Order on

True up for FY 2024-25

Annual Performance Review for

FY 2025-26

&

ARR for FY 2026-27

Uttarakhand Power Corporation Ltd.

March 30, 2026

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Vidyut Niyamak Bhawan,

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

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Before

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Petition No.: 93 of 2025

In the Matter of:

Petition filed by Uttarakhand Power Corporation Limited for True Up of FY 2024-25, Annual Performance Review for FY 2025-26 and ARR & Tariff for FY 2026-27.

AND

In the Matter of:

Uttarakhand Power Corporation Limited

Urja Bhawan, Kanwali Road, Dehradun …Petitioner

Coram

Shri M.L. Prasad	**Chairman**
Shri Anurag Sharma	**Member (Law)**
Shri Prabhat Kishor Dimri	**Member (Technical)**

Date of Order: March 30, 2026

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 the latest Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2021 (hereinafter referred to as "UERC Tariff Regulations, 2021") for the fourth Control Period from FY 2022-23 to FY 2024-25 specifying therein terms, conditions and norms of operation for licensees, generating companies and SLDC. In the past also the Commission had notified the MYT Tariff Regulations since 2011 for the Control Period starting from FY 2013-14.

The Commission had issued the Orders on approval of Business Plan and Multi Year Tariff for the Control Periods from FY 2013-14 to FY 2024-25 based on the applicable Tariff Regulations and had also carried out the Annual Performance Review and truing up for the years under the four Control Periods, upto FY 2023-24.

Further, 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, 2024 (hereinafter referred to as "UERC Tariff Regulations, 2024") for the Fifth Control Period from FY 2025-26 to FY 2027-28 specifying therein terms, conditions and norms of operation for licensees, generating companies and SLDC

In compliance with the provisions of the Act and Regulation 8(1) and Regulation 10(1) of UERC Tariff Regulations, 2024, Uttarakhand Power Corporation Limited (hereinafter referred to as "UPCL" or "Licensee" or "Petitioner") filed a Petition (Petition No. 93 of 2025 hereinafter referred to as the "Petition") giving details of its revised projections of Annual Revenue Requirement (ARR) for FY 2026-27 based on the true up of FY 2024-25 and Annual Performance Review (APR) of FY 2025-26 on December 10, 2025.

The Petition filed by UPCL had certain infirmities/deficiencies which were informed to UPCL vide Commission's letter no. UERC/TF-814/2025-26/2025/1412 dated December 12, 2025 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. 10484/UPCL/RM/B-29 dated December 19, 2025 submitted most of the information sought for admission of the Petition by the Commission.

The Commission vide its Order dated December 26, 2025 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 ARR Petition filed by UPCL for true up for FY 2024-25, APR for FY 2025-26 and ARR for FY 2026-27 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 2024-25.

Chapter 4 – Petitioner's Submissions, Commission's Analysis, Scrutiny and Conclusion on APR for FY 2025-26 and ARR for FY 2026-27.

Chapter 5 - Tariff Rationalisation, Tariff Design, and related issues.

Chapter 6 - Review of Commercial Performance of UPCL.

Chapter 7 - Commission's Directives.

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 April 11, 2025, approved a Business Plan for UPCL for the fifth Control Period from FY 2025-26 to FY 2027-28 and Tariff for FY 2025-26.

As mentioned earlier, in accordance with the provisions of the Electricity Act, 2003 and Regulation 8(1) and Regulation 10(1) of the UERC Tariff Regulations, 2024, UPCL was required to submit a Petition for the determination of its ARR by November 30, 2025. However, UPCL sought extension of time to file the Petition, and the Commission vide its letter no. UERC/6/TF-797/2025-26/2025/1302 dated November 25, 2025, allowed UPCL to file the ARR Petition by December 10, 2025. UPCL subsequently filed a Petition (Petition No. 93 of 2025 and hereinafter referred to as the "Petition"), giving details of its revised projections of Aggregate Revenue Requirement for FY 2026-27, based on the true up for FY 2024-25 and Annual Performance Review for FY 2025-26 on

December 10, 2025.

The Petition was provisionally admitted by the Commission vide Order dated December 26, 2025. The Commission, through its above admittance Order dated December 26, 2025, 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	01.01.2026
2.	Dainik Jagran	01.01.2026
3.	The Times of India	01.01.2026
4.	The Hindustan Times	01.01.2026

Through above notice, the stakeholders were requested to submit their objections/ suggestions/comments latest by 31.01.2026 (copy of the notice is enclosed as **Annexure 3**). The Commission received in all 56 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.	Karnaprayag	18.02.2026
2.	Munsyari	20.02.2026
3.	Rudrapur	23.02.2026
4.	Dehradun	27.02.2026

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

The Commission also sent the copies of the salient features of the tariff Petitions to the 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.uk.gov.in. The Commission also held a meeting with the Members of the Advisory

Committee on March 09, 2026, 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 the 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/TF-814/2025-26/2025/1412 dated December 12, 2025, letter no. UERC/TF-814/ 2025-26/2026/1555 dated 12.01.2026, letter no. UERC/TF-814/2025-26/2026/1692 dated February 04, 2026, letter no. UERC/TF-814/2025-26/2026/1751 dated February 24, 2026, and letter no. UERC /TF-814/2025-26/2026/1782 dated February 27, 2026, and during further discussion with the Officers of the utility, pointed out certain data gaps in the Petition and sought following additional information/clarifications from the Petitioner:

- Resubmit all the Formats using formulae and appropriately link the same to the relevant formats for ensuring consistency and accuracy of the data submitted.
- Submit Audited Accounts along with Statutory Auditor's report and CAG's report.
- Justify the proposed tariff hike in terms of reduction of cross-subsidy between various consumer categories, in accordance with the provisions of the EA, 2003, Tariff Policy and previous Orders of the Commission.
- Submit all relevant duly filled in tariff formats.
- Audited Commercial Diary and COMDATA for FY 2024-25.
- Audited Statements of accounts and monthly trial balances for FY 2024-25.
- Submit the DPS amount levied on Government consumers for FY 2024-25.
- Details of Penalty paid/included in A&G Expenses for FY 2024-25.
- Reasons for including additional GFA pertaining to the transfer scheme.

- Submit the yearly reconciliation of the amount of Loan, Grant and Equity addition as appearing in the audited accounts, as claimed in the Petition, and that approved by the Commission respectively from FY 2001-02 to FY 2024-25.
- Monthly trial balances for the period April 2025 to November 2025.
- Submit all the relevant information along with the supporting documents for substantiating the actual expenses incurred on account of Water Tax, for True up for FY 2024- 25.
- Segregate the additions of fixed assets into HT & LT works and submit the Clearance Certificates from the Electrical Inspector for capitalisation of various HT/EHT schemes for FY 2024-25.
- Submit all pending Electrical Inspector certificates in support of gross additional capitalization as per the directions issued by the Commission contained in the previous Tariff Orders .
- Submit the source of internal resources claimed in the Petition.
- Submit the approach adopted by UPCL to write off the Bad Debts in line with the provisions of 'policy for writing off of bad and doubtful debts' governing such write-offs, together with the trail of documentary evidence as necessitated under the said policy.

In order to have a 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 January 09, 2026. Minutes of above Technical Validation Session were sent to the Petitioner vide Commission's letter no. UERC/TF-814/2025-26/2026/1555 dated January 12, 2026, for its response.

The Petitioner submitted the replies to data gaps vide its letter no. 10484/UPCL/RM/B-29 dated December 19, 2025, letter no. 10621/UPCL/RM/B-29 dated December 30, 2025, letter no. 958/ UPCL/RM/B-29 dated February 18, 2026 and letter no. 1394/UPCL/RM/B-29 dated March 11, 2026. The Petitioner submitted the replies to the data gaps and clarifications sought during TVS vide its letter no. 457/UPCL/RM/B-29 dated January 23, 2026.

The Commission, after concluding the public hearing on February 27, 2026 allowed the Petitioner to file their pending submissions, and accordingly, for the purposes of finalising the tariff has considered all submission received till March 12, 2026 and no submission made thereafter have been taken into account as the public hearings and meetings of the Advisory Committee were already concluded and the Petitioner was granted ample time to justify its claims.

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 & Commission's Views

The Commission has received suggestions and objections on UPCL's Petition for True up for FY 2024-25, Annual Performance Review for FY 2025-26 and Approval of Annual Revenue Requirement and Tariff for FY 2026-27. The Commission also obtained responses from UPCL on the comments received from the stakeholders.

The Commission has attempted to capture the suggestions/objections/comments in this section. It may be that a few names of stakeholders/ public on the attendance list do not appear in this section, however, all the issues/matters relevant to these proceedings have been discussed. In case any suggestions/objections/comments is not specifically elaborated, it does not mean that the same has not been considered. The Commission has considered all the issues raised by the stakeholders and Licensee's response on such issues while carrying out the detailed analysis/ discussion of the True-Up for FY 2024-25, APR for FY 2025-26 and, ARR and Tariff for FY 2026-27.

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 approving the ARR and Tariff for UPCL.

2.1 Overall Tariff Increase

2.1.1 *Stakeholder's Comments*

Shri Ashish Dhayani submitted that the proposed tariff hike by UPCL is against the public interest, especially given the State's difficult geographical conditions, limited employment opportunities, and widespread economic vulnerability. He also submitted that repeated tariff hikes by UPCL over the years have burdened consumers, while the root cause of losses lies in policy failures, including lack of long-term power procurement planning, forcing utilities to rely on costly short-term power purchases from private entities.

Shri Mahanand Methani submitted that free/subsidized electricity up to 300 units should be provided to all the consumers and also highlighted wastage of energy by the officials of the electricity utilites. Shri Durga Prasad, submitted that increasing tariffs are forcing industries and traders to migrate to other regions.

Smt. Neetu Devi submitted that continuous increase in bills is adversely affecting low-income households. Shri Pankaj Kumar submitted that concessional tariff should be provided for consumers under Kutir Jyoti Yojana and in hilly regions. He also submitted that free electricity up to 300 units should be provided to domestic consumers.

Shri Brijesh Bisht submitted that consumers in the border areas should be provided tariff concessions. He further submitted that many of the consumers are unable to pay their bills since COVID period.

Shri Pushkar Singh Rawat submitted that consumers affected by natural calamities are being issued high electricity bills despite damage to premises.

Shri Manvir Singh Rawat submitted that tariffs in hilly regions are excessively high and should not be increased for residential consumers due to limited income sources.

Mrs. Pangati submitted that the limit for free electricity should be increased from 100 units to 200 units for consumers.

Shri Rajendra Singh Pangti submitted that free electricity should be provided to consumers belonging to BPL category and that electricity connections should be extended to uncovered villages.

Shri Shailendra Kumar Singh and Shri Vipin Chandra Tewari submitted concerns regarding continuous tariff hikes, power cuts, and lack of solar promotion.

Shri Ashok Shukla, M/s V.N. Plastics Pvt. Ltd, Advocate Nitin Pant and Shri Veeru Bisht, submitted that the Petitioner’s recurring requests for tariff hikes are unjustified and that the utility is compensating its financial losses by placing an undue burden on honest consumers who consistently pay their bills on time.

Shri Chetan Pant submitted that consumers who installed rooftop solar plants under the PM Surya Ghar Yojana did so by investing lakhs of rupees from their own private resources with the objective of promoting green energy, but are now facing a series of financial setbacks that have progressively reduced the viability of their solar investment, as the State solar subsidy that was available at the time of installation has since been discontinued thereby increasing the financial burden on consumers, and the buy-back rate for electricity generated by solar consumers and injected into the grid has been reduced from Rs. 4.10 per unit to Rs. 2.00 per unit, severely limiting the economic benefit that consumers had anticipated from their solar plants; that as a consequence of the reduced buy-back rate, a large quantum of solar energy units generated by consumers is effectively being absorbed by fixed charges and various electricity taxes without yielding any meaningful financial return, making solar plant installation increasingly loss-making rather than beneficial, and that in these already difficult circumstances, the proposed increase in fixed charges and energy charges for FY 2026–27 will impose an additional financial burden on solar consumers and will act as a deterrent to future adoption of solar energy by other consumers. He requested that the consumers who have installed solar plants under the PM Surya Ghar Yojana should be fully exempted from the proposed increase in fixed charges, to further reduce the per kilowatt fixed charges currently applicable to solar consumers, and to reduce the overall burden of fixed charges and energy charges on solar consumers so as to actively encourage green energy adoption and motivate more consumers across the State to install solar energy systems in the future.

Shri Pawan Agarwal, Uttarakhand Steel Manufacturers Association, submitted that the net industrial tariff at 33 kV in Uttarakhand is approximately Rs. 8.07 per unit, which is already higher than the corresponding tariff in Uttar Pradesh, estimated at around Rs. 7.83 per unit. He further submitted that the availability of Open Access in Uttar Pradesh effectively reduces the power procurement cost to about Rs. 6.50 per unit, thereby placing industries in Uttarakhand at a competitive disadvantage and has resulted in closure of several steel units in recent years due to higher power costs. He, therefore, requested the Commission to reduce the industrial tariff by at least Rs. 2 per unit compared to Uttar Pradesh to improve competitiveness and prevent further industrial decline in the State.

Shri Hardeep Rajput, submitted that UPCL's ARR/Tariff Petition for FY 2026–27, reflects a revenue-centric approach rather than an efficiency-driven framework. He further submitted that the proposed tariff hike is unjustified, as the Petition does not adequately explore ways for reduction in power procurement costs and fails to account for the expected reduction in thermal power costs pursuant to the GST Council's decision in September 2025 to remove the coal compensation cess. Accordingly, he requested the Commission to reject the proposed tariff increase and ensure that consumers are not burdened with the financial implications of operational inefficiencies.

M /s Kashi Vishwanath Textile Mill Pvt. Ltd. submitted that the proposed 16.23% tariff increase for FY 2026–27 is excessive and driven by inefficiencies rather than prudent costs, and requested the Commission to reject the hike and direct UPCL to address the revenue gap through efficiency improvements.

Shri Teeka Singh Saini of Bharatiya Kisan Union and Shri Baljinder Singh Sandhu submitted that tariff of Private Tube wells should not be increased as the rate has already risen from 90 paise per unit to Rs. 2.55 per unit, making it very difficult for farmers to bear the financial burden.

Shri Teeka Singh Saini of Bharatiya Kisan Union submitted that mid-year tariff increases without the Commission's approval impose an undue financial burden on consumers, and requested that no such revisions be allowed without proper regulatory consent.

Shri Baljinder Singh Sandhu submitted that tariff of the consumers of the State should not be increased, and the telescopic rate of electricity should be reviewed.

Shri Hyatt Singh Mehra submitted that the tariff for commercial category should not be increased in higher proportion.

Shri Daljeet Singh submitted that tariff should not be increased for FY 2026-27. He further submitted that various States such as Delhi, Punjab etc., provide free electricity.

Shri Sanjay Choudhary, Bhartiya Kisan Union (Tikait), submitted that free electricity should be provided for Tubewells.

Shri Amit Sharma, Partner, Welkin Overseas, Shri Amit Sharma and Shri Adesh Panwar submitted that electricity charges have more than doubled over the past four years, while mushroom growers are already under financial stress due to stagnant selling prices and rising input, packaging, transport, and labour costs. It was further submitted that any additional tariff increase would adversely affect viability, leading to reduced production and employment.

Shri Shakeel Siddiqui, Legal Advisor, M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, has submitted that the Petition filed by UPCL for determination of ARR and Tariff for FY 2026–27 is liable to be rejected without any tariff increase. He submitted that UPCL has exhibited persistent inefficiencies across key operational parameters and is seeking to pass on the resultant burden to consumers through successive tariff increases. He further submitted that UPCL has failed to present its tariff Petition in compliance with Section 62(3) of the Electricity Act, 2003, as it does not adequately reflect consumer-wise parameters such as load factor, power factor, voltage, and consumption. It was also submitted that UPCL has been unable to efficiently manage its receivables and assets, with billing efficiency remaining at approximately 82–85%, indicating a significant quantum of unbilled energy and weak recovery mechanisms. Further, publicly available documents indicate deficiencies in operational and professional standards, and, therefore, consumers should not be burdened with higher tariffs on account of such shortcomings.

2.1.2 *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. The revenue deficit for FY 2026-27 is only on account of the true-up gap including the carrying cost of FY 2024-25 at existing tariff and has been estimated as Rs. 2036.99 Crore, and for recovery of the said gap of Rs. 2036.99 Crore, UPCL has proposed an overall tariff hike of 16.23%. Further, an increase in consumer categories has been proposed in line with the Tariff Policy and the proposed ARR to be recovered in FY 2026-27.

The revenue gap so computed is the result of the difference between the increased/projected cost and revenue at existing tariff. The Petitioner being a regulated entity needs to be revenue neutral and, hence, approved gap will have to be allowed in terms of the tariff increase as per principles laid down in the Tariff Policy and the approach adopted by the Commission in the past.

The overall tariff of domestic category has been proposed only at (Rs. 6.59 per unit) 76% of average cost of supply (Rs. 8.70/per unit). Within the domestic category, the rate of BPL and other low consuming consumers have been kept on lower side. Further, as per direction of GoU, the Petitioner is providing subsidy in electricity tariff @ 50% of electricity charges (including electricity duty) to the domestic consumers of snow bound area having monthly consumption upto 200 units and to other domestic consumers having load upto 1 kW and monthly consumption upto 100 units.

The Petitioner with respect to exemption from proposed tariff hike to consumers having solar installations, submitted that Section 45(3) of the Act, mandates for imposition of Fixed Charge in addition to the Energy Charge for Electricity Supplied. Further, irrespective of the actual consumption of energy, UPCL is required to be ready to supply energy according to the contracted 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 charge whether or not the consumer consumed electricity. The Petitioner further submitted that currently, electricity duty is applicable on the consumption of electricity in all the categories and Green Energy Cess is applicable in commercial and industrial categories. Both these taxes are charged in consumer electricity bills and the Petitioner is required to pay the collected amount of electricity duty to GoU and, therefore, for any relaxation, the matter may be taken up with GoU.

With respect to the increase in tariff for PTW, the Petitioner submitted that as against the proposed / overall tariff hike of 16.23%, only 5% tariff hike (Rs. 2.70 p.u. to Rs. 2.84 p.u.) has been proposed for PTW category. Further, the tariff of PTW category (Rs. 2.84 per unit) has been proposed only at 33% of the average cost of supply (Rs. 8.70 per unit).

Regarding mid-year tariff increase, the Petitioner submitted that tariff increase is an annual exercise as per the principles laid down in Tariff Policy and approach adopted by the Commission in the past. Further, as per Rule 14 of The Electricity (Amendment) Rules, 2022, the difference between approved power purchase cost and actual power purchase cost has to be charged / refunded to the consumers on monthly basis. In accordance with the above provisions of The Electricity (Amendment) Rules, 2022, the Commission has also specified the mechanism / procedure for charging / refunding the difference of power purchase cost. As per the said provision, UPCL is making adjustment of incremental power purchase cost on monthly basis.

The Petitioner further submitted that the excess of actual power purchase cost over approved power purchase cost is recovered on monthly basis and excess of approved power purchase cost over actual power purchase cost is refunded to the consumers on monthly basis.

The Petitioner submitted that there is a regular reduction in AT&C Losses in UPCL on year on year basis. Though, UPCL has reduced its distribution losses in past years but the distribution losses during FY 2024-25 are 13.69%. Being a hilly State, Uttarakhand has an extensive length of distribution lines, resulting in higher loss per unit of electricity consumption as compared to other States. The Petitioner further submitted that as per CEA norms, the HT:LT ratio should be 1 or above; however, in Uttarakhand, the ratio stands at 0.72 (HT: 55,089 Ckt. Km and LT: 76,161 Ckt. Km), which contributes to higher technical losses.

The Petitioner submitted that several measures are being undertaken to reduce distribution losses, including vigilance raids and action under Sections 126 and 135 of the Electricity Act, 2003 against theft of electricity, replacement of defective meters, installation of LT ABC in theft-prone areas, adoption of Automatic Meter Reading for high-value consumers, and implementation of Android-based billing to improve billing efficiency. The Petitioner further submitted that a Detailed Project Report and Action Plan under the Revamped Distribution Sector Scheme (RDSS), as approved by the Government of India, is under implementation with the objective of reducing distribution and AT&C losses.

With respect to recovery of outstanding arrears, the Petitioner submitted that disconnection of supply for defaulting consumers is being carried out, and notices under Sections 3 and 5 of the Uttarakhand (U.P. Government Electricity Undertakings (Dues Recovery) Act, 1958) Adaptation and Modification Order, 2002 are being regularly issued, and that such measures will be further strengthened to ensure expeditious recovery of dues.

2.1.3 *Commission's Views*

The Commission is of the view that an 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 2026-27 and truing up for FY 2024-25 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 retained the existing tariff for most of the tariff categories and has taken rationalisation measures for some of the consumer categories, as discussed in Chapter 5 of this Order. Further, most of the stakeholders have submitted that Uttarakhand being a hydro rich State, and, hence, no tariff increase should be allowed. In this regard it would be relevant to mention that only 20-25% of UPCL's requirement is being met from power generated from UJVN Ltd. Balance requirement is met through procurement of power from thermal and other sources which are costlier, and their prices vary which necessitates increase in cost for UPCL.

The rationale of specifying a Tariff of Rs. 2 per unit for solar roof top plants has already been dealt by the Commission in its Order dated 20.08.2025. The purpose of PM Surya Ghar Muft Bijli Yojana was to provide free electricity for households thereby reducing electricity costs for the Government. Hence, in no way the scheme was envisaged as a revenue stream for consumers. The intent was to set off their consumption from the electricity generated through the solar plants. The highest slab rate for a domestic consumer is Rs. 7.80 per unit for consumption over 400 units, hence, for consumers consuming more than 400 units per month, there is a net saving of Rs. 7.80 per unit, hence, there is no question of such projects being unviable. The issue of State Government subsidy for such plants does not fall within the jurisdiction of the Commission and the consumers may approach the State Government in this regard.

Furthermore, the Commission agrees with the submissions of the stakeholders that efficiencies should be brought in the operations of the Discom which would enable reduction in costs. The Commission in its previous Tariff Orders has been laying down norms for various performance parameters like distribution losses, collection efficiency, O&M expenses etc. In this tariff proceedings the Commission is going one step forward as the norms shall be fixed division wise also and regular monitoring of actual achievements vis-à-vis norms laid down shall be carried out not only at UPCL level but also at the Commission's end as has been discussed in the subsequent Chapters of this Order.

2.2 Tariff Hike – Industrial Tariff

2.2.1 *Stakeholder's Comments*

Shri Tushar Agarwal, Industrial Consumer, has submitted that a comparative bill analysis for December 2025 shows that despite higher peak energy charges in Uttar Pradesh, the overall monthly electricity bill under UPPCL works out to Rs. 2,00,45,881 as against Rs. 2,06,84,518 under UPCL, making Uttarakhand's effective tariff more than Uttar Pradesh, and that Uttarakhand-based industries, sourcing nearly all raw materials from and selling finished goods into Uttar Pradesh markets are operating on the thinnest of margins, making any further tariff increase commercially unviable. He, therefore, requested the Commission to reject the proposed tariff hike for FY 2026–27 and reduce the overall effective industrial tariff to levels lower than those prevailing in neighbouring states including Uttar Pradesh, Himachal Pradesh, and Punjab.

Shri Pankaj Gupta, President, Industries Association of Uttarakhand, M/s Kashi Vishwanath Steels Pvt. Ltd. and Shri Ashok Bansal, President, Kumaon Garhwal Chamber of Commerce and Industry, has submitted that Industrial tariffs in Uttarakhand are higher than the tariff of neighbouring States such as Himachal Pradesh, Haryana, Punjab and Uttar Pradesh.

Shri Pankaj Gupta, President, Industries Association of Uttarakhand has submitted that the proposed 16.23% UPCL tariff hike for FY 2026-27 would significantly burden Uttarakhand's MSMEs, raising industrial power costs by 10-20% relative to current levels and neighboring region.

This threatens viability in power-intensive sectors like cement, plastics, and FMCG, where electricity comprises 15-25% of operating expenses. He requested the Commission to reject or suitably moderate the proposed tariff increase for industrial consumers.

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, submitted that industrial tariffs have increased by approximately 78% and fixed charges by approximately 50% over the last ten years, and that the proposed 16.23% average tariff hike when combined with the cumulative impact of PTCUL and UJVNL filings resulting in an overall increase of approximately 18.50% will further reduce the competitiveness of Uttarakhand's industry relative to neighbouring states including Haryana, Rajasthan, Himachal Padesh, and Uttar Pradesh. He requested to undertake a very careful assessment before approving any tariff increase and to reject or moderate the proposed hike in the interest of industrial development of the State.

Shri Hardeep Rajput submitted that the seasonal weighted average Time-of-Day (ToD) methodology being applied effectively results in an indirect tariff increase for LT industrial consumers, with effective per-unit rates of Rs. 6.57 per kWh in summer and Rs. 6.61 per kWh in winter. He further submitted that ToD pricing should be designed to remain revenue-neutral and not function as a mechanism for imposing hidden tariff increases. Accordingly, he requested the Commission to ensure that the ToD framework does not lead to any implicit or indirect increase in the effective tariff burden on consumers.

Shri Subhash Mohan Kukreti, Director, Kukreti Steel Pvt. Ltd., submitted that electricity tariff in Uttarakhand, constituting nearly 25% of steel production cost, is approximately Rs. 1 per unit higher than in Uttar Pradesh following revisions in open access rates, thereby reducing competitiveness and rendering several steel units financially unviable. He requested the Commission to examine the inter-state tariff disparity and provide suitable relief or corrective measures to restore the competitiveness of steel units in Uttarakhand.

Shri Shakeel Siddiqui, Legal Advisor, M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that UPCL has proposed to recover a revenue gap of Rs. 2036.99 Crore through tariff for FY 2026–27, resulting in an overall average tariff hike of 16.23%, which may increase to about 18.50% when combined with petitions of other utilities, making it unsustainable for industrial consumers. He further submitted that although industries constitute only about 0.65% of consumers, they account for over 48% of consumption and more than

51% of revenue, and any significant tariff increase would adversely impact their financial viability. It was further submitted that proposed increase in energy and fixed charges for HT consumers reflect a steep rise of around 16–17%. The electricity cost is a key factor for industrial competitiveness, and continued tariff escalation—along with a sharp increase over the past decade—has weakened the viability of industries in the State, especially in comparison with neighbouring states like Uttar Pradesh. Accordingly, the Commission is requested to do prudence and avoid further tariff burden on industrial consumers in the interest of industrial development.

2.2.2 *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. The revenue deficit for FY 2026-27 is only on account of true-up gap including the carrying cost of FY 2024-25 at existing tariff and has been estimated as Rs. 2039.99 Crore. For recovery of the said gap of Rs. 2039.99 Crore, UPCL has proposed an overall tariff hike of 16.23%. Further, tariff increase in the consumer categories has been proposed in line with the Tariff Policy and the proposed ARR to be recovered in FY 2026-27. The revenue gap so computed is the result of difference between increased / projected cost and revenue at existing tariff. The Petitioner being a regulated entity needs to be revenue neutral and, hence, the approved gap will have to be allowed in terms of tariff increase as per principles laid down in the Tariff Policy and approach adopted by the Commission in past. Further, considering the fact that losses at higher voltage are on lower side, rebate in energy charge @ 3.5 % to the consumers getting supply at 33 kV and 7.5% to the consumers getting supply at 132 kV and above has been provided by the Commission in its Tariff Order dated 11.04.2025 for FY 2025-26.

With respect to reduction in demand charges in line with Uttar Pradesh and Himachal Pradesh, it is submitted that Section 45 of the Act, mandates for imposition of Fixed Charge in addition to the Energy Charge for electricity supplied. The Petitioner further submitted that irrespective of the actual consumption of energy, UPCL is required to be ready to supply energy according to the contracted of the Consumer. For this purpose, a certain amount of expenditure has necessarily to be incurred by the Petitioner 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 consumed electricity

With respect to TOD tariff, the Petitioner submitted that the claims submitted are as per UERC Tariff Regulations. TOD tariff is a mechanism to encourage consumers to utilize electricity in non-peak hours to reduce financial burden of expensive power purchase during peak hours.

2.2.3 *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 2026-27 and truing up for FY 2024-25 in accordance with the provisions of the relevant Regulations as discussed in subsequent Chapters of this Order and as an outcome of the scrutiny, the Commission has taken certain tariff rationalisation measures for industrial consumers, as discussed in Chapter 5 of this Order.

2.3 Tariff for BPL and Domestic Consumers

2.3.1 *Stakeholder's Comments*

Shri Jamna Prasad Dogra submitted that subsidy provided for domestic consumers upto 100 units should be increased to 400 units.

Shri Sanjay Choudhary, Bhartiya Kisan Union (Tikait), submitted that villagers are unable to bear the burden of current electricity tariffs and proposed that domestic electricity rates for rural consumers be heavily subsidized and capped at Rs. 1.00 per unit.

Shri O.P. Sinha, Pacific Estate Residential Welfare Society, submitted that that despite the Commission classifying single point bulk supply connections under the domestic category, higher ECR and fixed charges continue to be applied to GHS residents, effectively penalising an arrangement that is more efficient and less burdensome for the Discom than individual connections. He further submitted that such consumers make timely lump-sum payments and entail negligible O&M costs, and that bulk supply, by principle, should attract lower tariffs than individual supply.

2.3.2 *Petitioner's Reply*

The Petitioner submitted that the overall tariff of domestic category (Rs. 6.59 per unit) has been proposed only at 76% of average cost of supply (Rs. 8.70 per unit). Within the domestic category, the rate of BPL and other low consuming consumers have been kept on lower side whereas the rate of high energy consuming consumers has been kept on a higher side in a manner that the cross subsidy allowed for the low consumption is primarily met by the consumers of the same category consuming more energy.

