Rs./kWh	Excess Sales (MU)
1.	EDD (N), Dehradun	498	0.91	33.03	3.23	151.44	3.78	0.13
2.	EDD (S), Dehradun	176	0.28	11.82	3.71	134.00	3.79	0.01
3.	EDD (C), Dehradun	27	0.04	1.55	4.00	108.02	3.80	-0.00
4.	EDD, Laksar	3420	4.50	251.11	3.60	109.69	3.80	0.23
5.	EDD, Kashipur	1038	2.29	89.21	3.24	184.17	3.78	0.33
6.	EDD, Rudrapur	8111	13.48	432.71	2.86	138.50	3.79	3.23
7.	EDD, Sitarganj	14239	14.31	514.66	2.98	83.75	3.61	2.50
Total								**6.42**

Accordingly, based on the above, the total re-casted sales for Domestic Category for FY 2019-20 works out to 3099.09 MU against 3113.85 MU submitted by UPCL.

b) Non-Domestic:

Based on the detailed analysis of the division wise sales and ABR submitted for FY 2019-20, it is observed that the ABR for this category in some of the Divisions was considerably lower than the average ABR of the Category for the State as a whole. On excluding the sales and revenues of the divisions having considerable low ABR, the average ABR for the category works out to Rs. 6.40/kWh for contracted capacity upto 75 kW and Rs. 6.24/kWh for contracted capacity above 75 kW. The Commission has re-casted the sales of the following divisions for which the ABR has been found to be considerably lower than Rs. 6.40/kWh (upto 75 kW) and lower than Rs. 6.24/kWh (above 75 kW).

Table 3.5: UPCL Divisions with Lower ABR for Non-Domestic Category

S. No.	Name of Division/Circles	No. of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)
RTS:2 - Non-Domestic (Upto 75 kW)						
1.	EDD, Raipur	9476	29386	36.02	2347.05	6.06
2.	EDD Vikasnagar	7702	20184	24.57	1593.80	6.14
3.	EDD, Doiwala	3650	14359	18.11	1146.10	5.95
4.	EDD (S), Dehradun	11387	45010	64.12	4339.00	6.40
5.	EDD, Uttarkashi	4178	11690	12.38	825.73	6.10

Table 3.5: UPCL Divisions with Lower ABR for Non-Domestic Category

S. No.	Name of Division/Circles	No. of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)
6.	EDD, Pauri	3817	11650	8.73	591.59	6.37
7.	EDD, Gairsain	1964	4357	5.32	355.74	6.22
8.	EDD, Gopeshwar	3521	8589	9.50	597.66	5.86
9.	EDD, Rudraprayag	4152	11338	14.04	904.05	5.96
10.	EDD (R), Roorkee	5286	16472	12.66	876.29	6.39
11.	EDD Bhagwanpur	3381	16129	16.14	1027.44	5.94
12.	EDD, Nainital	7177	33868	31.91	1948.56	5.89
13.	EDD, Kashipur	6647	20566	17.20	1020.53	5.56
14.	EDD, Bajpur	3592	12977	13.73	932.71	6.15
15.	EDD, Jaspur	3170	10548	11.52	744.02	6.10
16.	EDD, Almora	5671	12869	13.28	886.73	6.11
17.	EDD, Bageshwar	3724	10106	8.60	551.53	6.01
18.	EDD, Bhikiyasain	1541	2402	3.26	218.32	6.20
19.	EDD, Rudrapur	14441	57281	65.55	4116.07	5.85
20.	EDD, Sitarganj	4558	16099	16.87	1166.26	6.18
21.	EDD, Khatima	3759	11946	11.77	785.25	6.14
22.	EDD, Champawat	4288	11733	12.17	721.10	5.38
23.	EDD, Dharchula	1918	4139	5.58	374.38	6.21
RTS:2 - Non-Domestic (Above 75 kW)						
1.	EDD, Raipur	28	14021	12.25	717.11	5.85
2.	EDD, Rishikesh	35	11708	32.87	1722.47	5.24
3.	EDD, Doiwala	9	5173	5.36	294.38	5.49
4.	EDD, Mohanpur	37	10338	17.93	1099.59	6.13
5.	EDD (N), Dehradun	84	23862	59.92	3716.77	6.20
6.	EDD (S), Dehradun	1054	26847	56.37	3428.03	6.08
7.	EDD, Srinagar	7	3235	7.19	409.14	5.69
8.	EDD, Pauri	5	1965	3.26	174.01	5.35
9.	EDD (U), Hardwar	55	7675	15.29	925.00	6.05
10.	EDD (R), Hardwar	13	8613	7.81	481.74	6.17
11.	EDD (U), Haldwani	40	8588	16.82	1014.81	6.03
12.	EDD, Nainital	39	6690	8.79	518.82	5.90
13.	EDD (R), Haldwani	16	3999	7.46	462.19	6.20
14.	EDD, Kashipur	137	9368	12.96	749.79	5.79
15.	EDD, Jaspur	1	200	0.56	32.35	5.83
16.	EDD, Bageshwar	3	300	0.77	43.82	5.71
17.	EDD, Bhikiyasain	20	1515	2.10	129.75	6.18
18.	EDD, Rudrapur	29	11867	31.77	1962.28	6.18

Based on the normative ABR as discussed above and revenue booked, excess sales to be disallowed has been computed for each division. The excess sales to be disallowed for the above divisions is as shown below:

Table 3.6: Excess Sales to be disallowed for Non-Domestic Category

S. No.	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	ABR normative (Rs./kWh)	Excess sales (MU)
RTS:2 - Non-Domestic (Upto 75 kW)							
1.	EDD, Raipur	29386	36.02	2347.05	6.06	6.40	1.91

Table 3.6: Excess Sales to be disallowed for Non-Domestic Category

2.	EDD Vikasnagar	20184	24.57	1593.80	6.14	6.40	0.99
3.	EDD, Doiwala	14359	18.11	1146.10	5.95	6.40	1.28
4.	EDD (S), Dehradun	45010	64.12	4339.00	6.40	6.40	0.02
5.	EDD, Uttarkashi	11690	12.38	825.73	6.10	6.40	0.58
6.	EDD, Pauri	11650	8.73	591.59	6.37	6.40	0.04
7.	EDD, Gairsain	4357	5.32	355.74	6.22	6.40	0.15
8.	EDD, Gopeshwar	8589	9.50	597.66	5.86	6.40	0.81
9.	EDD, Rudraprayag	11338	14.04	904.05	5.96	6.40	0.95
10.	EDD (R), Roorkee	16472	12.66	876.29	6.39	6.40	0.02
11.	EDD Bhagwanpur	16129	16.14	1027.44	5.94	6.40	1.16
12.	EDD, Nainital	33868	31.91	1948.56	5.89	6.40	2.56
13.	EDD, Kashipur	20566	17.20	1020.53	5.56	6.40	2.26
14.	EDD, Bajpur	12977	13.73	932.71	6.15	6.40	0.54
15.	EDD, Jaspur	10548	11.52	744.02	6.10	6.40	0.55
16.	EDD, Almora	12869	13.28	886.73	6.11	6.40	0.60
17.	EDD, Bageshwar	10106	8.60	551.53	6.01	6.40	0.53
18.	EDD, Bhikiyasain	2402	3.26	218.32	6.20	6.40	0.10
19.	EDD, Rudrapur	57281	65.55	4116.07	5.85	6.40	5.60
20.	EDD, Sitarganj	16099	16.87	1166.26	6.18	6.40	0.58
21.	EDD, Khatima	11946	11.77	785.25	6.14	6.40	0.47
22.	EDD, Champawat	11733	12.17	721.10	5.38	6.40	1.93
23.	EDD, Dharchula	4139	5.58	374.38	6.21	6.40	0.17
RTS:2 - Non-Domestic (Above 75 kW)							
1.	EDD, Raipur	14021	12.25	717.11	5.85	6.24	0.76
2.	EDD, Rishikesh	11708	32.87	1722.47	5.24	6.24	5.27
3.	EDD, Doiwala	5173	5.36	294.38	5.49	6.24	0.65
4.	EDD, Mohanpur	10338	17.93	1099.59	6.13	6.24	0.31
5.	EDD (N), Dehradun	23862	59.92	3716.77	6.20	6.24	0.35
6.	EDD (S), Dehradun	26847	56.37	3428.03	6.08	6.24	1.44
7.	EDD, Srinagar	3235	7.19	409.14	5.69	6.24	0.63
8.	EDD, Pauri	1965	3.26	174.01	5.35	6.24	0.47
9.	EDD (U), Hardwar	7675	15.29	925.00	6.05	6.24	0.47
10.	EDD (R), Hardwar	8613	7.81	481.74	6.17	6.24	0.09
11.	EDD (U), Haldwani	8588	16.82	1014.81	6.03	6.24	0.56
12.	EDD, Nainital	6690	8.79	518.82	5.90	6.24	0.48
13.	EDD (R), Haldwani	3999	7.46	462.19	6.20	6.24	0.05
14.	EDD, Kashipur	9368	12.96	749.79	5.79	6.24	0.94
15.	EDD, Jaspur	200	0.56	32.35	5.83	6.24	0.04
16.	EDD, Bageshwar	300	0.77	43.82	5.71	6.24	0.06
17.	EDD, Bhikiyasain	1515	2.10	129.75	6.18	6.24	0.02
18.	EDD, Rudrapur	11867	31.77	1962.28	6.18	6.24	0.33
Total							**36.72**

Accordingly, based on the above, the total re-casted sales for Non-Domestic Category for FY 2019-20 works out to 1361.12 MU as against 1397.84 MU submitted by UPCL.

c) Government Public Utilities:

Similarly, for Government Public Utilities, normative ABR has been computed for each Division considering the energy charges, additional energy charges and fixed charges approved by the Commission and the same has been compared with the average division wise ABR and wherever, the actual division wise ABR is found to be lower than the normative ABR, sales has been re-estimated based on the actual revenue and normative ABR. The excess sales worked out based on the above approach is 11.47 MU.

Accordingly, based on the above, the total re-casted sales for Government Public Utilities for FY 2019-20 work out to 666.85 MU as against 678.32 MU submitted by UPCL.

d) PTW Category:

Based on the detailed analysis of the division wise sales and ABR submitted for FY 2019-20, it is observed that the ABR for the category was lower than the energy charge of Rs. 2.04/kWh including additional energy charge approved by the Commission for almost all the divisions.

Table 3.7: UPCL Divisions with Lower ABR for RTS 4 Category

S. No.	Name of Division/Circles	No. of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)
RTS 4 – Private Tube Well						
1.	EDD, Raipur	45	364	0.21	4.07	1.99
2.	EDD Vikasnagar	439	4354	1.90	37.08	1.95
3.	EDD, Rishikesh	188	767	0.71	13.84	1.96
4.	EDD, Doiwala	88	854	0.39	7.25	1.87
5.	EDD, Mohanpur	206	1447	1.28	22.60	1.76
6.	EDD (S), Dehradun	21	157	0.11	2.12	1.94
7.	EDD (C), Dehradun	4	28	0.00	0.07	1.75
8.	EDD, Tehri	4	28	0.02	0.15	0.75
9.	EDD, Kotdwar	9	42	0.07	0.99	1.46
10.	EDD (U), Roorkee	1986	12020	15.24	298.76	1.96
11.	EDD (R), Roorkee	4081	24497	29.53	579.28	1.96
12.	EDD Bhagwanpur	4203	23260	38.17	745.64	1.95
13.	EDD Ramnagar (Roorkee)	945	4959	6.29	124.87	1.98
14.	EDD (U), Hardwar	178	875	0.41	8.01	1.95
15.	EDD (R), Hardwar	2	58	0.03	0.49	1.96
16.	EDD, Laksar	4249	18648	11.51	236.97	2.06
17.	EDD, Jwalapur	840	4112	1.99	41.83	2.10
18.	EDD, Nainital	9	165	0.32	6.03	1.87
19.	EDD, Ramnagar	598	2540	4.03	78.45	1.95
20.	EDD (R), Haldwani	12	214	0.11	2.12	1.91
21.	EDD, Kashipur	3294	24770	3.45	63.59	1.84
22.	EDD, Bajpur	3360	22449	17.54	348.14	1.99
23.	EDD, Jaspur	2666	11356	13.86	270.21	1.95
24.	EDD, Rudrapur	5607	29535	20.70	404.00	1.95

Table 3.7: UPCL Divisions with Lower ABR for RTS 4 Category

S. No.	Name of Division/Circles	No. of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)
25.	EDD, Sitarganj	2927	11823	13.94	271.21	1.95
26.	EDD, Khatima	1307	5581	8.13	157.94	1.94
27.	EDD, Champawat	59	223	0.17	3.31	1.94
RTS-4A: Agriculture Allied Activities						
1.	EDD, Doiwala	4	894	4.33	90.84	1.95
2.	EDD, Mohanpur	3	10	0.03	0.60	1.93
3.	EDD (N), Dehradun	2	39	0.01	0.13	2.00
4.	EDD (S), Dehradun	7	35	0.10	2.20	2.02
5.	EDD, Kotdwar	2	392	0.79	17.71	2.00
6.	EDD (U), Roorkee	2	156	0.47	10.16	2.00
7.	EDD (R), Roorkee	13	1123	1.21	26.36	2.02
8.	EDD Bhagwanpur	35	1610	2.11	47.01	2.01
9.	EDD Ramnagar (Roorkee)	2	12	0.03	0.57	1.96
10.	EDD, Kashipur	34	312	1.54	27.72	1.80
11.	EDD, Rudrapur	2	700	0.99	26.16	1.99
12.	EDD, Sitarganj	2	7	0.01	0.18	2.00

The re-casting is done division wise where actual ABR is found to be considerably lower. Based on the normative ABR equivalent to tariff for this category and revenue booked, excess sales to be disallowed has been computed for each division. The excess sales to be disallowed for the above divisions is as shown below:

Table 3.8: Excess Sales to be disallowed for PTW Category

S. No.	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	ABR normative (Rs./kWh)	Excess sales (MU)
RTS 4 – Private Tube Well							
1.	EDD, Raipur	364	0.21	4.07	1.99	2.04	0.01
2.	EDD Vikasnagar	4354	1.90	37.08	1.95	2.04	0.08
3.	EDD, Rishikesh	767	0.71	13.84	1.96	2.04	0.03
4.	EDD, Doiwala	854	0.39	7.25	1.87	2.04	0.03
5.	EDD, Mohanpur	1447	1.28	22.60	1.76	2.04	0.18
6.	EDD (S), Dehradun	157	0.11	2.12	1.94	2.04	0.01
7.	EDD (C), Dehradun	28	0.00	0.07	1.75	2.04	0.001
8.	EDD, Tehri	28	0.02	0.15	0.75	2.04	0.01
9.	EDD, Kotdwar	42	0.07	0.99	1.46	2.04	0.02
10.	EDD (U), Roorkee	12020	15.24	298.76	1.96	2.04	0.59
11.	EDD (R), Roorkee	24497	29.53	579.28	1.96	2.04	1.13
12.	EDD Bhagwanpur	23260	38.17	745.64	1.95	2.04	1.62
13.	EDD Ramnagar (Roorkee)	4959	6.29	124.87	1.98	2.04	0.17
14.	EDD (U), Hardwar	875	0.41	8.01	1.95	2.04	0.02
15.	EDD (R), Hardwar	58	0.03	0.49	1.96	2.04	0.001
16.	EDD, Laksar	18648	11.51	236.97	2.06	2.04	- 0.10
17.	EDD, Jwalapur	4112	1.99	41.83	2.10	2.04	-0.06
18.	EDD, Nainital	165	0.32	6.03	1.87	2.04	0.03
19.	EDD, Ramnagar	2540	4.03	78.45	1.95	2.04	0.18

Table 3.8: Excess Sales to be disallowed for PTW Category

S. No.	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	ABR normative (Rs./kWh)	Excess sales (MU)
20.	EDD (R), Haldwani	214	0.11	2.12	1.91	2.04	0.01
21.	EDD, Kashipur	24770	3.45	63.59	1.84	2.04	0.34
22.	EDD, Bajpur	22449	17.54	348.14	1.99	2.04	0.47
23.	EDD, Jaspur	11356	13.86	270.21	1.95	2.04	0.61
24.	EDD, Rudrapur	29535	20.70	404.00	1.95	2.04	0.90
25.	EDD, Sitarganj	11823	13.94	271.21	1.95	2.04	0.65
26.	EDD, Khatima	5581	8.13	157.94	1.94	2.04	0.39
27.	EDD, Champawat	223	0.17	3.31	1.94	2.04	0.01
RTS-4A: Agriculture Allied Activities							
1.	EDD, Doiwala	894	4.33	90.84	1.95	2.04	0.20
2.	EDD, Mohanpur	10	0.03	0.60	1.93	2.04	0.002
3.	EDD (N), Dehradun	39	0.01	0.13	2.00	2.04	0.0001
4.	EDD (S), Dehradun	35	0.10	2.20	2.02	2.04	0.001
5.	EDD, Kotdwar	392	0.79	17.71	2.00	2.04	0.02
6.	EDD (U), Roorkee	156	0.47	10.16	2.00	2.04	0.01
7.	EDD (R), Roorkee	1123	1.21	26.36	2.02	2.04	0.01
8.	EDD Bhagwanpur	1610	2.11	47.01	2.01	2.04	0.03
9.	EDD Ramnagar (Roorkee)	12	0.03	0.57	1.96	2.04	0.001
10.	EDD, Kashipur	312	1.54	27.72	1.80	2.04	0.18
11.	EDD, Rudrapur	700	0.99	26.16	1.99	2.04	0.02
12.	EDD, Sitarganj	7	0.01	0.18	2.00	2.04	0.00
Total							**7.79**

Accordingly, based on the above, the total re-casted sales for PTW Category for FY 2019-20 works out to 194.83 MU as against 202.62 MU submitted by UPCL.

e) LT Industry

Based on the detailed analysis of the division wise sales submitted for FY 2019-20, it is observed that the ABR for the category was abnormally lower in case of following divisions:

Table 3.9: UPCL Divisions with Lower ABR for LT Industry

S. No.	Name of Division/Circles	No. of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)
1.	EDD, Rishikesh	143	2232	2.419	144.23	5.96
2.	EDD (C), Dehradun	269	2407	1.160	77.63	6.69
3.	EDD, Uttarkashi	99	788	0.379	27.71	7.31
4.	EDD, Narayanbagarh	20	151	0.066	5.52	8.36
5.	EDD, Gopeshwar	38	351	0.180	7.06	3.92
6.	EDD, Rudraprayag	120	899	0.912	50.75	5.56
7.	EDD, Laksar	508	4802	4.634	281.04	6.06
8.	EDD, Nainital	129	1980	1.066	65.43	6.14
9.	EDD, Kashipur	790	20636	18.102	1027.82	5.68
10.	EDD, Bajpur	369	9777	9.980	576.05	5.77
11.	EDD, Jaspur	436	12847	16.738	964.87	5.76

Table 3.9: UPCL Divisions with Lower ABR for LT Industry

S. No.	Name of Division/Circles	No. of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)
12.	EDD, Almora	109	895	0.523	33.50	6.41
13.	EDD, Bageshwar	284	2087	0.825	58.42	7.08
14.	EDD, Ranikhet	160	1694	0.673	43.55	6.47
15.	EDD, Bhikiyasain	135	989	0.360	26.50	7.36
16.	EDD, Sitarganj	715	14741	14.676	874.62	5.96
17.	EDD, Khatima	471	7406	6.836	423.17	6.19
18.	EDD, Champawat	144	1947	1.492	84.28	5.65
19.	EDD, Dharchula	37	199	0.238	14.15	5.95

The division wise normative ABR has been worked out considering the energy charge (including additional energy charges) and fixed charges applicable for the consumer category considering the consumption per kW per month. Based on the normative ABR and revenue booked, excess sales to be disallowed has been computed for each division. The excess sales to be disallowed for the above divisions is as shown below:

Table 3.10: Excess Sales to be disallowed for LT Industry

S. No.	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	Consumption /kW/Month	ABR (Normative) Rs./kWh	Excess Sales (MU)
1.	EDD, Rishikesh	2232	2.419	144.23	5.96	90.32	6.12	0.06
2.	EDD (C), Dehradun	2407	1.160	77.63	6.69	40.16	8.13	0.20
3.	EDD, Uttarkashi	788	0.379	27.71	7.31	40.08	8.13	0.04
4.	EDD, Narayanbagarh	151	0.066	5.52	8.36	36.42	8.50	0.001
5.	EDD, Gopeshwar	351	0.180	7.06	3.92	42.74	7.91	0.09
6.	EDD, Rudraprayag	899	0.912	50.75	5.56	84.54	6.23	0.10
7.	EDD, Laksar	4802	4.634	281.04	6.06	80.42	6.32	0.19
8.	EDD, Nainital	1980	1.066	65.43	6.14	44.87	7.75	0.22
9.	EDD, Kashipur	20636	18.102	1027.82	5.68	73.10	6.50	2.29
10.	EDD, Bajpur	9777	9.980	576.05	5.77	85.06	6.22	0.72
11.	EDD, Jaspur	12847	16.738	964.87	5.76	108.57	5.85	0.25
12.	EDD, Almora	895	0.523	33.50	6.41	48.70	7.49	0.08
13.	EDD, Bageshwar	2087	0.825	58.42	7.08	32.94	8.92	0.17
14.	EDD, Ranikhet	1694	0.673	43.55	6.47	33.11	8.89	0.18
15.	EDD, Bhikiyasain	989	0.360	26.50	7.36	30.33	9.30	0.07
16.	EDD, Sitarganj	14741	14.676	874.62	5.96	82.97	6.26	0.71
17.	EDD, Khatima	7406	6.836	423.17	6.19	76.92	6.40	0.22
18.	EDD, Champawat	1947	1.492	84.28	5.65	63.86	6.79	0.25
19.	EDD, Dharchula	199	0.238	14.15	5.95	99.66	5.97	0.001
Total								**5.84**

Accordingly, based on the above, the total re-casted sales for LT Industry for FY 2019-20 works out to 306.10 MU as against 311.94 MU submitted by UPCL.

f) HT Industry

The Petitioner submitted the sales to HT Industry of 6105.24 MU for FY 2019-20. The Commission carried out detailed analysis of the division wise sales and ABR submitted by the Petitioner for FY 2019-20, and from the same it is observed that following divisions have abnormally low ABR.

Table 3.11: UPCL Divisions with Lower ABR for HT Industries

S. No.	Name of Division/Circles	No. of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR Actual (Rs./kWh)
HT Industry (Upto 1000 kVA)						
1.	EDD (C), Dehradun	4	613	0.878	55.72	6.35
2.	EDD, Narayanbagarh	1	350	0.144	15.95	11.08
3.	EDD, Rudraprayag	4	954	0.608	55.36	9.11
4.	EDD (U), Roorkee	4	1003	0.628	52.20	8.31
5.	EDD, Laksar	31	12772	13.327	858.72	6.44
6.	EDD (U), Haldwani	1	249	0.365	23.75	6.51
7.	EDD, Nainital	11	2993	3.876	217.98	5.62
8.	EDD, Kashipur	135	53899	98.548	5,577.97	5.66
9.	EDD, Bajpur	56	23511	41.951	2,433.35	5.80
10.	EDD, Pithoragarh	5	880	0.504	50.19	9.96
11.	EDD, Champawat	8	1490	2.139	120.92	5.65
HT Industry (Above 1000 kVA)						
1.	EDD, Raipur	2	6469	10.393	688.00	6.62
2.	EDD, Tehri	1	600	0.002	21.67	1,083.50
3.	EDD Ramnagar (Roorkee)	5	12020	46.710	2,700.12	5.78
4.	EDD, Laksar	9	62950	267.462	15,245.44	5.70
5.	EDD (R), Haldwani	2	12300	14.473	1,075.70	7.43
6.	EDD, Kashipur	23	124400	547.00	29,607.99	5.41
7.	EDD, Jaspur	18	67440	254.973	14,731.79	5.78
8.	EDD, Sitarganj	16	52000	245.633	13,447.04	5.47

In order to assess normative ABR on the basis of the Rate Schedule approved by the Commission, the Commission has computed the same considering the energy charges (including additional energy charge) and fixed charges applicable for the consumer category considering the consumption per kW per month for the respective divisions. Based on the normative ABR and revenue booked, excess sales to be disallowed has been computed for each division. The excess sales to be disallowed for the above divisions is as shown below:

Table 3.12: Excess Sales to be disallowed for HT industry

S. No.	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	Consumption /kW/Month	ABR (Normative) Rs./kWh	Excess Sales (MU)
HT Industry (Upto 1000 kVA)								
1.	EDD (C), Dehradun	613	0.878	55.72	6.35	119.36	6.80	0.06
2.	EDD,	350	0.144	15.95	11.08	34.29	13.04	0.02

Table 3.12: Excess Sales to be disallowed for HT industry

S. No.	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	Consumption /kW/Month	ABR (Normative) Rs./kWh	Excess Sales (MU)
	Narayanbagarh							
3.	EDD, Rudraprayag	954	0.608	55.36	9.11	53.11	9.93	0.05
4.	EDD (U), Roorkee	1003	0.628	52.20	8.31	52.18	10.04	0.11
5.	EDD, Laksar	12772	13.327	858.72	6.44	86.95	7.74	2.23
6.	EDD (U), Haldwani	249	0.365	23.75	6.51	122.16	6.74	0.01
7.	EDD, Nainital	2993	3.876	217.98	5.62	107.92	7.07	0.79
8.	EDD, Kashipur	53899	98.548	5,577.97	5.66	152.37	6.25	9.37
9.	EDD, Bajpur	23511	41.951	2,433.35	5.80	148.69	6.30	3.35
10.	EDD, Pithoragarh	880	0.504	50.19	9.96	47.73	10.57	0.03
11.	EDD, Champawat	1490	2.139	120.92	5.65	119.63	6.79	0.36
HT Industry (Above 1000 kVA)								
1.	EDD, Raipur	6469	10.393	688.00	6.62	133.88	6.97	0.53
2.	EDD, Tehri	600	0.002	21.67	1,083.50	0.28	1300.29	0.0003
3.	EDD Ramnagar (Roorkee)	12020	46.710	2,700.12	5.78	323.83	5.81	0.20
4.	EDD, Laksar	62950	267.462	15,245.44	5.70	354.07	5.71	0.50
5.	EDD (R), Haldwani	12300	14.473	1,075.70	7.43	98.06	7.96	0.95
6.	EDD, Kashipur	124400	547.00	29,607.99	5.41	366.43	5.68	25.40
7.	EDD, Jaspur	67440	254.973	14,731.79	5.78	315.06	5.84	2.57
8.	EDD, Sitarganj	52000	245.633	13,447.04	5.47	393.64	5.61	5.87
Total								**52.38**

Accordingly, based on the above, the total re-casted sales for HT Industry for FY 2019-20 works out to 6052.86 MU as against 6105.24 MU submitted by UPCL.

g) Mixed Load

Based on the detailed analysis of the division wise sales and ABR submitted by the Petitioner for FY 2019-20, it is observed that following divisions have abnormally low ABR.

Table 3.13: UPCL Divisions with Lower ABR for Mixed Load

S. No.	Name of Division/Circles	No of Consumers	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR Actual (Rs./kWh)
1.	EDD, Raipur	4	772	1.105	63.86	5.78
2.	EDD (N), Dehradun	7	7890	28.126	1558.83	5.54
3.	EDD, Uttarkashi	1	315	0.607	34.69	5.71

Table 3.13: UPCL Divisions with Lower ABR for Mixed Load

4.	EDD, Gopeshwar	5	1495	3.919	177.77	4.54
5.	EDD, Nainital	2	541	1.813	101.17	5.58
6.	EDD, Almora	5	996	1.592	93.01	5.84
7.	EDD, Ranikhet	4	1895	6.701	350.50	5.23
8.	EDD, Pithoragarh	2	2000	7.263	398.89	5.49
9.	EDD, Champawat	7	2684	4.457	240.61	5.40

In order to assess normative ABR on the basis of Rate Schedule approved by the Commission, the Commission has computed the same considering the energy charges and fixed charges applicable for the consumers considering the consumption per kW per month for the respective divisions. Based on the normative ABR and revenue booked, excess sales to be disallowed has been computed for each division. The excess sales to be disallowed for the above divisions is as shown below:

Table 3.14: Excess Sales to be disallowed for Mixed Load

S. No.	Name of Division/Circles	Load (KW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	Consumption /kW/Month	ABR (Normative) Rs./kWh	Excess Sales (MU)
1.	EDD, Raipur	772	1.105	63.86	5.78	119.28	5.97	0.04
2.	EDD (N), Dehradun	7890	28.126	1558.83	5.54	297.06	5.57	0.14
3.	EDD, Uttarkashi	315	0.607	34.69	5.71	160.58	5.80	0.01
4.	EDD, Gopeshwar	1495	3.919	177.77	4.54	218.45	5.67	0.78
5.	EDD, Nainital	541	1.813	101.17	5.58	279.27	5.59	0.002
6.	EDD, Almora	996	1.592	93.01	5.84	133.20	5.90	0.02
7.	EDD, Ranikhet	1895	6.701	350.50	5.23	294.68	5.57	0.41
8.	EDD, Pithoragarh	2000	7.263	398.89	5.49	302.63	5.56	0.09
9.	EDD, Champawat	2684	4.457	240.61	5.40	138.38	5.88	0.36
Total								**1.85**

Accordingly, based on the above, the total re-casted sales for Mixed Load for FY 2019-20 works out to 180.62 MU as against 182.47 MU submitted by UPCL.

Based on the above analysis, the category wise sales for FY 2019-20 as recasted by the Commission is as shown in the Table below:

Table 3.15: Category-wise Sales for FY 2019-20 (MU)

Categories	Approved in the Tariff Order dated February 27, 2019	Claimed in the Petition	Approved after Truing Up
Domestic (RTS - 1)	3137.38	3113.85	3099.09
Non-domestic, incl. Commercial (RTS - 2)	1325.79	1397.84	1361.12
Govt. Public Utilities (RTS - 3)	639.13	678.32	666.85
Private Tubewell/Pump Sets (RTS - 4)	282.91	202.62	194.83
LT & HT Industry (RTS-5)	6760.87	6417.18	6358.96
Total LT	*315.03*	*311.94*	*306.10*
Total HT	*6445.84*	*6105.24*	*6052.86*
Mixed Load (RTS - 6)	185.46	182.47	180.62

Table 3.15: Category-wise Sales for FY 2019-20 (MU)

Categories	Approved in the Tariff Order dated February 27, 2019	Claimed in the Petition	Approved after Truing Up
Railway Traction (RTS - 7)	30.08	29.08	29.08
Additional sales (efficiency improvement)	36.15	-	-
Total	**12397.76**	**12021.35**	**11890.55**

3.1.2 *Distribution Losses*

The Petitioner in its Petition has submitted its distribution losses for FY 2019-20 as 13.40%. The Commission for FY 2019-20 had approved the distribution losses of 14.25% based on the loss reduction trajectory approved in the MYT Order for the Control Period from FY 2019-20 to FY 2021-22. However, as per the actual data submitted by the Petitioner and the re-casted sales approved by the Commission, the actual distribution losses for FY 2019-20 works out to 14.34%.

UPCL submitted that it has been making significant efforts to reduce distribution losses and has shown substantial improvement in reduction of distribution losses from FY 2018-19 which has been difficult considering higher sales growth in LT consumer segment on account of rural electrification.

The Commission, in accordance with the approach adopted in its previous Orders, has allowed the actual quantum of power purchase made by the Petitioner. Considering the actual energy input of 13880.96 MU at distribution periphery (T&D interface) for FY 2019-20 and applying the approved loss level of 14.25% for the year, the Commission re-estimated the sales of 11902.92 MU for FY 2019-20. As against this sale of 11902.92 MU, the actual re-casted sales approved by the Commission for FY 2019-20 is 11890.55 MU. Therefore, there is a loss of sales to the tune of 12.37 MU on account of commercial inefficiencies of the Petitioner resulting from its failure to achieve distribution losses target approved by the Commission. The Commission has worked out the average billing rate of Rs. 5.47/kWh on the approved re-casted sales of 11890.55 MU. The Commission has also adjusted the revenue from sale of power of Rs. 3.17 Crore submitted by UPCL for FY 2019-20, by adding the revenue corresponding to the sales recorded for UPCL employees & pensioners at an average ABR of other domestic consumers, since, their Average billing rate was much lower than the ABR of other domestic consumers. Accordingly, the adjusted revenue for FY 2019-20 works out to Rs. 6509.59 Crore. Further, the Commission has computed the additional revenue on account of loss in sales due to higher distribution loss of Rs. 6.77 Crore for FY 2019-20. Moreover, since distribution loss is a controllable parameter, the Commission has carried out the sharing of the impact of excess distribution loss in accordance with the provisions of UERC Tariff

Regulations, 2018.

3.1.3 *Power Purchase Expenses (Including Transmission Charges)*

The Petitioner has claimed the power purchase cost (including transmission charges) of Rs. 6772.73 Crore as against the approved expenses of Rs. 6472.78 Crore for FY 2019-20.

The Petitioner further submitted that it has reduced revenue towards sale of surplus power amounting to Rs. 143.12 Crore and has, accordingly, claimed net power purchase cost of Rs. 5289.46 Crore excluding transmission charges.

The Commission vide its Order dated October 25, 2019 allowed recovery of Rs. 295.95 Crore, pertaining to FY 2018-19, from the consumers for the period from October 1, 2019 to March 31, 2020. As regards the treatment of the same, the Commission in its Order dated April 18, 2020 on true-up for FY 2018-19 ruled as under:

> *"The Commission further observes that the Petitioner has considered revenue of Rs. 295.95 Crore in FY 2018-19 even though actual recovery was allowed in FY 2019-20. The Commission while considering the revenue at existing tariff has not considered this revenue in tariff revenue, but had adjusted the same separately as the additonal power purchase cost incurred in FY 2018-19 of Rs. 295.95 Crore which has been allowed to be recovered only in FY 2019-20 so as to avoid double loading of the costs to the consumers as the same is included in the total power purchase costs trued up for FY 2018-19"*

UPCL submitted that the Commission had reduced the power purchase cost of Rs. 295.95 Crore in the true-up for FY 2018-19 since the revenue for the same was allowed to be recovered in FY 2019-20 and, accordingly, it has considered the same in the power purchase cost as prior period power purchase expenses. The Commission finds merit in the claim of UPCL and, hence, allows the same.

The Commission observed from the audited accounts that UPCL had paid late payment surcharge of Rs. 46.53 Crore in FY 2019-20. The entity wise break-up of late payment surcharge of Rs. 46.53 Crore paid is as follows:

Table 3.16: Details of Late Payment Surcharge paid by UPCL during FY 2019-20 (Rs. Crore)

NAME OF ENTITY	Amount (Rs. crore)
NTPC LIMITED	24.35
SJVNL	7.69
NHPC LIMITED	6.80
PTC INDIA LIMITED	5.82
THDC INDIA LIMITED	0.66
NPCIL	0.36
TATA POWER TRADING COMPANY LIMITED	0.29
UTTAR BHARAT HYDRO POWER PVT. LTD.	0.23
APCPL	0.15
GUNSOLA HYDRO POWER GENERATION (P) LTD.	0.05
MEJA URJA NIGAM (P) LTD.,	0.03
EMAMI POWER LIMITED	0.03
CHAMOLI HYDRO POWER PRIVATE LIMITED	0.03
BIRAHI GANGA HYDRO POWER LIMITED	0.02
SWASTI POWER PVT. LTD.	0.01
PURSHOTAM ISPAT	0.00
VIVAAN SOLAR PVT. LTD.	0.00
PURSHOTAM INDUSTRIES	0.00
PGCIL	0.00
EASTMAN INTERNATIONAL	0.00
Total	**46.53**

UPCL submitted that incidence of late payment surcharge on UPCL by generating companies was due to funds crunch on account of outstanding receivables from its consumers. UPCL also submitted that the claimed power purchase cost included this late payment surcharge of Rs. 46.53 Crore. UPCL also submitted the source wise details of late payment surcharge. The Commission does not find it prudent to allow the late payment surcharge levied by the generating companies in the power purchase cost of UPCL and, hence,the same is not allowed financial crunch as submitted by UPCL arose due to its own inefficiencies.

The Commission in the MYT Order dated February 27, 2019 directed UPCL that it should not overdraw power at frequency below 49.90 Hz. The Commission also ruled that any drawal below 49.90 Hz shall not be allowed. Despite the above directions of the Commission, UPCL has resorted to drawal below 49.90 Hz and paid the penalty for the same in FY 2019-20. The Commission takes a serious note of the same and cautions the Petitioner that as a last opportunity, the penalty paid during FY 2019-20 is being allowed but, henceforth, such penalties shall not be allowed.

The Commission in its previous Tariff Orders had laid down the principle for calculating the rate of free power based on the average rate of power purchase from large hydro stations by UPCL. The difference in cost of free power based on difference in the rate of free power based on the approach of the Commission in truing up and that claimed by UPCL in FY 2019-20 works out to Rs. 2.96 Crore which has not been allowed by the Commission.

The Commission observed discrepancies in the cost incurred towards solar roof top power as per the COMDATA and the audited accounts. In this regard UPCL submitted that the cost towards solar rooftop is billed by the Division office and the same has been booked in the accounts which is Rs 7.56 Crore. However, as this information was not communicated from field unit to Head office, which prepares MIS, the same is not reflected in COMDATA. UPCL requested the Commission to consider the cost as per the audited accounts. The Commission takes a serious note of the same and expects that such accounting errors do not occur henceforth. At this stage, the Commission has considered the same as per the audited accounts.

UPCL has claimed PGCIL charges of Rs. 755.68 Crore as against the approved expenses of Rs. 446.83 Crore. UPCL submitted the variation is on account of (i) arrears (UITP) for the period from FY 2016-17 to FY 2018-19 amounting to around Rs. 100 Crore; (ii) arrears of PoC charges on account of tariff revision by CERC amounting to around Rs. 130 Crore; and (iii) UITP charges for the year amounting to around Rs. 39 Crore. The Commission sought clarification regarding inclusion of arrears of UITP charges in the PGCIL charges claimed for FY 2019-20, in response to which the Petitioner submitted that it had inadvertently submitted the reasons for increase in PGCIL charges as "arrears of UITP (FY 2016-17 to FY 2018-19) – Rs 100 Crore", and requested that the said submission may be ignored. The Petitioner submitted that the main reason for increase in PGCIL charges, as against the charges approved by the Commission, is the changes in POC regime which has led to significant increase and that the charges claimed does not include arrears of UITP charges. The Commission allows the PGCIL Charges of Rs 755.68 Crore for FY 2019-20.

However, the Commission would like to point out that PGCIL charges are increasing as dependency on short term power is also increasing. In FY 2019-20, UPCL had purchased about 503 MU from IEX at an average rate which ranged from Rs. 2.72 per unit to Rs. 3.77 per unit during May, 2019 to March, 2020 and sold about 517 MU in the same months at an average rate of Rs. 2.75 per unit. This reflects that proper management of power procurement is missing. The Commission had allowed deficit purchase at State periphery at Rs. 4 per unit for FY 2019-20. In the current truing up proceedings, the Commission is not going into the details of landed price of power procured by

UPCL during FY 2019-20 from the energy exchange, as the same would also include not only the price of power but PoC charges and PoC losses as well. In this regard, **the Commission directs UPCL to ensure that actual power purchase to meet the deficit should not exceed the rate given by the Commission in the relevant tariff orders at State periphery. Any procurement over and above the rate at the State periphery approved by the Commission shall be disallowed unless prior approval for the same is sought by UPCL.**

With regard to Intra-State transmission charges, UPCL in addition to PTCUL and SLDC Charges of Rs. 268.92 Crore has claimed the expenses of Rs. 99.82 Crore towards transmission charges pertaining to 400 kV Sub-station at Srinagar which also includes arrears for FY 2016-17 and FY 2017-18 along with the charges for FY 2018-19. The said expenses were claimed by UPCL in the true-up for FY 2018-19 and the Commission had disallowed the same stating that the same shall be allowed in FY 2019-20. Accordingly, the Commission has considered the expenses of Rs. 99.82 Crore in the true-up for FY 2019-20.

UPCL submitted that it has fulfilled the RPO targets for FY 2019-20 in accordance with the provisions of the UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-Generating Stations) Regulations, 2018. UPCL also submitted that there has been excess procurement from non-solar sources (after adjustment of shortage in solar RPO) over and above the RPO target and requested the Commission to carry forward the same for future years by exercising Power to Remove Difficulties under Regulation 51. UPCL submitted that such carry forward would ensure that in case of any likely deficit in fulfilling RPO, high cost RE purchases or RECs are avoided. The Power to Remove Difficulties are to be exercised if any difficulty arises in giving effect to any provisions of the Regulations. The request of UPCL does not relate to the tariff proceedings and UPCL is advised to file a separate Petition under UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010 and, hence, the Commission does not accept UPCL's request in this regard.

The Commission for allowing the power purchase cost has relied upon the cost booked in the audited accounts and approves the power purchase cost as follows:

Table 3.17: Power Purchase Cost claimed by UPCL and approved by the Commission for FY 2019-20 (Rs. Crore)

Particulars	Claimed by UPCL	Approved by the Commission
Power Purchase Expenses	5685.23	5635.74
Transmission Charges-Inter-State	818.58	818.58
Intra-State Transmission & SLDC Charges	268.92	268.92
Total Power Purchase Cost	**6772.73**	**6723.24**

3.1.4 *Operation and Maintenance (O&M) Expenses*

O&M expenses comprises of Employee Expenses, A&G Expenses and R&M Expenses, i.e. expenditure on staff, administration and general expenses and repairs and maintenance expenses etc. For estimating the O&M expenses for the second Control Period, Regulation 84 of UERC Tariff Regulations, 2018 specifies as under:

"(1) The O&M expenses for the first year of the Control Period will be approved by the Commission taking into account the actual O&M expenses for last five years till Base Year subject to prudence check and any other factors considered appropriate by the Commission.

(2) The O&M expenses for the nth year and also for the year immediately preceding the Control Period, i.e. FY 2018-19, shall be approved based on the formula given below:-

O&Mn = R&Mn + EMPn + A&Gn

Where –

- *O&Mn – Operation and Maintenance expense for the nth year;*
- *EMPn – Employee Costs for the nth year;*
- *R&Mn – Repair and Maintenance Costs for the nth year;*
- *A&Gn – Administrative and General Costs for the nth year;*

(3) The above components shall be computed in the manner specified below:

EMPn = (EMPn-1) x (1+Gn) x (1+CPIinflation)

R&Mn = K x (GFAn-1) x (1+WPIinflation) and

A&Gn = (A&Gn-1) x (1+WPIinflation) + Provision

Where -

- *EMPn-1 – Employee Costs for the (n-1)th year;*
- *A&G n-1 – Administrative and General Costs for the (n-1)th year;*

Provision: Cost for initiatives or other one-time expenses as proposed by the Transmission Licensee and approved by the Commission after prudence check.

- *'K' is a constant specified by the Commission in %. Value of K for each year of the control period shall be determined by the Commission in the MYT Tariff order based on licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;*
- *CPIinflation – is the average increase in the Consumer Price Index (CPI) forimmediately preceding three years;*
- *WPIinflation - is the average increase in the Wholesale Price Index (CPI) for immediately preceding three years;*

- *GFAn-1 – Gross Fixed Asset of the Transmission Licensee for the n-1th year;*
- *Gn is a growth factor for the nth year and it can be greater than or less than zero based on the actual performance. Value of Gn shall be determined by the Commission in the MYT tariff order for meeting the additional manpower requirement based on licensee's filings, benchmarking and any other factor that the Commission feels appropriate:*

Provided that repair and maintenance expenses determined shall be utilised towards repair and maintenance works only."

3.1.4.1 Employee Expenses

The Petitioner submitted that the actual gross and net employee expense as per audited account is Rs. 403.45 Crore and Rs. 338.85 Crore respectively, which also includes the impact of Seventh Pay Commission.

The Petitioner submitted that the normative employee expenses for FY 2019-20 has been arrived at as per the methodology adopted by the Commission in its previous orders and in accordance with UERC Tariff Regulations, 2018. The Petitioner further submitted that the opening EMPn-1 has been considered as Rs. 367.02 Crore as approved by the Commission in truing up of FY 2018-19 and CPI inflation has been considered as the average increase in the consumer price index for the preceding three years. In the absence of any fresh recruitments during FY 2019-20, the Gn factor has been considered as NIL. Further, actual capitalization rate as per the audited accounts have been considered for arriving at the normative employee cost.

The Petitioner has claimed the normative employee expenses for FY 2019-20 of Rs. 321.25 Crore as shown in the Table below:

Table 3.18: Revised Employee Expenses as claimed by the Petitioner for FY 2019-20 (Rs. Crore)

Particulars	Approved in MYT Order	Revised normative
Emp_{n-1}	422.08	367.02
Inflation Factor	4.34%	4.22%
Growth Factor	2.20%	0.00%
Gross Employee Expenses	450.10	382.50
Capitalisation Rate	16.90%	16.01%
Less: Employee Expenses Capitalised	76.08	61.25
Net Employee Expenses	374.02	321.25

UPCL submitted that the Commission had approved the impact of Seventh Pay Commission separately in the true-up of FY 2017-18 and FY 2018-19. However, the impact of Seventh Pay Commission has not been factored in the base employee expenses. UPCL submitted that the implementation of Seventh Pay Commission increased the base employee costs on a perpetual basis and the actual pay out to employees is happening on the basis of such revised pay scales. As the impact of pay revision has become the integral part of salaries of the employees, the impact of pay revision on a year-to-year basis cannot be worked out separately. UPCL submitted that the impact of pay revision of Rs. 2.50 Crore per month as considered by the Commission in the true-up for FY 2018-19 does not include the impact of any arrears and, therefore, may be considered by the Commission.

UPCL submitted that the gross employee expenses for FY 2017-18 and FY 2018-19 are Rs. 348.13 Crore and Rs. 412.57 Crore, which is a year-on-year increase of around 19%. The said increase is on account of (i) nominal escalation to the tune of 4-5%; (ii) impact of pay revision (~Rs. 2.5 Crore per month); and (iii) arrears paid during the year to the tune of Rs. 17 Crore. Further, the gross employee expenses have become range bound in FY 2018-19 when the impact of pay revision has been subsumed into the regular salaries of the employees. The employees are paid strictly as per the scales of GoUK which may or may not remain aligned to CPI inflation as per normative approach. UPCL submitted that non-consideration of actual cost of employees, whose strength is already much lower than the sanctioned strength would lead to financial burden.

UPCL has worked out the normative employee expenses of Rs. 351.25 Crore, including pay revision impact of Rs. 30 Crore. UPCL submitted that as the actual employee expenses of Rs. 338.25 Crore is lower than the normative expenses, the employee expenses may be limited to actual expenses.

The Commission had approved the trued up normative gross employee expenses of Rs. 367.02 Crore for FY 2018-19. Considering the same as the base and in accordance with the UERC Tariff Regulations, 2018, the Commission has computed the normative employee expenses for FY 2019-20. Regarding the growth factor, the Commission observed that since no recruitment took place in FY 2019-20, therefore, the Gn has been considered as zero. The employee expenses so computed has then been escalated by the CPI inflation of 4.22%.

The Commission further observed that a cost of Rs. 4.65 Crore was booked towards subsidised electricity provided to employees and pensioners of UPCL. The Commission in its Order dated March 21, 2018 with regard to accounting of concessional supply to its employees had ruled that if UPCL intends to give benefit of concessional electricity supply to its employees it can do so from its own resources and the same cannot be passed on to the consumers. The Commission in the said also Order directed the Petitioner as follows:

"Accordingly, the Commission further to streamline the accounting of departmental employee consumers directs the Petitioner to bill all departmental employees consumers including pensioners on the basis of rates approved for RTS-1 Domestic Category from April 01, 2018. The Petitioner shall include the consumption and revenue details of these consumers at the Tariff Rates applicable to domestic consumers in the monthly CS-3 and CS-4 statements. As regards the concession provided to these consumers, the Petitioner is directed to show the same separately as expenses in its accounts."

The Commission has, therefore, deducted the above amount for computing actual employee expenses for FY 2019-20. **UPCL is once again directed to ensure compliance of the directions of Commission given in the Tariff Order dated March 21, 2018 in this regard failing which action may be taken against it for non-compliance of the orders of the Commission.**

The Commission has computed the capitalisation rate of employee expenses as worked out on the basis of audited accounts of FY 2019-20 based on the actual employee expenses capitalized and actual gross employee expenses excluding arrears paid towards implementation of VII Pay Commission and enhanced pension for FY 2019-20. Further, in line with the approach adopted by the Commission in the true up for FY 2018-19, the Commission has considered the impact of arrears of Pay Commission and enhanced pension considering the statutory liability of the Petitioner. However, the Commission would again like to caution the Petitioner that any further allowance or incentives or benefits granted to its employees will have to be borne by UPCL from its own resources or through increased efficiency. Further, UPCL is also advised to align its methodologies while submitting the claims in line with the views of the Commission.

Despite the information sought by the Commission, the Petitioner expressed its inability to submit the impact of pay revision separately. The Petitioner requested the Commission to allow the impact of pay revision @ Rs. 2.50 Crore per month which amounts to Rs. 30 Crore for FY 2019-20. The Commission finds that as against the actual employee expenses of Rs. 338.85 Crore for FY 2019-20, the normative employee expenses, excluding the impact of pay revision, computed by the Commission works out to Rs. 321.25 Crore leaving a gap of Rs. 17.60 Crore. The Petitioner has also requested the Commission to limit the employee expenses to actual expenses as the normative expenses claimed by it are higher than actual expenses. In the absence of actual impact of pay revision and based on the Petitioner's submissions, the Commission finds it prudent to consider the impact of pay revision for FY 2019-20 as Rs. 17.60 Crore over and above the normative employee expenses computed by the Commission.

The normative employee expense approved by the Commission for FY 2019-20 is as shown in the Table below:

Table 3.19: Approved Employee Expenses for FY 2019-20 (Rs. Crore)

Particulars	Approved in the Tariff Order	Actual as per Audited Accounts	Actual for truing up	Normative	
				Claimed by UPCL	Approved
EMPn-1	422.08	338.85	334.20	367.02	367.02
Gn	2.20%			0.00%	0.00%
CPIinflation	4.34%			4.22%	4.22%
EMPn = (EMPn-1) x (1+Gn) x (1+CPIinflation)	**450.10**			**382.50**	**382.50**
Capitalisation rate	16.90%			16.01%	16.01%
Less: Employee expenses capitalized	76.08			61.25	61.25
Net Employee Expenses	**374.02**			**321.25**	**321.25**
Impact of enhanced Pension & Pay Commission	-			30.00	17.60
Less: Subsidised Electricity To Employees					4.65
Total Employee Expenses	**374.02**	**338.85**	**334.20**	**351.25**	**334.20**

3.1.4.2 Repair and Maintenance

The Commission had approved the R&M expenses of Rs. 143.95 Crore for FY 2019-20 in its Order dated February 27, 2019. As against the same, the actual R&M expenses for FY 2019-20 as per the audited accounts are Rs. 177.68 Crore. The Petitioner submitted that the Commission, on account of non-submission of Electrical Inspector Certificates, had disallowed capitalisation at the time of tariff proceedings for FY 2019-20. Subsequently, the Commission vide its Order dated April 18, 2020 had revised the asset base for FY 2016-17 to FY 2018-19 based on the submission of Electrical Inspector Certificates for the assets of Rs. 421.22 Crore (Rs. 68.48 Crore and Rs. 352.74 Crore for FY 2016-17 and FY 2017-18 respectively). The Petitioner requested the Commission to consider the opening GFA for FY 2019-20 as Rs. 5554.14 Crore for allowing R&M expenses. The Petitioner submitted that the normative R&M expenses computed considering the opening GFA of Rs. 5554.14 Crore are in line with the actual expenses.

The Commission in its Order dated February 27, 2019 had considered the 'K' factor of 3.06% for computation of the normative R&M expenses for FY 2019-20 in accordance with the UERC Tariff

Regulations, 2018. The Commission while carrying out the true up of FY 2018-19 and in the current proceedings have already provided enough opportunity to the Petitioner for submission of Electrical Inspector Certificate for assets capitalized during FY 2016-17 to FY 2018-19. The Petitioner in the current proceedings has submitted Electrical Inspector Certificiates for some of the HT works capitalised during FY 2016-17 to FY 2018-19 and has also submitted details of some of the LT works capitalised during FY 2016-17 to FY 2018-19. The Commission examined the Electrical Inspector certificates submitted by the Petitioner and observed as follows:

i) Duplicate EI certificates towards same works were submitted for certain projects.

ii) Some EI certificates were not legible, hence, works cannot be ascertained.

iii) EI certificates did not reconcile with the schemes provided in the summary of the covering letter.

iv) Multiple EI certificates for 7-8 schemes issued by same Electrical Inspector on a single day.

v) Details of work inspected not mentioned specifically.

In this regard, the Commission sought information from UPCL in response to which it was submitted by the Petitioner that the field units of UPCL were engaged in the Revenue Collection drive as the month of March being the peak month of revenue collection, and the information collation would take a lot of time, therefore, the submission of the requisite information seems quite difficult and time taking. The Petitioner, accordingly, requested the Commission to grant waiver from submission of the same.

The Commission analysed the submission made by the Petitioner and did not find it satisfactory in view of the fact that the Petitioner had enough time to reconcile and submit the requisite data that relates to past years from FY 2016-17 to FY 2018-19. The same issue has also been qualified by the statutory auditor of UPCL in its Report wherein it has been stated that the Company does not have an appropriate internal control system for ensuring capitalization of assets when it is ready for use. The auditor has further reported that the Company has not maintained proper records for Fixed assets showing full particulars including quantitative details and location of fixed assets and that the physical verification of fixed assets has not been carried out. All this and Commission's queries on the Electrical Inspector Certificate submitted by UPCL creates doubt on the genuineness of the claims of UPCL. **UPCL is directed to devise a proper system of internal control which should include how and when an asset should be capitalized and how the accounting treatment should be done including physical verification of the same**.

Accordingly, the Commission has provisionally considered the capitalization w.r.t to LT works only from FY 2016-17 to FY 2018-19 based on the information submitted by UPCL, for the purpose of truing up of R&M expenses for FY 2019-20. Further, for the works for which EI Certificates have not been submitted, the Commission has not considered such capitalization which were disallowed in the true up of FY 2016-17 to FY 2018-19 for computation of R&M Expenses in accordance with its approach adopted in the previous Orders as the Petitioner is not entitled to charge/energise any HT works without obtaining clearances from the Electrical Inspector for such works and, hence, such assets pending clearances cannot be capitalized.

The Commission for truing up of FY 2019-20 has considered the same K factor and has reworked the R&M expenses considering the Opening GFA for FY 2019-20 as Rs. 5148.10 Crore. The Commission has considered the inflation factor as 2.98%, as the average of WPI inflation for the preceding three years of FY 2019-20. The normative R&M expenses trued up by the Commission for FY 2019-20 is as shown in the Table below:

Table 3.20: Approved R&M Expenses for FY 2019-20 (Rs. Crore)

Particulars	Approved in the Tariff Order	Actual as per Audited Accounts	Actual Approved	Normative	
				Claimed by UPCL	Approved
R&M Expenses	143.95	177.68	177.68	175.02	162.43

3.1.4.3 A&G Expenses

The Commission had approved the A&G expenses of Rs. 33.99 Crore for FY 2019-20 in its MYT Order dated February 27, 2019. As against the same, the actual net A&G expenses for FY 2019-20 as per the audited accounts was Rs. 43.46 Crore.

The Petitioner requested the Commission to allow the A&G expenses on actual basis. UPCL submitted that the Commission has been allowing Data Centre expenses and License fee on actual basis over and above the normative expenses. However, due to the normative approach, the inflation of 3-4% in the past was insufficient to come to the level of actual expenses. For example, the expenses under the head of rent, rates and taxes are uncontrollable and desires treatment akin to License fee. The travelling and conveyance expenses have been increasing and are directly linked to fuel and other inflationary increases. The Petitioner requested the Commission to invoke its powers under Regulation 103 of the UERC Tariff Regulations, 2018 and allow the actual A&G expenses for FY 2019-20.

The actual expenses claimed includes cost against data centre of Rs. 11.40 Crore and Licence fee of Rs. 3.63 Crore.

The Commission examined the actual A&G expenses of UPCL for FY 2019-20 which included miscellaneous expenses of Rs. 7.08 Crore. When details of the same were sought, UPCL submitted the details which were nothing but amounts booked by various divisions/units of UPCL from which it could not be inferred under which head such expenses pertain. This reflects towards inadequate accounting done in UPCL. Similarly details of legal and professional charges booked under the A&G expenses were sought from UPCL along with the purpose of the appointment of such professionals. On examination of the same it was observed that total amount of Rs. 10 Crore was incurred under this head. This included PMA charges of Rs. 2.84 Crore, Rs. 1.06 Crore paid to Advocates, Rs. 1.02 Crore paid to M/s Kreate Energy (P) Ltd. towards traders margin and similar other expenses. The Commission is of the opinion that such expenses are controllable and can be reduced if the appointments of such consultants/professionals are made judiciously and in a transparent manner. In the current proceedings, the Commission is not taking any view on the same, however, if this trend continues the Commission may resort to going into the merits of such expenses.

When the expenses are allowed on normative basis, the actual expenses may be higher or lower in comparison to the normative expenses. It is for this reason, the MYT Regulations, 2018 provides for sharing of gains and losses in controllable factors. Section 61 of the Electricity Act, 2003 also lays down that the Tariff Regulations should be guided by factors that would encourage efficiency, economical use of resources, good performance and optimum investments.

The Commission has duly considered the heads under which the actual expenses need to be considered, the same being beyond the control of the Petitioner, and does not need any further explanation. Therefore, the Commission does not find it prudent to exercise its powers under Regulation 103 and allow the actual A&G expenses for FY 2019-20 as claimed by the Petitioner.

The Commission had approved the trued up normative gross A&G expenses of Rs. 28.61 Crore for FY 2018-19. Considering the same as the base and in accordance with the UERC Tariff Regulations, 2018, the Commission has computed the normative A&G expenses for FY 2019-20. The Commission had considered WPI inflation as 2.98% which is the average of WPI Inflation for the preceding three years of FY 2019-20. The Commission has considered the capitalisation of expenses in the same proportion of actual capitalisation of expenses to the actual gross A&G expenses excluding provision & licence fees.

The normative A&G expense including licence fees and data centre cost approved by the Commission for FY 2019-20 is as shown in the Table below:

Table 3.21: Normative A&G expenses approved for FY 2019-20 (Rs. Crore)

Particulars	Allowable
A&Gn-1	28.61
WPIinflation	2.98%
Gross A&G expenses	29.46
Capitalisation rate	38.34%
Less: A&G expenses capitalised	11.30
Net A&G expenses	**18.17**
Provision & License fee	15.03
A&Gn = A&Gn-1 x (1+WPIinflation) + Provision	**33.20**

The A&G expense claimed and approved by the Commission for truing up including licence fees and data centre cost approved by the Commission for FY 2019-20 is as shown in the Table below:

Table 3.22: Approved A&G expenses for FY 2019-20 (Rs. Crore)

Particulars	Approved in the Tariff Order	Actual as per Audited Accounts	Actual for sharing	Normative	
				Claimed by UPCL	Approved
A&G expenses	33.99	43.46	43.46	43.46	33.20

Accordingly, the Commission has allowed the O&M Expenses as shown in the Table below:

Table 3.23: Approved O&M Expenses for FY 2019-20 (Rs. Crore)

S. No.	Particulars	Approved in the Tariff Order	Actual as per Audited Accounts	Actual for sharing	Normative	
					Claimed by UPCL	Approved
1.	Employee expenses	374.02	338.85	334.20	338.85	334.20
2.	R&M expenses	143.95	177.68	177.68	177.68	162.43
3.	A&G expenses	33.99	43.46	43.46	43.46	33.20
Total		**551.96**	**559.99**	**555.34**	**559.99**	**529.83**

The normative O&M expenses approved by the Commission in the true up are lower in comparison to the normative O&M expenses approved in the Tariff Order mainly on account of variation in CPI and WPI Inflation and Gn factor of employees becoming zero.

As O&M expenses are controllable in nature, the Commission has further carried out sharing on account of actual and normative O&M expenses in the subsequent section of this Order.

3.2 Cost of Assets and Financing

3.2.1 *Capital cost of Original Assets*

As regards the capital cost of original assets, the Commission vide its Order dated April 11, 2015 held as under:

*"**3.2.5.1 Capital Cost of Original Assets***

The Commission observed that the issue of original value of fixed assets for the Petitioner examined in detail in Paras 5.3.1 and 5.3.2 of the Order dated April 25, 2005. For reasons provided in the said Order, the original value of GFA as on November 09, 2001 was fixed at Rs. 508 Crore for the Petitioner, instead of the value of Rs. 1058.18 Crore assigned in the Provisional Transfer Scheme. The Commission had already recorded the reasons for the same in its previous Tariff Orders. Since, there is no change in the factual position and the matter is pending before the Hon'ble ATE, the Commission decides to maintain Status-quo ante."

In this regard, Hon'ble ATE in its Judgment dated May 18, 2015 in Appeal No. 180 of 2013 ruled as under:

"25. We feel that since it is matter of transfer scheme and apportioning of value of assets between two States after reorganization, the Appellant should take up the matter with State Government for issuance of notification on transfer of assets to Uttarakhand from UP. Accordingly decided."

In light of the Judgment of the Hon'ble ATE, the Commission in its Tariff Order dated April 05, 2016 did not find the need to revise the capital cost of original assets from the earlier approved value of Rs. 508 Crore for the Petitioner.

The Commission vide its Order dated April 05, 2016, March 29, 2017, March 21, 2018, February 27, 2019 and April 18, 2020 has already carried out the truing up till FY 2018-19. The year wise GFA addition allowed by the Commission till FY 2018-19 is as shown below:

Table 3.24: Assets base approved by the Commission after truing up (Rs. Crore)

Particulars	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015 -16	FY 2016-17	FY 2017-18	FY 2018-19
Opening Balance	1227.76	1540.46	1698.88	2019.76	2449.87	2787.04	3017.55	3202.56	3695.78	3980.56	4191.19	4550.46
Net additions	312.69	158.42	320.88	430.11	337.17	230.50	185.01	493.22	284.78	210.63	359.27	422.23
Closing Balance	**1540.46**	**1698.88**	**2019.76**	**2449.87**	**2787.04**	**3017.55**	**3202.56**	**3695.78**	**3980.56**	**4191.19**	**4550.46**	**4972.70**

With regard to FY 2019-20, the Petitioner has claimed a net capitalisation of Rs. 313.52 Crore as per audited accounts. The Petitioner was directed to submit the segregation of fixed assets added into HT and LT works and to submit the Electrical Inspector clearance for HT works for FY 2019-20 alongwith all the pending capitalisation which were disallowed in FY 2016-17, FY 2017-18 and FY 2018-19. The Petitioner has only submitted EI certificates for some of the works along with amount of LT works carried out from FY 2016-17 to FY 2018-19.

Table 3.25: Pending Electrical Inspector Certificates (Rs. Crore)

Particulars	Gross Capitalisation	Trued Up in Previous Orders	Details Provided now	Total Submitted	Balance Pending
FY 2016-17	321.99	294.33	14.23	308.56	13.43
FY 2017-18	465.14	359.27	28.32	387.59	77.55
FY 2018-19	1009.90	494.04	334.25	828.29	181.61
FY 2019-20	424.43	-	*400.89	400.89	23.54
Total	**2221.46**	**1147.64**	**777.69**	**1925.33**	**296.13**

** including gross addition of Rs. 9.22 Crore towards Furniture & Fixtures, Vehicles and Office Equipment*

The Commission, as discussed earlier in preceding paras, has observed several discrepancies in the Electrical Inspector certificates submitted by the Petitioner such as: (i) duplicate certificates have been submitted for some works; (ii) some certificates were not legible; (iii) the certificates were not reconciling with schemes provided in the summary of the covering letter; (iv) multiple certificates were provided for 7-8 schemes by the same Electrical Inspector on the same day; (v) details of works inspected not mentioned specifically. Therefore, the Petitioner during the Technical Validation Session was directed to submit the summary of each work in the specified format and to attach the Electrical Inspector certificate for such work by correlating the Electrical Inspector certificate for each work. Some of the stakeholders in writing as well as during the State Advisory Committee meeting highlighted the discrepancies in the Electrical Inspector Certificates submitted by the Petitioner.

The Petitioner in its replies to queries raised by the Commission in this regard submitted that as its field units were engaged in the revenue collection drive, submission of requisite information in the prescribed formats was a difficult and time-consuming work. UPCL requested the Commission to grant waiver for submission of the information sought. In the absence of complete information and for reasons detailed in preceding Paras, the Commission has considered the capitalisation of works other than HT works in the true-up of FY 2019-20. **The Commission directs the Petitioner to submit the complete requisite information within 6 months from the date of this Order or otherwise, the Commission shall not allow the disallowed capitalisation for FY 2019-20**.

The Commission in its previous tariff orders has been approving capital expenditure and capitalisation only once the assets have been put to use and for HT Works post verification and certification by Electrical Inspector. It is surprising to note that the Petitioner is not in a position to submit the complete EI certificates for works carried out in FY 2016-17 to FY 2018-19 and it continues with commissioning and capitalising all HT works without getting them inspected and approved by the Electrical Inspector which is in gross violation of the Electricity Rules and the same cannot be allowed. The Commission time and again has directed the Petitioner to charge all the HT works only after getting clearances from the Electrical Inspector. The Petitioner on one hand is making submissions before the Commission that it is facing severe cash flow issues and on the other hand is not interested in claiming ARR by furnishing capitalisation details. This exhibits a callous and indifferent approach in furnishing the clearance of HT works by Electrical Inspector for FY 2016-17 to FY 2019-20, and also in segregation of LT & HT works. Since, the delay is on account of the inefficiency of the Petitioner, hence, no carrying cost will be allowed to the Petitioner for delayed approval of pending capitalisation of FY 2016-17, FY 2017-18 and FY 2018-19. **The Commission is further of the view that unless the complete capitalisation details for FY 2016-17 to FY 2018-19 is provided, truing up for these years shall not be done. The Commission has, however, allowed the impact of capitalisation details submitted for FY 2016-17 to FY 2018-19 in the truing up for FY 2019-20.**

The Petitioner had been insisting on using Net additions to the GFA, i.e. Gross Additions minus deletion/de-capitalisation as it submitted that the assets forming part of the GFA are decapitalised for repairs and maintenance, etc. and are then added back. Hence, Electrical Inspector Certificates for the same asset cannot be provided twice. However, this submission of the Petitioner itself appears erroneous considering the additions of FY 2016-17, where Gross addition to GFA is Rs. 321.99 Crore and deletions are Rs. 83.70 Crore resulting in Net asset Additions of Rs. 238.29 Crore. However, as is evident from Table 3.23 above, the Petitioner has submitted the Electrical Inspector Certificates of Rs. 308.56 Crore which are more than the value of net additions to the GFA which again raises doubt on the quality of Certificates submitted by the Petitioner Company. Hence, the Petitioner is advised to reconcile the same or provide balance certificates, only then the Commission will allow the additions to the GFA.

The net capitalization considered for FY 2016-17, FY 2017-18 and FY 2018-19 works out to Rs. 7.11 Crore, Rs. 16.06 Crore and Rs. 152.24 Crore respectively.

The Commission observes that the Petitioner has capitalised assets amounting to Rs. 9.22 Crore in FY 2019-20 towards Furniture & Fixtures, Vehicles and Office Equipment for which

Electrical Inspector's Certificate is not required. The Commission has also considered the De-capitalisation against these assets of Rs. 3.10 Crore in FY 2019-20.

Further, the Petitioner submitted the details of LT works amounting to Rs. 114.03 Crore capitalized during FY 2019-20, which has been considered by the Commission. The Commission has considered pro-rata Decapitalization against these assets amounting to Rs. 29.61 Crore based on deletions of assets, as per books of accounts in FY 2019-20, other than Furniture & Fixtures, Vehicles and Office Equipment which have been considered separately.

The Commission has, therefore, approved additional capitalisation of Rs. 90.54 Crore for FY 2019-20.

The Commission has, therefore, approved Opening GFA and net additions for FY 2019-20 as follows:

Table 3.26: Assets base approved by the Commission (Rs. Crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Opening Balance	3980.56	4198.30	4573.63	5148.10
Net additions	217.74	375.33	574.47	90.54
Closing Balance	**4198.30**	**4573.63**	**5148.10**	**5238.64**

3.2.2 *Financing of Capital Cost*

3.2.2.1 *Truing Up of Capital Related Expenses for FY 2019-20*

The Petitioner has claimed net GFA addition of Rs. 313.52 Crore for FY 2019-20. The means of finance submitted by the Petitioner is shown in the Table below:

Table 3.27: Means of Finance for FY 2019-20 as submitted by the Petitioner (Rs. Crore)

Particulars	Amount
Loan	129.15
Deposit Works	133.89
Grant	
Internal resources	50.48
Total	**313.52**

As discussed above, the Commission has approved net additional capitalisation of Rs. 90.54 Crore during FY 2019-20. The means of finance as approved by the Commission is as follows:

Table 3.28: Means of Finance as approved by the Commission for FY 2019-20 (Rs. Crore)

Particulars	Amount
Loan	37.30
Grant/Deposit Works	38.67
Equity	14.58
Total	**90.54**

3.2.2.1.1 *Interest and Finance Charges*

The Petitioner has claimed Interest and Finance Charges of Rs. 131.84 Crore for FY 2019-20 against the amount of Rs. 142.42 Crore approved by the Commission in the MYT Order dated February 27, 2019.

The Petitioner submitted that it has claimed interest expenses as per the audited accounts after considering the following adjustments:

a) Interest on REC (Old) loans has been taken in accordance with the re-schedulement package of REC (Old) loans determined by the Commission in its Tariff Order for FY 2009-10 dated 23rd October, 2009.
b) Government Guarantee fees has been considered as per the audited accounts.
c) Interest on consumer security deposit has been claimed as per the actual interest paid.
d) The Petitioner has not considered the interest on GPF as per audited accounts. However, the Petitioner requested the Commission to allow interest on GPF as part of interest expense as this is the statutory liability of the Petitioner. The Petitioner submitted that the GoUk has in the past refused to provide support on account of Interest on GPF. The Petitioner added that GoU is already bearing the terminal liability of the old employees unlike other States.
e) Provision for interest on loans towards assets which shall be converted to grants after successful implementation of the works have been excluded.
f) Other financial and bank charges have been considered after reducing the interest on overdraft / short term loans.
g) Actual interest accrued during the year has been claimed which is net off capitalisation as follows:

Table 3.29: Interest expense on capital loans as submitted by the Petitioner for FY 2019-20 (Rs. Crore)

Particulars	As per Accounts
Net Interest Expenses as per Accounts	**217.66**
Less:	
Interest on GPF	14.00
Interest on Old REC Loans	9.22
Interest on Consumer Security Deposits	56.86
Guarantee Fee	1.24
Interest on Bank Short Term Loan/ Overdraft	56.46
Bank Charges & Other Commission	2.33
Net Interest Expense Claimed towards Capitalized Assets	**77.54**

Regulation 27 of the UERC Tariff Regulations, 2018 specifies the methodology for computation of interest expenses. The Commission in accordance with the above Regulations has worked out the Interest and Finance Charges for FY 2019-20 considering the loan amount corresponding to the assets capitalised in the year based on the approved means of finance, and the interest rate of 9.40% computed on the basis of weighted average interest rate on the actual loan portfolio.

The Petitioner has again requested the Commission to allow interest on GPF as part of interest expenses as the same is a statutory liability of the Petitioner. The Commission in the past has not allowed such expenses for reasons given in the respective Orders. Hence, the Commission again disallows the interest claimed on GPF.

The Petitioner has claimed interest on consumers' security deposits (CSD) for FY 2019-20 as Rs. 34.66 Crore. The Commission sought the actual amount of interest on consumer security deposit paid. The Petitioner in its reply submitted that actual payment towards the same was Rs. 34.66 Crore. The Commission has approved the interest on CSD for FY 2019-20 as Rs. 34.66 Crore on cash basis.

Further, the interest on REC Old Loan has been allowed as claimed by UPCL. The Petitioner has claimed guarantee fee of Rs. 1.24 Crore for FY 2019-20. The Commission has considered the same as claimed by the Petitioner.

The Commission has worked out the Interest and Finance Charges for FY 2019-20 considering the loan amounts corresponding to the assets capitalised in the year based on the approved means of finance, as shown in the Table below:

Table 3.29: Interest and Finance Charges approved for FY 2019-20 (Rs. Crore)

Particulars	Tariff Order	Claimed by UPCL	Approved
Interest on Loan corresponding to assets capitalised	57.20	77.54	55.24
REC Old Loan	16.06	16.06	16.06
Interest on Normative Loans	-	-	-
Guarantee Fee	5.36	1.24	1.24
Financing Charges	1.85	2.33	2.33
Interest on Security Deposit	61.95	34.66	34.66
Net Interest and Finance Charges	**142.42**	**131.84**	**109.53**

3.2.2.1.2 *Depreciation*

The Petitioner submitted that till FY 2018-19, depreciation was allowed on opening GFA as the same was provided in the notes to accounts for the respective years. For FY 2019-20, the depreciation in the audited accounts has been computed on pro-rata basis from the beginning of next month in which asset is available for use. The Petitioner submitted that it has calculated depreciation on the average GFA for FY 2019-20 considering the depreciation rate of 5.41%. The Petitioner has, accordingly, claimed total depreciation of Rs. 158.40 Crore as against Rs. 143.38 Crore approved by the Commission in the MYT Order for FY 2019-20.

The Commission has allowed depreciation at a weighted average rate of 5.41% based on the audited balance sheet for FY 2019-20. As discussed in the previous section, the Commission has not considered the capitalisation of such assets during FY 2016-17 to FY 2018-19 which did not have Clearance certificate from Electrical Inspector. Further, the Commission in the past has been allowing depreciation on the value of opening GFA keeping in line with the practice being followed by the Petitioner of capitalising the asset in its accounts on the last day of the financial year. Moreover, the statutory auditor of UPCL in its Report has given its findings on the capitalisation of assets wherein it has been stated that the Company does not have an appropriate internal control system for ensuring capitalization of assets when it is ready for use. Merely mentioning that depreciation in the audited accounts has been computed on pro-rata basis from the beginning of next month in which asset is available for use does not suffices. No asset can be put to use or capitalised before obtaining clearances from the Electrical Inspector. Hence, UPCL shall have to justify its statements when the Auditor has itself mentioned that fixed asset registers for FY 2019-20 were not available, as to when the asset was capitalised in its accounts vis-à-vis date of clearance granted by the Electrical Inspector. Besides impact of the change in accounting policy has also not been provided. Accordingly, the Commission does not find any justification to depart from the practice adopted in the previous Tariff Orders of allowing depreciation on the opening balance of GFA. **The Commission directs the Petitioner to claim depreciation in line with its practice followed in the accounts as it capitalises the assets on the last day of the Financial Year or submit proper justification that the accounting policy has changed.**

The depreciation approved by the Commission for FY 2019-20 is as shown in the Table below:

Table 3.30: Depreciation approved for FY 2019-20 (Rs. Crore)

Particulars	Tariff Order	Claimed by UPCL	Approved
Opening GFA	4682.72	4972.70	5148.10
Grants	1924.84	2137.10	2237.03
Depreciable opening GFA	2757.88	2835.60	2911.08
Net addition during the year	385.56	179.63	51.87
Closing GFA	3143.44	3015.23	2962.95
Depreciation Rate	5.20%	5.41%	5.41%
Depreciation	**143.38**	**158.40**	**157.63**

3.2.3 *Provisions for Bad and Doubtful Debts*

The Petitioner in its Petition has submitted that the Commission in the MYT Order dated February 27, 2019 did not allow any provisioning of bad debts for earlier years.

The Petitioner submitted that the annual provision towards bad & doubtful debts is an accepted method of accounting and considering the peculiarity of retail supply business, the same has also been recognized by other SERCs. The Petitioner added that the amount, if any, written off towards bad debts is only adjusted against the accumulated provisions in the books, irrespective of the actual amount of bad debts written off during any particular financial year.

The Petitioner requested the Commission to allow provision for bad and doubtful debts on actual basis after considering the geographical spread of the large consumer base across the State including a large part of the same prevailing in the difficult terrain and hilly region and the problem of realizing energy dues from retail consumers.

The Petitioner submitted that it had submitted the Policy on Provisioning and Writing Off Bad & Doubtful Debts during ARR & Tariff Petition for FY 2018-19 and requested the Commission to approve the same in current proceeding.

The Petitioner further submitted that in line with the approach followed by the Commission in the previous Tariff Orders, the Petitioner has not included any amount on account of provisioning of bad debts in the ARR but has calculated the same and has requested the Commission for its approval.

The Petitioner further submitted that it has provided for bad and doubtful debt of Rs. 124.88 Crore for FY 2109-20 as per the audited accounts and in line with Accounting Policies.

In this regard, UPCL's auditor has also commented on the provision of 2% made by it wherein it has been mentioned that the provision for bad and doubtful debt is not reviewed every year. The existing provision is about 57% of the total outstanding which is excessive. Hence, the same needs to be done in accordance with the Policy for the same.

As regards the bad and doubtful debts, the Commission sought consumer category wise bad debt written off from the Petitioner. UPCL in response submitted the category wise bad debts written off during FY 2019-20 as follows:

Table 3.31: Category wise Bad Debt written off as submitted by the Petitioner (Rs. Crore)

Category	Amount (Rs. Crore)
Domestic	10.99
Non-domestic	3.26
Government Public Utility	0.62
PTW	0.96
LT Industry	0.88
HT Industry	6.80
Mixed load	-
Railway Traction	0.73
Total	**24.25**

The Commission has gone through the submissions of the Petitioner. It is observed from the submissions made by the Petitioner time and again that the bad debt pertains to write off of fictitious arrears which were created due to wrong or excess billings. In this regard, the Commission has been continuously directing UPCL to refrain itself from treating rectification of wrong billing made in the earlier period as writing off the bad debts.

The Commission again directs the Petitioner to account its billing adjustment and writing off the bad debts properly in accordance with the accounting policies. UPCL is also directed to submit the consumer wise details of bad debts written off within one month from the end of each quarter.

The Commission in its previous Tariff Order dated March 21, 2018 had held as under:

"The Commission in the previous Tariff Order had directed the Petitioner to carry out an audit of receivables and also identify and classify the same. Though the Petitioner has submitted a draft bad debt policy, however, the same needs to be supported by audit report of receivables. The Commission as of now has not considered the provision for bad and doubtful debts in the approval of ARR for FY 2018-19 in accordance with the UERC Tariff Regulations, 2015. Further, the Commission is not approving the draft bad debt policy submitted by the Petitioner in these proceedings and will take a view on the same separately. The Commission, therefore, directs the Petitioner to submit the audit report of receivables identifying and classifying the same in detail within 6 months from the date of this Order. The Commission shall consider writing off of bad debts for FY 2018-19 upon submission of the same at the time of truing up of FY 2018-19."

The Petitioner during the tariff proceedings of Truing up of FY 2017-18 had submitted a Draft Bad Debt Policy. The Commission in its Order dated February 27, 2019 with regard to the Policy held as follows:

"The Petitioner has not submitted the copy of its Draft Bad Debt Policy in the manner required by the Commission. Further, audit report of receivables identifying and classifying the same in detail has also not been submitted till date.

The Table below shows the ageing schedule of receivables with UPCL as on 31.03.2018.

Table 3.32: ***Ageing schedule of receivables with UPCL as on 31.03.2018 (Rs. Crore)***

Consumer Category	***Receivables with age***							
	< 6 months	***6 months to 1 year***	***1 to 2 years***	***2 to 3 years***	***3 to 4 years***	***4 to 5 years***	***> 5 years***	***Total***
Domestic	*26.13*	*39.19*	*54.92*	*38.44*	*53.52*	*21.86*	*311.54*	***545.61***
Non-Domestic	*3.92*	*5.88*	*18.79*	*22.47*	*34.43*	*29.38*	*180.89*	***295.76***
LT Industry	*1.64*	*2.45*	*6.66*	*1.73*	*0.91*	*0.68*	*29.49*	***43.55***
HT Industry	*3.25*	*4.88*	*12.22*	*24.08*	*84.19*	*2.35*	*221.46*	***352.45***
Mixed Load	*0.18*	*0.28*	*0.90*	*1.51*	*0.63*	*1.52*	*(4.04)*	***0.98***
Private Tube-wells	*8.15*	*12.23*	*15.82*	*12.17*	*23.21*	*8.78*	*65.65*	***146.00***
Public Lamps	*16.75*	*25.13*	*(0.00)*	*1.99*	*0.02*	*2.85*	*(16.79)*	***29.95***
Public Water Works	*10.11*	*15.17*	*1.33*	*(1.26)*	*21.78*	*3.75*	*74.48*	***125.36***
Govt. Irrigation System	*13.16*	*19.74*	*(23.74)*	*42.25*	*21.30*	*12.85*	*(2.59)*	***82.96***
Railway Traction	*0.61*	*0.92*	*(0.00)*	*(0.00)*	*0.04*	*(0.00)*	*(1.57)*	***0.00***
Total	***83.31***	***124.96***	***86.89***	***143.37***	***239.99***	***84.01***	***860.09***	***1,622.62***

It is not clear as to without identifying the debtors, how the ageing schedule has been prepared. This is evident from the negative receivables reflecting in the ageing schedule of Mixed load category (with ageing greater than 5 years), Public Lamps (age over 5 years), Public water works (age between 2 to 3 years), GIS (age between 1 to 2 years and over 5 years) and Railway Traction which is a single consumer has a negative receivable having age over 5 years. It is incomprehensible as to how the receivables can be negative, the same can only be in one situation that the consumers may have paid more than what was due from it which is not imaginable. Moreover, the receivables having age more than 5 years are to the tune of Rs. 860 Crore, i.e. more than 50% of the total arrears as on 31.03.2018, in which industries accounts for about 29% dues. This reflects towards the callous attitude of UPCL in realising its arrears from such categories where monthly billing is being done and which are not in large numbers. ***Accordingly, the Commission directs UPCL to submit the list of industries (both LT & HT) on whom the arrears are due having age more than 5 years within 6 months of the date of the Order. UPCL is also directed to reconcile the dues pending with railways within 6 months of the date of the Order and submit the compliance before the Commission. UPCL is also directed to raise the issue of pending dues on Government connections like Public Lamps, Public Water Works and GIS and settle the dues before the end of FY 2019-20.***

Hence, in the absence of firm compliance by UPCL with respect to the directions given by the

Commission, the Commission has not allowed any provision for Bad Debts for FY 2017-18."

The Petitioner during the current proceedings in its compliance to the above directions submitted that it had invited tender for ***"Engagement of Consultants to carry out audit of receivables for Sale of power"*** for all the 41 divisions of UPCL. The Petitioner further submitted that only two CA firms participated in the same out of which one was awarded the work. However, due to the selected firm backing out expressing its inability to perform the task the tender was scrapped. Further, the Petitioner submitted that the matter was discussed in the Audit Committee on June 19, 2019 which directed to carry out audit internally for five divisions with largest receivables. The Petitioner submitted that it again invited tender dated September 6, 2019 for the above task and the same was awarded to M/s Madhu Gupta and Co., Chartered Accountants, Lucknow. The final Audit Reports have been submitted at Corporate Office in the month of August, 2020 and the same had been forwarded to the concerned Distribution Divisions for taking action in the matter. **UPCL is directed to submit an action taken report by the concerned distribution divions on the audit report latest by June 30, 2021.**

The Commission had invited comments from the public/stakeholders on the draft policy on the provisioning and writing off of bad and doubtful debts by August 27, 2020. The Petitioner submitted that on finalisation of the policy by the Commission, the work of write-off of bad and doubtful debts shall be done by UPCL as per the approved policy. The Policy is pending approval of the Commission and is likely to be issued soon and thereafter, any consequential impact, if any, would be allowed to UPCL in the ensuing years.

3.2.4 *Interest on Working Capital (IoWC)*

The Petitioner has submitted that it has computed interest on working capital as per UERC Tariff Regulations, 2018. However, as per the computation submitted by the Petitioner the net working capital requirement works out to Rs. -26.10 Crore. The Petitioner submitted that it has not claimed any IoWC. The Petitioner also submitted that the actual interest on working capital/overdraft facility is Rs. 56.46 Crore. Further, the Petitioner submitted that it has been suffering financial losses in the past and has to rely on short-term working capital loans for its operations, and despite the overdraft facility, the Petitioner had to bear Late Payment Surcharge towards payment of its power purchase dues, which is akin to taking short-term loans though at higher interest rates. The Petitioner submitted that on account of the same it has included the late payment surcharge along with the interest on overdraft while calculating the sharing of gains/losses for this head.

The computation of interest on working capital as submitted by the Petitioner is detailed in the Table below:

Table 3.33: Interest on Working Capital Claimed by the Petitioner for FY 2019-20 (Rs. Crore)

Particulars	Amount
Operation and Maintenance Expenses (one month)	46.67
Maintenance Spares @ 15% of O&M Expenses	84.00
Receivables (2 months)	1165.73
Capital required to finance such shortfall in collection of current dues	66.45
Less: Adjustment for security deposits & Credit available for Power Purchase	1388.94
Net working capital	**-26.10**
Interest on working capital	**0.00**

The Commission has approved the normative IoWC in accordance with the provisions of the UERC Tariff Regulations, 2018 as Rs. 3.85 Crore.

The Petitioner submitted that the amount towards overdraft facility has been primarily utilized for the purpose of payments of power purchase expenses and to fund the receivables which are long overdue from consumers. The Petitioner submitted that it had paid late payment surcharge (LPS) of Rs. 46.53 Crore to the generating companies. In another submission, it mentioned that it had earned a rebate of Rs. 1.36 Crore by making timely payments to the generators, however, the interest on overdraft paid by UPCL has exceeded the benefits derived out of the rebate earned which was not a viable proposition. Hence, it is amply clear that the payments are not being made to the generators in time leading to payment of LPS. Thus, the Petitioner's submissions that the overdraft facility has been availed to make payments to the generators is incorrect and misleading.

From the monthly commercial statements of the Petitioner, it may be deduced that poor collection efficiencies of the Petitioner is one of the main reason for availing overdrafts.

The Commission directs UPCL to submit the month wise division wise details of collection of dues by the 15th of the next month and action under the Act may be taken against the Executive Engineer of those divisions who are found in default of making collections less than the approved collection efficiency.

However, for the current proceedings, actual interest on overdraft facility availed, which is an avoidable working capital facility availed by the Petitioner, has been considered for sharing of IoWC in accordance with UERC MYT Regulations, 2018.

3.2.5 *Return on Equity*

The Petitioner submitted that it has computed Return on Equity (RoE) for FY 2019-20 considering the opening equity and the rate of RoE of 16.50%.

The Commission has considered the closing equity approved for FY 2018-19 as the opening equity for FY 2019-20. Accordingly, the Commission has approved the Return on Equity at the rate of 16.50% on the opening equity in accordance with the Regulations. The Return on Equity approved by the Commission for FY 2019-20 is as shown in the Table below:

Table 3.35: Return on Equity approved by the Commission for FY 2019-20 (Rs. Crore)

Particulars	Approved in the Tariff Order	Claimed by UPCL	Approved
Return on Equity	90.11	93.96	99.74

3.2.6 *Non-Tariff Income*

The Petitioner submitted that the Non-Tariff Income includes income from non-tariff sources such as income from investments, delayed payment surcharge, etc. The Petitioner has claimed non-tariff income as Rs. 282.70 Crore.

The Petitioner with regard to material cost variance submitted that out of the total Rs. 27.43 Crore, contribution from grants (Rs. 11.72 Crore) has been deducted from the overall claim in line with the methodology adopted by the Commission in the previous Tariff Orders. The Petitioner further submitted that it has considered the wheeling charges and cross subsidy surcharge as part of non-tariff income and has excluded the same from revenue from sale of power .

The Commission agrees with the submissions made by the Petitioner with regard to the material cost variance on the value of grants.

As regards the delayed payment surcharge of Rs. 171.47 Crore included in non-tariff income, the Petitioner submitted that it had pursued the matter with the Commission for not considering the same in non-tariff income but the same was decided against the Petitioner vide the Judgement of Hon'ble APTEL dated May 18, 2015 in Appeal No. 180 of 2013. The Petitioner again made submissions in this regard citing the judgment of Hon'ble Supreme Court, Electricity Act and the Regulations of Maharashtra Electricity Regulatory Commission and Central Electricity Regulatory Commission. The Petitioner requested the Commission to invoke its powers under Regulation 104 (Power to Remove Difficulties) of the UERC Tariff Regulations, 2018.

The Commission has gone through the Petitioner's submissions in this regard. The Commission does not find any merit in the Petitioner's submissions as the issue has been settled and does not require to be dwelled upon again. Therefore, the Commission has considered the delayed payment surcharge as part of non-tariff income.

Accordingly, the non-tariff income claimed by the Petitioner and that approved by the Commission for the purpose of truing up for FY 2019-20 is as given in the Table below:

Table 3.34: Non-tariff Income approved by the Commission for FY 2019-20 (Rs. Crore)

Particulars	Approved in the Tariff Order	Claimed by UPCL	Approved
Non-tariff income	250.00	282.70	282.70

3.3 Tariff Revenue

The Petitioner submitted the revenue at existing tariff as Rs. 6506.42 Crore as against the revenue of Rs. 6888 Crore, approved by the Commission for FY 2019-20.

The Petitioner submitted that even after making significant improvements, the actual distribution loss for FY 2019-20 were lower than the baseline value of 14.25% approved by the Commission for FY 2019-20. The Petitioner further submitted the gain to be allowed to it which is as shown in the Table below:

Table 3.35: Additional Revenue from Sale for FY 2019-20 (Rs. Crore)

S. No.	Particulars	Actuals
1.	Actual Sales (MU)	12021.35
2.	Approved Distribution Loss Level (%)	14.25%
3.	Actual Energy Input at T-D Interface (MU)	13880.96
4.	Sales at Actual Energy Input with 14.25% Loss (MU)	11902.92
5.	Gain of Sales (MU)	118.43
6.	Revenue at Existing Tariff (Rs. Crore)	6506.42
7.	ABR (Rs./kWh)	5.41
8.	Additional Revenue due to higher distribution losses (Rs. Crore)	64.10
9.	**Gain to be retained by the Petitioner (2/3 of 8) (Rs. Crore)**	**42.73**

The Petitioner has adjusted the revenue from additional sales to the tune of Rs. 42.73 Crore and, accordingly, claimed the revenue of Rs. 6463.69 Crore for true-up of FY 2019-20.

The Commission has considered the distribution loss for FY 2019-20 as approved by it in its MYT Order and, accordingly, has computed the loss of sales as 12.37 MU due to commercial inefficiencies of UPCL.

While approving the category wise sales for FY 2019-20, the Commission has recasted the sales of all the categories of consumers except railways, from the sales submitted by the Petitioner. It is imperative to mention that in accordance with the Commission's approach in the previous Tariff Orders, the impact of concessional/subsidised electricity provided by UPCL to its employees has to be borne by UPCL as the average consumption of the employees is much higher than the consumption of other domestic consumers and, moreover, the charges which are recovered from the employees towards the use of electricity is not commensurate with the price charged from other domestic consumers. Hence, the same cannot be allowed to be passed on to the consumers in the State and the Corporation will have to bear this burden.

Since, the sale has been reduced, the ABR for other Domestic Consumer Category has increased to Rs. 4.25/kWh from the earlier Rs. 4.23/kWh. As against the same it is observed that the ABR corresponding to Departmental Employees of UPCL as given in the Commercial Diary is Rs. 3.14/kWh. The Commission has, accordingly, adjusted the revenue on account of difference in the ABR of Departmental employees based on the ABR of other domestic consumers.

The revenue corresponding to the assessed sale is shown in the Table below:

Table 3.36: Revenue for FY 2019-20 from Departmental Employees of UPCL Corresponding to Assessed Sales

Particulars	Sales (MU)	Actual Revenue (Rs. Crore)	Actual ABR of deptt employee (Rs./kWh)	Actual ABR of other domestic consumers after re-casted sales (Rs./kWh)	Additional Revenue from departmental employees (Rs. Crore)
	(i)	(ii)	(iii)	(iv)	(v) = (i x iv) – (ii)
UPCL Employees and Pensioners	28.77	9.05	3.14	4.25	3.17

Based on the above, the revenue from the sale of power, as worked out by the Commission is shown in the Table below:

Table 3.37: Revenue from Sale of Power for FY 2019-20 (Rs. Crore)

Particulars	Amount
Actual Revenue	6506.42
Add: Revenue corresponding to recasted Sales	3.17
Total Revenue	**6509.59**

The Commission for the computation of ABR has considered an amount of Rs. 6509.59 Crore.

Further, as discussed above there is a loss of 12.37 MU on account of commercial inefficiencies of the Petitioner failing to achieve distribution loss target approved by the Commission. The Commission has considered the revenue of Rs. 6.77 Crore at an average billing rate of Rs. 5.47 kWh for this additional loss of sale on account of higher distribution losses while truing up the ARR for FY 2019-20 as shown in the Table below:

Table 3.38: Additional Revenue from Sale due to inefficiency for FY 2019-20 (Rs. Crore)

S. No.	Particulars	Claimed by UPCL	Approved
1.	Actual/ Re-casted Sales (MU)	NIL	11890.55
2.	Approved Distribution Loss Level (%)		14.34%
3.	Actual Energy Input at T-D Interface (MU)		13880.96
4.	Sales at Actual Energy Input with 14.25% Loss (MU)		11902.92
5.	Loss of Sales due to Inefficiency (MU)		12.37
7.	ABR (Rs./kWh)		5.47
8.	Additional Revenue due to higher distribution losses (Rs. Crore)		6.77
9.	Losses to borne by Petitioner (2/3rd of 8) (Rs. Crore)		**4.52**

Accordingly, the Commission has considered tariff revenue of Rs. 6514.11 Crore including Rs. 4.52 Crore as deemed revenue on account of excess loss for FY 2019-20 as against total revenue of Rs. 6463.69 Crore claimed by the Petitioner.

3.4 Sharing of Gains and Losses

The sharing of gains and losses claimed by the Petitioner for FY 2019-20 is as shown in the Table below:

Table 3.39: Sharing of Gains and Losses for FY 2019-20 claimed by the Petitioner (Rs. Crore)

Particulars	Amount (Gain/(Loss))	Consumer Share	UPCL Share
Gain		1/3rd	2/3rd
IoWC	(56.46)	(18.82)	(37.64)
Distribution Loss	64.10	21.37	42.73

Regulation 12 of the UERC Tariff Regulations, 2018 specifies as under:

*"**12. Annual Performance Review***

…

(5) The "uncontrollable factors" shall include such of the factors which are beyond the control of, the applicant, as determined by the Commission. Some examples of uncontrollable factors are as follows:

…

c) Economy wide influences such as unforeseen changes in inflation rate, market interest rates, taxes and statutory levies;

…

(6) Some illustrative variations or expected variations in the performance of the applicant which may be attributed by the Commission to controllable factors shall include, but shall not be limited to, the following:

…

f) Variations in working capital requirements;

…

j) Variation in operation & maintenance expenses

…

(10) Upon completion of the Annual Performance Review, the Commission shall pass on an order recording-

a) The approved aggregate gain or loss to the Applicant on account of uncontrollable factors and the mechanism by which the Applicant shall be allowed such gains or losses in accordance with Regulation 13;

b) The approved aggregate gain or loss to the Applicant on account of controllable factors and sharing of such gains or such losses that may be shared in accordance with Regulation 14;

c) The approved modifications to the forecast of the Applicant for the ensuing year, if any;

The surplus/deficit determined by the Commission in accordance with these Regulations on account of truing up of the ARR of the Applicant shall be carried forward to the ensuing financial year."

Regulation 13 of the UERC Tariff Regulations, 2018 specifies as under:

"13. Sharing of Gains and Losses on account of Uncontrollable factors

(1) The approved aggregate gain or loss to the Applicant on account of uncontrollable factors shall be allowed as an adjustment in the tariff/charges of the Applicant over such period as may be specified in the Order of the Commission;

…"

Regulation 14 of the UERC Tariff Regulations, 2018 specifies as under:

"14. Sharing of Gains and Losses on account of Controllable factors

(1) The approved aggregate gain and loss to the Applicant on account of controllable factors shall be dealt with in the following manner:

a) 1/3rd of such gain shall be passed on as a rebate or allowed to be recovered in tariff over such period as may be specified in the Order of the Commission;

b) The balance amount of gain may be utilized or absorbed by the Applicant."

Hence, in accordance with UERC Tariff Regulations, 2018, the O&M expenses, IoWC and Distribution losses are controllable factors and any gain or loss on account of the controllable factors is to be dealt in accordance with the provisions of Regulation 14 of the above mentioned Regulations.

The sharing of gains on account of controllable factors approved by the Commission for FY 2019-20 is as shown in the Table given below:

Table 3.40: Sharing of Gains on Account of Controllable Factors approved by the Commission for FY 2019-20 (Rs. Crore)

Particulars	Actual for truing up	Normative as Trued up	Aggregate gain/(loss)	Consumer's Share	Petitioner's Share of Gain/(Loss)
	A	B	C=B-A	(Gain): D=1/3 x C Loss D=1/3 x C	E=C-D
O&M expenses	555.34	529.83	(25.51)	(8.50)	(17.01)
Distribution Loss	14.34%	14.25%	(6.77)	(2.25)	(4.52)
IoWC	56.46	3.85	(52.61)	(17.54)	(35.07)
Total			**(84.89)**	**(28.29)**	**(56.60)**

3.5 ARR and Revenue for FY 2019-20

The Commission in its MYT Order dated February 27, 2019 had approved the Net Revenue Requirement for FY 2019-20 as Rs. 6549.39 Crore. Further, the Commission vide its Order dated 25.10.2019 allowed recovery of additional Rs. 295.95 Crore to UPCL in second half of FY 2019-20, for recovery of power purchase cost incurred in excess of the approved power purchase cost for FY 2018-19. Therefore, the total revenue allowed to UPCL to be recovered in FY 2019-20 works out to Rs. 6845.34 Crore. The Petitioner has now claimed an ARR of Rs. 7150.74 Crore for FY 2019-20. However, based on the various elements of the ARR as discussed above and approved by the Commission, the summary of final Truing up for FY 2019-20 is given in the Table below:

Table 3.41: Summary of True up for FY 2019-20 approved by the Commission (Rs. Crore)

Particulars	Tariff Order	Claimed by UPCL	Approved
Power Purchase Cost incl. UJVN Arrears	5400.74	5289.46	5239.97
PP Cost for FY 2018-19 carry forward to FY 2019-20	-	295.95	295.95

Table 3.41: Summary of True up for FY 2019-20 approved by the Commission (Rs. Crore)

Particulars	Tariff Order	Claimed by UPCL	Approved
PP Cost for FY 2018-19 left out	-	99.82	99.82
Transmission Charges			
PGCIL	446.83	755.68	755.68
UITP Charges for FY 2016-17 and FY 2017-18	62.90	62.90	62.90
PTCUL and SLDC	266.36	268.92	268.92
Interest on Loan and guarantee fee	142.42	131.84	109.53
Depreciation	143.38	158.40	157.63
O&M expenses after sharing	551.96	559.99	538.33
Interest on Working Capital	0.00	0.00	3.85
Impact of Interest on Working Capital Loss	0.00	18.82	17.54
Return on Equity	90.11	93.96	99.74
Provision for Bad and doubtful debts	0.00	0.00	0.00
Prior Period A&G Expenses	0.00	3.01	3.01
Aggregate Revenue Requirement	**7104.70**	**7738.75**	**7652.86**
Less: Non-Tariff Income	250.00	282.70	282.70
Gap/(Surplus) of previous year	**-305.31**	**-305.31**	**-305.31**
Net ARR	**6549.39**	**7150.74**	**7064.85**
Revenue			
Revenue at Existing Tariff	6592.52	**6506.42**	**6509.59**
Revenue from Addl Sales. (after sharing)		-42.73	4.52
Total Revenue	**6592.52**	**6463.69**	**6514.11**
Adjusted Revenue (Surplus)/Gap	**(43.13)**	**687.05**	**550.74**

The Petitioner in its Petition had requested the Commission to approve the gap of Rs. 687.05 Crore. However, the Commission has approved a gap of Rs. 550.74 Crore for FY 2019-20. The Commission observed that the total approved gap of Rs 550.74 Crore includes UITP Charges of Rs 138.82 Crore for FY 2019-20, UITP charges of Rs 62.90 Crore for FY 2016-17 and FY 2017-18 and left out PP Cost of Rs 99.82 Crore for FY 2018-19. As UPCL has not made these payments during FY 2019-20, the Commission does not feel appropriate to approve the carrying costs on this amount. The Commission in the past had also observed that UPCL is defaulting on payment liabilities and is creating assets out of internal resources. UPCL in its Balance Sheet for FY 2019-20 has shown power purchase and other dues payable to the Government of about Rs. 4609 Crore which is being utilised to fund the receivables, meet its operational and capital related expenditures on which RoE is being claimed. If UPCL does not improve this situation, the Commission shall be forced to allow it ARR on the cash basis rather than on accrual basis as making default in payments not only affects UPCL adversely but also other entities. Hence, the Commission has allowed the carrying cost on only the balance gap of FY 2019-20, i.e. Rs 249.20 Crore.

Further, the Commission vide its Order dated 25.10.2019, on the Review Petition filed by UPCL for review of tariff Order for FY 2019-20, had allowed additional Rs. 3.01 Crore of A&G expenses on account of review of truing up of A&G expenses for FY 2017-18. The Petitioner had claimed adjustment of this amount during the current year tariff proceedings, and accordingly, the Commission has allowed the same alongwith carrying cost alongwith truing up of FY 2019-20.

Table 3.42: Total gap including carrying cost (Rs. Crore)

Particulars	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Opening Gap/(Surplus)	0.00	3.22	3.66	268.32	300.65
Addition	3.01*	0.00	249.20	0	-300.65
Closing	3.01	3.22	252.86	268.32	0.00
Interest Rate	13.75%	13.70%	12.05%	12.05%	12.05%
Carrying/(Holding) Cost	0.21	0.44	15.46	32.33	18.11
Closing Balance	3.22	3.66	268.32	300.65	620.30

**on account of adjustment of A&G expenses for FY 2017-18 as per Order dated 25.10.2019*

The Commission has, accordingly, considered the total gap of Rs. 620.30 Crore including carrying cost, in the ARR of FY 2021-22.

4. Petitioner's Submissions, Commission's Analysis, Scrutiny and Conclusion on APR for FY 2020-21 and ARR for FY 2021-22

4.1 Background

As regard the MYT Framework and determination of ARR, UERC Tariff Regulations, 2018 specifies as follows:

*"**4. Multi-year Framework***

The Multiyear tariff framework shall be based on the following:-

a) Business plan submitted by the applicant for the entire control period for the approval of the Commission prior to the beginning of the control period;

b) Applicant's forecast of expected ARR for each year of the control period, based on reasonable assumptions and financial & operational principles/parameters laid down under these Regulations submitted alongwith the MYT petition for determination of Aggregate Revenue Requirement and Tariffs for first year of the control period;

c) Review of control period ending on 31.03.2019 shall also be taken up alongwith the ARR/Tariff petition for the first year of ensuing control period.

d) Trajectory for specific parameters as may be stipulated by the Commission based on submissions made by the Licensee, actual performance data of the Applicants and performance achieved by similarly placed utilities;

e) Annual review of performance shall be conducted vis-à-vis the approved forecast and categorization of variations in performance into controllable factors and uncontrollable factors;

f) Sharing of excess profit or loss due to controllable and uncontrollable factors as per provisions of these Regulations.

…

7. Determination of Baseline

The baseline values (operating and cost parameters) for the base year of the control period shall be determined by the Commission and shall be based on the approved values by the Commission, the latest audited accounts, estimates for the relevant year, prudence check and other factors considered by the Commission. The Commission may re-determine the baseline values for the base year based on the actual audited accounts of the base year."

In accordance with the above provisions of the Regulations, the Commission had approved the Aggregate Revenue Requirement of the Petitioner for all the years of the Third Control Period, i.e. from FY 2019-20 to FY 2021-22 excluding the power purchase cost for FY 2020-21 and FY 2021-22 vide its MYT Order dated February 27, 2019.

As regards the Annual Performance Review, Regulations 12(3) of the UERC (Terms and Conditions for Determination of Tariff) Regulations, 2018 specifies as follows:

"The scope of the Annual Performance Review shall be a comparison of the actual performance of the Applicant with the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise of following:

a) A comparison of the audited performance of the applicant for the previous financial year with the approved forecast for such previous financial year and truing up of expenses and revenue subject to prudence check including pass through of impact of uncontrollable factors;

b) Categorisation of variations in performance with reference to approved forecast into factors within the control of the applicant (controllable factors) and those caused by factors beyond the control of the applicant (un-controllable factors).

c) Revision of estimates for the ensuing financial year, if required, based on audited financial results for the previous financial year;

d) Computation of the sharing of gains and losses on account of controllable factors for the previous year."

The Petitioner in the present APR Petition has requested the Commission to approve the revised estimates for FY 2021-22 based on the revised submissions in the APR Petition. The Commission had already approved most of the ARR components for the Third Control Period from FY 2019-20 to FY 2021-22 after detailed analysis, scrutiny and prudence check of the Petitioner's submission vide its MYT Order dated February 27, 2019. As the Commission had not approved the power purchase cost for FY 2021-22 in its MYT Order dated February 27, 2019, hence, in the present Order the Commission has approved the power purchase quantum and cost associated therewith based on the analysis and scrutiny of Petitioner's projections in the Petition and considering the subsequent submissions including actual audited data available for FY 2019-20. As discussed in the previous Chapter, the Commission in this Order has carried out the Truing up for FY 2019-20 in accordance with the UERC Tariff Regulations, 2018. In accordance with Regulation 12(3) of the UERC Tariff Regulations, 2018 the scope of annual performance review is limited to the revision of the estimates for the ensuing year, if required, based on the audited financial results for the previous year and give resultant effect on this account in the estimates of the said current year.

4.2 Sales

The Petitioner submitted that based on the actual sales data, the energy consumption in the State has witnessed a 5 year Compounded Annual Growth Rate (CAGR) of 3.94% during FY 2015-16 to FY 2019-20 as shown in the Table below.

Table 4.1: Actual Energy sales for consumer categories during FY 2015-16 to FY 2019-20 (MU)

Consumer Category	2015-16	2016-17	2017-18	2018-19	2019-20
RTS-1: Domestic	2391.15	2486.15	2741.53	2849.20	3113.85
RTS-2: Non-Domestic	1121.03	1178.02	1235.23	1301.34	1397.84
RTS-3: Govt. Public Utilities	533.45	551.52	590.25	614.66	678.32
RTS-4: Private Tube-wells/ Pumping sets	331.98	350.49	271.37	190.13	202.62
RTS-5: LT & HT Industry					
Total LT	282.32	300.13	302.21	309.93	311.94
Total HT	5437.27	5508.03	5858.07	6355.76	6105.24
RTS-6: Mixed Load	186.78	178.11	182.43	177.75	182.47
RTS-7: Railway Traction	14.16	19.23	27.73	27.91	29.08
Total	**10298.14**	**10571.69**	**11208.82**	**11826.68**	**12021.35**

The Petitioner submitted that for the purpose of projection of sales for FY 2020-21 and FY 2021-22 it has considered a mix of long to medium term trend in energy consumption along with adjustments on account of past abnormalities and impact of recent developments related to COVID-19 and other economic conditions that would have a bearing on the future consumption in select consumer categories.

Projection of Energy Sales – Adjusted Trend Analysis (CAGR) Method

The Petitioner submitted that for projecting the category-wise energy sales, it has considered trend of actual sales. In line with the methodology adopted by the Commission in the past, CAGR approach has been adopted to project the sales in each consumer category while excluding any outliers (relative to trend) observed in the growth rates over the period of 5 years. According to this method, CAGRs have been calculated from the actual figures for each category, corresponding to different lengths of time in the past 5 years, along with a year-on-year growth rates from FY 2015-16 to FY 2019-20. The seasonality effect on consumption, current economic conditions under COVID-19 and enhancement of connected load have also been considered while selecting the growth rate.

For FY 2020-21, the Petitioner has considered the actual sales from April 2020 to August 2020 as per the commercial diary. The actual input energy for September and October 2020 was available and, accordingly, the sales for these 2 months have been computed based on input energy to sales ratio of FY 2019-20 for the corresponding months. The sales for the period from November 2020 to March 2021 have been computed considering category wise 5 year CAGR as below:

Table 4.2: CAGR calculated for Energy Sales to each consumer category

S. No.	Consumer Category	5 year	4 year	3 year	2 year	Rate considered
1.	RTS-1: Domestic	6.82%	7.79%	6.57%	9.29%	**6.82%**
2.	RTS-2: Non-Domestic	5.67%	5.87%	6.38%	7.42%	**5.67%**
3.	RTS-3: Govt. Public Utilities					
	*Public Lamps**	*0.59%*	*-1.36%*	*-9.98%*	*-5.52%*	***0.59%***
	*Government Irrigation System (GIS)**	*6.12%*	*7.22%*	*3.89%*	*15.81%*	***6.12%***
	*Public Water Works (PWW)**	*6.89%*	*8.16%*	*11.07%*	*10.21%*	***6.89%***
4.	RTS-4: Private Tube-wells / Pumping sets	-11.61%	-16.70%	-13.59%	6.57%	**6.57%**
5.	RTS-5: LT & HT Industry					
	Total LT	*2.53%*	*1.29%*	*1.60%*	*0.65%*	**2.53%**
	Total HT	*2.94%*	*3.49%*	*2.09%*	*-3.94%*	***2.00%****
6.	RTS-6: Mixed Load	-0.58%	0.81%	0.01%	2.66%	**2.66%**
7.	RTS-7: Railway Traction	19.70%	14.79%	2.41%	4.20%	**4.20%**
	Total	**3.94%**	**4.38%**	**3.56%**	**1.65%**	

**shown for CAGR computation purpose;*

***notional growth of 2% considered over sales in FY 2018-19; HT industrial sales dropped during last 10 years*

The Petitioner submitted that FY 2020-21 had been an abnormal year due to COVID-19 pandemic with skewed consumption in industrial and commercial categories in the entire first half of the year and, hence, the previous year sales have been considered for projections, which shall be subject to true-up based on actuals.

The Petitioner stipulated the methodology for projecting the category wise sales for FY 2021-22 as given below:

(i) **RTS-1: Domestic:** The Petitioner submitted that the growth in last 2 years had been ~9%. However, the increase in sales in the ensuing years is going to be moderate and, hence, a 5-year CAGR has been considered for projections.

(ii) **RTS-2: Non-Domestic:** The Petitioner submitted that the sales growth has been in the range of 6.50%-7.50% over the last 2-3 years. However, the modest growth rate of 5-year CAGR of 5.67% has been considered for projections.

(iii) **RTS-3: Government Public Utilities:** The Petitioner submitted that it has considered 5-year CAGR in order to account for marginal growth in Public Lamps and offset the recent hike in sales in GIS and PWW categories.

(iv) **RTS 4: Private Tube Wells/Pumpsets (including RTS-4A):** The Petitioner submitted that on an overall basis (RTS 4 and RTS 4A), there has been a decline in the consumption in this category in the last 2 years. Therefore, the Petitioner has considered the growth in the last 2 years for the projections.

(v) **RTS-5: LT & HT Industries:** The Petitioner submitted that for LT industry, 5-year CAGR has been considered for projections. With regards to HT Industries, the Petitioner submitted that it has considered a nominal growth rate of 2% on the actual sales for FY 2018-19 as the industries were shutdown in the month of March 2020 due to COVID-19 lockdown. Further, the actual sales in HT category in the current months have aligned to previous year sales (during corresponding months) indicating a revival of the sales in this category.

(vi) **RTS-6: Mixed Load Consumers:** The Petitioner has projected the sales of mixed load consumers to grow at nominal level of 2.66% based on the growth in last 2 years.

(vii) **RTS 7: Railway Traction:** The Petitioner has considered conservative growth rate of 4.20% as per recent hike observed in last 2 years.

The Petitioner has considered the base year as FY 2019-20 for projecting the sales for FY 2020-21 and FY 2021-22. The Petitioner has, accordingly, projected the energy sales for FY 2021-22 as shown in the Table below:

Table 4.3: Sales projected by the Petitioner for FY 2021-22 (MU)

S. No.	Category Wise Sales	FY 2021-22
1.	RTS-1: Domestic	3326.26
2.	RTS-2: Non-Domestic	1477.13
3.	RTS-3: Govt. Public Utilities	720.75
4.	RTS-4: Private Tube-wells / Pumping sets	215.92
5.	RTS-5: LT & HT Industry	6802.69
	Total LT	*319.82*
	Total HT	*6482.87*
6.	RTS-6: Mixed Load	187.31
7.	RTS-7: Railway Traction	30.30
	Total	**12760.46**

The Commission has gone through the submissions of the Petitioner. The Commission observed that the sales of 12760.46 MU projected by the Petitioner is less than 13775.85 MU estimated by the Commission for FY 2021-22 in the MYT Order primarily because of reduction in growth rate of domestic, PTW and Industrial category.

As discussed in Chapter 3, the Commission has carried out the truing up of sales for FY

2019-20. Considering the actual re-casted sales as trued up sales in Chapter 3, the Commission has re-worked the sales of FY 2021-22 as discussed below.

(i) Base year has been considered as FY 2019-20 as the actual sales data are available. The Commission has considered the re-casted sales for FY 2019-20 and has added the category wise load shedding carried out during FY 2019-20 as submitted by the Petitioner to derive the un-restricted sales for FY 2019-20.

(ii) The Commission has considered 4 Year CAGR of 6.84% for Domestic category as the same is close to growth rate considered by the Petitioner.

(iii) Growth rate of RTS 2: Non-Domestic Category has been considered as 3 Year CAGR of 4.71%.

(iv) Growth rate of RTS 3: Govt. Public Utilities: The Commission has considered 5 Year CAGR of 6.64% for the combined category.

(v) Growth rate of RTS 4: PTW: The Commission has considered the 1 year growth rate of 3.11%.

(vi) Growth rate of RTS 5: LT & HT Industry: The Commission has considered the growth rates of 2.10% and 4.84% which are 2 years CAGR and 4 years CAGR for LT Industry and HT Industry respectively.