The Petitioner submitted that as per direction of GoU, UPCL is providing subsidy in electricity tariff @ 50% of electricity charges (including electricity duty) to the domestic consumers of snow bound area having monthly consumption upto 200 units and to other domestic consumers having load upto 1 kW and monthly consumption upto 100 units.

With respect to tariff of single point bulk supply, the Petitioner submitted that the Commission may take a view as per the provisions of the Electricity Act, 2003 read with the provisions of Tariff Policy and Electricity (Rights to Consumers) Amendment Rules, 2024.

2.3.3 *Commission's Views*

The Commission has taken note of the concerns raised by the stakeholders and UPCL. The Commission has retained the existing tariff for BPL and domestic consumer categories and has undertaken rationalization measures for single-point bulk supply consumers. The Commission has dealt with the issue in detail in Chapter 5 of this Order.

2.4 Distribution Loss

2.4.1 *Stakeholder's Comments*

Shri Sh. Ashok Shukla, M/s V.N. Plastics Pvt. Ltd. submitted that UPCL has not made adequate efforts for reducing line losses and electricity theft,

Shri Vishal Agarwal, submitted that he receives electricity supply directly from the PTCUL Pantnagar switchyard at 220 kV Extra High Voltage level through Open Access, where the actual distribution losses are technically negligible, and that despite this, the distribution loss levels currently applicable to Open Access consumers under the UERC Tariff Order for FY 2025–26 to FY 2027–28 do not adequately reflect the minimal loss incidence at the 220 kV level, as the approved system-level distribution losses range around 12–13% while the loss levels prescribed for Open Access consumers vary from 1% for consumers above 33 kV down to 13.35% for consumers below 11 kV, and no separate or lower loss level has been specified for EHV consumers connected at 220 kV, resulting in an allocation of losses that is technically unjustified and inequitable in comparison to the actual losses at that voltage level. He further submitted that the loss applicable in neighbouring States to EHV Open Access consumers are significantly lower and more reflective of actual technical conditions at such voltage levels and requested to either fully waive distribution losses for consumers receiving supply at 220 kV EHV level or restrict the applicable loss level to 1–2% in line with the norms prevailing in the neighbouring States, and to ensure that loss allocation for Open Access consumers is determined on the basis of actual technical loss corresponding to the voltage level of supply, so as to ensure equitable and technically justified treatment of EHV Open Access consumers.

Shri Pawan Agarwal, Uttarakhand Steel Manufacturers Association submitted that the approved line loss of approximately 13% in Uttarakhand is significantly higher than the line losses of 10.5% applicable in Uttar Pradesh and does not reflect actual technical conditions. He requested to reduce the distribution loss to the level of 7% to 8%.

Shri Vidisha Dubey Shrivastava, Distributed Solar Power Association, submitted that UPCL has failed to comply with the categorical directions issued by the Commission in successive Tariff Orders for FY 2023–24, FY 2024–25, and FY 2025–26, which mandated the computation and application of distribution losses on a voltage-wise basis and the segregation of voltage-wise cost of supply. He submitted that such continued non-compliance is not merely procedural in nature but has resulted in direct and measurable financial prejudice to HT, EHV, and Open Access consumers, including those procuring power from solar and other renewable energy sources. He further submitted that the practice of pooling or averaging distribution losses across voltage levels is inherently inequitable, as it unjustly burdens HT and EHV consumers who, by virtue of being connected at higher voltage levels, inherently contribute significantly lower technical losses to the system. The same has resulted in subsidizing inefficiencies in the lower voltage network, which is against the Electricity Act 2003 and in violation of the settled position of law laid down by the Appellate Tribunal for Electricity mandating voltage-wise and cost-reflective determination of wheeling charges and Open Access tariffs. Such distortion in loss computation adversely impacts the financial viability of renewable energy-based Open Access, thereby acting as a disincentive to the adoption of clean energy within the State. He further submitted that UPCL has failed to undertake feeder-level energy audits even for the limited number of 33 kV and above feeders, despite repeated directions of the Commission, which reflects negligence and persistent regulatory non-compliance and requested to protect industrial consumers from bearing the financial consequences of the Petitioner's regulatory default.

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, and M/s Kashi Vishwanath Steels Pvt. Ltd. submitted that UPCL continues to levy distribution losses on an average pooled basis despite variations in losses in the range of 9 to 33 percent, and that industrial consumers constitute only 0.65 percent of the consumer base yet contribute approximately 51 percent of total revenue. They, therefore, requested the Commission to direct UPCL to improve operational efficiency by way of loss reduction, timely billing, and collection of outstanding dues rather than recovering such inefficiencies through tariff hikes. They further submitted that notwithstanding the clear mandate of Section 61(g) and Section 62(3) of the Electricity Act, 2003, and Regulation 79 of the UERC Tariff Regulations 2024, requiring voltage-wise determination of distribution losses, UPCL continues to levy losses on an average pooled basis, whereas actual feeder-level losses at 33 kV are estimated at only 1 to 3 percent and at 132 kV are less than 1 percent. They also requested the Commission to strictly direct UPCL to provide voltage-wise cost of supply without any further delay, and to implement either a voltage-wise tariff structure or allow enhanced rebate of 5 percent for 33 kV consumers and 10 percent for 132 kV consumers.

Shri Hardeep Rajput submitted that the projected distribution loss target of 12.25% is significantly high and reflects continued operational inefficiency, particularly given that the ongoing rollout of smart and prepaid meters should be driving loss levels downward. Himachal Pradesh has already achieved losses of approximately 9%, and that the Draft National Electricity Policy, 2025, specify for single-digit distribution losses. He requested the Commission to enforce strict and time-bound distribution loss reduction targets and disallow costs arising from excess losses rather than rewarding inefficiency through tariff increases.

Shri Munish Talwar, M/s Asahi India Glass Ltd., submitted that the projected distribution loss is excessive and not reflective of actual system conditions, particularly at higher voltage levels. He further submitted that losses at the 132 kV and EHT levels should be considered as negligible or zero, in line with prevailing practices in States such as Himachal Pradesh and Uttar Pradesh. Accordingly, he requested the Commission to mandate determination of losses on a voltage-wise basis with strict adherence to RDSS and R-APDRP guidelines, instead of continuing with pooled average loss levels that disproportionately burden high-voltage industrial consumers. He also requested the Commission to direct UPCL to furnish comprehensive voltage-wise loss data and cost-of-supply details as part of its ARR filings.

Shri Ramesh Chandra Menaria, submitted that the distribution loss at 12.75 percent in the energy computation for consumers receiving supply at the 132 kV level is technically incorrect and financially unviable, as such consumers are connected directly to the State Transmission Network and do not utilize any part of the distribution system. It is further submitted that, in such cases, only transmission loss—distinguished in the SLDC NOC at 1.03%—should be applicable, and the imposition of distribution loss is contrary to established regulatory and technical principles. It was also submitted that regulatory practices across multiple States uniformly treat distribution loss at 132 kV as nil, thereby reinforcing the need for alignment of the same in Uttarakhand.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that the uniform application of average distribution losses across all consumer categories, irrespective of voltage level, is inequitable and contrary to cost-reflective tariff principles under the Electricity Act, 2003. He submitted that actual losses vary significantly across voltage levels and across UPCL's zones/divisions, with several divisions reporting losses exceeding 25–30%, as against the uniform average loss of 12.25% being charged. He further submitted that distribution losses are substantially lower at higher voltages (33 kV and 132 kV) compared to 11 kV, and, therefore, HT consumers are unfairly burdened under the current approach. He requested the Commission to: (i) apply distribution losses for HT consumers based on actual voltage-wise/feeder-level data; (ii) in the interim, enhance voltage rebate to 5% for 33 kV and 10% for 132 kV with gradual annual increase until such data is made available; and (iii) for open access and captive consumers, either not apply distribution losses or continue adequate rebate as a compensatory measure.

2.4.2 *Petitioner's Reply*

The Petitioner submitted that as against the National Average of AT&C Losses of 15.04%, the actual AT&C Losses of UPCL are 14.57% for FY 2024-25. Further, there is a regular reduction in AT&C Losses in UPCL on year on year basis as per the details mentioned herein below:

Table 2.1: Reduction in AT&C Loss from FY 2019-20 to FY 2024-25

Year	AT&C Losses
2019-20	20.44%
2020-21	17.79%
2021-22	15.75%
2022-23	15.25%
2023-24	14.64%
2024-25	14.57%

The Petitioner submitted that, although it has reduced its distribution losses in past years but the distribution losses during FY 2024-25 are 13.69%. The main reasons of distribution losses in UPCL are as follows:

a. Being hilly State, the length of electric lines in Uttarakhand is more due to which the loss per unit of consumption is higher as compared to other States.

b. As per CEA the HT:LT ratio should be 1 or higher whereas being the hilly state, the HT:LT ratio in Uttarakhand is 0.72 (HT – 55089 Ckt KM, LT- 76161 Ckt. KM) resulting in higher distribution technical losses.

The Petitioner further submitted that following action is being taken for reduction of distribution losses:

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

The Petitioner further submitted that a Detailed Project Report and Action Plan of the Results linked, Revamped Distribution Sector Scheme as approved by Government of India vide its notification dated 20-07-2021, is under implementation. The said scheme primarily aims for reduction of distribution and AT&C Losses.

The Petitioner further submitted that 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 ensuring early recovery of outstanding arrears.

With respect to losses for Open Access consumers, the Petitioner submitted that presently, voltage wise/category wise losses cannot be computed accurately by the existing system and, therefore, Category wise Tariff has been calculated on the basis of average cost of supply and permissible level of cross subsidy. Further, as per provisions of Regulations a rebate @ 3.5% and 7.5% have been proposed for taking supply at 33 kV and 132 kV and above respectively. This is as per Regulation 91 of the UERC Tariff Regulations, 2024. 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.

The Petitioner submitted that Regulation 4(d) and Regulation 9 of the UERC MYT Regulations 2024 specify approval of trajectory for distribution loss which would be considered for evaluation of performance of distribution licensee and the same would be eligible for gain / loss sharing for the purpose of tariff determination. As per the Tariff Regulations, the past performance of the utility shall be considered for determination of trajectory for distribution loss for the Control Period. In the past, the Commission had approved the distribution loss of 40.32% for FY 2003-04 and subsequent year targets were fixed considering reduction of distribution loss y-o-y basis. Details of approved and actual distribution losses since FY 2015-16 are as follows:

Table 2.2: Distribution Loss : Approved vis-à-vis Actual

Year	Approved by the Commission in ARR	Actual as per UPCL
2015-16	15.00%	18.39%
2016-17	15.00%	16.68%
2017-18	14.75%	15.17%
2018-19	14.50%	14.32%
2019-20	14.25%	13.40%
2020-21	14.00%	13.96%
2021-22	13.75%	14.15%
2022-23	13.50%	14.38%
2023-24	13.25%	13.89%
2024-25	13.00%	13.69%

The Petitioner further submitted that the implementation of "Revamped Reform- based and

Results-linked Distribution Sector Scheme (RDSS Scheme)" which is aimed towards improving the operational and financial sustainability by providing financial assistance to Discom's for strengthening of supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks in reforms would also assist in loss reduction during the end of the Control Period. The objective of the scheme focuses on Improving the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient Distribution Sector, reduce the AT&C losses to Pan-India levels of 12-15%.

The Petitioner submitted that presently, voltage wise / category wise losses cannot be computed accurately by the existing system and, therefore, Category wise Tariff has been calculated on the basis of average cost of supply and permissible level of cross subsidy. 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. It is further submitted in the matter that the implementation of Government of India's Scheme RDSS is in process in UPCL which mainly aims for reduction of losses and under the scheme, smart meters have to installed on feeders, DTs and consumer connections. Once the said metering is completed, UPCL will be in position to compute the voltage wise losses. The Petitioner further submitted that as per Regulation 91 of the UERC Tariff Regulations, 2024, a rebate @ 3.5% and 7.5% have been proposed for taking supply at 33 kV and 132 kV and above respectively.

2.4.3 *Commission's Views*

The Commission has taken note of the concerns raised by the stakeholders and the initiatives taken by UPCL to reduce the losses. The Commission would like to clarify that the Petitioner has submitted the actual distribution losses for FY 2024-25. 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. **With respect to energy audit UPCL is again 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.** Further, with reference to the submissions of the stakeholders to adopt the voltage wise distribution losses approved by other States in the absence of actual voltage wise losses in the State, the Commission is of the view that voltage wise losses as applicable in other States cannot be applied onto the voltage levels in Uttarakhand as the voltage wise losses depends on the voltage wise line lengths and also the terrain having such lines as well as HT:LT ratio.

2.5 Sales

2.5.1 *Stakeholder's Comments*

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that sales forecast for DISCOMs in ARR of FY 2026-27 may be done considering the impact of PM Surya Ghar – Muft Bijli Yojna and Demand Side Management (DSM) initiatives.

M/s Kashi Vishwanath Steels Pvt. Ltd. submitted that UPCL's recurring overestimation of sales in ARR filings, followed by revenue gaps at the true-up stage, distorts regulatory assessment and unjustifiably supports tariff increases. The Commission is requested to direct UPCL to adopt realistic sales projections and to disallow revenue gaps arising from such forecasting errors.

2.5.2 *Petitioner's Reply*

The Petitioner submitted that, presently it is difficult to accurately estimate the impact of PM Surya Ghar Yojana and the impact of the same may be considered at the time of true up for FY 2026-27.

With respect to Sales projection, the Petitioner submitted that for projecting the consumer category-wise sales for FY 2026-27, it has considered a mix of long to medium term trend of actual sales along with adjustments on account of past abnormalities and impact of recent developments that would have a bearing on the future consumption in the select consumer categories. The Petitioner submitted that in line with the methodology adopted by the Commission in the past, the Petitioner has adopted the CAGR approach to project the sales for each consumer category while excluding any outliers (relative to the trend) observed in the growth rates over the period of 7 years.

2.5.3 *Commission's Views*

The Commission has taken note of the concerns raised by the stakeholders. The Commission would like to clarify that the Petitioner has submitted the sales for FY 2024-25. However, the Commission approves the actual sales after recasting the category wise sales of those divisions that have abnormally low Average Billing Rate (ABR) and the same has been discussed in Chapter 3 of the Order. For FY 2026-27, the Commission has approved the category-wise sales considering the actual sales of FY 2024-25 by applying the growth rates based on past trends, as discussed in Chapter 4 of the Order.

2.6 Power Procurement Cost

2.6.1 *Stakeholder's Comments*

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that UPCL's True-Up petition for FY 2024-25 and ARR/Tariff petition for FY 2026-27 contain several claims that warrant thorough prudence checks and disallowances on grounds of operational inefficiency, non-compliance with regulatory norms, and unjustified cost burden being passed on to the honest consumers; that in respect of the True-Up for FY 2024-25, UPCL has claimed distribution losses of 13.69 percent against an approved trajectory of 13.00 percent, and the excess power purchase cost of approximately Rs. 50 Crore arising from this inefficiency should be disallowed and the same should be borne by the Government of Uttarakhand in the form of subsidy.

He further submitted that UPCL has procured 18.14 MU from costly gas-based plants Anta, Auraiya and Dadri gas-based generating stations of NTPC. PFI had also submitted comments on reliance on costly gas-based power plants for FY 2023-24 and had requested the Commission to direct UPCL to surrender the costly PPAs, post expiry increase portfolio with Round the Clock Renewable Energy coupled with Energy Storage. However, for FY 2024-25 the total cost borne by UPCL due to power purchase from these stations is Rs. 79 Crore at a weighted average rate of Rs. 42.29/kWh. He requested the Commission to give directions to UPCL to surrender the costly PPA post their expiry and increase its portfolio with Round the Clock (RTC) renewable energy coupled with Energy Storage. PFI also requests the Commission that the power purchase cost of Rs. 181 Crore should be borne by the Government of Uttarakhand in the form of subsidy.

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that cost pertaining to other than Fixed and Variable Cost has also been considered as any Other Cost by UPCL. It is proposed that Rs. 601 Crore may be considered as any other charges for FY 2026-27 as claimed by UPCL. However, if there is any variation in these charges, the same may be recovered through Fuel Charge Adjustment (FCA) approved by the Commission.

Shri Hardeep Rajput submitted that the UPCL has not clarified whether lower-cost generation sources are being optimally prioritized, and whether State Royalty Power is being fully utilized, thereby indicating a missed opportunity to reduce overall power procurement costs that would otherwise be passed on to the consumers through tariff. Accordingly, he requested the Commission to direct UPCL to undertake prudent power procurement planning by prioritizing least-cost sources and ensuring full utilization of State Royalty Power prior to seeking any tariff increase.

Shri Munish Talwar, M/s Asahi India Glass Ltd., submitted that the planned power purchase cost of Rs. 10,335 Crore is higher by Rs. 667 Crore, compared to the previous year without adequate justification. He also submitted that the simultaneous levy of FPPCA, water tax, and other power purchase cost components, along with the bifurcation of transmission charges amounting to approximately Rs. 976.21 Crore without adequate clarity, results in a compounded and insufficiently justified cost burden on industrial consumers. He further submitted that the lack of transparency in these cost elements undermines effective scrutiny. Accordingly, he requested the Commission to ensure complete transparency in power procurement and capital expenditure projections, and to safeguard industrial consumers from bearing the financial impact of UPCL's operational inefficiencies and unsubstantiated capex escalations.

2.6.2 *Petitioner's Reply*

The Petitioner submitted that Regulation 4(d) and Regulation 9 of the UERC MYT Regulations 2024 specify approval of trajectory for distribution loss which would be considered for evaluation of performance of distribution licensee and would be eligible for gain / loss sharing for the purpose of tariff determination. As against the approved distribution losses of 13%, the actual distribution losses of UPCL for FY 2024-25 is 13.69% and, accordingly, revenue corresponding to the excess distribution losses @ 0.69% has been considered in the petition. The details of which are as follows:

Table 2.3: Details of True up of Sales and Losses for FY 2024-25

Particulars	FY 2024-25 (Rs. Crore)
Actual Sales (MU)	14,838.22
Approved Distribution Loss Level (%)	13.69%
Actual Energy Input at T-D Interface (MU)	17,192.26
Sales at Actual Energy Input with 13.25% Loss (MU)	14,914.28
Gain/ (Loss) of Sales (MU)	-76.06
Revenue at Existing Tariff (Rs. Crore)	10,078.47
ABR (Rs./kWh)	6.79
Revenue loss due to higher Dist. losses (Rs.Cr)	**-51.66**
Losses in revenue due to Distribution loss (2/3 of Rs.51.66) (Rs. Crore)	**-34.44**

The Petitioner further submitted that UPCL recognizes that the major part of the ARR pertains to the Power purchase cost and submits that due actions are being taken to source cheaper power. Further, the grid demand varies across the seasons as well as on daily basis, 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 further submitted that owing to mismatch in grid demand and supply in real time owing to the consumption pattern of the consumer, UPCL has to purchase power from short terms sources as well. The power purchase cost also includes impact of arrears allowed to UJVNL, PTCUL, Greenko Budhil along with PDF allowed to UJVNL and PTCUL. It is also submitted in the matter that the power purchase cost has been claimed by UPCL as per provisions of UERC Tariff Regulations.

The Petitioner submitted that claim of power purchase for FY 2026-27 has been done as per the provisions of Tariff Regulations, 2024, power arrangements made by UPCL with the suppliers / generating stations and previous trends in the matter.

UPCL also submitted that that there has been a regular reduction in power purchase cost from open market. The average power purchase cost from open market for FY 2022-23, 2023-24 and 2024-25 was respectively Rs. 6.86 p.u., Rs. 5.34 p.u. and Rs. 4.93 p.u. As a result of reduction in power purchase cost Rs. 288 Crore (Rs. 0.19 p.u.) for FY 2024-25 and Rs. 203 Crore (Rs. 0.17 p.u.) for FY 2025-26 (upto January) have been passed on to the consumers as rebate in the monthly electricity bills of the consumers under Fuel and Power Purchase Cost Adjustment mechanism.

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. The claims submitted are as per UERC Tariff Regulations. The proposed Tariff Hike of 16.23 % can be bifurcated as follows:

Table 2.4: Details of Proposed Tariff Hike sought for FY 2026-27

S No.	Particulars	Amount (in Cr)	Hike (%)
A	Net ARR for 2026-27	12,873.59	
B1	True-Up for FY 2024-25	1,349.19	10.75%
B2	Carrying Cost of True-up	362.26	2.89%
B	Total True-up with carrying cost for FY 2024-25	1,711.45	13.64%
C	Total ARR for 2026-27 (A+B)	14,585.04	
D	Revenue at existing Tariff	12,548.05	
E	Gap/Surplus for FY 2026-27at existing tariff (A-D)	325.54	2.59%
F	Total Tariff hike impact to be passed on FY 2026-27 (B+E)	2,036.99	16.23%

The major claims, amounting to 13.64%, pertains to the true-up of FY 2024–25. These include increase in power purchase cost of Rs. 70.05 Crore (0.56%) (approved Rs. 5.03/pu vs. actual Rs. 5.07/pu) and higher O&M expenses of Rs. 76.97 Crore (0.61%) (approved Rs. 791.80 Crore vs. claimed Rs. 868.77 Crore). A significant claim of Rs. 318.48 Crore (2.54%) relates to pending GFA capitalisation due to non-submission of the Electrical Inspector's certificate. Further, lower non-tariff income than approved resulted in a gap of Rs. 36.17 Crore (0.29%) (approved Rs. 374.86 Crore vs. claimed Rs. 338.69 Crore). The largest impact arose due to lower average billing rate, amounting to a gap of Rs. 786.42 Crore (6.27%) (approved Rs. 7.32/pu vs. actual Rs. 6.79/pu). Additional claims include Rs. 54.43 Crore (0.43%) towards higher Return on Equity (approved Rs. 197.80 Crore vs. claimed Rs. 252.23 Crore) and Rs. 39.14 Crore (0.31%) due to higher Interest on Working Capital (approved Rs. 142.26 Crore vs. claimed Rs. 181.40 Crore), partly offset by sharing of loss/gain of (-) Rs. 32.47 Crore (0.26%). Accordingly, the total true-up gap for FY 2024–25 is Rs. 1,349.19 Crore (10.75%), and the same with carrying cost of Rs. 362.26 Crore (2.89%), aggregates to Rs. 1,711.45 Crore (13.64%).

2.6.3 *Commission's Views*

The Commission has taken note of the comments and suggestions of the stakeholders and the same have been dealt adequately in the relevant Chapters of this Order. Further, the issues related to source-wise power purchase quantum and costs have been deliberated by the Commission in Chapter 3 & 4 of this Order.

2.7 Capital Expenditure and Capitalization

2.7.1 *Stakeholder's Comments*

Shri Munish Talwar, M/s Asahi India Glass Ltd., submitted that capitalization under ADB works projected at approximately Rs. 977.03 Crore lacks detailed justification; the border area electrification cost has jumped disproportionately from Rs. 15 Crore to Rs. 233.40 Crore without adequate explanation, and the projected capitalization of Rs. 1462.3 Crore under RDSS for FY 2026–27 represents an unrealistic escalation given that against a sanctioned amount of Rs. 2,802.46 Crore the actual expenditure to date has been only Rs. 176.82 Crore. He requested the Commission to ensure that ADB-funded projects supported by loan assistance and RDSS-funded investments are not unduly passed on to the consumers in the tariff determination process.

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that the cost claimed against pending EI certificate should not be allowed and the same should be borne by the Government of Uttarakhand in the form of subsidy.

Shri Ramesh Joshi submitted that the capitalisation proposed for FY 2025–26 and FY 2026–27 reflects a significant escalation. Such a sharp increase in capital expenditure warrants detailed justification and clarity from the utility. It is observed that a substantial portion of the proposed expenditure is concentrated on underground 11 kV/33 kV systems, compact substations, LT works, and related infrastructure. However, the rationale for prioritising these components has not been adequately substantiated. Further, electrification works in border areas, where the proposal has increased sharply from Rs. 15 Crore in the previous year to Rs. 233.40 Crore for FY 2026–27 needs to be examined.

2.7.2 *Petitioner's Reply*

The Petitioner submitted that ADB funded works are carried out under - Uttarakhand Climate Resilient Power System Development Project. The Project, which primarily focuses on climate resilience of the Uttarakhand power system and the following scope are covered under this:

i. To install underground distribution system in Dehradun;

   a. Reinforce existing power networks via upstream substations and its associated lines;

   b. Design and implement measures to improve climate resilience of power system;

   c. Undertake gender and socially inclusive renewable energy-based income generating activities in rural areas.

The Petitioner further submitted that the Central Government has approved a Revamped Distribution Sector Scheme- a Reforms-based and Results-linked Scheme (RDSS). The Scheme aims to reduce the AT&C losses to Pan-India levels of 12-15% and ACS-ARR gap to zero by 2024-25 by improving the operational efficiencies and financial sustainability of all DISCOMs/ Power Departments excluding Private Sector DISCOMs.

The Petitioner submitted that works under both the schemes are approved by the Commission and are being carried out through award of works by competitive bidding.

Regarding pending EI Certificate, the Petitioner submitted that the Commission in its previous Orders for the True-up of FY 2016-17, FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24 had disallowed part of Capitalization claimed by the Petitioner in the respective year's True-up claim. The Commission had disallowed the amounts due to unavailability of Electrical Inspector Certificate pertaining to the assets capitalized. Therefore, the GFA pertaining to said disallowance were not approved and the same were approved subsequently on the basis of EI Certificates being produced by the Petitioner in subsequent Petitions. The Petitioner would like to highlight that while the Commission has considered the impact of asset capitalization during the subsequent year(s) the EICs were produced and the corresponding expenses were also allowed in line with the provisions contained in the Tariff Regulations, however, the impact of disallowance in Capitalization during the year in which the capitalization was claimed had not been allowed in entirety thereby resulting in under recovery in the ARR parameters for the respective year. In view of the same, the Petitioner is claiming the impact of such disallowances based on the True-up for each of the FY 2016-17 to FY 2023-24 and has resubmitted the revised claim for True-up considering the fact that the EICs for all the assets capitalized during each of the FY 2016-17 to FY 2023-24 have been submitted before the Commission. The detailed submission in the matter is mentioned at para 2.86 to para 2.93 of the ARR and Tariff Petition.

2.7.3 *Commission's Views*

The Commission has duly scrutinised the actual capitalisation for FY 2024-25, impact of pending EI Certificates from FY 2016-17 to FY 2023-24, and capitalisation projected for FY 2026-27, as per UERC Tariff Regulations, 2021 and UERC Tariff Regulations, 2024, and the same has been discussed in Chapters 3, and 4 of the Order.

2.8 O&M Expenses

2.8.1 *Stakeholder's Comments*

Shri Himanshu Chawla, Power Foundation of India (PFI), requested the Commission to allow the employee expenses on normative basis which is calculated by PFI as Rs. 355 Crore for FY 2024-25. The difference between the claimed and his working of Rs. 107 Crore should be borne by the Government of Uttarakhand in the form of subsidy. He also submitted that UPCL has computed R&M expenses based on the Opening GFA of FY 2024-25 as per their Audited Accounts which is the violation of the Regulatory provisions stipulated under the UERC Tariff Regulations, 2021 and requested the Commission to allow Rs. 308 Crore for R&M expenses as computed by them for FY 2024-25 as per the regulatory provisions. The difference in the cost claimed and the said working of Rs. 27 Crore should be borne by the Government of Uttarakhand in the form of subsidy.

He further submitted that as compared to previous years there is a significant increase in the legal and professional expenses. In this regard, he requested the Commission to reduce the aforesaid expenses of Rs. 30 Crore from the total A&G expenses claimed by UPCL, which should be borne by the Government of Uttarakhand in the form of subsidy. He also submitted that the Compensation expenses to staff and outsiders are to be payable by the DISCOM to any party for failure to meet any Standards of Performance or for damages, as a consequence of the orders of the Commission, Courts, Consumer Grievance Redressal Forum, and Ombudsman, etc., and should not be allowed to be recovered through the Aggregate Revenue Requirement. He further requested the Commission to direct UPCL to submit case-by-case reason of accident and allow pass through of compensation, if any, only in cases where the reason is not attributable to the DISCOM. For rest of the cases compensation should be paid by Govt. of Uttarakhand in the form of Subsidy.

Shri Munish Talwar, M/s Asahi India Glass Ltd., submitted that the proposed employee expenses of Rs. 481.38 Crore, increase in O&M expenses from Rs. 1,138.10 Crore to Rs. 1,221.50 Crore, A&G expenses of Rs. 103.02 Crore, and the rise in R&M expenses from Rs. 568.49 Crore to Rs. 637.10 Crore collectively indicates a significant and unjustified escalation in overall costs. Accordingly, he requested the Commission to scrutinize and suitably disallow or moderate such cost increases, and to ensure that expenses arising from pay revisions, pension liabilities, and CPI-linked escalations are managed through internal efficiency measures rather than being passed on to consumers through tariff revisions.

2.8.2 *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. Being a Government of Uttarakhand undertaking, employees' expenses are governed by the policy, and orders issued by the Government of Uttarakhand.

The Petitioner submitted that R&M expenses are claimed as per the UERC MYT Regulations norms. The Petitioner has considered the opening GFA as per accounts for computation of normative R&M expenses and, therefore, the claimed amount of R&M Expenses may be allowed to

UPCL.

The Petitioner further submitted that the A&G Expenses have been claimed on normative basis. As against the actual value of Rs. 106.57 Crore, the claim on this head due to normative claim is Rs. 72.83 Crore and, therefore, the claimed value of A&G Expenses may be allowed to UPCL.

With respect to compensation paid, the Petitioner submitted that Supporting documents substantiating the claim are submitted in replies to TVS queries for consideration of the Commission.

The Petitioner further submitted that Operation and Maintenance expenses are claimed as follows:

i. Employee expenses on actual basis.

ii. R&M expenses as per k factor determine by the Commission on GFA from audited accounts.

iii. A&G expenses as per UERC Tariff Regulations.

2.8.3 *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 a normative basis, with sharing of gains and losses for FY 2024-25, in accordance with the provisions of UERC Tariff Regulations, 2021 and UERC Tariff Regulations, 2024.