(vii) Growth rate of RTS 6: Mixed Load: The Commission has considered the 1 year growth rate of 2.54%.

(viii) Growth rate of RTS 7: Railway Traction: The Commission has considered the 1 year growth rate of 3.55%.

On the basis of the above, the total sales works out to 13209.17 MU which is lower than the sales of 13775.85 MU approved in the MYT Order dated February 27, 2019 by 566.68 MU. The Commission observes that there is a considerable difference in the sales approved in the MYT Order and that projected based on the re-casted sales of FY 2019-20. The Commission has, therefore, revised the sales considering the revised growth rates as discussed above for FY 2021-22 and the same is as shown below:

Table 4.4: Consumer Category wise sales approved by the Commission for FY 2021-22 (MU)

S.No.	Category	Claimed	Approved
1.	Domestic	3326.26	3542.81
2.	Non Domestic	1477.13	1494.84
3.	Public Utilities	720.75	759.49
4.	Private Tube Wells (PTW)	215.92	207.48
5.	Industrial Consumers		
	LT Industries	319.82	319.63
	HT Industries	6482.87	6663.45
	Total	6802.69	6983.08
6.	Mixed Load	187.31	190.23
7.	Railway Traction	30.30	31.24
	GRAND TOTAL	**12760.46**	**13209.17**

4.3 Distribution Loss Trajectory

The Commission has approved the Distribution Loss Trajectory for the third Control Period from FY 2019-20 to FY 2021-22 in the MYT Order dated February 27, 2019. The distribution loss trajectory approved by the Commission for the third Control Period from FY 2019-20 to FY 2021-22 is as shown in the Table given below:

Table 4.5: Distribution Loss Trajectory approved by the Commission for the third Control Period from FY 2019-20 to FY 2021-22

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
	Approved	Approved	Approved
Distribution Losses	14.25%	14.00%	13.75%

The Petitioner has proposed Distribution loss of 13.75% for FY 2021-22 as approved by the Commission in its MYT Order dated February 27, 2019.

The Commission approves the Distribution Loss for FY 2021-22 as 13.75% in accordance with the trajectory approved for the third Control Period. The Distribution Loss as projected by the Petitioner and as approved by the Commission is as shown below:

Table 4.6: Distribution Losses approved for FY 2021-22

Particulars	Proposed	Approved
Distribution Losses	13.75%	13.75%

In line with the approach adopted by the Commission in its previous Tariff Orders, the Commission has considered the entire distribution loss reduction target as reduction in commercial losses of the Petitioner and has, therefore, considered the impact of distribution loss reduction in terms of increase in sales due to efficiency improvement.

Accordingly, the estimated energy requirement at distribution periphery, State periphery and approved loss level for FY 2021-22 is given in the Table below:

Table 4.7: Energy Input requirement approved by the Commission for FY 2021-22

Particulars	Quantum
Distribution Sales (MU)	**13209.17**
Loss level for Energy Input (%)	14.00%
Energy Input required at T-D interface (MU)	15359.50
Commercial Loss reduction (%)	0.25%
Commercial Loss reduction (Additional sales due to efficiency improvement) (MU)	38.40
Total sales with efficiency improvement (MU)	13247.57
Overall Distribution Loss (%)	13.75%
PTCUL Loss (%)	1.40%
Energy Input at State periphery (MU)	**15577.59**

4.4 Aggregate Revenue Requirement

Regulation 69 of the UERC Tariff Regulations, 2018 specifies as follows:

*"**69. Aggregate Revenue Requirement for each Financial Year of the Control Period***

(1) The total annual expenses and return on equity of the Distribution Licensee for each financial year of the Control Period shall be worked out on the basis of expenses and return allowed in terms of these Regulations.

(2) The retail supply tariff of a Distribution Licensee for each financial year of the Control Period shall provide for recovery of Aggregate Revenue Requirement of the Distribution Licensee for each financial year of the Control Period, as reduced by the amount of non-tariff income, income from wheeling in respect of open access customers, income from Other Business and receipts on account of cross-subsidy surcharge and additional surcharge for the relevant financial year, as approved by the Commission, and subsidy from the State Government for the financial year, if any, and shall comprise the following:

(a) Cost of power purchase;

(b) Transmission charges;

(c) System Operation Charges i.e. Fee and Charges paid to NLDC/RLDC/SLDC

(d) Interest and Finance charges on Loan Capital and on consumer security deposit;

(e) Depreciation, including and amortisation of intangible assets;

(f) Lease Charges

(g) Operation and Maintenance expenses;

(h) Interest on working capital; and

(i) Return on equity capital;

(j) Income-tax;

(k) Provision for Bad and doubtful debts

(3) Net Revenue Requirement from sale of electricity = Aggregate Revenue Requirement, as above, minus:

(a) Non-Tariff Income;

(b) Income from wheeling charges recovered from open access customers;

(c) Income from Other Business, to the extent specified in these Regulations;

(d) Receipts from cross-subsidy surcharge from open access consumers; and

(e) Receipts from additional surcharge on charges of wheeling from open access consumers.

(f) Any revenue subsidy or grant received from the State Government other than the subsidy under Section 65 of Electricity Act, 2003."

The Commission in this Order has determined the Net Revenue Requirement for FY 2021-22 as detailed in the subsequent Paras of this Chapter.

4.5 Power Purchase Cost

The power requirement of UPCL is met from various sources which include the generating stations of:

- NTPC Ltd.
- NHPC Ltd.
- NPCIL
- SJVNL
- THDC Ltd.
- State generating stations of UJVNL
- UREDA
- Gas Generating Stations in the State
- Co-generation stations
- Independent Power Producers (IPPs)
- Other Renewable Sources
- Short-term power arrangements: Banking, open market purchase etc.

The Petitioner in its Petition submitted the source wise power purchase from various sources along with the cost of power purchase which was revised by it in its submission dated Feb. 4, 2021. For projecting the availability of power for FY 2021-22, the Petitioner has considered the average of the actual monthly energy generation during the past 3 years including FY 2019-20. Further, the normative auxiliary consumption and average allocation, i.e. firm share and unallocated share of last two years from each station has been considered by the Petitioner for projecting the availability to UPCL from Thermal Power Stations during FY 2021-22. For the stations which have not been operational for complete 3 years, the actual monthly generation during FY 2019-20 has been considered as the basis for projections. For new and upcoming stations, the Petitioner has considered Uttarakhand's expected entitlement from each station using the normative technical norms. Further, the Petitioner submitted that it has considered actual station wise Inter-State losses to estimate the energy availability at State Periphery. The energy availability from various sources has been projected by the Petitioner based on the following:

- **UJVN Ltd. –** For 10 LHPs and SHPs, the average of actual monthly energy generation during the past 3 years, i.e. FY 2017-18 to FY 2019-20 has been considered.
- **NTPC –** For Singrauli, Unchahar- I, II & III, NCT Dadri II, Rihand STPS I, II & III, and Kahalgaon-II the average of actual month wise net generation of last 3 years, i.e. FY 2017-18 to FY 2019-20 has been considered. For Unchahar IV and Tanda II, the monthly availability during FY 2019-20 has been considered.
- For Gas based Power Plants, the availability has been considered in accordance with take or pay based contract. On account of COVID-19 pandemic, the aggregate demand of UPCL fell in the first half of FY 2020-21. For accommodating the must run hydro power plants and coal based thermal power plants that have to run above technical minimum, UPCL, vide its letter dated September 8, 2020 requested NTPC to defer the offtake of power from gas based power plants in such a way that the balance take or pay liability of previous years may be accommodated in FY 2021-22 and, accordingly, the energy availability for FY 2021-22 has been projected.
- For Koldam, the average of actual month wise net generation of last 3 years, i.e. FY 2017-18 to FY 2019-20 has been considered.

  Further, the share in monthly generation has been considered by considering the total allocation from each station to Uttarakhand.

- **NHPC –** For all stations except Kishanganga, the Petitioner has considered the average of actual monthly energy generation during the past 3 years from FY 2017-18 to FY 2019-20. The same has also been considered for projecting free power share from Dhauliganga, Tanakpur stations.

  For Kishanganga HEP, the Petitioner has considered the average of actual month wise generation of FY 2019-20.

  Further, the share in monthly generation has been considered by considering the total allocation from each station to Uttarakhand.

- **NPCIL -** For NAPP and RAPP, the average of actual monthly generation during the past 3 years from FY 2017-18 to FY 2019-20 has been considered.

- **SJVNL -** For Nathpa Jhakri, the average of actual monthly generation during the past 3 years from FY 2017-18 to FY 2019-20 has been considered.

- **THDC -** For Tehri and Koteshwar, the average of actual monthly energy generation during the past 3 years from FY 2017-18 to FY 2019-20 has been considered. The same has also been considered for projecting free power share from these stations.

- **Vishnu Prayag HEP, GVK Srinagar and Rajwakti SHP -** The average of actual monthly energy generation during the past 3 years from FY 2017-18 to FY 2019-20 has been considered.

- **UREDA Stations and IPPs -** The Petitioner has estimated the monthly availability from UREDA and IPP stations (except for solar roof top, solar IPPs, Gama & Shravanti generators) based on previous three years' average of actual monthly generation, normative auxiliary consumption and share of Uttarakhand from each station. The availability from Gama and Shravanti Gas Plants has been projected considering 85% PLF. The availability from solar rooftop generators and Solar IPPs that have been commissioned recently has been estimated considering last 3 years' average generation.

- **Upcoming Stations -** The energy availability from stations expected to be commissioned during FY 2021-22 has been projected considering the likely COD of such generating stations from various sources such as CEA reports, PPAs signed and as per the information made available by the generators.

- **Transmission Losses -** The Petitioner has considered Inter-State Transmission Losses of 4%. Intra-State transmission losses of 1.40% has been considered as approved by the Commission in its MYT Order dated February 27, 2019.
- **Deficit Power Purchase –** The Petitioner has proposed to procure energy in deficit months through open market.
- The Petitioner has proposed the total power purchase of 14969 MU for FY 2021-22.

The Commission has gone through the submissions of the Petitioner. The Commission for projection of power purchase for FY 2021-22 has considered the energy availability from various generating stations based on the three years month-wise energy availability from all the generating stations. Further, the Commission has computed the deficit/surplus quantum of power which the Petitioner would be required to purchase/bank depending on its requirement on the basis of monthly energy availability and estimated energy requirement. The Commission for projecting power purchase has considered existing generating stations as well as the upcoming generating stations likely to be commissioned by FY 2021-22 in which UPCL has firm allocation. The detailed approach for approving the power purchase quantum has been discussed below.

For projecting the energy availability quantum from various new sources, the Commission sought the following information from the Petitioner:

- Likely COD of the upcoming generating stations along with the source on which the Petitioner has relied upon.
- Station wise POC Losses for projecting energy availability.

In reply, UPCL submitted the following:

- The solar capacity has been expected to be available from April 2021 as the Commission had allowed the COD extension upto March 31, 2021.
- The COD of Vyasi HEP has been considered in September 2021 based on UJVNL's letter dated January 5, 2021.
- UPCL further submitted station wise and month wise POC Losses for the period from April 2020 to December 2020.

The Commission while projecting the quantum of energy available from various sources for FY 2021-22 has made the following assumptions as detailed below.

4.5.1 *Power Purchase from UJVN Ltd.*

The Commission has considered the availability from generating stations of UJVN Ltd. as under:

Table 4.8: Power Purchase from UJVN Ltd.

Stations of UJVN Ltd.	Basis	Rationale
9 LHPs	Average of actual month wise gross generation in FY 2018-19, FY 2019-20 & FY 2020-21 (actual for 10 months, projections for 2 months); Further, impact of non-availability on account of RMU in Dhakrani,, MB-I and Chilla has been considered.	Three Year's average as per the Commission's earlier approach.
Maneri Bhali-II	Average of actual month wise gross generation in FY 2018-19, FY 2019-20 & FY 2020-21 (actual for 10 months, projections for 2 months);	
SHPs, viz. Pathri, Mohammadpur & Galogi	Average of actual month wise gross generation in FY 2018-19, FY 2019-20 & FY 2020-21 (actual for 10 months, projections for 2 months);	

The Commission has estimated the energy availability from these generating stations to UPCL at State Periphery after considering the normative auxiliary consumption and excluding the share allocation to Himachal Pradesh. The summary of energy availability from UJVN Ltd. for FY 2021-22 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.9: Summary of Energy Availability from UJVN Ltd. for FY 2021-22 (MU)

Particulars	Claimed	Approved
9 old LHPs	2859.17	2532.91
Maneri Bhali-II	1308.11	1319.84
Small Hydro	179.64	181.70
Pathri	*120.45*	*121.85*
Mohammadpur	*52.43*	*53.08*
Galogi	*6.76*	*6.77*
Total	**4346.92**	**4034.45**

4.5.2 *Power Purchase from NHPC Ltd.*

The Commission has considered the availability from generating stations of NHPC Ltd. as under:

Table 4.10: Power Purchase from NHPC Ltd.

Stations of NHPC	Basis	Rationale
Salal	Average of actual month wise gross generation in FY 2018-19, FY 2019-20 & FY 2020-21 (actual for 10 months, projections for 2 months)	Three Year's Average as per the Commission's earlier approach
Chamera I		
Chamera II		
Chamera III		

Table 4.10: Power Purchase from NHPC Ltd.

Stations of NHPC	Basis	Rationale
Uri		
Dulhasti		
Sewa II		
Uri II		
Prabati III		
Tanakpur		
Dhauliganga		
Kishanganga		

The Commission has estimated the energy availability from these generating stations to UPCL at State Periphery after considering the normative auxiliary consumption, station wise POC losses for the period from April 2020 to December 2020 and considering the allocation to Uttarakhand.

The summary of energy availability from NHPC Ltd. for FY 2021-22 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.11: Energy Availability from NHPC Ltd. for FY 2021-22 (MU)

Station	Estimated by UPCL	Approved
Salal	39.20	42.98
Tanakpur	10.95	18.97
Chamera I	82.70	85.28
Chamera II	27.01	22.57
Chamera III	57.34	57.81
Uri	94.49	104.56
Dhauliganga	61.00	66.71
Dulhasti	121.65	123.79
Sewa II	30.71	31.87
Uri II	77.11	81.42
Parbati III	36.30	35.34
Kishanganga	17.49	12.27
Free Power-Tanakpur	43.54	58.51
Free Power-Dhauliganga	135.44	138.81
Total	**834.93**	**880.90**

4.5.3 *Power Purchase from THDC India Ltd.*

The Commission has considered the availability from generating stations of THDC Ltd. as under:

Table 4.12: Power Purchase from THDC India Ltd.

Stations of THDCIL	Basis	Rationale
Tehri HEP	Average of actual month wise gross generation in FY 2018-19, FY 2019-20 & FY 2020-21 (actual for 10 months, projections for 2 months)	Three years average considered as per the standard approach followed by the Commission in past.
Koteshwar HEP		

The Commission has estimated the energy availability from these generating stations to UPCL at State Periphery after considering the normative auxiliary consumption, station wise POC losses for the period from April 2020 to December 2020 and considering the share allocation to Uttarakhand. The summary of energy availability from THDC Ltd. for FY 2021-22 at State periphery as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.13: Energy Availability at State periphery from THDC Ltd. for FY 2021-22 (MU)

State	Estimated by UPCL	Approved
Tehri HEP	110.32	111.55
Free Power-Tehri HEP	355.84	350.51
Koteshwar HEP	77.30	77.88
Free Power-Koteshwar HEP	139.01	137.64
Total	**682.47**	**677.58**

4.5.4 *Power Purchase from NTPC Ltd*

The Commission has considered the availability from generating stations of NTPC Ltd. as under:

Table 4.14: Power Purchase from NTPC Ltd.

Stations of NTPC	Basis	Rationale
Singrauli STPS	Average of actual month wise gross generation in FY 2018-19, FY 2019-20 & FY 2020-21 (actual for 10 months, projections for 2 months)	Actual monthly generation of past 3 years as per the standard approach followed by the Commission
Rihand STPS		
Rihand I		
Rihand II		
Rihand III		
Unchahar TPS		
Unchahar I		
Unchahar II		
Unchahar III		
Anta CCPP		
Auraiya CCPP		
Dadri CCPP		
Dadri (NCTPP)		
Jhajjar		
Kahalgaon TPS		
Koldam		
Unchahar IV	Allocation to UPCL out of generation at normative	New stations

Table 4.14: Power Purchase from NTPC Ltd.

Stations of NTPC	Basis	Rationale
Tanda-II	PLF of 85%	
Meja		

The Commission has estimated the energy availability from these generating stations to UPCL at State Periphery after considering the normative auxiliary consumption, station wise POC losses for the period from April 2020 to December 2020 and considering the share allocation to Uttarakhand. The summary of energy availability from NTPC Ltd. for FY 2021-22 at State periphery as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.15: Energy Availability from NTPC Ltd. at State periphery for FY 2021-22 (MU)

Station	Estimated by UPCL	Approved
Singrauli STPS	601.99	647.83
Rihand STPS		
Rihand I	229.60	272.88
Rihand II	208.84	242.69
Rihand III	249.96	280.21
Unchahar TPS		
Unchahar I	186.73	230.29
Unchahar II	92.43	98.41
Unchahar III	68.17	83.79
Anta CCPP	47.33	23.20
Auraiya CCPP	75.40	30.04
Dadri CCPP	89.43	89.45
Dadri (NCTPP)	11.09	4.92
Jhajjar	0.00	38.51
Kahalgaon TPS	143.77	273.19
Koldam	203.11	209.98
Unchahar IV	142.46	217.30
Tanda-II	56.63	136.93
Total	**2406.93**	**2879.62**

4.5.5 *Power Purchase from SJVN Ltd.*

The Commission has considered the availability from generating stations of SJVN Ltd. as under:

Table 4.16: Power Purchase from SJVN Ltd.

Stations of SJVNL	Basis	Rationale
Nathpa Jhakri HEP	Average of actual month wise gross generation in FY 2018-19, FY 2019-20 & FY 2020-21 (actual for 10 months, projections for 2 months)	Actual monthly generation of past 3 years as per the standard approach followed by the Commission
Rampur HPS		

The Commission has estimated the energy availability from these generating stations to UPCL at State Periphery after considering the normative auxiliary consumption, station wise POC losses for the period from April 2020 to December 2020 and considering the share allocation to Uttarakhand. The summary of energy availability from SJVN Ltd. for FY 2021-22 as estimated by the Commission is shown in the Table below:

Table 4.17: Energy Availability from SJVN Ltd. at State periphery for FY 2021-22 (MU)

Station	Estimated by UPCL	Approved
Nathpa Jhakri HEP	76.09	75.25
Rampur HPS	213.35	218.56
Total	**289.44**	**293.81**

4.5.6 *Power Purchase from NPCIL Stations*

For estimating the energy availability from these stations, the Commission has considered the monthly average generation for the last three years, i.e. FY 2018-19 to FY 2020-21 (10 months actual and 2 months projection). The Commission has estimated the energy availability from these generating stations to UPCL at State Periphery after considering the normative auxiliary consumption, station wise POC losses for the period from April 2020 to December 2020 and considering the share allocation to Uttarakhand. The summary of energy availability from NPCIL for FY 2021-22 as estimated by the Commission is shown in the Table below:

Table 4.18: Energy Availability from NPCIL at State periphery for FY 2021-22 (MU)

Station	Estimated by UPCL	Approved
NAPP	166.44	164.02
RAPP	181.90	135.60
Total	**348.34**	**299.62**

4.5.7 *Power Purchase from Renewable Energy Sources*

The existing renewable energy sources include the hydro power stations of UREDA, IPPs, co-generation plants, and existing as well as upcoming solar power plants within the State and solar power to be received from outside the State. The Commission has considered the energy availability at State periphery as projected by UPCL.

The summary of energy availability from existing renewable energy sources for FY 2021-22 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.19: Energy Availability from Renewable Energy Sources for FY 2021-22 (MU)

Station	Estimated by UPCL	Approved
Existing renewable energy sources	1172.82	1172.83

4.5.8 *Power Purchase from Vishnu Prayag HEP, GVK Srinagar and L&T (State Royalty Power)*

For estimating the State Royalty power from Vishnu Prayag HEP and GVK Srinagar HEP, the Commission has considered the average of actual monthly generation for the years FY 2018-19, FY 2019-20 and FY 2020-21 (actual for 10 months, projections for 2 months). The Commission has estimated the energy availability from these generating stations to UPCL at State Periphery after considering the normative auxiliary consumption, POC losses for the period from April 2020 to December 2020 and considering the free power share of 12% to Uttarakhand. The Commission has considered the energy availability from L&T HEP as proposed by the Petitioner. The summary of energy availability from these stations as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.20: Energy Availability from State Royalty Power for FY 2021-22 (MU)

Station	Estimated by UPCL	Estimated by Commission
Vishnu Prayag HEP (State Royalty Power)	217.87	221.61
GVK Srinagar HEP	151.78	134.16
L&T HEP	40.84	40.84

4.5.9 *Power Purchase from Sasan UMPP, Meja TPS*

For estimating the energy availability from Sasan UMPP, the Commission has considered the actual monthly generation of FY 2018-19, FY 2019-20 and FY 2020-21 (actual for 10 months, projections for 2 months). For estimating the energy availability from Meja TPS, the Commission has considered the allocation to UPCL out of the generation at normative PLF of 85%.

The Commission has estimated the energy available to UPCL at State Periphery after considering the normative auxiliary consumption, station wise POC losses for the period from April 2020 to December 2020 and considering share allocation to Uttarakhand. The summary of energy availability from Sasan UMPP for FY 2021-22 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.21: Energy Availability from Sasan UMPP & Meja TPS at State periphery for FY 2021-22 (MU)

Station	Estimated by UPCL	Approved
Sasan UMPP	690.05	757.26
Meja TPS	144.05	288.10

4.5.10 *Power purchase from State Gas Generating Station*

The Commission has considered the energy availability from the gas based stations located in the State, viz Gama Infraprop (P) Ltd. and Sravanthi Energy (P) Ltd. considering the normative performance parameters in accordance with the Regulations based on the contracted capacity for which UPCL has a PPA with them. Considering the present status of Beta Infraprop's station, the Commission has not considered energy availability for the station for FY 2021-22. The summary of energy availability from these stations for FY 2021-22 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.22: Energy Availability from State Gas Generating Stations at State periphery for FY 2021-22 (MU)

Station	Estimated by UPCL	Estimated by Commission
Gama Infraprop	774.68	776.80
Sravanthi	1534.45	1553.61
Total	**2309.13**	**2330.41**

4.5.11 *Power purchase from Greenko Budhil Hydro*

The Commission has considered the energy availability from Greenko Budhil Hydro with whom UPCL has a PPA for 70 MW, based on the month wise Design Energy. The Commission has estimated the energy available from the generating station to UPCL at State Periphery after considering the normative auxiliary consumption, POC losses for the period from April 2020 to December 2020 and also excluding the free share of Himachal Pradesh. The summary of energy availability from Greenko Budhil Hydro for FY 2021-22 as estimated by the Commission is shown in the Table below:

Table 4.23: Energy Availability from Greenko Budhil Hydro at State periphery for FY 2021-22 (MU)

Station	Estimated by UPCL	Approved
Greenko Budhil Hydro	247.33	225.68

4.5.12 *Power purchase from upcoming generating stations*

With regard to Vyasi, the Commission taking note of the current progress of works has considered the energy availability from October 2021 onwards as 136.23 MU.

4.5.13 *Energy available from Firm Sources*

The total energy available from firm sources estimated by the Petitioner and approved by the Commission is as shown in the Table given below:

Table 4.24: Energy Availability from Firm Sources at State periphery for FY 2021-22 (MU)

Generating Stations	UPCL	Approved
UJVN Ltd.	4346.92	4034.45
NHPC	834.93	880.90
THDC	682.47	677.58
NTPC	2406.93	2879.62
NPCIL	348.34	299.62
SJVNL	289.44	293.81
Gama Infraprop	774.68	776.80
Sravanthi	1534.45	1553.61
Sasan UMPP	690.05	757.26
Meja	144.05	288.10
Greenko Budhil Hydro	247.33	225.68
Vishnu Prayag HEP (State Royalty Power)	217.87	221.61
GVK Srinagar (State Royalty Power)	151.78	134.16
L&T (State Royalty Power)	40.84	40.84
Vyasi	136.22	136.23
Renewables	1172.82	1172.83
Total Firm Sources	**14019.13**	**14373.10**

4.5.14 *Power Purchase for fulfilling RPO*

UPCL had proposed to fulfill the RPO over and above the estimated power purchase from renewable energy sources by purchase of RECs. UPCL has projected shortfall in meeting both Solar and non-solar RPO. The Petitioner has further included the (surplus)/deficit in fulfilment of RPO of past period in FY 2021-22. The Commission has specified the RPO target for FY 2021-22 in its UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-Generating Stations) Regulations, 2018. With regard to the Petitioner's claim to carry forward the past unmet targets the Commission is of the view that this issue cannot be dealt in the tariff proceedings and UPCL is advised to file a separate Petition under UERC (Compliance of RPO) Regulations, 2010. The Commission, based on the estimated power purchase from renewable energy sources, has computed additional power procurement required from Solar and Non-Solar sources for FY 2021-22 as follows:

Table 4.25: Additional Purchase for fulfilling RPO

Particulars	Units	Estimated by UPCL	Approved
Total Power Purchase at State Periphery Energy excluding Hydro Energy	MU	7398.14	8181.90
RPO			
Solar	%	10.50%	10.50%
Non-Solar	%	10.50%	10.50%
RPO			
Solar	MU	776.80	859.10
Non-Solar	MU	776.80	859.10

Table 4.25: Additional Purchase for fulfilling RPO

Particulars	Units	Estimated by UPCL	Approved
Total	MU	**1553.60**	**1718.20**
Purchase from Renewable Sources			
Solar	MU	648.35	648.35
Non-Solar	MU	859.14	706.18
Total	MU	**1507.49**	**1354.52**
Unmet target			
Solar	MU	128.46	210.75
Non-Solar	MU	(82.34)	152.92
Total	MU	**46.12**	**363.67**
Past Unmet Target Brought Forward			
Past Unmet -Solar	MU	145.52	-
Past Unmet – Non-Solar	MU	(311.74)	-
Total	MU	**-166.22**	-
Cumulative (surplus)/deficit			
Solar	MU	273.98	210.75
Non-Solar	MU	(394.08)	152.92
Total	MU	**-120.10**	**363.67**

The Commission has considered additional power procurement amounting to 363.67 MU to meet the RPO from solar and non-solar sources. The Commission has separately included the cost towards meeting the above RPO through procurement of power from solar and non-solar sources in subsequent Section of this Chapter.

The Petitioner submitted that over the years, the procurement from non-solar sources has been higher than the RPO targets specified by the Commission. The Petitioner requested the Commission to allow the sale of RECs, accredited from the excess non-solar purchases, and utilize the proceeds from same to procure solar RECs to meet the shortfall in solar RPO. The Petitioner requested the Commission to consider the net impact (if any) of REC purchase at the time of true-up.

The Commission is of the view that the decision regarding sale and purchase of RECs for meeting RPO is to be taken by the Petitioner. The Commission monitors the compliance towards meeting RPO target for the year and allows the cost towards complying RPO targets at the time of truing up subject to prudence check. Hence, the Commission at this stage cannot accord approval for sale of RECs accredited from the excess non-solar purchases and the Commission will take a view on the same at the time of truing up subject to prudence check. The Commission is further of the view that instead of buying RECs for meeting the RPO compliance, the Petitioner should seek to buy actual power in deficit months to meet the RPO.

4.5.15 *Deficit/(Surplus) Energy*

The Petitioner, in its Petition has submitted that the availability from the existing stations and upcoming stations shall not be sufficient to meet the increasing demand of the state. Therefore, the Petitioner has to rely on other sources to meet the demand of the State. Accordingly, the Petitioner has projected monthly purchase of power through open market in power deficit months for FY 2021-22.

The energy deficit/surplus scenario estimated by the Commission for FY 2021-22 after considering power procurement to meet RPO is as shown in the Table given below:

Table 4.26: Energy deficit/surplus Scenario for FY 2021-22 (MU)

Particulars	FY 2021-22
Energy requirement at State periphery	15577.59
Total Energy available from firm sources	14373.10
Deficit/(Surplus)	**1204.49**

The Commission while projecting the power purchase cost in Chapter 4, has first projected the monthly power purchase requirement of the Petitioner and monthly availability from various sources. Based on the monthly requirement and availability, it is observed that the surplus power is available in summer months, while in winter months there is deficit. The Commission has considered forward banking of surplus power available during the summer months to be returned in the winter months in the same year. In case of forward banking in summer months when the other States are having deficit, the State witnesses surplus in availability and hence, the surplus energy is banked which is available to the Petitioner during winter months with some extra margin. Based on past trends, the Commission has considered return of forward banked energy in winter months with 10% margin. Thus, during winter months, 110% of energy banked during summer months is considered to meet the deficit.

In this regard it is relevant to refer to third proviso to Regulation 73(1) of the MYT Regulations, 2018 which is reproduced hereunder:

"Provided that the power procurement plan submitted by the Distribution Licensee may include long-term, medium-term and short-term power procurement sources of power, in accordance with these Regulations. However, the distribution licensee should as far as possible, not plan for short-term purchases except for conditions specified in Regulation 75 and should endeavor to meet its requirement from long term and medium term power procurement and make a plan accordingly."

Regulation 75 of MYT Regulations, 2018 lays down conditions in which the distribution licensee can resort to short-term power procurement. However, it has been observed that the Petitioner has been relying on short term procurement, i.e. by way of tender through DEEP Portal or by purchase from exchange. However, on long term basis these are not considered to be an economical source of power. Basically, price discovery in exchange is normally dependent on demand-supply which at times can be cheaper when supply exceeds the demand and vice-versa. Infact, the State Distribution Utilities Annual Integrated Rating being done by MoP also gave maximum marks to discom having more than 90% power purchase through long term PPA. Hence, to provide reliable and quality supply atleast 95% of the total requirement should be tied up from long term sources.

In view of persistent deficit scenario during the Control Period, the Petitioner should put its sincere efforts to procure the deficit energy optimizing the cost of power purchase and reliable power. Further, the procurement should be through transparent process of bidding.

4.5.16 *Cost of Power Purchase*

The Petitioner submitted that the cost of power purchase has been projected based on the following assumptions.

- **UJVN Ltd.**: For procurement of power from 10 LHPs and SHPs of UJVN Ltd., the Petitioner has considered the AFC in FY 2020-21 based on the actual Half yearly data and multiplied it by 2 to project it for the complete year to arrive at the AFC for UJVN Ltd.'s stations for FY 2021-22. Similar approach has been adopted for projection of variable charges also. The Petitioner submitted that it has considered the water tax and cess in other cost based on actuals.
- **NTPC:** The Petitioner has considered AFC in FY 2020-21 based on the actual Half yearly data and multiplied it by 2 to project it for the complete year to arrive at the AFC for FY 2021-22. Similar approach has been adopted for projection of variable charges also.
- **NHPC:** The Petitioner has considered AFC in FY 2020-21 based on the actual Half yearly data and multiplied it by 2 to project it for the complete year to arrive at the AFC for FY 2021-22. Similar approach has been adopted for projection of variable charges also.
- **SJVNL:** The Petitioner has considered AFC in FY 2020-21 based on the actual Half

yearly data and multiplied it by 2 to project it for the complete year to arrive at the AFC for FY 2021-22. Similar approach has been adopted for projection of variable charges also.

- **THDC:** The Petitioner has considered AFC in FY 2020-21 based on the actual Half yearly data and multiplied it by 2 to project it for the complete year to arrive at the AFC for FY 2021-22. Similar approach has been adopted for projection of variable charges also.
- **NPCIL:** The per unit rate prevalent in FY 2020-21 has been considered without any escalation.
- **IPPs and Private Projects:** The Petitioner has considered an energy charge rate of Rs. 4.20 per unit for gas based stations based on take or pay based contracts. The fixed charges for gas based stations has been considered as per the Tariff Orders for FY 2020-21. The fixed and energy charges of co-generation plants have been considered as per actual charges paid in FY 2020-21 without any escalation. The cost of solar rooftop and UREDA plants is based on average cost of FY 2019-20.
- **Cost of Power from new stations:** For Vyasi HEP, the rate has been provisionally considered as Rs. 4.00/kWh.
- **Cost of Free Power:** The cost of free power has been calculated for FY 2021-22 based on the approach adopted by the Commission in its earlier Tariff orders. The rate of state royalty/free power has been considered equal to the average rate of power procured by the Petitioner from large hydro stations.
- **Short Term Purchase for deficit power:** The Petitioner has proposed to procure the net deficit of 902.04 MU through short term purchase at the rate of Rs. 3.80 per unit.

The Petitioner in its Petition has projected the average power purchase cost of Rs. 3.56/kWh for FY 2021-22 at State Periphery.

The Commission has estimated the cost of power purchase from various sources as detailed below:

Table 4.27: Approach of the Commission in estimating the Cost of Power Purchase for FY 2021-22

Source	Approach of the Commission in estimating the cost of power purchase
UJVN Ltd.	The Commission has considered the approved Tariff of UJVN Ltd. (9 LHPs) for FY 2021-22. As per the GoU Notification No. 601/1(2)/04(1)-1/2007 dated May 31, 2017, GoU imposed a cess of Rs. 0.30/kWh and royalty of Rs. 0.10/kWh on saleable energy generated from hydro generating stations which are under commercial operation for 10 or more years with cost of generation below Rs. 2/kWh with effect from the date of notification. Hence, additional impact on account of the same has been considered. For SHPs, the Commission has considered the applicable Tariff for such generating stations as specified in the Renewable Energy Regulations or Orders of the Commission. Further, the Commission has considered the Water Tax equivalent to Water Tax considered by UPCL.
NHPC Ltd., THDC Ltd., SJVN Ltd.	The tariff for these stations has been considered equal to approved Annual Fixed Charges (AFC) for FY 2018-19 as Tariff Orders for the Control Period from FY 2019-20 to FY 2023-24 are yet to be issued.
NTPC Ltd.	The Annual Fixed Charges for these stations have been considered equal to approved Annual Fixed Charges for FY 2018-19 as Tariff Orders for the Control Period from FY 2019-20 to FY 2023-24 are yet to be issued. For estimating the Energy Charges for FY 2019-20, to avoid substantial impact of quarterly FCA, the weighted average rate of actual Energy Charges for the months of October 2020 to December 2020 has been considered.
NPCIL	The tariff for NPCIL stations has been considered based on the actual billing during FY 2020-21 and escalated by 4% to determine the costs for FY 2021-22.
Renewable energy sources	The applicable tariffs for the respective generating stations within the State have been considered at the rates proposed by the Petitioner.
Sasan UMPP	The applicable tariff for FY 2021-22 as per the PPA has been considered.
Gama CCPP	The tariff for this station has been considered as approved by the Commission for FY 2021-22. Further, the Commission has also considered impact of truing up of FY 2019-20 including true up of Energy Charges.
Shravanti CCPP	The tariff for this station has been considered as approved by the Commission for FY 2021-22. Further, the Commission has also considered impact of truing up of FY 2019-20 including true up of Energy Charges.
Greenko Budhil Hydro	The tariff for this station has been considered as approved by the Commission for FY 2021-22 including truing up impact of FY 2019-20.
Additional purchase for fulfilling RPO	The Tariff for the additional purchase for fulfilling the solar RPO as well as non-solar RPO has been considered as Rs. 4.00/kWh at State periphery and the Petitioner should seek to buy actual power in deficit months to meet the RPO.
Upcoming Stations	For upcoming renewable generating stations within the State, the applicable Tariff as per the Renewable Energy Regulations has been considered. For other upcoming stations, the tariff of Rs. 4/kWh has been considered for FY 2021-22 at this stage.
Deficit purchase	The tariff for deficit purchase has been considered as Rs. 4.00/kWh at State periphery, including purchases made from IEX.

Table 4.27: Approach of the Commission in estimating the Cost of Power Purchase for FY 2021-22

Source	Approach of the Commission in estimating the cost of power purchase
Cost of free power	The cost of free power has been computed in line with the methodology adopted by the Commission in its previous Tariff Orders as shown below:

Particulars	Quantum	Total Cost	Average Cost
	MU	Rs. Crore	Rs./kWh
UJVN Ltd. (9 LHPs)	2532.91	385.60	1.52
Maneri Bhali II	1319.84	209.55	1.59
NHPC	683.57	240.63	3.52
THDC	189.43	103.92	5.49
SJVNL	293.81	113.18	3.85
Greenko	225.68	85.64	3.79
Koldam	209.98	99.20	4.72
Kishanganga	12.27	6.49	5.29
Average	**5467.50**	**1244.21**	**2.28**

The summary of estimated power purchase cost for FY 2021-22 is as shown in the Table below:

Table 4.28: Summary of Power Purchase Cost for FY 2021-22

Station	FY 2021-22					
	Claimed			Approved		
	PP at State periphery	Total Cost	Average Rate	PP at State periphery	Total Cost	Average Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
UJVN Ltd.						
UJVN Ltd. (9 LHPs)	2859.17	522.80	1.83	2532.91	482.20	1.90
Maneri Bhali II	1308.11	304.73	2.33	1319.84	262.34	1.99
Small Hydro	179.64	35.06	1.95	181.70	30.43	1.67
Total UJVN Ltd.	**4346.92**	**862.59**	**1.98**	**4034.45**	**774.97**	**1.92**
NHPC						
Salal	39.20	10.17	2.59	42.98	6.28	1.46
Tanakpur	10.95	6.24	5.70	18.97	7.46	3.93
Chamera I	82.70	18.18	2.20	85.28	17.27	2.03
Chamera II	27.01	4.33	1.60	22.57	5.57	2.47
Chamera III	57.34	26.24	4.58	57.81	24.92	4.31
Uri	94.49	25.29	2.68	104.56	18.77	1.80
Dhauliganga	61.00	21.73	3.56	66.71	16.44	2.46
Dulhasti	121.65	82.65	6.79	123.79	61.32	4.95
Sewa II	30.71	18.96	6.17	31.87	17.01	5.34
Uri II	77.11	43.00	5.58	81.42	34.31	4.21

Station	FY 2021-22					
	Claimed			Approved		
	PP at State periphery	Total Cost	Average Rate	PP at State periphery	Total Cost	Average Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
Parbati III	36.30	22.53	6.21	35.34	24.80	7.02
Kishanganga	17.49	6.59	3.77	12.27	6.49	5.29
Free Power-Tanakpur	43.54	10.52	2.42	58.51	13.32	2.28
Free Power-Dhauliganga	135.44	32.73	2.42	138.81	31.59	2.28
Total NHPC	**834.93**	**329.16**	**3.94**	**880.90**	**285.53**	**3.24**
THDC						
Tehri HEP	110.32	43.73	3.96	111.55	61.46	5.51
Free Power-Tehri HEP	355.84	85.99	2.42	350.51	79.76	2.28
Koteshwar HEP	77.30	41.03	5.31	77.88	42.46	5.45
Free Power-Koteshwar HEP	139.01	33.59	2.42	137.64	31.32	2.28
Total THDC	**682.47**	**204.34**	**2.99**	**677.58**	**215.01**	**3.17**
NTPC						
Singrauli STPS	601.99	133.25	2.21	647.83	145.52	2.25
Rihand STPS						
Rihand I	229.60	59.06	2.57	272.88	64.94	2.38
Rihand II	208.84	49.19	2.36	242.69	54.14	2.23
Rihand III	249.96	79.85	3.19	280.21	82.86	2.96
Unchahar TPS						
Unchahar I	186.73	98.96	5.30	230.29	96.88	4.21
Unchahar II	92.43	45.38	4.91	98.41	40.32	4.10
Unchahar III	68.17	37.72	5.53	83.79	37.56	4.48
Anta CCPP	47.33	37.74	7.97	23.20	18.59	8.01
Auraiya CCPP	75.40	59.12	7.84	30.04	27.92	9.29
Dadri CCPP	89.43	67.34	7.53	89.45	37.55	4.20
Dadri (NCTPP)	11.09	6.61	5.96	4.92	2.65	5.38
Jhajjar	0.00	12.66	0.00	38.51	28.03	7.28
Kahalgaon TPS	143.77	49.92	3.47	273.19	87.44	3.20
Koldam	203.11	112.51	5.54	209.98	99.20	4.72
Unchahar IV	142.46	80.93	5.68	217.30	103.74	4.77
Total NTPC	**2350.30**	**930.24**	**3.96**	**2742.69**	**927.34**	**3.38**
NPCIL						
Narora APP	166.44	52.87	3.18	164.02	52.11	3.18
Rajasthan APP	181.90	74.31	4.09	135.60	55.37	4.08
Total NPCIL	**348.34**	**127.18**	**3.65**	**299.62**	**107.48**	**3.59**

Station	FY 2021-22					
	Claimed			Approved		
	PP at State periphery	Total Cost	Average Rate	PP at State periphery	Total Cost	Average Rate
	MU	Rs. Crore	Rs./kWh	MU	Rs. Crore	Rs./kWh
SJVNL						
Nathpa Jhakri HEP	76.09	17.70	2.33	75.25	18.50	2.46
Rampur HPS	213.35	104.94	4.92	218.56	94.68	4.33
Total SJVNL	**289.44**	**122.64**	**4.24**	**293.81**	**113.18**	**3.85**
Renewables	1,172.82	580.34	4.95	1172.83	580.34	4.95
Free Power-Vishnu Prayag	217.87	52.65	2.42	221.61	50.43	2.28
Sasan UMPP	690.05	111.91	1.62	757.26	106.02	1.40
Kashipur CCPP	774.68	429.11	5.54	776.80	409.18	5.27
Shravanti CCPP	1534.45	918.03	5.98	1553.61	870.90	5.61
Total Gas	2309.13	1347.14	5.83	2330.41	1280.08	5.49
Meja Power Plant	144.05	63.52	4.41	288.10	115.24	4.00
Tanda-II	56.63	35.78	6.32	136.93	54.77	4.00
Greenko Budhil Hydro	247.33	111.87	4.52	225.68	85.64	3.79
Free Power-GVK Srinagar	151.78	36.68	2.42	134.16	30.53	2.28
Vyasi	136.22	54.49	4.00	136.23	54.49	4.00
Free Power-L&T	40.84	9.47	2.32	40.84	9.29	2.28
Total Firm Sources	**14067.12**	**4979.50**	**3.54**	**14373.10**	**4790.36**	**3.33**
Short Term - Tied Up						
Deficit Purchase	902.04	342.66	3.80	801.76	320.70	4.00
Cost for meeting RPO	0.00	0.00	0.00	363.67	124.44	
Banking including additional banked energy	48.00	0.00	0.00	39.06	33.98	
Total	**14969.16**	**5322.16**	**3.56**	**15577.59**	**5269.47**	**3.38**

The Commission, further, directs the Petitioner to seek prior approval of the Commission, in case the variation in power purchase quantum or total power purchase cost in any quarter exceeds by more than 5% of the approved power purchase quantum and cost for the respective quarter worked out on pro-rata basis from the total approved quantum and cost for FY 2021-22 as indicated in the Table below, failing which, the Commission may disallow power purchases so made while Truing up the ARR for FY 2021-22.

Table 4.29: Quarterly Power Purchase approved by the Commission for FY 2021-22

Quarter	Sales (MU)	Power Purchase Quantum (MU)	Power Purchase Cost (Rs. Crore)
April – June	3,262.91	3836.80	1,297.88
July – September	3,495.30	4110.07	1,390.32
October – December	3,316.21	3899.47	1,319.08
January – March	3,173.15	3731.25	1,262.18
Total	**13247.57**	**15577.59**	**5,269.47**

Moreover, it has been observed that the Petitioner has been continuously resorting to short term power purchase. As dealt in above, in this regard, third proviso of Regulation 73(1) of UERC Tariff Regulations, 2018 is reproduced hereunder:

"Provided that the power procurement plan submitted by the Distribution Licensee may include long-term, medium-term and short-term power procurement sources of power, in accordance with these Regulations. ***However, the distribution licensee should as far as possible, not plan for short-term purchases except for conditions specified in Regulations 75 and should endeavour to meet its requirement from long term and medium term power procurement and make a plan accordingly****."*

(Emphasis added)

Regulation 75 specifies the circumstances under which short term power procurement may be made by the distribution licensee without seeking prior approval of the Commission. However, Regulation 75(5) specifies as under:

"(5) Within fifteen (15) days from the date of entering into an agreement or arrangement for short-term power procurement for which prior approval is not required, the Distribution Licensee shall provide the Commission, full details of such agreement or arrangement, including quantum, tariff calculations, duration, supplier details, method for supplier selection and such other details as the Commission may require with regard to such agreement/arrangement to assess that the conditions specified in this Regulation have been complied with:"

While projecting the power purchase requirement of the Petitioner for FY 2021-22, it has been observed that the Petitioner is having deficits in some of the month particularly during winter months. **Accordingly, the Petitioner is directed to prepare its power purchase plan for the next year and initiate the bidding process to meet the deficit, if any. The Petitioner is directed to submit an action plan in this regard within 15 days of the date of Order. The Petitioner is also directed to ensure compliance of the Regulations issued by the Commission from time to time, failing which any consequent liability would be to the account of the Petitioner.**

The base Energy Charges of thermal stations (base fuel cost) for the purpose of computation of FCA is given in the Table below:

Table 4.30: Energy Charges of thermal generating stations for FY 2021-22

Generating Station	Energy Charges (Rs. /kWh)
Singrauli STPS	1.563
Rihand I	1.521
Rihand II	1.521
Rihand III	1.500
Unchahar I	3.155
Unchahar II	3.135
Unchahar III	3.145
Anta CCPP	2.844
Auraiya CCPP	3.605
Dadri CCPP	2.174
Dadri (NCTPP)	3.219
Jhajjar	3.457
Kahalgaon TPS	2.401
Gamma CCPP	4.000
Shravanti CCPP	4.000

4.6 Transmission Charges

4.6.1 *Inter-State Transmission Charges Payable to PGCIL*

The Petitioner submitted that it has considered the actual inter-state transmission charges for first six months excluding arrears of FY 2019-20 to compute the average per unit rate of PGCIL transmission charges by dividing the total amount paid to PGCIL by the total units wheeled. The Petitioner has proposed the Inter-State Transmission Charges of Rs. 636.39 Crore. The Commission has computed the per unit transmission charges for FY 2021-22 on the basis of actual per unit charges paid during April 2020 to September 2020 excluding arrears and has considered the same to arrive at the per unit transmission charges for FY 2021-22 and has approved the PGCIL charges for FY 2021-22 considering the energy to be received from outside the State. The Commission in accordance with the above approach has approved Inter-State transmission charges as Rs. 614.55 Crore which shall be subject to true up based on the actual expenses incurred.

4.6.2 *Intra-State Transmission Charges payable to PTCUL*

The Petitioner submitted that the Intra-State Transmission Charges including SLDC charges for FY 2021-22 has been projected by considering the transmission charges approved by the Commission in its MYT Order dated February 27, 2019.

The Commission has approved the Annual Transmission Charges for PTCUL and SLDC charges of Rs. 288.11 Crore for FY 2021-22 (Rs 273.65 Crore for PTCUL and Rs 14.46 Crore for SLDC) vide its Orders dated April 26, 2021. Hence, the Commission has considered the same in the approval of ARR for FY 2021-22 for the Petitioner.

The Transmission Charges claimed by the Petitioner and approved by the Commission for FY 2021-22 is as shown in the Table given below:

Table 4.31: Transmission Charges for FY 2021-22 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
Inter-State Transmission Charges	636.39	614.55
Intra-State Transmission Charges	351.98	288.11
Total	**988.37**	**902.66**

4.7 Water tax

The Petitioner submitted that the water tax has been considered as a part of other charges while projecting the per unit cost of stations of UJVN Ltd. including SHPs and has not separately computed the same. The Commission has approved the water tax of Rs. 238.20 Crore for FY 2021-22.

4.8 GFA and Additional Capitalisation

4.8.1 *GFA base for FY 2021-22*

The Commission vide its MYT Order dated February 27, 2019 on approval of ARR for FY 2021-22 had approved the capitalisation of Rs. 591.96 Crore and Rs. 601.32 Crore for FY 2020-21 and FY 2021-22 respectively. As against the same, the Petitioner has proposed the capitalisation of Rs. 611.52 Crore and Rs. 1335.60 Crore for FY 2020-21 and FY 2021-22 respectively.

The Petitioner in its Petition has submitted that in order to achieve the anticipated load growth and target loss reduction, it has carried out the detailed analysis of capital investment required for FY 2020-21 and FY 2021-22. The Petitioner projected capital expenditure for FY 2020-21 as Rs. 693.63 Crore and for FY 2021-22 as Rs. 478.73 Crore. The Petitioner further submitted that the capital investment is proposed under the following benefit centres:

a) Load growth
b) Loss reduction
c) System reliability and safety improvement
d) Creation of Infrastructure Facilities & other misc. works

The Petitioner has further submitted various schemes to achieve the above targets as shown below:

a) Load growth:
   i. New substation projects
   ii. Release of New PTW Connections
   iii. Installation of meters for giving new connections
   iv. Installations of Breakers (new)
   v. CSS 990 kVA where two transformers are installed at the same place.
   vi. Laying of LT lines for new connections

b) Loss reduction
   i. Implementation of AMR
   ii. 11 kV and 33 kV covered cable for forest
   iii. Laying of LT ABC cables in theft prone areas
   iv. Replacement of defective single phase and three phase meters
   v. Pre-paid meters
   vi. Laying of 11 kV and 33 kV underground cables

c) System reliability & safety improvement:
   i. Additional Transformers installation with associated 11 kV and LT lines
   ii. Installation of LT protection system on the transformers
   iii. Safety Measures
   iv. Smart Grid projects for industrial areas

d) Creation of infrastructure facilities & other misc. works:
   i. Video conferencing services and integrating it with all divisions/sub-divisions
   ii. Procurement of sub-station and high value consumer meter testing and diagnostics equipment
   iii. Consumer care centres, e-payment of bills and cash collection centres

The Petitioner submitted that the Central Schemes IPDS, DDUGJY and SAUBHAGYA are proposed to be completed by FY 2021-22. The R-APDRP Part-B scheme is proposed to be completed in FY 2020-21.

The capital expenditure and additional capitalisation as proposed in the Petition and revised Petition is as shown in the Table below:

Table 4.32: Proposed Capital Expenditure and Capitalisation for FY 2020-21 and FY 2021-22 (Rs. Crore)

Particulars	Proposed Capital expenditure	Capitalization As per Tariff Petition
FY 2020-21	693.63	611.52
FY 2021-22	478.73	1335.60
Total	**1172.36**	**1947.12**

The Commission has gone through the submissions of the Petitioner. It is observed that the Petitioner has projected higher capitalisation in FY 2020-21 and FY 2021-22 than that approved in the MYT Order dated February 27, 2019. The Commission asked UPCL to submit the status of capital works (both physical and financial) which has been proposed in FY 2020-21 and FY 2021-22. In response UPCL submitted the same.

The Commission in its MYT Order had already taken a view on the capital expenditure after detailed analysis and, therefore, the Commission finds no reason to revise the same considering the historical achievement with regard to the capitalisation. The same stand was taken by the Commission in the Tariff Order for FY 2020-21 dated April 18, 2020

The Commission has, therefore, considered the capitalisation for FY 2020-21 and FY 2021-22 as approved in MYT Order dated February 27, 2019. However, during the Annual Performance Review/Truing-up exercise, the Commission shall consider the Capitalisation on actual basis subject to capitalisation of only those Schemes which fulfill the conditions as stipulated by the Commission. The Commission has, accordingly, approved the following capitalization and GFA for FY 2021-22.

Based on the above, the GFA base approved by the Commission for FY 2021-22 is as shown in the Table below:

Table 4.33: GFA base approved by the Commission for FY 2021-22 (Rs. Crore)

S. No.	Particulars	Approved in the Tariff Order	Claimed by UPCL	Approved
1.	Opening Value	5851.76	5897.74	5830.60
2.	Total addition during the year	601.32	1335.60	601.32
3.	Closing value	6453.08	7233.34	6431.92

4.9 Means of Finance

The Commission, as discussed above, has considered the capitalisation as approved in the MYT Order for the third Control Period and, has approved the financing of the same in the ratio approved by the Commission for FY 2019-20 which is as shown in the table below.:

Table 4.34: Means of Finance approved by the Commission (Rs. Crore)

Particulars	FY 2020-21	FY 2021-22
Capitalisation	591.96	601.32
Financing		
Debt	243.85	247.71
Equity	95.31	96.82
Grant	252.80	256.80
Total	**591.96**	**601.32**

4.10 Interest and Finance Charges

The Petitioner submitted that the interest on loan for FY 2021-22 has been computed by considering the revised closing balance of FY 2019-20 based on the addition in FY 2019-20-. Further, the closing balance of FY 2019-20 has been considered as opening balance for FY 2020-21 and subsequently the proposed capitalisation for FY 2020-21 has been added to arrive at the closing balance of FY 2020-21 which has then been taken as the opening balance of FY 2021-22. The Petitioner further submitted that new loans for FY 2020-21 and FY 2021-22 has been considered as per the means of financing of capitalization, while the repayment has been considered equivalent to the depreciation for FY 2020-21 and FY 2021-22 in line with the UERC Tariff Regulations, 2018. Rate of interest of 9.40% has been applied which is similar to actuals incurred in FY 2019-20 and in line with the existing arrangement of loans with REC and PFC and other financial institutions.

The Petitioner submitted that it has considered interest against REC (Old Loans) as per the repayment schedule in accordance with the Tariff Order for FY 2009-10 dated October 23, 2009 and as shown in the Table below.

Table 4.35: Repayment Schedule for REC old loans (Rs. Crore)

Particulars	Repayment Schedule for REC old loans
FY 2020-21	13.56
FY 2021-22	10.80

The Petitioner has claimed yearly financing charges of Rs. 1.24 Crore for FY 2020-21 and 2021-22. The Petitioner has claimed yearly guarantee fee of Rs. 2.33 Crore for FY 2020-21 and FY 2021-22.

The Petitioner further submitted that rebate for digital/online payment of bills commenced from May 2020 and, accordingly, the rebate amount for FY 2020-21 works out to Rs. 17.33 Crore. The Petitioner submitted that the rebate is expected to reach the levels of Rs. 2 Crore per month totaling to Rs. 24 Crore for FY 2021-22. This amount of Rs. 24 Crore has been claimed along with interest and finance charges.

Accordingly, the Petitioner has claimed the total interest and financing charges of Rs. 103.81 Crore and Rs. 111.67 Crore for FY 2020-21 and FY 2021-22 respectively.

For computing the interest on security deposit, the Petitioner has considered addition in consumer security deposit for FY 2019-20 and has escalated the same based on the number of consumers projected and the average amount of consumer security deposit per consumer added in FY 2019-20. The Petitioner has considered interest rate of 6.54% and has, accordingly, claimed the interest on consumer security deposit of Rs. 59.93 Crore and Rs. 64.15 Crore for FY 2020-21 and FY 2021-22 respectively.

Regulation 27 of the UERC Tariff Regulations, 2018 specifies as follows:

*"**27. Interest and finance charges on loan capital and on Security Deposit***

(1) The loans arrived at in the manner indicated in Regulation 24 shall be considered as gross normative loan for calculation of interest on loan.

(2) The normative loan outstanding as on 01.04.2019 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.03.2019 from the approved gross normative loan.

(3) The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year…

…

(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio of the previous year after providing appropriate accounting adjustment for interest capitalised:

…

(6) The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

…"

As stated earlier the Commission is not revising the ARR for FY 2020-21 and has, therefore, computed interest charges pertaining to FY 2021-22 only. The Commission has considered the closing loan balance of loans for FY 2019-20 as opening loan balance for FY 2020-21. Thereafter, the

Commission has considered the loan addition during FY 2020-21 as per the approved means of finance for FY 2020-21. The Commission has considered the closing loan balance for FY 2020-21 as the opening loan balance for FY 2021-22. The Commission has considered the loan addition during FY 2020-21 and FY 2021-22 as per the approved Financing Plan. The Commission has considered the normative repayment equivalent to the approved depreciation for FY 2020-21 and FY 2021-22. The Commission has considered the interest rate of 9.40% which is the weighted average rate of interest for FY 2019-20. The Commission has determined the interest on loan by applying the interest rate of 9.40% on the amount of average of the opening loan & closing loan excluding the loan additions corresponding to the assets capitalised for FY 2021-22. The Commission has not deviated with its practice of allowing interest on additions during the year as dealt in Chapter 3 of this Order.

In addition to the above, the Commission has considered interest on account of REC Old Loan of Rs. 10.80 Crore. With regards to the guarantee fee, the Commission has considered the same amount as approved for FY 2019-20, i.e. Rs. 1.24 Crore. The financing charges of Rs. 2.33 Crore as considered for FY 2019-20 has also been considered for FY 2021-22.

The Commission has approved the mechanism of providing the rebate to the consumers for prompt payment through digital payment as well as through other modes of payment in this Order. The Commission is of the view that as rebates are being approved for first time in this Order, it is difficult to assess the impact of the same and, hence, the Commission has not considered the impact of rebate as part of interest expenses. Further, the rebate to consumers needs to be accounted in reduction in revenue from sale of power and not in the interest expenses. Moreover, prompt payment rebate will also ensure that payment is received by the Petitioner on time and thus, will lead to reduction in working capital requirement of the Petitioner, hence, the same also needs to be factored as the Regulations does not deal with the prompt payment rebate and its consequential impact thereon. The Commission will consider the impact of prompt payment rebate to the consumers while carrying out the truing up of revenue for FY 2021-22.

Accordingly, the interest on loan approved by the Commission for FY 2021-22 is as shown in the Table given below:

Table 4.36: Interest on Loan approved by the Commission for FY 2021-22 (Rs. Crore)

Particulars	Claimed	Allowable
Opening Loan balance	734.75	629.38
Drawal during the year	276.11	247.71
Repayment during the year	186.64	178.80

Table 4.36: Interest on Loan approved by the Commission for FY 2021-22 (Rs. Crore)

Particulars	Claimed	Allowable
Closing Loan balance	824.23	698.29
Interest Rate	9.40%	9.40%
Interest on Loan	**73.29**	**50.77**
Other finance charges	**2.33**	**2.33**
Guarantee fee	**1.24**	**1.24**
Interest on old REC loans	**10.80**	**10.80**
Rebate for online payments	**24.00**	**-**
Total Interest	**111.67**	**65.15**

In addition to the above, interest on security deposit has been considered as Rs. 64.15 Crore as claimed by the Petitioner.

4.11 Depreciation

The Petitioner submitted that the asset class wise depreciation has been computed considering the average GFA and the rates of depreciation specified in the UERC Tariff Regulations, 2018. The Petitioner submitted that the average depreciation rate of 5.41% has been applied on the average GFA for each year computed as per actual capitalization for FY 2019-20 and proposed capitalization for FY 2020-21 and FY 2021-22. Assets created from grants and deposit works have been excluded for the purpose of depreciation as per the provisions of the UERC Tariff Regulations, 2018.

Accordingly, the Petitioner has proposed the depreciation of Rs. 186.64 Crore for FY 2021-22.

Regulation 28 of the UERC Tariff Regulations, 2018 specifies as follows:

*"**28. Depreciation***

(1) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission.

Provided that no depreciation shall be allowed on assets funded through Consumer Contribution and Capital Subsidies/Grants.

(2) The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset.

...

(4) Depreciation shall be calculated annually based on Straight Line Method and at rates specified in Appendix - II to these Regulations. "

In the absence of complete Fixed Asset Register and for reasons discussed in Chapter 3 of this Order, the Commission at this stage has considered the weighted average rate of 5.41% computed for FY 2019-20 and has applied the same on the opening depreciable GFA for FY 2021-22.

The depreciation approved by the Commission for FY 2021-22 is as shown in the Table given below:

Table 4.37: Depreciation approved for FY 2021-22 (Rs. Crore)

Particulars	FY 2021-22	
	Claimed	Allowable
Opening GFA	5897.74	5830.60
Grants	2648.16	2528.49
Depreciable opening GFA	3249.58	3302.11
Net addition during the year	394.45	344.52
Closing GFA	3664.03	3646.64
Depreciation rate	5.41%	5.41%
Depreciation	**186.64**	**178.80**

4.12 Operation and Maintenance expenses

Regulation 84 of the UERC Tariff Regulations, 2018, with regard to the Operation and Maintenance expenses, specifies as follows:

*"**84. Operation and Maintenance Expenses***

(1) The O&M expenses for the first year of the Control Period will be approved by the Commission taking into account actual O&M expenses for last five years till Base Year subject to prudence check and any other factors considered appropriate by the Commission.

(2) The O&M expenses for the nth year and also for the year immediately preceding the Control Period i.e., FY 2018-19 shall be approved based on the formula given below: -

$O\&M_n = R\&M_n + EMP_n + A\&G_n$

Where –

- *O&Mn – Operation and Maintenance expense for the nth year;*
- *EMPn – Employee Costs for the nth year;*
- *R&Mn – Repair and Maintenance Costs for the nth year;*
- *A&Gn – Administrative and General Costs for the nth year;*

(3) The above components shall be computed in the manner specified below:

$EMP_n = (EMP_{n-1}) \times (1+G_n) \times (1+CPI_{inflation})$

$R\&Mn = K \times (GFA_{n-1}) \times (1+WPI_{inflation})$ *and*

$A\&Gn = (A\&G_{n-1}) \times (1+WPI_{inflation}) + Provision$

Where –

- EMP_{n-1} *– Employee Costs for the (n-1)th year;*
- *A&Gn-1 – Administrative and General Costs for the (n-1)th year;*

Provision: Cost for initiatives or other one-time expenses as proposed by the Distribution Licensee and approved by the Commission after prudence check.

- *"K" is a constant specified by the Commission in %. Value of K for each year of the control period shall be determined by the Commission in the MYT Tariff order based on licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;*
- *CPI inflation – is the average increase in the Consumer Price Index (CPI) for immediately preceding three years;*
- *WPI inflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three years;*
- *GFAn-1 - Gross Fixed Asset of the distribution licensee for the n-1th year;*
- *Gn is a growth factor for the nth year and it can be greater than or less than zero based on actual performance. Value of Gn shall be determined by the Commission in the MYT tariff order for meeting the additional manpower requirement based on licensee's filings, benchmarking and any other factor that the Commission feels appropriate:*

Provided that repair and maintenance expenses determined shall be utilised towards repair and maintenance works only.

Provided further that, repair and maintenance expenses for IT related assets and non-IT related assets shall be computed separately under these Regulations if the distribution utility maintains separate record of assets wise detail R&M expenses claimed under these Regulations."

The O&M expenses include Employee expenses, R&M expenses and A&G expenses. In accordance with Regulation 84 of the UERC Tariff Regulations, 2018, the O&M expenses for the third year of the Control Period shall be determined by the Commission taking into account the actual O&M expenses of the previous years and any other factors considered appropriate by the Commission. The submissions of the Petitioner and the Commission's analysis on the O&M expenses for FY 2021-22 is detailed below.

4.12.1 *Employee Expenses*

The Commission had approved the employee expenses of Rs. 534.33 Crore for FY 2021-22 in its MYT Order dated February 27, 2019. As against the same, the Petitioner has computed the employee expenses for FY 2021-22 as Rs. 356.57 Crore as per the UERC Tariff Regulations, 2018 considering the actual employee expenses for FY 2019-20.

The Petitioner has considered the CPI inflation of 5.35% per annum which is the average increase in CPI for preceding three years till the base year (FY 2017-18 to FY 2019-20). The Petitioner has not considered any growth factor for FY 2021-22 as the total number of employees is expected to remain at the same level by matching retirements and recruitments. Further, the Petitioner has considered the capitalisation of 16.01% same as actual capitalisation for FY 2019-20. The Petitioner requested the Commission to consider any claim, if made, towards pay revision at the time of true-up on similar lines of true-up of FY 2019-20.

In accordance with the UERC Tariff Regulations, 2018, the Gn (growth factor) is to be considered in the computation of employee expenses. The Commission, in the approval of the Business Plan for the third Control Period from FY 2019-20 to FY 2021-22, based on the approved HR Plan computed the Gn factors of 16.41% and 12.73% for FY 2020-21 and FY 2021-22 respectively. As against the same, the Petitioner in its Petition submitted revised Gn of 0.00% for FY 2020-21 and FY 2021-22. In reply to Commission's query, the Petitioner submitted the preparedness towards recruitment of employees during FY 2020-21 and FY 2021-22. As the Petitioner has considered the Gn factor as 0%, the Commission has also considered the Gn as 0% for the purpose of this Order.

In accordance with UERC Tariff Regulations, 2018, CPI inflation which is the average increase in the Consumer Price Index (CPI) for the preceding three years, is to be considered. The Commission has calculated the annual growth in values of CPI (overall) based on the average of preceding three full years upto FY 2019-20 as 5.35%.

The Commission has considered the gross normative employee expenses approved in the true up for FY 2019-20 for projecting the employee expense for FY 2021-22 in accordance with the UERC Tariff Regulations, 2018. Further, the Commission has considered the capitalisation rate of employee expenses as 16.01% based on the actual rate of capitalisation for FY 2019-20.

The Commission in this Order has not considered any impact towards VII Pay Commission as the Petitioner has not claimed the same. **The Commission directs the Petitioner to submit the impact of VII Pay Commission separately in the true-up for FY 2021-22**. The Commission would carry out the truing up for FY 2021-22 based on the actual impact of VII Pay Commission and no sharing of gains and losses on this account would be allowed. The normative employee expenses approved by the Commission for FY 2021-22 are as shown in the Table below:

Table 4.38: Employee expenses approved by the Commission for FY 2021-22 (Rs. Crore)

Particulars	FY 2021-22	
	Claimed by UPCL	Approved
EMPn-1	402.97	402.96
Gn	0%	0%
CPIinflation	5.35%	5.35%
EMPn = (EMPn-1) x (1+Gn) x (1+CPIinflation)	**424.55**	**424.52**
Capitalisation rate	16.01%	16.01%
Less: Employee expenses capitalised	67.98	67.98
Net Employee expenses	**356.57**	**356.55**
Impact of VII Pay Revision	**0.00**	**0.00**
Total Employee Expenses	**356.57**	**356.55**

4.12.2 *R&M expenses*

The Commission had approved the R&M expenses of Rs. 179.88 Crore for FY 2021-22 in its MYT Order dated February 27, 2019. As against the same, the Petitioner has computed the R&M expenses for FY 2021-22 as Rs. 185.81 Crore as per the UERC Tariff Regulations, 2018.

The Petitioner submitted that the R&M expenses for FY 2021-22 has been proposed as per the UERC Tariff Regulations, 2018. The Petitioner has considered the K factor of 3.06% as approved by the Commission in its MYT Order dated February 27, 2019. Further, the Petitioner has considered the WPI inflation of 2.96% considering the average increase in the Wholesale Price Index (WPI) for FY 2017-18 to FY 2019-20. Accordingly, the Petitioner has proposed the R&M expenses of Rs. 185.81 Crore for FY 2021-22.

The Commission has determined the R&M expenses for FY 2021-22 in accordance with UERC Tariff Regulations, 2018. The Commission has considered the same K factor of 3.06% as considered by it in its MYT Order dated February 27, 2019. The Commission for computation of R&M expenses has considered the opening GFA for FY 2021-22. The Commission has further considered the WPI inflation of 2.96% which is the average increase in the Wholesale Price Index (WPI) for FY 2017-18 to FY 2019-20.

The R&M expenses approved by the Commission for FY 2021-22 is as shown in the Table below:

Table 4.39: R&M Expenses approved by the Commission for FY 2021-22 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
K	3.06%	3.06%
GFAn-1	5897.74	5830.60
WPIinflation	2.96%	2.96%
R&Mn = K x (GFAn-1) x (1+WPIinflation)	**185.81**	**183.93**

4.12.3 *A&G Expenses*

The Commission had approved the A&G expenses of Rs. 39.54 Crore for FY 2021-22 in its MYT Order dated February 27, 2019. As against the same, the Petitioner has computed the A&G expenses for FY 2021-22 as Rs. 58.32 Crore as per the UERC Tariff Regulations, 2018.

The Petitioner submitted that the A&G expenses for FY 2021-22 consists of three main components comprising of existing expenses, new initiatives and provisions. The Petitioner submitted that it has computed A&G Expenses in line with the methodology adopted by the Commission. Accordingly, the estimated A&G expenses for FY 2019-20 has been considered as 'A&Gn-1'. The 'A&Gn-1' has then been escalated by WPI inflation of 2.96% p.a. (which is the average increase in WPI for the immediately preceding three-year period between FY 2017-18 to FY 2019-20) to arrive at the expenses for FY 2021-22.

Further, the Petitioner submitted that in addition to the normative A&G expenses there are few new expenses which are not included in the expenditure of base year and shall be incurred for the first time. These expenses are primarily towards cost of data centre and other new initiatives being implemented by the Petitioner in the current/ subsequent years. Therefore, the Petitioner has proposed an additional 'Provision' needed for activities that shall be introduced during the third Control Period such as mobile based billing, ERP implementation etc. under the R-APDRP scheme.

These additional expenses are being proposed over and above the recurring cost already being incurred against facility management services, AMC of hardware, licence renewal, bandwidth charges in the previous years. The Petitioner further submitted that additional expenditure of Rs. 31.15 Crore shall be incurred towards data centre and other new initiatives. The Petitioner has further claimed Licence Fees of Rs. 4.39 Crore for FY 2021-22. Accordingly, the Petitioner has proposed the A&G expenses of Rs. 58.32 Crore for FY 2021-22.

The Commission has considered the normative gross A&G expenses approved in the true up of FY 2019-20 as the gross base A&G expenses. This normative opening gross A&G expenses has been escalated by the WPI inflation of 2.96% to arrive at A&G expenses for FY 2019-20. The gross A&G expenses so arrived at have been considered as the gross A&G expenses (A&Gn-1) for FY 2021-22. Further, the Commission has considered the actual capitalisation rate of A&G expenses for FY 2019-20 to be the capitalisation rate for FY 2021-22. In addition, the Commission has provisionally considered the license fee as Rs. 4.39 Crore as also claimed by the Petitioner for FY 2021-22.

In line with the approach adopted in the Tariff Order for FY 2020-21, the Commission has approved the additional expenses of Rs. 31.15 Crore towards data centre cost for FY 2021-22. However, from the details of additional provisioning for data centre submitted by the Petitioner, it is observed that same includes AMC charges also which should be booked under R&M expenses. The Commission shall take appropriate view on the same during truing up of FY 2021-22.

The normative A&G expenses approved by the Commission for FY 2021-22 is as shown in the Table below:

Table 4.40: A&G expenses approved by the Commission for FY 2021-22 (Rs. Crore)

Particulars	Claimed	Allowable
A&Gn-1	30.33	30.34
WPIinflation	2.96%	2.96%
Gross A&G expenses	31.23	31.23
Capitalisation rate	27.10%	38.34%
Less: A&G expenses capitalized	8.46	11.98
Net A&G expenses	**22.77**	**19.26**
Provision (Data Centre)	31.15	31.15
License Fee	4.39	4.39
Total A&G Expenses	**58.32**	**54.80**

4.12.4 *O&M Expenses*

The summary of O&M expenses approved by the Commission for FY 2021-22 is as shown in the Table below:

Table 4.41: O&M Expenses approved by the Commission for FY 2021-22 (Rs. Crore)

Particulars	FY 2021-22	
	Claimed by UPCL	Approved
Employee expenses	356.57	356.55
R&M expenses	185.81	183.93
A&G expenses	58.32	54.80
Total O&M expenses	**600.69**	**595.27**

4.13 Interest on Working Capital

The Petitioner has submitted that the interest on working capital (IWC) for FY 2021-22 has been proposed in accordance with the UERC Tariff Regulations, 2018. Accordingly, the Petitioner has proposed the normative IWC of Rs. 0 Crore for FY 2021-22. The Petitioner has not claimed the interest on working capital as per the First Amendment to UERC Tariff Regulations, 2018.

Regulation 33(2) of the UERC Tariff Regulations, 2018 (First Amendment) specifies as follows:

"(2) ***Distribution***

a) The Distribution Licensee shall be allowed interest on the estimated level of working capital for the financial year, computed as follows:

(i) Operation and maintenance expenses for one month;

(ii) Maintenance spares @ 15% of operation and maintenance expenses; plus

(iii) Two months equivalent of the expected revenue from sale of electricity at prevailing tariffs;

(iv) Capital required to finance such shortfall in collection of current dues as may be allowed by the Commission; minus

(v) One month equivalent of cost of power purchased, based on the annual power procurement plan."

The Commission has determined the interest on working capital for FY 2021-22 in accordance with the First Amendment to UERC Tariff Regulations, 2018.

4.13.1 *One Month O&M Expenses*

The annual O&M expenses approved by the Commission are Rs. 595.27 Crore for FY 2021-

22. Based on the approved O&M expenses, one month's O&M expenses work out to Rs. 49.61 Crore for FY 2021-22.

4.13.2 *Maintenance Spares*

The Commission has considered the maintenance spares as 15% of annual O&M expenses, which works out to Rs. 89.29 Crore for FY 2021-22.

4.13.3 *Receivables*

The Commission has approved the receivables for two months equivalent to the expected revenue from the sale of electricity at the net revenue requirement of Rs. 7625.22 Crore for FY 2021-22, which works out to Rs. 1280.80 Crore for FY 2021-22.

4.13.4 *Capital required to finance shortfall in collection of current dues*

The Commission has approved the collection efficiency of 99.15% for FY 2021-22 while approving the Business Plan of UPCL for the Control Period from FY 2019-20 to FY 2021-22. In accordance with the provisions of the UERC Tariff Regulations, 2018 the Commission has approved the capital required to finance shortfall in collection of current dues as 0.85% of the net revenue required which work out Rs. 64.81 Crore.

Based on the above, the total working capital requirement of the Petitioner for FY 2021-22, works out to Rs. 1011.30 Crore.

The interest on working capital for FY 2021-22 approved by the Commission is as shown in the Table below:

Table 4.42: Interest on working capital approved by the Commission for FY 2021-22 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
O&M expenses for 1 month	50.06	49.61
Maintenance Spares	90.10	89.29
2 months of expected revenue at prevailing tariffs	1184.14	1280.80
Capital required to finance shortfall in collection of current dues	60.39	64.81
Minus: Amount held as security deposits	980.24	-
Minus: one month power purchase cost	525.88	473.20
Net Working Capital	-121.42	1011.30
Rate of Interest on Working Capital	12.05%	12.05%
Interest on Working Capital	**-**	**121.86**

4.13.5 *Return on Equity*

The Petitioner has considered the opening Equity for FY 2021-22 as Rs. 690.23 Crore. The Petitioner has considered the equity addition during the year as per the proposed financing plan for the year. The Petitioner has proposed the Return on Equity at the rate of 16.50% on the opening equity for the year. Accordingly, the Petitioner has proposed the Return on Equity of Rs. 113.89 Crore for FY 2021-22.

Regarding the Return on Equity, Regulation 26 of the UERC Tariff Regulations, 2018 specifies as follows:

*"**26. Return on Equity***

(1) Return on equity shall be computed on the equity base determined in accordance with Regulation 24.

Provided that, Return on Equity shall be allowed on account of allowed equity capital for the assets put to use at the commencement of each financial year.

(2) Return on equity shall be computed on at the base rate of 15.50% for thermal generating stations, transmission licensee, SLDC and run of river hydro generating station and at the base rate of 16.50% for the storage type hydro generating stations and run of river generating station with pondage and distribution licensee on a post-tax basis."

In accordance with the UERC Tariff Regulations, 2018, Return on Equity is allowable on the opening equity for the year. Hence, the Commission has determined the Return on Equity considering the eligible opening equity for return purposes for FY 2021-22.

The Commission has considered the closing eligible equity for return purposes approved for FY 2019-20 as the opening balance for FY 2020-21 as discussed in Chapter 3 of the Order. Thereafter, the Commission has considered the equity addition during FY 2020-21 as per the approved means of finance for FY 2020-21. The Commission has considered the closing balance for FY 2020-21 as the opening balance for FY 2021-22.

The Return on Equity approved by the Commission for FY 2021-22 is as shown in the Table below:

Table 4.43: Return on Equity approved by the Commission for FY 2021-22 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
Opening Equity	690.23	714.38
Addition during the year	118.33	96.82
Closing Equity	808.57	811.20
Rate of Return	16.50%	16.50%
Return on Equity	**113.89**	**117.87**

4.13.6 *Income Tax*

The Petitioner has not claimed any Income Tax in its ARR proposals for FY 2021-22.

Regulation 34 of the UERC Tariff Regulations, 2018 specifies as follows:

"***34. Tax on Income***

Income Tax, if any, on the income stream of the regulated business of Generating Companies, Transmission Licensees, Distribution Licensees and SLDC shall be reimbursed to the Generating Companies, Transmission Licensees, Distribution Licensees and SLDC as per actual income tax paid, based on the documentary evidence submitted at the time of truing up of each year of the Control Period, subject to prudence check."

As stated above, Income Tax is admissible at the time of truing up and hence, the Commission has not considered any Income Tax in the approval of ARR for FY 2021-22.

4.13.7 *Provision for Bad and doubtful debts*

Regulation 31 of the UERC Tariff Regulations, 2018 specifies as follows:

"***31. Bad and doubtful debts***

(1) The Commission may allow a provision for bad and doubtful debts upto one percent (1%) of the estimated annual revenue of the distribution licensee, subject to actual writing off bad debts by it in the previous years.

Provided further that where the total amount of such provisioning allowed in previous years for bad and doubtful debts exceeds five (5) per cent of the receivables at the beginning of the year, no such appropriation shall be allowed which would have the effect of increasing the provisioning beyond the said maximum."

The Petitioner submitted that it has submitted the Policy on Provisioning and Writing Off of Bad & Doubtful Debts and requested the Commission to approve the same.

The Commission as discussed in Chapter 3 of the Order has not allowed any amount towards provision of bad and doubtful debts while carrying out the truing up for FY 2019-20 for reasons stated therein. Since the Petitioner has not complied with the directions of the Commission with regards to the auditing of the receivables and reconciliation of consumer wise dues, accordingly, the Commission has not considered the provision for bad and doubtful debts in the approval of ARR for FY 2021-22.

4.13.8 *Non-Tariff Income*

The Petitioner has proposed non-tariff income of Rs. 282.72 Crore for FY 2021-22 same as that earned in FY 2019-20. In the absence of any yardstick for estimating the non-tariff income of the Petitioner, the Commission provisionally accepts the same for FY 2021-22. The same shall, however, be Trued up based on the actual audited accounts for the year.

4.13.9 *Revenue Requirement for FY 2021-22*

Based on the above, the net Revenue Requirement approved by the Commission for FY 2021-22 is as shown in the Table below:

Table 4.44: Revenue Requirement approved by the Commission for FY 2021-22 (Rs. Crore)

S. No.	Particulars	FY 2021-22	
		UPCL	Approved
1	Power Purchase Cost including RPO	5322.16	5269.47
2	UJVN Ltd. Arrears/(Surplus)		-27.61
3	Transmission Charges		
	PGCIL	636.39	614.55
	PTCUL & SLDC	351.98	288.11
4	Interest on Loan and finance charges including interest on consumer security deposit	175.82	129.30
5	Depreciation	186.64	178.80
6	O&M expenses	600.69	595.27
7	Interest on Working Capital	0.00	121.86
8	Return on Equity	113.89	117.87
9	**Aggregate Revenue Requirement**	**7387.56**	**7287.63**
10	Less: Non-Tariff Income	282.72	282.72
11	True up impact Gap/(Surplus)	943.09	620.30
12	**Net Revenue Requirement**	**8047.94**	**7625.22**

4.14 Revenue at Existing Tariff

The Petitioner has projected the revenue of Rs. 7095.46 Crore for FY 2021-22 at the existing Tariffs. The Petitioner has projected the category-wise revenue for FY 2021-22 based on the existing fixed and energy charges approved by the Commission in Tariff Order dated April 18, 2020 for each category.

The revenue at existing Tariff as proposed by the Petitioner and estimated by the Commission is shown in the Table given below:

Table 4.45: Revenue for FY 2021-22 at existing Tariff (Rs. Crore)

S. No.	Consumer Category	Proposed by the Petitioner			Estimated by the Commission		
		Sales (MU)	Revenue (Rs. Crore)	Average Billing Rate (Rs./kWh)	Sales (MU)	Revenue (Rs. Crore)	Average Billing Rate (Rs./kWh)
1.	RTS-1: Domestic	3326.36	1451.27	4.36	3542.81	1551.43	4.38
2.	RTS-2: Non-Domestic	1477.13	960.49	6.50	1494.84	969.86	6.49
3.	RTS-3: Govt Public Utilities	720.75	430.62	5.97	759.49	452.36	5.96
4.	RTS-4: Private Tube Wells	215.92	44.11	2.04	207.48	42.37	2.04
7.	RTS-5: Industry	6802.69	4084.71	6.00	6983.08	4200.88	6.02
	LT Industry	*319.82*	*201.52*	*6.30*	*319.63*	198.75	6.22
	HT Industry	*6482.87*	*3883.19*	*5.99*	*6663.45*	4002.14	6.01
8.	RTS-6: Mixed Load	187.31	105.75	5.65	190.23	107.43	5.65
9.	RTS-7: Railway Traction	30.30	18.52	6.11	31.24	18.84	6.03
	Revenue from Incremental Sales				38.40	21.35	5.56
Total		**12760.47**	**7095.46**	**5.56**	**13247.57**	**7364.51**	**5.56**

4.15 Revenue Gap for FY 2021-22 at existing Tariff

Based on the net revenue requirement of Rs. 8047.94 Crore (including the proposed True up amount for FY 2019-20) and revenue at existing Tariff of Rs. 7095.46 Crore, the Petitioner has proposed the revenue gap of Rs. 952.48 Crore. Out of this total amount, the standalone gap for FY 2021-22 works out to Rs. 9.39 Crore. The Petitioner submitted that as the recovery of the entire gap in one year through tariffs would be detrimental considering the economic slowdown on account of COVID-19, creation of Regulatory Asset for the gap pertaining to previous years has been proposed with liquidation of the same in 3 years starting from FY 2021-22. Accordingly, the Petitioner has proposed the recovery of Rs. 323.78 Crore in FY 2021-22 through tariff increase in FY 2021-22.

Considering the net revenue requirement of Rs. 7625.22 Crore and revenue at existing Tariff of Rs. 7364.51 Crore, the Commission has approved the revenue gap of Rs. 260.71 Crore for FY 2021-22. The Commission does not find the need to create a regulatory asset as proposed by the Petitioner and allows the same to be recovered through tariff increase in FY 2021-22. The revenue gap for FY 2021-22 proposed by the Petitioner and approved by the Commission is as shown in the

Table given below:

Table 4.46: Revenue Gap for FY 2021-22 (Rs. Crore)

Particulars	Proposed by the Petitioner	Approved
Net Revenue Requirement	8047.94	7625.22
Revenue at existing Tariff	7095.46	7364.51
Revenue Gap	952.48	260.71

5. Tariff Rationalisation, Tariff Design and Related Issues

5.1 Tariff Rationalisation and Tariff Design for FY 2020-21

5.1.1 *General*

In Chapter 4 of this Order, it has been concluded that the revenue projected to be earned by UPCL during FY 2021-22 at tariffs approved vide Tariff Order dated 18.04.2020 will be Rs. 7364.51 Crore. Against this, the ARR approved by the Commission for FY 2021-22 including gap and surplus on account of truing up of previous years works out to Rs. 7625.22 Crore, leaving a total gap of Rs. 260.71 Crore.

In view of the objections received and the Petitioner's submissions, the Commission considers it appropriate to first take a view on the tariff rationalisation measures proposed by the Petitioner and the concerns voiced by other stakeholders.

5.1.2 *Petitioner's Proposals*

The Petitioner submitted that the tariff proposal has been formulated with an attempt to keep the impact minimum on the consumers.

The Petitioner also proposed the following amendment in the Tariff structure for FY 2021-22:

5.1.2.1.1 Reduction in Number of Slabs for Domestic Category

The Petitioner submitted that as per the current tariff structure, there are four slabs under domestic category. The Petitioner in its Petition proposed to reduce the number of slabs under Domestic category to three slabs, i.e. 0-100 kwh, 101-300 kWh and above 300 kWh.

5.1.2.1.2 Abolition of Grace Period for Delayed Payment Surcharge

The Petitioner submitted that the Commission in previous tariff order dated 18.04.2020 had approved abolition of the grace period only for HT Industries and other consumers being billed through Automatic Meter Reading (AMR) system. The Petitioner submitted that it has improved its billing and distribution system and as requested in previous petition, again requested the Commission to abolish the grace period and provide in the Rate Schedule that the Delayed Payment Surcharge shall be levied after the due date of bill for the balance of consumer categories.

5.1.2.1.3 Rebate for Online Payment of Electricity Bills

The Petitioner submitted that it had initiated the scheme w.e.f. May 2020 to provide rebate of 1% on current bill amount to the consumers who make payment of bills through online mode by the due date. The amount of rebate is capped to Rs. 10,000/- for LT and up to Rs. 1 lac for HT consumers. The rebate amount is credited in the next electricity bill.

The Petitioner submitted that it intends to extend the same for FY 2021-22 and offer the consumers rebate of 1% on the current bill amount if paid within the due date specified in electricity bill. The consumers making online payment must compulsorily login to the UPCL website and make the payment through UPCL's website to avail the rebate. The consumers making payment directly to the bank account of UPCL shall not be eligible to avail rebate.

The Petitioner further submitted that the cost towards the same would be claimed in the ARR.

5.1.2.1.4 Prepaid metering

The Petitioner proposed certain amendments to the Tariff proposal for prepaid metering. The salient features of Prepaid Metering proposed by Petitioner are as follows:

1. The option of Pre-paid metering shall be available to all the categories of consumers upto 25 kW load under LT category. Prepaid Metering shall be mandatory for new Temporary LT connections, for Advertisements/Hoardings and for Government connections upto 25 kW.

   Provided that the option of prepaid metering shall not be available to the Seasonal industries covered under Rate Schedule RTS-5.
2. There shall be a minimum recharge of Rs. 100 and the maximum limit of recharge shall be Rs. 15,000 for both single phase and three phase connections. Validity of the recharge shall continue till the amount is available in the account of the consumer. Any recharge shall be allowed only when the 20 digit special meter reading code is made available by the consumer.
3. As regards the charges for testing of meter, the Petitioner shall recover the amount as approved by the Commission under Schedule of Miscellaneous Charges directly from such prepaid consumers as is done for postpaid consumers and shall not be charged from the recharge amount.

4. In case, the consumer opting for Prepaid Metering have outstanding arrears, the Petitioner shall adjust 20% of the past arrears or 50% of the recharge amount, whichever is higher from the recharge voucher, subject to the maximum of the outstanding arrears. Further, the maximum limit of recharge as mentioned above, shall not be applicable in case of consumers having outstanding arrears and accordingly, such consumers having past arrears will have to take minimum recharge of more than 20% of the outstanding arrears.
5. The Petitioner shall make necessary provisions to provide friendly credit hours/limit to the consumers, in order to ensure uninterrupted supply to the consumers in the event of expiry of the balance during non-working hours, i.e. night time or during holiday, so as to provide reasonable time to the consumer to procure the recharge voucher at the next possible working hours or working day. However, the charges for the electricity consumed between the expiry of the balance during non-working hours and subsequent recharge voucher shall be adjusted from the recharge voucher.
6. All the Prepaid meters will be provided with an alarm to indicate low credit.
7. As per the guiding principles and Section 47(5) of the Electricity Act, 2003, the Petitioner shall not charge any security deposit as is required in post-paid connections but price equivalent to the material cost, i.e. cost of meter and associated equipment's shall be charged as material security which shall be returned after adjusting for the depreciation at the time of permanent disconnection. The material security deposit (except for BPL domestic consumers) for FY 2021-22 shall be Rs. 5000/- for single phase connection and Rs 10,000/- for three phase connection. BPL domestic consumers shall be exempted from payment of material security deposit.
8. The consumer shall be allowed only one transfer from postpaid to prepaid or otherwise in a financial year.
9. Voltage rebate/surcharge, low power factor surcharge and excess load penalty shall not be applicable for prepaid connections.
10. A rebate of 4% of Energy Charges for Domestic Category and 3% of Energy Charges for other categories shall be applicable as per tariff schedule for the consumers availing this scheme and the rebate shall only be applicable after installation and operationalization of Prepaid meters.

Provided that no rebate shall be applicable on (i) of Para 1 of RTS-8, i.e. Temporary Supply for Illumination/Public Address/ceremonies and festivities/functions/ temporary shops not exceeding 3 months.

Provided further that the fixed charge in respect of other domestic consumers [(1.2) of para 2 of RTS-1] shall be Rs. 65/kW/month.

Provided further that the energy charge in respect of BPL domestic consumers shall be as follows:

Table 5.1: Tariff Proposed for BPL/Lifeline Consumers opting for Prepaid Metering

Description	Energy Charges
Upto 60 units per month	Rs. 1.61/kWh
61 - 100 units per month	Rs. 2.80/kWh
101-300 units per month	Rs 4.10/kWh
Above 300 units per month	Rs. 5.95/kWh

Provided further that in case consumers covered under para 2(1.2) (a) of Rate Schedule RTS – 2 consumes more than 50 units in a month, the energy charge for first 50 units shall be Rs. 4.70/kWh and the remaining units shall be charged at the energy charge as specified for consumers covered under para 2(1.2) (b) of Rate Schedule RTS – 2.

Provided further that Gaushalas/Gausadans having load upto 2 kW covered under Rate Schedule RTS -1 shall be charged at the rates as specified in Rate Schedule RTS – 1 irrespective of their monthly consumption.

Provided further that consumers having contracted load upto 2 kW and consumption upto 200 kWh per month and who are using some portion of the premises for non-domestic purposes covered under Rate Schedule RTS-1 shall be charged at the rates as specified in Rate Schedule RTS- 2.

11. The solar water heater rebate shall be adjusted as follows:-
    a. The rebate for first month of implementation of prepaid metering scheme shall be credited immediately on the first recharge. Thereafter, rebate shall be credited on monthly basis if recharge is done every month.
    b. In case recharge is not being done on monthly basis, then based on the capacity of Solar Water Heater installed by the consumer, solar water heater rebate would be credited for all the past months for which the rebate was due either at the time of recharge or when the consumer approaches UPCL.

5.1.2.1.5 Recovery from Fixed Charges

The Petitioner requested the Commission for Rationalisation of Tariff, i.e. Fixed / Demand Charges linked to its fixed cost components and Energy Charges linked to variable components. The Petitioner submitted that from entire ARR, all costs except variable power purchase cost of thermal power plants like coal and gas are fixed in nature, i.e. O&M and Financial Costs will be incurred / claimed in ARR irrespective of sale of energy. The Petitioner submitted that the propotion of fixed cost in projected ARR for FY 2021-22 is 89.94% and proportion of variable cost in projected ARR for FY 2021-22 is 10.06%. As against this, the proportion of revenue from fixed/demand charges and energy/variable charges is 16.56% and 84.39% respectively.

The Petitioner submitted that in view of the above, Tariff for Fixed charges and Energy charges should be adjusted gradually, say over a period of three to five years, so as to make the retail tariff cost structure reflective of the actual Fixed Cost. This will ensure that fixed charges obligation of Petitioner is recovered from fixed/ demand charges realized from consumers and there is better management of working capital.

5.1.2.2 Billing Cycle of HT Power Intensive Industrial Units (PIU)

The Petitioner has through a separate proposal proposed extension of billing cycle of power intensive industrial units from existing 15 days to 1 month and realisation of security deposits from such consumers as per the provisions of the Supply Code.

5.1.3 *Commission's Views on Tariff Rationalisation Measures*

The Commission believes that tariff rationalisation is a dynamic and ongoing process and is essential to accommodate the socio-economic and technological changes taking place in the system over a period of time.

The following Sections discuss the tariff rationalisation measures suggested by the Petitioner, Respondents, and the Commission's views on the same.

5.1.3.1.1 Reduction in Number of Slabs for Domestic Category

The Petitioner has proposed to reduce the existing 4 slabs to 3 slabs for Domestic Cateogry without analysing the impact of tariff shock on various domestic consumers. The Commission carried out the analaysis of reducing 4 slabs to 3 slabs as proposed by the Petitioner and observed that it will create huge tariff shock to the consumers having consumption between 101 to 200 units per month and also for consumers having consumption between 301-400 units per month. The Commission is of the view that any tariff rationalisation needs to be done in a manner which does not create tariff shock for any group of consumers. Hence, the Commission has decided to continue with the existing four slabs in domestic category.

5.1.3.1.2 Abolition of Grace Period for Delayed Payment Surcharge

As regards time period to be provided to consumers for payment, Regulations 5.2.1 of the UERC (The Electricity Supply Code, Release of New Connections and Releted Matter) Regulations,2020 specifies as follows:

"…

(4) The bills shall be generated in accordance with the billing cycles. The bills shall be delivered to the consumers immediately in case of spot billing and the Licensee shall upload the bill on its website within 5 days of bill generation for Hilly areas and 3 days for geographically Plain areas. In case of AMR/AMI based metering system, the bill shall be uploaded on the same day of bill generation

(5) The Licensee shall also inform the consumer about issuance of the bill and its payment due date via SMS or email, as the case may be.

(6) The due date of payment of bill shall be atleast 15 days from the Bill Date. .

…"

The Commission in its Tariff Order dated July 12, 2006 considering the representation of the consumers regarding delay in delivery of electricity bills by the Petitioner ordered that till such time that UPCL is able to streamline its bill making and distribution system to Commission's satisfaction, grace period of 15 days beyond the last date of payment printed on the bill will be available to all the consumers without any Delayed Payment Surcharge.

The Petitioner in its ARR and Tariff Petition for FY 2020-21 also requested the Commission to abolish the grace period. The Commission in its previous Tariff Order dated April 18, 2020 deliberated on this issue and opined as follows:

"The Commission is of the view that clear 15 days time, from the delivery of bills to consumers, should be provided to the consumers for making the payment of bills. The Commission considering the views of the Petitioner and also of the consumers directs UPCL to ensure that the bills are delivered to consumers on time and due date for payment of bills should be specified at least 15 days from the date of delivery of bills to

the consumers and not from the date of generation of bills. UPCL shall also arrange to send the bills through email at the registered email ids of consumers and also send the notifications about the delivery of bills through "SMS" at the registered mobile numbers of the consumers. However, the Commission is of the view that abolishing the grace period for all the estimated 27 Lakh consumers in FY 2020-21 at one go may lead to chaos and UPCL may also find it difficult to mange the same, hence, considering the progress made by UPCL over the years, the Commission has at this stage decided to abolish the grace period for HT Industries and other consumers being billed through AMR, which would be around 11,000 in numbers and thus, would be easy for UPCL to manage these consumers who contribute about 80% of the total revenue. Hence, the Delayed Payment Surcharge for HT industries and consumers being billed through AMR shall be applicable after the due date of bill. The Commission will again review this provision after 6 months from the date of this Order. In case substantial complaints are received from consumers about delay in delivery of bills and violation of condition that the bills are not delivered at least 15 days before the due date of bill, the Commision may again introduce the condition of grace period beyond which the Delayed Payment Surcharge shall be applicable. Based on the effective transition of the consumers billed through AMR, the Commission will take appropriate view on abolishing the grace period for remaining consumers subsequently."

The Petitioner in its Petition has submitted that it has improved its billing and distribution system and requested the Commission to abolish the grace period for all the categories. The Commission is of view that the Petitioner's billing and distribution system has improved now as compared to previous years. Further, it would also aid in improving the financial position of UPCL as dues would be realized within less time than that taking place currently. Hence, considering the request of the Petitioner, the Commission has decided to abolish the grace period for all the categories.

The Commission is of the view that clear 15 days time, from the delivery of bills, which normally should not take place more than 2 days, to the consumers, should be provided to the consumers for making the payment of bills in accordance with the UERC (Supply Code) Regulations, 2020. **The Commission considering the views of the Petitioner and also of the consumers directs UPCL to ensure that the bills are delivered to consumers on time and due date for payment of bills should be specified at least 15 days from the date of delivery of bills to the consumers and not from the date of generation of bill/ billdate.** UPCL shall also arrange to send the bills through email at the registered email ids of consumers and also send the notifications about the delivery of bills through "SMS" at the registered mobile numbers of the consumers.

The Delayed Payment Surcharge for all the consumers shall be applicable after the due date of bill. The Commission shall again review this provision during the next tariff determination process. In case substantial complaints are received from the consumers about delay in delivery of bills and violation of condition that the bills are not delivered at least 15 days before the due date of bill, the Commision may again introduce the condition of grace period beyond which the Delayed Payment Surcharge shall be applicable.

5.1.3.2 Rebate for Online Payment of Electricity Bills

The Petitioner submitted that it proposes to provide a rebate of 1% on current bill amount to the consumers who make payment of bills through online mode within the due date subject to cap of Rs. 10,000/- for LT and up to Rs. 1 lac for HT consumers.

During the State Advisory Committee meeting, some of the Members requested that rebate should also be provided to the consumers who make payment of bills on timely basis. Director (Operations) $ Director (Project), UPCL also submitted during metting that they have no objection if prompt payment rebate is allowed by the Commission.

In this regard, the Commission also examined the provisions of rebates provided for making prompt payment and rebates provided for making online payments in some of the other States. The Commission is of the view that the consumers who make the payment promptly upon receipt of bills needs to be incentivised as the same will improve the cashflow of UPCL and also reduce its working capital requirement. The Commission hereby fixes the time period of 10 days from the date of issuance of bill/bill date for providing the prompt payment rebate. UPCL is required to ensure that it delivers/uploads the bills within 2 days from the date of issuance of the bill/bill date so that the consumers get clear 8 days for making the payment to avail prompt payment rebate. Further, the Commission is of the view that the consumer who make the payment through digital mode should get additional rebate as GoI is also encouraging digital payments. Accordingly, the Commission hereby approves the following mechanism towards prompt payment discount:

"A prompt payment rebate of 1.25% of the monthly bill (excluding Taxes and Duties) shall be provided to consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets etc. within 10 days from the date of issuance of the bill/ bill date.

A prompt payment rebate of 0.75% of the monthly bill (excluding Taxes and Duties) shall be provided to consumers for payment of electricity bills within 10 days from the date of their issue

through other modes of payment, namely, Cash/Cheque/Demand Draft/Bank Transfer etc., within 10 days from the date of issuance of the bill/ bill date.

Provided that the prompt payment discount shall be subject to cap of Rs 10,000/- per month for LT Consumers and Rs 1,00,000/- per month for HT consumers. "

5.1.3.3 Fixed Charges, Minimum charges and Minimum Consumption Guarantee

It is a well-accepted economic principle that the fixed costs of the Utility should be recovered to a certain extent through fixed charges to ensure revenue stability. At the same time, the Commission recognises that if the entire fixed cost is recovered through fixed charges, then the utility shall have no incentive to be concerned about the sales and, hence, quality of supply may suffer. Historically, the recovery of fixed costs has been done through a mix of minimum charges and fixed charges. Levy of Minimum Consumption Guarantee Charges (MCG) is a way of ensuring minimum revenue to the utility from the consumers, however, if the consumption exceeds the specified units, then no MCG charges are levied on the consumers and the entire charges are recovered by the utility through energy/fixed charges.

The fixed charge component reflecting the fixed cost of providing the service to the consumer and the energy charge component reflecting the cost of energy actually consumed should ideally be taken in the two-part tariff structure.

Section 45(3) of the Electricity Act, 2003 also provides for levy of fixed charges. The relevant Section is reproduced below:

"The charges for electricity supplied by a distribution licensee may include:

(a) a fixed charge in addition to the charge for the actual electricity supplied;

..."

Further, the licensee is incurring fixed cost directly attributable to the individual consumers such as meter reading, bill preparation, bill distribution and collection, which should ideally be allocated to and recovered from each consumer. One of the guiding factors mentioned in Section 61 of the Electricity Act, 2003 for specifying terms and conditions of tariffs is that the tariff has to be gradually cost reflective. Considering that levy of higher fixed charges should not impact the consumers adversely, the Commission in its Tariff Order dated March 18, 2008, introduced a nominal fixed charge for all the categories as a progression towards designing a two part tariff structure linked to the cost structure. Further, in its subsequent Tariff Orders from FY 2009-10 to FY

2020-21, considering the level of proportion of fixed costs as a percentage of total costs of UPCL and level of revenue recovery from fixed charges, the Commission had marginally increased the fixed charges for most of the categories to increase the revenue recovery from fixed charges and at the same time avoiding tariff shock to any consumer category.

UPCL has requested the Commission to rationalise the tariffs in such a manner that over next 3 to 5 years, the fixed costs of the ARR shall be recovered from the Fixed Charges/Demand Charges. The Commission appreciates that the recovery from Fixed Charges/Demand Charges should increase over a period of time, but the entire fixed costs is not allowed to be recovered through Fixed/Demand Charges as it will lead to tariff shock for the consumers. Further, if the Utility's entire fixed costs is allowed to be recovered through Fixed/Demand Charges, the Utilitiy will not have any motivation to supply power to the consumers. The increase in recovery from Fixed/Demand Charges should be gradually increased to a certain level. Accordingly, the Commission in this Order has also marginally increased the fixed charges and thus, at the approved tariffs, the recovery from Fixed Charges from the consumers for FY 2021-22 is estimated to be around 15.4% against the total fixed cost incidence on the Petitioner of around 50% of the licencee's ARR for FY 2021-22.

5.1.3.4 Continuous Supply Surcharge

The Commission, in its Tariff Order dated October 23, 2009, had approved continuous supply surcharge @ 15% of the Energy Charge for consumers opting for supply during restricted hours (continuous). Further, all the consumers had an option to opt for continuous supply irrespective of whether they were on dedicated independent feeder or on mixed feeder. In accordance with the above provision, even if a single consumer in mixed feeder opted for continuous supply, its benefit got extended to all the consumers on that mixed feeder. This was a sort of discrimination amongst the consumers who had opted for continuous supply on mixed feeder and those who had not opted for continuous supply on mixed feeder as both enjoyed the benefit of continuous supply irrespective of the fact that they were paying any continuous supply surcharge or not. On the other hand, if the supply on the mixed feeder was required to be cut during rostering, the supply of continuous supply consumer also got unintentionally cut.

The Commission in order to rectify this anomaly had taken a view in its Tariff Order dated April 10, 2010 that the option of continuous supply should be made available only to consumers who are connected on a dedicated independent feeder or industrial feeder provided that all the industrial consumers on such feeder opt for continuous supply. The Commission was also of the view that considering the supply shortage position, this option was to be provided only to the continuous process industries requiring continuous supply due to continuous nature of their process. In this connection, the Commission would like to refer to Regulation 3(2) of UERC (Release of new HT & EHT Connections, Enhancement and Reduction of Loads) Regulations, 2008, which provides that loads for all HT consumers having continuous processes, irrespective of load applied for, shall be released through independent feeder only. The Commission in its Tariff Order dated April 10, 2010 had, therefore, decided that with effect from May 1, 2010, the option of continuous supply shall remain available only to continuous process industries operating twenty four hours a day and for seven days in a week without any weekly off. Further, this option was only to be available to continuous process industries connected through an independent feeder or industrial feeder provided that all the industrial consumers on such feeder opted for continuous supply option and for availing such an option, they were required to pay 15% extra energy charges at revised tariff with effect from May 1, 2010 or from the date of connection, whichever is later till 31st March, 2011 irrespective of actual period of continuous supply option. Further, the Commission in its Tariff Order dated April 10, 2010 also decided that the load shedding would be applicable for all the consumer categories except continuous process industries availing continuous supply option and, hence, the Commission abolished the mechanism of allowing utilisation of power upto 15% of the contracted load by industrial consumers who did not opt for continuous supply.

In its Tariff Order for FY 2011-12 dated May 24, 2011, Tariff Order for FY 2012-13 dated April 11, 2012, MYT Order dated May 06, 2013 and APR Order dated April 10, 2014 the Commission decided to continue with the same provisions for Continuous Supply as approved in its Order dated April 10, 2010.

The Commission in its ARR/Tariff Order dated April 11, 2015 after detailed deliberations on the issue after floating the in-house paper extended the option of continuous supply to non-continuous process industries in addition to the continuous process industries. The Commission in its Tariff Order dated 21.03.2018, considering the fact that the deficit in winter months had reduced as compared to the previous years, reduced the continuous supply surcharge from 15% of energy charges to 10% of energy charges. The Commission in its Tariff Order for FY 2019-20 dated 27.02.2019 decided to continue with the continuous supply surcharge of 10% of energy charges. Further, the Commission in its Tarif Order for FY 2020-21 dated 18.04.2020 considering the requests of various stakeholders decided to reduce the continuous supply surcharge from 10% of energy charges to 7.5% of energy charges.

In these tariff proceedings, the Commission has received mixed responses from various stakeholders. Some of the industries submitted that the continuous supply surcharge be reduced or abolished.

The Commission would like to clarify that the State of Uttarakhand is still facing power shortage and UPCL is procuring short term power from market to meet the demand. Even for FY 2021-22, the Commission has estimated a deficit of about 1595 MU in winter months during October to March in the requirement of UPCL which is of substantial nature. The Commission has estimated a surplus of about 391 MU during June, 2021 to September, 2021 in the requirement of UPCL for FY 2021-22 which would be banked with other States to offset the deficit during winter months. Hence, the Commission does not find any reason to abolish the continuous supply surcharge altogether as during winters UPCL is still having deficit. However, the deficit in winter months has reduced as compared to the previous years. Hence, the Commission in order to provide relief to HT industries during this COVID period has decided to reduce the continuous supply surcharge from 7.5% of energy charges to 5% of energy charges. The Commission will review the same once the aforesaid deficit in UPCL's requirement is wiped off.

The option of continuous supply shall only be available to continuous and non-continuous industries connected on an independent feeder or industrial feeder provided that all the industrial consumers on such feeder opt for continuous supply option. The existing non-continuous process industrial consumers opting for continuous supply shall pay 5% extra energy charges with effect from April 01, 2021 or in case of new consumers from the date of new connection, till March 31, 2022 irrespective of actual period of continuous supply. However, in case of re-arrangement of supply through independent feeder, the Continuous Supply Surcharge shall be applicable from the date of energisation of aforesaid independent feeder till March 31, 2022, irrespective of actual period of continuous supply option.

In this regard, the Commission would like to clarify certain key issues, pertaining to applicability conditions for existing and new continuous and non-continuous supply consumers in order to avoid any misinterpretation of the conditions, and the same are discussed as under:

- Consumers who have opted for Continuous supply shall continue to remain Continuous Supply Consumers and they need not to apply again for seeking continuous supply option. Such consumers shall pay 5% extra energy charges, in addition to the energy charges approved, w.e.f. April 01, 2021 till March 31, 2022. However, in case of any pending dispute with UPCL in the matter of continuous supply on certain feeders, those consumers will have to apply afresh, for availing the facility of continuous supply by April 30, 2021.

- The existing consumers who are new applicants for continuous supply of power (including those who are applying afresh as per above condition) can apply for seeking the continuous supply option at any time during the year. However, continuous supply surcharge for such existing consumers shall be applicable with effect from May 01, 2021 till March 31, 2022. UPCL shall provide the facility of continuous supply within 7 days from the date of application, subject to fulfilment of Conditions of Supply as mentioned in Clause 6 under Tariff Schedule of RTS-5. However, in case of re-arrangement of supply through independent feeder, UPCL shall provide the facility of continuous supply from the date of completion of work of independent feeder subject to fulfilment of Conditions of Supply and the continuous supply surcharge on such consumers shall be applicable from the date of energisation of aforesaid independent feeder till March 31, 2022, irrespective of actual period of continuous supply option.
- The existing consumers availing continuous supply option, who wish to discontinue the continuous supply option granted to them earlier, will have to communicate, in writing, to UPCL latest by April 30, 2021 and they shall continue to pay continuous supply surcharge alongwith the tariff approved in this Order till April 30, 2021. Further, in this regard, if due to withdrawal by one consumer from availing continuous supply option on a particular feeder, the status of other continuous supply consumers in that feeder is affected, then UPCL shall inform all the affected consumers in writing, well in advance.
- UPCL shall not change the status of a continuous supply feeder to a non-continuous supply feeder.
- UPCL/PTCUL shall take up augmentation, maintenance and overhauling works on top priority, specially in the sub-stations where circuit breakers, other equipments, etc. are in dilapidated condition and, thereby, shall ensure minimisation of interruptions of the continuous supply feeders.

- UPCL/PTCUL shall carry out periodical preventive maintenance of the feeders supplying to continuous supply consumers. The licensees shall prepare preventive maintenance schedule, in consultation with continuous supply consumers, well in advance, so that such consumers can plan their operations, accordingly.

- Continuous supply surcharge shall not be applicable on power procured by industrial consumers through open access.

5.1.3.5 Tariff Categorisation for HT Industries and Load Factor based Tariff

The Commission has considered the stakeholders/industries responses and observed that some of the consumers have again raised the issue of load factor based tariff for HT Industries. Some of the stakeholders submitted that the load factor based tariff for HT Industries is discriminatory as well as against the provisions of the Act, Tariff Policy and the Commission's Tariff Regulations. Some of the stakeholders also submitted that the higher consumption needs to be promoted and discount/rebate should be provided for maintaining higher load factor.

The Petitioner in its Petition has also proposed structure based on voltage and load factor. The Petitioner proposed demand charges linked to the connectivity at voltage level, i.e. higher the voltage level lower the demand charges. The Petitioner also proposed energy charges in a manner to incentivise for higher load factor, i.e. higher the consumption lower the energy charges.

The Commission would like to highlight Section 62(3) of the Act, which empowers the Appropriate Commission, while determining the tariff, to differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity etc. Section 62(3) of the Act is reproduced below:

*"The Appropriate Commission shall not, while determining the tariff under this Act, show undue preference to any consumer of electricity but may differentiate according to the **consumer's load factor**, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required" **(emphasis added)**.*

Regulation 92(2) of UERC Tariff Regulations, 2018, specifically empowers the Commission to design load-factor based tariffs for any category of consumers and is reproduced below:

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

The Commission in its Order dated April 11, 2015 after detailed deliberations in response to the in-house paper had modified the slabs for load factor based tariff from three slabs to two slabs.

Further, as discussed in Chapter 2 of the Order, some of the stakeholders submitted that the principle applied for the categorisation of the industry on the basis of load factor should be on the principle of higher the load factor, lower the tariff as prevalent in other States. They further expressed that the higher load factor implies that the consumer consumes nearly as much as it has contracted for and has paid the demand charges, accordingly, and the Utility stands to benefit by higher load factor because the utility is able to sell more electricity which it has arranged for meeting the demand of the consumer. They further opined that if the load factor is lower, the utility would find itself having contracted more power from generating companies than it would be able to sell to the consumers and in this process may suffer loss.

The Commission does not agree with the views of the stakeholders that higher load factor implies that the Utility stands to benefit from selling more electricity which it has arranged for meeting the demand of the consumer and load incidence on the system matches with the contracted demand/load of the consumers of the State. The Commission would like to clarify that there is diversity in time of usage of electricity by different consumers and, hence, the actual simultaneous maximum demand of all the consumers put together shall always be less than the summation of their contracted loads. Further, nowhere, the Utility makes the power purchase arrangement equivalent to the contracted demand of its consumers. Further, increase or decrease of the contracted load, and/or, the load factor, by consumer does not actually influence the consumption pattern of consumers including diversity factor and, hence, the actual simultaneous maximum demand is the basis for contracting power from different sources by the licensee rather than the contracted load/load factor of the consumers. Further, the utilisation of the contracted capacity for State consumption from firm sources of generation by UPCL is more than 90% and balance is surplus, the Petitioner uses this surplus for Banking during summer/monsoon months in order to take it back during winter months when it has apparent deficit supply vis-a-vis demand. With the increase in load factor of consumers, the energy requirement of the Utility will further increase, and the Petitioner will be left with no surplus power to Bank during summer/monsoon months in order to take back during deficit winter months. This inability of the Petitioner will require it to purchase power at marginal price, i.e. the Petitioner will have to purchase costlier power to meet the increase in energy requirement at higher load factor.

The two part tariff tends to encourage high consumption as the same reduces the effective per unit composite rate. Accordingly, to correct this, tariff also needs to increase in a manner so as to achieve a near uniform composite rate. To achieve this, demand and energy charges will have to increase with every small increase in contracted demand or load utilization percentage. Although theoretically possible, such an approach would make the tariffs too complex, incomprehensible and will pose serious problems in implementation. There is, therefore, a trade-off between the simplicity of the tariff structure and precision in correcting the above distortion. The Commission's attempt has been to strike a balance between the two by choosing a uniform rate of demand charge and different rates of energy charges linked to the consumption levels represented by the Load Factor. The Commission has avoided sharp increases in energy charges and has infact modified the three slabs in HT industry category prevalent earlier to only two slabs in its previous Tariff Order dated April 11, 2015.

As had been illustrated by the Commission in its previous Tariff Orders in case of single energy charge, without any load factor slabs, the effective tariff of an intended cross-subsidising consumer goes down steeply with increasing load factor, thereby reducing the quantum of cross-subsidy charged from it. After a threshold level of load factor, this structure leads to an undesirable anomaly that the effective tariff becomes lower than the average Cost of Supply and the consumer instead of being subsidising consumer becomes subsidised consumer. Thus, this structure apart from leading to the above said anomaly is highly inequitable amongst the consumers of the same category with consumers having low load factor being loaded with much higher effective tariff and making up for loss on account of lower effective tariff even below the average cost of supply paid by high load factor consumers. Transition from subsidising consumer to subsidised consumer with increasing load factor is not only incorrect but is also highly undesirable.