2.9 Return on Equity

2.9.1 *Stakeholder's Comments*

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that after 12 years (when loan has been fully repaid) utility receives Depreciation in Fixed Charges and also RoE on full Equity Base. Rather, after 12 years, RoE should be allowed on Net Fixed Asset basis and Equity Base should be reduced by Depreciation, since Depreciation is allowed as an expense recoverable from the consumers even after 12 years.

2.9.2 *Petitioner's Reply*

The Petitioner submitted that the ROE and depreciation has been claimed in accordance with the provisions of UERC (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2024.

2.9.3 *Commission's Views*

The Commission has allowed RoE and depreciation to the Petitioner as per the provisions of UERC Tariff Regulations and the same has been discussed in detail in Chapter 3 and 4 of this Order.

2.10 Metering, Billing and Collection Efficiency

2.10.1 *Stakeholder's Comments*

Shri Pankaj Gupta, President, Industries Association of Uttarakhand, submitted that inefficiencies in collection and billing on the part of UPCL are being passed on to compliant industrial consumers in the form of tariff increases, instead of being addressed through operational improvements and accountability measures. He further submitted that such an approach is inequitable and discourages efficient consumers and requested the Commission to direct UPCL to furnish area-wise reasons for low billing efficiency and to fix individual accountability, particularly in areas where billing efficiency is below 80 percent.

He also submitted that the outstanding dues from domestic consumers, government departments, public utilities, and private tube well connections are on a rising trend and are being passed on to compliant industrial consumers through tariff hikes. He requested the Commission to direct UPCL to take cautious and decisive action to arrest the rising trend of arrears across these consumer categories rather than socialising the burden onto industrial consumers.

M/s Kashi Vishwanath Steels Pvt. Ltd. submitted that UPCL's poor recovery of outstanding dues of approximately Rs. 2,226 Crore is being passed on to compliant industrial consumers through tariff hikes instead of being addressed through effective recovery measures and enforcement of late payment surcharges. The Commission may direct UPCL to strengthen dues recovery and disallow the pass-through of such collection inefficiencies onto paying consumers.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that electricity tariffs in Uttarakhand have become increasingly uncompetitive when compared with neighbouring States, particularly Uttar Pradesh. He submitted that for the sixth consecutive year, the Uttar Pradesh Electricity Regulatory

Commission has not increased tariffs for any consumer category, making it the first State to maintain such prolonged tariff stability. He further submitted that industries in Uttarakhand operate in a competitive market and directly compete with industries located in the neighbouring States. In this context, tariff determination must account for inter-state competitiveness as well as the structural and logistical challenges faced by industries within the State. Higher tariffs may compel industries to shift towards alternative sources of power such as captive generation and open access procurement. Such a shift would adversely affect UPCL's consumer mix by reducing reliance on grid supply from high-paying industrial consumers, ultimately impacting the financial stability of the utility. The Commission should rationalize industrial tariffs in Uttarakhand, taking into consideration inter-state tariff competitiveness and the need to retain industrial consumers within the distribution network.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that UPCL's trade receivables and revenue collection framework suffers from serious inconsistencies and lack of reconciliation across its Petition, audited accounts, and CS-4 Reports, indicating systemic financial mismanagement. Despite engagement of M/s KG Somani & Co. LLP for reconciliation (reporting arrears of Rs. 1,614.18 Crore as on 31.03.2023), no conclusive action has been taken. The statutory auditors have also issued a qualified opinion for FY 2024–25, citing unreconciled receivables, absence of ageing data, and erosion of net worth. Outstanding dues amounting to Rs. 2,266.10 Crore as on 31.03.2025 are significantly concentrated in Domestic and Government-related categories, coupled with low billing efficiency averaging 82.42%, with several divisions reporting efficiency below 70%. The Commission should reconcile receivables, fix accountability, strengthen recovery mechanisms, classify arrears based on ageing, and improve billing efficiency, especially in low-performing divisions.

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that no significant improvements took place in collection efficiency and month wise data for collection efficiency was not submitted by UPCL in the true up Petition FY 2024-25. He further submitted that significant amount of Capital Expenditure was also allowed by the Commission in the said MYT Order for various schemes related to Collection Efficiency. It is noted that actual Collection efficiency for FY 2024-25 of 98.99% is at par with the normative Collection Efficiency of 99.15% considering DISCOM as a whole, but as per Form 15 of the True-Up Petition that there is wide variation in the category wise Collection Efficiency. For Public Lamps it is 67.46%, Govt. Irrigation it is 79.95% and PTW/ Agricultural allied Services 67.46%. He submitted that UPCL has huge receivables, i.e. around Rs. 2,266 Crore which is 20% of their ARR. Out of this Rs. 1,637 Crore has been pending for more than 5 years. He requested the Commission to take stern action against UPCL for Defective metering issue of Govt. Public utilities and initiate proceedings u/s 142 of the Electricity Act, 2003. Further, UPCL may be directed to replace all their defective meters which constitutes 13.52% of the total meters of that category within 6 months of the initiation of such proceedings and DISCOMs should be asked to submit timely Status report in this regard. Further, the Commission should seek an Action Plan from UPCL for realization of receivables especially from the Govt. public Utilities within a period of 2 years. UPCL should also provide an Action Plan for recovery of amount of Rs. 923 Crore from Domestic, Rs. 276 Crore from Commercial and around Rs. 75 Crore from Industrial category of consumers as per their submission in Form 18.8 of the Tariff Petition. As a deterrent measure related to repeated non- compliance of the Commission directions and huge % of defective meters, around Rs. 2,266 Crore which is 20% of their ARR, UERC should consider 33% of said receivable every Trued-Up year from FY 2024-25 onwards. The benefit on account of the pending receivables to be considered in Revenue shall be passed on to such consumers over a period of 3 years. Any default in Collection of pending receivables to the tune of 33% every year should be to the account of UPCL and the pending receivables of Govt. Public Utilities category should be borne by the Government of Uttarakhand in the form of Subsidy. Thus, the revenue to be considered for True-Up of FY 2024-25 will be actual revenue collected, i.e. Rs. 10,078 Crore plus 33% of actual pending receivables (Rs. 2,266.07 Crore) as per Form 18.8 of the Tariff Petition, i.e. Rs. 748 Crore totalling the revenue to Rs. 10826 Crore

2.10.2 *Petitioner's Reply*

The Petitioner submitted that the tariff Petition has been submitted as per the provisions of UERC MYT Regulations 2021 & 2024. Further, the Petitioner also submitted the information and documents as desired by the Commission for scrutiny of its claim.

With respect to billing efficiency, the Petitioner submitted that there is regular improvement in the billing efficiency of UPCL, which is clear from the following information:

2022-23	:	85.62%
2023-24	:	86.11%
2024-25	:	86.31%

The Petitioner further submitted that the following actions are being taken to improve the billing efficiency of the Company:

i. Vigilance raids are being conducted and cases are being registered under Sections 126 and 135 of Electricity Act, 2003. Legal proceedings are being initiated against the person(s) who is found indulging in theft of electricity.

ii. Defective Meters are being replaced.

iii. LT ABC is being laid in theft prone areas.

iv. Automatic Meter Reading is being done of high value consumers.

v. Android based billing has been introduced for improvement in Billing Efficiency.

The Petitioner submitted that, in addition to this, a Detailed Project Report and Action Plan of the Results linked, Revamped Distribution Sector Scheme as approved by Government of India vide its notification dated 20.07.2021, is under implementation. The said scheme primarily aims for reduction of distribution and AT&C Losses.

The Petitioner submitted that there is a regular improvement in collection efficiency of UPCL. The collection efficiency for FY 2021-22, 2022-23, 2023-24 and 2024-25 is 98.14%, 98.99%, 99.14%, 98.99% respectively. The collection efficiency of UPCL (98.99%) is better than the National average (97%) for FY 2024-25. Payment of bills against Govt. connections including local bodies is being regularly collected. As against the assessment of Rs. 508.99 Crore during FY 2021-22, Rs. 593.59 Crore was collected during the said year and as against the assessment of Rs. 576.83 Crore during FY 2022-23, Rs. 580.53 Crore was collected during the said year and as against the assessment of Rs. 590.91 Crore during FY 2023-24, Rs. 603.50 Crore and as against the assessment of Rs. 619.39 Crore during FY 2024-25, Rs. 660.33 Crore was collected during the said year. Further, payment of Rs. 471.90 Crore has been received till January, 2026 against the bills raised to the Govt. connections. For recovery of outstanding arrears, it is submitted that 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 revenue gap so computed is the result of difference between increased / projected cost and revenue at existing tariff. The Petitioner being a regulated entity needs to be revenue neutral and, hence, the approved gap will have to be allowed in terms of tariff increase as per the principles laid down in the Tariff Policy and approach adopted by the Commission in past.

The Petitioner submitted that UPCL is a fully owned State Government Company and the decision in the matter of providing free electricity may be taken by GoU. UPCL also submitted that as per the directions of GoU, UPCL is providing subsidy in electricity tariff @ 50% of electricity charges (including electricity duty) to the domestic consumers of snow bound area having monthly consumption upto 200 units and to other domestic consumers having load upto 1 kW and monthly consumption upto 100 units.

The Petitioner submitted the status of defective meters as follows:

As on 31-03-2018	: 3.37%
As on 31-03-2019	: 3.52%
As on 31-03-2020	: 2.96%
As on 31-03-2021	: 2.15%
As on 31-03-2022	: 1.95%
As on 31-03-2023	: 1.25%
As on 31-03-2024	: 1.68%
As on 31-03-2025	: 1.50%

The Petitioner submitted that the IDF cases are within the limit as specified by the Commission. The Petitioner further submitted in the matter that UPCL has identified those divisions where the IDF cases at the start of FY 2025-26 were beyond the limit specified by the Commission. These divisions are as follows:

> *"Rudraprayag (6.50%), Gaisain (5.90%), Bhikiyasain (5.52%), Bageshwar (5.03%), Ranikhet (4.26%), Badkot (3.64%), Laksar (3.64%), Haldwani (Urban) (2.46%), Sitarganj (2.16%)".*

The Petitioner has targeted to reduce the IDF cases in the above division as per the limit specified by the Commission.

The Petitioner further submitted that the Commission considers the revenue on accrual basis for determination of tariff and not on cash basis. Accordingly, the receivables have already been considered by UERC as revenue in past. Therefore, it is not justified to consider the amount of receivables as revenue of UPCL again.

2.10.3 *Commission's Views*

The Commission has taken note of various suggestions received from the stakeholders regarding improvement in metering and billing. Further, the Commission would like to clarify that the ARR and tariffs of UPCL are determined on accrual basis and not on cash basis, hence, any arrears collected would not impact the ARR of UPCL, however, the same would aid in improving the financial position of UPCL. However, any receivables turning bad or irrecoverable would be impacting the ARR of UPCL or delays in collection would impact the working capital of UPCL and inturn the ARR of UPCL in accordance with the prevalent MYT Regulations. However, UPCL in its own interest is required to collect the bills on time. Moreover, since the billing activity has been outsourced by UPCL, it may introduce the monthly billing system as early as possible. **In this regard, the Commission directs UPCL to submit a time frame within which monthly billing will be introduced for all the domestic consumers in the State within 3 months of the date of this Order.** The Commission has also dealt with the other issues raised in subsequent Chapters of the Order.

2.11 Open Access

2.11.1 *Stakeholder's Comments*

Shri Tushar Agarwal submitted that policy-level facilitation of Open Access for consumers with contract demand above 3000 kVA in power-intensive sectors such as steel, rolling mills, foundries, cement, and ethanol is essential to prevent industries from shifting entirely to captive generation which would permanently erode DISCOM revenue, and that enabling Open Access would ensure industries remain grid-connected and operationally viable, improve billing cycles and cash flow through financially healthier consumers, and reduce payment delays and receivables; the stakeholder, therefore, submitted that the Commission may permit and facilitate Open Access for large industrial consumers as a measure that strengthens rather than weakens the long-term financial sustainability of UPCL.

Shri Ashu Gupta, vice president, Clean Max Enviro Energy Solutions Pvt. Ltd., submitted that UPCL continues to pool High Tension and Low Tension losses together instead of determining losses on a voltage-wise basis, contrary to the provisions of the Electricity Act, multiple APTEL and Supreme Court judgments, and prior directions of the Commission, resulting in open access consumers of higher voltage levels being saddled with loss levels significantly higher than the actual losses incurred at their respective voltage of connection. He requested to separately determine voltage-wise distribution losses to ensure cost-reflective and equitable treatment of open access consumers. He further submitted that UPCL's own energy audit report indicates that the actual loss at the 33 kV level is 6.75 percent, and that until voltage-wise losses are formally and separately determined by the Commission, continuing to apply higher pooled loss levels on 33 kV open access consumers is unjustified. Therefore, he requested to restrict the applicable loss level for 33 kV open access consumers to 6.75 percent pending such formal determination.

He further submitted that UPCL has computed proposed wheeling charges for embedded solar open access consumers on the assumption of 100% Load Factor, whereas solar plants actually operate at a normative capacity utilization factor of approximately 21 percent, resulting in a discriminatory per-unit wheeling charge of Rs. 1.71 per kWh for solar consumers against Rs. 0.42 per kWh for thermal sources, and that solar open access consumers already continue to pay contract demand charges to the DISCOM ensuring that the fixed cost recovery remains intact, leaving no technical or financial justification for computing wheeling charges at 100 percent PLF. He, therefore, requested the Commission to recompute the wheeling charges for solar open access consumers on the basis of normative capacity utilization factor so as to ensure charges are cost-reflective and do not deter renewable energy adoption

Shri Pankaj Gupta, President, Industries Association of Uttarakhand has submitted that higher charges relating to open access, wheeling, banking and cross-subsidy surcharge act as a disincentive for industries adopting renewable energy. He requested to rationalize such charges for industrial consumers opting for green power.

Shri S.P. Kochhar, Director General of COAI, submitted that Green Energy Open Access transmission and distribution charges and losses applicable to LT consumers connected at 11 kV and below are not clearly defined, creating uncertainty for telecom companies seeking to procure green energy through open access as permitted under Ministry of Power Rules 2023. He requested the Commission to clearly define and notify the applicable Green Energy Open Access transmission and distribution charges and losses for LT consumers connected at 11 kV and below.

Shri Pankaj Sharma, Director, M/s Green Wattage Private, submitted that no specific wheeling charge has been determined for Mixed Load Category (RTS-6) consumers availing Open

Access in Uttarakhand, leading to reliance on a formula-based approach meant for embedded open access consumers. He further submitted that this results in disproportionately high wheeling charges—significantly higher than comparable HT industrial consumers—making Open Access economically unviable and defeating its intended purpose. He further submitted that this regulatory gap creates uncertainty, discourages renewable energy adoption, and hampers private investment. In view of the same, he requested the Commission to examine the treatment of RTS-6 consumers, clarify the applicability of the current methodology, and introduce a clearly defined, equitable wheeling charge for this category in the forthcoming Tariff Order.

2.11.2 *Petitioner's Reply*

The Petitioner submitted that open access is allowed as per the provisions of UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015 along with its amendments & Uttarakhand Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023.

The Petitioner submitted that currently, voltage wise / category wise losses cannot be computed accurately by the existing system and, therefore, Category wise Tariff has been calculated on the basis of average cost of supply and permissible level of cross subsidy. Further, as per the provisions of Regulations a rebate @ 3.5% and 7.5% have been proposed for taking supply at 33 kV and 132 kV and above respectively. This is as per Regulation 91 of the UERC Tariff Regulations, 2024. 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.

The Petitioner further submitted that it is supplying electricity to all its consumers as per their demand and no consumer is being prevented to exercise the option of procuring power through open access. Further, the open access charges (wheeling charges) has been proposed as per the provisions of the Regulations.

The Petitioner submitted that it is supplying electricity to all its consumers as per their demand and no consumer is being prevented to exercise the option of procuring power through open access. Further, the open access charges (wheeling charges) have been proposed as per the provisions of the Regulations. Further, the cross subsidy surcharge has been computed by reducing the overall average tariff from the average tariff of the category. This is as per the provisions of the Regulations.

With respect to Green Energy Open Access, the Petitioner submitted that Green Energy Open Access charges are applicable as per the Uttarakhand Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023. The applicable charges as per the Regulations are as under:

a. Transmission charges

b. Wheeling charges

c. Cross subsidy surcharge

d. Standby charges

e. Banking charges

f. Application/SLDC fee and scheduling charges etc.

The Petitioner further submitted that the methodology for calculation of these charges is as per UERC (Terms & Conditions of Intra State Open Access) Regulations, 2015. Further, Energy losses of the transmission and distribution system are applicable to the Green Energy Open Access customers as specified by the Commission.

With respect to wheeling charges for Mixed Load consumers, the Petitioner submitted that UPCL in the current Petition has proposed separate wheeling charges for Mixed load category. The charges proposed has been determined as per provisions specified in the Regulation 20(2) of UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015 and its subsequent amendment. The Commission is requested to take appropriate action on the same as per the Electricity Act 2003 and UERC Regulations.

2.11.3 *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 and Uttarakhand Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023. The principles for calculating Transmission/rate charges, wheeling charges, cross-subsidy and additional surcharges and losses are already specified in the Regulations and are, therefore, worked out on such specified principles. In case any change is warranted in those Regulations, the stakeholders can separately approach the Commission in this regard. However, the Commission has deduced wheeling charges for embedded Mixed Load category consumers.

2.12 Billable Demand & Fixed Charges

2.12.1 *Stakeholder's Comments*

Shri Sudhir Kumar Saini, Manager at Opto Electronics Factory, submitted that fixed charges for industrial consumers, particularly those with contracted demand above 1000 kVA (₹ 480/kVA), are excessively high and should be reduced. He also requested that the current provision of levying fixed charges at 0.75 times the contracted demand under RTS-5 category be reduced to 0.50 times, to avoid undue financial burden on industries operating at low or intermittent load levels.

Shri Pawan Agarwal submitted that fixed and demand charges for industrial consumers are in the range from Rs. 410 to Rs. 480 per kW and are grossly inequitable when compared to Rs. 75 to Rs. 115 per kW applicable to domestic consumers. He requested to cap the demand charges at Rs. 150 per kW for industrial consumers.

Shri Pankaj Gupta, President, Industries Association of Uttarakhand, submitted that the proposed fixed/demand charges impose a penalty on capacity rather than consumption. Such tariff design fails to reflect actual utilisation and discourages flexible industrial operations. The Commission may consider to provide greater weightage to energy charges, demand charge flexibility and seasonal or optional demand billing mechanisms.

Shri Subhash Chandra submitted that high tariffs and fixed charges are making industrial operations unviable. They further submitted concerns regarding tripping, lack of subsidies, and mismatch between utilities.

Shri Amit Sharma and Shri Manmohan Bhandari submitted that fixed charges are very high for RTS-4 consumer category and the fixed charges should be abolished.

Shri Manmohan Bhardwaj, submitted that the imposition of fixed charges and rising tariffs for the RTS-4A category, coupled with unreliable power supply, has led to the closure of a majority of rural enterprises. Accordingly, he requested for abolition of fixed charges and reduction in tariffs to ensure their viability.

Shri Amit Sharma, Partner, Welkin Overseas, Shri Sunny Gupta and Shri Adesh Panwar submitted that electricity is a core requirement for mushroom cultivation, with power costs forming a significant share of production expenses, and that high fixed and energy charges are adding to the financial burden.

Shri Baljinder Singh Sandhu, Bharatiya Kisan Union, Shri Kuldeep Singh Cheema and Dilbagh Sigh Cheema submitted that fixed charges should not be levied on domestic consumer category and tariff for PTW consumers should not be increased.

2.12.2 *Petitioner's Reply*

The Petitioner submitted that Section 45 (3) of the Act, mandates for imposition of Fixed Charge in addition to the Energy Charge for electricity supplied. The Petitioner further submitted that irrespective to 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 the 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.

Thus, to promote equitable and cost-reflective tariff, the Commission vide its Tariff order dated 11.04.2025 has decided to sub-categorize RTS 4A.

The proportion of fixed and variable cost and revenue for the Petitioner is calculated for FY 2026-27, and has been presented in the Table given below:

Table 2.5: Projected Fixed Costs of UPCL for FY 2026-27 and their recovery through Fixed/ Demand Charges

Particulars	Unit	Details
Total ARR (excluding recovery of past gap)	Rs. Crore	12,873.59
Less: Variable cost component of Power purchase cost	Rs. Crore	1,182.80
Net Fixed Charges component in ARR	Rs. Crore	11,690.79
Proportion of Fixed Cost in ARR	%	90.81%
Proportion of Variable Cost in ARR	%	9.19%
Total Revenue from Sale of Power (proposed)	Rs. Crore	14,584.32
Fixed/ Demand Charges	Rs. Crore	2,108.59
Energy / Variable Charges	Rs. Crore	12,475.73
Proportion of Fixed / Demand Charges	%	14.46%
Proportion of Energy/ Variable Charges	%	85.54%

As can be seen from the above Table, the proportion of fixed charge and variable charge in the total ARR is in the ratio of 91%:9%, whereas the recovery of revenue from fixed charge and variable charge is in the ratio of 15%:85%. Further, the proposed revenue from HT Industries for FY 2026-27 is as follows:

- Revenue from fixed charges : Rs. 1138 Crore
- Revenue from energy charges : Rs. 5742 Crore
- **Total Revenue : Rs. 6880 Crore**

Hence, it is clear that revenue from fixed charges has been kept only at 16.54% for HT Industries. The Petitioner further submitted that in the absence of fixed charges, the cost of creation of infrastructure pertaining to the consumers not consuming electricity shall be shifted to the Consumes who consume electricity. Therefore, Fixed / Demand Charges are required to be a part of Tariff and should not be reduced.

The Petitioner with respect to billable demand, submitted that the Commission in the tariff Order dated 30.03.2023 has revised the billable demand from actual maximum demand or 80% of contracted load whichever is higher to actual maximum demand or 75% of contracted load whichever is higher.

2.12.3 *Commission's Views*

The Commission would like to clarify that the fixed charges component in the ARR for FY 2026-27 is around 80%, which the Petitioner has to incur irrespective of the consumption. The Commission in Chapter 5 of this Order has discussed this issue in detail while approving the Fixed/Demand Charges for each Consumer Category.

2.13 Voltage Rebate

2.13.1 *Stakeholder's Comments*

Shri O.P. Sinha, Pacific Estate Residential Welfare Society, submitted that while the industrial and commercial consumers are granted high voltage rebate for availing supply at higher voltage levels, GHS consumers receiving bulk supply at 11 kV are not extended similar benefits, which is discriminatory and lacks justification. He requested the Commission to extend high voltage rebate to GHS connections at 11 kV and to incorporate the same in the tariff structure for FY 2026–27 and onwards.

Shri Sudhir Kumar Saini, Manager at Opto Electronics Factory, submitted that consumers receiving supply at high voltage levels (11 kV and above) already bear internal distribution and transformer losses, as metering is done at the HT side. Since UPCL's admitted that the distribution losses for FY 2024–25 are 13.69%, the existing High Voltage Supply Rebate of 3.5% is inadequate and should be increased to at least 10% or aligned with actual distribution losses.

Shri Pawan Agrawal, Vice President of USMA, submitted that the existing 33 kV rebate of 3.5 percent is inadequate given that consumers connected at 33 kV incur negligible line losses. He requested to increase the 33 kV rebate to 10 percent to reflect the actual technical and financial benefit that such consumers provide to the network.

2.13.2 *Petitioner's Reply*

The Petitioner submitted that as per the existing Tariff Order, the voltage wise rebate / surcharge is applicable.

The Petitioner submitted that presently, voltage wise / category wise losses cannot be computed accurately in the existing system and, therefore, 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, 2024. 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 categories of consumers as well as open access consumers. Further, a rebate @ 3.5% and 7.5% have been proposed for taking supply at 33 kV and 132 kV and above respectively as per Regulation 91 of the UERC Tariff Regulations, 2024. 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 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% for taking supply at 33 kV and 132 kV and above respectively. Further, the said rebate was revised by the Commission vide its order dated 31st March, 2022 from 2.5% to 3.5% for taking supply at 33 kV. Hence, it is clear that the above voltage rebates are appropriate.

2.13.3 *Commission's Views*

The Commission has noted the comments and suggestions of the stakeholders. To promote efficient utilisation of the network, the Commission has considered rationalising the voltage rebate applicable to various consumers availing supply at 33 kV and 132 kV and above. The Commission in Chapter 5 of this Order has discussed this issue in detail.

2.14 Continuous Supply Surcharge

2.14.1 *Stakeholder's Comments*

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, submitted that the Continuous Supply Surcharge of 15 percent is unjustified as provision of reliable and uninterrupted supply is a statutory obligation of the utility under the Electricity (Rights of Consumers) Rules 2020 and not a premium service, as also affirmed by the Supreme Court in the Reliability Charge case. He requested the Commission to abolish the Continuous Supply Surcharge from the tariff structure entirely.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that the levy of Continuous Supply Surcharge at 15% on energy charges is unjustified, legally untenable, and contrary to the Electricity Act, 2003, the Electricity (Rights of Consumers) Rules, 2020, and the National Tariff Policy, 2016. It is submitted that uninterrupted 24×7 supply is a statutory obligation of the distribution licensee, and no premium can be charged for fulfilling such duty. Reliance was placed on the Supreme Court's judgment in MSEDCL vs. JSW Steel, wherein levy of reliability charges without statutory backing was held unsustainable. It was further submitted that the surcharge, unique to Uttarakhand, was earlier reduced to 5% but has been arbitrarily increased to 15% since October 2022 without justification, adversely impacting industries.

2.14.2 *Petitioner's Reply*

The Petitioner submitted that Para 8.2.1(1) of the Tariff Policy provides that 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 usages 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. To ensure continuous supply, UPCL is required to incur extra infrastructure costs as well as arrangement for additional energy which is at a higher cost.

The Petitioner further submitted that normally the power purchase cost of the short term sources is more than the power purchase cost of the long term sources, and for ensuring the continuous supply to some of the consumers, the Petitioner has to make additional arrangement for procuring such power during supply deficit scenario or resort to load shedding to other consumers and, therefore, the cost of such additional power needs to be recovered from the consumers getting such benefit.

In continuation to the above, the Petitioner also submitted that the State of Uttarakhand was facing acute shortage of electricity since the start of the FY 2022-23 due to various factors. The Petitioner submitted that even in a situation of acute shortage of power, the Petitioner provided continuous supply of electricity to the consumers who had opted for the same and no load-shedding was carried out for such consumers. The Petitioner submitted that the cost of short-term power purchases is very high and a portion of the same should be shared by the Industrial consumers who are getting continuous power supply in such a situation of shortage of power. The Commission in its Tariff Order dated 11.04.2025 at para 6.1.3.3 has also accepted that state of Uttarakhand is still facing shortage of power and UPCL is procuring short term power from market to meet the demand at very high rates, and the Continuous supply surcharge at existing rate is also not sufficient to meet such costs and, therefore, the Commission approved the continuous supply surcharge @ 15% of energy charges for FY 2025-26.

Since the said situation of shortage and high prices of power will also continue during FY 2026-27, the rate of Continuous Supply Surcharge has been proposed at the same level of 15% of energy charge.

2.14.3 *Commission's Views*

The Commission has considered the submission made by the stakeholders and the Petitioner. As discussed in subsequent Chapters, power procurement position has improved and there is sufficient power available with UPCL, hence, in view of the same, the existing Continuous Supply Surcharge (CSS) at 15% is reduced to 7.5% for FY 2026-27. The issue of continuous surcharge has been dealt in detail by the Commission in Chapter 5 of this Order.

2.15 Delayed Payment Surcharge

2.15.1 *Stakeholder's Comments*

Shri Sanjay Choudhary, Bhartiya Kisan Union (Tikait), submitted that to help clear mounting arrears, One-Time Settlement (OTS) scheme should be implemented immediate. They specified that this scheme must include a 100% waiver on surcharges (Delayed Payment Surcharges) to enable poor farmers and labourers to settle their outstanding principal dues.

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that as per Hon'ble APTEL Judgment dated 28.11.2013 in Appeal Nos. 14 of 2012 in the matter of NDPL Vs DERC, LPSC received by DISCOMs from the consumers shall be treated as NTI and its Financing Cost has to be allowed by the Commission. In this regard, the LPSC of Rs. 35 Crore is requested to be considered while carrying out the truing up of FY 2024-25.

2.15.2 *Petitioner's Reply*

With respect to the waiver of DPS on arrears of farmers, the Petitioner submitted that on the demand of the consumers, the bills of PTW consumers are being raised twice in a year and they are being allowed four months times for payment of their electricity bills.

2.15.3 *Commission's Views*

The Commission has gone through the comments of the stakeholders and submissions of the Petitioner. DPS is a penalty on the defaulting consumers leviable only in case the consumer is unable to pay, in full, the amount by the due date and, hence, the rate should be on a higher side to act as a deterrent for making timely payments. With regard to the scheme of DPS waiver, the Commission has already given its views in the previous Tariff Orders, that such scheme should not be encouraged as it sends a wrong message to the honest paying consumers. It is clarified that DPS is treated as Non-Tariff Income (NTI) as per provisions of MYT Regulations.

2.16 Provision for Bad & Doubtful Debts

2.16.1 *Stakeholder's Comments*

Shri Munish Talwar, Asahi India Glass Ltd., submitted that the provision for bad and doubtful debts has been increased to Rs. 125.48 Crore, and that collection inefficiencies and outstanding dues are being passed on to honest paying consumers rather than being addressed through improved recovery mechanisms.

2.16.2 *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. The revenue deficit for FY 2026-27 is only on account of gap including the carrying cost of FY 2024-25 at existing tariff which has been estimated at Rs. 2036.99 Crore For recovery of the said gap of Rs. 2036.99 Crore, UPCL has proposed an overall tariff hike of 16.23%. Further, increase in consumer categories has been proposed in line with the Tariff Policy and the Proposed ARR to be recovered in FY 2026-27.