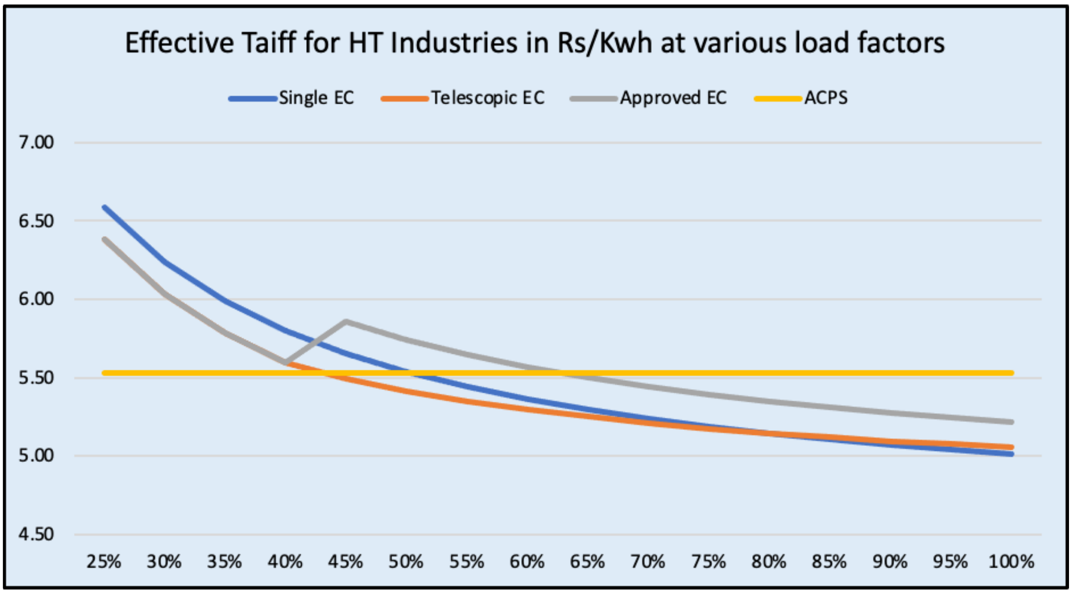
Some of the stakeholders represented that the tariff structure for HT Industries should also be telescopic. In Uttarakhand, as the cross-subsidies are very low, the tariff needs to be corrected at different load factors to ensure that steepness of the effective tariff curve does not reduce the cross-subsidies to very low level or make them negative (subsidised). Further, there is a practical difficulty in implementing slabs of tariffs for excess consumption only, due to ToD tariffs in vogue. Apportionment of various slabs of consumption for different time slots would be very complicated and would result in disputes between licensee and consumers as consumer would like to book cheapest load factor slab (1st slab) against peak hour consumption and highest load factor slab (last slab) against off-peak hour consumption. The licensee, on the other hand, would like to book first load factor slab against off-peak consumption and the last load factor slab under peak hour consumption. Thus, this structure would unnecessarily complicate the billing process and would also lead to disputes. Due to these reasons, the Commission is not implementing telescopic slab based tariff for HT industrial consumers.

The above reasoning can be easily explained by taking an example with the figures of approved tariff (Demand Charges Rs. 370/kVA/month and Energy Charges in two slabs of Rs. 4.20 and 4.60/kVAh for FY 2020-21, where Average Cost of Supply was taken as Rs. 5.28/kWh and average tariff from HT industrial consumers including ToD surcharge and rebate was designed to be Rs. 6.06/kWh. It is evident that in case of single energy charge of Rs. 4.40/kVAh and demand charge of Rs. 370/kVA/month, without any load factor slabs, the effective tariff of an intended cross-subsidising consumer goes down steeply with increasing load factor, thereby reducing the quantum of cross-subsidy charged from it. After a threshold level of load factor, this structure leads to an undesirable anomaly that the effective tariff becomes lower than the average Cost of Supply and the consumer instead of being subsidising consumer becomes subsidised consumer. Thus, this structure apart from leading to the aforesaid anomaly is highly inequitable amongst the consumers of the same category with consumers having low load factor being loaded with much higher effective tariff and making up for loss on account of lower effective tariff even below average Cost of Supply paid by high load factor consumers. The same applies to the condition if telescopic slab energy charges for HT industries [Demand Charges: Rs. 370/kVA/monthly, Energy Charges: for consumption upto LF 40%: Rs. 4.20/kVAh & for consumption exceeding LF 40%: Rs. 4.60 kVAh as approved for FY_2020-21 are considered], the reduction in effective tariffs is almost similar to the case where single energy charges are approved without any slab. The Table & Graph below shows these anomalies of consumers getting cross-subsidised falling below average cost of supply after a particular load factor and wide range of tariffs over different load factors with the single energy charge without any slab and telescopic slabs. Increase of cross-subsidisation of HT industry with increasing load factor (particularly > 45%) is not only incorrect but also highly undesirable.

Table 5.2: Effective Tariff & Cross-subsidy for HT Industry having contracted load 1 KVA

Load Factor	Consumption (kVAh)	Demand Charge (Rs./kVA)	Energy Charge (Rs./kVah)			Total Amount			Effective Tariff (Rs.kWh)			Cost of Supply	Cross Subsidy %		
			Single EC of Rs.4.40 /kVAh	Telescopic Tariff	Approved Tariff	Single EC of Rs.4.40/ kVAh	Telescopic Tariff	Approved Tariff	Single EC of Rs.4.40/kVah	Telescopic Tariff	Approved Tariff	Rs./kWh	Single EC of Rs.4.40 /kVAh	Telescopic Tariff	Approved Tariff
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(3)+ (4)	(8)=(3)+ (5)	(9)=(3)+(6)	(10)=(7)/(2x 0.98)	(11)=(8)/(2x 0.98)	(12)=(9)/(2x 0.98)	-13	(14)=(10/13)-1	(15)=(11/13)-1	(16)=(12/13)-1
25%	180	370	792	756	756	1162	1126	1126	6.59	6.38	6.38	5.53	19.12%	15.43%	15.43%
30%	216	370	950	907	907	1320	1277	1277	6.24	6.03	6.03	5.53	12.80%	9.11%	9.11%
35%	252	370	1109	1058	1058	1479	1428	1428	5.99	5.78	5.78	5.53	8.28%	4.59%	4.59%
40%	288	370	1267	1210	1210	1637	1580	1580	5.80	5.60	5.60	5.53	4.90%	1.21%	1.21%
45%	324	370	1426	1375	1490	1796	1745	1860	5.66	5.50	5.86	5.53	2.26%	-0.61%	5.95%
50%	360	370	1584	1541	1656	1954	1911	2026	5.54	5.42	5.74	5.53	0.15%	-2.06%	3.85%
55%	396	370	1742	1706	1822	2112	2076	2192	5.44	5.35	5.65	5.53	-1.57%	-3.25%	2.12%
60%	432	370	1901	1872	1987	2271	2242	2357	5.36	5.30	5.57	5.53	-3.01%	-4.24%	0.68%
65%	468	370	2059	2038	2153	2429	2408	2523	5.30	5.25	5.50	5.53	-4.22%	-5.07%	-0.53%
70%	504	370	2218	2203	2318	2588	2573	2688	5.24	5.21	5.44	5.53	-5.26%	-5.79%	-1.57%
75%	540	370	2376	2369	2484	2746	2739	2854	5.19	5.18	5.39	5.53	-6.17%	-6.41%	-2.48%
80%	576	370	2534	2534	2650	2904	2904	3020	5.15	5.15	5.35	5.53	-6.96%	-6.96%	-3.27%
85%	612	370	2693	2700	2815	3063	3070	3185	5.11	5.12	5.31	5.53	-7.65%	-7.44%	-3.96%
90%	648	370	2851	2866	2981	3221	3236	3351	5.07	5.10	5.28	5.53	-8.27%	-7.86%	-4.58%
95%	684	370	3010	3031	3146	3380	3401	3516	5.04	5.07	5.25	5.53	-8.83%	-8.25%	-5.14%
100%	720	370	3168	3197	3312	3538	3567	3682	5.01	5.05	5.22	5.53	-9.33%	-8.59%	-5.64%

Graph 1 : Effective HT Industrial Tariff



Hence, in view of the above, the Commission is continuing with the existing load factor based tariff structure for HT Industry.

5.1.3.6 Time of Day Tariff

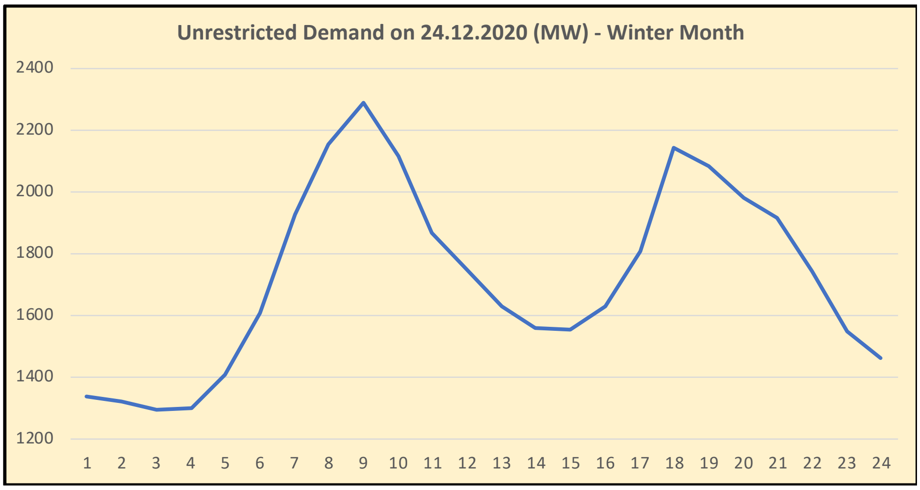
Regarding Time of Day Tariff, the stakeholders requested the following:

- Abolish the morning peak hours.
- Reduce the peak hours timings in such a manner that the Single Shift Industry can operate for 8 hours with normal tariff
- The ToD charges should be retained at existing levels.
- The rebate for consumption during off-peak hours should be increased

The Commission in its Tariff Order for FY 2010-11 dated April 10, 2010 approved the peak hour rate as 50% higher than the normal hour rate for Industrial Category. Further, in case of HT industries, the Commission has specified the peak hour rate as 50% higher than the normal hour rate applicable for highest load factor slab, i.e. energy charge for load factor above 50% for all the HT industrial consumers. The Commission kept the rebate during off peak hours to 10% to incentivise the shift in consumption from peak hours to off peak hours. The Commission in its Tariff Order dated 21.03.2018 in order to incentivise the consumers for shifting the demand from Peak hours to Off Peak hours, increased the off-peak hour rebate from existing level of 10% to 15% in energy charges.

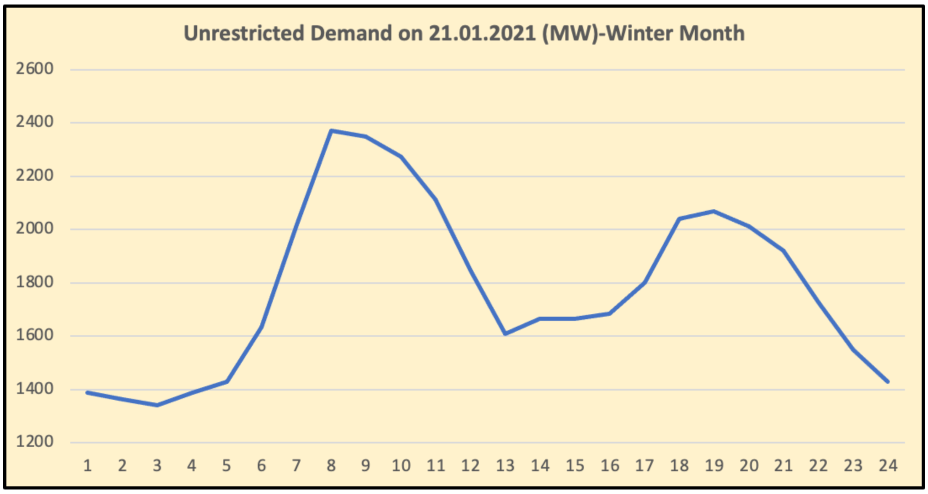
The Commission, in each of its tariff determination exercise, has been analysing the shift from the peak hours to normal and off-peak as well as the consumption pattern during the peak and off-peak hours in the State. The Commission has analysed the unrestricted load curves in summer as well as the winter month to assess the consumption during peak hours in these months. The load curves for the days having highest peak load in the months of summer and winter season, have been examined and the same are graphically presented below:

Chart 1: Load Curve for 24th December 2020 (MW) [Winter Month]



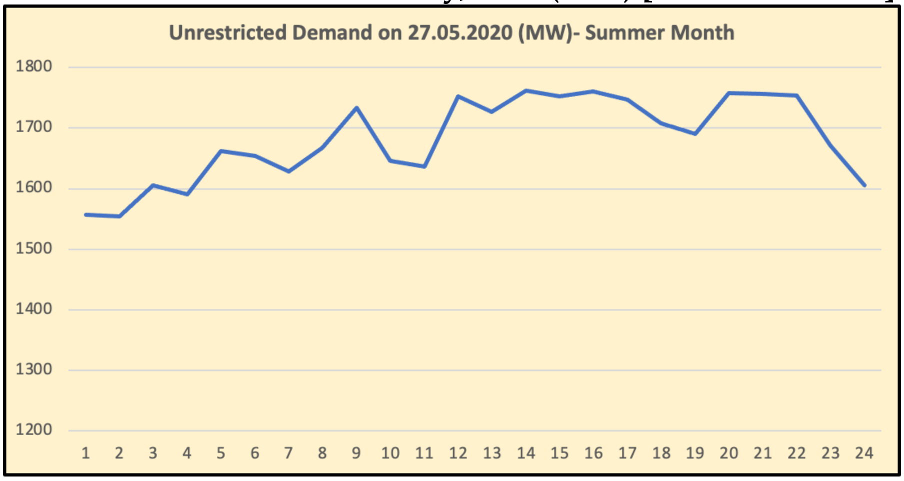
Morning Peak Demand – 2287 MW at 9.00 AM
Evening Peak Demand - 2141 MW at 6.00PM

Chart 2: Load Curve for 21st Jan 2021 (MW) [Winter Month]



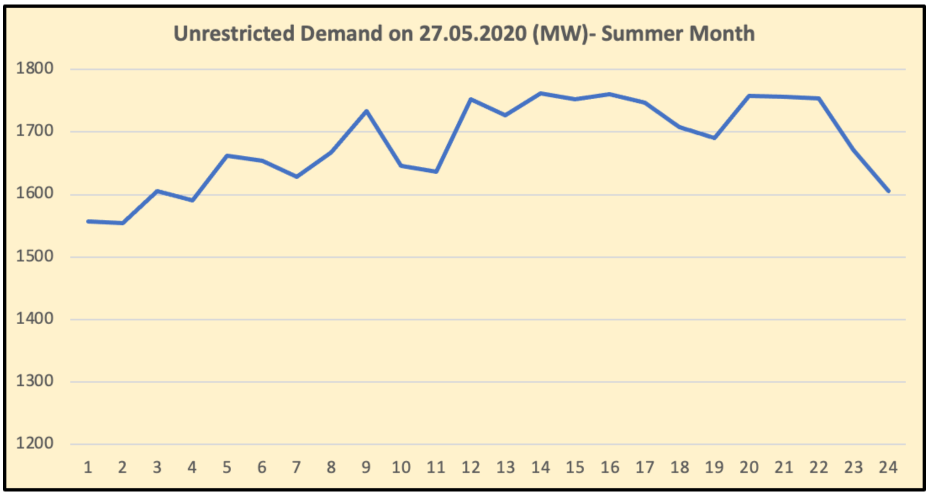
Morning Peak Demand – 2372 MW at 8.00 AM
Evening Peak Demand – 2068 at 7.00 PM

Chart 3: Load Curve for 27st May, 2020 (MW) [Summer Month]



Peak Demand – 1758 MW at 8.00 PM
No Morning Peak

Chart 4: Load Curve for 1st July, 2020 (MW) [Summer Month]



Peak Demand – 1942 MW at 9.00 PM
No Morning Peak

It is observed from the above graphical presentations that during the winter season both morning as well as evening peak demand exists in the State. Infact, in the months of December and January, the morning peak demand has been found to be even more pre-dominant than the evening peak demand. From Chart 1 & 2 illustrating the load curve for December 24, 2020 and January 21, 2021 respectively, it can be observed that the demand starts rising from 6.00 a.m. till it reaches the peak at about 8.00 a.m. or 9.00 am and then starts falling around 9.00 a.m. in the morning and flattens by around 11.00 a.m. Hence, the request of the stakeholders regarding abolishing the morning peak hours cannot be accepted since it would defeat the demand side management through tariffs in vogue in the State. Further, it is seen from the above graphs that the overall system peak of Uttarakhand State during the year is significantly observed in the morning hours also besides evening peak.

The Commission feels the need for DSM and having ToD tariff as a measure for ensuring curtailment of morning as well as evening peaks. Considering all these aspects, the Commission in the present Order is continuing with the morning peak hours during winter season and evening peak hours for the entire year. During the tariff order for FY 2019-20, some of the stakeholders requested that the peak hour slots should be modified in such a way that the General Single Shift Industry should get clear 8 hours of operations at normal tariff. The Commission in its Order dated February 27, 2019 considering the requests of stakeholders and the load pattern during peak hours modified the Peak, Normal and Off Peak hour duration for ToD metering slots in such a manner that the Industry gets nine hours for working during normal hours and they are able to operate eight hours in General Shift with one hour break fixed the normal hours to 0900-1800 hours in winters and 0700-1800 hours in summers. Hence, the Commission has decided to continue the Peak, Normal and Off Peak hour duration for ToD metering slots as approved in Order dated February 27, 2019 as follows:

Table 5.3: Peak and Off-Peak Hours

Season/Time of day	Morning Peak hours	Normal hours	Evening Peak Hours	Off-peak Hours
Winters 01.10 to 31.03	0600-0900 hrs	0900-1800 hrs	1800-2200 hrs	2200-0600 hrs
Summers 01.04 to 30.09	--	0700-1800 hrs	1800-2300 hrs	2300-0700 hrs

Considering the load curves, the Commission has kept the surcharge during peak hours at the same level as approved in previous Order dated April, 18 2020. However, in order to incentivise the consumers to shift the consumption to Off-peak hours, the Commission has increased the off-Peak hour rebate from current level of 15% to 20%.

5.1.3.6.1 Prepaid metering

The Commission recognises that Prepaid Metering is expected to provide better services to the consumers, improve and secure the cash flow of the Petitioner and also lead to reduction in consumer grievance and dissatisfaction to the consumers.

The Petitioner has proposed some modifications in the existing terms of the pre-paid supply approved by the Commission for FY 2020-21 without providing any reasons for the same.

After detailed deliberations on the proposals of the Petitioner, the Commission approves the following conditions for Pre-Paid Metering:

a) The option of Pre-paid metering shall be available for all categories of consumers upto 25 kW load under LT category. Prepaid Metering shall be mandatory for new Temporary LT connections, for Advertisements/Hoardings and for Government connections upto 25 kW.

   Provided that the option of prepaid metering shall not be available to the Seasonal industries covered under Rate Schedule RTS-5.

b) There shall be a minimum recharge of Rs. 100 and the maximum limit of recharge shall be Rs. 15,000 for both single phase and three phase connections. Validity of the recharge shall be continued till the amount is available in the account of the consumer. Any recharge shall be allowed only when the 20 digit special meter reading code shall be made available by the consumer.

c) As regards the charging for testing of meter, the Petitioner shall recover the amount as approved by the Commission under Schedule of Miscellaneous Charges directly from such prepaid consumers as is done for postpaid consumers and shall not be charged from the recharge amount.

d) The Petitioner shall issue an advertisement in the newspapers within 15 days of the issue of this Order, briefly mentioning salient features of the Prepaid Metering Scheme for LT consumers upto 25 kW to provide an option to the consumer to express their interest to opt for the Prepaid metering scheme latest by June 15, 2021.

   It may be noted that the objective of calling applications for Prepaid metering shall be primarily for the purpose of estimation of the requirement of such meters based on the demand of the Scheme. Based on the requests received from the consumers opting for Prepaid metering, UPCL shall implement the Prepaid metering in a phased manner. Further, the Petitioner may also allow prepaid metering services to even those consumers who could not submit their request within the above stipulated time given in the advertisement and wish to opt for it subsequently.

e) The Petitioner is also directed to prepare a Salient Features of the Prepaid Metering Scheme (in 1-2 pages) and circulate the same along with the bills of May, 2021 to all the eligible consumers, i.e. LT consumers upto 25 kW, to facilitate wide circulation as well as to provide salient features of the proposed mechanism of the Prepaid Metering Scheme.

f) In case, the consumer opting for Prepaid Metering have outstanding arrears, the Petitioner shall adjust 20% of the past arrears or 50% of the recharge amount, whichever is higher from the recharge voucher, subject to the maximum of the outstanding arrears. Further, the maximum limit of recharge as mentioned above, shall not be applicable in case of consumers having outstanding arrears and accordingly, such consumers having past arrears will have to take minimum recharge of more than 20% of the outstanding arrears.

g) The Petitioner shall make necessary provisions to provide friendly credit hours/limit to the consumers, in order to ensure uninterrupted supply to the consumer in the event of expiry of the balance during non-working hours, i.e. night time or during holiday, so as to provide reasonable time to the consumer to procure the recharge voucher at the next possible working hours or working day. However, the charges for the electricity consumed between expiry of balance during non-working hours and subsequent recharge voucher shall be adjusted from the recharge voucher.

h) All the Prepaid meters will be provided with an alarm to indicate low credit.

i) As per the guiding principles and Section 47(5) of the Electricity Act, 2003, the Petitioner shall not charge any security deposit as is required in post-paid connections but price equivalent to the material cost, i.e. cost of meter and associated equipment's shall be charged as material security which shall be returned after adjusting for the depreciation at the time of permanent disconnection. The approved material security deposit (except for BPL domestic) for FY 2021-22 is Rs. 5000/- for single phase connection and Rs 10,000/- for three phase connection. BPL domestic consumers shall be exempted for payment of material security deposit.

j) The consumer shall be allowed only one transfer from postpaid to prepaid or otherwise in a financial year.

k) Voltage rebate/surcharge, low power factor surcharge and excess load penalty shall not be applicable for prepaid connections.

l) A rebate of 4% of Energy Charges for Domestic Category and 3% of Energy Charges for other categories shall be applicable as per tariff schedule for the consumers availing this scheme and the rebate shall only be applicable after installation and operationalization of Prepaid meters.

Provided that no rebate shall be applicable on (i) of Para 1 of RTS-8, i.e. Temporary Supply for Illumination/Public Address/ceremonies and festivities/functions/ temporary shops not exceeding 3 months.

Provided further that the fixed charge in respect of other domestic consumers [(1.2) of para 2 of the RTS -1] shall be Rs. 60/kW/month.

m) The solar water heater rebate shall be adjusted as follows:-

i. The rebate for first month of implementation of prepaid metering scheme shall be credited immediately on the first recharge. Thereafter, rebate shall be credited on monthly basis if recharge is done every month.

ii. In case recharge is not being done on monthly basis, then based on the capacity of Solar Water Heater installed by the consumer, solar water heater rebate would be credited for all the past months for which the rebate was due either at the time of recharge or when the consumer approaches UPCL.

5.1.3.7 Billing Cycle of HT Power Intensive Industrial Units (PIU)

The Petitioner has proposed extension of billing cycle of power intensive industrial units from existing 15 days to 1 month and realisation of security deposits from such consumers as per the provisions of the Supply Code. The Commission had notified the same for information to the stakeholders, however, no comment has been received in the matter till the date of the Order.

The Commission in its Tariff Order dated 25.04.2005 for FY 2005-06 had allowed the reduction of billing cycle of PIU consumer from 1 month to 15 days because of their higher billing and corresponding adjustment in security deposit. However, now there is no separate tariff for PIU category and they are billed at the same tariff at which general industries are being billed, hence, the Commisison is also of the opinion that the billing cycle for such consumers should be 1 month and realisation of security deposits from such consumers should be in accordance with the provisions of the prevalent Supply Code. Thus, the Commission accepts the request of UPCL and modifies the billing cycle of this category to 1 month and also allows UPCL to realise security deposits from such consumers in accordance with the provisions of the prevalent Supply Code.

5.1.4 *Treatment of Revenue Gap*

As concluded in Chapter 4 of the Order, the revenue at existing tariffs leaves a revenue gap of Rs. 260.71 Crore to meet the Net Revenue Requirement for FY 2021-22, post adjustment of the revenue surplus and gap determined after truing up of expenses and revenue based on the audited accounts for FY 2019-20.

The Commission in order to recover the gap has revised the tariffs for FY 2021-22. The approved tariff will be applicable from April 1, 2021 and will be effective till revised by the Commission.

5.1.5 *Cross Subsidy*

As per the provisions of Tariff Policy, the Regulatory Commission has to reduce the cross subsidies with respect to the cost of supply in a gradual manner. The Commission in its Tariff Order for FY 2020-21 had computed the cross subsidies for different category of subsidising consumers which were in accordance with the Tariff Policy.

The Commission has now revised the tariffs and has ensured that the cross subsidies are broadly reduced or maintained with respect to previous levels with few exceptions as discussed while discussing the cross subsidy levels at approved tariffs.

5.1.6 *Category-wise Tariff Design*

The Commission has designed the category-wise tariffs for full recovery of approved Net Revenue Requirement for FY 2021-22. The category-wise tariffs approved by the Commission are discussed below and are also shown in the Approved Rate Schedule placed at **Annexure-1**. These rates shall be effective from April 1, 2021 and shall continue to be applicable till further revised by the Commission.

5.1.7 *RTS-1: Domestic Tariff*

The Commission, while recognising the fact that BPL/lifeline consumers were one of the most economically weaker sections of the consumers, in its Tariff Order for FY 2003-04 had approved a tariff of Rs. 1.50/kWh for such consumers when the average cost of supply was Rs. 2.28/kWh. Considering the fact that the Tariff Policy permits that the tariffs for such BPL/lifeline consumers can be determined at 50% of the average cost of supply, the Commission in order to gradually reduce the cross subsidy and also to enable the licensee to recover some of its Fixed Cost, in its Tariff Order for FY 2011-12 dated May 24, 2011 had introduced a Fixed Charges of Rs. 5/connection/month which was further nominally increased every year.

As the overall tariff increase required for meeting the revenue requirement of UPCL for FY 2021-22 is marginal, the tariff for BPL consumers and first slab, i.e. consumer consuming upto 100 units have been retained at same level with no change.

For other domestic consumers, the fixed charges have been marginally increased to enhance the recovery from fixed charges. The energy charges for the second slab, i.e. for consumption between 101-200 units/month have been fixed as Rs. 4.00/kWh. The energy charges for the third slab, i.e. for consumption between 201-400 units/month have been fixed as Rs. 5.50/kWh and for consumers having consumption above 400 units/month, the energy charges have been fixed at Rs. 6.25/kWh.

For single point bulk supply connections, the energy charges have been increased to Rs. 5.15/kWh from Rs. 4.85/kWh and fixed charges have been increased to Rs. 95/kW/month from Rs. 85/kW/month.

A comparison of the tariff, i.e. existing, proposed by the Petitioner and that approved by the Commission, is given in the Table below:

Table 5.4: Tariff for Domestic Consumers

S. No.	Description	Existing Tariff		UPCL Proposed Tariff		Approved	
		Fixed Charge (Per Month)	Energy Charges	Fixed Charge (Per Month)	Energy Charges	Fixed Charge (Per Month	Energy Charges
	RTS-1: Domestic						
1.1	Life Line Consumers	Rs. 18/ Connection	Rs. 1.61/kWh	Rs. 18/ Connection	Rs. 1.61/kWh	Rs. 18/ Connection	Rs. 1.61/kWh
1.2	**Other Domestic Consumers**						
(i)	0-100 Units/Month	Rs. 60/ Connection	Rs. 2.80/kWh	Rs. 60/ Connection	Rs. 2.80/kWh	Rs. 60/ Connection	Rs. 2.80/kWh
(ii)	101-200 Units/Month	Rs. 95/ Connection	Rs. 3.75/kWh	Rs. 124/ Connection	Rs. 4.10/kWh	Rs. 120/ Connection	Rs. 4.00/kWh
(iii)	201-400 Units/Month	Rs. 165/ Connection	Rs. 5.15/kWh	Rs. 124/ Connection for 201-300 units and Rs 260/connection for 301-400 units	Rs. 4.10/kWh for 201-300 units and Rs 5.95/kWh for 301-400 units	Rs. 200/ Connection	Rs. 5. 50 /kWh
(iv)	Above 400 Units/Month	Rs. 260/ Connection	Rs. 5.90/kWh	Rs. 260/ Connection	Rs. 5.95/kWh	Rs. 300/ Connection	Rs. 6.25/kWh
2	Single point bulk supply	Rs. 85/kW	Rs. 4.85/kWh	Rs. 95/kW	Rs. 5.25/kWh	Rs. 95/kW	Rs. 5.15/kWh

RTS 1-A: Concessional Snowbound Area Tariff

No change in the tariffs have been made by the Commission for this category. A comparison of the tariff, i.e. existing, proposed by the Petitioner and that approved by the Commission, is given in the Table below:

Table 5.5: Concessional Tariff for Snowbound Areas

S. No.	Description	Existing Tariff		UPCL Proposed Tariff		Approved	
		Fixed Charge (Per Month)	Energy Charges	Fixed Charge (Per Month)	Energy Charges	Fixed Charge (Per Month)	Energy Charges
RTS-1A: Snowbound							
1.	Domestic	Rs. 18/ Connection	Rs. 1.61/kWh	Rs. 18/ Connection	Rs. 1.61/kWh	Rs. 18/ Connection	Rs. 1.61/kWh
2.	Non-Domestic upto 1 kW	Rs. 18/ Connection	Rs. 1.61/kWh	Rs. 18/ Connection	Rs. 1.61/kWh	Rs. 18/ Connection	Rs. 1.61/kWh
3.	Non-Domestic above 1 kW & upto 4 kW	Rs. 18/ Connection	Rs. 2.36/kWh	Rs. 18/ Connection	Rs. 2.36/kWh	Rs. 18/ Connection	Rs. 2.36/kWh
4.	Non-Domestic above 4 kW	Rs. 30/ Connection	Rs. 3.51/kWh	Rs. 30/ Connection	Rs. 3.51/kWh	Rs. 30/ Connection	Rs. 3.51/kWh

5.1.8 *RTS-2: Non-Domestic Tariff*

For Non-domestic consumers, the Commission has marginally increased the energy charges and fixed charges except for small Non-domestic consumers with load upto 4 kW and consumption upto 50 units per month to enable the licensee to recover its fixed cost and revenue gap. The Commission has separately specified the tariff for concessional sub-category of educational institutions, hospitals and charitable institutions, which shall include:

- Government/Municipal Hospitals;
- Government/Government Aided Educational Institutions; and
- Charitable Institutions registered under the provisions of Income Tax Act, 1961 and whose income is exempted from tax under this Act.

The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in Table below:

Table 5.6: Tariff for Non Domestic

S. No.	Description	Existing Tariff		UPCL Proposed Tariff		Approved	
		Fixed/ Charges (Per Month)	Energy Charges	Fixed/ Demand Charges (Per Month)	Energy Charges	Fixed/Demand Charges (Per Month)	Energy Charges
1	**Government, Educational Institutions and Hospitals etc.**						
1.1	Upto 25 kW	Rs. 70/ kW	Rs. 4.60/ kWh	Rs. 80/kW	Rs 4.70/kWh	Rs. 75/ kW	Rs. 4.65/ kWh
1.2	Above 25 kW	Rs. 80/ kVA	Rs. 4.35/ kVAh	Rs. 90/kVA	Rs 4.45 /kVAh	Rs. 85/ kVA	Rs. 4.40/ kVAh

Table 5.6: Tariff for Non Domestic

S. No.	Description	Existing Tariff		UPCL Proposed Tariff		Approved	
		Fixed/ Charges (Per Month)	Energy Charges	Fixed/ Demand Charges (Per Month)	Energy Charges	Fixed/ Demand Charges (Per Month)	Energy Charges
2	**Other Non-Domestic Users**						
2.1	Upto 4 kW and consumption upto 50 units per month	Rs. 70 / kW	Rs. 4.70/ kWh	Rs 70 /kW	Rs. 4.70 /kWh	Rs. 70 / kW	Rs. 4.70/ kWh
2.2	Others upto 25kW not covered in 2.1 above	Rs. 85 / kW	Rs. 5.75/ kWh	Rs. 95 /kVA	Rs. 5.90 /kWh	Rs. 90 / kW	Rs. 5.80/ kWh
2.3	Above 25 kW	Rs. 85 / kVA	Rs. 5.60/ kVAh	Rs. 95 /kVA	Rs. 5.80 /kVAh	Rs. 90 / kVA	Rs. 5.80/ kVAh
3	Single Point Bulk Supply above 75 kW	Rs. 85 / kVA	Rs. 5.65/ kVAh	Rs. 95/ kVA	Rs. 5.75 /kVAh	Rs. 90 / kVA	Rs. 5.75/ kVAh
4	Independent Advertisement Hoardings	Rs. 100/ kW	Rs. 6.25/kWh	Rs. 110/ kW	Rs 6.40 /kWh	Rs. 110/ kW	Rs. 6.40/kWh

5.1.9 *RTS-3: Government Public Utilities*

The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in the Table below:

Table 5.7: Tariff for Government Public Utilities

Description	Existing Tariff		UPCL Proposed Tariff		Approved	
	Fixed/ Demand Charges (Per Month)	Energy Charges	Fixed/ Demand Charges (Per Month)	Energy Charges	Fixed/ Demand Charges (Per Month)	Energy Charges
Urban (Metered)	Rs. 70/kVA	Rs. 5.40/ kVAh	Rs. 90/kVA	Rs. 5.94/ kVAh	Rs. 90/kVA	Rs. 5.80/ kVAh
Rural (Metered)	Rs. 60/kVA	Rs. 5.40/ kVAh	Rs. 80/kVA	Rs. 5.94/ kVAh	Rs. 80/kVA	Rs. 5.80/ kVAh

5.1.10 *RTS-4: Private Tube Wells/Pump Sets and Agriculture Allied Activities*

The Commission in order to gradually reduce the cross subsidy in this category has increased the energy charge from Rs 2.03/kWh to Rs 2.08/kWh for PTW consumers and to Rs 2.75/kWh for Agriculture Allied Activities.

The existing tariff, tariff proposed by the licensee and that approved by the Commission are given in the Table below:

Table 5.8: Tariff for Private tube Wells/ Pump Sets

Category	Existing Tariff		UPCL Proposed Tariff		Approved	
	Fixed/ Demand Charges (Per Month)	Energy Charges	Fixed/ Demand Charges (Per Month)	Energy Charges	Fixed/ Demand Charges (Per Month)	Energy Charges
RTS-4: Private Tube-wells / Pumping sets						
Metered	Nil	Rs. 2.03/ kWh	Nil	Rs. 2.03/ kWh	Nil	Rs. 2.08/ kWh
RTS-: **4A: Agriculture Allied Activities**						
Metered	Nil	Rs. 2.25/ kWh	Nil	Rs. 2.25/ kWh	Nil	Rs. 2.75/ kWh

5.1.11 *RTS-5: Industry*

The Commission while determining the tariff of HT and LT Industries has taken into consideration the average cost of supply and cross subsidy.

Further, as discussed above, the Commission has decided to retain the peak hour rate as 50% higher than the normal hour rate applicable for highest slab, i.e. with load factor above 40% for all the HT industrial consumers and increase the off peak hour rebate to 20%. Further, consumers opting for continuous supply as per eligibility given in this Order shall have to pay 5% additional energy charges as continuous supply surcharge only on energy supply made by UPCL, i.e. the surcharge will not be applicable if power is sourced through open access.

The existing tariff, tariff proposed by the licensee and that approved by the Commission for LT Industry is given in the Table below:

Table 5.9: Tariff for LT Industry

Category	Existing Tariff		UPCL Proposed Tariff		Approved	
	Fixed Charges (Per Month)	Energy Charges	Fixed Charges (Per Month)	Energy Charges	Fixed Charges (Per Month)	Energy Charges
RTS-5: Industry						
LT Industry						
1. Contracted Load upto 25 kW	Rs. 155/ kW	Rs. 4.60/ kWh	Rs. 155/ kW	Rs. 4.60/ kWh	Rs. 155/ kW	Rs. 4.60/ kWh
2. Contracted Load more than 25 kW	Rs. 150/ kVA	Rs. 4.25/ kVAh	Rs. 160/ kVA	Rs. 4.35/ kVAh	Rs. 160/ kVA	Rs. 4.30/ kVAh

The existing tariff and tariff proposed by the licensee and that approved by the Commission for HT Industry is given in the Table below:

Table 5.10: Existing, Proposed and Approved Tariff for HT Industries

S. No.	Category	Load Factor	Existing Tariff		UPCL Proposed Tariff		Approved Tariff	
			Energy Charges (Rs./kVAh)	Fixed /Demand Charges (Rs./kVA)	Energy Charges (Rs./kVAh)	Fixed /Demand Charges (Rs./kVA)	Energy Charges (Rs./kVAh)	Fixed /Demand Charges (Rs./kVA)
1	HT Industry having contracted load above 88kVA/75 kW (100 BHP)							
1.1	Contracted Load up to 1000 kVA	Upto 40%	4.20	Rs. 310/kVA of the billable demand	4.98	At 11 kV: 400 Rs/kVA of billable demand At 33 kV: 380 Rs/kVA of billable demand At 132 kV and above: 360 Rs/kVA of billable demand	4.45	Rs. 340/kVA of the billable demand
		Above 40%	4.60		4.84		4.85	
1.2	Contracted Load More than 1000 kVA	Upto 40%	4.20	Rs. 370/kVA of the billable demand	4.98		4.45	Rs. 410/kVA of the billable demand
		Above 40%	4.60		4.84		4.85	

5.1.12 *RTS-6: Mixed Load*

The Commission has increased the tariff for this category to reduce the level of cross subsidy. The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in the Table below:

Table 5.11: Tariff for Mixed Load

Description	Existing Tariff		UPCL Proposed Tariff		Approved Tariff	
	Fixed / Demand Charges Per Month)	Energy Charges	Fixed / Demand Charges Per Month)	Energy Charges	Fixed / Demand Charges (Per Month)	Energy Charges
RTS-6: Mixed Load						
Mixed Load Single Point Bulk Supply above 75 kW including MES as deemed licensee	Rs. 90/kW	Rs. 5.30/kWh	Rs. 100/kW	Rs. 5.45/kWh	Rs. 110/kW	Rs. 5.45/kWh

5.1.13 *RTS-7: Railway Traction*

The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in Table below:

Table 5.12: Tariff for Railway Traction

Description	Existing Tariff		UPCL Proposed Tariff		Approved Tariff	
	Fixed / Demand Charges (Per Month)	Energy Charges	Fixed / Demand Charges (Per Month)	Energy Charges	Fixed / Demand Charges (Per Month)	Energy Charges
RTS-7: Railway Traction	Rs. 250/kVA	Rs. 4.65/ kVAh	Rs. 270/kVA	Rs. 4.80/ kVAh	Rs. 265/kVA	Rs. 4.70/ kVAh

5.1.14 *RTS-8: Electric Vehicle Charging Stations*

In order to promote Electric Vehicles in the State, the Commission has retained the tariff for this category at existing level. The tariff proposed by the licensee and that approved by the Commission is given in the Table below:

The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in Table below:

Table 5.13: Tariff for Electric Vehicle Charging Stations

Description	Existing Tariff		UPCL Proposed Tariff		Approved Tariff	
	Fixed/Demand Charges (Per Month)	Energy Charges	Fixed/Demand Charges (Per Month)	Energy Charges	Fixed/Demand Charges (Per Month)	Energy Charges
RTS-8: Electric Vehicle	--	Rs. 5.50/ kWh	--	Rs. 5.75/ kWh	--	Rs. 5.50/ kWh

5.2 Revenue for FY 2021-22

Considering the revised tariffs, the Commission has projected revenue at the approved tariffs from each category for FY 2021-22. The summary of category-wise projected revenue for FY 2021-22 is given in the following Table:

Table 5.14: Summary of Category Wise Projected Revenue at Approved Tariffs for FY 2021-22

S. No.	Category	Sales	Revenue	Average Billing Rate (ABR)
		MU	Rs. Crore	Rs./Unit
1.	RTS-1: Domestic	3542.81	1637.96	4.62
2.	RTS-2: Non Domestic	1494.84	991.82	6.63
3.	RTS-3: Govt. Public Utilities	759.49	490.48	6.46
4.	RTS-4: Private Tube Wells	207.48	43.91	2.12
5.	RTS-5: Industry			
	LT Industry	319.63	199.64	6.25
	HT Industry	6663.45	4167.79	6.25
6.	RTS-6: Mixed Load	190.23	111.67	5.87
7	RTS-7: Railway Traction	31.24	19.24	6.16
8.	Additional Sales (Efficiency improvement)	38.40	22.28	5.80
Total		**13247.57**	**7684.78**	**5.80**

The estimated revenue for FY 2021-22 at approved tariffs works out to Rs. 7684.78 Crore, as against the net ARR of Rs. 7625.22. Crore worked out after adjusting trued-up surplus/gaps of previous years leaving a surplus of Rs. 59.55 Crore with UPCL. The Commission has left some surplus while designing the tariffs as exact impact of all the tariff rationalisation measures approved by the Commission cannot be estimated at this stage.

The Commission has introduced the prompt payment rebate in this Order and this rebate will have substantial impact on revenues for FY 2021-22. In this regard, UPCL submitted that the impact of prompt payment rebate would be in the range of Rs. 45 Crore to Rs. 56 Crore. The Commission, as discussed above, while designing the tariff for FY 2021-22 has already left a surplus of Rs. 59.55 Crore which may be utilized by UPCL to adjust the financial impact on account of prompt payment rebate allowed to the consumers.

The Commission will consider the actual sales and revenue while carrying out the truing up for FY 2021-22.

5.3 Cross Subsidy

As discussed above, the Commission has designed the tariffs for various categories with an objective of gradually reducing the cross subsidy with respect to average cost of supply. The extent of category-wise cross-subsidy at approved tariffs computed at average cost of supply is given in the Table below:

Table 5.15: Cross Subsidy at Average Cost of Supply for FY 2021-22

Category	Approved Average Billing Rate (ABR)	Average Cost of Supply (ACoS)	ABR / ACoS	Cross Subsidy
	Rs./kWh	Rs./kWh	%	%
RTS-1: Domestic	4.62	5.76	80.3%	-19.7%
RTS-2: Non Domestic	6.63	5.76	115.2%	15.2%
RTS-3: Govt. Public Utilities	6.46	5.76	112.1%	12.1%
RTS-4: Private Tube Wells	2.12	5.76	36.81%	-63.19%
RTS-5: Industry				
LT Industry	6.25	5.76	108.4%	8.4%
HT Industry	6.25	5.76	108.6%	8.6%
RTS-6: Mixed Load	5.87	5.76	101.9%	1.9%
RTS-7: Railway Traction	6.16	5.76	106.9%	6.9%

The comparison of Cross Subsidy at approved tariffs with respect to the average cost of supply in Tariff Order for FY 2020-21 and as approved in this Tariff Order for FY 2021-22 is given below:

Table 5.16: Cross Subsidy at Approved Tariffs in FY 2020-21 and FY 2021-22

Category	Cross Subsidy at Approved Tariff for FY 2020-21	Cross Subsidy at Approved Tariff for FY 2021-22
RTS-1: Domestic	-19.7%	-19.7%
RTS-2: Non Domestic	15.4%	15.2%
RTS-3: Govt. Public Utilities	5.4%	12.1%
RTS-4: Private Tube Wells	-63.1%	-63.2%
RTS-5: Industry		
LT Industry	9.0%	8.4%

Table 5.16: Cross Subsidy at Approved Tariffs in FY 2020-21 and FY 2021-22

Category	Cross Subsidy at Approved Tariff for FY 2020-21	Cross Subsidy at Approved Tariff for FY 2021-22
HT Industry	9.5%	8.6%
RTS-6: Mixed Load	2.0%	1.9%
RTS-7: Railway Traction	7.2%	6.9%

The Commission while designing the tariffs for FY 2021-22 has reduced the cross subsidies for most of the categories with respect to approved tariffs for FY 2020-21 and has ensured to bring the cross-subsidy levels within the range specified in the National Tariff Policy.

Further, it can be seen from the Table above, cross-subsidies of all the subsidising consumers is within the range of 120% as required in the Tariff Policy.

Further, once the cross-subsidy level has been reduced to be within ±20%, there is no mandate under the Act or Tariff Policy to reduce it further. The criteria of ± 20 % of the average cost of supply for all the categories including subsidised categories depends upon the consumption mix of the Licensee. However, in case of the Petitioner, the consumption mix is skewed towards subsidising categories having almost two third of total sales, while the consumption by subsidised categories is around one third of the total consumption. Therefore, in case of Petitioner, though the tariff for all the subsidising categories have been within 120% of the overall average cost of supply of the Petitioner, the average tariff for some of the subsidised categories is less than 80% of the overall average cost of supply of the Petitioner.

Hon'ble Appellate Tribunal of Electricity, in its Judgment dated February 28, 2012, in Appeal No. 159 of 2011 has expressed similar views. The relevant extract given in Para 16 of the Judgment is reproduced as under:

"... Provision of restricting cross subsidy to +/- 20% in Tariff Policy is applicable to areas where proportion of both the categories, subsidizing and subsidized, are comparable. The same yard stick cannot be applied in areas where consumer mix is highly biased in favour on one category."

5.4 Open Access Charges

Uttarakhand Electricity Regulatory Commission (Terms and Conditions of Intra State Open Access) Regulations, 2015 inter-alia specify wheeling charges applicable on the customers seeking open access through distribution system, based on the category/nature of open access these customers come under in accordance with the Regulations.

In this regard, Regulation 20(2) specifies as under:

"Wheeling charges payable to distribution licensee, by an open access customer for usage of its system shall be as determined as under:

Wheeling Charges = (ARR–PPC–TC) /(PLSD X365) (Rs./MW/Day)

Where,

ARR=Annual Revenue Requirement of the distribution licensee for the relevant year

PPC= Total Power Purchase Cost of distribution licensee for the relevant year

TC = Total transmission charges paid by distribution licensee for State and Inter-State transmission system for the relevant year

PLSD= Total Peak load served by the concerned distribution system for the previous year

Provided where Open Access is allowed up to contracted load, embedded open access consumer shall pay wheeling charges as determined by the Commission in the following

manner:

*WC Embedded consumer = WC – [FC*0.85*12*1000/365] (in Rs./MW/day)*

Where,

WC Embedded consumer = Net wheeling charges for embedded consumers

WC= Wheeling charges as determined by the Commission in accordance with the methodology specified in Regulation 20(2) contained in Chapter 5 of these regulations.

FC= Fixed/demand charges in Rs/kVA/month as per rate schedule approved in the Tariff Order for the relevant year. For the purpose of conversion of kVA into kW power factor of 0.85 has been taken.

Note: In case Wheeling Charges for Embedded consumer worked out as above becomes negative, such charge shall be zero.

Provided that wheeling charges shall be payable on the basis of Approved Capacity.

Provided where open access is allowed beyond the contracted load, embedded open access consumer shall pay wheeling charges for the excess load as determined by the Commission in the following manner:

WC For excess load allowed= (ARR–PPC–TC) /(PLSD X365) (Rs./MW/Day)"

Thus, as can be seen from the above reading of the Regulations wheeling charges for the open access consumers shall be determined as under:

Wheeling Charges = (ARR–PPC–TC) /(PLSD X365) (Rs./MW/Day)

ARR as approved by the Commission in the Table 4.50 is Rs. 7287.63 Crore (excluding NTI & truing up impact of FY 2019-20) and after excluding the power purchase cost and Transmission Charges, the net amount works out to Rs. 1143.11 Crore.

The PLSD during FY 2020-21 is 2372 MW.

Hence, in accordance with the methodology provided in the aforesaid Regulations, the wheeling charges payable by customers seeking open access for FY 2021-22 (applicable upto 31st March, 2022) shall be:

Table 5.17: Wheeling Charges approved for FY 2021-22

Description	Rs./MW/day
Wheeling Charges	**13,203/-**

"Embedded open access consumers" who have been allowed open access up to the contracted load shall not pay the wheeling charge as above who shall otherwise pay net wheeling charges calculated in accordance with the methodology specified in the regulations and the same works out to Rs. 1746/MW/day for HT industry consumers having contracted load above 1000 kVA and Rs. 3702/MW/day for HT industry consumers having contracted load upto 1000 kVA. Non-Domestic consumers shall pay wheeling charges of Rs. 10688/MW/day. Moreover, "embedded open access consumers" who have been allowed open access beyond the contracted load shall pay wheeling charges for the excess load equal to Rs. 13,203/MW/day. However, where a dedicated distribution system for open access has been constructed for exclusive use of an open access customer, the wheeling charges for such dedicated system shall be worked out by the distribution licensee for its respective system and shall get it approved by the Commission and will be borne entirely by such open access customer till such time the surplus capacity is allotted and used by other open access customers, where after, the cost of the above system will be shared on pro-rata basis depending upon open access capacity allotted to them. Provided that wheeling charges shall not be levied on the open access customers connected to the transmission system at 132 kV and above voltage levels. The distribution losses applicable to open access customers for FY 2021-22 shall be the pooled average system distribution losses, i.e. 13.75% considered in this Order. Cross subsidy surcharge applicable, in accordance with the Regulations, to open access customers for FY 2021-22 have been determined as Rs. 0.49/kWh for HT industrial consumers and Rs. 0.87/kWh for non-domestic consumers.

The Petitioner is hereby directed that the wheeling charges and cross subsidy surcharge recovered from open access customers shall be shown separately under the separate head of income in its ARR/Tariff filings.

6. Commission's Directives

The Commission in its previous Orders had issued a number of specific directions to the Petitioner with an objective of attaining operational efficiency, efficient manpower deployment and streamlining the flow of information. These objectives would be beneficial not only for the sector but also for the Petitioner's Company, both in terms of short-term and long-term perspective. These directions aim at creating a conducive, competitive and healthy environment for the Petitioner to provide good quality of electricity supply and service to the consumers of Uttarakhand at optimum and affordable costs. This Chapter deals with the compliance status and the Commission's views thereon on the directives issued vide APR Order for FY 2019-20 dated April 18, 2020 as well as the summary of new directions (given in preceding Chapters of this Order) for compliance and implementation by the Petitioner.

6.1 Compliance to the Directives Issued in APR Order for FY 2019-20 dated April 18, 2020

6.1.1 *Performance Report*

The Commission directed the Petitioner to submit the monthly Commercial Performance Monitoring reports strictly as per prescribed formats by the 25th day of the following month and quarterly targets as per prescribed formats along with Commercial Performance Monitoring report for the month of April, 2020.

Petitioner's Submissions

The commercial performance monitoring report in the prescribed formats for the month of March 2020 has been submitted to the Commission vide letter No. 3222/UPCL/RM/CPM, dated October 15, 2020. Division-wise quarterly targets for NA/NR/IDF/ADF/RDF/Mechanical Meters/Ghost consumers have been submitted to the Commission vide letter No. 3032/UPCL/RM/CPM, dated October 16, 2020.

The Commission has noted the submissions of the Petitioner. The Commission observes that the Petitioner has not been punctual in its submissions of monthly reports. **The Commission again directs Petitioner to submit monthly Commercial Performance Monitoring reports strictly in the prescribed formats on regular basis, so as to reach the Commission latest by 25th day of the**

following month and furnish the Quarterly Targets as per prescribed Format - 2 & 3 alongwith the Commercial Performance Monitoring report for the month of April, 2021.

6.1.2 *Sales*

The Commission directed the Petitioner to record all the sales on assessement basis from FY 2019-20 in proper format with supporting documents, which shall be scrutinised in future tariff filings and inability to furnish such data will attract appropriate action under the Act.

Petitioner's Submission

UPCL vide its letter No. 1313/UPCL/RM/C-14 dated April 04, 2018 directed all its concerned field officers to carry out the corresponding corrections in sales (units) in cases where sales / billing is withdrawn. The instructions to this effect had also been circulated to the field officers vide O.M. dated July 01, 2017.

UPCL vide its letter No. 2030/UPCL/RM/C-16, dated July 30, 2020 again directed all the field officers to comply with the directions of the Commission.

The Commission has noted the submissions of the Petitioner. The Commission as discussed in Chapter 3 of this Order while approving sales for FY 2019-20 observed similar anomalies wherein the ABR for some of the categories was less than the energy charge. The Commission has, therefore, carried out necessary adjustment in the revenue and sales in this regard. **The Commission directs the Petitioner to record all the sales on assessement basis from FY 2020-21 in proper format with supporting documents, which shall be scrutinised in future tariff filings and inability to furnish such data may attract appropriate action under the Act.**

6.1.3 *Load Shedding*

The Commission directed the Petitioner to obtain the prior approval of the Commission for load shedding to be carried out continuously for certain number of hours in a day for 15 or more days.

Petitioner's Submission

The Petitioner submitted that no load shedding has been carried out by UPCL in any area continuously for certain number of hours in a day for 15 or more days. Further, prior approval of the Commission shall be obtained as and when required as per the directions of the Commission.

The Petitioner further stated that UPCL has also prepared a policy on power cuts. The policy was approved by the Board of UPCL in the meeting held on July 23, 2015 and submitted the same to the Commission.

The Commission has taken note of the Petitioner's reply. **The Commission, hereby, once again directs the Petitioner to obtain the prior approval of the Commission for load shedding to be carried out continuously for certain number of hours in a day for 15 or more days.**

6.1.4 *AT&C Losses*

The Commission in its APR Order dated April 18, 2020 directed the Petitioner to submit the division-wise target distribution losses for FY 2019-20 and actual distribution losses for FY 2019-20 by June 30, 2020. Further, the Commission directed the Petitioner to submit the division-wise actual collection efficiency achieved during FY 2019-20 by June 30, 2020.

Petitioner's Submissions

The Petitioner in its Petition submitted that the desired information has been submitted to the Commission vide letter No. 2124/UPCL/RM/C-16, dated August 10, 2020. The target distribution loss, actual distribution loss and actual collection efficiency set by UPCL communicated to the Commission vide above letter are 12.39%, 13.40% and 91.87%, respectively. The Petitioner also submitted that it is pertinent to mention that the target distribution loss and collection efficiency approved by the Commission for FY 2019-20 were 14.25% and 99.05%, respectively.

The Commission directs the Petitioner to submit the division-wise target distribution losses for FY 2020-21 and actual distribution losses for FY 2020-21 by June 30, 2021. Further, the Commission directs the Petitioner to submit the division-wise actual collection efficiency achieved during FY 2020-21 by June 30, 2021.

6.1.5 *Power Purchase Quantum and Cost*

The Commission directed the Petitioner to seek prior approval of the Commission, in case the variation in power purchase quantum or power purchase cost in any quarter exceeded by more than 5% of the approved power purchase quantum and cost for the respective quarter worked out on pro-rata basis from the total approved quantity and cost for FY 2020-21.

The Commission directed the Petitioner that it should neither overdraw power at frequency below 49.90 Hz nor resort to load shedding due to improper procurement planning. Further, any drawal below 49.90 Hz shall not be allowed by the Commission.

Petitioner's Submissions

In compliance with the above directions, the Petitioner submitted that the quantum and cost of power purchases in first and second quarter of FY 2020-21 are within the limit approved by the Commission. Further, the Petitoner submitted that the details of power purchase cost were submitted to the Commission vide UPCL's letter No. 2271/UPCL/CE(Comml)/PP-quarterly data dated August 18, 2020 and letter No. 3624/UPCL/CE(Comml)/PP-quarterly data dated December 4, 2020. **The Commission directs the Petitioner to seek prior approval of the Commission, in case the variation in power purchase quantum or total power purchase cost in any quarter exceeds by more than 5% of the approved power purchase quantum and cost for the respective quarter worked out on pro-rata basis from the total approved quantum and cost for FY 2021-22, failing which, the Commission may disallow the power purchases so made while Truing up the ARR for FY 2021-22.**

The Commission directs the Petitioner that it should neither overdraw power at frequency below 49.90 Hz nor resort to load shedding due to improper procurement planning. Further, any drawal below 49.90 Hz shall not be allowed by the Commission.

6.1.6 *Fixed Assets Register*

The Commission directed the Petitioner to submit the Fixed Asset Register updated upto FY 2019-20 within 3 months from the date of this Order.

Petitioner's Submissions

The Petitioner submitted that the work of preparation of Fixed Assets Register for FY 2017-18 to FY 2019-20 was awarded to M/s. RSA & Co. Chartered Accountants, on March 13, 2019. The Register for FY 2018-19 has been submitted to the Commission vide letter No. 2768/UPCL/RM/C-16 dated September 23, 2020 and the work of preparation of Fixed Assets Register for FY 2019-20 is in progress.

The Commission directs the Petitioner to submit the Fixed Asset Register updated upto FY 2020-21 within 3 months from the date of this Order.

6.1.7 *Bad &Doubtful Debts*

The Commission directed the Petitioner to submit all requisite information as directed in its Order dated February 27, 2019, i.e. audit report of receivables, identifying and classifying the same in detail within 6 months from the date of this Order.

Petitioner's Submissions

In compliance to the directions issued by the Commission, UPCL floated the tender for "Engagement of consultant for Audit of Receivables for Sale of Power", which was published in the newspaper on October 16, 2018. All the 41 distribution divisions were covered under the tender.

The tender was initially scheduled to be opened on November 6, 2018, however, due to lack of sufficient participation, Part – 1 of the tender was opened on November 30, 2018. Only two CA firms submitted their bid, i.e. M/s R. K. Patel & Co. and M/s Singh Agarwal & Associates, Lucknow and Part – 1 of both the bidders was opened but only one firm, i.e. M/s Singh Agarwal & Associates, Lucknow qualified and LoI was issued to the firm vide UPCL's letter No. 259/ UPCL/ CE/CCP-II/22/2018-19(Singh), dated June 24, 2019.

M/s Singh Agarwal & Associates, Lucknow vide letter dated July 09, 2019 conveyed its inability to perform this project and, accordingly, UPCL vide its O.M. No. 401/UPCL/CE/CCP-II/22/2018-19, dated August 05, 2019 finally scrapped the above tender.

The Petitioner submitted that the matter was discussed in the meetings of the Audit Committee and the Audit Committee in the meeting held on June 19, 2019 inter-alia, directed as follows in the matter:

> *"Audit of Receivables of five divisions with largest receivables should be conducted by some Internal Auditors. This should be effectively monitored, and action taken be reported by Sep. 2019."*

Tendering process was again initiated and UPCL vide letter No. 2867/UPCL/RM/N-20, dated February 06, 2019 awarded the work of Audit of Receivables in respect of the five distribution divisions having largest receivables as on March 31, 2019 to M/s Madhu Gupta and Co., Chartered Accountants, Lucknow. The Auditor has submitted the final Audit Reports at Corporate Office in the month of August, 2020 and the same was forwarded to the concerned Distribution Divisions for taking action in the matter.

Further, the Petitioner vide letter dated February 27, 2021 submitted the copy of the Audit Report submitted by M/s Madhu Gupta and Co., Chartered Accountants, Lucknow.

The Petitioner submitted that draft Policy on the provisioning and writing off of bad and doubtful debts was submitted to the Commission along with ARR and Tariff Petition for FY 2018-19 and the Commission in first week of August, 2020 has invited the comments from stakeholders by August 27, 2020. On finalization of the Policy by the Commission, the work of write off of bad and doubtful debts shall be done by UPCL as per the provisions of the approved policy.

The Commission has gone through the submissions of the Petitioner and with regard to Audit Report, **UPCL is directed to submit an action taken report by the concerned distribution divions on the audit report latest by June 30, 2021.**

With regard to finalization of Policy, the Policy is pending approval of the Commission and is likely to be issued soon and, thereafter, consequential impact, if any, would be allowed to UPCL in the ensuing years.

6.1.8 *Reliability Indices*

The Commission once again directs the Petitioner to submit the monthly report on Reliability Indices on regular basis.

Petitioner's Submissions

Steps have been taken at Corporate Office to ensure that the said report is submitted to the Commission in a timely manner on a regular basis. The report for the months of September, 2019 to February, 2020 has been submitted to the Commission vide letter No. 3199/UPCL/RM/M-SSM, dated October 26, 2020. The details of SAIFI, SAIDI and MAIFI are as follows:

Table 6.1: Details of SAIFI, SAIDI & MAIFI for April 2018 to August 2020

Particulars	SAIFI (No.)		SAIDI (Minutes)		MAIFI (Minutes)	
	Rural	Urban	Rural	Urban	Rural	Urban
April, 2018	35	23	1120	643	9	7
May, 2018	49	29	1631	883	10	8
June, 2018	47	33	1326	904	11	11
July, 2018	49	35	1350	986	11	11
August, 2018	45	31	1303	917	11	11
September, 2018	43	30	1704	965	9	8
October, 2018	34	23	1182	762	6	7
November, 2018	27	16	825	462	6	6

Table 6.1: Details of SAIFI, SAIDI & MAIFI for April 2018 to August 2020

Particulars	SAIFI (No.)		SAIDI (Minutes)		MAIFI (Minutes)	
December, 2018	28	19	848	486	6	6
January, 2019	33	24	1098	654	7	6
February, 2019	32	23	1157	658	7	6
March, 2019	28	20	890	506	7	5
April, 2019	34	25	1244	677	9	6
May, 2019	48	32	1906	950	11	7
June, 2019	49	37	1819	1116	11	9
July, 2019	63	41	1566	996	30	12
August, 2019	43	32	1471	809	11	9
September, 2019	55	31	1384	745	16	9
October, 2019	45	25	996	676	12	7
November, 2019	39	21	1245	593	13	6
December, 2019	18	15	853	608	7	6
January, 2020	21	18	729	372	7	7
February, 2020	19	12	758	475	4	4
March, 2020	15	9	420	184	6	4
April, 2020	28	18	1006	772	6	5
May, 2020	27	17	857	568	6	4
June, 2020	39	23	1127	789	9	7
July, 2020	41	25	1319	865	19	11
August, 2020	48	32	1440	1006	26	13

The Commission has noted the Petitioner's reply on Reliability Indices. **The Commission once again directs the Petitioner to submit the monthly report on Reliability Indices on regular basis.**

6.1.9 *Voltage-wise Cost of Supply*

The Commission directed the Petitioner to compute Voltage-wise losses for each category of consumers and submit the data on voltage-wise losses alongwith next Tariff Petition.

Petitioner's Submissions

The Petitioner submitted that the work of metering has been completed at all 33 kV and 11 kV T-points.

As per direction of the Commission issued in the meeting held on August 27, 2019, UPCL vide its letter No. 3481/UPCL/RM/C-15, dated October 31, 2019 submitted the details of losses on 33 kV industrial feeders under EDD, Bhagwanpur.

The Petitioner further submitted that concurrent Energy Audit has been carried out by UPCL through M/s Feedback Ventures for 17 Ditribution Divisions. The report for the period April to June 2020 has been submitted to the Commission vide letter No. 3535/UPCL/RM/C-16 dated November 27, 2020.

The Commission has noted the Petitioner's reply. **The Commission directs UPCL to compute Voltage-wise losses for each category of consumers and submit the data on voltage-wise losses alongwith next Tariff Petition.**

6.1.10 *Demand Side Management Measures*

The Commission directed the Petitioner to submit the report on various Demand Side Management measures at regular quarterly intervals to the Commission.

Petitioner's Submissions

The Petitioner submitted that upto March, 2017 a total of 38.845 Lakh LED bulbs have been distributed in the State, out of which, 2.02 Lakh 7 W LED bulbs to BPL consumers and 1.98 Lakh 7 W LED bulbs to other domestic consumers having consumption upto 100 units, have been distributed at subsidized rates. Further, distribution of 9W LED bulbs, 20W LED Tube Light and 50W Energy Efficient Ceiling Fans has also been initiated in the State with effect from April 10, 2017 onwards and the Petitioner submitted the status of the same.

The Commission has taken note of the submissions of the Petitioner. **The Commission, hereby, re-directs the Petitioner to submit the report on various Demand Side Management measures at regular quarterly intervals to the Commission.**

6.1.11 *Deficit/Surplus Power*

The Commission directed the Petitioner to bank the surplus energy available during the months of May 2020 to September 2020 and withdraw the same in the months of October 2020 to March 2021.

Petitioner's Submissions

The Petitioner has submitted a Petition seeking approval of the Commission on draft Energy Banking Agreement for FY 2020-21 filed vide letter No. 1357, 1358, 1359 and 1360/UPCL/Com/dated June 1, 2020. The draft Energy Banking Agreement was approved by the

Commission vide Order dated July 20, 2020. The Petitioner submitted the banking plan for FY 2020-21, as approved by the Commission for the period May 2020 to March 2021 with Net banking of 128.40 MU (net of Forward Banking of 786.56 MU and Return banking of 914.96 MU). The Petitioner also submitted the details of banking for the period from April 2020 to November 2020 of (714.71) MU (net of Forward Banking of 786.56 MU and Return banking of 71.85 MU).

The Commission has taken note of the submissions of the Petitioner. **The Commission directs the Petitioner to bank the surplus energy available during the months of May 2021 to September 2021 and withdraw the same in the months of October 2021 to March 2022.**

6.1.12 *Status of NA/NR, IDF/ADF/RDF*

The Commission directed the Petitioner to put in its sincere efforts in reducing the percentage NA/NR cases to below 2% in the entire State latest by September 30, 2020, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) and Executive Engineer (Test) shall be held responsible for non-compliance of the Commission's directions and appropriate action under the Act/Rules/Regulations would be initiated. The Commission directed Company Secretary of UPCL to issue a copy of these directions to concerned officers, as mentioned hereinabove, for information and necessary compliance.

The Commision further directed Petitioner to restrict the provisional billing cases within the limit prescribed above as well as in the Regulations, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) and Executive Engineer (Test) shall be held responsible for non-compliance of the Commission's directions and appropriate action under the Act/Rules/Regulations may be initiated.

Petitioner's Submissions

UPCL vide its letter No. 2030/UPCL/RM/C-16, dated July 30, 2020 had directed all the field officers to comply with this direction of the Commission, i.e. to restrict percentage NA/NR cases to 2% latest by September 30, 2020. Division-wise quarterly targets of NA/NR cases were fixed to reduce the NA and NR cases from 1.26% and 7.64% at the end of Q1 to 1.05% and 1.97%, respectively, by the end of Q4 and submitted to the Commission vide letter No. 3032/UPCL/RM/CPM, dated September 10, 2020. However, the actual status of NA and NR cases have been 3.54% and 4.64%, 4.25% and 4.16%, and 1.86% and 0.91% as on March 31, 2018, March 31, 2019 and December 31, 2020, respectively.

The Commission directs the Petitioner to put in its sincere efforts in maintaining the percentage NA/NR cases to below 2% in the entire State latest by 30.09.2021, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) and Executive Engineer (Test) shall be held responsible for non-compliance of the Commission's directions and appropriate action under the Act/Rules/ Regulations would be initiated.

The Commission again directs the Petitioner to restrict the provisional billing cases within the limit prescribed above as well as in Regulations, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) and Executive Engineer (Test) shall be held responsible for non-compliance of the Commission's directions and appropriate action under the Act/Rules/Regulations may be initiated.

6.1.13 *Replacement of Improper, Non-Functional, Stop/Stuck up defective or IDF Meters*

The Commission directed the Petitioner to restrict the percentage defective meters (IDF) to 3% in plains as well as in hilly areas of the State upto June 30, 2020, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) and Executive Engineer (Test) shall be held responsible for non-compliance of the Commission's directions and appropriate action under the Act/Rules/Regulations would be initiated.

Petitioner's Submissions

UPCL vide letter No. 2030/UPCL/RM/C-16, dated July 30, 2020, had directed all the field officers to comply with this direction of the Commission, i.e. to restrict percentage of IDF meters to 3%. Later on, division-wise quarterly targets of IDF meters were fixed to be reduced to 2.25% by the end of Q4 and have been submitted to the Commission vide letter No. 3032/UPCL/RM/CPM, dated September 16, 2020. Further, the Petitioner submitted that the status of defective meters as on December 31, 2020 is at 3.40%.

The Commission again directs the Petitioner to restrict percentage defective meters (IDF) to 3% in plains as well as in hilly areas of the State by June 30, 2021, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) and Executive Engineer (Test) shall be held responsible for non-compliance of the

Commission's directions and appropriate action under the Act/Rules/Regulations may be initiated.

6.1.14 *Replacement of Mechanical Meters*

The Commission directed the Petitioner to ensure complete replacement of Mechanical Meters by Electronic Meters well before June 30, 2020, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) shall be held responsible for non-compliance of the Commission's directions and appropriate action under the Act/Rules/ Regulations would be initiated. The Commission directed Company Secretary of UPCL to issue a copy of these directions to concerned officers, as mentioned hereinabove, for information and necessary compliance.

Petitioner's Submissions

UPCL vide its letter No. 2030/UPCL/RM/C-16, dated July 30, 2020 directed all the field officers to comply with this direction of the Commission, i.e. to ensure complete replacement of mechanical meters by electronic meters before September 30, 2020. Division-wise quarterly targets for replacement of mechanical meters were fixed to be reduced to "zero" by the end of Q4 and have been submitted to the Commission vide letter No. 3032/UPCL/RM/CPM, dated September 16, 2020. However, the actual status as on March 31, 2020 is that 15,306 mechanical meters were to be replaced to electronic meters. Further, the Petitioner, vide its letter dated February 27, 2021 has submitted that 25 mechanical meters are yet to be replaced to electronic meters in EDD(U) Haridwar.

The Commission directs the Petitioner to ensure complete replacement of Mechanical Meters by Electronic Meters well before June 30, 2021, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) shall be held responsible for non-compliance of the Commission's directions and appropriate action under the Act/Rules/ Regulations may be initiated. The Commission directs Company Secretary of UPCL to issue a copy of these directions to concerned officers, as mentioned hereinabove, for information and necessary compliance.

6.1.15 *NB & SB Cases*

The Commission directed the Petitioner to liquidate and finalise atleast 5% of the NB/SB cases in each quarter and submit quarterly report before the Commission. In absence of the same, action under the provisions of Act/Rules/Regulations may be initiated against the Petitioner.

Petitioner's Submissions

UPCL vide its letter No. 2030/UPCL/RM/C-16 dated July 30, 2020 directed all the field officers to liquidate and finalise atleast 5% of NB/SB cases in each quarter. NB/SB cases for the month of March 2020 has been submitted to the Commission vide letter No. 2327/UPCL/RM/CPM, dated August 21, 2020. The total no. of cases finalized in FY 2019-20 is 10.01% and the total number of cases as on March 31, 2020 were 1,59,329.

The Commission again directs the Petitioner to liquidate and finalise atleast 5% of the NB/SB cases in each quarter and submit quarterly report before the Commission. In absence of the same, action under the provisions of Act/Rules/Regulations may be initiated against the Petitioner.

6.1.16 *Outstanding Arrears*

The Commission directed the Petitioner to make sincere efforts in mobilizing its resources throughout the year for collection of Arrears under a structured receivable management programme besides taking corrective actions against the habitual defaulters. The Petitioner was further directed to submit an Action Plan within a month of issuance of Order dated April 18, 2020 including the steps it proposes to take to collect electricity dues from the begining of the financial year with same vigour as it normally does in the last quarter of the financial year.

Petitioner's Submissions

The Petitioner submitted that with a view to collect revenue uniformly throughout the year, UPCL vide letter dated July 24, 2020 has fixed the monthly revenue collection targets in respect of Non-Govt. categories of the distribution divisions. The collection targets excluding and including the arrears are Rs. 6240.45 Crore and Rs. 6623.67 Crore, respectively, for FY 2020-21. The collection targets for Non-Govt. categories have been fixed keeping in view the estimated energy consumed during the previous month. The revenue collection targets in respect of Govt. category for FY 2020-21 have been fixed equivalent to Rs. 456.05 Crore excluding arrears and Rs. 662.98 Crore including arrears. The Petitioner further submitted that compliance status in this matter has been submitted to the Commission vide its letter No. 2180/UPCL/RM/C-16, dated August 11, 2020.

In view of the above, the Commission, hereby, once again directs the Petitioner to make sincere efforts in mobilizing its resources throughout the year for collection of Arrears under a structured receivable management programme besides taking corrective actions against the habitual defaulters. The Petitioner is, hereby, once again directed to submit an Action Plan within a month of issuance of this Order including the steps it proposes to take to collect electricity dues from the begining of the financial year with same vigour as it normally does in the last quarter of the financial year.

6.1.17 *Status of KCC Consumers*

The Commission directed the Petitioner that the KCC consumers having less load factor should be closely monitored and average consumption pattern and abnormality in consumption pattern should be checked and duly analysed. The Commission also directed the Petitioner to check KCC consumers who are repeatedly exceeding their sanctioned/contracted demand and take corrective action in such cases.

Petitioner's Submissions

The Petitioner submitted that the monitoring is being done on regular basis and also submitted MRI status of KCC consumers for the month of March, 2020.

The Commission directs the Petitioner that KCC consumers having less load factor should be closely monitored and average consumption pattern and abnormality in consumption pattern should be checked and duly analysed. The Commission also directs the Petitioner to check KCC consumers who are repeatedly exceeding their sanctioned/contracted demand and take corrective action in such cases.

6.1.18 *Status of Revenue realisation per unit sold*

The Commission directed the Petitioner to ensure that the data furnished in Commercial Performance Monitoring report should match with its Commercial Diary, i.e. CS-4 data and the Petitioner should ensure that in all future submissions of Commercial Performance Monitoring reports, the Average Realisation Rate should be calculated on the basis of recoveries on account of Realisation Against energy dues only and the realisation shown should exclude recoveries from duties/cess, etc. Further, the realisation against energy dues should clearly bifurcate realisation against current dues and realisation against past dues, failing which appropriate action shall be initiated against the Petitioner/Licensee.

Petitioner's Submissions

The Petitioner submitted that the Formats of Commercial Diary have been revised so as to include the information as desired by the Commission. Now the information is being provided to the Commission as per their direction.

The Commission again directs the Petitioner to ensure that the data furnished in Commercial Performance Monitoring report should match with its Commercial Diary, i.e. CS-4 data and the Petitioner should ensure that in all future submissions of Commercial Performance Monitoring reports the Average Realisation Rate should be calculated on the basis of recoveries on account of Realisation Against energy dues only and the realisation shown should exclude recoveries from duties/cess, etc. Further, the realisation against energy dues should clearly bifurcate realisation against current dues and realisation against past dues, failing which appropriate action shall be initiated against the Petitioner/Licensee.

6.1.19 *Billing and Collection System*

The Commission directed the Petitioner to complete the works of bill collection facilities and integration of all CSCs in the State latest by September 30, 2020, in absence of which, without prejudice to earlier penal actions, stern action under the provisions of the Act/Rules/Regulations would be initiated against it. Further, the Commission directed the Petitioner to make widespread publicity/ Advertisement/workshop of the bill collection facilities and list of VLEs operating in the vicinity of various electricity Sub-division/division officers of UPCL across the State.

Petitioner's Submissions

The Petitioner submitted the status of construction of bill collection centre as on December 20, 2020 as follows:

Package–A (Garhwal Zone): Under this package, Collection centre facilities were to be provided in 51 Centres of 04 Electricity Distribution Circles. At 51 centres, the work is completed.

Package–B (Haridwar Zone): Under this package, Collection centre facilities were to be provided in 22 Centres of 02 Electricity Distribution Circles and all the 22 centres work is completed.

Package–C (Kumaun Zone): Under this package, Collection centre facilities were to be provided in 65 Centres of 03 Electricity Distribution Circles. At 28 centres the work is completed. In 9 centers, 50% work is completed. In remaining 28 centres, contractor has not turned-up. The action is being taken against the contractor in the matter.

Package-D (Rudrapur Zone): Under this package, Collection centre facilities were to be provided in 18 Centres of 02 Electricity Distribution Circles. The work has been completed at all the 18 centres.

UPCL is taking all measures to promote the payment of electricity bills by the consumers to be paid through the CSC counters by sending the bulk SMS to all the consumers whose mobile nos. are registered with UPCL consumer data base. UPCL and M/s CSC both are conducting the promotional activities and making efforts to increase the no. of transactions. The Active CSC counters, number of transactions and transactions as on November 2020 is 2485, 43173 and Rs. 3.87 Crore, respectively, against 1811, 34075 and Rs. 3.04 Crore as on September 2019.

The Petitioner is directed to complete the works of bill collection facilities and integration of remaining CSCs in the State latest by September 30, 2021, in absence of which, without prejudice to earlier penal actions stern action under the provisions of the Act/Rules/Regulations would be initiated against it. Further, the Commission directs the Petitioner to make widespread publicity/Advertisement/workshop of the bill collection facilities and list of VLEs operating in the vicinity of various electricity Sub-division/division officers of UPCL across the State.

6.1.20 *Departmental Employees*

The Commission directed the Petitioner to reconcile the figures of departmental employees in the commercial data as well as that claimed for calculation of employee expenses and submit the same to the Commission within 2 months of the date of the Order. As regards the concession provided to these consumers, the Petitioner is directed to show the same separately as expenses in its accounts.

The Petitioner was further directed to ensure compliance of the directions of the Commission given in the Tariff Order dated March 21, 2018 in this regard failing which action may be taken against it for non-compliance of the orders of the Commission.

Petitioner's Submissions

The Petitioner submitted that the directions issued by the Commission were circulated to all the concerned officers for compliance vide letter No. 2030/UPCL/RM/C-16 dated July 30, 2020. Further, UPCL vide its letter No. 2147/UPCL/RM/C-16 dated August 11, 2020 specifically directed all its concerned field officers to ensure that the information in respect of departmental employees/pensioners in commercial diary should be matched with the data in R-APDRP billing software. Further, system has been developed in the accounting system that the concession in electricity provided to the departmental employees is shown separately as an expense. The above compliance status has been submitted to the Commission by UPCL vide its letter No. 2179/UPCL/RM/C-16, dated August 11, 2020. The Petitioner submitted that a total of 11196 employees/family pensioners of UPCL, UJVN Ltd. and PTCUL have been released electricity connection as on December 23, 2020. The breakup of the above number among the working employees, retired employees and family pensioners is 5014, 4369 and 1813, respectively. The Petitioner further submitted that the above connections are metered and ledgerized.

The Commission once again directs the Petitioner to reconcile the figures of departmental employees in the commercial data as well as that claimed for calculation of employee expenses and submit the same to the Commission within 2 months of the date of the Order. As regards the concession provided to these consumers, the Petitioner is directed to show the same separately as expenses in its accounts.

UPCL is once again directed to ensure compliance of the directions of Commission given in the Tariff Order dated March 21, 2018 in this regard failing which action may be taken against it for non-compliance of the orders of the Commission.

6.1.21 *Location of Installation of Meters*

The Commission directed the Petitioner to submit quarterly status report with regards to shifting of meters for all divisions to the Commission.

Petitioner's Submissions

UPCL vide its letter No. 2030/UPCL/RM/C-16, dated July 30, 2020 and letter No. 2131/UPCL/RM/C-16, dated August 10, 2020 directed all the field officers to ensure compliance to the Commission's direction. The Petitioner submitted the information received from field offices as follows:

Table 6.2: Compliance of directive on location of installation of Meters

Name of the division	No. of meters pending for shifting as on 01.04.2020	No. of meters identified for shifting during the year	No. of meters shifted during the year	No. of meters pending for shifting as on the last date of the quarter
EDD, Kotdwar	8376	-	1240	7136
EDD, (Town) Haldwani	3030	-	360	2670

The Commission observes that the performance of the above referred two divisions has not been satisfactory and they are directed to expedite the same and ensure that all the meters are shifted by March 31, 20222. The Commission also directs the Petitioner to submit quarterly status report with regards to shifting of meters for all divisions to the Commission.

6.1.22 *Bad Debt*

The Commission directed the Petitioner to account its billing adjustment and writing off the bad debts properly in accordance with the accounting policies. The Commission also directed the Petitioner to submit the consumer-wise details of bad debts written off within one month from the end of each quarter.

Petitioner's Submissions

The Petitioner submitted that billing adjustment and writing off of bad debts are being accounted for in the accounts in accordance with the accounting policy. Any amount of billing, which has to be withdrawn by UPCL at the direction of Courts/Forums or if found incorrect, is adjusted from the provision for bad and doubtful debts as per the accounting practices in other Distribution Companies. The Petitioner further submitted, division-wise bad debts written off/ billing withdrawn during FY 2019-20, and the total amount of the same was Rs. 24.23 Crore.

The Commission again directs the Petitioner to account its billing adjustment and writing off the bad debts properly in accordance with the accounting policies. UPCL is also directed to

submit the consumer-wise details of bad debts written off within one month from the end of each quarter.

6.1.23 *Impact of VII Pay Commission*

The Commission directed the Petitioner to maintain separate details of the amount paid as arrears to its employees on account of implementation of the recommendations of VII Pay Commission.

Petitioner's Submissions

The Petitioner submitted that it has provided a sum of Rs. 37.65 Crore towards VII Pay Commission in its books of Accounts for FY 2016-17 (for 15 months, i.e. for the period January 2016 to March 2017). Rs. 20.64 Crore was paid in FY 2017-18. Arrears for the period July 1, 2016 to December 31, 2016 amounting to Rs. 15.06 Crore and arrears of Rs. 1.95 Crore payable to pensioners was paid in FY 2018-19.

The Petitioner is directed to maintain separate details of the amount paid as arrears to its employees on account of implementation of the recommendations of VII Pay Commission. The Petitioner is further directed to submit the impact of pay revision separately in its true-up claims for the ensuing years.

6.1.24 *Conductor Augmentation*

The Petitioner was directed to indentify such feeders/spans where the power distribution network is on GI wire and replace them with ACSR or better conductors latest by September 20, 2020 and submit a compliance report under affidavit on the same. The Petitioner was also directed to prepare and submit an action plan for checking and refurbishment of protection systems at various 33/11 kV substations latest by June 30, 2020.

Petitioner's Submissions

The Petitioner submitted that UPCL vide its letter No. 2030/UPCL/RM/C-16 dated July 30, 2020 directed all the field officers to comply with the above direction, i.e. to identify such feeders/spans where the power distribution network is on GI wire and to replace the same with ACSR conductor. The Petitioner submitted that the work of CT and PT replacement at interface points has been taken up by UPCL, which is under progress and will be completed very soon and also submitted circle-wise status of the same. The protection system of 33/11 kV substation gets checked periodically and at some places like Roorkee, Haridwar and Haldwani, AMC has also been awarded so that protection would work properly.

The Petitioner is again directed to indentify such feeders/spans where the power distribution network is on GI wire and replace them with the ACSR or better conductors latest by September 30, 2021 and submit a compliance report under affidavit on the same. The Petitioner is also directed to prepare and submit an action plan for checking and refurbishment of protection systems at various 33/11 kV substations latest by June 30, 2021.

6.1.25 *Scrutiny of KCC Data*

The Commission directed UPCL to constitute a cell in its commercial wing for analysis and monitoring of KCC data including low load factor cases, meter tamper cases, etc. The Commission directed UPCL to submit the report on analysis and monitoring of KCC data on monthly basis by 15th of every month.

Petitioner's Submissions

UPCL vide its letter No. 1674/UPCL/CE/CCP-II/14/2018-19 (Mobineers)/Part-(b), dated March 01, 2019 awarded the work for one-year monthly meter data analysis of various reports of 8000 consumers to M/s Mobineers Info Systems Pvt. Ltd., New Delhi. The data analysis shall cover the following attributes:

- Tamper analysis by way of PT missing, CT short, CT open, CT interchange /reversal, voltage imbalance, current imbalance, neutral disturbed, power failure, magnetic tamper, transactions, 35 kV spark Test, Cover open temper, high voltage/ frequency surges.
- Percentage slots for which demand is less than a given percentage when demand is available. (Default 5%)
- Percentage black out slots when power is available.
- Current month consumption vs. last month consumption or current month consumption vs. that of same month in the previous year is less than given percentage (Default 20%).
- Contract demand violation.

- Number of slots for which power factor is less than or more than or in between for a given value.
- Consumption vis-a-vis usage index for the industry (process) wise, based on the data provided. Process-wise load factor will be provided to vendor.
- Ratio of Average/ contracted demand, maximum/ contracted demand, average/ maximum demand, average demand shall be calculated for the number of months as specified from time to time.
- Double meter /Main meter/ Independent feeder meter/ Net Off meter/ Bi-directional meter/ ABT meter comparison difference of load survey data for every 30 minutes / 15 minutes slot on per day and per month basis demand and consumption is more than given percentage (Default 3%) for entire months.
- Consumption comparison of main meter with check meter/other end meter in terms of kWh, kVAh, MD on each and every month is to be compiled and checked and if difference of main meter w.r.t check meter/other end meter is more /less than the standardised value or as fixed by UPCL, the check-out list is to be submitted.
- Any other comparison, detail, analysis, report, etc., in desired format of UPCL from time to time for desired period and in desired timeline shall mandatorily be provided by the contractor.
- Complete analysis of all the consumers' along with reports, recommendations/ comments in desired formats complete in all respect shall be submitted by bidder not later than 25th of every month

The Petitioner also submitted MRI status of KCC consumers for the month of March 2020.

The Commission has noted the submission made by the Petitioner on scrutiny of KCC data. **The Commission directs UPCL to constitute a cell in its commercial wing for analysis and monitoring of KCC data including low load factor cases, meter tamper cases, etc. The Commission also directs UPCL to submit a report on analysis and monitoring of KCC data on monthly basis by 15th of every month.**

6.1.26 *Collection Efficiency*

The Commission directed UPCL to submit the month-wise division-wise details of collection of dues by the 15th of the next month and that action under the Act may be taken against the Executive Engineer of those divisions who are found in default of making collections less than the approved collection efficiency.

Petitioner's Submissions

The Petitioner submitted that the month-wise and division-wise revenue collection for the period from April, 2020 to Speember, 2020 has been submitted to the Commission vide its letter No. 2127/UPCL/RM/C-16 dated August 10, 2020 and letter No. 3156/UPCL/RM/C-16 dated October 22, 2020. Further, the Petitioner also submitted month-wise details of revenue collection for the period from April, 2020 to November, 2020 (April, 2020 to August, 2020 are actuals and September and November 2020 are provisional) with total collection as Rs. 3757.31 Crore, which includes collection of Non-Govt. and Govt. categories of Rs. 3577.30 Crore and Rs. 180.01 Crore, respectively.

The Commission has noted the Petitioner's submission in this regard. **The Commission directs UPCL to submit the month-wise division-wise details of collection of dues by the 15th of the next month and action under the Act may be taken against the Executive Engineer of those divisions who are found in default of making collections less than the approved collection efficiency.**

6.1.27 *Procurement of Deficit Energy*

The Commission, in view of persistent deficit scenario during the Control Period, directed that the Petitioner should put its sincere efforts to procure the deficit energy optimizing the cost of power purchase and reliable power. Further, the procurement should be through transparent process of bidding. UPCL was directed to submit a comprehensive plan as to how it intends to meet the deficit for the next year within one month of the date of the Order dated April 18, 2020.

The Petitioner was directed to prepare its power purchase plan for the next year and initiate the bidding process to meet the deficit, if any. The Petitioner was directed to submit an action plan in this regard within 15 days of the date of Order dated April 18, 2020. The Petitioner is also directed to ensure compliance of the Regulations issued by the Commission from time to time, failing which any consequent liability would be to the account of the Petitioner.

Petitioner's Submissions

UPCL submitted that it has prepared projection of demand upto the year 2022-23. Further, in order to cater increasing demand, UPCL has tied up long-term PPAs with Central Sector Generating Stations and UJVN Ltd. The Petitioner further submitted that apart from catering to demand from these long-term PPAs, any additional demand is being catered by Short-Term purchase through DEEP Portal and Power Exchange. The Petitioner further submitted that the detailed power procurement plan and energy availability for FY 2021-22 are provided in Chapter 3 of the Petition. The Commission has noted the Petitioner's submission in this regard. **In view of persistent deficit scenario during the Control Period, the Petitioner should put its sincere efforts to procure the deficit energy optimizing the cost of power purchase and reliable power. Further, the procurement should be through transparent process of bidding.**

The Petitioner is directed to prepare its power purchase plan for the next year and initiate the bidding process to meet the deficit, if any. The Petitioner is directed to submit an action plan in this regard within 15 days of the date of Order. The Petitioner is also directed to ensure compliance of the Regulations issued by the Commission from time to time, failing which any consequent liability would be to the account of the Petitioner.

6.1.28 *Depreciation*

The Commission directed the Petitioner to claim depreciation in line with its practice followed in the accounts as it capitalises the assets on the last day of the Financial Year.

Petitioner's Submissions

The Petitioner has submitted that Deprecation is charged as per the below-mentioned policy of UPCL:

"*Depreciation is to be charged on pro-rata basis on the assets acquired or disposed during the year. Accordingly, depreciation on additions to Fixed Assets during the year is charged on pro rata basis from next month in which asset is available for use and depreciation on deductions/deletions during the year is charged up to the month in which the asset is disposed/deleted*".

The Petitioner further submitted that the Depreciation is being computed in the Books of Accounts of UPCL from FY 2019-20 as per the directions of BoD as per the above-mentioned policy.

The Commission finds no justification to depart from the practice adopted in the previous Tariff Orders of allowing depreciation on the opening balance of GFA. **The Commission directs the Petitioner to claim depreciation in line with its practice followed in the accounts as it capitalises the assets on the last day of the Financial Year or submit proper justification that the accounting policy has changed.**

6.1.29 *Energy Audit*

The Petitioner was directed to provide/maintain the metering system at each feeder, 'T' points, DTs and consumers in its distribution network for effective energy auditing and accounting. The Petitioner was directed to submit compliance report in this regard by September 30, 2020, failing which appropriate action may be taken against the Petitioner in accordance with the Act/Rules/Regulations.

Petitioner's Submissions

The Petitioner submitted that metering has been completed at all 33 kV substations upto 11 kV and are being maintained and 11,602 DTs have been metered under IPDS/R-APDRP scheme and are being maintained.

The Petitioner further submitted that it is planning to ensure metering up to DT level under smart metering project and in the first phase, top 20 loss making Divisions will be taken up, RFP of which is under preparation by M/s REC.

The Commission has noted the Petitioner's submission in this regard. **The Petitioner is directed to provide/maintain the metering system at each feeder, 'T' points, DTs and consumers in its distribution network for effective energy auditing and accounting. The Petitioner is directed to submit compliance report in this regard by September 30, 2021, failing which appropriate action may be taken against the Petitioner in accordance with the Act/Rules/Regulations.**

6.1.30 *Analysis of Current Liabilities*

The Petitioner was directed to carry out the age-wise analysis of its current liabilities outstanding as on March 31, 2019 and based on the ageing analysis determine how much of the same would be required to be discharged and how much excess provision exists in the same so that the same may be reversed and submit the same to the Commission within 3 months from the date of Order.

Petitioner's Submissions

The Petitioner submitted that the age-wise position of creditors for power purchase as on 31-03-2019 is as follows:

Table 6.3: Age-wise Creditors as submitted by the Petitioner

Age	As on 31-03-2019 (Rs. Crore)
Age 0 to 3 months	1533.37
Age 3 to 6 months	182.38
Age more than 6 months	1427.66
Total	**3143.41**

UPCL vide its letter No. 3481/UPCL/RM/C-15, dated October 31, 2019 submitted the details of trade payables as on March 31, 2019 having the age more than six months as Rs. 1427.66 Crore.

The Commission has examined the compliance submitted by the Petitioner. However, it is observed that UPCL has restricted the ageing of liabilities to more than 6 months. There may be some liabilities which may be more than 1 year or 2 years old. Further, the Petitioner did not talk anything about the excess provision that may be available in the accounts. **Accordingly, the Petitioner is directed to submit complete age-wise analysis of its current liabilities outstanding as on March 31, 2021 and based on the ageing analysis determine how much of the same would be required to be discharged and how much excess provision exists in the same so that the same may be reversed and submit the same to the Commission within 3 months from the date of Order.**

6.1.31 *Average Collection Period and Collection Efficiency Ratio*

The Petitioner was directed to submit within 3 months, an action plan to improve its collection period.

The Commission directed UPCL to submit a plan to demonstrate as to how it will work in the direction of improving its actual collection even during initial quarters during a financial year so that the gap between the actual collection efficiency and the collection efficiency approved by the Commission may be brought to minimum.

Petitioner's Submissions

The Petitioner submitted that with a view to achieve higher collection efficiency and lower distribution losses than that approved by the Commission, UPCL vide its letter No. 1957/UPCL/RM/L-17 dated July 24, 2020 fixed the targets of distribution losses at 12.01%, collection efficiency at 100%, AT&C Losses at 12.01% and revenue collection of Rs. 7286.66 Crore for FY 2019-20.

The Petitioner submitted that with a view to improve per unit collection and to increase the payment through digital modes, UPCL vide its Office Memorandum 3372 dated May 1, 2020 ordered to allow 1% rebate to the consumers who make the payment of their electricity bills within due date through digital modes.

The compliance status in the matter has been provided to the Commission vide its letter No. 2126/UPCL/RM/C-16, dated August 10, 2020.

The Petitioner also submitted that vide its letter No. 4542/MD/UPCL/I-7, dated May 01, 2019, it also fixed the monthly targets of the officers at various levels for checking of consumers, and study of consumers as vigilance checks. For recovery of outstanding arrears, the connections of defaulting consumers are being disconnected and notices under Section 3 & 5 of the Uttarakhand (U.P. Government Electricity Undertakings (Dues Recovery) Act, 1958) Adaptation and Modification order, 2002 are being issued regularly and the same shall be taken-up more promptly for ensuing early recovery of outstanding arrears.

The Commission has noted the Petitioner's submission in this regard. **The Petitioner is directed to submit within 3 months, an action plan to improve its collection period. The Commission directs UPCL to submit a plan to demonstrate as to how it will work in the direction of improving its actual collection so that the gap between the actual collection efficiency and the collection efficiency approved by the Commission may be brought to minimum.**

6.1.32 *Inventory Management*

The Petitioner was directed to submit the following details within one month of the date of Order failing which appropriate action will be initiated under the Act:

a) List of inventory as on 31.03.2019;

b) The accounting policies adopted in measuring inventories, including the cost formula used;
c) Basis on which inventories issued: FIFO/LIFO/etc. and reason for choosing the same;
d) Whether any inventory classification, such as ABC analysis was done? If yes, the same may be submitted and if no, reason for the same may be furnished;
e) Whether the inventories are verified physically? If yes, the periodicity of the same, alongwith the report of last physical verification. If physical verification is not being conducted, reasons for the same.

Petitioner's Submissions

The Petitioner submitted that the list of inventory as on March 31, 2020 in centralized stores has been submitted to the Commission vide UPCL's letter No. 2769/UPCL/RM/C-16, dated September 23, 2020. The Petitioner submitted Accounting policies with respect to measurement of inventory.

Stores & Spares at the centralized store are accounted for at Issue Price. Issue Price is chosen in order to ensure/maintain consistency in valuation of issues during the whole accounting year. This also helps in enabling preparation of estimates across all the units of UPCL in a uniform and consistent manner without any variation/deviation. Issues are preferably on FIFO basis but sometimes deviation takes place as materials are issued as per site requirement to maintain similarity, ease of transport, etc.

Almost all the material kept in centralized store are essential for maintaining the supply and interlinked with each other, hence, inventory classification has not been done yet in respect to preference purchase of any particular inventory. Department is in process to implement ERP. On implementation of ERP, the decentralized inventory will also come in a single statement and process of classification will be taken.

The centralized inventories are physically verified and inventories of all stores and sub store centres against Centralized Stores Wing of UPCL are physically verified once in a financial year.

Physical verification reports of all Centralized Store centres/sub-Store Centres against store wing of UPCL, as carried out in financial year 2016-17 were submitted to the Commission vide UPCL's letter No. 1670/UPCL/RM/C-14 dated 21-04-2018.

The Commission has noted the Petitioner's submission in this regard. **With regard to inventory management, the Petitioner is directed to submit the following details within one month of the date of Order failing which appropriate action will be initiated under the Act:**

a) List of inventory as on March 31, 2021;

b) Whether any inventory classification, such as ABC analysis has been done? If yes, the same may be submitted and if no, reason for the same may be furnished;

c) The report of last physical verification.

6.1.33 *Voltage-wise Losses*

The Commission directed the Petitioner to compute voltage-wise losses for each category of consumers and submit the data on voltage-wise losses along with the next Tariff Petition.

Petitioner's Submissions

The Petitioner submitted that concurrent Energy Audit has been carried out by UPCL through M/s Feedback Ventures of 17 Ditribution Divisions. The report for the period April to June 2020 has been submitted to the Commission vide letter No. 3535/UPCL/RM/C-16 dated November 27, 2020.

The Commission directed the Petitioner to compute voltage-wise losses for each category of consumers and submit the data on voltage-wise losses along with the next Tariff Petition. However, the Petitioner in compliance to the directions of the Commisison talked about concurrent audit of losses which has nothing to do with voltage-wise losses. The Commission expresses its displeasure on the casual approach of the Petitioner in this regard. **The Petitioner is again directed to submit the data on voltage-wise losses along with next Tariff Petition.**

6.1.34 *Improvement of Metering and Billing System*

The Commission had taken note of various suggestions received from the stakeholders regarding improvement in metering and billing and directed the Petitioner to consider the suggestions given by the stakeholders to improve its metering and billing system.

The Commission, considering the views of Petitioner and also of the consumers directed the Petitioner to ensure that the bills are delivered to consumers on time and due date for payment of bills should be specified at least 15 days from the date of delivery of bills to the consumers and not from the date of generation of bills.

Petitioner's Submissions

The Petitioner submitted that it is facing problems associated with the provision of grace period in monthly billing. As per the Supply Code, due date for payment should be 15 days after the delivery of bill to consumers. Further, Tariff Order mandates a 15-days grace period beyond due date to be provided to consumers for payment. In essence, a total of 30 days period is given to consumers for payment after bill issue date without levy of any LPS. In wake of current provisions, it is not possible for UPCL to generate the bills on monthly basis as even if UPCL generates all the bills on 1st date of every month, UPCL has to wait for 30 days after delivery of bills to generate next bill. Domestic consumers are billed on bi-monthly basis, so the compliance of 15 days for due date of payment along with 15 days grace period being feasible is adhered to by UPCL for domestic Consumers. Due to monthly billing for RTS- 2 and other category of consumers, the compliance of above provisions cannot be adhered to completely by UPCL due to reasons cited herein above.

In view of the facts mentioned hereinabove, the Petitioner requested the Commission to abolish the grace period for all categories of consumers.

The Commission has noted the the Petitioner's submission in this regard. **The Commission considering the views of the Petitioner and also of the consumers directs UPCL to ensure that the bills are delivered to consumers on time and due date for payment of bills should be specified at least 15 days from the date of delivery of bills to the consumers and not from the date of generation of bills.**

6.1.35 *Proposal for Consultancy Assignments*

The Commission directed the Petitioner to refrain from carrying out ineffective consultancies, which merely increases its expenditure. The Petitioner was required to make a proper proposal requiring consultancy assignments to be carried out and the benefits that would accrue from the same and then weigh the cost with the benefits failing which the Commission would be constrained to disallow the costs of such assignments.

Petitioner's Submissions

The Petitioner submitted that UPCL vide its letter No. 2030/UPCL/RM/C-16, dated July 30, 2020 directed all the field officers to comply with the direction of the Commission.

The Commission has noted the Petitioner's submission in this regard. **The Petitioner is directed to refrain from carrying out ineffective consultancies, which merely increases its expenditure. The Petitioner is required to make a proper proposal requiring consultancy assignments to be carried out and the benefits that would accrue from the same and then weigh the cost with the benefits failing which the Commission will be constrained to disallow the costs of such assignments.**

6.1.36 *Capitalisation of Assets*

The Commission was of the view that unless the complete capitalisation details for FY 2016-17 and FY 2017-18 were provided, truing up for these years shall not be done. The Commission had, however, allowed the impact of capitalisation details submitted for FY 2016-17 and FY 2017-18 in the truing up for FY 2018-19. Moreover, the Petitioner was directed to properly account for these provisions in appropriate heads of accounts.

Petitioner's Submissions

The Petitioner in the Petition submitted that complete capitalization details along with certificate of Electrical Inspector for FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20 shall be provided to the Commission by November 30, 2020. However, during the proceedings, in reply to query on submission of the segregation of fixed assets added into HT and LT works and to submit the Electrical Inspector clearance for HT works for FY 2019-20 along with all the pending capitalisation, which were disallowed in FY 2016-17, FY 2017-18 and FY 2018-19, the Petitioner has only submitted EI certificates for some of the works along with segregation of LT works carried out from FY 2016-17 to FY 2018-19. Further, several discrepancies in the Electrical Inspector Certificates submitted by the Petitioner were observed.

As regards properly accounting of expenditure, the Petitioner submitted that vide its Office memorandum No. 1507/UPCL/GM (F), dated August 6, 2020, it created the following heads of accounts to identify the revenue expenditure incurred on computers/hardware licence renewal:

Table 6.4: Information submitted by Petitioner in compliance of directive on capitalization of assets

Accounting Head	Description	Remarks
74.806	Computers/ Hardware	The booking of "AMC of Hardware" is to be done under the head 74.806, which already exists in the Chart of

Table 6.4: Information submitted by Petitioner in compliance of directive on capitalization of assets

Accounting Head	Description	Remarks
		Accountants.
74.807	Software License Renewal	The booking of "Software License Renewal" is to be done under the newly created head of account 74.807

The Commission directs the Petitioner to submit the complete requisite information within 6 months from the date of this Order or otherwise, the Commission shall not allow the disallowed capitalisation for FY 2019-20.

6.1.37 *Reconciliation of Grants*

The Petitioner was directed to reconcile the value of grants so considered by it and that furnished to the Commission for working out the financing of the assets and submit the same in the next tariff proceedings.

Petitioner's Submissions

The Petitioner vide its letter dated February 27, 2021 submitted the reconciliation of grants as follows:

Table 6.5: Information submitted by Petitioner in compliance of directive on reconciliation of grants (Rs. Crore)

FY	Actual grant as per UPCL	Grant considered by the Commission in Tariff Order
FY 2015-16	107.65	107.65
FY 2016-17	67.61	40.39
FY 2017-18	128.03	-
FY 2018-19	570.07	256.69

The Petitioner further submitted that the difference in the grant amount in the above table is on account of disallowance of the capitalization by the Commission due to non-submission of Electrical Inspector certificates of certain assets.

The Commission has noted the compliance.

6.1.38 *Open Access Charges*

The Petitioner was directed that the wheeling charges and cross subsidy surcharge recovered from open access customers shall be shown separately under the separate head of income in its ARR/Tariff filings.

Petitioner's Submissions

The Petitioner submitted that vide its Office Memorandum No. 424/UPCL/DGM(F)/AH, dated May 20, 2016, it had created the following heads of accounts to capture the separate information of wheeling charges and cross subsidy surcharge:

Table 6.6: Information submitted by Petitioner in compliance of directive on open access charges

Accounting Head	Description
23.711	Wheeling charges
23.712	Cross subsidy surcharge
61.511	Wheeling charges (L&H Power above 100 HP)
61.512	Cross subsidy surcharge (L&H Power above 100 HP)

The Petitioner submitted that information has been captured separately in the financial statements for FY 2019-20 and have, accordingly, been included in the True up Petition for FY 2019-20.

The Commission noted the Petitioner's submission in this regard **and directs that the wheeling charges and cross subsidy surcharge recovered from open access customers shall be shown separately under the separate head of income in its ARR/Tariff filings.**

6.2 Fresh Directives

6.2.1 *Cost of power purchase to meet deficit*

The Commission directs UPCL to ensure that actual power purchase cost to meet the deficit should not exceed the rate given by the Commission in the relevant Tariff Orders at State periphery. Any procurement over and above the rate at the State periphery approved by the Commission shall be disallowed unless prior approval for the same is sought by UPCL. (Refer Para 3.1.3)

6.2.2 *Provisions for Bad and Doubtful Debts*

Accordingly, the Commission directs UPCL to submit the list of industries (both LT & HT) on whom the arrears are due having age more than 5 years within 6 months of the date of the Order. UPCL is also directed to reconcile the dues pending with railways within 6 months of the date of the Order and submit the compliance before the Commission. UPCL is also directed to

raise the issue of pending dues on Government connections like Public Lamps, Public Water Works and GIS and settle the dues before the end of FY 2019-20. (Refer Para 3.2.3)

6.2.3 *O&M Expenses*

UPCL is directed to take note of the suggestions given by the stakeholder of granting a fixed allowance to the staff of UPCL in lieu of official vehicle and also review the present practice being followed by it for allocating official vehicle to its officers and staff. UPCL is required to submit its report on the same within 2 month of the date of Order. (Refer Para 2.9.1.3)

6.2.4 *KCC Data*

The Commission directs UPCL to constitute a cell in its commercial wing for analysis and monitoring of KCC data including low load factor cases, meter tamper cases, etc. The Commission directs UPCL to submit the report on analysis and monitoring of KCC data on monthly basis by 15th of every month. (Refer Para 2.22.1.3)

6.2.5 *Review of peak hours*

The Petitioner is directed to estimate the impact assessment of cost of power during peak/ off peak hours and charge it collects/spends against the same and submit the same alongwith next Tariff Petition. (Refer Para 2.33.1.3)

6.2.6 *Voltage-wise Cost of Supply*

The Commission directs UPCL to compute Voltage-wise losses & also segregate voltage wise costs for each category of consumers and submit the data on voltage-wise losses and cost of supply along with next Tariff Petition. (Refer Para 2.37.1.3)

6.2.7 *Promotion of Prepaid Meters*

The Commission has taken note of suggestion received from the stakeholder regarding improvement in metering and billing and the Commission directs UPCL to consider the suggestions given by the stakeholders to improve its metering and billing system. (Refer Para 2.44.1.3)

6.2.8 *Views of State Advisory Committee*

UPCL is directed to submit its responses to the issues raised by Members od SAC mentioned at S.No. (b.), (f.), (k.), (r.), (s.) given at Para 2.48 above within 2 months of the the date

of the order and the Commission will take appropriate view based on the response submitted by UPCL. (Refer Para 2.48.1.2)

6.2.9 *Rate Schedule for FY 2021-22*

The Commission decides to continue with the existing approach and directs UPCL to conduct a detailed study on the same. (Refer Para 2.4.1.3)

6.2.10 *Repair and Maintenance*

UPCL is directed to devise a proper system of internal control which should include how and when an asset should be capitalized and how the accounting treatment should be done including physical verification of the same (Refer Para 3.1.4.2)

6.3 Conclusion

Having considered the submissions made by the Petitioner, the responses of various stakeholders and the relevant provisions of the Electricity Act, 2003 and Regulations of the Commission, the Commission hereby approves that:

(i) Uttarakhand Power Corporation Ltd., the distribution and retail supply licensee in the State will be entitled to charge the tariffs from consumers in its licensed area of supply as given in the Rate Schedule for FY 2021-22 annexed hereto as Annexure-1. These Tariffs will be effective from April 01, 2021.

(ii) Uttarakhand Power Corporation Ltd., the distribution and retail supply licensee in the State will realize from consumers of electricity in the State, miscellaneous charges as listed out in Annexure- 2 of this Order and shall not recover any other charge, fee, deposit, etc., unless approved by the Commission.

(iii) The above tariffs shall continue to be applicable till revised by the Commission.

The Petitioner shall forward a report on compliance of the directions given in this Order within the time stipulated for compliance.

M.K. Jain	**D.P. Gairola**
Member (Technical)	**Member (Law)**

7. Annexures

7.1 Annexure 1: Rate Schedule Effective from 01.04.2021

A. General Conditions of Supply

1. Character of Service

i) Alternating Current 50 Hz., single phase, 230 Volts (with permissible variations) up to a load of 4 kW.

ii) Alternating Current 50 Hz, three phase, 4 wire, 400 Volts or above (with permissible variations) for loads above 4 kW depending upon the availability of voltage of supply.

2. Conditions for New Connections

i) Supply to new connections of more than 75 kW (88 kVA) and up to 2550 kW (3000 kVA) shall be released at 11 kV or above, loads above 2550 kW (3000 kVA) and upto 8500 kW (10000 kVA) shall be released at 33 kV or above, loads above 8500 kW (10000 kVA) and upto 42500 kW (50000 kVA) shall be released at 132 kV or above, loads above 42500 kW (50000 kVA) shall be released at 220 kV or above.

ii) All new connections shall be given with meter conforming to CEA Regulations on Installation and Operation of Meters.

iii) All new 3 phase connections above 4 kW shall be released with Electronic Tri-vector Meter having Maximum Demand Indicator.

iv) All new Single Point Bulk Connection shall be given only for Load of more than 75 kW.

v) Consumers having motive loads of more than 5 BHP shall install Shunt Capacitor of appropriate rating and conforming to BIS specification.

vi) All new connections at HT/EHT should be released only with 3 phase 4 wire meters.

3. Point of Supply

Energy will be supplied to a consumer at a single point.

4. Billing in Defective Meter (ADF/IDF), Meter Not Accessible/ Not Read (NA/NR) and Defective Reading (RDF) Cases

In NA/NR cases, the energy consumption shall be assessed and billed as per average consumption of last one year average consumption (as per the Electricity Supply Code) which shall be subject to adjustment when actual reading is taken. Such provisional billing shall not continue for more than two billing cycles at a stretch. Thereafter, the licensee shall not be entitled to raise any bill on provisional basis. In case of Appear defective meter (ADF) Identified defective meter (IDF) and Reading defect (RDF) cases, the consumers shall be billed on the basis of the average consumption of the past three billing cycles immediately preceding the date of the meter being found or being reported defective (as per the Electricity Supply Code). These charges shall be leviable for a maximum period of two billing cycle only during which time the licensee is required to replace the defective meter. Thereafter, the licensee shall not be entitled to raise any bill without correct meters.

The checking and replacement of defective meter cases namely IDF and ADF and defective reading cases namely RDF shall be done by the licensee in accordance with the provisions of the Electricity Supply Code as applicable.

5. Billing in case of domestic metered consumers in rural/hilly areas whose meters are not being read

For cases relating to domestic metered consumers in rural/hilly areas, where meter reading is either not being taken regularly or taken randomly over delayed interval of time, the provisional billing under these circumstances for such consumers shall be done at the normative levels of consumption as given below, which shall be subject to annual adjustment based on actual meter reading.

Category	Normative Consumption
Domestic (Rural-Hilly Areas)	30 kWh/kW/month
Domestic (Rural-Other Areas)	50 kWh/kW/month

For this purpose, the contracted load shall be rounded off to next whole number. Billing on this basis is subject to annual adjustment and the licensee is to ensure meter reading of such consumers at least once a year.

6. Billing in New Connection

For cases such as new connections, where past reading is not available, the provisional billing shall be done at the normative levels of consumption as given below, which shall be subject to adjustment when actual reading is taken.

Category	Normative Consumption
Domestic (Urban)	100 kWh/kW/month
Domestic (Rural-Hilly Areas)	30 kWh/kW/month
Domestic (Rural-Other Areas)	50 kWh/kW/month
Non-domestic (Urban)	150 kWh/kW/month
Non-domestic (Rural)	100 kWh/kW/month
Private Tube Wells	60 kWh/BHP/month
Industry	
LT Industry	150 kWh/kW/month
HT Industry	150 kVAh/kVA /month

For this purpose, the contracted load shall be rounded off to next whole number. Billing on this basis shall continue only for a maximum period of 2 billing cycles, during which the licensee should ensure actual reading. Thereafter, the licensee shall not be entitled to raise any bill without correct meter reading. In all other categories, 1st bill shall be raised only on actual reading.

7. Delayed Payment Surcharge (DPS) (for all categories except PTW)

In the event of electricity bill rendered by licensee, not being paid in full by the due date, simple interest in the form of a surcharge @ 1.25% per month on the principal amount of the bill which has not been paid, shall be levied from the due date for each successive month or part thereof until the payment is made in full without prejudice to the right of the licensee to disconnect the supply in accordance with Section 56 of the Electricity Act, 2003. The licensee shall clearly indicate in the bill itself the total amount, including DPS, payable for different dates after the due date, taking month as the unit.

8. Solar Water Heater rebate

If a consumer installs and uses solar water heating system, rebate of Rs. 100/- p.m. for each 100 litre capacity of the system or actual bill for that month whichever is lower shall be given subject to the condition that consumer gives an affidavit to the licensee to the effect that he has installed such system, which the licensee shall be free to verify from time to time. If any such claim is found to be false, in addition to punitive legal action that may be taken against such consumer, the licensee will recover the total rebate allowed to the consumer with 100% penalty and debar him from availing such rebate for the next 12 months.

9. Prepaid Metering

Prepaid metering scheme approved by the Commission in this Order shall be applicable. A rebate of 4% of energy charges for Domestic category (RTS-1 and RTS-1A) and 3% of energy charges for other LT consumers shall be allowed to the consumers under the Prepaid Metering Scheme from the date of installation and operationalisation of Prepaid Meters. However, no rebate shall be applicable on RTS-9, i.e. Temporary Supply. Solar water rebate as provided above in the Rate Schedule shall be applicable on prepaid consumers also subject to fulfillment of conditions provided therein.

10. Rebate/surcharge for availing supply at voltage higher/lower than base voltage

(i) For consumers having contracted load upto 75 kW/88 kVA - If the supply is given at voltage above 400 Volts and upto 11 kV, a rebate of 5% would be admissible on the Energy Charge.

(ii) For consumers having contracted load above 75 kW/88 kVA – In case the supply is given at 400 Volts, the consumer shall be required to pay an extra charge of 10% on the bill amount calculated at the Energy Charge.

(iii) For consumers having contracted load above 75 kW/88 kVA – In case of supply at 33 kV the consumer shall receive a rebate of 2.5% on the Energy Charge.

(iv) For consumers having contracted load above 75 kW/88 kVA and receiving supply at 132 kV and above, the consumer shall receive a rebate of 7.5% on the Energy Charge.

(v) All voltages mentioned above are nominal rated voltages.

(vi) No rebate or surcharges would be applicable on consumers having pre-paid connections.

11. Low Power Factor Surcharge (not applicable to Domestic, PTW categories and also to other categories having kVAh based Tariff)

(i) On the consumers without Electronic Tri Vector Meters, who have not installed shunt capacitors of appropriate ratings and specifications, a surcharge of 5% on the current energy charges shall be levied.

(ii) On consumers with Electronic Tri Vector Meters, a surcharge of 5% on current energy charges will be levied for having power factor below 0.85 and upto 0.80 and a surcharge of 10% of current energy charges will be levied for having power factor below 0.80.

(iii) No surcharge would be applicable on consumers having pre-paid connections.

12. Prompt Payment Rebate

(i) A prompt payment rebate of 1.25% of the monthly bill (excluding Taxes and Duties) shall be provided to consumers for payment of electricity bills through various modes of digital payment such as credit cards, debit cards, UPI, BHIM, internet banking, mobile banking, mobile wallets etc. within 10 days from the date of issuance of the bill/ bill date.

(ii) A prompt payment rebate of 0.75% of the monthly bill (excluding Taxes and Duties) shall be provided to consumers for payment of electricity bills not through digital mode but through other modes of payment, namely Cash/Cheque/Demand Draft/Bank Transfer etc., within 10 days from the date of issuance of the bill/ bill date.