2.16.3 *Commission's Views*

The issue of the provision for Bad & Doubtful debts has been deliberated by the Commission in detail in Chapter 4 of the Order as per the provisions of MYT Regulations.

2.17 Theft

2.17.1 *Stakeholder's Comments*

Shri Teeka Singh Saini of Bhartiya Kisan Union and Shri Hari Nandan Joshi submitted that theft of electricity should be stopped and efforts should be made to curb corruption cases in the department.

2.17.2 *Petitioner's Reply*

The Petitioner 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.

The Petitioner submitted that 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.

2.17.3 *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. This issue has been dealt in Chapter 3 & 4 of the Order.

2.18 Load Reduction and Load Enhancement

2.18.1 *Stakeholder's Comments*

Shri Subhash Mohan Kukreti, Director, Kukreti Steel Pvt. Ltd., submitted that facility of surrendering of load should be allowed to the steel industries and the steel industry should be treated as seasonal industry, so that units closing for four months or more may avail applicable tariff benefits and be relieved from fixed cost obligations during shutdown periods.

He also submitted that units with disputed electricity dues under stay by the Hon'ble High Court or Hon'ble Supreme Court are presently restricting them from modifying or surrendering their sanctioned load, thereby, affecting their operational flexibility despite judicial protection. He requested the Commission to permit such units to revise, reduce, or surrender their load based on operational requirements, irrespective of the pendency of court-stayed dues.

2.18.2 *Petitioner's Reply*

The Petitioner submitted that as per the provisions of the (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020, the facility of surrender of load is not allowed. The steel units run during the year, therefore, it will not be proper to treat the steel units as seasonal industry.

The Petitioner submitted that the enhancement / reduction of sanctioned load is done as per the procedure specified in Regulation 4.1 of the UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020.

2.18.3 *Commission's Views*

The Commission is of the view that the issues raised regarding Load Enhancement/ Reduction are governed by the provisions of the UERC Supply Code Regulations as amended from time to time.

2.19 Electricity Duty, Green Energy Cess, Water Tax

2.19.1 *Stakeholder's Comments*

Shri Jamna Prasad Dogra submitted that various charges are being levied on the electricity bills of the consumers and the same should be removed. He also submitted that the energy charges should also be reduced as in the State of Uttarakhand electricity is generated from the rivers of the State and should first be utilized for the consumers of the State instead of providing free power to other States.

Shri Durga Prasad, submitted that the State's hydro resources belong to the people and, therefore, free electricity should be provided and tariff hike should not be allowed.

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, Shri Shakeel Siddiqui, Legal Advisor, M/s Galwalia Ispat Udyog Pvt. Ltd. and M/s Kashi Vishwanath Textile Mill (P) Limited submitted that electricity duty on captive and own generation is being charged at rates higher than the 0.02 paisa per unit prescribed under the State Government notification. They requested the Commission to direct UPCL to correct the same, refund the excess amounts collected, and make necessary software corrections to prevent recurrence of this issue. He further submitted that Green Cess is being levied on captive and open access power contrary to the Uttarakhand Green Energy Cess Act 2014, which limits applicability of the Cess only to electricity generated and transmitted outside the State or supplied by a licensee, making such levy on captive and open access users illegal.

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, submitted that the levy of Green Cess is not in accordance with the provisions of the Uttarakhand Green Energy Cess Act, 2014. He further submitted that the imposition of Green Cess, Water Tax, and Power Development Fund (PDF) charges raises concerns regarding their constitutional validity and legal basis. The Commission is requested to undertake a detailed examination of the legality and constitutional validity of such levies, instead of routinely allowing their recovery through the tariff determination process.

Shri Munish Talwar, M/s Asahi India Glass Ltd., submitted that approximately Rs. 231 Crore have been shown as Water Tax adjustment in the power purchase cost computation which requires detailed justification.

Shri Shakeel Siddiqui, Legal Advisor, M/s Galwalia Ispat Udyog Pvt. Ltd. and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that the levy of Green Energy Cess by UPCL on open access and captive power is inconsistent with the provisions of the Uttarakhand Green Energy Cess Act, 2014, and provided a detailed legal analysis in support. He further submitted that the Act provides for levy of cess on electricity generated within the State and transmitted outside the State, as well as on supply of electricity to commercial and industrial consumers. Further, 'supply' under the Electricity Act, 2003 implies sale of electricity for consideration in the course of business. In the case of captive power, no sale transaction exists, as electricity is generated for self-consumption. Similarly, in open access, electricity is procured by the consumer from sources other than UPCL, and, therefore, does not qualify as 'supply' by the licensee under the Act.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that multiple State levies in Uttarakhand are increasing electricity costs and are being passed on to consumers through tariffs. It is submitted that levies presently applicable, in the State are: (i) electricity duty under the Uttar Pradesh Electricity (Duty) Act for Uttarakhand; (ii) levy under the Uttaranchal Power Development Fund Act, 2003; (iii) water tax under the Uttarakhand Water Tax on Electricity Generation Act, 2012; and (iv) cess under the Uttarakhand Green Energy Cess Act, 2014. It is submitted that Hon'ble Minister of Power in Lok Sabha (20.07.2023) and the Government of India's communication dated 25.04.2023 to States, clarifying that imposition of any tax or duty on generation of electricity by States is illegal and liable to be withdrawn. He further submitted that the Seventh Schedule to the Constitution does not empower States to levy taxes on electricity generation, and that State Commissions are not bound to give effect to unconstitutional State enactments, being required only to be guided by policy directions. The Commission is requested to refrain from allowing pass-through of such levies in tariff and to advise the State Government accordingly.

Shri Pawan Agarwal submitted that that cess, water tax, and royalty should not be included in the costs of UPCL and the amount paid of this account should be returned by GoU with carrying cost of 16.50%.

2.19.2 *Petitioner's Reply*

The Petitioner submitted that the free Royalty Power is available to GoU from various

Hydro Generating Stations situated in the State. This power is made available by GoU to UPCL on payment basis. UPCL is required to make payment of this power at the UERC determined rates. The electricity (Removal of Difficulty) Third Order, 2005 provides as follows regarding free royalty power:

> *"**Disposal of free electricity received by a State Government from hydro power generating stations:***
>
> *The State Government receiving free electricity from hydro power generating stations shall have discretion to dispose off such electricity in the manner it deems fit according to the provisions of the Act:*
>
> *Provided that if such electricity is sold by the State Government to a distribution licensee, the concerned State Commission shall have powers to regulate the price at which such electricity is procured by the distribution licensee."*

The Petitioner submitted that the Water Tax is levied to avail the facility to draw water from any sources for generation of electricity in the State of Uttarakhand under the provisions of the Uttarakhand Water Tax on Electricity Generation Act, 2012. Water tax is applicable on the electricity generation by all the hydroelectric projects situated in Uttarakhand (except the projects having capacity up to 5 MW). The PDF 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. These cess and royalty are imposed by UJVNL in its electricity bills which are required to be paid by UPCL. Finally, the amount of cess and royalty is payable to GoU by the collecting agency. Also 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 category 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 submits that it is charging electricity duty as per the Government orders. Electricity duty charged from consumers is payable by UPCL to GoU.

Regarding levying of higher ED on captive generation, the Petitioner submitted that ED is being charged as per GoU notification dated 25.01.2016.

With respect to Green Cess, the Petitioner submitted that as per Section 4 of the Act, Green Energy Cess up to 10 paise per unit shall be levied on the electricity supplied to Commercial and Industrial Consumers of the State (including open access energy). This Cess will be levied, collected and payable by UPCL. The relevant provisions of the said Act are as follows:

a. Section 2 (e) of the Act stipulates as follows:

*"Unit" means 1 Kilowatt power **consumed** or generated during 1 hour"*

b. Section 4 of the Act which has been referred by the consumer in his letter, stipulates as follows:

"In addition, Green Energy Cess up to ten paise per unit shall be levied on the electricity supplied to commercial and industrial consumers of the State and the amount of Cess should be collected by UPCL and remitted to the Fund, only after it is collected by UPCL"

The Petitioner further submitted that the Commission at para 5.2.2 of the Statement of Reasons for UERC (Terms and Conditions of Intra-State Open Access) (First Amendment) Regulations, 2016 states that "*Green Cess and electricity duty is being levied by the State Government of Uttarakhand and the Commission has no role in levying or removing the green cess or electricity duty.*"

The Petitioner submitted that all taxes levied are paid by the UPCL to the GoU. Therefore, the matter may be taken up with GoU.

2.19.3 *Commission's Views*

The levy of Electricity Duty, Green Cess, Water Tax etc. does not come under the jurisdiction of the Commission and relates to the Government and, accordingly, industries are advised to approach the State Government in the matter. However, through this Order the Commission would also like to advise the State Government under its power under Section 86(2) of the Electricity Act, 2003 that keeping in view the increasing costs of electricity in the State and also in light of the Ministry of Power, Government of India, letter dated 25.04.2023 and letter dated 25.10.2023, wherein imposition of Water Tax/Cess by various State Government on Hydro Electric Plants (HEPs) has been declared by MoP, GoI as illegal and unconstitutional. Accordingly, any taxes/duty levied on generation of electricity, may be reviewed in the interests of the consumers of the State in accordance with the above notifications of GoI. Further, UPCL is advised to charge any taxes/cess/ duty on the consumers in accordance with the relevant Acts/ Orders of the Government.

2.20 Cross Subsidy

2.20.1 *Stakeholder's Comments*

Shri Tushar Agarwal submitted that UPCL procures a significant portion of power from outside the State through short-term and market-based sources and passes the additional cost of such procurement onto the industrial consumers through FPPCA and other adjustments, and that industrial consumers are further burdened with high cross-subsidy and multiple statutory levies including electricity duty and green cess, cumulatively making Uttarakhand's electricity cost higher than neighbouring states despite the State's proximity to hydro resources and lower distribution density. The stakeholder, therefore, requested the Commission to ensure that energy-rate escalation is not used as a mechanism to recover power-purchase inefficiencies or cross-subsidy obligations from industrial consumers who bear no responsibility for these structural inefficiencies.

Shri Pawan Agarwal submitted that industrial consumers are being made to bear a disproportionate cross-subsidy burden in favour of domestic consumers who receive supply at rates 20 to 50 percent lower, in violation of the principle that the tariff gap between consumer categories should not exceed 20 percent, resulting in an uncompetitive and unsustainable effective tariff for industrial consumers in the State.

Shri Pankaj Gupta, President, Industries Association of Uttarakhand, submitted that Industrial consumers continue to bear a disproportionately high cross-subsidy, contrary to the spirit and letter of the National Tariff Policy, which mandates a progressive reduction of cross-subsidies. Further loading of cross-subsidy on industrial tariffs will render local industry uncompetitive vis-à-vis neighbouring States, leading to investment diversion and employment loss. He requested the Commission to cap the cross-subsidy for industrial categories and lay down a clear, time-bound path for reduction

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, submitted that the levy of Additional Surcharge and Cross Subsidy Surcharge on captive power consumers is legally unsustainable in view of Sections 9 and 42 of the Electricity Act, 2003, and the Supreme Court judgment in MSEDCL vs JSW Steel 2021, and amount so collected must be refunded with interest at 10% to the consumers.

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, submitted that UPCL continues to apply pooled distribution losses instead of determining losses on a voltage-wise basis, which results in consumers connected at higher voltage levels being inequitably burdened with losses not attributable to them. He further submitted that such an approach is inconsistent with the principle of cost reflectivity. He requested the Commission to direct UPCL to compute wheeling charges separately for different voltage levels so as to ensure equitable and cost-reflective treatment of consumers across all voltage categories.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that UPCL is incorrectly levying Additional Surcharge and Cross Subsidy Surcharge (CSS) on captive power consumers, in violation of the Electricity Act, 2003, the Electricity Rules, 2005, the UERC (Terms and Conditions of Intra-State Open Access) Regulations, 2015, and settled judicial precedent. It is submitted that captive generation is a statutory right and does not require regulatory permission, and that both the Act and the Regulations expressly exempt captive users from levy of Additional Surcharge and CSS for carrying electricity for self-use. Reliance was placed on the Supreme Court's judgment in Maharashtra State Electricity Distribution Co. Ltd. vs. M/s JSW Steel Limited & Ors. (10.12.2021), wherein it was held that captive users are not liable to pay additional surcharge and constitute a distinct class. Accordingly, the Commission is requested to direct UPCL to discontinue such charges, refund the excess amounts with interest, and clarify that such charges may be levied only in cases where captive status is not maintained.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that the purpose of Open Access under the Electricity Act, 2003 was to promote competition and enable procurement of economical power—has not been fulfilled in the State due to excessively high charges, thereby, rendering Open Access unviable for industrial consumers. He submitted that the cumulative impact of wheeling charges, losses, cross subsidy surcharge, additional surcharge, and other levies makes Open Access uneconomical. It is further submitted that the existing wheeling charge methodology under the UERC Open Access Regulations, 2015 is inconsistent with the amended Electricity Rules, 2005 (January 2024), which prescribe computation based on ARR for wheeling divided by energy wheeled, with scope for voltage-wise determination. He also submitted that provisions relating to capping and phased reduction of additional surcharge have not been implemented. It was additionally submitted that the prevailing cross-subsidy structure is highly skewed, with industrial consumers bearing disproportionate burden, contrary to the mandate of progressive reduction under the Act and the National Tariff Policy, 2016. The Commission is requested to rationalize open access charges, adopt the amended wheeling charge methodology with voltage-wise computation, align additional surcharge with the Rules, and implement a trajectory for reduction of cross-subsidy.

2.20.2 *Petitioner's Reply*

The Petitioner submitted that the major part of the ARR pertains to the Power purchase cost and actions are being taken to source cheaper power. Further, the grid demand varies across the seasons as well as on daily basis, UPCL plans for the power procurement based upon the availability of the generating stations as well as the cost of power from the generator. The Petitioner 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 terms sources as well. The power purchase cost also includes impact of arrears allowed to UJVNL, PTCUL, Greenko Budhil along with PDF allowed to UJVNL and PTCUL.

Further, the level of cross subsidy proposed by the Petitioner is as shown below:

Table 2.6: Existing & Proposed Level of Cross Subsidy

Category	ABR at Proposed Tariff for FY 27	Proposed ACOS for FY 27	Cross Subsidy	
			Approved in TO FY 26	CSS at Proposed Tariff for FY 27
RTS 1: Domestic	6.59	8.70	-19.63%	-24.30%
RTS 2: Non-domestic, incl. Commercial	10.10	8.70	15.76%	16.10%
RTS 3: Government Public Utilities	9.73	8.70	14.96%	11.87%
RTS 4: Private Tube well/Pump Sets	2.98	8.70	-62.60%	-65.71%
RTS 5: Industrial Consumers				
LT Industry	8.54	8.70	7.48%	-1.88%
HT Industry	9.63	8.70	7.58%	16.33%
RTS 6: Mixed Load	9.35	8.70	2.55%	7.44%
RTS 7: Railway Traction	9.80	8.70	1.71%	12.60%
RTS 8: Electric Vehicle	8.03	8.70	-0.13%	-7.69%
Total	**8.70**	**8.70**		

The Petitioner further submitted that considering the quantum of tariff increase required as per the Petition, if the gap is spread across all the categories, it would have resulted in tariff shock for the consumers of subsidized categories. Keeping in consideration the social justice to those consumers utilizing electricity at domestic and agriculture categories, the proposed tariff hike has been adjusted, accordingly, which results in cross subsidy % difference between consumer categories.

With respect to higher CSS on industrial consumers, the Petitioner submitted that as per the provisions of Tariff Policy, 2016, the level of cross subsidy may be kept at the level of ± 20% and the proposed level of cross subsidy for FY 2026-27 is within the limit as per the provisions of the Tariff Policy.

The Petitioner submitted that the level of cross subsidy proposed for Industrial consumers by the Petitioner is within the limit of ± 20% as per the National Tariff Policy. Considering quantum of tariff increase required as per the Petition, if the gap is spread across all the categories, it would have resulted in tariff shock for the consumers of subsidized categories. Keeping in consideration the social justice to those consumers utilizing electricity at domestic and agriculture categories, the proposed tariff hike has been adjusted accordingly which results in cross subsidy % difference between consumer categories.

The Petitioner submitted that additional surcharge on open access consumers is determined by the Commission separately as per the provisions of UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015. A separate petition has also been filed before the Commission for levy of additional surcharge @ Rs. 1.05 per unit for the period from 01.04.2026 to 30.09.2026 as per provisions of UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015.

The Commission has also invited comments from the stakeholders on the said proposal of UPCL. The detailed justification in support of levy of additional surcharge has been mentioned in the Petition.

The Petitioner submitted that the open access charges (wheeling charges) has been proposed as per the provisions of the Regulations and presently voltage wise loss are not available as submitted hereinabove.

2.20.3 *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 2026-27 as deliberated in Chapter 5 of the Order.

2.21 ToD Tariff

2.21.1 *Stakeholder's Comments*

Shri Pawan Agarwal, Uttarakhand Steel Manufacturers Association, submitted that the peak hour surcharge and off-peak rebate structure requires rationalization by limiting peak hours to 4 hours per day in the evening, capping the peak surcharge at 20 percent, and increasing the off-peak rebate to 30 percent to ensure a balanced and equitable Time-of-Day tariff structure for industrial consumers.

Shri Himanshu Chawla, Power Foundation of India, submitted that ToD tariff for all the eligible consumers shall be formulated in line with the MoP Electricity (Rights of Consumers) Amendment Rules, 2023 dated 14.06.2023 as amended from time to time.

2.21.2 *Petitioner's Reply*

The Petitioner submitted that the Commission vide its Tariff Order dated 31.03.2022 had reduced the peak hour surcharge from 50% of energy charge to 30% of energy charge. The Commission vide its Tariff Order dated 31.03.2022 has increased the off peak hour rebate from 15% of energy charge to 20% of energy charge. Further, the Commission vide its order dated 28.03.2024 increased the peak hour rebate to 25% of energy charge

The Petitioner further submitted that the Commission has issued draft concept paper on "ToD Tariff for Solar and Non Solar Hours" and invited comments from all the stakeholders on the following:

a. On the adequacy of the minimum 20% rebate during Solar Hours prescribed under the MoP Rules for effective demand shifting.

b. Whether peak hour surcharge and Solar/Off-Peak rebates should be symmetrical or differentiated, and the expected impact of such design.

c. Whether differentiated Solar and Non-Solar ToD tariff structures should be adopted across consumer categories for consumers above 10 kW.

d. Stakeholders may also highlight implementation challenges and suggest mitigation measures for effective transitioning to a Solar and Non-Solar Hour-based ToD regime.

The Petitioner submitted that based on the comments of all the stakeholders, the

Commission may take a view in the matter.

2.21.3 *Commission's Views*

The Commission has gone through the submissions made by the stakeholders and the response of the Petitioner. To integrate the solar hours within the ToD framework as mandated by MoP Electricity (Rights of Consumers) Amendment Rules, 2023, the Commission has revisited the ToD framework and dealt with this issue in detail in Chapter 5 of the Order.

2.22 Fuel Adjustment Charges

2.22.1 *Stakeholder's Comments*

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, submitted the Fuel and Power Purchase Cost Adjustment is being notified after the commencement of the month to which it applies, resulting in retrospective levy of these charges. He requested the Commission to direct UPCL to declare the FPPCA before the start of each month so that consumers are aware of the applicable charges in advance.

Shri Shakeel Siddiqui, Legal Advisor, M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, has submitted that the Fuel and Power Purchase Cost Adjustment (FFPCA) charge is being levied by UPCL on a monthly basis, but the Memorandum specifying the applicable FFPCA amount for any given month is posted on the UPCL website only after the 5th of that month. Accordingly, the charge applicable to a particular month is determined and notified only after the month has already commenced, resulting in what is essentially a retrospective levy for the first five days of the month. He further submitted the data showing the dates on which FFPCA Orders were issued during FY 2025-26. It is a well-established principle of law that chargeability cannot be imposed with retrospective effect. Accordingly, he requested the Commission to direct that the FFPCA Orders be released before the close of the preceding month so that consumers are fully aware of the FFPCA amount before commencement of the month to which it applies.

2.22.2 *Petitioner's Reply*

The Petitioner submitted that the bills / details of power purchase for any month are received by the end of next month (n+1) and the differential of actual and approved power purchase cost is calculated at the end of n+1 month. Further the billing details of FPPCA during the n+1 month are also considered for computing the net FPPCA to be levied during the n+2 month. The billing details of FPPCA during n+ 1 month are available on the first date of n+2 month. Therefore, it is not possible to issue the FPPCA order at the closing of the month. It also submitted that the FPPCA order is issued during the starting dates of the month.

2.22.3 *Commission's Views*

With respect to FPPCA recovery allowed by the Commission, it is clarified that the FPPCA adjustment of tariffs is allowed under Section 62(4) of the Electricity Act, 2003, under MoP, GoI Rules and as per the provisions of Tariff Regulations. The Commission has vide its Order dated 26.02.2026 already directed the Petitioner to upload the details of the FPPCA to be charged from the consumers latest by 28th of each preceding month. **Accordingly, UPCL is directed to take note of the same and ensure strict compliance of the directives.**

2.23 Voltage-wise Cost of Supply

2.23.1 *Stakeholder's Comments*

Shri Shakeel Siddiqui, Legal Advisor, M/s Galwalia Ispat Udyog Pvt. Ltd. and M/s Kashi Vishwanath Textile Mill (P) Limited submitted that the absence of voltage-wise and load-wise differentiated tariffs in Uttarakhand leads to inequitable treatment of consumers and is not in line with the provisions of the Electricity Act, 2003, which mandates cost-reflective tariffs and allows differentiation based on parameters such as voltage, load factor, and consumption. He further submitted that despite regulatory requirements under the UERC Tariff Regulations, 2024, and specific directions issued by the Commission in its Tariff Order dated 11.04.2025, UPCL has failed to furnish voltage-wise loss and cost of supply data in the present petition. It was further submitted that higher voltage consumers, who incur significantly lower technical losses, are being subjected to pooled loss levels, resulting in inequity. The Commission is requested to direct UPCL to submit voltage-wise cost of supply data without further delay and to rationalize voltage-wise rebates in the interim.

Shri Abhay Gupta submitted that voltage-wise loss segregation has not been provided in the ARR despite being reflected in BEE reports. He further submitted that wheeling charges, particularly for Renewable Energy under Open Access, are excessively high.

2.23.2 *Petitioner's Reply*

The Petitioner submitted that presently, voltage wise / category wise losses cannot be computed accurately by the existing system and, therefore, Category wise Tariff has been calculated on the basis of average cost of supply and permissible level of cross subsidy. Further, as per the provisions of Regulations a rebate @ 3.5% and 7.5% have been proposed for taking supply at 33 kV and 132 kV and above respectively. This is as per Regulation 91 of the UERC Tariff Regulations, 2024. 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. It is further submitted in the matter that installation of smart meters under RDSS Scheme of MoP, GoI is in progress and after completion of the smart metering, the voltage wise losses may be computed.

2.23.3 *Commission's Views*

The Commission has taken note of the concerns raised by the stakeholders. In this regard it would be relevant to mention that not only voltage wise losses are required for fixing voltage wise tariffs, but segregation of voltage wise costs is also essential for the same. However, to compensate voltage wise losses, voltage wise rebates have been allowed to the industrial consumers. It is submitted that the Commission in the previous Tariff Orders had directed 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 failing which action may be initiated against it. **However, considering the ongoing smart meter deployment under the RDSS scheme, which will significantly enhance data accuracy and enable on-line energy audit & accounting, UPCL is hereby directed to compile and submit the voltage-wise loss data and voltage-wise cost of supply information alongwith next Tariff Petition.**

2.24 Load Factor based Tariff

2.24.1 *Stakeholder's Comments*

Shri Tushar Agarwal submitted that the demand charges of Rs. 480 per kVA applicable in Uttarakhand are substantially higher than Rs. 290 per kVA applicable in Uttar Pradesh for comparable HT demand, and that this difference alone contributes Rs. 17,78,970 in monthly billing burden, which is the primary driver of Uttarakhand's higher overall bill despite lower peak energy rates, and that consumers operating at load factors above 40 percent end up paying 10 to 15 percent more than their Uttar Pradesh counterparts. The Commission is requested to reduce demand charges for industrial consumers and align them with the levels prevailing in Uttar Pradesh, Himachal Pradesh, and Punjab.

Shri Shakeel A. Siddiqui of Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited submitted that most of the prominent industrial active States have defined tariff slabs load wise, the cost of service to HT consumer connected at high voltage is much less than the average cost of supply, since the distribution losses are very low in comparison to low voltage consumers. They further requested that the Commission may determine lower rates for high load factor and high rates for low load factor to promote energy consumption by HT industries who are the maximum contributor of revenue to UPCL.

2.24.2 *Commission's Views*

The Commission has taken note of the concerns raised by the stakeholders. In view of the adequate base load power availability and to encourage industrial consumers to increase their consumption levels and maintain higher load factors, the Commission has revisited the Load Factor based Tariff Framework for Industrial Consumers. The Commission has deliberated this issue in detail in Chapter 5 of the Order.

2.25 Tariff for Hotels

2.25.1 *Stakeholder's Comments*

Shri Devendra Singh, submitted that Munsyari, being a border area, experiences prolonged tourism off-seasons from January to March and June to September, during which hotels, homestays, lodges, and shops operate at minimal levels but continue to incur electricity bills. He requested the Commission to provide suitable rebate or billing relief in fixed charges during these off-season periods to ease the financial burden on local businesses.

Shri P.C. Pandey submitted that fixed charges for the hotel industry should be reduced in order to support tourism-related businesses in the region.

Shri Manohar Singh submitted that hotels and resorts in Munsyari operate for only about four months annually, yet are required to pay fixed electricity charges throughout the year, even during periods of closure, resulting in a significant financial burden and accumulated dues. He requested the Commission to provide a concession in fixed charges for such establishments.

Shri Sachin Goniyal, M/s Jai Shri Badri, Smt. Beena Chauhan, Shri Mithilesh Dhyani, Shri Sudhir Singh Mehta, Shri Vimlesh Panwar, Shri Vikram Kothari, Shri Nishchay Mehta, Shri Gautam Bhandari, Hotel Shankar Shree, Shri Digambar Singh Panwar, Shri Dinesh Mehta, Shri Karan Virmani and Smt. Uma Virmani submitted that electricity at Shri Badrinath Dham is utilized only during the 120–180 days pilgrimage season, while fixed charges continue to be levied during the off-season when supply remains non-functional, leading to inflated bills upon reopening. They further submitted that limited daily usage makes flat-rate billing unreasonable and requested the Commission to waive fixed charges during the off-season and introduce a suitable peak and off-peak tariff structure to reduce the financial burden on consumers.

Shri Gram Pradhan, Gram Sabha, submitted that the hotels operate only during the pilgrimage season from end-May to 10th October in Hemkund Sahid and remain completely closed thereafter. However, fixed charges continue to be levied during the off-season, causing financial hardship. Accordingly, the Commission was requested to direct that billing be based strictly on actual meter readings for the operational period, and to abolish fixed charges during the off-season months.

2.25.2 *Petitioner's Reply*

The Petitioner submitted that the Commission has issued draft concept paper on "Evaluating Seasonal Tariff for Hotel Industry" and invited comments from all the stakeholders in the matter. Considering the suggestions / comments of stakeholders, the Commission may take a view in the matter.

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. The consolidated revenue deficit for FY 2026-27 (including the carrying cost of FY 2024-25) at existing tariff has been estimated at Rs. 2036.99 Crore. For recovery of the said gap of Rs. 2036.99 Crore, UPCL has proposed an overall tariff hike of 16.23%. Further, increase in consumer categories has been proposed in line with the Tariff Policy and the proposed ARR to be recovered in FY 2026-27. The revenue gap so computed is the result of difference between increased / projected cost and revenue at existing tariff. The Petitioner being a regulated entity needs to be revenue neutral and, hence, the approved gap will have to be allowed in terms of tariff increase as per the principles laid down in Tariff Policy and approach adopted by Commission in past. Also, as per direction of GoU, UPCL is providing subsidy in electricity tariff @ 50% of electricity charges (including electricity duty) to the domestic consumers of snow bound area having monthly consumption upto 200 units and to other domestic consumers having load upto 1 kW and monthly consumption upto 100 units.

The Petitioner submitted that the 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 load 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 charge whether or not the consumer consumed electricity. It is further submitted in the matter that a concessional tariff is being provided to the consumers residing in notified snow bound / snow line areas as per Rate Schedule RTS -1 A (Snow Bound). It is further submitted that Commission has issued draft concept paper on "ToD Tariff for Solar and Non-Solar Hours" and invited comments from all the stakeholders in the matter. Considering the suggestions / comments of stakeholders, the Commission may take a view in the matter.

2.25.3 *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. The Commission has introduced the provision for availing Seasonal Tariff for Hotel Industry to properly align the tariff structure of Hotel Industry with their consumption cycle.

2.26 Consumer Security Deposit and Billing Cycle

2.26.1 *Stakeholder's Comments*

Shri Janma Prasad Dogra submitted that the billing cycle of 2 months should be reduced to 1 month for domestic consumers.

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, submitted for large industrial consumers with connected load of 3 MVA and above availing fortnightly billing, security deposit must be limited to 1 months as prescribed under the applicable regulations, and that excess security deposits currently held by UPCL must be refunded with the option of submitting Bank Guarantee in lieu of cash deposit.

Shri Tika Singh Saini, Block President, Bharatiya Kisan Union, and Baljinder Singh Sandhu, Bharatiya Kisan Union, submitted that the instalment of Additional Security Deposit (ASD) charge in domestic bills has been increased from Rs. 186 to Rs. 372 per month from January 2025 without any justification, and has also been levied on private tube well connections, leading to unusually high charges. They requested the Commission to clarify the basis of the ASD charge and to withdraw its applicability to private tube well connections.

Shri Arvind Chauhan submitted that smart meters are not feasible in areas with poor internet connectivity and there is lack of communication during grid failures.

Shri Deepak Singh submitted that ASD charges require clarification and requested waiver/ rebate due to business losses. He further submitted that LPS should not be levied on ASD charges.

Shri Vijay Singh Verma submitted that billing for PTW connections under the RTS-4 category should be carried out on a quarterly basis, with surcharge on delayed payment applicable only after six months. He further submitted that Time-of-Day (ToD) metering may be introduced for RTS-4(A) consumers to mitigate the billing burden.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that UPCL is not refunding excess security deposit amounts to large industrial consumers, in contravention of the Electricity Act, 2003, the UERC (Electricity Supply Code) Regulations, 2020, and the Commission's Tariff Orders. As per the Regulations and the Tariff Order dated 28.03.2024, consumers with fortnightly billing (≥3 MVA) are required to maintain security equivalent to only 1.5 months of average consumption, which has also been acknowledged by UPCL. However, excess security deposits beyond this limit are not being refunded. It was further submitted that no security deposit is required in case of prepaid metering as per the Act. The Commission is requested to direct UPCL to limit security deposits as per the Regulations, refund excess amounts, and allow submission of security in the form of bank guarantee to reduce the burden on consumers.

Shri Daljeet Singh submitted that ASD should not be imposed on the consumers as smart meters are being installed by the utility. He further submitted that UPCL is raising bills in an arbitrary manner, and the same should be issued in a transparent, accurate, and consumer-specific manner.

2.26.2 *Petitioner's Reply*

The Petitioner submitted that in compliance of direction of the Commission, at present monthly billing is done for all the domestic category consumers having load above 4 kW and monthly billing for domestic category consumers having load upto 4 kW is being shifted from bimonthly billing to monthly billing in a phased manner. Till now the monthly billing of domestic category has been started in the following divisions:

1. EDD, Raipur, EDD, Dehradun (central)
2. EDD, Rishikesh
3. EDD, Haridwar (Urban)
4. EDD, Kashipur
5. EDD, Jaspur
6. EDD, Bajpur
7. EDD, Sitarganj
8. EDD, Khatima
9. EDD, Rudrapur – I
10. EDD, Baghwanpur
11. EDD, Roorkee (Ramnagar)
12. EDD, Roorkee (Urban)
13. EDD, Haldwani (Urban)
14. EDD, Ramnagar
15. EDD, Kichha
16. EDD, Doiwala
17. EDD, Haldwani (Rural)
18. EDD, Roorkee (Rural)
19. EDD,Jwalapur
20. EDD,Laksar
21. EDD, Dehradun (South)
22. EDD,Mohanpur
23. EDD,Rudrapur -II
24. EDD,Nanital
25. EDD,Almora

The Petitioner submitted that Regulation 4.2 (1) of the UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020 provides as follows:

"Balance of Security Deposit as on 31st March of the previous year shall be 'Existing Security Deposit. Consumer is required to maintain a sum equivalent of estimated average consumption of 'N'+1 months

of previous financial year or the existing security deposit with the Licensee, whichever is higher, as security deposit ('Required Security Deposit') towards any delay or default in payment. Here 'N' is the number of months in a Billing cycle approved in the Tariff Order applicable for preceding year."

The additional security deposit is being charged by UPCL as per the provisions of Supply Code. 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 by UPCL as Bank Guarantee / Letter of Credit, the security deposits should only be in the form of cash / bank draft/RTGS/NEFT or any other electronic mode as accepted by UPCL. This is in accordance with the provisions of UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020.

With respect to ASD, the Petitioner submitted that security deposits are received from the consumers to securitize the credit sales made by DISCOM. In case a consumer defaults in making the payment of his electricity bills, the recovery of such electricity dues may be made by adjusting the security deposit of the consumer. The provisions of UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020 provides for review of security deposits based on consumption / billed amount of the previous year. In case the required security deposit is less than the security deposit of the consumer, UPCL is required to raise demand for the same to the consumers. Accordingly, the demand of additional security deposits is being raised on the consumers as per the provisions of the Regulations. Further, the Commission vide its order 31.10.2023 provided facility to the consumers for making the payment of additional security deposits in 12 equated monthly installments (EMI). UPCL is providing this facility to the consumers.

With respect to billing cycle for PTW, the Petitioner submitted that on the demand of the consumers, the bills of PTW consumers are being raised twice in a year and they are being allowed four months times for payment of their electricity bills.

2.26.3 *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 the Tariff Order.

2.27 Smart Meters / Prepaid Meters

2.27.1 *Stakeholder's Comments*

Shri Tikka Singh Saini, Block President, Bharatiya Kisan Union, submitted that prepaid meters should not be installed on farmers' private tube wells, as farmers receive money only after selling their harvest every six months and are unable to recharge such meters in the interim, being already dependent on loans for crop cultivation and other essential expenses. He, therefore, requested the Commission to direct that prepaid meters should not be installed on farmers' private tube well connections.

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that UPCL has projected Rs. 328 Crore against Smart Metering OPEX expenses for FY 2026-27. However, the Commission had approved Rs. 167 Crore in its MYT order dated 11th April 2025. He requested to allow Rs. 167 Crore against Smart Metering OPEX Expenses claimed by UPCL for FY 2026-27.

Shri Pawan Agarwal, President, Kumaun Garhwal Chamber of Commerce and Industry, submitted that in cases where prepaid meters have been installed, no security deposit should be levied, in accordance with the provisions of Section 47(5) of the Electricity Act, 2003. He requested the Commission to direct UPCL to facilitate the installation of prepaid meters for willing industrial consumers and to ensure refund of the security deposit already held against such connections upon installation of prepaid meters.

Shri Munish Talwar, M/s Asahi India Glass Ltd., submitted that smart meter data including Maximum Demand Indicator readings is not accessible online to consumers and that automatic monthly bill delivery via email and mobile is not being provided, representing significant service deficiencies. He requested the Commission to direct UPCL to improve smart metering transparency and ensure online consumer access to meter data along with automatic monthly bill delivery through digital channels.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited, M/s Kashi Vishwanath Textile Mill (P) Limited, and Shri Ashok Bansal, President, Kumaon Garhwal Chamber of Commerce and Industry, submitted that under the Electricity Act, 2003, a distribution licensee is not required to hold security deposit where the consumer opts for supply through a prepaid meter. However, despite availability of smart prepaid meters and willingness of industrial consumers, UPCL continues to retain such deposits. The Commission is requested to direct UPCL to expedite installation of prepaid/smart meters for willing industrial consumers and to refund the security deposit upon such installation, in line with the provisions of the Act.

Shri Shailendra Kumar Singh and Shri Vipin Chandra Tewari submitted that smart meters have led to a sharp increase in billing.

Shri Arvind Chauhan submitted that smart meters are not feasible in areas with poor internet connectivity and there is lack of communication during grid failures.

2.27.2 *Petitioner's Reply*

The Petitioner submitted that presently smart meters are not being installed on the PTW connections.

The Petitioner submitted that it has computed the claim of smart metering OPEX for FY 2026-27 as Rs. 327.72 Crore This computation is as per provisions of UERC Tariff Regulations, 2024, provisions of RDSS Scheme and estimations of works to be executed during the year

The Petitioner submitted that the implementation of "Revamped Reform- based and Results-linked Distribution Sector Scheme (RDSS Scheme)" aimed towards improving the operational and financial sustainability. Replacement of existing meters with smart meters (pre-paid smart meter for load upto 25 kW) is ongoing. For HT consumers smart meters on post-paid mode are being installed as auto disconnection through MDM command is not possible at present.

Ministry of Power, Government of India vide its letter no. 25/25/2004-R&R(Pt), dated 11.02.2005 clarified the matter of taking security deposits for supply of electricity, as follows:

> *"A clarification has been sought from this Ministry as to whether in a situation where the distribution licensee has not started to supply through pre-payment meters, the consumer is entitled to exemption from payment of the security in respect of the electricity supplied to him. The matter has been considered in this Ministry and it is clarified that as and when distribution licensee provides a choice to consumers to opt for pre-paid meters, he will not be entitled to demand security from those consumers who are prepared to take supply of electricity through such meters."*

The Petitioner further submitted that in the case of Sarwottam Ispat Ltd. Vs. Southern Power Distribution Company of Telengana Ltd., 2016, Hon'ble High Court, Hyderabad held as follows:

> *"Section 47(2) enables the, distribution licensee to demand additional security, if the security provided by the consumer is invalid or insufficient. Sub-section (3) further vests power in the licensee to stop supply of electricity if the additional amount demanded is not paid. When this provision vests power in the licensee, a demand made by the licensee in terms thereof cannot be held as arbitrary or illegal. As long as prepaid meters are not installed, it is mandatory for the consumers to pay the security deposit as demanded by the licensee. Therefore, waiving of security deposit merely because a request for provision of HT prepaid meter is made when no such meters are available does not arise. Such a request is contrary to statutory scheme and liable to be rejected. It is not the case of the petitioners that the amount of deposit demanded is in excess of what is required by the tariff determined by the Regulatory Commission. They cannot insist for supply of electricity without complying with the demand for additional security deposit. Section 47 does not envisage waiver of security deposit nor prescribe alternative mode of providing security, such as bank guarantee. There is no ambiguity in the provision. Thus, there is no scope for playing in the joints to grant the relief of waver/reduction of deposit. When the statute vests power in the licensee to demand security deposit and licensee exercises such power and no provision is made for waiver/reduction/alternative mode of providing security, it is not permissible for this Court, in exercise of equity jurisdiction under Article 226 of the constitution of India, to direct the distribution licensee to dispense with payment of security deposit or to furnish bank guarantee or reduce the security deposit demanded. Contrary to the statutory mandate, no direction can be issued. When the language of the provision is plain, simple and clear, it is not permissible for the Court to interpret the same in different manner or issue directions contrary to the statutory mandate. No case is made out by petitioners to waive additional security deposit."*

In view of the above legal position, it is clear that till the time prepaid metering is not operationalized in UPCL, consumers are required to pay security deposits for supply of electricity to UPCL.

With respect to smart meter data, the Petitioner submitted that the smart meters are a new generation of energy meters that allow consumers to learn about their consumption pattern and help utilities conduct system monitoring and customer billing without manual intervention. The Petitioner is deploying smart meters as per the sanctioned plan under RDSS scheme. Some of the benefits of smart meters such as; a) Smart meters can digitally send electricity reading to the utility, b) Consumer can track electricity consumption using a mobile application, c) Consumer can recharge electricity account in advance and it helps the utilities improve power supply.

2.27.3 *Commission's Views*

The Commission has taken note of the suggestion received from the stakeholder regarding improvement in metering and billing through implementation of prepaid metering scheme and **directs UPCL to roll-out prepaid metering scheme in a time bound manner ensuring that the time frame mentioned in the Tariff Petition is met and also submit a quarterly report within 15 days of the end of each quarter to the Commission. With respect to accessing smart meter data and use of Mobile Application (Smart Meter APP), the Petitioner is directed to organise orientation sessions for the consumers and inform them as to how through Mobile APP all the relevant data can be accessed by them.**

2.28 Miscellaneous

2.28.1 *Stakeholder's Comments*

Shri Vasudev Shah submitted that the current electricity tariffs are excessively high and need to be reduced. He further submitted that the electricity meters installed by UPCL, frequently develop faults and result in inflated electricity bills. Due to ineffective grievance redressal mechanisms, consumers are compelled to make repeated visits to electricity offices, and in some cases, alleged informal payments are required to get billing issues resolved. Shri Vasudev Shah further submitted that a significant proportion of consumers whose connections are being disconnected for non-payment are affected by faulty metering and unresolved billing complaints, rather than willful default and suggested that the department should adopt a more consumer-sensitive approach, improve meter quality, and strengthen complaint redressal systems.

Shri Rajeev Agarwal submitted that high losses are being reported in areas such as Roorkee and Manglore and there exist discrepancies between UPCL and UERC data. He further submitted concerns regarding inflated capital expenditure and lack of statutory approvals.

Shri Vipin Chandra Tewari submitted that consumers are facing arbitrary disconnections and fabricated billing. He further submitted that grievance redressal should be improved and part-payment of bills facility be introduced.

Shri Durga Prasad, submitted that the cost of pole shifting on safety grounds should be borne by UPCL and not charged to individual consumers.

Shri Gopal Chand Chaudhari submitted that the cost of service line cables from pole to house is being borne by consumers, which should instead be borne by UPCL.

Smt. Neetu Devi submitted that sagging cables are creating safety hazards and intruding into private property.

Shri Harish Chauhan submitted that tariff for certain consumer categories is not clearly specified in the Tariff Order.

Smt. Sumidha Bisht, Gram Pradhan, submitted that low voltage during the rainy season is affecting students and ongoing works pose safety risks.

Shri Narendra Topal submitted that transformer fuses are frequently failing. He also submitted that poles conditions are very poor and requested for provision of free electricity.

Shri Rakesh Negi submitted that poles are not being properly installed and are weak, posing safety risks.

Shri Arvind Chauhan submitted that billing issues such as incorrect slab application and estimated billing for closed premises are prevalent.

Smt. Anita Dimri submitted that the condition of poles and infrastructure is poor, resulting in safety hazards including current leakage. She further submitted that there are frequent interruptions in power supply.

Shri Bhagwati Prasad submitted that there is deficit in hydro generation and raised concerns regarding sharing of power from Tehri Dam. He further submitted that solar subsidy schemes are not being effectively implemented and sought clarity on future solar capacity addition.

Smt. Sunita Khanduri submitted that electricity lines passing through forest areas pose safety concerns.

Shri Virendra Singh Binwal submitted that frequent power interruptions are causing business losses and requested provision of separate feeders for traders and shops.

Smt. Indu submitted that line laying is not carried out with due regard to safety, supply interruptions are frequent, and load is being increased arbitrarily.

Shri Pushkar Lal submitted that poles in the area are in poor condition and pose serious safety risks.

Shri Virendra Singh Negie submitted that solar generation potential in hilly regions is high and requested fair tariff for unsubsidized solar capacity.

Shri Bhuvan Nautiyal submitted that locally generated power should be utilized within the State and losses should be reduced. He further suggested development of community-based solar projects and provision of insurance and safety measures for staff.

Shri Manvir Singh Rawat raised concerns regarding unsafe infrastructure planning.

Shri Devender Singh submitted that reliable electricity supply should be ensured through the provision of both primary and secondary supply arrangements at all times.

Shri Manohar Singh submitted that new projects should generate employment opportunities for local residents in line with their skills and employability. He further submitted that local consumers should be provided rebates in tariff.

Shri Sundar Lal Johri submitted that there are issues relating to 33 kV lines at Ambekar House in Ward No. 5 and requested improvement in the quality and reliability of power supply.

Shri Ishwar Singh Namwial submitted that there is a need for early commissioning of new generation projects to generate employment opportunities for local residents.

Shri D.S Bhandari submitted that meters are running fast, resulting in inflated billing and alleged corruption in the system. He further submitted that meter audits should be conducted and arbitrary fixed charges be avoided.

Shri Arvind Jain submitted that faulty meters are leading to inflated bills and billing is being done even for inactive connections. He further submitted concerns regarding electricity theft, unsafe infrastructure, and improper billing practices.

Shri Vijay Verma submitted that solar schemes are facing implementation hurdles and funds are not being properly utilized. He further submitted the need for competitive bidding in the electricity utilities, proper KYC, and timely billing systems.

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that commercial diary for FY 2024-25 is not available in public domain and requested the Commission to carry out prudence check of consumer category wise ABR for FY 2024-25.

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that Energy Storage is an effective tool for Energy arbitrage for DISCOMs in optimization of their Power Purchase Cost. For instance, in BESS, Batteries can be charged in the off-peak hours and can be discharged in Peak hours, thus, avoiding reliance of DISCOMs on high-cost short term Power from markets or not scheduling the high-cost Power Plants. With steep reduction in Battery prices and active participation by various companies, Uttarakhand DISCOMs should also consider Energy Storage as part of their Power Procurement Planning in line with Resource Adequacy Planning formulated by CEA for Uttarakhand.

Shri Himanshu Chawla, Power Foundation of India (PFI), submitted that UPCL should be directed to submit separate Petition for Wheeling and Retail Business along with break-up of business-wise expenses and income in Audited Accounts.

Shri Pankaj Gupta, President, Industries Association of Uttarakhand, submitted that UPCL has sought recovery of increased costs on account of power purchase, O&M expenses and revenue gaps without adequately demonstrating that such costs are prudent, unavoidable, and efficiently incurred. He further submitted that a separate and concessional tariff should be provided to MSME. He also submitted that the tariff Petition lacks category wise consumer impact analysis, district-wise demand assessment and alternative tariff scenarios.

Shri Pankaj Gupta, President, Industries Association of Uttarakhand, submitted that transparency in regulatory filings and operational data is essential to enable meaningful participation of consumers in the tariff determination process. He further submitted that the absence of timely and accessible data limits effective scrutiny of the utility's performance. Accordingly, he requested the Commission to direct UPCL to regularly upload key documents such as the Commercial Diary and System Energy Report on its portal, so as to facilitate informed stakeholder engagement and enhance accountability of the utility.

Shri Hardeep Rajput submitted that UPCL has uploaded scanned rather than searchable documents as part of its Petition, which restricts public scrutiny, undermines transparency, and prevents meaningful participation by consumers and stakeholders in the regulatory process. He requested the Commission to mandate submission of editable and searchable document formats in all future regulatory filings by UPCL.

Shri Munish Talwar, M/s Asahi India Glass Ltd., submitted that the Commission should ensure that the tariff determination is strictly based on prudent and efficient costs rather than on operational inefficiencies and unrealistic projections.

Shri Bipin Chandra Tiwari, M/s Indus Towers Limited, submitted that he is facing recurring billing and service issues including irregular and inflated billing, provisional bills, arbitrary surcharges, demand penalties, delays in load enhancement, lack of part-payment facility, and delayed fault restoration. Accordingly, he requested the Commission to direct UPCL to resolve these issues, install smart meters, simplify procedures, enable part payments, and appoint a nodal officer for timely redressal.

Shri Veeru Bisht, submitted that despite initiatives such as smart meter installation and network upgrades, there is a shortage of field staff, resulting in poor grievance redressal and inconvenience to consumers. It was further submitted that delays in providing digital access, such as the smart meter mobile app, reflect operational inefficiencies. He requested the Commission to direct UPCL to strengthen manpower, improve operational efficiency, and ensure reliable supply and effective consumer grievance redressal.

Shri Vijay Singh Verma, submitted that on the lines of the banking system, electricity connection numbers issued by UPCL should be linked with Aadhaar and supported by periodic KYC updates, and that instances of non-payment may be integrated with credit reporting agencies to promote payment discipline

Shri Vijay Singh Verma, submitted that the Commission in its previous Tariff Order had allowed amounts against the return on equity from power development to MB-II power plant of UJVNL. However, UPCL has not given the any amount to UJVNL despite recovering the same from the consumers, this shows that UPCL is either not managing its revenue effectively or is deliberately not releasing the amount to UJVNL.

Shri Shakeel Siddiqui, Legal Advisor to M/s Galwalia Ispat Udyog Private Limited and M/s Kashi Vishwanath Textile Mill (P) Limited, submitted that although UPCL has developed a reasonably informative public disclosure portal, the data hosted thereon is not being updated regularly. The key information remains outdated, including Commercial Diary (CS-3 and CS-4 Reports) updated only up to June 2025, System Energy Reports available only up to mid-January 2026, and reliability indices (SAIFI, SAIDI, MAIFI) updated only up to July 2025. It is submitted that timely and transparent disclosure is essential for good governance and effective stakeholder participation in regulatory proceedings, and that delays in updating such information undermine the transparency objectives of the Electricity Act, 2003. He requested the Commission to direct UPCL to ensure regular and timely updation of all data on its public portal.

Shri Jagdesh Singh submitted that electricity meter connections are not being provided in certain colonies even after completion of their registry.

Shri Ashok Bansal, President, Kumaon Garhwal Chamber of Commerce and Industry, submitted that in several substations, the works are not completed in a timely manner, and by the time such works are completed, the demand has already increased, thereby rendering the augmentation inadequate. He cited Danpur as an example in this regard.

Lt. Gen. Dr. S.P. Kochhar, Director General, COAI, submitted that telecom infrastructure, including telecom towers, MSCs, and data centers, should be charged under the industrial tariff category, citing its essential role in digital connectivity and economic growth. He referred to TRAI and FOIR recommendations and judicial precedents from Maharashtra and Himachal Pradesh, where telecom services are treated as an industrial activity. He requested the Commission to consider this classification and review the proposed tariff hikes, as industrial tariff classification would accelerate 4G/5G rollout, promote digital inclusion, and support national digital objectives.

2.28.2 *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. The revenue deficit for FY 2026-27 is only on account of gap including the carrying cost of FY 2024-25 at existing tariff and has been estimated at Rs. 2036.99 Crore. For recovery of the said gap of Rs. 2036.99 Crore, UPCL has proposed an overall tariff hike of 16.23%. Further, increase in consumer categories has been proposed in line with the Tariff Policy and the proposed ARR to be recovered in FY 2026-27. The Petitioner further submitted that UPCL purchases meters of good quality through tendering process and there has been regular reduction in defective meter cases, which is clear from the following data of defective meters:

2023-24 : 1.68%
2024-25 : 1.50%

The Petitioner further submitted that all the information for FY 2024-25 (i.e. commercial diary, audited accounts and other information as desired by the Commission) has been submitted to the Commission.

The Petitioner submitted that presently the quantum of open access energy is very less (open access energy: 201.96 MU and energy sold by UPCL: 14838.22 MU for FY 2024-25) and, accordingly, it will not be appropriate to file a separate Petition for Wheeling and Retail Business. However, the computation of wheeling charges and cross subsidy surcharge on open access has been done as per provisions of UERC Tariff Regulations, 2024 and UERC (Terms and Conditions of Intra – State Open Access) Regulations, 2015. The details of computation have been provided in chapter 4 of the ARR and Tariff Petition.

Regarding searchable documents, the Petitioner submitted that regulatory provision for consultation with stakeholders has been followed. Stakeholders were notified regarding tariff Petition as per provisions of Regulation 44 of Uttarakhand Electricity Regulatory Commission (Conduct of Business) Regulations, 2014. The same is reproduced below:

"…the licensee/SLDC/generating company shall publish within three days of admission of its proposal, a notice in at least two newspapers widely circulated in the state, outlining the proposed tariff and calling for objections from interested persons and state government …"

The Petitioner further submitted that as per the directions of the Commission in the admittance Order dated 26.12.2025, UPCL uploaded tariff Petitions on its website and published the same in 4 nos. daily newspapers.

The Petitioner submitted that the ARR and Tariff Petition for FY 2026-27 has been prepared and filed before the Commission as per the provisions of UERC Tariff Regulations.

With respect to operational inefficiency, the Petitioner submitted that it is taking continuous steps to improve its operations and has gained efficiency as follows:

Improvement in DT Damage Rate:

FY	%
2023-24	4.58
2024-25	4.37

Improvement in SAIFI & SAIDI:

Particular	FY 2023-24		FY 2024-25	
	SAIFI (Nos.)	SAIDI (Min)	SAIFI (Nos.)	SAIDI (Min)
Urban (Average)	20	579	18	539
Rural (Average)	26	967	24	924

Improvement in Supply Hours:

Particulars	**FY 2023-24**	**FY 2024-25**
Urban feeders	23:41 hrs/day	23:42 hrs/day
Rural feeders	23:28 hrs/day	23:29 hrs/day

Improvement in Billing efficiency:

FY 2023-24	FY 2024-25
86.11%	86.31%

AT&C loss:

FY 2023-24	FY 2024-25
14.64%	14.57%

Improvement in IDF:

Particulars	Commission's Approved	UPCL achievement FY 2024-25
Plain Area	2%	1.50%
Hill Area	3%	

With respect to billing and service issues, the Petitioner submitted that consumers can contact the concerned Executive Engineer for redressal of his grievances, who will resolve the grievance of the consumer. In case the consumer is not satisfied with the decision of the Executive Engineer, the consumer can represent his case before the Consumer Grievances Redressal Forum of his area for redressal of his grievances. Further, in case the consumer is still not satisfied with the decision of the CGRF, he can represent his case before the Ombudsman for Electricity.

With respect to linking the connection with Adhar, the Petitioner submitted that the current proceedings relates to the tariff Petition filed by UPCL. The Commission may take view on the same during amendment in UERC Supply Code, 2020.

With respect to withholding the RoE on PDF, the Petitioner submitted that it is regularly making the payment of power purchase bills to the generators / suppliers.

With respect to updation of data such as CS-3 and CS-4, the Petitioner submitted that the data is being uploaded by the Petitioner.

The Petitioner further submitted that the following is mentioned in the Report of the Working Group on Preferential Tariff for Telecom Towers issued by Forum of Regulators in August, 2016:

"Para 3.2.2 (c):

In Bharat Sanchar Nigam Limited & anr Vs Union of India &Ors reported in (2006) 3 SCC 1, the Supreme Court considered the nature of the transaction by which mobile phone connection is made available by the telecom company to the consumers, namely, whether it is carrying out any process of manufacturing of goods or supply of any goods (and is an industry). The Apex court held that it was simply rendering service to customers."

"Para 3.2.2 (b):

In the order dated 16.08.2007 of the Appellate Tribunal of Electricity (APTEL), Appeal no. 50 of 2007 & IA No. 90/07 & Appeal no. 80 of 2007 it is highlighted that only the consumers involved in the activity of manufacturing of goods are to be considered and billed as industrial units. Therefore, Telecom tariff is not to be considered under industrial category by the States."

"Para 4.2:

"From the point of view of Tariff policy and the Electricity Act 2003, providing special category for telecom towers would be in violation of the right to equality guaranteed by Article14 of the Constitution of India."

Further, the Commission in its Tariff order for FY 2025-26 dated 11.04.2025 at Para 2.37.2 has held in the matter as follows:

"The Commission has gone through the suggestions of the stakeholder and is of the view the judgement of Supreme Court and APTEL as referred by UPCL above, no change in tariff categorization is warranted."

2.28.3 *Commission's Views*

With respect to faulty metering, and deficiencies in grievance redressal, **UPCL is directed to ensure accurate metering, timely resolution of billing complaints, and strengthening of consumer grievance redressal mechanisms.**

With respect to data disclosure, non-availability and delayed updation of key data, **UPCL is directed to ensure timely publication of Commercial Diary, System Energy Reports, and reliability indices, in its website in accordance with the time lines laid down by the Commission. Further, the Commission directs UPCL to upload all its ensuing Tariff Petitions on its website in proper searchable formats.**

The Commission has taken note of the issue regarding non-release of approved amounts to

UJVN Ltd. despite same being recovered from the consumers. The matter raises concerns relating to financial management and fund flow within the UPCL. The Commission has dealt with this issue in detail in Chapter 3 and 4 of this Order.

UPCL is also directed to display on its website any change in tariff and other charges within 3 days of the issue of any such order by the Commission. UPCL is also directed to submit the status of Danpur Sub-station.

The Commission has also gone through the other suggestions of the stakeholder. The Commission has dealt with the various issues raised in the subsequent Sections of this Order.