Provided that the prompt payment rebate shall be subject to a cap of Rs 10,000/- per month for LT Consumers and Rs 1,00,000/- per month for HT consumers.

13. Excess Load/Demand Penalty (Not applicable to Domestic, Snow bound and PTW categories)

In case of consumers where electronic meters with MDI have been installed, if the maximum demand recorded in any month exceeds the contracted load/demand, charges for such excess load/demand shall be levied equal to twice the normal rate of fixed/demand charge as applicable. Such excess load penalty shall be levied only for the month in which maximum demands exceeds contracted load. However, no excess load penalty would be applicable on consumers having pre-paid connections.

Example:

(i) For consumers where fixed charges on the basis of contracted load/demand have been specified:

Contracted load 30 kW, Maximum Demand 43 kW,

Excess Demand 43-30=13 kW, Rate of Fixed Charges= Rs. 90/kW

Fixed Charges for contracted load = 30 x 90=Rs. 2700

Fixed Charges for excess load = 13x (2 x90) =Rs. 2340

Total Fixed Charges = 2700+2340= Rs. 5040

(ii) For industrial consumers billed on billable demand:

Contracted demand 2500 kVA, Maximum Demand 2800 kVA, Billable Demand =2800 kVA

Excess Demand =2800-2500=300 kVA, Rate of Demand Charges= Rs. 410/kVA

Demand Charges for contracted demand =2500 x 410=Rs. 1025000

Demand Charges for excess demand = 300x (2 x 410) =Rs. 246000

Total Demand Charges = 1025000+246000= Rs. 1271000

14. Single Point Bulk Supply for Domestic, Non Domestic and Mixed Load Categories

(i) Single Point Bulk Supply connection shall only be allowed for Sanctioned/Contracted Load above 75 kW with single point metering for further distribution to the end users. However, this shall not restrict the individual owner/occupier from applying for individual connection.

(ii) The person who has taken the single point supply shall be responsible for all payments of electricity charges to the Licensee. He is authorized to bill the end consumers as per the approved tariff for the single point bulk supply of the concerned category as per the Rate Schedule and the distribution licensee shall ensure the compliance of the same.

(iii) The person who has taken the single point supply shall also be deemed to be an agent of Licensee to undertake distribution of electricity for the premises for which single point supply is given under seventh proviso to section 14 of the Electricity Act, 2003 and distribution licensee shall be responsible for compliance of all provisions of the Act and Rules & Regulations thereunder within such area.

(iv) Single Point Bulk Supply under "Domestic" shall only be applicable for Residential Colonies/Residential Multistoreyed Buildings including common facilities (such as Lifts, Common Lighting and Water Pumping system) of such Residential Colonies/Residential Multistoreyed Buildings. In case these Residential Colonies/Residential Multistoreyed Buildings also have some shops or other commercial establishments, the tariff of Mixed Load shall be applicable for such premises subject to conditions provided in the Rate Schedule of Mixed Load Category.

(v) Single Point Bulk Supply Under "Non-Domestic" shall only be applicable for Shopping Complexes/Multiplex/Malls.

15. Rounding off

(vi) The contracted load/demand shall be expressed in whole number only and fractional load/demand shall be rounded off to next whole number.

Example:

Contracted/Sanctioned Load of 0.15 kW shall be reckoned as 1 kW for tariff purposes. Similarly, contracted/sanctioned load of 15.25 kW/kVA shall be taken as 16 kW/kVA.

(vii) All bills will be rounded off to the nearest rupee.

16. Other Charges

Apart from the charges provided in the Rate of Charge and those included in the Schedule of Miscellaneous Charges, no other charge shall be recovered from the consumer unless approved by the Commission.

B. Tariffs

RTS-1: Domestic

1. Applicability

This schedule shall apply to supply of power to:

(i) Residential premises (including premises of Departmental Employees & Pensioners of UPCL, PTCUL and UJVN Ltd.) for light, fan, power and other domestic purposes including common facilities (such as Lifts, Common Lighting and Water Pumping system)

(ii) Single Point Bulk Supply above 75 kW for Residential Colonies, Residential Multi-storeyed buildings where energy is exclusively used for domestic purpose including common facilities (such as Lifts, Common Lighting and Water Pumping system) of such Residential Colonies/Residential Multistoreyed Buildings

(iii) Places of worship, i.e. Mandir, Masjid, Gurudwara, Church, etc. (only for standalone places of worship and not for the places of worship which have other facilities such as Dharamshala, Community Hall, Dormitories, etc. attached with it)

(iv) Gaushalas/Gausadans and Dairy Farms having load upto 4 kW and consumption upto 600 kWh/ month

(v) Home-stay registered under Deendayal Upadhyay Home-Stay Development Policy Rules, 2018

(This rate schedule shall also be applicable to consumers having contracted load upto 2 kW as also consumption upto 200 kWh/month and who are using some portion of the premises mentioned above for non-domestic purposes. However, if either contracted load for such premises is above 2 kW or consumption is more than 200 kWh/month, then the entire energy consumed shall be charged under the appropriate Rate Schedule unless such load is segregated and separately metered).

2. Rate of Charge

Description	Fixed Charges*	Energy Charges
1) Domestic		
1.1)BPL/Life line consumers		
Below Poverty Line and Kutir Jyoti having load upto 1 kW and consumption upto 60 units per month	Rs. 18/ connection/month	Rs. 1.61/kWh
1.2) Other Domestic Consumers		
Upto 100 units per month	Rs. 60 /month	Rs. 2.80/kWh
101-200 units per month	Rs. 120 /month	Rs. 4.00/kWh
201-400 units per month	Rs. 200/month	Rs. 5.50/kWh
Above 400 units per month	Rs. 300/month	Rs. 6.25/kWh
2) Single Point Bulk Supply	Rs. 95/kW/month	Rs. 5.15/kWh

**Fixed Charges in case of other domestic consumers for the month shall be charged at the rates equivalent to the total consumption in the month.*

RTS-1A: Snowbound

1. Applicability

This schedule shall apply to supply of power to:

(i) Domestic and non-domestic consumers in snowbound areas.

(ii) This Schedule applies to areas notified as snowbound/snowline areas by the concerned District Magistrate.

2. Rate of Charge

Description	Fixed Charges	Energy charges
1) Domestic	Rs.18/connection/month	Rs. 1.61/kWh
2) Non-domestic upto 1 kW		Rs. 1.61/kWh
3) Non-domestic more than 1 kW & upto 4 kW		Rs. 2.36/kWh
4) Non-Domestic more than 4 kW	Rs. 30/connection/month	Rs. 3.51/kWh

3. All other conditions of this Schedule shall be same as those in RTS-1.

RTS-2: Non-Domestic

1. Applicability

This schedule should apply to supply of power to:

1.1 (i) Government/Municipal Hospitals
(ii) Government/Government Aided Educational Institutions
(iii) Charitable Institutions registered under the Income Tax Act, 1961 and whose income is exempted from tax under this Act.

1.2 Small Non Domestic Consumers with connected load upto 4 kW and consumption upto 50 units per month.

1.3 Other Non-Domestic Users including single point bulk supply above 75 kW for shopping complexes/multiplex/malls including common facilities (such as lifts, common lighting and water pumping system).

1.4 Independent Advertisement Boards/Hoardings - All commercial (road side / roof top or on the side of the buildings etc.) standalone independent advertisement hoardings such as private advertising sign posts/ sign boards/ sign glows/flex that are independently metered through a separate meter.

2. Rate of Charge

S. No.	Description	Fixed Charges	Energy charges
1.1	(i) Government/Municipal Hospitals (ii) Government/Government Aided Educational Institutions (iii) Charitable Institutions registered under the Income Tax Act, 1961 and whose income is exempted from tax under this Act		
	(a) Upto 25 kW	Rs. 75/ kW	Rs. 4.65/ kWh
	(b) Above 25 kW	Rs. 85/ kVA	Rs. 4.40/ kVAh
1.2	**Other Non-Domestic Users**		
	(a) Small Non-Domestic Consumers with connected load upto 4 kW and consumption upto 50 units per month*	Rs. 70 / kW	Rs. 4.70/ kWh
	(b) Others upto 25 kW not covered in 1.2(a) above	Rs. 90 / kW	Rs. 5.80/ kWh
	(c) Above 25 kW	Rs. 90 / kVA	Rs. 5.80/ kVAh
1.3	Single Point Bulk Supply**	Rs. 90 / kVA	Rs. 5. 75/ kVAh
1.4	Independent Advertisement Hoardings	Rs. 110/kW	Rs. 6.40/kWh

** If consumption exceeds 50 units/month, then on the entire energy consumed tariff as per sub-category 1.2(b) shall be charged*

*** For loads above 75 kW for shopping complexes/multiplex/malls*

3. Other Conditions

3.1 ToD Meters shall be read by Meter Reading Instrument (MRI) only with complete dump with phasor diagram, Tamper Reports, full load survey reports etc. shall be downloaded for the purpose of complete analysis.

3.2 All consumers above 25 kW shall necessarily have ToD Meters.

3.3 No meter shall be read at zero load or very low load. Licensee shall carry appropriate external load and shall apply the same, wherever, necessary to take MRI at load.

3.4 Copy of MRI Summary Report shall be provided alongwith the Bill. Full MRI Report including load survey report shall be provided on demand and on payment of Rs. 15/ Bill.

RTS-3: Govt. Public Utilities

1. Applicability

This schedule shall apply to supply of power to:

(i) Public lamps including street lighting system, traffic control signals, lighting of public parks, etc. The street lighting of Harijan Bastis and villages are also covered by this Rate Schedule.

(ii) State Tubewells, World Bank Tubewells, Pumped Canals and Lift irrigation schemes, Laghu Dal Nahar etc.,

(iii) Irrigation system owned and operated by any Government department.

(iv) Public Water Works, Sewage Treatment Plants and Sewage Pumping Stations functioning under Jal Sansthan, Jal Nigam or other local bodies and Plastic Recycling Plants.

2. Rate of Charge

Category	Fixed Charges*	Energy Charge
Urban (Metered)	Rs. 90/kVA/month	Rs. 5.80/ kVAh
Rural (Metered)	Rs. 80/kVA/month	Rs. 5.80/ kVAh

** The Urban and Rural differentiation will apply only for supply of power to 1(i) & 1(iv) above.*

3. Maintenance Charge for Public Lamps

In addition to the "Rate of Charge" mentioned above, a sum of Rs. 10/- per light point per month shall be charged for operation and maintenance of street lights covering only labour charges where all material required will be supplied by the local bodies. However, the local bodies will have the option to operate and maintain the public lamps themselves and in such case no maintenance charge will be charged.

4. Provisions of Street Light Systems

In case, the maintenance charge, as mentioned above, is being charged then the labour involved in the subsequent replacement or renewals of lamps shall be provided by the licensee but all the material shall be provided by the local bodies. If licensee provides material at the request of local body, cost of the same shall be chargeable from the local body.

The cost involved in extension of street light mains (including cost of sub-stations if any) in areas where distribution mains of the licensee have not been laid, will be paid for by the local bodies.

RTS-4: Private Tube Wells/ Pumping Sets

1. Applicability

This schedule shall apply to supply of power to private tube-wells/pumping sets for irrigation purposes and for incidental agricultural processes confined to chaff cutter, thrasher, cane crusher and rice huller only. However, the tariff applicable for RTS-4 shall only be applicable if such incidental agricultural processes are being carried out for agricultural produce of the connection sanctioned for irrigation purposes.

2. Rate of charge

Category	Fixed Charges Rs./BHP/Month	Energy Charges Rs./kWh
RTS 4: PTW (Metered)	Nil	2.08

3. Payments of bills and Surcharge for Late Payment

The bill shall be raised for this category twice a year only, i.e. by end of December (for period June to November) and end of June (for period December to May). The bill raised in December may be paid by the consumer either in lump-sum or in parts (not more than four times) till 30th April next year for which no DPS shall be levied. Similarly, bill raised in June may be paid by 31st October without any DPS. In case consumer fails to make payment within the specified dates, a surcharge @ 1.25% per month for the period (months or part thereof) shall be payable on the principal outstanding amount of the Bill as per clause 7 of the General Conditions of Supply.

RTS-4A: Agriculture Allied Activities

1. Applicability

This schedule shall apply to supply of power for use in nurseries growing plants/saplings, polyhouses and other units growing flowers/vegetables and fruits including mushroom cultivation which does not involve any kind of processing of product except for storing and preservation.

2. Rate of charge

Category	Fixed Charges Rs./BHP/Month	Energy Charges Rs./kWh
RTS 4(A): Agricultural Allied Services	Nil	2.75

RTS-5: LT and HT Industry

1. Applicability

This schedule shall apply to supply of power to:

(i) Industries and /or processing or agro- industrial purposes, power loom as well as to Arc/Induction Furnaces, Rolling/Re-rolling Mills, Mini Steel Plants and to other power consumers not covered under any other Rate Schedule.

(ii) The vegetable, fruits, floriculture & Mushroom integrated units engaged in processing, storing and packaging in addition to farming and those not covered under RTS-4A shall also be covered under this Rate Schedule.

2. Specific Conditions of Supply

(i) All connections shall be connected with MCB (Miniature Circuit Breaker) or Circuit Breaker / Switch Gear of appropriate rating and BIS Specification.

(ii) The supply to Induction and Arc Furnaces shall be made available only after ensuring that the loads sanctioned are corresponding to the load requirements of tonnage of furnaces. The minimum load of 1 Tonne furnace shall in no case be less than 400 kVA and all loads will be determined on this basis. No supply will be given for loads below this norm.

(iii) Supply to Steel Units shall be made available at a voltage of 33 kV or above through a dedicated individual feeder only with check meter at sub-station end. Difference of more than 3%, between readings of check meter and consumer meter(s), shall be immediately investigated by the licensee and corrective action shall be taken.

(iv) Supply to all new connections with load above 1000 kVA should be released on independent feeders only with provisions as at (iii) above.

Description	Energy Charge		Fixed /Demand Charge per month
1. LT Industry having contracted load upto 75kW (100 BHP)			
1.1 Contracted load up to 25 kW	Rs. 4.60/kWh		Rs. 155/ kW of contracted load
1.2 Contracted load more than 25 kW	Rs. 4.30/kVAh		Rs. 160/ kVA of contracted load
2. HT Industry having contracted load above 88 kVA/75 kW (100 BHP)	Load Factor#	Rs./ kVAh	
2.1 Contracted Load up to 1000 kVA	Upto 40%	4.45	Rs. 340/kVA of the billable demand*
	Above 40%	4.85	
2.2 Contracted Load More than 1000 kVA	Upto 40%	4.45	Rs. 410/kVA of the billable demand*
	Above 40%	4.85	

** Billable demand shall be the actual maximum demand or 80 % of the contracted load whichever is higher.*

#For tariff purposes Load Factor (%) would be deemed to be =

$$\frac{\text{Consumption (excluding the energy received through open access) during the billing period}}{\text{Maximum Demand or Contracted Demand whichever is less x No. of hours in the billing period}} \times 100$$

Provided that in cases where maximum demand during the month occurs in a period when open access is being availed by the consumer, then maximum demand for the purpose of computation of load factor shall be that occurring during the period when no open access is being availed.

3. Time of Day Tariff

(i) The rates of energy charge given above for LT industry with load more than 25 kW and HT industry shall be subject to ToD rebate/surcharge.

(ii) ToD Meters shall be read by Meter Reading Instrument (MRI) only with complete dump with phasor diagram, Tamper Reports, full load survey reports etc. shall be downloaded for the purpose of complete analysis and bills shall be raised as per ToD rate of charge.

(iii) No meter shall be read at zero load or very low load. Licensee shall carry appropriate external load and shall apply the same, wherever, necessary to take MRI at load.

(iv) Copy of MRI Summary Report shall be provided along with the Bill. Full MRI Report including load survey report shall be provided on demand and on payment of Rs. 15/ Bill.

(v) ToD Load shall be as under:

Season/Time of day	Morning Peak hours	Normal hours	Evening Peak Hours	Off-peak Hours
Winters 01.10 to 31.03	0600-0900 hrs	0900-1800 hrs	1800-2200 hrs	2200-0600 hrs
Summers 01.04 to 30.09	--	0700-1800 hrs	1800-2300 hrs	2300-0700 hrs

The, ToD Rate of Energy Charges shall be as under:

For LT Industry

Energy Charge during		
Normal Hours	**Peak Hours**	**Off-peak Hours**
Rs. 4.30/kVAh	Rs. 6.45/kVAh	Rs. 3.44/kVAh

For HT Industry

Load Factor*	Energy Charge during		
	Normal Hours	**Peak Hours**	**Off-peak Hours**
Upto 40%	Rs. 4.45/kVAh	Rs. 7.28/kVAh	Rs. 3.56/kVAh
Above 40%	Rs. 4.85/kVAh	Rs. 7.28/kVAh	Rs. 3.88/kVAh

** Load Factor shall be as defined in Clause 2 above*

4. Seasonal Industries

Where a consumer having load in excess of 18 kW (25 BHP) and ToD meter and avails supply of energy for declared Seasonal industries during certain seasons or limited period in the year, and his plant is regularly closed down during certain months of the financial year, he may be levied for the months during which the plant is shut down (which period shall be referred to as off-season period) as follows:

(i) The tariff for 'Season' period shall be same as "Rate of Charge" as given in this schedule.

(ii) Where actual demand in 'Off Season' Period is not more than 30% of contracted load, the energy charges for "Off-Season" period shall be same as energy charges for "Season" period given in Rate of Schedule above. However, the contracted demand in the "Off Season" period shall be reduced to 30%.

(iii) During 'Off-season' period, the maximum allowable demand will be 30% of the contracted demand and the consumers whose actual demand exceeds 30% of the contracted demand in any month of the 'Off Season' will be denied the above benefit of reduced contracted demand during that season. In addition, a surcharge at the rate of 10% of the demand charge shall be payable for the entire 'Off Season' period.

Terms and Conditions for Seasonal Industries

(i) The period of operation should not be more than 9 months in a financial year.

(ii) Where period of operation is more than 4 months in a financial year, such industry should operate for at least consecutive 4 months.

(iii) The seasonal period once notified cannot be reduced during the year. The off-season tariff is not applicable to composite units having seasonal and other categories of loads.

(iv) Industries in addition to sugar, ice, rice mill, frozen foods and tea shall be notified by Licensee only after prior approval of the Commission.

5. Factory Lighting

The electrical energy supplied under this schedule shall also be utilised in the factory premises for lights, fans, coolers, etc. which shall mean and include all energy consumed for factory lighting in the offices, the main factory building, stores, time keeper's office, canteen, staff club, library, creche, dispensary, staff welfare centres, compound lighting, etc.

6. Continuous and Non-continuous supply

(i) Continuous Process Industry as well as non continuous process industrial consumers connected on either independent feeders or industrial feeder can opt for continuous supply. For industrial feeder, all connected industries will have to opt for continuous supply and in case any consumer on industrial feeder does not wish to opt for continuous supply, all the consumers on such feeder will not be able to avail continuous supply. Such Industrial consumers who opt for continuous supply shall be exempted from load shedding during scheduled/unscheduled power cuts and during restricted hours of the period of restriction in usage approved by the Commission from time to time, except load shedding required due to emergency breakdown/shutdown.

(ii) Consumers who are existing Continuous Supply Consumers shall continue to remain Continuous Supply Consumers and they need not apply again for seeking continuous supply. Such consumers shall pay 5% extra energy charges, in addition to the energy charges given above, w.e.f. April 01, 2021 till March 31, 2022. However, in case of any pending dispute with UPCL in the matter of continuous supply on certain feeders, those consumers will have to apply afresh, for availing the facility of continuous supply, by April 30, 2021.

(iii) The existing consumers who are new applicants for continuous supply of power (including those who are applying afresh as per above) can apply for seeking the continuous supply option at any time during the year. However, continuous supply surcharge for such consumers shall be applicable with effect from May 1, 2021 till March 31, 2022. UPCL shall provide the facility of continuous supply within 7 days from the date of application, subject to fulfilment of Conditions of Supply.

(iv) In case of re-arrangement of supply through independent feeder, UPCL shall provide the facility of continuous supply from the date of completion of work of independent feeder subject to fulfilment of Conditions of Supply and the Continuous Supply Surcharge on such consumers shall be applicable from the date of energisation of aforesaid independent feeder till March 31, 2022, irrespective of actual period of continuous supply option.

(v) In case of a new consumer (new connection) opting continuous supply, 5% extra energy charges as Continuous Supply Surcharge shall be applicable from the date of new connection till March 31, 2022, irrespective of the actual period of continuous supply.

(vi) The existing consumers availing continuous supply option, who wish to discontinue the continuous supply option granted to them earlier, will have to communicate, in writing, to UPCL latest by April 30, 2021 and they shall continue to pay continuous supply surcharge alongwith the tariff approved in this Order till April 30, 2021. Further, in this regard, if due to withdrawal by one consumer from availing continuous supply option on a particular feeder, supplying to other continuous supply consumers as well, the status of other continuous supply consumers on that feeder is affected, then UPCL shall inform all the affected consumers in writing, well in advance.

(vii) The Continuous Supply Surcharge shall not be applicable on the power procured by the industrial consumers through open access.

(viii) UPCL shall not change the status of a continuous supply feeder to a non-continuous supply feeder.

(ix) UPCL/PTCUL shall take up augmentation, maintenance and overhauling works on top priority, specially in the sub-stations where circuit breakers, other equipment, etc. are in dilapidated condition and, thereby, shall ensure minimisation of interruptions of the continuous supply feeders.

(x) UPCL/PTCUL shall carry out periodical preventive maintenance of the feeders supplying to continuous supply consumers. The licensees shall prepare preventive maintenance schedule, in consultation with continuous supply consumers, well in advance, so that such consumers can plan their operations accordingly.

(xi) The Licensee should show the energy charges and continuous supply surcharge thereon separately in the bills.

7. Demand Charges for HT Industry

If the minimum average supply to any HT Industry Consumers is less than 18 hours per day during the month, the Demand Charges applicable for such HT Industry Consumer shall be 80% of the approved Demand Charges for HT Industry.

RTS 6: Mixed Load

1. Applicability

This schedule applies to single point bulk supply connection of more than 75 kW where the supply is used predominantly for domestic purposes (with more than 60% domestic load) and also for other non-domestic purposes. This schedule also applies to supply to MES.

2. Rate of Charge

The following rates shall apply to consumers of this category

Fixed Charges	Energy Charges
Rs. 110/kW/month	Rs. 5.45/kWh

3. Other conditions

Apart from the above, other conditions of tariff shall be same as those for RTS-1 consumers. However, excess load penalty shall be applicable as per clause 13 of General Conditions of Supply.

RTS 7: Railway Traction

1. Applicability

This schedule applies to Railways utilizing power for traction purposes.

2. Rate of Charge

The following rates of energy and demand charge shall apply to this category:

Demand Charges	Energy Charges
Rs./kVA/month	Rs./ kVAh
265/-	Rs. 4.70

3. Other conditions

Apart from the above, other conditions of tariff shall be same as those for General HT Industries under RTS-5 consumers except applicability of ToD tariff and surcharge for continuous supply.

RTS 8: Electric Vehicle Charging Stations

1. Applicability

This schedule applies to Public Electric Vehicle Charging Stations set up for providing Electric Vehicle Charging facilities on commercial basis.

2. Rate of Charge

The following rates of energy and demand charge shall apply to this category:

FixedCharges	Energy Charges
Rs./kW/month	Rs./ kWh
---	Rs. 5.50

RTS-9: Temporary Supply

1. Applicability

(i) This schedule shall apply to temporary supplies of light, fan and power loads for all purposes including illumination/public address/ceremonies and festivities/functions/ temporary shops not exceeding three months.

(ii) This schedule shall also apply for power taken for construction purposes including civil work by all consumers including Government Departments. Power for construction purposes for any work / project shall be considered from the date of taking first connection for the construction work till completion of the work / project.

However, use of electricity through a permanent connection sanctioned for premises owned by the consumer for construction, repair or renovation of existing building, shall not be considered as unauthorised use of electricity as long as the intended purpose/use of the building/apartments being constructed is same/permissible in the sanctioned category of the connection.

2. Rate of Charge

The rate of charge will be corresponding rate of charge in appropriate Schedule Plus 25%. The appropriate rate schedule for the temporary supplies for cane crusher upto 15 BHP given for maximum period of four (4) months will be RTS-5.

7.2 Annexure 2: Schedule of Miscellaneous Charges

Sl. No	Nature of Charges	Unit	Approved (Rs.)
1	**Checking and Testing of Meters**		
	a. Single Phase Meters	Per Meter	50.00
	b. Three Phase Meters	Per Meter	75.00
	c. Recording Type Watt-hour Meters	Per Meter	170.00
	d. Maximum Demand Indicator/ LT CT operated Meters	Per Meter	350.00
	e. Tri-vector Meters/ HT Meters with CT/PT	Per Meter	1000.00
	f. Ammeters and Volt Meters	Per Meter	65.00
	g. Special Meters	Per Meter	335.00
	h. Initial Testing of Meters	Per Meter	NIL
2	**Subsequent testing and installation other than initial testing**	Per Meter	80.00
3	**Disconnection and Reconnection of supply on consumers request or non-payment of bill (for any disconnection or reconnection the charge will be 50%)**		
	a. Consumer having load above 100 BHP/75 kW	Per Job	600.00
	b. Industrial and Non Domestic consumers upto 100 BHP/75 kW	Per Job	400.00
	c. All other categories of consumers	Per Job	200.00
4	**Replacement of Meters**		
	a. Installation of Meter and its subsequent removal in case of Temporary Connections	Per Job	75.00
	b. Changing of position of Meter Board at the consumer's request	Per Job	100.00
5	Checking of Capacitors (other than initial checking) on consumer's request:		
	a. At 400 V/ 230 V	Per Job	150.00
	b. At 11 kV and above	Per Job	300.00

7.3 Annexure 3: Public Notice

UTTARAKHAND POWER CORPORATION LIMITED.
(A Govt. of Uttarakhand Undertaking)
Corporate Identity No. U40109UR2001SGC025867
V. C. V. Gabar Singh Urja Bhawan, Kanwali Road, Dehradun-248001 Tel No. - (0135) 27624444, E-mail : cgmupcl@yahoo.com, Website : www.upcl.org

PUBLIC NOTICE

Inviting Comments on the Petition for True-up of FY 2019-20, Annual Performance Review of FY 2020-21 and determination of Annual Revenue Requirement for FY 2021-22 filed by UPCL before the Uttarakhand Electricity Regulatory Commission.

Salient Points of the ARR/Tariff Petition

1. Uttarakhand Power Corporation Limited (UPCL), the sole Distribution and Retail Supply Licensee in the State, has filed a Petition before Uttarakhand Electricity Regulatory Commission (UERC or Commission) for determination of Annual Revenue Requirement (ARR) for FY2021-22 and has sought revision in Retail Tariffs to be charged from different category of electricity consumers in the State for FY 2021-22.
2. Through the above Petition,UPCL has also sought truing up of expenses for FY 2019-20(based on audited accounts).The summary of the revised ARR and the revised revenue Gap for FY 2019-20 and projected ARR & projected Revenue gap for FY 2021-22are given in the following Table:

(Figures in Rs. Crore)

S. No.	Particulars	FY 2019-20		FY 2020-21		FY 2021-22
		Approved by the Commission	Final truing up claimed by UPCL	Approved by the Commission	Revised Estimates submitted by UPCL	Projected by UPCL
A.	**Expenditure**					
1	Power Purchase Expensesincl. Water Charges	5400.74*	5289.46	5541.65*	4786.36	5322.16
2	Power Purchase Cost of FY 2018-19 carried forward to FY 2019-20	295.95#	295.95#	-	-	-
3	Balance Power Purchase Cost of FY 2018-19	-	99.82	-	-	-
4	SLDC charges	11.35	331.82^	13.83	249.57	351.98
5	Transmission Charges- PTCUL	255.01		272.66		
6	Transmission Charges- PGCIL	509.73	755.68	429.89	607.68	636.39
7	O&M expenses	551.96	563.00$	554.19	554.52	600.70
8	Interest charges (including interest on consumer security deposit)	137.06	130.60	135.94	162.50	174.58
9	Guarantee Fee	5.36	1.24	1.52	1.24	1.24
10	Depreciation	143.38	158.40	167.478	169.61	186.64
11	Return on Equity	90.11	93.96	114.55	102.29	113.89
12	Interest on Working Capital	-	-	-	-	-
13	Net Impact of Gain/(Loss) Sharing.	-	18.82	-	-	-
14	**Gross Expenditure**	**7400.65**	**7738.75**	**7231.69**	**6633.77**	**7387.56**
B.	Less: Non-tariff income	250.00	282.70	244.41	282.72	282.72
	True up impact of previous year Gap/(Surplus)	-305.31	-305.31	-30.16	-	943.09
C.	**Aggregate Revenue Requirement**	**6845.34**	**7150.74**	**6957.12**	**6351.06**	**8047.93**
D.	Revenues from Existing/Approved Tariffs	6888.47	6506.42	7052.99	-	7095.46
E.	Add: Revenue on account of sharing of gains for lower Distribution Loss	-	42.73	-	-	-
F.	**Revenue (Surplus)/Gap (C –D+E)**	**-43.13**	**687.05**	**-95.87**	**-**	**952.48**

**including Water tax, RPO and UJVN Ltd. Arrears.*
^including UITP charges of Rs. 62.90 Cr. for FY 2016-17 and FY 2017-18.
$Including Prior Period A&G Expenses of Rs. 3.01 Cr.
 # as per Commission's Order dated 25.10.2019

3. UPCL has, accordingly, projected a total revenue gap of Rs.952.48Crore.
4. For FY 2021-22, UPCL has projected the distribution loss level of 13.75% based on the loss trajectory proposed in the business plan. It is also to mention that for projecting the power purchase cost for FY 2021-22 from UJVN Ltd. stations and Central Sector Generating Stations, UPCL has considered AFC in FY 2020-21 (without arrears) based on actual half yearly data and multiplied it by two for the complete year to arrive at AFC for FY 2020-21. Further, the variable and other cost for same stations have been projected based on the per unit rate of the actual half yearly data for FY 2020-21 which is then multiplied by the total energy to project the variable for FY 2021-22. Inter-state transmission charges (PGCIL charges) have been projected on "per unit basis", i.e. power projected to be procured from outside based on the actual per unit cost paid from April, 2019 to March, 2020. UPCL has considered the Intra-state transmission charges (PTCUL charges) and SLDC charges as per ARR approved by the Commission for PTCUL in MYT Order dated 27.02.2019.
5. UPCL has proposed to recover one-third of the total revenue gap amounting to Rs.323.78 Crore relating to past yeartrue up and has projected ARR & tariff for FY 2021-22 through tariff hike in the FY 2021-22. UPCL has,accordingly, proposed an average tariff hike of 4.56% in the existing retail tariffs of consumers.
6. Further, for the balance unrecovered Gap, UPCL has proposed for creation of Regulatory Assets under Regulation 35 of the UERC MYT Regulations, 2018 to be recovered in next 2 years alongwith carrying cost.
7. Further, PTCUL, SLDC and UJVN Ltd. have also submitted their ARR and Tariff Petition for the FY 2021-22 before the Commission. If all the claims as proposed are accepted by the Commission, it would necessitate a hike of 7.34% in consumer tariffs for FY 2021-22. Further, if creation of regulatory asset is not allowed, the same would necessitate a tariff hike of 16.20%.
8. UPCL has proposed to revise the applicable tariffs for FY 2021-22 to meet the revenue gap of Rs. 323.78 Crore.

The tariff proposals are as below:

Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
RTS-1: Domestic				
1.1 Life Line Consumers	18 Rs/Connection/month	18 Rs/Connection/month	1.61 Rs/kWh	1.61 Rs/kWh
1.2 Other Domestic Cunsumers				
(I) Upto 100 Units/month	60 Rs/connection/month	60 Rs/connection/month	2.80 Rs/kWh	2.80 Rs/kWh
(ii) 101-200 Units/month	95 Rs/connection/month	124 Rs/connection/month	3.75 Rs/kWh	4.10 Rs/kWh
(iii)201-300 Units/month	165 Rs/connection/month	124 Rs/connection/month	5.15 Rs/kWh	4.10 Rs/kWh
(iv) 301-400 Units/month	165 Rs/connection/month	260 Rs/connection/month	5.15 Rs/kWh	5.95 Rs/kWh
(v) Above 400 Units/month	260 Rs/connection/month	260 Rs/connection/month	5.90 Rs/kWh	5.95 Rs/kWh
1.3. Single Point Bulk Supply above 75 kW	85 Rs/kW/month	95 Rs/kW/month	4.85 Rs/kWh	5.25 Rs/kWh
RTS-1A: Snowbound				
Domestic	18 Rs/connection/month	18 Rs/connection/month	1.61 Rs/kWh	1.61 Rs/kWh
Non-Domestic upto 1kW			1.61 Rs/kWh	1.61 Rs/kWh
Non-Domestic above 1 kW &upto 4 kW			2.36 Rs/kWh	2.36 Rs/kWh
Non-Domestic above 4kW	30 Rs/connection	30 Rs/connection	3.51 Rs/kWh	3.51 Rs/kWh
RTS-2: Non-Domestic				
1. (I) Government/Municipal Hospitals (ii) Government/Government Aided Educational Institutions (iii) Charitable Institutions registered under the Income Tax Act, 1961 and whose income is exempted from tax under this Act				
1.1 Upto 25 kW	70 Rs/kW/month	80 Rs/kW/month	4.60 Rs/kWh	4.70 Rs/kWh
1.2 Above 25 kW	80 Rs/kVA/month	90 Rs/kVA/month	4.35 Rs/kVAh	4.45 Rs/kVAh
2. Other non-Domestic/Commercial Users				
2.1 Small shops (Load upto 4 KW & consumption upto 50 units pm)	70 Rs/kW/month	70 Rs/kW/month	4.70 Rs/kWh	4.70 Rs/kWh
2.2 Upto 25 kW other than above	85 Rs/kW/month	95 Rs/kW/month	5.75 Rs/kWh	5.90 Rs/kWh
2.3 Above 25 kW	85 Rs/kVA/month	95 Rs/kVA/month	5.60 Rs/kVAh	5.80 Rs/kVAh
3. Single Point Bulk Supply above 75 kW	85 Rs/kVA/month	95 Rs/kVA/month	5.65 Rs/kVAh	5.75 Rs/kVAh
4.0 Independent Advertisement Hoardings	100 Rs/kW/month	110 Rs/kW/month	6.25 Rs/kWh	6.40 Rs/kWh
RTS-3: Govt. Public Utilities				
1. Metered (Urban)	70 Rs/kVA/month	90 Rs/kVA/month	5.40 Rs/kVAh	5.94 Rs/kVAh
2. Metered (Rural)	60 Rs/kVA/month	80 Rs/kVA/month	5.40 Rs/kVAh	5.94 Rs/kVAh
RTS-4: Private Tube-wells / Pumping sets				
1. Metered	-	-	2.03 Rs/kWh	2.03 Rs/kWh
RTS-4 A: Agriculture Allied Activities				
1. Metered	-	-	2.25 Rs/kWh	2.25 Rs/kWh
RTS-5: LT & HT Industry				
LT Industries- Contracted load upto 75kW (100 BHP)				
1.2 LT Industries (Upto 25 kW)	155 Rs/kW/month	155 Rs/kW/month	4.60 Rs/kWh	4.60 Rs/kWh
1.3 LT Industries (above 25kW &upto 75 kW)	150 Rs/kVA/month	160 Rs/kVA/month	4.25 Rs/kVAh	4.35 Rs/kVAh
HT Industries (above 75 KW/88KVA)				
2.1 Contracted load upto 1000 kVA				
1- Load factor upto 40%	310 Rs/kVA of billable demand	At 11 kV – 400 Rs/kVA of billable demand/month At 33 kV – 380 Rs/kVA of billable demand/month At 132 kV and above – 360 Rs/kVA of billable demand/month	4.20 Rs/kVAh	4.98 Rs/kVAh
2- Load factor upto 40%	310 Rs/kVA of billable demand		4.60 Rs/kVAh	4.84 Rs/kVAh
2.2 Contracted load above 1000 kVA				
1- Load factor upto 40%	370 Rs/kVA of billable demand		4.20 Rs/kVAh	4.98 Rs/kVAh
2- Load factor upto 40%	370 Rs/kVA of billable demand		4.60 Rs/kVAh	4.84 Rs/kVAh
RTS-6: Mixed Load				
Mixed Load Single Point Bulk Supply above 75 kW including MES	90 Rs/kW/month	100 Rs/kW/month	5.30 Rs/kWh	5.45 Rs/ kWh
RTS-7: Railway Traction				
Railway Traction	250 Rs/kVA/month	270 Rs/kVA/month	4.65 Rs/kVAh	4.80 Rs/kVAh
RTS-8: Electric Vehicle Charging Station				
Electric Vehicle Charging Station	-	-	5.50 Rs/kWh	5.75 Rs/kWh

Note: For other domestic consumers shown at RTS-1 :1.2in the above Rate Schedule, UPCL has proposed recovery of fixed charges as per connection / month basis subject to minimum fixed charges of Rs. 60/kW/month.

ToD charges for the industries:

Industries	Rate of charge during		
	Normal hours	Peak hours	Off-peak hours
LT Industries	Rs4.35 /kVAh	Rs. 6.09/kVAh	Rs.3.70 /kVAh
HT Industries with Load Factor			
Upto 40%	Rs.4.98/kVAh	Rs.6.77/kVAh	Rs.4.23/kVAh
Above 40%	Rs.4.84/kVAh	Rs.6.58/kVAh	Rs.4.11 /kVAh

9. In addition, UPCL has also proposed following Tariff Rationalisation measures:
   (a) No. of slabs under domestic category proposed to be reduced to three: 0-100 kWh, 101-300 kWh and above 300 kWh.
   (b) Voltage wise fixed charges proposed for HT industries under three categories – At 11 kV, 33kV and 132kV and above.
   (c) Continuing with current approved Pre-paid metering Scheme.
   (d) Abolition of grace period.
   (e) Online Payment Rebate of 1% subject to maximum of Rs. 10,000 for LT consumers and Rs. 1 lakh for HT consumers for making payment within due date.
10. Responses/suggestions, if any, are sought from consumers and other stakeholders on the Petition. Responses may be sent to the Secretary, Uttarakhand Electricity Regulatory Commission, either in person, or by post at 'Vidyut Niyamak Bhawan', Near ISBT, PO-Majra, Dehradun-248171 or through e-mail to secy.uerc@gov.in by **31.03.2021** Responses/suggestions, if any, may also be dropped at the drop boxes installed at every sub-stations of UPCL in an envelope addressed to Secretary, Uttarakhand Electricity Regulatory Commission by the stipulated date.
11. Detailed Petition can be seen free of cost on any working day at the Commission's office or at the offices of Chief Engineer (Commercial) at Victoria Cross Vijeta Gabar Singh Urja Bhawan, Kanwali Road, Dehradun/Chief Engineer (Distribution), Garhwal Zone, UPCL, 120-Haridwar Road, Dehradun/Chief Engineer (Distribution), Kumaon Zone, UPCL, 132-KV Substation, Kathgodam, Haldwani/ Chief Engineer (Distribution), Haridwar Zone, UPCL, Roshnabad, Haridwar / Chief Engineer (Distribution), Udham Singh Nagar Zone, UPCL, 33KV Sub-Station, Sector-2, SIDCUL, Pantnagar, Rudrapur-263153. Relevant extracts can also be obtained from the above mentioned offices of the Petitioner
12. The Petition is also available at the website of the Commission (www.uerc.gov.in) and at the Petitioner's website (www.upcl.org).

No. 67/1/EE(CM)/UPCL/A-2 Dt. 12.02.2021 **Managing Director**

SAVE ELECTRICITY IN THE INTEREST OF NATIONS, Use L.E.D. Bulb Save Electricity, (Toll Free No. 1912) "Pay Electricity Bill Online 24 x 7 from www.upcl.org"
(For information on Electricity Theft, Informer may report to Toll Free No. 1800 180 4185/ Fax No. 0135-2760911)

7.4 Annexure 4: List of Respondents

Sl. No.	Name	Designation	Organization	Address
1.	Sh. Suresh Kumar Srivastava	President	M/s Haridwar Greens Residents' Welfare Association	101, A-22, Haridwar Greens, Near Jawahar Navodaya Vidylaya
2.	Sh. Arvind Sharma	-	-	Laxman Chowk, Vikasnagar, Dehradun
3.	Sh. Hanumantha K. Rao	Plant Head	M/s Carborundum Universal Ltd.	K-3, AIS Industrial Estate, Latherdeva Hoon, P.O. Jhabrera, Roorkee-247667
4.	Sh. Pravin Ahire,	Plant Head	M/s Finolex Cables Limited	Unit: K-1 & K-2, AIS Industrial Estate, Latherdeva Hoon, Mangalour, Jhabrera Road, P.O. Jhabrera, Tehsil-Roorkee, Dist- Haridwar, Uttarakhand-247665
5.	Ms. Beena Tomar	-	"Thakur Krishi Farm"	P.O.- Hempur R.T.C., Kashipur-244716, Distt. Udham Singh Nagar
6.	Sh. Kishan Singh Negi	President	Vyapaar Mandal-Mallital	Distt. Nainital
7.	Sh. Dinesh Sah	President	-	Nainital Hotels and Restaurants Association, Nainital
8.	Sh. Maruti Nandan Sah	President	Prantiya Udhyog Vyapaar Mandal	Tallital, Distt. Nainital
9.	Sh. Chandan Bhandari	-	M/s BST TextileMills Pvt. Ltd.	Plot 9, Sector 9, IIE, SIDCUL, Pantnagar, Rudrapur-263153, Distt. Udham Singh Nagar
10.	Sh. Nishant Kumar	Advocate	M/s Uttarakhand Steel Manufacturers Association	Fiducia Legal Advocates & Solicitors, D-314, Ground Floor, Defence Colony, New Delhi-110024
11.	Sh. Prakash Chandra Joshi	President	Nagarpalika Parishad (Almora)	Residence- Malla Joshi Khola, Almora-263601, Uttarakhand
12.	Sh. Ram Kumar Goel	Sr. Vice President	-	Hotel Vishnu Palace, Gandhi Chowk, Mussoori-248179, Dehradun
13.	Sh. K.G. Behl	President	-	All India Consumer Council & SNS-Uttarakhand, 8-A, Nemi Road, Dalanwala, Dehradun
14.	Sh. Rakesh Bhatia	State Chairman	Indian Industries Association	E-8, Govt. Industrial Area, Patel Nagar, Dehradun
15.	Sh. Harindra Kumar Garg	Chairman	SIDCUL Manufacturers Association Uttarakhand	5th Floor, Pentagon Mall, SIDCUL, Haridwar
16.	Sh. Arvind Kumar Gupta,	Central President	-	Netaji Sangarsh Samiti (India), Lal Jai Ram Market, Near Mahant Indiresh Hospital, Kargi Road, Dehradun
17.	Sh. Vijay Singh Verma	-	-	Village-Delna, P.O.-Jhabrera, Haridwar-247665
18.	Sh. K.G. Behl	President	Sanyukta Nagrik Sangathan	Office-34, Phase-1, THDC Colony, Pathri Bagh, Dehradun
19.	Sh. Balkr Singh,	-	Bhartiya Kisan Union	Village-Raipur, Kashipur, Distt. UdhamSingh Nagar

Sl. No.	Name	Designation	Organization	Address
20.	Sh. Vijay Singh Verma	-	-	Village-Delna, P.O.-Jhabrera, Haridwar-247665
21.	Sh. Sunil Kumar Gupta	Editor	Teesri Aankh Ka Tehalka	16, Chakrata Road (Titop Gali), Dehradun-248001
22.	Sh. Rajendra Kumar Chaudhary	Ex Vice President	District Congress Committee	Address-423/35, Civil Lines, Roorkee, Distt. haridwar
23.	Sh. B.K. Sinha	AVP-Maintenance	M/s Finlox Cables Limited	Plot No. K1 &K2, AIS Industrial Estate, Latherdeva Hoon, Roorkee, Distt. Haridwar-247665
24.	Sh. Kartikaya Tomar,	Partner	M/s PSR Innovations LLP,	Vill- Gopipura, Post- R.T.C. Hempur, Kashipur-244716. Distt. Udham Singh Nagar
25.	Sh. Pramod Singh Tomar	-	-	"Prabhu Sadan", Girital Road, Kashipur, Distt. Udham Singh Nagar
26.	Sh. Vivek Talwar	Asstt. Vice President (Operations)	M/s Hindustan National Glass & Industries Ltd.	Virbhadra, Rishikesh-249202, Dehradun
27.	Sh. Jogendra Behera	Vice President (Market Design & Economics)	Indian Energy Exchange Ltd. (EXI)	Plot No. C-001/A, 9th Floor, Max Towers, Sector 16 B, Noidam Gautam Buddha Nagar, Uttar Pradesh-201301
28.	Sh. Rajeev Gupta	Dy. General Manager	M/s Kashi Vishwanath Steel Pvt. Ltd.	Narain Nagar Industrial Estate, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar
29.	Sh. Pankaj Gupta	President	Industries Association of Uttarakhand	Mohabewala Industrial Area, Dehradun-248110
30.	Sh. Shakeel A. Siddiqui	President	M/s Kashi Vishwanath Textile Mill(P) Ltd.	5th KM, Stone, Ramnagar Road, Kashipur-244713, Distt. Udham Singh Nagar
31.	Sh. Ashok Bansal	President	M/s Kumaun Garhwal Chamber of Commerc & Industry Uttarakhand	Chamber House, Industrial Estate, Bazpur Road, Kashipur, Distt. Udham Singh Nagar
32.	Sh. R.K. Singh	Head (CPED and Construction &E)	M/s Tata Motors Ltd.	Plot No.-1, Sector-11, Integrated Industrial Estate, SIDCUL, Pantnagar-263153, Udham Singh Nagar
33.	Sh. Adarsh Jaiswal,	Senior Manager (E&I)	M/s Ambuja Cement Ltd.	(Unit-Roorkee)Village Lakeshwari, P.O. Sikandarpur Bhainswal, Tehsil Roorkee, Distt. Haridwar-247661, Uttarakhand
34.	Sh. Man Singh	General Manager (Engg.)	M/s Vista Alps Industries Ltd.	Haridwar Unit-II, Plot No. 1 B, Sector-10, Integrated Industrial Estate, SIDCUL, Roshanabad Road, Distt. Haridwar
35.	Sh. Pawan Agarwal	Vice-President	Uttarakhand Steel Manufacturers Association	C/o Shree Sidhbali Industries Ltd., Kandi Road, Kotdwar, Uttarakhand
36.	Sh. K.G. Behl	President	All India Consumer Council-Uttarakkhand	8-A, Nemi Road, Dalanwala, Dehradun
37.	Sh. Kishor Upadhyaya	-	-	1-E, Laxmi Road, Dalanwala, Dehradun

Sl. No.	Name	Designation	Organization	Address
38.	Sh Ranjeet Singh Bisht	-	-	"Atithya", Haldapani, Gopeshwar, Distt. Chamoli Garhwal
39.	Smt. Suman Devi Rawat	-	-	Ring Road, Nehrugram, Dehradun

7.5 Annexure 5: List of Participants in Public Hearings

List of Participants in Hearing at Nainital on 06.04.2021

S.No.	Name of the Participants	Designation	Organization	Postal Address
1.	Sh. Sakeel Siddiqui	President	M/s Kashi Vishwanath Textile Mill (P) limited	(SPNG Group) 5th Km Stone, Ramnagar Road, Kashipur-244713 Uttarakhand
2.	Sh. R.K. Singh	-	M/s Tata Motors	Plot No. 1, Sec-11, 11 E, SIDCUL, Pant Nagar
3.	Sh. R.K. Gupta	-	I. Sitarganj Sidcul Industries Welfare Association II. KGCCI, Kashipur	C 50, ELDECO, SIDCUL Industrial Park, Sitarganj, Udham Singh Nagar
4.	Sh. Chandan Bhandari	-	-	BST Textile Mills Pvt. Ltd, Plot No. 9, Sector-09, SIDCUL, Rudrapur
5.	Sh. Madhup Misra	-	-	KGCCI, Head Admin/Account Indian Glycols Ltd. (IGL), Kashipur
6.	Sh. Manish Sah	-	-	Mill House, Tallital, Nainital
7.	Sh. Madan Lal Goel	-	M/s G.L.D. Agri Food	G.L.D. Agri Food, Sitarganj, Vill-Malpuri, P.O. Nakatpura, Sitarganj, Udham Singh Nagar
8.	Sh. Rajeev Gupta	DGM	M/s Kashi Vishwanath Steel Pvt. Ltd.	KVSL, Narayan Nagar, Bajpur Road, Kashipur, Udham Singh Nagar
9.	Sh. Dinesh Sah,	President	-	NIYRA, Ved Sah, Secretary India Hotel, Mall Road, Nainital
10.	Sh. Nishant Kumar	-	M/s Uttarakhand Steel Manufacturing Ass.	D-314, GF, Defence Colony, New Delhi-110024
11.	Sh. Maruti Nandan Shah	-	-	86, Ramsey Road, Tallital, Nainital

S.No.	Name of the Participants	Designation	Organization	Postal Address
12.	Sh. Madan Mohan	-	-	Vill-Pathari, P.O. Simrar, Distt. Nainital
13.	Sh. Amandeep Singh	-	-	Aagyas 108, Tallital, Nainital
14.	Sh. Tribuwan Fartiyal	General Secretary	Vypar Mandal, Nainital	Vypar Mandal, Chat Park, Mallital, Nainital
15.	Sh. Ravi Pal	Dy. Manager (Electrical)	Govt. Medical College	Govt. Medical College, Rampur Road, Rampur, Haldwani, Uttarakhand 263129

List of Participants in Hearing at Dehradun on 10.04.2021

S.No.	Name of the Participants	Designation	Organization	Postal Address
1	Sh. Pankaj Gupta,	President	M/s Industries Association of Uttarakhand	Mohabelwala Industrial Area Dehradun - 248 110 Uttarakhand
2	Sh. Rajeev Agrawal	Sr. Vice President	M/s Industries Association of Uttarakhand	Industries Association of Uttarakhand Mohabelwala Industrial Area, Dehradun - 248 110 Uttarakhand
3	Sh. Sanjeev Kumar	Sr. Office Executive	M/s Industries Association of Uttarakhand	Industries Association of Uttarakhand Mohabelwala Industrial Area, Dehradun - 248 110 Uttarakhand
4	Sh. Harindra Garg	Chairman	M/s SIDCUL Infra Association Uttarakhand	Creative Industries Plot No. 5, Sector 3, IIE, SIDCUL, Haridwar, 249403
5	Sh. R.K. Tyagi,	Sr. Vice Chairman	M/s SIDCUL Infra Association Uttarakhand	Creative Industries Plot no. 5, Sector 3, IIE, SIDCUL, Haridwar, 249403
6	Sh. Rakesh Yadav	-	-	K-3, AIS Industrial Estate Latherdeva Hoon Manglour Jhabrera, Roorkee - 247667
7	Sh. K.L. Sundariyal,	General Secretary	Prantiya Electrical Contractors Association Uttarakhand	2,(4/3) New Road, (1/1 Amrit Kaur Road), Near (Hotel Relax), Dehradun
8	Sh. Naval Duseja	-	M/s FLEX Foods Ltd.,	Lal Tappad Industrial area Haridwar Road, Roorkee, P.O. Resham Majari
9	Sh. Amit Verma,	Manager (Electrical Maintenance)	M/s Finolex Cables Ltd.,	K1+ K2, AIS Industrial Estate Village Latherdeva Hoon Manglour Jhabrera Road, Haridwar-247665
10	Sh. Rakesh Bhatia,	State Chairman	M/s Indian Industries	E-8, Govt. Industrial area Patelnagar, Dehradun

S.No.	Name of the Participants	Designation	Organization	Postal Address
			Association (IZA)	
11	Sh. Arvind Kr. Jain	Member of Tarun Kranti Manch	-	06-Ramleela Bazar, Dehradun
12	Sh. Dhan Singh Bisht	-	-	S/o Ram Singh Bisht, A/1 Paniyalal Road, Subhash Nagar, Roorkee, Haridwar
13	Sh. Brig. K.G. Behl	President	All India Consumer Council	8-Nemi Road, Dalanwala, Dehradun
14	Ms. Gulista Khanam	-	Sravardhan Sadhbhwana Samiti.	Kargi Grant, Ward no. 42, Vigilance office, P.O. Banjarawala, Dehradun
15	Sh. Sushil Tyagi	-	Sanyukt Nagrik Sangathan,	JY-THOC, Colony, Pathribagh, Dehradun
16	Sh. Mukesh Naryan Sharma	-	Swatantrata senani Kalyan Samiti	24/1 Circular Road, Dehradun
17	Sh. Biru Bisht	-	-	Mohanpur, P.O. Premnagar, Dehradun
18	Sh. Arvind Kr. Gupta	Central President	Netaji Sangarsh Samiti.	18, Majari Road, Laxman Chowk, Dehradun,
19	Sh. Vijay Singh Verma	-	-	Village-Delna, P.O. Jhabrera, Roorkee-247665, Haridwar
20	Sh. Sunil Kr. Gupta	-	Teesre Aankh ka Tehelka	16-Chakrata Road (Tiptop Gali), Dehradun
21	Sh. Sushil Saini	-	Sanyukt Nagrik Sangathan	JY-THOC, Colony, Pathribagh, Dehradun
22	Sh. S.P. Chauhan	-	-	12/115, Tea State, Banjarawala, Dehradun
23	Sh. Rajendra Chaudhary	Vice President, Dist. Congress	-	35, Civil Lines, Roorkee, Haridwar
24	Sh. Kamaldeep Kamboj	-	-	21-Teachers Colony, Govindgarh, Dehradun

टैरिफ आदेश के

अध्याय – 07

दर अनुसूची (रेट शेड्यूल)

का हिन्दी रूपान्तरण

(नोटः– यह रूपान्तरण, मा0 आयोग द्वारा पारित टैरिफ आदेश दिनांक 26.04.2021 के Annexures - 7 का हिन्दी रूपान्तरण है, इस सम्बन्ध में किसी भी प्रकार के निर्वचन/व्याख्या के लिए अंग्रेजी संस्करण ही अन्तिम रूप से मान्य होगा।)

7. संलग्नक

7.1 संलग्नक 1: 01.04.2021 से प्रभावी दर अनुसूची –

ए. आपूर्ति हेतु सामान्य शर्तें–

1. सेवा की प्रकृति

i) 4 kW के भार तक ऑल्टरनेटिंग करेंट 50 Hz सिंगल फेज 230 वोल्ट (अनुमन्य परिवर्तनों के साथ)।

ii) वोल्टेज आपूर्ति की उपलब्धता पर निर्भर करते हुए 4 kW से ऊपर भारों के लिए अल्टरनेटिंग करेंट 50 Hz. 3 फेज, 4 वायर, 400 वोल्ट्स या इससे ऊपर (अनुमन्य परिवर्तनों के साथ)।

2. नये संयोजनों के लिए शर्तें–

i) 75 kW (88 kVA) से अधिक तथा 2550 kW (3000 kVA) तक के नये संयोजनों को आपूर्ति 11 kV या इससे ऊपर पर निर्गत की जायेगी, 2550 kW (3000 kVA) से ऊपर 8500 kW (10000 kVA) तक भार 33 kV या इससे ऊपर पर निर्गत किये जायेंगे, 8500 kW (10000 kVA) से ऊपर और 42500 kW (50000kVA) तक भार 132 kV या इससे भार पर निर्गत किये जायेंगे, तथा 42500 kW (50000kVA) से ऊपर 220 kV भार पर निर्गत किये जायेंगे।

ii) सभी नये संयोजन, संस्थापन तथा मीटरों के परिचालन पर सी.ई.ए. के विनियमों की पुष्टि करने वाले मीटर के साथ दिये जायेंगे।

iii) 4 kW से ऊपर के सभी नये 3 फेज संयोजन, अधिकतम मांग संकेतक वाले इलैक्ट्रॉनिक ट्राई–वेक्टर मीटर के साथ जारी किये जायेंगे।

iv) सभी नये सिंगल प्वाइंट बल्क संयोजन, 75 kW से अधिक भार पर जारी किये जायेंगे।

v) 5 BHP से अधिक के मोटिव भार रखने वाले उपभोक्ता उपयुक्त रेटिंग के तथा BIS विशिष्टि की पुष्टि करने वाले शंट कैपेसिटर संस्थापित करेंगे।

vi) HT/EHT पर सभी नये संयोजन केवल 3 फेज 4 वायर मीटर्स के साथ जारी किये जायेंगे।

3. आपूर्ति का बिन्दु–

उपभोक्ता को ऊर्जा की आपूर्ति एक एकल बिन्दु पर की जायेगी।

4. त्रुटिपूर्ण मीटर (ADF/IDF), मीटर पहुँच नहीं/ नहीं पढ़ा (NA/NR) तथा त्रुटिपूर्ण रीडिंग (RDF) के मामले में बिलिंगः–