2.29 Views of State Advisory Committee

During the State Advisory Committee Meeting held on March 09, 2026, the Members made the following suggestions on the Petition for True up of FY 2024-25, APR of FY 2025-26 and ARR and Tariff for FY 2026-27:

a) Regarding solar energy, Shri Pankaj Gupta submitted that the surplus solar energy generated by industries within the State may be allowed to be sold to UPCL at a separate tariff.

b) Shri Pankaj Gupta submitted that electricity bills have increased after the installation of smart meters and requested that proper calibration and verification of the meters be ensured.

c) Shri Pankaj Gupta submitted that two meeting of SAC are required, 1st Meetings for delays in issues face with UPCL, as a consumer and 2nd Meeting for compliance of directions issued by the Commission to Utilities.

d) Shri Rajiv Kumar Agarwal submitted that SAC should play a bigger role to limit the cost of power in the State of Uttarakhand.

e) Shri Pankaj Gupta submitted that UPCL has not conducted any Consultative Committee Meeting.

f) Shri Atul Agarwal submitted that Revamped Distribution Sector Scheme (RDSS) is a progressive initiative. However, tangible results should be ensured. Further, complaints related to smart meters should be closely monitored and promptly addressed to ensure effective implementation of the scheme

g) Shri Purushottam Singh submitted that for obtaining new connections from UPCL, there is significant human intervention in the billing process during the initial six months after the release of the connection.

h) Regarding the implementation of solar energy projects, Shri Pankaj Gupta submitted that UPCL must provide a detailed progress report on all ongoing solar initiatives.

i) Shri Gaurav Khanduri submitted that substations are being operated and maintained by contractual staff, which is affecting operational efficiency. He further submitted that regularised staff should be deployed for this purpose.

j) Shri Gaurav Khanduri submitted that UPCL is facing various litigations in the court due to which promotions of employees are getting delayed. He further submitted that in several cases one person is holding charge of multiple locations, which is hampering operational efficiency.

k) Shri Gaurav Khanduri submitted that adequate facilities for senior citizens are not available at the billing offices and that the infrastructure maintained by UPCL at these locations is inadequate. He further submitted that infrastructure and services at billing offices should be improved, particularly for senior citizens and persons with disabilities.

l) Shri Gaurav Khanduri submitted that free electricity connections provided to religious institutions should also be extended to the residence of the religious heads.

m) Shri Gaurav Khanduri submitted that SAC meeting should be held on quarterly basis.

n) Shri Rajesh Mehta submitted that underground cabling should be implemented along the Char Dham Yatra route, as heavy snowfall during the winter season leads to frequent maintenance requirements and results in power outages.

o) Shri Rajesh Mehta submitted that electricity bills should be issued to consumers on a monthly basis, as non-issuance leads to accumulation of dues which results in a higher bill amount later, making it difficult for consumers to pay.

p) Shri Rajesh Mehta submitted that there are voltage-related issues in the area, particularly low voltage during the evening hours, due to which heavy appliances like lifts and geysers used in hotels are not able to operate properly during the Yatra season, which is the peak tourist period.

q) Shri Rishi Raj Bagree submitted that the concept paper proposed by the Commission should be implemented as soon as possible.

r) Shri Rajiv Kumar Agarwal submitted that there is a significant difference between Revenue approved by the Commission for FY 2024-25 and actual revenue claimed by UPCL for FY 2024-25. It is also observed that the Actual Sales in FY 2024-25 has increased as compared to Approved Sales for FY 2024-25.

s) Shri Atul Agarwal submitted that the Tariff for Industrial Consumer is significantly higher as compared to the neighbouring states, this will result in lower viability of UPCL. It is observed that consumption of Industrial consumers, over the years has reduced significantly. Further, Tariff of Domestic category is lower than Industrial Category the same needs to be reviewed by the Commission.

t) Shri Rajesh Mehta submitted that there should be no increase in tariff for Char Dham areas.

u) Shri Rishi Raj Bagree submitted that the tariff should be reduced for consumer categories and not increased as proposed by UPCL.

v) Shri Pankaj Gupta submitted that given Uttarakhand's abundant hydro resources, the tariff within the State should be lower than adjoining States. Further, the tariff of the State should be rationalised.

w) Shri Rajiv Kumar Agarwal submitted that consumption of the HT Industry has reduced significantly due to the higher tariff being charged from them, despite the State being energy rich State and hence tariff increase should not be allowed.

x) Shri Pankaj Gupta and Atul Agarwal submitted that in the State of Uttarakhand, industries are subjected to a penalty if the Load Factor exceeds 40%, in the form of higher energy charges for consumption beyond the 40% Load Factor. He stated that this provision penalizes industries with higher electricity consumption.

y) Shri Pankaj Agarwal submitted that UPCL is claiming higher expenses during truing up exercise as compared to the expenses approved by the Commission and the difference is not justified by UPCL. The same should be scrutinised in details by the Commission and only then be allowed to be passed to the consumers.

z) Shri Pankaj Gupta submitted that Load Shedding has increased in State of Uttarakhand.

aa) Shri Pankaj Gupta and Shri Rajiv Kumar Agarwal submitted that impact of Transfer Scheme should not be allowed for UPCL and neither should have any impact of carrying cost in case the Commission decides to allow the same.

bb) Shri Rajiv Kumar Agarwal submitted that UPCL has claimed more than Rs. 3000 Crore as capitalisation in FY 2026-27. However, he observed that in the past the utility has not achieved capitalization at such a high level, and therefore the projections may require careful examination and realistic assessment.

cc) Shri Atul Agarwal submitted that Capital Investment projected by UPC is on higher side, the same needs to be identified as controllable and uncontrollable. He further suggested that upon completion of the project, a Cost Benefit Analysis (CBA) on actual basis should be submitted. In case the actual CBA is found to be lower than projected, the investments should be closely monitored and reviewed in the quarterly meetings of the SAC.

dd) Shri Gaurav Khanduri submitted that UPCL has undertaken various projects at locations such as Khatima, Kashipur, etc.; however, the benefits of these projects have not been passed on to the consumers.

ee) Shri Raishi Raj Bagree submitted that Capital Expenditure projected by licensees should be rationalised.

ff) Shri Atul Agarwal submitted that Wheeling Charges should not be increase for FY 2026-27.

gg) Shri Pankaj Gupta submitted that a single rate should be applicable for the purchase of free power and requested the Commission to review the existing mechanism.

hh) Shri Rajiv Kumar Agarwal submitted that UPCL''s average power purchase cost is much lower than the average billing rate to the consumers.

ii) Shri Rajiv Kumar Agarwal submitted that power procured from UJNV Ltd. is one of the cheapest available powers, however UPCL has claimed a significant increase in Power

Purchase cost for FY 2026-27 and the same need to be carefully examined and assessed.

jj) Shri Atul Agarwal submitted that to optimise the Power Purchase cost there should be separate power purchase cell in the state.

kk) Shri Pankaj Gupta submitted that the Commission may implement its earlier Order which provided for eight hours of operation without levy of any penalty

ll) Shri Atul Agarwal suggested that the Repair and Maintenance (R&M) expenses are increasing consistently and therefore an appropriate provision may be made wherein a ceiling of 160% is specified. In the event that the expenditure reaches this threshold, the Petitioner shall inform the Commission.

mm) Shri Purushottam Singh submitted that expenses related to vehicles are increasing and needs to be reviewed on quarterly basis.

nn) Shri Purushottam Singh submitted that parameters such as Safety, Life, and Efficiency should also be included in the monitoring framework, similar to the parameters currently monitored for PAF and energy generated.

oo) Shri Pankaj Agarwal submitted that the Cross Subsidy Surcharge places an additional burden on industries and further stated that the Electricity Act provides for the progressive reduction of cross-subsidy.

pp) Shri Sanjay Agarwal submitted that a separate tariff should be introduced for the MSME category industries in the State of Uttarakhand.

qq) Shri Sanjay Agarwal submitted that tariff should be projected for a period of 3 to 5 years in order to ensure stability.

rr) Shri Sanjay Agarwal submitted that Green Tariff should be promoted for industries opting for renewable energy.

ss) Shri Sanjay Agarwal submitted that the Hotel and Tourism industry should be categorised under the Industrial category and charged the tariff applicable to RTS-5 instead of RTS-2.

tt) Shri Gaurav Khanduri submitted that the rate slabs should be increased, such as 0–100 units, 100–200 units, and 200–300 units, and tariffs should be fixed accordingly for these categories, which would help reduce the burden on domestic consumers.

uu) Shri Rajesh Mehta submitted that as temples remain closed during the winter season after the Char Dham Yatra, hotels in these areas remain closed for a considerable period; however, the hotel industry is still required to pay fixed charges during this period. He therefore suggested that fixed charges for the hotel industry should be abolished.

vv) Shri Gaurav Khanduri submitted that tariff for Hotel Industries should not be increased.

2.29.1 *Petitioner's Reply*

The Petitioner submitted the following replies:

a) Regarding the difference in APPC and ABR, it was submitted that in the State of Uttarakhand, UPCL's distribution losses are around 14%, while the central transmission losses are about 4% and the State transmission losses are around 1% which also needs to be considered. It was further submitted that the ratio of power purchase cost to ARR in the State of Uttarakhand is around 1.62.

b) O&M cost of UPCL is on the lower side that is around 50-51 paisa per unit.

c) Regarding the difference in revenue approved by the Commission and actual revenue for FY 2024-25, UPCL submitted that the category-wise sales are different from those approved by the Commission, resulting in a variation in the sales mix.

d) On the issue of asset transfer, UPCL submitted that at the time of formation of the State, certain assets were transferred from Uttar Pradesh, the total value of which amounts to Rs. 1050 Crore, whereas the Commission had approved assets of Rs. 550 Crore only. The matter has remained pending since 2001 as the Commission had directed that a notification from the State Government be obtained first. It was stated that the State Government issued the notification in 2023, and therefore the claim is being raised from FY 2024-25;

e) UPCL submitted that certain EI certificates were pending from FY 2016-17 to FY 2021-22 and, therefore, the corresponding capitalisation amounts were disallowed by the Commission. The same have now been submitted so that the recovery may be allowed and UPCL may be able to meet its expenses.

f) Regarding bad debts, UPCL submitted that its collection efficiency is around 99%, which is comparatively good from a national perspective. It was further submitted that some bad debts arise from industrial consumers, particularly in cases where industries undergo proceedings under NCLT. UPCL also submitted that the power distribution sector operates as a social service-oriented business and Commission also allows the provision for bad debts in view of the same.

g) UPCL submitted that the capital expenditure proposed for FY 2026–27 is primarily on account of Central schemes such as RDSS and ADB. It was further submitted that around 90% of the capital expenditure is under such Central schemes, which include substantial grant support, and therefore the burden of the same is not being passed on to the State consumers.

h) UPCL submitted that, in comparison with other States, the industrial tariff in Uttarakhand varies; it is lower than that of some States while higher than that of certain other States.

i) Regarding the purchase of surplus solar power from industries, UPCL submitted that there are various Government solar schemes in operation, such as the Solar Rooftop Scheme, under which about 200 MW capacity is already under consumption and applications for around 300 MW have been received by UPCL. Similarly, under the MSSY scheme, about 250 MW capacity has been received. It was further submitted that at present UPCL is not in a position to absorb any additional solar power.

j) Regarding smart meters, it was submitted that in case of any concern, a check meter may be installed upon application, and the smart meter reading can be verified with the same. It was further submitted that the check meter shall be installed without any cost.

k) UPCL submitted that load shedding has been reduced, and any shutdowns that occur may be due to regular maintenance works

l) UPCL submitted that court cases and arbitrations are being examined, and efforts are being made to resolve the issues through amicable solutions.

m) UPCL submitted that facilities at bill collection centres shall be upgraded.

n) UPCL submitted that monthly billing has been identified as a priority for FY 2026–27.

2.29.2 *Commission's View*

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 ARR for FY 2026-27 and Truing Up for FY 2024-25, APR for FY 2025-26 and Tariff FY 2026-27 as detailed in subsequent Chapters of this Order.

3. Petitioner's Submissions, Commission's Analysis, Scrutiny and Conclusion on Truing Up for FY 2024-25

3.1 Truing-up for FY 2024-25

Regulation 12(3) of the UERC (Terms and Conditions for Determination of Tariff) Regulations, 2021 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 current and/or 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 Tariff Order dated March 28, 2024 had approved the expenses and revenues of the Petitioner for FY 2024-25 based on the UERC Tariff Regulations, 2021, the historical trends and the revised projections of the Petitioner.

The Commission has analysed the head-wise elements of ARR and revenue for FY 2024-25 for the purposes of truing up 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 2024-25 in its Tariff Order dated March 28, 2024 as 14708.02 MU with efficiency improvement. The Petitioner in the current Petition has submitted the actual sales for FY 2024-25 as 14838.23 MU and has requested the Commission to approve the actual sales as claimed for true-up.

The Commission in its previous Tariff Orders has been analysing the division wise commercial diary of UPCL and observed that 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 analyse the same and rectify such anomalies. However, no efforts have been noticed at the Petitioner's end to rectify such anomalies, nor any satisfactory reply has been provided to the Commission on the same. Accordingly, the Commission during truing up of previous years has been re-casting 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 2024-25 to check the division wise sales and revenue. The Petitioner in its reply submitted the same. The Commission while analysing the same, observed that for some of the divisions, the ABR of almost all the categories were abnormally low as compared to the ABR approved by the Commission for FY 2024-25. The Commission further observed that instead of any improvement vis-à-vis earlier years, the ABR related anomalies have only increased in FY 2024-25.

The Commission during the Technical Validation Session held on January 09, 2026, pointed out various deficiencies in the Commercial diary and sought written justification of such abnormally low ABR. The Petitioner, however, could not submit the specific reasons for divisions where the ABR was abnormally lower, i.e. in some cases even lower than the approved Energy Charges after taking into consideration the monthly FPPCA recovered over and above the tariff approved by the Commission.

In view of the above discrepancies observed in the sales data in the commercial diary submitted by the Petitioner for FY 2024-25 and further replies submitted, the Commission in this Tariff Order has re-casted the category wise sales of those divisions that have abnormally low ABR. The approach adopted for re-casting the category wise sales of UPCL for FY 2024-25 is discussed hereunder:

a) Domestic Consumers

In line with the approach followed in the Tariff Order dated April 11, 2025 division wise recasting has been done where the actual ABR is found to be considerably lower than the approved tariffs. In order to assess the normative ABR, the Commission has computed the ABR for Domestic Consumers including RTS 1.1 (BPL/Lifeline Consumers), based on the approved energy charges and fixed charges (including monthly FPPCA levied by UPCL) and considering the consumption per consumer per month for such domestic consumers. Based on the normative ABR and revenue booked, excess sales to be disallowed has been computed for each division which is as shown below:

Table 3.1: Excess Sales to be disallowed for Domestic Category

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)
Domestic : BPL RTS-1								
1.	EDD, Rishikesh	1680	2.46	100.74	4.10	121.92	4.12	0.01
2.	EDD, Laksar	4057	4.37	164.48	3.76	89.86	4.07	0.33
3.	EDD (U), Haldwani	1108	1.03	41.69	4.07	77.09	4.21	0.03
4.	EDD, Almora	26854	6.01	53.89	0.90	18.65	2.55	3.89
5.	EDD Rudrapur-I	647	0.79	29.38	3.74	101.24	3.99	0.05
6.	EDD, Rudrapur-II	4656	6.29	188.78	3.00	112.61	4.07	1.65
7.	EDD, Sitarganj	14600	13.81	554.43	4.02	78.81	4.18	0.56
8.	EDD, Khatima	9585	8.84	349.81	3.96	76.88	4.21	0.53
Sub-total								**7.06**
Domestic : Other than BPL RTS-1								
1.	EDD, Nainidanda	28038	7.83	481.73	6.15	23.27	6.46	0.37
2.	EDD (R), Roorkee	50360	85.31	3676.85	4.31	141.16	4.87	9.87
3.	EDD, Laksar	58997	117.64	5200.00	4.42	166.17	4.85	10.50
4.	EDD, Dharchula	21204	13.23	546.74	4.13	51.98	4.68	1.53
Sub-total								**22.27**
Total								**29.33**

Accordingly, based on the above, the total re-casted sales for Domestic Category for FY 2024-25 works out to 4062.93 MU against 4092.26 MU submitted by UPCL.

b) Non-Domestic:

Based on the detailed analysis, of the division wise sales and ABR submitted for FY 2024-25, it is observed that for consumer category with load up to 75 kW and also above 75 kW, the ABR in some of the divisions was considerably lower than the average ABR of the category for the State as a whole. In order to assess normative ABR based on the tariffs approved by the Commission for FY 2024-25, the Commission has computed the same for the said consumer category considering the energy charges (including monthly FPPCA levied by UPCL) and fixed charges applicable for the consumers, which works out to Rs. 8.52/kWh for contracted capacity up to 75 kW and Rs. 7.98/kWh for contracted capacity above 75 kW. The Commission has re-casted the sales of the divisions for which the ABR has been found to be considerably lower than Rs. 8.52/kWh (up to 75 kW) and Rs. 7.98/kWh (above 75 kW) respectively.

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

Table 3.2: 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, Doiwala	13741	18.44	1542.18	8.36	8.52	0.35
2.	EDD, Mohanpur	39843	58.61	4656.60	7.94	8.52	3.97
3.	EDD (N), Dehradun	53574	62.34	5004.71	8.03	8.52	3.61
4.	EDD (S), Dehradun	56971	76.01	6288.98	8.27	8.52	2.20
5.	EDD (C), Dehradun	136508	108.24	7805.36	7.21	8.52	16.65
6.	EDD Vikasnagar	40689	32.94	2625.51	7.97	8.52	2.13
7.	EDD, Barkot	8382	9.18	658.72	7.17	8.52	1.45
8.	EDD, Tehri	60531	89.20	7439.49	8.34	8.52	1.90
9.	EDD, Uttarkashi	12585	14.18	1114.95	7.86	8.52	1.10
10.	EDD, Kotdwar	37584	34.73	2811.49	8.10	8.52	1.73
11.	EDD, Nainidanda	4879	3.92	316.67	8.08	8.52	0.20
12.	EDD, Narayanbagarh	2692	2.55	202.04	7.92	8.52	0.18
13.	EDD, Gairsain	10338	23.32	1804.17	7.74	8.52	2.15
14.	EDD, Gopeshwar	16556	17.69	1458.94	8.25	8.52	0.57
15.	EDD, Rudraprayag	14305	17.61	1330.50	7.56	8.52	1.99
16.	EDD (U), Roorkee	46577	43.77	3062.86	7.00	8.52	7.83
17.	EDD (R), Roorkee	21508	22.55	1771.45	7.86	8.52	1.76
18.	EDD Bhagwanpur	21941	28.34	1819.37	6.42	8.52	6.99
19.	EDD (U), Hardwar	76883	89.70	7134.95	7.95	8.52	5.97
20.	EDD (R), Hardwar	9603	12.55	994.04	7.92	8.52	0.89
21.	EDD, Jwalapur	75601	56.82	4456.35	7.84	8.52	4.53
22.	EDD (U), Haldwani	32150	61.90	4860.24	7.85	8.52	4.86
23.	EDD, Nainital	83151	51.11	4096.75	8.02	8.52	3.03
24.	EDD, Ramnagar	17215	36.18	2831.96	7.83	8.52	2.95
25.	EDD (R), Haldwani	44950	39.68	3094.42	7.80	8.52	3.36
26.	EDD, Kashipur	28409	18.11	1526.58	8.43	8.52	0.19
27.	EDD, Bajpur	16221	37.03	3100.56	8.37	8.52	0.65
28.	EDD, Jaspur	12635	19.76	1323.10	6.69	8.52	4.24
29.	EDD, Bageshwar	11988	11.14	857.51	7.70	8.52	1.08
30.	EDD, Bhikiyasain	2534	3.92	313.05	7.99	8.52	0.24
31.	EDD Rudrapur-I	28154	24.70	1839.27	7.45	8.52	3.12
32.	EDD, Kichha	17209	23.94	1744.49	7.29	8.52	3.47
33.	EDD, Rudrapur-II	34989	33.67	2693.64	8.00	8.52	2.06
34.	EDD, Sitarganj	20850	20.76	1672.46	8.06	8.52	1.13
35.	EDD, Khatima	15359	17.10	1384.36	8.10	8.52	0.85
36.	EDD, Champawat	17638	14.22	1104.26	7.77	8.52	1.26
37.	EDD, Pithoragarh	15955	17.23	1384.17	8.03	8.52	0.99
38.	EDD, Dharchula	4561	6.88	507.91	7.38	8.52	0.92
Sub-total							**102.55**
RTS:2 - Non-Domestic (Above 75 kW)							

Table 3.2: 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)
1.	EDD, Raipur	16532	12.130	133.98	1.10	7.98	10.45
2.	EDD, Rishikesh	12339	41.97	2390.33	5.69	7.98	12.00
3.	EDD, Doiwala	6640	20.79	1306.41	6.28	7.98	4.41
4.	EDD, Mohanpur	14298	35.56	2619.75	7.37	7.98	2.71
5.	EDD (N), Dehradun	28391	82.64	6369.63	7.71	7.98	2.77
6.	EDD (S), Dehradun	34391	75.55	5731.91	7.59	7.98	3.68
7.	EDD Vikasnagar	2610	5.73	389.78	6.80	7.98	0.84
8.	EDD, Barkot	200	0.90	70.21	7.78	7.98	0.02
9.	EDD, Tehri	11037	21.48	1639.76	7.63	7.98	0.92
10.	EDD, Srinagar	17359	35.62	2723.43	7.65	7.98	1.47
11.	EDD, Kotdwar	2695	0.53	37.65	7.08	7.98	0.06
12.	EDD, Rudraprayag	3219	3.74	297.43	7.96	7.98	0.01
13.	EDD Ramnagar (Roorkee)	1737	2.32	175.86	7.58	7.98	0.11
14.	EDD (U), Hardwar	14625	18.79	1485.19	7.90	7.98	0.17
15.	EDD (R), Hardwar	8513	31.66	2410.13	7.61	7.98	1.44
16.	EDD, Laksar	100	0.17	13.41	7.78	7.98	0.004
17.	EDD, Jwalapur	5636	22.45	1476.81	6.58	7.98	3.93
18.	EDD (U), Haldwani	10059	1.14	84.12	7.35	7.98	0.09
19.	EDD (R), Haldwani	4427	17.68	1371.75	7.76	7.98	0.48
20.	EDD, Jaspur	200	0.01	0.59	6.56	7.98	0.002
21.	EDD, Almora	5942	5.51	365.49	6.64	7.98	0.93
22.	EDD, Bageshwar	300	0.73	57.83	7.91	7.98	0.01
23.	EDD Rudrapur-I	8454	25.96	2004.94	7.72	7.98	0.82
24.	EDD, Kichha	4973	18.45	1092.99	5.92	7.98	4.75
25.	EDD, Rudrapur-II	1110	1.90	126.82	6.68	7.98	0.31
26.	EDD, Dharchula	1605	3.17	238.57	7.53	7.98	0.18
Sub-total							**52.57**
Total							**155.12**

Accordingly, based on the above, the total re-casted sales for Non-Domestic Category for FY 2024-25 works out to 1965.22 MU as against 2120.34 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 (including monthly FPPCA levied by UPCL) and fixed charges approved by the Commission for FY 2024-25 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 have been re-estimated based on the actual revenue and normative ABR.

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

Table 3.3: Excess Sales to be disallowed for Government Public Utilities

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:3 – Government Public Utilities-Public Lamps							
1.	EDD, Rishikesh	1152	3.570	172.11	4.82	8.21	1.47
2.	EDD (N), Dehradun	2080	2.280	202.74	8.89	9.12	0.06
3.	EDD (S), Dehradun	3116	2.420	232.48	9.61	9.69	0.02
4.	EDD (C), Dehradun	1347	2.893	235.01	8.12	8.43	0.11
5.	EDD Vikasnagar	305	0.744	59.46	7.99		0.03
6.	EDD, Barkot	194	0.626	35.47	5.67	8.19	0.19
7.	EDD, Uttarkashi	701	0.337	35.16	10.43	10.91	0.01
8.	EDD, Srinagar	360	0.578	47.54	8.22	8.67	0.03
9.	EDD, Pauri	302	0.524	43.85	8.37	8.60	0.01
10.	EDD, Kotdwar	338	5.029	279.94	5.57	7.82	1.45
11.	EDD, Narayanbagarh	44	0.062	5.35	8.63	8.80	0.001
12.	EDD, Rudraprayag	57	0.961	68.24	7.10	7.81	0.09
13.	EDD (U), Roorkee	294	2.470	84.23	3.41	7.90	1.40
14.	EDD (R), Roorkee	530	10.100	755.12	7.48	7.79	0.41
15.	EDD Bhagwanpur	372	0.742	58.82	7.93	8.49	0.05
16.	EDD (U), Hardwar	2148	6.618	538.54	8.14	8.21	0.06
17.	EDD (R), Hardwar	702	0.473	43.63	9.23	10.00	0.04
18.	EDD, Jwalapur	385	1.266	83.19	6.57	8.18	0.25
19.	EDD (U), Haldwani	557	2.399	185.71	7.74	8.07	0.10
20.	EDD, Nainital	211	0.640	51.92	8.11	8.22	0.01
21.	EDD, Ramnagar	219	0.452	37.90	8.38	8.46	0.004
22.	EDD (R), Haldwani	356	2.773	207.64	7.49	7.91	0.15
23.	EDD, Jaspur	201	2.667	176.91	6.63	7.83	0.41
24.	EDD, Almora	274	0.278	23.58	8.48	9.23	0.02
25.	EDD, Bageshwar	79	0.261	20.34	7.79	8.18	0.01
26.	EDD, Bhikiyasain	12	0.058	4.44	7.66	8.03	0.003
27.	EDD Rudrapur-I	1348	1.471	134.08	9.11	9.12	0.001
28.	EDD, Sitarganj	447	0.737	61.29	8.32	8.65	0.03
29.	EDD, Khatima	70	1.797	127.30	7.08	7.77	0.16
30.	EDD, Dharchula	39	0.068	3.82	5.62	8.60	0.02
Sub-Total							**6.60**
RTS:3 – Government Public Utilities - Government Irrigation System (Other than Lift Irrigation Schemes)							
1.	EDD, Rishikesh	198	0.346	29.36	8.49	8.50	0.001
2.	EDD, Doiwala	2124	7.753	621.17	8.01	8.05	0.03
3.	EDD, Mohanpur	3105	6.995	580.22	8.29	8.31	0.01
4.	EDD (S), Dehradun	166	1.279	98.87	7.73	7.82	0.02
5.	EDD Vikasnagar	7041	10.822	901.71	8.33	8.62	0.37
6.	EDD, Barkot	1088	2.076	115.77	5.58	8.43	0.70
7.	EDD, Tehri	657	0.068	13.19	19.40	22.47	0.01
8.	EDD, Uttarkashi	603	0.187	17.81	9.52	12.58	0.05
9.	EDD, Pauri	495	0.067	11.51	17.18	18.98	0.01
10.	EDD, Kotdwar	4071	11.435	883.08	7.72	8.17	0.63
11.	EDD, Narayanbagarh	60	0.013	1.08	8.31	14.72	0.01
12.	EDD, Gopeshwar	120	0.055	3.46	6.29	10.98	0.02
13.	EDD, Rudraprayag	733	2.957	223.85	7.57	8.01	0.16
14.	EDD (U), Roorkee	2044	5.556	381.77	6.87	8.19	0.89
15.	EDD (R), Roorkee	1244	1.902	160.57	8.44	8.63	0.04
16.	EDD Bhagwanpur	2490	3.416	278.27	8.15	8.74	0.23
17.	EDD, Nainital	235	1.342	97.52	7.27	7.89	0.11
18.	EDD (R), Haldwani	8722	32.882	2,567.50	7.81	8.03	0.92

Table 3.3: Excess Sales to be disallowed for Government Public Utilities

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)
19.	EDD, Jaspur	780	1.121	86.52	7.72	8.69	0.13
20.	EDD, Ranikhet	372	0.998	47.77	4.79	8.20	0.42
21.	EDD, Kichha	552	2.536	200.66	7.91	7.96	0.01
22.	EDD, Rudrapur-II	190	0.335	23.08	6.89	8.50	0.06
23.	EDD, Khatima	1,259	3.751	294.8	7.86	8.14	0.13
24.	EDD, Champawat	952	1.028	92.01	8.95	9.05	0.01
Sub-Total							**4.96**
RTS:3 – Government Public Utilities - Government Irrigation System (Lift Irrigation Schemes)							
1.	EDD, Rishikesh	264	0.325	27.55	8.48	8.87	0.01
2.	EDD, Barkot	1494	0.609	34.24	5.62	11.39	0.31
3.	EDD, Uttarkashi	1172	0.394	41.49	10.53	12.20	0.05
4.	EDD, Srinagar	244	0.216	14.70	6.81	9.36	0.06
5.	EDD, Nainidanda	849	0.084	19.21	22.87	23.16	0.001
6.	EDD, Narayanbagarh	142	0.045	3.59	7.98	12.47	0.02
7.	EDD, Rudraprayag	1942	4.209	323.55	7.69	8.33	0.33
8.	EDD, Nainital	2647	0.640	-879.59	-137.44	13.98	6.93
9.	EDD, Dharchula	1,106	0.338	32.4	9.59	12.65	0.08
Sub-Total							**7.79**
RTS:3 - Government Public Utilities - Public Water Works (Functioning under other local bodies)							
1.	EDD, Rishikesh	911	1.062	93.25	8.78	8.95	0.02
2.	EDD, Mohanpur	490	1.292	104.04	8.05	8.21	0.03
3.	EDD (S), Dehradun	383	1.643	129.17	7.86	7.99	0.03
4.	EDD, Srinagar	2925	12.526	981.93	7.84	7.99	0.24
5.	EDD, Pauri	691	1.636	114.69	7.01	8.28	0.25
6.	EDD, Rudraprayag	38	0.117	8.52	7.28	8.13	0.01
7.	EDD (R), Roorkee	107	0.021	2.13	10.15	15.46	0.01
8.	EDD Bhagwanpur	1283	1.954	125.78	6.44	8.64	0.50
9.	EDD Ramnagar (Roorkee)	1690	0.902	76.77	8.51	10.51	0.17
10.	EDD, Laksar	863	0.226	19.82	8.76	13.50	0.08
11.	EDD, Jwalapur	3948	10.369	835.04	8.05	8.22	0.20
12.	EDD (R), Haldwani	4450	19.762	1,568.07	7.93	7.98	0.10
13.	EDD, Jaspur	816	2.160	105.02	4.86	8.21	0.88
14.	EDD, Almora	6986	25.082	1877.58	7.49	8.06	1.78
15.	EDD, Bageshwar	1668	4.694	366.95	7.82	8.18	0.21
16.	EDD, Ranikhet	3112	6.754	550.23	8.15	8.34	0.16
17.	EDD, Bhikiyasain	4041	14.008	1069.80	7.64	8.07	0.76
18.	EDD Rudrapur-I	801	1.506	118.14	7.84	8.45	0.11
19.	EDD, Rudrapur-II	778	0.932	81.58	8.75	8.91	0.02
20.	EDD, Sitarganj	1,215	2.178	179.50	8.24	8.49	0.06
21.	EDD, Khatima	1,082	1.541	95.49	6.20	8.71	0.44
22.	EDD, Champawat	1,689	4.786	380.01	7.94	8.17	0.14
23.	EDD, Pithoragarh	9,498	34.220	2643.93	7.73	8.06	1.41
24.	EDD, Dharchula	1,274	2.407	196.98	8.18	8.44	0.07
Sub-Total							**7.67**
RTS:3 - Government Public Utilities - Public Water Works (other than functioning under other local bodies)							
1.	EDD, Raipur	8064	41.325	3194.83	7.73	7.93	1.04
2.	EDD, Rishikesh	3179	14.383	1116.49	7.76	7.97	0.38
3.	EDD, Doiwala	2812	12.899	989.92	7.67	7.97	0.47
4.	EDD, Mohanpur	2466	12.595	976.33	7.75	7.93	0.29
5.	EDD (N), Dehradun	7526	33.323	2646.91	7.94	7.98	0.14

Table 3.3: Excess Sales to be disallowed for Government Public Utilities

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)
6.	EDD (S), Dehradun	6923	43.326	2995.21	6.91	7.88	5.30
7.	EDD (C), Dehradun	5868	31.685	2449.73	7.73	7.92	0.74
8.	EDD Vikasnagar	5088	20.491	1576.52	7.69	8.01	0.81
9.	EDD, Barkot	15	0.256	17.28	6.75	7.72	0.03
10.	EDD, Tehri	22555	72.982	5704.32	7.82	8.11	2.61
11.	EDD, Srinagar	6105	24.349	1756.79	7.22	8.02	2.43
12.	EDD, Pauri	7331	22.084	1742.48	7.89	8.14	0.68
13.	EDD, Kotdwar	5379	14.755	1180.02	8.00	8.19	0.35
14.	EDD, Nainidanda	2175	2.509	209.47	8.35	8.96	0.17
15.	EDD, Gairsain	661	0.826	71.60	8.67	8.86	0.02
16.	EDD, Gopeshwar	260	1.096	67.24	6.14	8.00	0.26
17.	EDD, Rudraprayag	599	3.195	252.29	7.90	7.92	0.01
18.	EDD (R), Roorkee	1176	3.567	259.05	7.26	8.14	0.38
19.	EDD, Bhagwanpur	226	0.360	30.72	8.54	8.60	0.002
20.	EDD (U), Haridwar	3955	17.728	1,397.37	7.88	7.97	0.20
21.	EDD, Laksar	733	1.704	140.94	8.27	8.29	0.004
22.	EDD, Jwalapur	3963	33.692	2,226.26	6.61	7.81	5.19
23.	EDD, Jaspur	204	0.179	-	0.00	9.38	0.18
24.	EDD, Ranikhet	182	0.13	9.59	7.38	9.78	0.03
Sub-Total							**21.72**
Total							**48.74**

Accordingly, based on the above, the total re-casted sales for Government Public Utilities for FY 2024-25 works out to 821.21 MU as against 869.95 MU submitted by UPCL.

d) PTW Category:

The Commission observes that previous year's consumption for three months has been billed at the tariff of Rs. 2.37/kWh which was applicable for FY 2023-24 and consumption of rest of the nine months were billed at Rs. 2.62/kWh (including average FPPCA of Rs. 0.07/kWh levied by UPCL for last three quarters of FY 2024-25). The Commission has considered the weighted average tariff of Rs. 2.56/kWh as normative ABR for PTW consumers. The Commission observed that the ABR for some of the divisions for PTW category were lower than the said normative ABR of Rs. 2.56 /kWh and, therefore, the Commission during the technical validation session sought explanation from UPCL for the low ABR. UPCL in its reply submitted that it had directed the field officials to correct all the anomalies in the Commercial diary as pointed out by the Commission and assured that these corrections would be implemented in the Commercial Dairy for FY 2025-26. Accordingly, the Commission has re-casted the sales of the divisions for which the ABR has been found to be considerably low.

The re-casting is done division wise where actual ABR is found to be considerably lower.

Based on the normative ABR equivalent to the 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 following divisions is as shown in the Table below:

Table 3.4: 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	438	0.15	3.53	2.40	2.56	0.01
2.	EDD, Rishikesh	4	0.64	16.02	2.51	2.56	0.01
3.	EDD, Doiwala	1178	0.77	19.04	2.49	2.56	0.02
4.	EDD, Mohanpur	2013	1.38	33.63	2.43	2.56	0.07
5.	EDD (S), Dehradun	313	0.18	4.45	2.45	2.56	0.01
6.	EDD Vikasnagar	5668	1.95	49.81	2.55	2.56	0.001
7.	EDD, Tehri	8	0.02	0.43	2.26	2.56	0.002
8.	EDD, Kotdwar	107	0.06	1.50	2.42	2.56	0.003
9.	EDD (U), Roorkee	20418	20.10	512.00	2.55	2.56	0.07
10.	EDD (R), Roorkee	36772	81.25	2007.95	2.47	2.56	2.68
11.	EDD Ramnagar (Roorkee)	7326	10.05	256.30	2.55	2.56	0.02
12.	EDD (U), Hardwar	1396	1.10	26.68	2.42	2.56	0.06
13.	EDD (R), Hardwar	58	0.22	5.39	2.42	2.56	0.01
14.	EDD, Jwalapur	8406	4.00	92.85	2.32	2.56	0.37
15.	EDD, Ramnagar	4308	4.49	109.15	2.43	2.56	0.22
16.	EDD Rudrapur-I	2072	2.32	43.85	1.89	2.56	0.60
17.	EDD, Kichha	11376	8.86	185.04	2.09	2.56	1.62
18.	EDD, Rudrapur-II	24863	17.03	367.84	2.16	2.56	2.64
19.	EDD, Sitarganj	16382	15.22	341.21	2.24	2.56	1.87
20.	EDD, Khatima	9736	6.89	130.59	1.90	2.56	1.78
21.	EDD, Champawat	761	0.12	3.06	2.51	2.56	0.002
Total							**12.06**

Accordingly, based on the above, the total re-casted sales for PTW Category for FY 2024-25 works out to 270.18 MU as against 282.24 MU submitted by UPCL.

e) Agriculture and Allied Activities

The Commission observed that ABR for some of the divisions for Agriculture and allied Activities consumers (RTS-4A) were lower than the approved rate (including monthly FPPCA levied by UPCL) of Rs. 3.54/kWh. The Commission, therefore, for the purpose of re-casting, has considered the approved tariff of Rs. 3.54/kWh for RTS-4A consumers.

The re-casting is done division wise where actual ABR is found to be considerably lower. Based on the normative ABR equivalent to the 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 following divisions is as shown in the Table below:

Table 3.5: Excess Sales to be disallowed for RTS 4A 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-4A: Agriculture Allied Activities							
1.	EDD, Doiwala	1106	4.661	157.92	3.39	3.54	0.20
2.	EDD (S), Dehradun	101	0.103	3.38	3.28	3.54	0.01
3.	EDD, Tehri	110	0.146	5.06	3.47	3.54	0.003
4.	EDD (U), Roorkee	488	1.442	49.34	3.42	3.54	0.05
5.	EDD (R), Roorkee	684	2.712	66.85	2.46	3.54	0.82
6.	EDD Bhagwanpur	1,943	4.103	102.19	2.49	3.54	1.22
7.	EDD, Jwalapur	419	0.450	15.67	3.49	3.54	0.01
8.	EDD (U), Haldwani	120	0.576	19.78	3.43	3.54	0.02
9.	EDD, Ramnagar	445	0.610	21.36	3.50	3.54	0.01
10.	EDD (R), Haldwani	100	0.494	17.35	3.51	3.54	0.004
11.	EDD, Kashipur	347	9.223	243.57	2.64	3.54	2.34
12.	EDD, Bajpur	99	0.395	10.42	2.64	3.54	0.10
13.	EDD, Jaspur	125	0.527	0.00	0.00	3.54	0.53
14.	EDD, Sitarganj	18	0.106	3.7	3.49	3.54	0.001
Total							**5.30**

Accordingly, based on the above, the total re-casted sales for RTS-4A Category for FY 2024-25 works out to 22.68 MU as against 27.98 MU submitted by UPCL.

f) LT Industry

Based on the detailed analysis of the division wise sales submitted for FY 2024-25, it is observed that the ABR for the category was abnormally lower in case of some of the divisions. The division wise normative ABR has been worked out considering the energy charge (including monthly FPPCA levied by UPCL) 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 following divisions is as shown below:

Table 3.6: 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 (C), Dehradun	2451	1.260	95.57	7.58	42.84	9.78	0.28
2.	EDD Vikasnagar	8660	5.131	409.54	7.98	49.37	9.19	0.67
3.	EDD, Barkot	820	0.732	52.56	7.18	74.39	7.88	0.07
4.	EDD, Uttarkashi	838	0.449	36.41	8.11	44.65	9.60	0.07
5.	EDD, Kotdwar	10609	7.347	570.93	7.77	57.71	8.63	0.73
6.	EDD, Nainidanda	571	0.148	15.66	10.58	21.60	14.17	0.04
7.	EDD, Narayanbagarh	197	0.09	7.79	8.66	38.07	10.34	0.01
8.	EDD, Gairsain	368	0.124	11.35	9.15	28.08	12.13	0.03
9.	EDD, Rudraprayag	1094	1.256	88.85	7.07	95.67	7.31	0.04
10.	EDD Bhagwanpur	31884	28.939	1951.37	6.74	75.64	7.84	4.05
11.	EDD, Laksar	10747	3.939	332.17	8.43	30.54	11.58	1.07
12.	EDD, Jwalapur	29457	23.474	1619.34	6.90	66.41	8.19	3.71
13.	EDD, Nainital	1807	1.196	101.02	8.45	55.16	8.78	0.05
14.	EDD, Bageshwar	2407	1.132	88.78	7.84	39.19	10.19	0.26
15.	EDD, Ranikhet	1761	0.473	47.68	10.08	22.38	13.86	0.13
16.	EDD, Bhikiyasain	970	0.495	46.61	9.42	42.53	9.81	0.02
17.	EDD Rudrapur-I	26335	36.842	2485.08	6.75	116.58	6.95	1.09
18.	EDD, Kichha	24544	31.28	2098.01	6.71	106.20	7.11	1.78
19.	EDD, Rudrapur-II	27756	23.251	1665.09	7.16	69.81	8.05	2.57
20.	EDD, Sitarganj	19,302	15.193	1,167.27	7.68	65.59	8.23	1.01
21.	EDD, Pithoragarh	1,505	0.881	80.35	9.12	48.78	9.23	0.01
22.	EDD, Dharchula	493	0.261	20.7	7.93	44.12	9.65	0.05
Total								**17.72**

Accordingly, based on the above, the total re-casted sales for LT Industry for FY 2024-25 works out to 370.01 MU as against 387.73 MU submitted by UPCL.

g) HT Industry

The Petitioner submitted the sales in HT Industry of 6754.74 MU for FY 2024-25. The Commission carried out detailed analysis of the division wise sales and ABR submitted by the Petitioner for FY 2024-25, and from the same it is observed that various divisions have abnormally lower ABR. 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 monthly FPPCA levied by UPCL) 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 following divisions is as shown below:

Table 3.7: 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 (S), Dehradun	5977	22.611	1604.13	7.09	315.25	7.26	0.52
2.	EDD (C), Dehradun	341	1.080	70.25	6.50	263.93	7.05	0.08
3.	EDD Vikasnagar	17363	18.557	1544.68	8.32	89.06	9.40	2.12
4.	EDD, Barkot	1552	1.952	158.53	8.12	104.81	8.86	0.16
5.	EDD, Uttarkashi	1375	1.615	140.83	8.72	97.88	9.08	0.06
6.	EDD, Kotdwar	13182	22.567	1756.88	7.79	142.66	8.07	0.79
7.	EDD, Narayanbagarh	400	0.39	28.80	7.46	80.42	9.78	0.09
8.	EDD, Laksar	28087	26.591	2110.73	7.94	78.90	9.85	5.17
9.	EDD, Ramnagar	22910	31.812	2683.86	8.44	115.71	8.58	0.54
10.	EDD, Kashipur	67250	120.485	8691.35	7.21	149.30	7.97	11.42
11.	EDD, Jaspur	24318	64.422	4344.96	6.74	220.76	7.29	4.79
12.	EDD, Bageshwar	1530	2.463	194.58	7.90	134.15	8.21	0.09
13.	EDD, Ranikhet	400	0.689	53.95	7.83	143.54	8.05	0.02
14.	EDD, Kichha	39894	78.401	5995.10	7.65	163.77	7.78	1.37
15.	EDD, Sitarganj	58,031	86.555	6946.65	8.03	124.29	8.39	3.79
16.	EDD, Dharchula	1280	0.942	96.44	10.24	61.33	10.99	0.06
Sub Total								**31.08**
HT Industry (Above 1000 kVA)								
1.	EDD, Doiwala	5610	27.250	1887.84	6.93	404.78	7.17	0.93
2.	EDD (S), Dehradun	2000	4.053	289.40	7.14	168.88	8.04	0.45
3.	EDD Vikasnagar	4800	14.125	986.26	6.98	245.23	7.36	0.73
4.	EDD, Kotdwar	47250	213.690	14,645.36	6.85	376.88	7.24	11.40
5.	EDD, Rudraprayag	7000	8.502	745.97	8.77	101.21	9.50	0.65
6.	EDD (U), Roorkee	7520	14.702	1172.72	7.98	162.92	8.12	0.26
7.	EDD (R), Roorkee	106860	386.062	28713.04	7.44	301.07	7.49	2.50
8.	EDD Ramnagar (Roorkee)	5620	19.416	1373.66	7.07	287.90	7.14	0.17
9.	EDD, Kashipur	137950	516.149	36406.12	7.05	311.80	7.44	27.07
10.	EDD, Jaspur	92865	342.002	22980.80	6.72	306.90	7.46	34.06
11.	EDD, Sitarganj	105950	364.587	25072.79	6.88	286.76	7.14	13.58
Sub Total								**91.79**
Total								**122.87**

Accordingly, based on the above, the total re-casted sales for HT Industry for FY 2024-25 works out to 6631.87 MU as against 6754.74 MU submitted by UPCL.

h) Mixed Load

Based on the detailed analysis of the division wise sales and ABR submitted by the Petitioner for FY 2024-25, it is observed that various divisions have abnormally low ABR. In order to assess normative ABR based on the Rate Schedule approved by the Commission, the Commission has computed the same considering the energy charges (including monthly FPPCA levied by UPCL) 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 following divisions is as shown in the Table below:

Table 3.8: 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	670	1.202	93.76	7.80	149.50	7.90	0.02
2.	EDD, Rishikesh	1787	7.482	534.15	7.14	348.91	7.31	0.17
3.	EDD (N), Dehradun	8917	28.545	2120.93	7.43	266.77	7.44	0.06
4.	EDD (S), Dehradun	5110	24.920	1716.89	6.89	406.39	7.25	1.22
5.	EDD, Tehri	6300	16.798	1202.91	7.16	222.20	7.56	0.89
6.	EDD, Uttarkashi	540	1.584	104.30	6.58	244.44	7.50	0.19
7.	EDD, Srinagar	256	0.586	42.53	7.26	190.76	7.68	0.03
8.	EDD, Kotdwar	1450	4.024	294.57	7.32	231.26	7.53	0.11
9.	EDD, Gairsain	434	0.624	49.90	8.00	119.82	8.16	0.01
10.	EDD, Gopeshwar	1495	1.820	152.31	8.37	101.45	8.39	0.01
11.	EDD (U), Roorkee	14875	53.128	3,643.69	6.86	297.64	7.38	3.79
12.	EDD (U), Hardwar	4260	19.288	1381.46	7.16	377.31	7.27	0.30
13.	EDD (U), Haldwani	650	2.330	166.55	7.15	298.72	7.38	0.07
14.	EDD, Nainital	798	1.898	137.83	7.26	198.20	7.65	0.10
15.	EDD (R), Haldwani	949	1.398	102.63	7.34	122.76	8.13	0.14
16.	EDD, Almora	720	1.722	130.520	7.58	199.31	7.64	0.01
17.	EDD, Bageshwar	265	0.691	51.10	7.40	217.30	7.58	0.02
18.	EDD, Ranikhet	1895	6.285	448.09	7.13	276.39	7.42	0.25
19.	EDD Rudrapur-I	1000	2.264	172.56	7.62	188.67	7.69	0.02
20.	EDD, Kichha	450	0.978	74.45	7.61	181.11	7.72	0.01
21.	EDD, Champawat	2420	4.752	362.15	7.62	163.64	7.81	0.12
22.	EDD, Pithoragarh	2306	8.088	549.89	6.80	292.28	7.39	0.65
Total								**8.18**

Accordingly, based on the above, the total re-casted sales for Mixed Load for FY 2024-25 works out to 191.10 MU as against 199.28 MU submitted by UPCL.

i) Electric Vehicle charging Station:

Similarly, for Electric Vehicle charging Station, normative ABR has been computed for each division considering the energy charges (including monthly FPPCA levied by UPCL) approved by the Commission and the same has been compared with the division wise ABR and, wherever, the actual division wise ABR is found to be lower than the normative ABR, sales have been re-estimated based on the actual revenue and normative ABR.

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 following divisions is as shown in the Table below:

Table 3.9: Excess Sales to be disallowed for Electric Vehicle Charging Station

S. No	Name of Division/Circles	Consumer	Load (kW)	Energy Sold (MU)	Revenue Booked (Rs. Lakh)	ABR actual (Rs./kWh)	ABR (Normative) Rs./kWh	Excess Sales (MU)
RTS-8 Electric Vehicle Charging Station								
1.	EDD, Mohanpur	2	60	0.006	0.29	4.83	6.72	0.002
2.	EDD (S), Dehradun	5	300	1.100	73.01	6.64	6.72	0.013
3.	EDD (U), Hardwar	12	302	0.234	15.39	6.58	6.72	0.005
4.	EDD, Nainital	1	6	0.019	1.20	6.32	6.72	0.001
5.	EDD (R), Haldwani	6	665	0.020	0.23	1.15	6.72	0.017
Total								**0.04**

Accordingly, based on the above, the total re-casted sales for Electric Vehicle charging Station for FY 2024-25 works out to 1.57 MU as against 1.61 MU submitted by UPCL.

The Commission has been carrying out this recasting exercise since past so many years while carrying out the true up of the utility for the respective years and has been asking UPCL to establish practices such that these types of anomalies are reduced to bare minimum and the need for sales recasting do not arise. Moreover, the recasting is based on the data submitted by UPCL itself, and the utility is in the best position to carryout the said exercise inhouse and take timely corrective action to rectify the anomalies. Further, it is surprising to note that the sales recasting is also required for consumer categories who are levied a single part tariff such as PTW/Pumping Sets and EV Charging Stations. This suggests that either UPCL is unable to bill its consumers correctly or is recording excessive sales to present lower losses. In either case, such a practice is detrimental to the financial health of the discom. The Commission expresses its disappointment at UPCL's lax approach in monitoring even such basic details and taking timely corrective action despite the detrimental financial impact of the same in past years.

The Commission further observed that while approving the Tariff for FY 2024-25 vide Tariff Order dated March 28, 2024, it projected a revenue of Rs. 10763.68 Crore at an approved sales of 14708.02 MU. However, the Petitioner submitted that the actual revenue realised in FY 2024-25 was Rs. 10078.47 Crore at a sale of 14838.23 MU. The Commission noted a significant difference between the revenue approved by the Commission for FY 2024-25 and the actual revenue claimed by UPCL for FY 2024-25 despite an increase in actual sales, which has resulted in a significant gap in FY 2024-25. The Commission, based on the submission made by the Petitioner, analysed the consumer category wise actual sales vis-à-vis that approved in the Tariff Order dated 28.03.2024 as summarized in the Table given below:

Table 3.10: Comparison of Approved V/s Actual Sales for FY 2024-25

S. No.	Category	TO FY 2024-25 * Sales (MU)	Actuals (2024-25) Sales (MU)	Difference (MU)	%
1	RTS 1: Domestic	4010.79	4,092.26	81.47	2.03%
2	RTS 2: Non- domestic, incl. Commercial	1983.25	2,120.34	137.09	6.91%
3	RTS 3: Government Public Utilities	796.98	869.95	72.97	9.16%
4	RTS 4: Private Tube well/Pump Sets	279.53	310.22	30.69	10.98%
5	RTS 5: Industrial Consumers				
5.1	*LT Industry*	349.15	387.73	38.58	11.05%
5.2	*HT Industry*	7006.87	6,754.74	-252.13	-3.60%
6	RTS 6: Mixed Load	197.72	199.28	1.56	0.79%
7	RTS 7: Railway Traction	83.06	102.09	19.03	22.91%
8	RTS 8: Electric Vehicle	0.66	1.61	0.95	143.94%
	Total	**14,708.02**	**14,838.23**	**130.21**	**0.89%**

** Including appropriation of efficiency improvement sales of 42.26 MU in all the categories.*

As can be seen from the above Table, there is only a variation of 0.89% in approved sales and actual sales, however, there is a major decline in sales by 3.60% in the HT Industry category consumers. The HT Industry consumers accounts for more than 45% of the total sales of UPCL and the decline of sale of this category of consumers ought to have implication on the revenue of the discom. Moreover, UPCL has also submitted that there is a decline in the sales of HT industrial category due to the reason that 201.06 MU consumption of this category has shifted to open access.

However, if the revenue from approved sales vis-à-vis actual sales submitted by the Petitioner is compared based on the ABR approved for FY 2024-25, then UPCL must receive an additional revenue of Rs. 80.71 Crore due to change in sales mix. Further, if the revenue from the approved sales vis-à-vis sales re-casted by the Commission is compared based on the ABR approved for FY 2024-25, then there is a revenue loss of around Rs. 229.56 Crore due to the change in sales mix. The same is summarized in the Table given below:

Table 3.11: Comparative revenue from Approved, Actual & Re-casted Sales for FY 2024-25

S. No.	Category	Approved Sales * (MU)	Actual Claimed (MU)	Re-casted (MU)	ABR approved in Tariff Order (Rs./kWh)	Revenue at approved Sales (Rs. Crore)	Revenue at Actual Sales (Rs. Crore)	Revenue at Re-casted Sales (Rs. Crore)
1	RTS 1: Domestic	4010.79	4,092.26	4062.93	5.82	2,334.28	2,381.70	2,364.63
2	RTS 2: Non- domestic, incl. Commercial	1983.25	2,120.34	1965.22	8.43	1,671.88	1,787.45	1,656.68
3	RTS 3: Government Public Utilities	796.98	869.95	821.21	8.36	666.28	727.28	686.53
4	RTS 4: Private Tube well/Pump Sets	279.53	310.22	292.86	2.64	73.80	81.90	77.32
5	RTS 5: Industrial Consumers					-	-	-
5.1	*LT Industry*	*349.15*	*387.73*	*370.01*	*7.84*	*273.73*	*303.98*	*290.09*
5.2	*HT Industry*	*7006.87*	*6,754.74*	*6631.87*	*7.90*	*5,535.43*	*5,336.24*	*5,239.18*
6	RTS 6: Mixed Load	197.72	199.28	191.1	7.47	147.70	148.86	142.75
7	RTS 7: Railway Traction	83.06	102.09	102.09	7.43	61.71	75.85	75.85
8	RTS 8: Electric Vehicle	0.66	1.61	1.57	7.00	0.46	1.13	1.10
	Total	**14,708.02**	**14,838.23**	**14,438.86**		**10,763.68**	**10,844.39**	**10,534.12**

** Including appropriation of efficiency improvement sales of 42.26 MU in all the categories.*

In view of the above, the Commission observes that no logical inference could be drawn for the decrease in revenue despite the fact that UPCL has reported higher sales as compared to that approved by the Commission. One of the reason for the same can be inflated sales booked by UPCL as is evident from the ABR based recasting carried out by the Commission hereinabove as increase in actual sales would have definitely increased the revenue. **The Commission, accordingly, directs UPCL to carry out an in house study for the significant difference between the revenue approved by the Commission for FY 2024-25 and the actual revenue claimed by UPCL for FY 2024-25 despite an increase in actual sales claimed vis-à-vis that approved by the Commission, and submit the report of the study before the Commission within 3 month of the date of the Order.**

The Commission, accordingly, directs UPCL to carryout a monthly review of its ABR for all the divisions vis-à-vis ABR approved by the Commission for the respective financial year and submit the report of analysis alongwith proposed corrective action on monthly basis. The findings of the report shall be placed before the BoD on quarterly basis and Board's recommendation/action on the same shall be submitted to the Commission within 15 days of such BoD meeting but not later than end of the month succeeding such quarter. UPCL is further directed to fix responsibility and take action against the concerned Superintending Engineer/ Executive Engineer of the respective division for the anomalies in the commercial diary, and submit the report of the same to the Commission alongwith the monthly report of review of division wise ABR.

The Commission would like to draw attention to a similar directive issued to UPCL in the previous year's Tariff Order. However, UPCL did not comply with the directive. The Commission advises UPCL to be vigilant and proactive in complying with the directive in the forthcoming financial year 2026-27 to ensure the objectives and intent of the directive are met.

Based on the above analysis, the category wise sales for FY 2024-25 as re-casted by the Commission is as shown in the Table below:

Table 3.12: Category-wise Sales for FY 2024-25 (MU)

Categories	Approved in the Tariff Order dated March 28, 2024	Claimed in the Petition	Approved after Truing Up
Domestic (RTS - 1)	3999.27	4092.26	4062.93
Non-domestic, incl. Commercial (RTS - 2)	1977.55	2120.34	1965.22
Govt. Public Utilities (RTS - 3)	794.69	869.95	821.21
Private Tubewell/Pump Sets (RTS - 4)	278.73	282.24	270.18
Agriculture and Allied Activities (RTS-4A)		27.98	22.68
LT & HT Industry (RTS-5)	7334.89	7142.47	7001.88

Table 3.12: Category-wise Sales for FY 2024-25 (MU)

Categories	Approved in the Tariff Order dated March 28, 2024	Claimed in the Petition	Approved after Truing Up
Total LT	348.15	387.73	370.01
Total HT	6986.74	6754.74	6631.87
Mixed Load (RTS - 6)	197.15	199.28	191.10
Railway Traction (RTS - 7)	82.82	102.09	102.09
EV Charging Stations	0.66	1.61	1.57
Additional sales (efficiency improvement)	42.26	-	
Total	**14708.02**	**14838.23**	**14438.86**

3.1.2 *Distribution Losses*

The Petitioner in its Petition has submitted its distribution losses for FY 2024-25 as 13.69%. The Commission for FY 2024-25 had approved the distribution losses of 13.00% for FY 2024-25 based on the loss reduction trajectory approved in the MYT Order for the fourth Control Period from FY 2022-23 to FY 2024-25. 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 2024-25 works out to 16.02%.

The Commission observed that the distribution loss for FY 2024-25 is even higher than the actual losses of 15.63% trued up for FY 2023-24. The Commission during Technical Validation Session sought justification from UPCL on increased losses. UPCL submitted that it has made significant efforts to reduce the distribution losses and states that it has observed only a marginal increase in losses compared to the approved loss trajectory of the Commission. The Petitioner further submitted that distribution losses are combination of both technical and commercial losses and has stated that there is a very limited scope in reduction of technical losses. The Petitioner also submitted that as per Clause 10.1.2 of the Central Electricity Authority Electricity Distribution Network Planning Criteria, 2023, technical losses are relatively higher in Low Tension (LT) lines, as higher current flows in LT lines for the same quantum of power when compared to High Tension (HT) lines. The Petitioner also submitted that in order to achieve an optimal level of distribution network losses, the HT:LT ratio should ideally be 1 or higher. The Petitioner further submitted that in order to reduce the distribution losses, majorly the following actions are being taken:

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 is found indulging in the theft of electricity.

b) Defective Meters are being replaced.

c) LT AB Cable is being laid in theft prone areas.

d) Automatic Meter Reading is being done of high value consumers.

e) Android based billing has been introduced for improvement in Billing Efficiency.

f) Installation of Smart meters is under process under RDSS scheme.

The Commission observes that while there is a limited scope in reduction of technical part of the loss, the actual loss of 16.02% for FY 2024-25 is not solely attributable to technical losses, as it also includes non-technical/commercial losses. The billing efficiency at 86.3% also includes non-technical part of the distribution losses, which translates into 13.7% of the distribution losses and such high distribution losses cannot be all technical (I^2R) losses. The Petitioner further submitted that significant investments are being taken through Central Government schemes such as RDSS which among other works also covers replacement of consumer meters with smart meters and metering of DTR, which will enable the utility in reducing the distribution loss going forward and, thus, requested to approve the Distribution losses of 13.69% instead of the loss as per the trajectory approved by the Commission.

The Commission observes that the Petitioner has been carrying out regular capital expenditure to reduce distribution loss which have been allowed by the Commission from time to time and no plausible reason has been offered by UPCL for lower billing efficiency when meter reading activity has majorly been outsourced by UPCL. Also, the submissions made by UPCL, regarding initiative taken by UPCL to reduce the losses, are merely repetitive in nature and are being reproduced in the Petition as such since last many years without any evident improvements in the distribution losses. Infact, in its submission dated 23.01.2026, UPCL has submitted the billing efficiency and AT&C losses of high loss feeders identified under R-APDRP Towns and the same is given hereunder:

Table 3.13: Performance of High Loss Feeders identified in R-APDRP Town

S. No.	Town	Electricity Distribution Division	Billing Efficiency (%)		Collection Efficiency (%)		AT&C Losses (%)	
			FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25
1	Laksar	Laksar	89.00	72.24	82.00	88.16	27.02	36.31
2	Landhora	Roorkee	36.00	66.81	85.00	95.58	69.40	36.14
3	Manglaur	Roorkee	54.00	66.86	97.00	95.52	47.62	36.14
4	Roorkee	Roorkee	81.00	70.82	98.00	95.56	20.62	32.32
5	Gadarpur	Gadarpur	78.00	71.16	89.00	98.97	30.58	29.57
6	Tanakpur	Tanakpur	87.00	76.80	100.00	99.09	13.00	23.90

From the above Table, it is evident that in some of the towns covered under RAPDRP, the billing efficiency is as low as 66.81% and AT&C Losses are over 30% in Laksar and Roorkee EDDs and thus, there is lot of scope for improvement. Besides, AT&C losses in Laksar Town have increased from 27.02% in FY 2023-24 to 36.31% in FY 2024-25. Though AT&C losses in other towns have decreased from FY 2023-24, yet there is lot of scope for further reduction, as billing efficiency in these towns range from 66% to 77% which is on a much lower side. Increasing the billing efficiency will definitely contribute in reducing distribution losses and UPCL has to devise ways to increase the billing efficiencies rather than harping upon the repetitive nature of measures proposed by it. Hence, the Commission does not find any reason to allow actual losses to UPCL as claimed by it.

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 17192.26 MU at distribution periphery (T&D interface) for FY 2024-25 and applying the approved loss level of 13.00% for the year, the sales should have been 14957.27 MU for FY 2024-25. As against this sale of 14957.27 MU, the actual re-casted sales trued up by the Commission for FY 2024-25 is 14438.86 MU. Therefore, there is a loss of sales to the tune of 518.41 MU on account of commercial inefficiencies of the Petitioner resulting from its failure to achieve the distribution loss target approved by the Commission. The Commission has worked out the average billing rate of Rs. 6.98/kWh on the trued up re-casted sales of 14438.86 MU and considering the sales revenue for FY 2024-25 as Rs. 10078.47 Crore, as submitted by the Petitioner. The Commission for FY 2024-25 has not carried out revenue adjustment for supply of power to UPCL's employees & pensioners as the Average billing rate is similar to the ABR of other domestic consumers. Hence, the Commission has computed the additional revenue on account of loss in sales due to higher distribution loss of Rs. 361.85 Crore for FY 2024-25. 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, 2021.