NA/NR मामलों में ऊर्जा उपभोग का निर्धारण तथा बिलिंग पिछले एक वर्ष के औसत उपभोग के अनुसार किया जायेगा (विद्युत आपूर्ति संहिता के अनुसार) जो कि वास्तविक रीडिंग लिये जाने पर समायोजन के अधीन होगा। ऐसी अनंतिम रीडिंग एक बार में दो बिलिंग चक्रों से अधिक के लिए जारी नहीं रहेगी। इसके पश्चात् अनुज्ञापी को अनंतिम आधार पर कोई बिल जारी करने का अधिकार नहीं होगा। त्रुटिपूर्ण प्रतीत अवस्था (ADF), त्रुटिपूर्ण मीटर (IDF) तथा त्रुटिपूर्ण रीडिंग (RDF) के मामलों में उपभोक्ताओं की बिलिंग, मीटर के

त्रुटिपूर्ण पाये जाने या त्रुटिपूर्ण रिपोर्ट किये जाने की तिथि से ठीक पहले के तीन बिलिंग चक्रों के औसत उपभोग के आधार पर की जायेगी (विद्युत आपूर्ति संहिता के अनुसार)। ये प्रभार केवल उस अधिकतम दो बिलिंग चक्रों हेतु उद्ग्रहणीय होंगे, जिसमें अनुज्ञापी द्वारा त्रुटिपूर्ण मीटर बदला जाना आवश्यक होगा। इसके पश्चात् अनुज्ञापी को सही किये गये मीटर के बिना बिल जारी करने का अधिकार नहीं है।

त्रुटिपूर्ण मीटर के मामले, यथा IDF तथा ADF तथा त्रुटिपूर्ण रीडिंग मामले यथा RDF की जांच व बदलने का कार्य, लागू विद्युत आपूर्ति संहिता के प्रावधानों के अनुरूप अनुज्ञापी द्वारा किया जायेगा।

5. ग्रामीण/पर्वतीय क्षेत्र के घरेलू मीटर्ड उपभोक्ताओं की बिलिंग, जिनके मीटर नहीं पढ़े जाते हैं–

ग्रामीण/पर्वतीय क्षेत्र के घरेलू उपभोक्ताओं जिनकी मीटर रीडिंग नियमित रूप से नहीं ली जा रही है अथवा समय में देरी अन्तराल से अनियमित रूप से ली जा रही है, ऐसी दोनों स्थितियों में उपभोक्ताओं की अनन्तिम बिलिंग नॉरमेटिव उपभोग के आधार पर निम्नवत् की जायेगी, जिसका वास्तविक मीटर रीडिंग के आधार पर वार्षिक समायोजन किया जायेगाः–

श्रेणी	नॉरमेटिव उपभोग
घरेलू (ग्रामीण–पर्वतीय क्षेत्र)	30 kWh/kW/ माह
घरेलू (ग्रामीण–अन्य क्षेत्र)	50 kWh/kW/ माह

इस उद्देश्य हेतु संविदाकृत भार अगले पूर्णांक तक पूर्णांकिंत किया जायेगा। अनुज्ञापी द्वारा ऐसे उपभोक्ताओं की मीटर रीडिंग वर्ष में कम से कम एक बार लिया जाना सुनिश्चित किया जायेगा एवं इस आधार पर बिलिंग वार्षिक समायोजित होगी।

6. नये संयोजनों में बिलिंग

नये संयोजन मामलों में जहाँ पिछली रीडिंग उपलब्ध नहीं है, वहां अनंतिम बिलिंग, नीचे दिये अनुसार उपभोग के मानकीय स्तरों पर की जायेगी, जो वास्तविक रीडिंग लिये जाने पर समायोजन के अधीन होगी।

श्रेणी	मानकीय उपभोग
घरेलू–(शहरी)	100 kWh/kW/ माह
घरेलू (ग्रामीण–पर्वतीय क्षेत्र)	30 kWh/kW/ माह
घरेलू (ग्रामीण–अन्य क्षेत्र)	50 kWh/kW/ माह
अघरेलू (शहरी)	150 kWh/kW/ माह
अघरेलू (ग्रामीण)	100 kWh/kW/ माह
निजी टयूबवैल्स	60 kWh/BHP/ माह
उद्योग	
एल.टी. उद्योग	150 kWh/kW/ माह
एच.टी. उद्योग	150 kVAh/kVA/ माह

इस उद्देश्य के लिए, संविदाकृत भार अगले पूर्णांक तक पूर्णांकित किया जायेगा। इस आधार पर की गई बिलिंग केवल अधिकतम 2 बिलिंग चक्रों की अवधि के लिये जारी रहेगी जिस दौरान अनुज्ञापी द्वारा वास्तविक रीडिंग लिया जाना सुनिश्चित करना होगा। उसके पश्चात् बिना सही मीटर रीडिंग लिये अनुज्ञापी को

बिल जारी करने का अधिकार नहीं होगा। अन्य सभी वर्गों में पहला बिल केवल वास्तविक रीडिंग पर ही जारी किया जायेगा।

7. विलंबित भुगतान अधिभार (DPS) (PTW को छोड़कर सभी वर्गों के लिये)

- यदि अनुज्ञापी द्वारा दिये गये बिल का भुगतान नियत तिथि के भीतर पूर्ण रूप से नहीं किया जाता है तो विद्युत अधिनियम, 2003 की धारा 56 के अनुसार आपूर्ति असंयोजित करने के अनुज्ञापी के अधिकार पर प्रतिकूल प्रभाव डाले बिना पूर्व भुगतान किये जाने तक प्रत्येक उत्तरोत्तर माह या उसके भाग के लिये देय तिथि से, भुगतान न किये गये बिल की मूल राशि पर साधारण ब्याज के रूप में 1.25 प्रतिशत प्रति माह अधिभार लगाया जाय। अनुज्ञापी, अपने बिल में, यह स्पष्ट रूप से इंगित करेगा कि कुल राशि डी.पी.एस. सहित, नियत तारीख के बाद अलग–अलग तारीखों के लिए देय अवधि, के लिये अनुमति देने के बाद, इकाई के रूप में माह के अनुसार ले।

8. सोलर वॉटर हीटर छूट

यदि उपभोक्ता सोलर वॉटर हीटिंग प्रणाली संस्थापित करता है तथा उसका उपयोग करता है तो प्रणाली की प्रत्येक 100 लीटर क्षमता के लिए रू0 100/– या उस माह का बिल, दोनों में से जो कम हो, की छूट इस शर्त के अधीन दी जायेगी कि उपभोक्ता अनुज्ञापी को यह शपथपत्र देगा कि उसने वह प्रणाली संस्थापित की है, जिसे अनुज्ञापी समय–समय पर सत्यापित करने के लिये स्वतंत्र होगा। यदि ऐसा कोई दावा झूठा पाया जाता है तो ऐसे उपभोक्ता के विरूद्ध की जा सकने वाली दण्डात्मक विधिक कार्यवाही के अतिरिक्त अनुज्ञापी, 100 प्रतिशत जुर्माने के साथ उपभोक्ता को अनुमन्य कुल छूट की वसूली करेगा तथा अगले 12 माह तक के लिये ऐसी छूट प्राप्ति निषेधित करेगा।

9. प्रीपेड मीटरिंग

आयोग के इस आदेश के द्वारा प्रीपेड मीटरिंग योजना अनुमोदित की गयी है जोकि लागू रहेगी। प्रीपेड मीटरिंग योजना के अन्तर्गत घरेलू श्रेणी (आरटीएस–1 एवं आरटीएस–1ए) हेतु विद्युत प्रभार पर 4% तथा अन्य एलटी उपभोक्ताओं को विद्युत प्रभार पर 3% की छूट, प्रीपेड मीटर के संस्थापन तथा कार्य करने की तिथि से प्रदानित होगी। किन्तु आरटीएस–9 में अस्थायी आपूर्ति में छूट अनुमन्य नहीं होगी। सोलर वॉटर छूट उपरोक्त दर अनुसूची के अनुरूप इस हेतु आवश्यक शर्तों को पूर्ण करने पर प्रीप्रेड उपभोक्ताओं पर भी लागू होगी।

10. बेस वोल्टेज से उच्च/निम्न वोल्टेज पर आपूर्ति का उपयोग करने के लिये छूट/अधिभार।

i) 75 kW/88 kVA तक संविदाकृत भार वाले उपभोक्ता यदि आपूर्ति 400 वोल्ट्स के ऊपर व 11 kV तक दी जाती है तो बिजली प्रभार की दर पर 5% छूट स्वीकार्य होगी।

ii) 75 kW/88 kVA से ऊपर संविदाकृत भार वाले उपभोक्ताओं के लिये – यदि आपूर्ति 400 वोल्ट्स पर दी जाती है तो उपभोक्ता को बिजली प्रभार की दर पर परिकलित बिल राशि पर 10% का अतिरिक्त प्रभार देना होगा।

iii) 75 kW/88 kVA से ऊपर संविदाकृत भार वाले उपभोक्ता – 33 kV पर आपूर्ति के मामले में, बिजली प्रभार की दर पर 2.5% की छूट प्राप्त करेगें।

iv) 75 kW/88 kVA से ऊपर संविदाकृत भार वाले उपभोक्ता जो 132 kV या अधिक पर आपूर्ति प्राप्त कर रहे हों, बिजली प्रभार की दर पर 7.5% की छूट प्राप्त करेंगे।

v) उपरोक्त सभी वोल्टेज नॉमिनल रेटेड वोल्टेजेज हैं।

vi) जिन उपभोक्ताओं के पास प्रीपेड कनेक्शन है, उन पर छूट या अधिभार लागू नहीं होगी।

11. निम्न पावर फैक्टर अधिभार (घरेलू, PTW तथा kVAh आधारित शुल्क वाले अन्य श्रेणियों पर लागू नहीं)।

i) बिना इलैक्ट्रॉनिक ट्राईवेक्टर मीटर्स वाले उपभोक्ताओं, जिन्होंने उपयुक्त रेटिंग्स तथा विनिर्देशन के शंट कैपेसिटर्स संस्थापित नहीं किये हैं, उनसे वर्तमान विद्युत प्रभारों पर 5% का अधिभार उद्ग्रहीत किया जायेगा।

ii) इलैक्ट्रॉनिक ट्राइवेक्टर मीटर्स वाले उपभोक्ताओं के लिए 0.85 से नीचे तथा 0.80 तक के पावर फैक्टर होने पर वर्तमान विद्युत प्रभारों पर 5% का अधिभार तथा 0.80 से निम्न पावर फैक्टर होने पर वर्तमान विद्युत प्रभारों का 10% के अधिभार उद्ग्रहीत होगा।

iii) जिन उपभोक्ताओं के पास प्रीपेड कनेक्शन है, उन पर अधिभार लागू नहीं होगा।

12. भुगतान छूट हेतु प्रेरित करना

i) मासिक बिल का भुगतान बिल जारी किये जाने की तिथि से 10 दिवसों के अन्दर डिजिटल माध्यम (क्रेडिट कार्ड/डेबिड कार्ड/यूपीआई/भीम/इन्टरनेट बैकिंग/मोबाईल बैकिंग/मोबाईल बॉलेट इत्यादि) से भुगतान किये जाने वाले उपभोक्ताओं को कुल बिल धनराशि (कर एवं ड्यूटी को छोडकर) में 1.25 प्रतिशत छूट प्रदान की जाएगी।

ii) नगद/चैक/डिमान्ड ड्राफट/बैक ट्रांसफर इत्यादि के माध्यम से विद्युत बिल का भुगतान किये जाने की तिथि से 10 दिवसों के अन्दर भुगतान किये जाने वाले उपभोक्ताओं को कुल बिल धनराशि (कर एवं डयूटी को छोडकर) में 0.75 प्रतिशत छूट प्रदान की जाएगी।

परन्तु उक्त छूट की अधिकतम सीमा एल0टी0 उपभोक्ताओं को प्रतिमाह विद्युत बिल के भुगतान में रू0 10,000.00 तथा एच0टी0 उपभोक्ताओं को प्रतिमाह रू0 1,00,000.00 तक रहेगी।

13. अधिभार/मांग दंड (घरेलू, हिमाच्छादित व PTW श्रेणियों पर लागू नहीं)

ऐसे उपभोक्ताओं के मामले में जहॉ MDI के साथ इलैक्ट्रॉनिक मीटर्स संस्थापित है, यदि किसी माह में अभिलिखित अधिकतम् मांग संविदाकृत भार/मांग से अधिक हो जाती है तो ऐसे अतिरिक्त भार/मांग पर प्रभार लागू स्थिर/मांग प्रभार की सामान्य दर से दोगुना के बराबर–उद्ग्रहीत किया जायेगा। ऐसा अधिक भार दंड केवल उस माह के लिये लगाया जायेगा, जिसमें अधिकतम् मांग, संविदाकृत भार से अधिक होगी। यद्यपि, जिन उपभोक्ताओं के पास प्रीपेड कनेक्शन है, उन पर अधिभार अतिरिक्त भार जुर्माना लागू नहीं होगा।

उदाहरण :–

i) उन उपभोक्ताओं के लिये, जहाँ संविदाकृत भार/मांग के आधार पर स्थिर प्रभार विनिर्दिष्ट किये गये हैं:

संविदाकृत भार 30 kW, अधिकतम् मांग 43 kW

अति मांग 43–30= 13 kW, स्थिर प्रभारों की दर = रू0 90/kW

संविदाकृत भार के लिये स्थिर प्रभार =30x90= रू0 2700/-

अतिरिक्त भार के लिये स्थिर प्रभार =13 x (2x90) = रू0 2340/-

कुल स्थिर प्रभार =2700+2340= रू0 5040/-

ii) बिल योग्य मांग पर बिल लिये जाने वाले औद्यौगिक उपभोक्ताओं के लियेः

संविदाकृत मांग 2500 kVA, अधिकतम मांग 2800 kVA, बिल योग्य मांग=2800 kVA

अतिरिक्त मांग 2800–2500=300 kVA, मांग प्रभारों की दर =रू0 410/kVA

संविदाकृत मांग हेतु मांग प्रभार = 2500 x 410 = रू0 1025000/-

अतिरिक्त मांग हेतु मांग प्रभार = 300 x (2x410) = रू0 246000/-

कुल मांग प्रभार = 1025000 + 246000 = रू0 1271000/-

14. घरेलू, अघरेलू तथा मिश्रित भार श्रेणियों के लिये एकल बिंदु थोक आपूर्ति।

i) 75 kW से ऊपर कुल भार वाले घरेलू/अघरेलू–भवन/मॉल्स/सहकारी सामूहिक आवास समितियां/कॉलोनियों में आगे वितरण हेतु एकल बिंदु मीटरिंग के साथ एकल बिंदु पर संयोजन प्राप्त करनी हैं। तथापि व्यक्तिगत संयोजन हेतु आवेदन करने में वैधानिक स्वामी/कब्जाधारी के लिये कोई रोक नहीं होगी।

ii) एकल बिन्दु आपूर्ति लेने वाला व्यक्ति, अनुज्ञापी को विद्युत प्रभारों के सभी भुगतान करने के लिए उत्तरदायी होगा। वह दर अनुसूची के अनुसार संबंधित श्रेणी के एकल बिंदु थोक आपूर्ति कि लिए अनुमादित टैरिफ के अनुसार उपभोक्ताओं को बिल देने के लिए अधिकृत है और वितरण अनुज्ञापी, उसी का अनुपालन सुनिश्चित करेगा।

iii) ऐसा व्यक्ति जिसने एकल बिंदु आपूर्ति ली है, वह विद्युत अधिनियम, 2003 की धारा 14 के सातवें परन्तुक के अधीन दी गई एकल बिंदु आपूर्ति वाले परिसर के लिए विद्युत के वितरण की जिम्मेदारी हेतु अनुज्ञापी, अभिकर्ता भी समझा जायेगा तथा वितरण अनुज्ञापी, ऐसे क्षेत्र के भीतर उसके अधीन अधिनियम तथा नियमों व विनियमों के सभी उपबन्धों के अनुपालन हेतु उत्तरदायी होगा।

iv) 'घरेलू' के अन्तर्गत एकल बिंदु थोक आपूर्ति केवल आवासीय कॉलोनियों/आवासीय बहुमंजिला इमारतों की आम सुविधाओं (जैसे लिफ्टों, सार्वजनिक प्रकाश और जल पम्पिंग प्रणाली के रूप में) सहित आवासीय कालोनियों/बहुमंजिला इमारतों पर लागू होगी। यदि इस प्रकार के आवासीय कालोनियों/आवासीय बहुमंजिला इमारतों में कुछ अन्य दुकानें अथवा अन्य कोई व्यावसायिक प्रतिष्ठान हों, ऐसी स्थिति में उन पर मिश्रित लोड श्रेणी की दर अनुसूची में प्रदान की गई शर्तों के अधीन टैरिफ लागू होगा।

v) अघरेलू के अन्तर्गत एकल बिंदु थोक आपूर्ति केवल शॉपिंग कॉम्पलैक्स/मल्टीप्लैक्स/मॉल्स् के लिए लागू होगी।

15. पूर्णांकन :

i) संविदाकृत भार/मांग केवल पूर्ण संख्या में अभिव्यक्त की जायेगी तथा खण्ड भार/मांग की अगली पूर्ण संख्या तक पूर्णांकित किया जायेगा।

उदाहरण:

0.15 kW का संविदाकृत/स्वीकृत भार, शुल्क उद्देश्य हेतु 1 kW माना जायेगा। इसी प्रकार 15.25 kW/kVA का संविदाकृत/स्वीकृत भार 16 kW/kVA लिया जायेगा।

ii) सभी बिल निकटतम् रूपये तक पूर्णांकित किये जायेंगे।

16. अन्य प्रभार :

प्रभार की दर में दिये गये प्रभारों तथा विविध प्रभारों की अनुसूची में सम्मिलित प्रभारों के सिवाय अन्य कोई प्रभार आयोग की स्वीकृति के बिना उपभोक्ताओं से वसूल नहीं किये जायेंगे।

बी. शुल्क दरें

आर.टी.एस.–1 : घरेलू

1. अनुप्रयोज्यता :

विद्युत की आपूर्ति हेतु यह अनुसूची निम्न पर लागू होगी :

i) रोशनी, पंखा, पावर व अन्य घरेलू उद्देश्यों के लिए आवासीय परिसर (यूपीसीएल, पिटकुल एवं यूजेवीएन लि0 के कर्मचारियों एवं पैंशनर् के आवास सहित) सामूहिक सुविधाओं सहित (जैसे लिफ्ट, सार्वजनिक प्रकाश तथा वाटर पम्पिंग सेट)।

ii) 75 **kW** के ऊपर के एकल बिन्दु थोक आपूर्ति के लिए आवासीय कॉलोनियॉ, बहुमंजिले भवन जहाँ ऊर्जा का प्रयोग केवल ऐसे घरेलू उद्देश्य (जैसे लिफ्ट, सार्वजनिक प्रकाश तथा वॉटर पम्पिग सेट) के लिये होता हो, सम्मिलित है।

iii) धार्मिक स्थलों जैसे मन्दिर, मस्जिद, गुरूद्वारा, चर्च इत्यादि (जहाँ मात्र पूजा/इबादत की जगह अकेले में/अलग से हो, उन पूजा स्थलों/इबादतगाहों के लिए जहाँ धर्मशाला, सामुदायिक केन्द्र, शयनगृह इत्यादि सम्बद्ध हो, वहाँ यह अनुसूची लागू नहीं होगी।)

iv) गौशाला/गौसदन एवं डेयरी फार्म, जिनका लोड 4 kW तक है तथा उपभोग 600 kWh प्रतिमाह तक है।

v) दीनदयाल उपाध्याय गृह आवास (होम–स्टे) विकास योजना नियमावली, 2018 के अन्तर्गत पंजीकृत होम–स्टे

(यह दर सूची उन उपभोक्ताओं पर भी लागू होगी, जिनके पास 2 kW तक का संविदाकृत भार है, साथ ही 200 kWh/माह तक का उपभोग है तथा जो उपरोक्त परिसर का कुछ भाग उपरोक्त अघरेलू उद्देश्यों के लिये कर रहे हैं। तथापि यदि ऐसे परिसरों के लिए संविदाकृत भार 2 kW से अधिक व उपभोग 200 kWh/माह से अधिक है तो जब तक कि भार को अलग–अलग नहीं किया जाता तथा पृथक रूप से मीटर नहीं लिया जाता, दोनों में से कोई एक, उपभोग की गई समस्त ऊर्जा उपयुक्त दर अनुसूची के अधीन प्रभारित की जायेगी।)

2. प्रभार की दर :

विवरण	स्थिर प्रभार*	विद्युत मूल्य
1. घरेलू		
1.1) बी0पी0एल0/लाईफ लाइन उपभोक्ता		
गरीबी रेखा से नीचे व कुटीर ज्योति जिनका 1 kW तक भार तथा 60 यूनिट प्रति माह उपभोग हो	रू0 18/संयोजन/ माह	रू0 1.61/ kWh
1.2) अन्य घरेलू उपभोक्ता		
100 यूनिट्स/माह तक उपभोग हेतु	रू0 60/माह	रू0 2.80/kWh
101–200 यूनिट्स/माह उपभोग हेतु	रू0 120/माह	रू0 4.00/kWh
201–400 यूनिट्स/माह उपभोग हेतु	रू0 200/माह	रू0 5.50/kWh
400 यूनिट्स/माह से ऊपर	रू0 300/माह	रू0 6.25/kWh
2) एकल बिन्दु थोक आपूर्ति	रू0 95/kW/माह	रू0 5.15/kWh

**अन्य घरेलू उपभोक्ताओं के मामले में स्थिर प्रभार दरें माह में कुल खपत के बराबर ली जायेगी।*

आर टी एस 1 ए : हिमाच्छादित

1. प्रयोज्यता

विद्युत की आपूर्ति हेतु यह अनुसूची निम्न पर लागू होगी :

(i) हिमाच्छादित क्षेत्रों के घरेलू व अघरेलू उपभोक्ता।

(ii) यह अनुसूची, संबंधित जिलाधिकारी द्वारा हिमाच्छादित/हिम रेखा के रूप में अधिसूचित क्षेत्रों पर लागू होती है।

2. आपूर्ति प्रभार की दर

विवरण	स्थिर प्रभार	विद्युत मूल्य
1) घरेलू	रू0 18/संयोजन/माह	रू0 1.61/ kWh
2) अघरेलू 1 kW तक		रू0 1.61/ kWh
3) अघरेलू 1 kW से 4 kW तक		रू0 2.36/ kWh
4) अघरेलू 4 kW से ऊपर	रू0 30/संयोजन/माह	रू0 3.51/ kWh

3. इस अनुसूची की अन्य सभी शर्तें वही होंगी जो कि आरटीएस–1 में है।

आर.टी.एस.–2 : अघरेलू

1- प्रयोज्यता :

विद्युत की आपूर्ति हेतु यह अनुसूची निम्न पर लागू होगी :

1.1 (i) सरकारी/नगर पालिका चिकित्सालय।
(ii) सरकारी/सरकारी सहायता प्राप्त शैक्षिक संस्थान।
(iii) आयकर अधिनियम, 1961 के अधीन पंजीकृत ऐसी धर्मार्थ संस्थाएं जिनकी आय को इस अधिनियम के अधीन कर की छूट प्राप्त हो।

1.2 छोटे अघरेलू उपभोक्ता जिनका अनुबन्धित भार 4 kW तक तथा उपभोग 50 यूनिट/माह तक हो।

1.3 75 kW के ऊपर एकल बिंदु थोक आपूर्ति के अन्य अघरेलू/वाणिज्यिक उपयोगकर्ता जिसमें शॉपिंग कॉम्पलेक्स/मल्टीप्लैक्स/मॉल्स जिसमें सामूहिक सुविधाओं सहित (जैसे लिफ्ट, सार्वजनिक प्रकाश तथा वाटर पम्पिग सेट) सम्मिलित हो हेतु सम्मिलित हैं।

1.4 स्वतन्त्र विज्ञापन बोर्डों/होर्डिंग्स– सभी व्यवसायिक (सड़क किनारे/छत पर या इमारतों के किनारे इत्यादि) पर अकेले खड़े स्वतन्त्र विज्ञापन होर्डिंग्स जो कि निजी विज्ञापन साईन पोस्ट/साईन बोर्ड्स/साईन ग्लोज्/फ्लैक्स है, जिनको पृथक मीटर से स्वतन्त्र मीटरिंग की जा रही है।

2- प्रभार की दर

कम सं0	विवरण	स्थिर प्रभार	विद्युत मूल्य
1.1	(i) सरकारी/नगर पालिका चिकित्सालय (ii) सरकारी/सरकार सहायता प्राप्त शैक्षिक संस्थान (iii) आयकर अधिनियम 1961 के अधीन पंजीकृत ऐसी धमार्थ संस्थाएं जिनकी आय पर इस अधिनियम के अधीन कर की छूट प्राप्त है।		
	(ए) 25 kW तक	रू0 75/kW	रू0 4.65/kWh
	(बी) 25 kW से ऊपर	रू0 85/kVA	रू0 4.40/kVAh
1.2	अन्य अघरेलू उपभोक्ताओं		
	(ए) छोटे अघरेलू उपभोक्ता जिनका अनुबन्धित भार 4 kW तथा उपभोग 50 यूनिट प्रति माह हो।*	रू0 70/ kW	रू0 4.70/kWh
	(बी) 25 kW तक उपरोक्त 1.2 (ए) में शामिल नहीं	रू0 90/ kW	रू0 5.80/kWh
	(सी) 25 kW से ऊपर	रू0 90/ kVA	रू0 5.80/kVAh
1.3	एकल बिंदु थोक आपूर्ति**	रू0 90/ kVA	रू0 5.75/kVAh
1.4	स्वतन्त्र विज्ञापन होर्डिंग्स्	रू0 110/ kW	रू0 6.40/kWh

** यदि खपत 50 यूनिट/माह से अधिक है तो पूर्ण खपत पर विद्युत प्रभार उप–श्रेणी 1.2 (बी) के अनुसार लिया जायेगा।*
*** शापिंग कॉम्प्लेक्स/मल्टीप्लैक्स/मॉल्स के लिये 75 kW से ऊपर*

3- अन्य शर्तें

3.1 टी ओ डी मीटर्स, केवल मीटर रीडिंग उपकरण (MRI) द्वारा पढे जायेंगे। पूर्ण विश्लेषण के प्रयोजन हेतु फेजर डायग्राम, टेंपर रिपोर्ट, पूर्ण भार सर्वेक्षण रिपोर्ट इत्यादि पूर्ण डंप के साथ डाउन लोड किये जायेंगे।

3.2 25 kW से ऊपर के सभी उपभोक्ताओं हेतु आवश्यक रूप से ToD मीटर होंगे।

3.3 शून्य भार या अत्यन्त कम भार पर कोई मीटर नहीं पढ़ा जायेगा। अनुज्ञापी उपयुक्त वाह्य भार रखेगा तथा उक्त भार पर एम. आर. आई. लेने के लिए जहाँ आवश्यक हो उसे उपयोग करेगा।

3.4 एम आर आई सारांश रिपोर्ट की प्रति बिल के साथ उपलब्ध कराई जायेगी। भार सर्वेक्षण रिपोर्ट सहित पूर्ण एम. आर. आई. रिपोर्ट, मांग करने पर तथा रू0 15/– के बिल का भुगतान करने पर प्रदान की जायेगी।

आर टी एस–3: गवर्नमेंट पब्लिक युटिलिटिज्

1. अनुप्रयोज्यता

विद्युत की आपूर्ति हेतु यह अनुसूची निम्न पर लागू होगी :

(i) स्ट्रीट लाइटिंग सिस्टम, ट्रैफिक सिग्नल, सार्वजनिक उद्यानों की लाईटिंग इत्यादि सम्मिलित है। हरिजन बस्तियों तथा गांवों का पथ प्रकाश भी इस अनुसूची में सम्मिलित है।

(ii) राज्य नलकूपों, विश्व बैंक नलकूपों, पम्प नहरें तथा लिफ्ट सिंचाई योजना, लघु दल नहर इत्यादि।

(iii) किसी सरकारी विभाग द्वारा स्वामित्व तथा संचालित सिंचाई योजना।

(iv) जल संस्थान, जल निगम अथवा अन्य कोई स्थानीय ईकाई तथा प्लास्टिक रिसाईकिलिंग प्लॉट जिसके द्वारा पब्लिक वॉटर वर्क्स, सीवर ट्रीटमेंट प्लॉटों तथा सीवेज़ पंपिंग स्टेशन का संचालन किया गया हो।

2. प्रभार की दर

श्रेणी	स्थिर प्रभार*	विद्युत मूल्य
शहरी (मीटर्ड)	रू0 90 / kVA/माह	रू0 5.80 / kVAh
ग्रामीण (मीटर्ड)	रू0 80 / kVA/माह	रू0 5.80 / kVAh

** शहरी एवं ग्रामीण क्षेत्रों में विद्युत आपूर्ति का अन्तर केवल उपरोक्त 1(i) तथा 1(iv) के अनुसार लागू होगा।*

3. पब्लिक लैम्पस हेतु अनुरक्षण प्रभार

उपरोक्त ''प्रभार की दर'' के अतिरिक्त रू0 10/–प्रति लाईट प्वाइंट प्रति माह केवल मजदूरी शामिल करते हुए स्ट्रीट लाईट के परिचालन एवं अनुरक्षण हेतु प्रभारित किया जायेगा। सभी अपेक्षित सामग्री की आपूर्ति स्थानीय निकायों द्वारा की जायेगी। तथापि स्थानीय निकायों के पास पब्लिक लैम्पस का परिचालन व अनुरक्षण स्वयं करने का विकल्प होगा तथा ऐसी स्थिति में कोई अनुरक्षण प्रभार नहीं लिया जायेगा।

4. पथ प्रकाश प्रणाली के लिए उपबंध

यदि, उपरोक्तानुसार अनुरक्षण प्रभार प्रभारित किया जा रहा है तो लैम्पस के बदलने या इसके नवीनीकरण में लगने वाले श्रमिक अनुज्ञापी द्वारा उपलब्ध कराये जायेंगे किंतु सभी सामग्री स्थानीय निकायों द्वारा उपलब्ध करायी जायेगी। यदि स्थानीय निकाय के अनुरोध पर अनुज्ञापी सामग्री उपलब्ध करवाता है तो इसकी लागत स्थानीय निकाय द्वारा प्रभार्य होगी।

ऐसे क्षेत्रों में जहाँ अनुज्ञापी के वितरण मेन्स नहीं बिछाये गये हैं वहाँ स्ट्रीट लाईट मेन्स (उप स्टेशनों की लागत, यदि कोई है, सहित) के विस्तार की लागत का भुगतान स्थानीय निकाय द्वारा किया जायेगा।

आर टी एस – 4: निजी नलकूप /पम्पिंग सेट्स

1. अनुप्रयोज्यताः

यह अनुसूची विद्युत की आपूर्ति हेतु उन सभी उपभोक्ताओं पर लागू होती है जो सिंचाई के उद्देश्य से तथा चारा काटने की मशीन, धान की भूसी निकालने की मशीन, गन्ना पिराई की मशीन व अनाज के दाने अलग करने की मशीन तक सीमित प्रासंगिक कृषि कार्यो के लिए निजी नल कूपों/पम्पिंग सेट्स हेतु आपूर्ति प्राप्त कर रहे हैं। हालांकि प्रासंगिक कृषि के उद्देश्य के अंतर्गत सिंचाई हेतु लिये गये संयोजन पर आरटीएस–4 के अन्तर्गत टैरिफ लागू होगा।

2. प्रभार की दरः

श्रेणी	स्थिर प्रभार रू0/बीएचपी/माह	विद्युत मूल्य रू0/kWh
आरटीएस– 4 : PTW (मीटर्ड)	शून्य	2.08

3. बिलों का भुगतान तथा विलंबित भुगतान हेतु अधिभारः

इस श्रेणी के लिये बिल वर्ष में दो बार अर्थात दिसंबर अंत (जून से नवम्बर की अवधि के लिये) तथा जून अंत (दिसम्बर से मई की अवधि के लिये) जारी किये जायेगें। दिसम्बर में जारी किये गये बिलों का भुगतान उपभोक्ता द्वारा एक साथ या अगले वर्ष 30 अप्रैल तक (अधिकतम चार भागों में किया जाय) किया जा सकता है जिसके लिये कोई डी.पी.एस. उद्ग्रहीत नहीं किया जायेगा। इसी प्रकार जून में जारी किये गये बिलों का भुगतान बिना डी.पी.एस. के 31 अक्टूबर तक किया जा सकता है। यदि उपभोक्ता विनिर्दिष्ट तिथियों तक भुगतान करने में असफल रहता है तो मूल बकाया राशि पर उस अवधि (माह या उसके भाग) के लिए 1.25% प्रतिमाह की दर से आपूर्ति की सामान्य शर्तों की क्रम सं0 7 के अनुसार अधिभार लगेगा।

आर टी एस – 4 (ए) : कृषि सम्बद्ध सेवायें

1. अनुप्रयोज्यताः

यह अनुसूची विद्युत की आपूर्ति हेतु उन पर लागू होती है जो पौधा नर्सरी, पॉलीहाऊस एवं अन्य यूनिट्स में उगाये फूलों/सब्जियों तथा फलों, तथा मशरूम की खेती सहित, जहां भण्डारण एवं संरक्षण के अतिरिक्त किसी प्रकार के उत्पादों का प्रसंस्करण न की जाती हो।

2. प्रभार की दर

श्रेणी	स्थिर प्रभार रू0/बीएचपी/माह	विद्युत मूल्य रू0/KWh
आरटीएस–4 (ए) : कृषि संबद्ध सेवायें	शून्य	2.75

आर टी एस 5: एल टी तथा एच टी उद्योग

1. अनुप्रयोज्यता

विद्युत की आपूर्ति हेतु यह अनुसूची निम्न पर लागू होगी :

(i) औद्योगिक तथा/या प्रसंस्करण या कृषि औद्योगिक उद्देश्यों, बिजली करघा व साथ ही आर्क/इन्डक्शन फर्नेसेज, रोलिंग/रि–रोलिंग मिल्स, लघु स्टील संयंत्रों के लिये तथा किसी अन्य दर अनुसूची के अधीन सम्मिलित न किये गये उपभोक्ता।

(ii) सब्जी, फल, फूलों व मशरूम की खेती, प्रसंस्करण, भंडारण व पैकेजिंग के साथ कृषि तथा जो आरटीएस–4 (ए) में आच्छादित न होते हों, इस प्रकार की इकाइयाँ भी इस दर अनुसूची में सम्मिलित होगी।

2. आपूर्ति की विशिष्ट शर्तें

(i) सभी संयोजन, उपयुक्त रेटिंग तथा बी.आई.एस. विनिर्देशनों के एम सी बी (मिनियेचर सर्किट ब्रेकर) या सर्किट ब्रेकर/स्विच गियर के साथ संयोजित किये जायेंगे।

(ii) इंडक्शन व आर्क फर्नेसेज को आपूर्ति यह सुनिश्चित कर लेने के पश्चात ही उपलब्ध कराई जायेगी कि स्वीकृत भार फर्नेसेज के टनेज की भार आवश्यकताओं के तद्नुसार है। 1 टन का न्यूनतम् भार किसी भी दशा में 400 kVA से कम नहीं होगा तथा सभी भार इसी आधार पर अवधारित किये जायेंगे। इस मानक से नीचे के किसी भार के लिये कोई आपूर्ति नहीं की जायेगी।

(iii) स्टील यूनिट्स को आपूर्ति, उप–स्टेशन के छोर पर चेक मीटर के साथ केवल एक डेडिकेटेड इंडिविजुवल फीडर के माध्यम से 33 kV या इससे ऊपर की वोल्टेज पर उपलब्ध करवाई जायेगी। चेक मीटर तथा उपभोक्ता मीटर (रों) की रीडिंग्स के मध्य 3% से अधिक के अंतर की अनुज्ञापी द्वारा तुरंत जाँच करवाई जायेगी तथा सुधारात्मक कार्यवाही की जायेगी।

(iv) 1000 kVA से अधिक के भार के साथ सभी नये संयोजनों को आपूर्ति, उपरोक्त के (iii) उपबंधों के साथ केवल स्वतंत्र पोषकों पर निर्गत की जानी चाहिये।

विवरण	विद्युत प्रभार		स्थिर/मांग प्रभार प्रतिमाह
1. 75 kW (100 BHP) तक संविदाकृत भार वाले एलटी उद्योग			
1.1 संविदाकृत भार 25 kW तक	रू0 4.60/kWh		संविदाकृत भार का रू0 155/kW
1.2 संविदाकृत भार 25 kW से अधिक	रू0 4.30/kVAh		संविदाकृत भार का रू0 160/kVA
2. 88 kVA /75 kW (100 BHP) से ऊपर संविदाकृत भार वाले एचटी उद्योग	लोड फैक्टर#	रू0/kVAh	
2.1 संविदाकृत भार 1000 kVA तक	40% तक	4.45	* बिल योग्य मांग का रू0 340/kVA
	40% से ऊपर	4.85	
2.2 संविदाकृत भार 1000 kVA से ऊपर	40% तक	4.45	* बिल योग्य मांग का रू0 410/kVA
	40% से ऊपर	4.85	

******बिल योग्य मांग, वास्तविक अधिकतम मांग या संविदाकृत भार का 80%, जो अधिक हो, होगी।*

#शुल्क उद्देश्यों के लिये लोड फैक्टर (%) निम्न रूप में समझा जायेगा:–

$$= \frac{\text{बिलिंग अवधि में उपभोग (उन्मुक्त अभिगमन से प्राप्त विद्युत रहित)} \times 100}{\text{अधिकतम् मांग या संविदाकृत मांग, दोनों में से जो कम हो} \times \text{बिलिंग अवधि में घंटों की संख्या}}$$

यद्यपि जहाँ उपभोक्ता द्वारा उन्मुक्त अभिगमन अवधि के दौरान लिए जाने पर अधिकतम मांग उस माह में बढ़ जाने की दशा में, लोड फैक्टर के आंकलन के उद्देश्य हेतु अधिकतम मांग वही होगा जिस अवधि में उन्मुक्त अभिगमन न किया गया हो।

3. समयानुसार शुल्क (ToD) (टैरिफ)

(i) 25 kW से अधिक भार के एल टी उद्योग तथा एच टी उद्योग के लिये ऊपर दिये गये ऊर्जा प्रभार की दरें ToD छूट/अधिभार के अधीन होंगी।

(ii) ToD मीटर्स, केवल मीटर रीडिंग इन्स्ट्रूमेंट (MRI) द्वारा पढ़े जायेंगे। पूर्ण विश्लेषण हेतु फेजर डायग्राम, टेंपर रिर्पोट्र्स, पूर्ण भार सर्वे रिपोट्र्स इत्यादि के पूर्ण डंप डाउन–लोड किये जायेंगे तथा बिल, प्रभार ToD दर के अनुसार जारी किये जायेंगे।

(iii) कोई भी मीटर शून्य भार पर या अत्यन्त निम्न भार पर नहीं पढ़े जायेंगे। अनुज्ञापी उपयुक्त वाह्य भार रखेगा तथा उक्त भार पर MRI लेने के लिये जहां आवश्यक हो वहाँ इसे लागू करेगा।

(iv) MRI सारांश की प्रति, बिल के साथ उपलब्ध करवाई जायेगी। भार सर्वे रिपोर्ट सहित पूर्ण एम आर आई रिपोर्ट मांग पर तथा रू0 15/– के भुगतान पर उपलब्ध करवाई जायेगी।

(v) ToD भार निम्नानुसार होगा :

सीजन/दिन का समय	सुबह पीक आवर्स	सामान्य घण्टे	सांय पीक आवर्स	ऑफ पीक आवर्स
शीतकाल 01.10 से 31.03	0600–0900 बजे	0900–1800 बजे	1800–2200 बजे	2200–0600 बजे
ग्रीष्मकाल 01.04 से 30.09	–	0700–1800 बजे	1800–2300 बजे	2300–0700 बजे

विद्युत मूल्य की ToD दर निम्नानुसार होंगी :

एल टी उद्योग के लिये

अवधि में प्रभार की दर		
सामान्य घण्टे	**पीक आवर्स**	**ऑफ पीक आवर्स**
रू0 4.30 / kVAh	रू0 6.45 / kVAh	रू0 3.44 / kVAh

एच टी उद्योग के लिये

लोड फैक्टर*	**अवधि में प्रभार की दर**		
	सामान्य घण्टे	**पीक आवर्स**	**ऑफ पीक आवर्स**
40% तक	रू0 4.45 / kVAh	रू0 7.28 / kVAh	रू0 3.56 / kVAh
40% से ऊपर	रू0 4.85 / kVAh	रू0 7.28 / kVAh	रू0 3.88 / kVAh

**लोड फैक्टर ऊपर खण्ड 2 में परिभाषित किया गया है।*

4. मौसमी उद्योग

जहाँ किसी उपभोक्ता के पास 18 kW (25 BHP) से अधिक का भार हो तथा ToD मीटर हो तथा वह वर्ष में कुछ निश्चित मौसमों में या सीमित अवधि के दौरान, घोषित मौसमी उद्योग के लिये ऊर्जा की आपूर्ति का उपयोग करता है तो जिस अवधि में संयंत्र बंद रहता है उन महीनों (जिसे ऑफ सीजन कहा जायेगा) के लिए उद्ग्रहण निम्नानुसार किया जायेगा :

(i) 'सीजन' अवधि के लिये शुल्क वही होगा जो इस अनुसूची में दिये अनुसार ''प्रभार की दर'' हैं।

(ii) जहाँ ''ऑफ सीजन'' अवधि में वास्तविक मांग संविदाकृत भार के 30% से अधिक नहीं है, वहाँ ''ऑफ सीजन'' अवधि हेतु विद्युत मूल्य वहीं होगें जो ऊपर अनुसूची की दर में दी गई ''सीजन'' अवधि के लिये हैं। तथापि ''ऑफ सीजन'' संविदाकृत मांग घटाकर 30% कर दी जायेगी।

(iii) ऑफ सीजन अवधि में अधिकतम अनुज्ञेय मांग, संविदाकृत मांग का 30% होगी तथा एक उपभोक्ता जिनकी वास्तविक मांग ऑफ सीजन के किसी माह में संविदाकृत मांग के 30% से अधिक होती है तो उन्हें उस सीजन की अवधि में घटी हुई संविदाकृत मांग का लाभ नहीं दिया जायेगा। इसके अतिरिक्त मांग प्रभार के 10% की दर से पूर्ण ''ऑफ सीजन'' अवधि हेतु अधिभार देय होगा।

मौसमी उद्योगों के लिये निबंधन एवं शर्तें–

(i) परिचालन की अवधि एक वित्त वर्ष में 9 माह से अधिक नहीं होनी चाहिये।

(ii) जहाँ वित्त वर्ष में परिचालन की अवधि 4 माह से अधिक है वहाँ ऐसे उद्योग को कम से कम चार क्रमिक माह तक परिचालित होना चाहिये।

(iii) एक बार अधिसूचित सीजनल अवधि को वर्ष की अवधि तक घटाया नहीं जा सकता। मौसमी भार के साथ अन्य भार धारित कम्पोजिट ईकाईयों पर 'ऑफ सीजन' शुल्क लागू नहीं होगा।

(iv) चीनी, बर्फ, राईस मिल, जड़ीकृत आहार (फ्रोजन फूड) तथा चाय के अतिरिक्त उद्योग आयोग के पूर्व अनुमोदन के पश्चात् ही अनुज्ञापी द्वारा अधिसूचित किये जायेंगे।

5. फैक्टरी लाईटिंग

इस अनुसूची के अधीन आपूर्ति की गई विद्युतीय ऊर्जा का उपयोग फैक्ट्री परिसर में लाईट्स, पंखे, कूलर्स, इत्यादि के लिये भी किया जायेगा जिसमें कार्यालयों, मुख्य फैक्ट्री भवन, स्टोर्स, टाईम कीपर के कार्यालय, कैन्टीन, स्टाफ क्लब, पुस्तकालय, शिशु सदन, औषधालय स्टाफ कल्याण केन्द्रों, अहातों में फैक्ट्री लाइटिंग के लिये उपभोग की गई सभी ऊर्जा सम्मिलित होगी।

6. निरंतर व अनिरंतर आपूर्ति :

(i) निरन्तर प्रक्रिया उद्योग के साथ अनिरन्तर प्रक्रिया उद्योग के उपभोक्ता जो कि स्वंत्रत फीडर या औद्योगिक फीडर से जुड़े हों, निरन्तर आपूर्ति हेतु विकल्प चुन सकते है। एक औद्योगिक फीडर से जुड़े हुए सभी उद्योगों के निरन्तर आपूर्ति विकल्प चुनने के उपरान्त ही निरन्तर आपूर्ति प्रदान की जायेगी तथा यदि उनमें से कोई औद्योगिक उपभोक्ता निरन्तर आपूर्ति नहीं चाहता हो तो ऐसे फीडर पर सभी उपभोक्ता निरन्तर आपूर्ति का लाभ उठाने के लिए अर्ह नहीं होंगे। इस तरह की निरन्तर प्रक्रिया वाले औद्योगिक उपभोक्ता जो निरन्तर आपूर्ति चुनते है, उन्हें पूर्व में सूचित/अनूसूचित बिजली कटौती से तथा समय–समय पर आयोग द्वारा अनुमोदित बिजली उपभोग में प्रतिबंध की अवधि की सीमित घंटे के दौरान ऊर्जा के आपातकालीन रूप से ठप्प होने या बंद की स्थिति को छोड़कर अन्य समय लोड शैडिंग से छूट प्राप्त होगी।

(ii) वे उपभोक्ता जो कि पूर्व में निरन्तर आपूर्ति विकल्प चुने हुए है, को निरन्तर आपूर्ति चुनने हेतु पुनः आवेदन करने की आवश्यकता नहीं है। ऐसे उपभोक्ताओं को दिनांक 01.04.2021 से 31.03.2022 तक ऊपर उल्लेखित विद्युत प्रभार का 5% अतिरिक्त विद्युत प्रभार देय होगा। यूपीसीएल से यदि कोई विवाद किसी फीडर में हो तो उस फीडर के उपभोक्ताओं को 30 अप्रैल, 2021 तक नये तौर से निरन्तर आपूर्ति हेतु आवेदन करना होगा।

(iii) विद्युत निरन्तर आपूर्ति (जो उपरोक्तानुसार नये तौर पर आवेदन कर रहे हों सहित) के लिए वर्तमान उपभोक्ता जो नये आवेदक वर्ष में कभी भी आवेदन दे सकते हैं। हालांकि, ऐसे आवेदकों के लिये निरन्तर आपूर्ति सरचार्ज 1 मई, 2021 से 31 मार्च, 2022 तक के लिये लागू रहेगा। यूपीसीएल, आवेदन की तिथि से 7 दिनों के दौरान, निरन्तर आपूर्ति की शर्तों की पूर्ति के लिए सुविधा प्रदान करेगा।

(iv) स्वतंत्र फीडर से आपूर्ति का प्रबन्धन कर लिये जाने की स्थिति में यूपीसीएल द्वारा निरन्तर आपूर्ति की सुविधा, स्वतंत्र फीडर द्वारा कार्य पूर्ण कर लिये जाने की तिथि से, निरन्तर आपूर्ति की शर्तों की पूर्ति के साथ, प्रदान करेगा, इस तरह के नये उपभोक्ता स्वतंत्र फीडर के सक्रियण की दिनांक 31.03.2022 तक वास्तविक अवधि हेतु निरंतर आपूर्ति विकल्प हेतु लागू होगा।

(v) निरंतर आपूर्ति का चयन करने के लिए नए उपभोक्ता (नये संयोजन) के मामले में 5% अतिरिक्त विद्युत शुल्क के रूप में सतत् सप्लाई सरचार्ज 31 मार्च 2022 तक निरंतर आपूर्ति की वास्तविक अवधि के बावजूद नए कनेक्शन की दिनांक से लागू होगा।

(vi) वर्तमान में निरन्तर आपूर्ति का लाभ उठाने वाले उपभोक्ता, जो पूर्व में दी गयी निरन्तर आपूर्ति को बंद करना चाहते हो, को दिनांक 30 अप्रैल, 2021 से पूर्व लिखित में सूचित करना होगा और उन्हें निरन्तर आपूर्ति अधिभार के साथ इस आदेश में उल्लेखित टैरिफ दरों के आधार पर 30 अप्रैल, 2021 तक की अवधि का भुगतान करना होगा। इसके अलावा, इस सम्बन्ध में यदि कोई उपभोक्ता द्वारा एक विशेष फीडर पर निरन्तर आपूर्ति का लाभ उठाने के विकल्प छोड़ दिए जाने पर, अन्य उपभोक्ताओं को दी जा रही निरन्तर आपूर्ति के साथ, उक्त फीडर से जुडे अन्य निरन्तर आपूर्ति के उपभोक्ता प्रभावित होते है तो यूपीसीएल सभी प्रभावित उपभोक्ताओं को पूर्व में लिखित रूप से सूचित करेगा।

(vii) ओपन एक्सेस के माध्यम से औद्योगिक उपभोक्ताओं द्वारा बिजली खरीदे जाने पर निरन्तर आपूर्ति सर–चार्ज लागू नहीं होगा।

(viii) यूपीसीएल गैर निरन्तर आपूर्ति फीडर के लिए एक निरन्तर आपूर्ति फीडर की स्थिति को परिवर्तित नहीं करेगा।

(ix) यूपीसीएल/पिटकुल शीर्ष प्राथमिकता के आधार पर यह सुनिश्चित करेंगे कि वृद्धि, रख–रखाव और मरम्मत कार्य विशेषतया सब–स्टेशनों में जहाँ सर्किट ब्रेकर्स, अन्य उपकरणों इत्यादि जोकि जीर्ण–शीर्ण दशा में है, उनसे निरन्तर आपूर्ति फीडर में रूकावट न हो।

(x) यूपीसीएल/पिटकुल निरन्तर आपूर्ति के उपभोक्ताओं को दिये जा रहे फीडर की आवधिक निवारण अनुरक्षण करेगा। लाईसेंसी निरन्तर आपूर्ति के उपभोक्ताओं को पूर्व में आवधिक निवारण अनुरक्षण कार्यक्रम के बारे में सलाह उपरान्त योजना बनाकर सूचित करेगा, जिससे ऐसे उपभोक्ता अपने कार्य कर सकें।

(xi) अनुज्ञापी को विद्युत मूल्य तथा उस पर निरंतर ऊर्जा अधिभार बिल पृथक रूप से दिखाना चाहिये।

7. एचटी उद्योगों हेतु मांग प्रभार

यदि किसी एचटी उद्योग उपभोक्ता, जो माह में एक दिन के 18 घण्टे की न्यूनतम औसतन आपूर्ति प्राप्त नहीं करते हैं, उनके लिए मांग प्रभार स्वीकृत मॉग प्रभार का 80% अनुप्रयोज्य होगा।

आर टी एस 6: मिश्रित भार

1. अनुप्रयोज्यता:

यह अनुसूची 75 kW से अधिक के एकल बिंदु थोक आपूर्ति संयोजन पर लागू होती है जहाँ आपूर्ति प्रमुखतः घरेलू उद्देश्यों (60% से अधिक घरेलू भार) के लिये तथा साथ ही अन्य अघरेलू उद्देश्यों के लिये प्रधान रूप से उपयोग में लाई जाती हैं। यह अनुसूची MES को आपूर्ति पर भी लागू होती है।

2. प्रभार की दर:

इस श्रेणी के उपभोक्ताओं पर निम्नलिखित दरें लागू होगी :

स्थिर प्रभार	विद्युत मूल्य
रू0 110 / kW / माह	रू0 5.45 / kWh

3. अन्य शर्तें :

उपरोक्त के अतिरिक्त शुल्क की अन्य शर्ते वही होंगी, जो आर.टी.एस.–1 के उपभोक्ताओं के लिये हैं। तथापि, अधिभार दंड, आपूर्ति की सामान्य शर्तों के खण्ड 13 के अनुसार लागू होगा।

आर टी एस 7: रेलवे ट्रैक्शन

1. अनुप्रयोज्यता

यह अनुसूची ट्रैक्शन उद्‌देश्यों के लिये ऊर्जा उपयोग करने वाली रेलवे पर लागू होती है।

2. प्रभार की दरः

इस श्रेणी के लिये निम्नलिखित विद्युत मूल्य, मांग प्रभार लागू होंगे।

मांग प्रभार	विद्युत मूल्य
रू0 / kVA / माह	रू0 / kVAh
265 /—	रू0 4.70

3. अन्य शर्ते :

उपरोक्त के अतिरिक्त, शुल्क की अन्य शर्ते वही रहेंगी जो निरंतर आपूर्ति हेतु ToD टैरिफ एवं अधिभार की प्रयोज्यता को छोड़कर आरटीएस—5 के अधीन सामान्य एच टी उद्योगों के लिये हैं।

आर टी एस 8: इलैक्ट्रिक वाहन चार्जिंग स्टेशन

4. अनुप्रयोज्यता

यह अनुसूची वाणिज्यिक प्रयोग के उद्देश्य के लिए इलैक्ट्रिक वाहन चार्जिंग स्टेशन के लिये ऊर्जा उपयोग करने पर लागू होगी।

5. प्रभार की दरः

इस श्रेणी के लिये निम्नलिखित विद्युत मूल्य, मांग प्रभार लागू होंगे।

मांग प्रभार	**विद्युत मूल्य**
रू0 / kVA / माह	रू0 / kVAh
–	रू0 5.50

आरटीएस 9 : अस्थायी आपूर्ति

(ए) अस्थायी आपूर्ति

1. अनुप्रयोज्यता

(i) यह अनुसूची लाईट, पंखे, और विद्युत भार हेतु सभी उद्देश्यों जिसमें प्रदीपन/जन–संबोधन/समारोह तथा त्यौहारों/उत्सवों/अस्थाई दुकानों अधिकतम 03 माह तक की अस्थायी आपूर्ति पर लागू होगी।

(ii) यह अनुसूची, सरकारी विभागों सहित सभी उपभोक्ताओं द्वारा सिविल कार्यों सहित निर्माण प्रयोजनों के लिये ली गई ऊर्जा के लिये भी लागू होगी। किसी कार्य/परियोजना के लिये निर्माण प्रयोजन हेतु ऊर्जा कार्य/परियोजना के पूर्ण होने तक निर्माण कार्य के लिए प्रथम संयोजन लेने की तिथि से मानी जायेगी।

तथापि भवन के निर्माण, मरम्मत या नवीनीकरण के लिये उपभोक्ता के स्वयं के परिसर हेतु स्वीकृत एक स्थायी संयोजन द्वारा विद्युत के प्रयोग को विद्युत का अनाधिकृत उपयोग नहीं माना जायेगा, जब तक कि निर्माण किये जा रहे वर्तमान भवन/अनुलग्नक का आशयित प्रयोजन/उपयोग, संयोजक की स्वीकृत श्रेणी में वही अनुज्ञेय है।

2. प्रभार की दर

प्रभार की दर, उपयुक्त अनुसूची में प्रभार की तद्नुरूप दर के अतिरिक्त 25% होगी। चार (4) माह की अधिकतम् अवधि के लिये दिये गये 15 BHP तक के ईख दलन यंत्र हेतु अस्थायी आपूर्ति के लिये उपयुक्त दर अनुसूची आरटीएस–5 होगी।

7.2 संलग्नक 2: विविध प्रभारों की अनुसूची

क0 सं0	प्रभारों का स्वभाव	यूनिट	दर (रू0)
1.	**मीटरों की जॉच व परीक्षण**		
	ए. सिंगल फेज मीटर्स	प्रति मीटर	50.00
	बी. तीन फेज मीटर्स	प्रति मीटर	75.00
	सी. रिकार्डिंग टाईप वॉट–आवर मीटर्स	प्रति मीटर	170.00
	डी. अधिकतम मांग संकेतक / एलटी सीटी संचालित मोटर्स	प्रति मीटर	350.00
	ई. ट्राई वेक्टर मीटर्स / एचटी मीटर्स सीटी / पीटी के साथ	प्रति मीटर	1000.00
	एफ. एमीटर्स एंड वोल्ट मीटर्स	प्रति मीटर	65.00
	जी. स्पेशल मीटर्स	प्रति मीटर	335.00
	एच. मीटरों का प्राथमिक परीक्षण	प्रति मीटर	शून्य
2.	प्राथमिक परीक्षण से अन्य बाद का परीक्षण तथा संस्थापन	प्रति मीटर	80.00
3.	**किसी भी कारण से (किसी संयोजन के काटने या पुर्नसंयोजन के लिये) आपूर्ति का संयोजन काटना या पुनसंयोजन का प्रभार 50% होगा।**		
	ए. 100 BHP / 75 kW से ऊपर भार वाले उपभोक्ता	प्रति जॉब	600.00
	बी. 100 BHP / 75 kW तक के अघरेलू तथा औद्योगिक उपभोक्ता	प्रति जॉब	400.00
	सी. उपभोक्ताओं की अन्य सभी श्रेणियाँ	प्रति जॉब	200.00
4.	**मीटरों का बदलना**		
	ए. मीटर का संस्थापन तथा अस्थायी संयोजन की अवस्था में इसका हटाया जाना।	प्रति जॉब	75.00
	बी. उपभोक्ता के निवेदन पर मीटर बोर्ड की स्थिति में परिवर्तन	प्रति जॉब	100.00
5.	उपभोक्ता के निवेदन पर कैपेसिटर्स की जॉच (प्रारंभिक जॉच के अतिरिक्त):		
	ए. 400V / 230 V पर	प्रति जॉब	150.00
	बी. 11 kV तथा इससे ऊपर पर	प्रति जॉब	300.00