3.1.3 *Power Purchase Expenses (Including Transmission Charges)*

The Petitioner has submitted the power purchase cost (including transmission charges and water tax) of Rs. 8889.22 Crore as against the approved expenses of Rs. 8629.64 Crore for FY 2024-25.

The Petitioner's actual Power Purchase Cost as per the Audited Accounts of FY 2024-25 was Rs. 9170.13 Crore. The Petitioner submitted that it has reduced expenses of Rs. 65.14 Crore pertaining to banking of power from the power purchase cost as the same is a non-cash transaction.

The Petitioner has further reduced the actual cost by Rs. 30.72 Crore which was incurred towards late payment surcharge and has also reduced revenue towards sale of power outside the State amounting to Rs. 185.05 Crore, and has, accordingly, claimed net power purchase cost of Rs. 7913.00 Crore, excluding transmission charges of Rs. 976.21 Crore.

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 Commission in the Tariff Order for FY 2024-25 had approved the rate of free power as Rs. 2.32/kWh. The Commission now observed that as per Comdata of UPCL for FY 2024-25, the average rate of free power is Rs. 2.32/kWh, which is the same as booked in the audited accounts for FY 2024-25 and, therefore, no adjustment on account of the rate of free power has been carried out.

With regard to the claim of Water Tax amounting to Rs. 231.61 Crore, the Commission sought supporting documents to substantiate the actual expenses incurred towards the same. The Petitioner in its reply dated December 30, 2025, submitted the same. The Commission has gone through the submissions of the Petitioner and has approved the same.

UPCL has claimed PGCIL charges of Rs. 591.82 Crore as against the approved expenses of Rs. 765.82 Crore for FY 2024-25. The Petitioner submitted that the same comprises of PGCIL Charges amounting to Rs. 1.28 Crore, CTU Charges amounting to Rs. 585.62 Crore, and Other Charges amounting to Rs. 4.91 Crore. The Commission has, accordingly, approved the Inter-State Transmission Charges of Rs. 591.82 Crore for FY 2024-25.

The Commission, however, would like to point out that Inter-State Transmission charges are increasing as dependency on short term power is also increasing. In FY 2024-25 UPCL had purchased about 2317.14 MU from IEX (Net Purchase) at an average rate of Rs. 4.77 per unit and Tender Purchase of 900.61 MU at an average rate of Rs. 5.40 per unit, at State Periphery. The Commission had allowed the deficit power purchase at State periphery at Rs. 5.62 per unit for a projected quantum (deficit) of around 1155.35 MU, at the State Periphery, in the Tariff Order dated 28.03.2024 for FY 2024-25.

The Commission has gone through the submissions of the Petitioner and observes that the reliance on short term sources to fulfil deficit energy is not in the interest of UPCL, for the primary reason that the rates in the market are very volatile and are directly influenced by the demand and supply scenario, thus, making it very unpredictable as to the quantum and the rate at which the utility can purchase/secure power in times of need. Many a times, during peak hours the quantum of power bid at exchange does not get clear even at Rs. 10 per unit, thereby, leading to distress purchases which is not beneficial for the State. Moreover, the short-term power involves continuous monitoring of the market scenario, and being a Govt. undertaking, UPCL has to go through approvals at various level, thus, making the task very cumbersome. These exercises hamper the efficiency which the utility can achieve by utilising its manpower in other areas where there is a larger scope for improvement. The minimalistic reliance on short term sources will help the utility to serve the power needs of the consumers in the State in a smooth manner.

The Commission, time and again through various Orders and official communications, has been directing UPCL to prepare a long-term power procurement plan, however, as evident from the power purchase details submitted for FY 2024-25, UPCL has not been able to remedy the situation.

The Commission is not going into the details of landed price of power procured by UPCL during FY 2024-25 from the energy exchange, as the same would include not only the price of power but SToA 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 approved by the Commission in the relevant tariff orders at the 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. Moreover, the Commission also directs UPCL to minimise its reliance on short term procurement within 5% of its overall power requirement in the financial year in accordance with the prevailing MYT Regulations.**

With regard to the Intra-State transmission charges, UPCL has claimed PTCUL and SLDC Charges of Rs. 384.39 Crore. The Commission has approved the Intra-State Transmission Charges and SLDC charges as claimed by the Petitioner.

UPCL submitted that it has fulfilled the RPO targets except Wind and Solar RPO for FY 2024-25 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) (First Amendment) Regulations, 2024 (RE Regulations, 2024). The Petitioner requested the Commission to consider the excess RPO under 'Other Renewable Energy RPO' for meeting the shortfall in Wind RPO.

Table 3.14: RPO Status for FY 2024-25 (MU)

Particulars	FY 2024-25
Renewable Purchase Obligation – Other Renewable Energy	28.10%
Renewable Purchase Obligation - Distributed	0.75%
Renewable Purchase Obligation - HPO	0.38%
Renewable Purchase Obligation - Wind	0.67%
Total Energy (at State Periphery) (In MU)	17410.98
RPO Target (Other Renewable Energy)	4892.48
RPO Target (Distributed)	130.58
RPO Target (HPO)	66.16
RPO Target (Wind)	116.65
RE Energy Purchased (Other Renewable Energy)	8308.02
RE Energy Purchased (Distributed)	652.43
RE Energy Purchased (HPO)	67.89
RE Energy Purchased (Wind)	-
Deficit(+)/Surplus(-)	
Other Renewable Energy	-3415.54
HPO	-1.73
Wind	+116.65
Distributed	-521.85
Deficit(+)/Surplus(-) after offsetting allowed as per Regulation	
Energy deficit for achieving RPO (Other Renewable Energy) {(-ve) Surplus/(+) Deficit}	-3298.89
Energy deficit for achieving RPO (Distributed) {(-ve) Surplus/(+) Deficit}	-521.85
Energy deficit for achieving RPO (HPO) {(-ve) Surplus/(+) Deficit}	-1.73
Energy deficit for achieving RPO (Wind) {(-ve) Surplus/(+) Deficit}	-

The Commission has gone through the submissions of the Petitioner and has taken note of the non-compliance of RPO targets for wind sources specified in the RE Regulations, 2024. However, since the matter cannot be dealt with in this Tariff proceedings, the Commission advises UPCL to bring a separate Petition seeking adjustment of unmet RPO in accordance with UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010. 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 3.15: Power Purchase Cost claimed by UPCL and approved by the Commission for FY 2024-25 (Rs. Crore)

Particulars	Claimed by UPCL	Approved by the Commission
Power Purchase Expenses	7913.00	7913.00
Transmission Charges-Inter-State	591.82	591.82
Intra-State Transmission & SLDC Charges	384.39	384.39
Total Power Purchase Cost	**8889.21**	**8889.21**

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. O&M expenses for the fourth Control Period is to be calculated in accordance with Regulation 84 of UERC Tariff Regulations, 2021 which specifies as under:

"(1) The O&M expenses for the first year of the Control Period shall 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. 2021-22, 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 Distribution Licensee and validated by the Commission.

- *'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) for immediately 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 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 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.

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 of R&M expenses claimed under these Regulations."

3.1.4.1 Employee Expenses

The Petitioner submitted that the actual gross employee expenses as per audited account is Rs. 544.91 Crore. The Petitioner further submitted that it has capitalized employee expenses of Rs. 70.44 Crore and has claimed net employee expenses of Rs. 461.97 Crore after excluding cost of Rs. 12.50 Crore towards subsidized electricity to its employees.

The Petitioner submitted that the normative employee expenses for FY 2024-25 have been arrived at as per the methodology adopted by the Commission in its previous orders and in accordance with UERC Tariff Regulations, 2021. The Petitioner further submitted that the opening EMPn-1 has been considered as Rs. 478.44 Crore as approved by the Commission in truing up of FY 2023-24 and CPI inflation of 5.46% has been considered as the average increase in the consumer price index for the preceding three years. The Petitioner has further considered growth in number of employees as 0.00% based on actual recruitments and retirements during FY 2024-25. Further, approved capitalization rate as per Order dated 28.03.2024 of 15.47% has been considered for arriving at the normative employee cost. The normative net employee expenses worked out by the

Petitioner is Rs. 426.49 Crore.

The Petitioner has claimed the actual net employee expenses as per the audited accounts for FY 2024-25 amounting to Rs. 461.97 Crore, after adjusting cost of subsidized electricity to employees, as shown in the Table below:

Table 3.16: Employee Expenses as claimed by the Petitioner for FY 2024-25 (Rs. Crore)

Particulars	Approved in Order dt. March 28, 2024	Revised Normative	Actuals as per Audited Accounts
Emp_{n-1}	478.44	478.44	-
Inflation Factor	0.00%	0.00%	-
Growth Factor	5.40%	5.46%	-
Gross Employee Expenses	504.28	504.54	544.91
Capitalisation Rate	15.47%	15.47%	
Less: Employee Expenses Capitalised	77.99	78.05	70.44
Less: Cost of Subsidised Electricity	-	-	12.50
Net Employee Expenses	**426.29**	**426.49**	**461.97**

The Commission had approved the normative gross employee expenses of Rs. 478.44 Crore for FY 2023-24 during truing up. Considering the same as the base and in accordance with the UERC Tariff Regulations, 2021, the Commission has computed the normative employee expenses for FY 2024-25.

In this regard, it has also been observed that during FY 2024-25, Rs. 117.65 Crore was the payment made to outsourced employees recruited by UPCL through Uttarakhand Purv Sainik Kalyan Nigam Ltd., Self Help Groups, Prantiya Raksha Dal. and manpower supply through contractors.

The Commission observed that the Petitioner has considered the opening no. of employees in FY 2024-25 as 2411, same as the closing number of employees approved by the Commission during the true-up of FY 2023–24. The Petitioner submitted that the Gn may be considered as 0.00% in line with the past approach.

Regarding the growth factor, the Commission observed that the number of employees has reduced in FY 2024-25, therefore, the Gn has been considered as 0.00%. The employee expenses so computed has then been escalated by the CPI inflation of 5.46%. The Commission further observed that the cost of Rs. 12.50 Crore was booked towards subsidized electricity provided to the employees and pensioners of UPCL. The Commission, in line with its approach adopted in its earlier tariff Orders has, therefore, deducted the above amount for computing actual employee expenses for FY 2024-25.

The Commission has computed the capitalization rate for employee expenses based on the actual employee expenses capitalized, as reflected in the audited accounts of FY 2024-25, which works out to 12.93%, however, the Petitioner has considered the capitalization rate as 15.47% as approved by the Commission vide Order dated March 28, 2024.

The normative employee expenses approved by the Commission for FY 2024-25 is as shown in the Table below:

Table 3.17: Approved Employee Expenses for FY 2024-25 (Rs. Crore)

Particulars	Approved in the Tariff Order	Actual as per Audited Accounts	Actual for sharing	Normative	
				Claimed by UPCL	Approved
EMPn-1	478.44				478.44
Gn	0.00%				0.00%
CPIinflation	5.40%				5.46%
EMPn = (EMPn-1) x (1+Gn) x (1+CPIinflation)	**504.28**	474.47	474.47	426.49	504.54
Capitalisation rate	15.47%				12.93%
Less: Employee expenses capitalized	77.99				65.22
Net Employee Expenses	**426.29**				439.32
Impact of enhanced Pension & Pay Commission	-				
Less: Subsidised Electricity to Employees	**-**	**-**	12.50	-	
Total Employee Expenses	**426.29**	**474.47**	**461.97**	**426.49**	**439.32**

3.1.4.2 Repair and Maintenance

The Commission had approved the R&M expenses of Rs. 303.08 Crore for FY 2024-25 in its Order dated March 28, 2024. As against the same, the actual R&M expenses for FY 2024-25 as per the audited accounts are Rs. 468.37 Crore. The Petitioner submitted that for computing normative R&M expenses, it has considered K factor of 3.11% as approved by the Commission and has considered opening GFA for FY 2024-25 as Rs. 10021.04 Crore in line with the Audited Accounts which includes assets transferred to it from UPPCL against the transfer scheme as well as the assets capitalized against all the pending Electrical Inspector certificates.

The Commission observed that there is a significant increase in actual R&M expenses in FY 2024-25 under "lines, cables and networks etc." from Rs. 285.64 Crore in FY 2023-24 to Rs. 397.96 Crore in FY 2024-25. The Commission vide letter no. UERC/TF-814/2025-26/2025/1412 dated December 12, 2025 directed the Petitioner to submit the reasons for such a huge increase in R&M expenses. The Petitioner vide letter dated December 30, 2025 submitted the following reasons for increase in R&M expenses in FY 2024-25 towards "lines, cables and networks":

a. Uttarakhand State faces major disasters every year necessitating reconstruction of infrastructure. During FY 2023-24 about Rs. 34.22 Crore was spent for reconstruction while it has increased to Rs. 114.99 Crore in FY 2024-25. So, an additional amount of Rs. 80.77 Crore was spent in FY 2024-25 with respect to previous financial year.

b. For maintenance of newly added infrastructures and engaging maintenance staff against retired regular maintenance staff, an additional expense of Rs. 6.30 Crore has been incurred in FY 2024-25.

c. About 95,000 nos. Consumers have increased in FY 2024-25 that has also resulted in increase in O&M expenses.

d. UPCL has added 3543 nos. of distribution transformers, 81 kms. 33 kV lines, 975 km. 11 kV lines and 1833 Km. LT lines to its distribution infrastructure in the FY 2024-25.

The Commission, apart from other information, asked UPCL to submit the division wise details of expenditure incurred on account of disaster related works, along with the details of works undertaken for securing the valuable assets of the State, as submitted by UPCL. UPCL vide its submission dated 23.01.2026, provided the requisite details.

The Commission also asked UPCL to provide the details of operational efficiency improvements achieved in FY 2024-25 compared to FY 2023-24 and sought clarification on whether the addition of fixed assets in a year contributes to increased R&M expenses for the same year, supported by relevant justifications. In response to the same, UPCL submitted the details of operational efficiency achieved in FY 2023-24 and FY 2024-25 as follows:

Table 3.18: Details of operational efficiency as submitted by the Petitioner

Particulars	FY 2023-24	FY 2024-25
DT Failure Rate (%)	4.58	4.37
SAIFI (Urban Avg) Nos.	20	18
SAIFI (Rural Avg) Nos.	26	24
SAIDI (Urban Avg) Min.	579	539
SAIDI (Rural Avg) Min.	967	924
Improvement in Supply Hours (Urban Feeder) hrs/day	23:41	23:42
Improvement in Supply Hours (Rural Feeder) hrs/day	23:28	23:29
Improvement in Billing efficiency (%)	86.11	86.31
AT&C Loss (%)	14.64	14.57
ACS-ARR Gap (paise/unit)	10	3

Table 3.19: Improvement in IDF as submitted by the Petitioner

Particulars	Commission's Approved	UPCL achievement FY 2024-25
Plain Area	2%	1.50%
Hill Area	3%	

The Commission has taken note of the submissions made by UPCL and has considered the same. The Commission in its Order dated March 28, 2024 had considered the 'K' factor of 3.11% for computation of the normative R&M expenses for FY 2024-25 in accordance with the UERC Tariff Regulations, 2021. With respect to the Opening GFA, the Commission observed that the Petitioner has considered the entire value of assets transferred through Transfer Scheme. In this regard, despite being provided opportunities in the current tariff proceedings as well as in the past, the Petitioner, without seeking the impact of the finalized transfer scheme, has sought relief in terms of higher R&M expenses by considering the entire value of the transferred assets. Earlier, the transfer scheme was not notified by the State Government, but the same has been notified by the Government in FY 2022, hence, there seems no reason as to why the impact of the same could not be filed before the Commission. The Commission does not appreciate such an approach on the part of the Petitioner as the same would reflect pseudo approval for the assets that have not yet been recognized by the Commission under the regulatory regime. Moreover, despite Commission's direction, the Petitioner has failed to submit its claim towards the impact of transfer scheme. Further, the Petitioner submitted that vide its notes and order sheet bearing no. 9854/MD/UPCL/A-1, dated December 18, 2025, it has requested the Government of Uttarakhand (GoU) to issue directions to the Commission under Section 108 of the Electricity Act, 2003 to examine the ARR claim as computed by UPCL under the Transfer Scheme, in accordance with the provisions of the Act and the applicable rules and regulations. The Petitioner further submitted that communication from the GoU in this regard is still awaited.

The Commission observed that the Petitioner has not submitted any communication in this regard during the course of the tariff proceedings. Further, besides being a commercial organization the Petitioner should have been forthwith in filing the incidental claims before the Commission, however, the Petitioner has been delaying the same for the past 4 years. Accordingly, the Commission does not find any merit for considering any claims on account of the transfer scheme. **The Commission, giving one last opportunity to UPCL, directs UPCL to claim the impact of the transfer scheme, if any, alongwith the next tariff filing failing which the Commission will not consider any impact of the same.**

The Commission has, therefore, for the computation of R&M expenses for FY 2024-25, has considered the opening GFA for FY 2024-25, as approved in this Order, which has been discussed in detail in subsequent Paras of this Order.

The Commission for truing up of FY 2024-25 has considered the same K factor and has reworked the R&M expenses considering the Opening GFA for FY 2024-25 as Rs. 9469.10 Crore. The Commission has considered the inflation factor as 7.23%, as the average of WPI inflation for the preceding three years of FY 2024-25.

As discussed earlier, the expenses towards lines, cables and networks etc. under R&M expenses have increased from Rs. 285.64 Crore in FY 2023-24 to Rs. 397.96 Crore in FY 2024-25. The reasons for such increase was submitted by the Petitioner. One of the reasons furnished by the Petitioner for the increase was major disaster occurring every year necessitating reconstruction of infrastructure. In this regard, it would be relevant to point out that disasters are not new for the State and they occur each year. Hence, the impact of disaster was already factored while calculating the 'K' factor using the actual R&M expenses. Further, old infrastructure getting washed out or the assets being permanently damaged should have been written off from the accounts and new infrastructure created to replace it, should have been capitalized rather than booking the same under R&M expenses. Besides the State Government provides subsidy/grant for works to be done under disaster. The Petitioner should have been forthwith in claiming the entire amount incurred for works arising out of disaster from the State Government. Furthermore, the 'K' factor computed by the Commission would also undergo a change considering the impact of GFA under the transfer scheme. Hence, at present the Commission is not considering any impact for the same. **The Commission, in this regard, directs the Petitioner to submit the details of the disaster/calamity occurring in any distribution division alongwith the details of work to be carried out for reconstruction activities consequent to the disaster/ calamity within 15 days of the occurrence of such disaster/ calamity.**

With respect to UPCL's submission that it had incurred an additional expenses of Rs. 6.30 Crore for maintenance of newly added infrastructures and engaging maintenance staff against retired regular maintenance staff. The Commission time and again has been directing the Petitioner to book the outsourced maintenance staff directly under Employee expenses to ensure proper accounting of expenses incurred under Employee head, be it regular employees or outsourced employees. On one hand its regular employees are retiring and on the other hand it is claiming the expenses of outsourced maintenance staff engaged against retired regular maintenance staff under R&M expenses. The norms of employee expenses already covers expenses for retired employees as the Gn under employee expenses is considered as 0 in case the number of retirements exceeds the number of recruitments. Hence, the double benefit cannot be allowed to accrue to UPCL. Further, the 'K' factor should cover the expenses on account of the same unless the rates are higher.

With respect to UPCL's submissions that about 95,000 nos. consumers have increased in FY 2024-25 and the network has also increased which has resulted in increase in O&M expenses, increase in number of consumers may lead to increase in network for which R&M expenses are allowed by applying the 'K' factor on the increased asset base. However, the increase in number of consumers may lead to increase in employee costs or overheads but they do not have any other impact on R&M expenses. Hence, the expenses towards any outsourced maintenance staff should be booked under employee expense head. Such practice will not distort actual R&M expenses vis-à-vis its Norms. Further, the actual employee expenses vis-à-vis its Norms will give a true picture.

Thus, the normative R&M expenses trued-up by the Commission for FY 2024-25 is as shown in the Table below:

Table 3.20: Approved R&M Expenses for FY 2024-25 (Rs. Crore)

Particulars	Approved in the Tariff Order dt. 28.03.2024	Actual as per Audited Accounts	Actual for sharing	Normative	
				Claimed by UPCL	Approved
R&M Expenses	303.08	468.37	468.37	334.17	315.77

3.1.4.3 A&G Expenses

The Commission had approved the A&G expenses of Rs. 62.43 Crore for FY 2024-25 in its Tariff Order dated March 28, 2024. As against the same, the actual net A&G expenses for FY 2024-25 as per the audited accounts was Rs. 106.57 Crore which included expenses towards UERC Fees and Bandwidth and FMS Charges amounting to Rs. 39.82 Crore.

The Petitioner in line with the Commission's approach in Order dated February 27, 2019, requested the Commission to allow Data Centre Expenses and Licence Fees on actual basis. UPCL submitted the cost against data centre of Rs. 34.34 Crore and Licence fee of Rs. 5.49 Crore.

The Commission examined the actual A&G expenses of UPCL for FY 2024-25 and asked the Petitioner to submit the details of any penalty or compensation paid and included in the A&G

expenses claimed. The Petitioner in response to the same submitted that the A&G expenses claimed includes the following.

- Compensation for death, injuries and damage to staff and outsiders amounting to Rs. 1.17 Crore.
- Provision for Penalty payable to the Commission for FY 2024-25 amounting to Rs 0.20 Crore for delay in release of new LT connection.
- Compensation payable to consumers on account of non-compliance of SOP amounting to Rs. 0.54 Crore.
- Others amounting to Rs. 0.02 Crore.

The Commission directed the Petitioner to submit the requisite orders of the Electrical Inspector in support of the compensation paid towards death, injuries and damage to staff and outsiders. The Petitioner in its submission furnished the same.

After going through the documents provided by the Petitioner, it was observed that, out of the total compensation of Rs. 1.17 Crore paid by the Petitioner towards deaths, injuries, and damages to staff and outsiders, details have been furnished for only Rs. 0.78 Crore. Further, out of this amount, only Rs. 0.62 Crore was attributable to the fault of the victims, while the remaining amount related to incidents arising due to the negligence of the Petitioner. The primary reasons for the incidents included inadequate earthing, high-voltage lines passing over residential rooftops, and insufficient lopping and chopping of vegetation near overhead lines etc. This is all the more concerning the fact that despite the increased R&M expenses every year, proper maintenance of lines and other critical elements are not being carried out leading to accidents.

The Commission has, therefore, considered only Rs. 0.62 Crore towards compensation of deaths, injuries and damage to staff and outsiders. The Commission would like to highlight here the importance of seeking proper clearance from the Electrical Inspector before charging any HT work, as it would ensure that all the protective measures are in place, thus, minimizing the risks of accidents and loss of human life and non-human assets. The Commission would like to further state that the purpose of disallowing the partial amount for compensation towards deaths, injuries and damage to staff and outsiders, as discussed above, is not to discourage the utility to honor the legitimate claims on account of such incidents, rather this would serve as a purpose of awakening the utility to take corrective actions such that these incidents gets reduced significantly.

Accordingly, **the Commission directs the Petitioner to take corrective measures, including ensuring proper earthing of poles, covering of lines passing through public areas with insulated conductors, and conducting regular lopping and chopping of vegetation near overhead lines, particularly in forest areas and ensure regular maintenance of its assets, to prevent future incidents.** The Petitioner, in future, should also ensure that no HT works are charged without obtaining clearance from the EI, failing which the expenses in the form of compensation of this nature will continue to be disallowed by the Commission.

The Commission further observed that UPCL has included an amount of Rs. 1.93 Crore towards penalty & other debits as part of its claim and Rs. 4.54 Crore towards bad and doubtful debts. The Commission has, accordingly, excluded the amount of Rs. 5.85 Crore, comprising of Rs. 0.55 towards compensation of deaths, injuries and damage to staff and outsiders, Rs. 0.20 Crore towards penalty, Rs. 0.56 Crore towards compensation payable to consumers & other amounts and Rs. 4.54 Crore towards bad and doubtful debts, from the actual A&G Expenses.

The Commission had approved the trued-up normative gross A&G expenses of Rs. 35.31 Crore for FY 2023-24. Considering the same as the base and in accordance with the UERC Tariff Regulations, 2021, the Commission has computed the normative A&G expenses for FY 2024-25. The Commission had considered WPI inflation as 7.23% which is the average of WPI Inflation for the three years preceding FY 2024-25. The Commission has computed the capitalisation of expenses in the same proportion of actual capitalisation of expenses to the actual gross A&G expenses excluding provision, penalty paid & licence fees.

The normative A&G expense including licence fees and provisions approved by the Commission for FY 2024-25 is as shown in the Table below:

Table 3.21: Normative A&G expenses approved for FY 2024-25 (Rs. Crore)

Particulars	Allowable
A&Gn-1	35.31
WPIinflation	7.23%
Gross A&G expenses	37.86
Capitalisation rate	21.42%
Less: A&G expenses capitalised	8.11
Net A&G expenses	**29.75**
Provision & License fee	39.83
A&Gn = A&Gn-1 x (1+WPIinflation) + Provision	**69.58**

The A&G expense claimed and approved by the Commission for truing up including licence fees and provisions approved by the Commission for FY 2024-25 is as shown in the Table below:

Table 3.22: Approved A&G expenses for FY 2024-25 (Rs. Crore)

Particulars	Approved in the Tariff Order	Actual as per Audited Accounts	Actual for sharing	Normative	
				Claimed by UPCL	Approved
A&G expenses	62.43	106.57	100.72	72.63	69.58

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

Table 3.23: Approved O&M Expenses for FY 2024-25 (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	426.29	474.47	461.97	426.49	439.32
2.	R&M expenses	303.08	468.37	468.37	334.17	315.77
3.	A&G expenses	62.43	106.57	100.72	72.63	69.58
Total		**791.80**	**1049.41**	**1031.06**	**833.29**	**824.67**

The normative O&M expenses approved by the Commission in the Tariff Order are lower in comparison to the normative O&M expenses approved in the True up mainly on account of variation in GFA, capitalization rate and CPI Inflation.

It is to be noted 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, 2021 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.

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, 2025 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 held 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 Government of Uttarakhand vide its Notification dated March 08, 2022 sanctioned the Scheme for division of assets and liabilities executed between Uttar Pradesh Power Corporation Ltd. and Uttarakhand Power Corporation Ltd. on October 12, 2003. The aforesaid Notification further stated that GFA amounting to Rs. 1058.18 Crore is included in the notified Scheme. The Commission has taken note of the Notification and observed that the Petitioner has not filed any consequential claims on this account in the tariff Petition, however, the Petitioner has increased the opening GFA value after considering the impact of aforesaid notification. As the Petitioner has not sought any consequential impact of the notification, therefore, the Commission in the current tariff proceedings has not considered the same. The Commission, in the previous Orders, has been directing the Petitioner to finalise the claim on account of transfer scheme and submit the same for the consideration of the Commission, however, the Petitioner has failed to do so. The Commission, giving one final opportunity to the **Petitioner, directs it to claim the same in the next tariff filing failing which this claim shall not be allowed by the Commission as the matter cannot be left lingering on till perpetuity.**

3.2.2 *Capitalisation (FY 2016-17 to FY 2023-24)*

The Commission vide its previous Orders has already carried out the truing up till FY 2023-24. The year wise GFA addition allowed by the Commission till FY 2023-24 is as shown below:

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

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Opening Balance	3980.56	4218.85	4616.40	5554.13	5867.65	6665.08	8087.71	8738.34
Net additions	238.29	397.55	937.73	313.52	797.44	1422.63	650.63	485.04
Closing Balance	4218.85	4616.40	5554.13	5867.65	6665.08	8087.71	8738.34	9223.38

The Commission vide its Tariff Order dated 11.04.2025 directed the Petitioner to submit the Electrical Inspector clearance for HT works which were disallowed in FY 2023-24. The relevant extract of the same is as below:

"For FY 2023-24, the Petitioner did not submit the details of Rs. 316.91 Crore in the prescribed format as per the direction of the Commission.

Furthermore, while granting investment approvals to various projects carried out by the Petitioner, the Commission has time and again been directing the Petitioner to submit the completed cost and financing of the works after completion of the project alongwith various documents/information listed out in the Orders. However, the Petitioner has been found wanting in ensuring compliance of the same failing which prudence check of the costs is not possible. ***The Petitioner is directed to ensure strict regulatory compliances failing which any such capitalisation will not be allowed by the Commission in future years****.*

In view of the decision taken above, the Commission has continued with its approach and allowed the impact of capitalization in the truing up for FY 2023-24 for which details have been submitted."

The Commission in the Tariff Order dated 11.04.2025, while carrying out the true up for FY 2023-24, noted that the pending EI certificates for FY 2023-24 stands at Rs. 316.91 Crore. The Commission while carrying out the true up of FY 2023-24 did not allow any capitalization for HT works in the absence of information from the Petitioner. The Petitioner, as against the same, during the current tariff proceedings submitted the EI certificate for HT works amounting to Rs. 90.04 Crore and details of LT works amounting to Rs. 226.87 Crore for FY 2023-24, as per the format specified by the Commission, totalling to Rs. 316.91 Crore.

Further, the Commission in the Tariff Order dated 28.03.2024, in view of the repeated anomalies in the EI certificates submitted by the Petitioner in the past years, opined that the assets shall be capitalised in the year in which the last of the following activity is completed:

a. Date of Inspection Certificate certifying satisfactory work.

b. Date of submission of fees for Inspection.

c. Date of Capitalisation in the books of account.

Based on the above, out of the total amount of Rs. 90.04 Crore pertaining to HT works, the amount to be capitalized in FY 2023-24 worked out to Rs. 18.84 Crore only, and balance amount of Rs. 71.19 Crore has been considered as part of capitalization in FY 2024-25. Further, the LT works amounting to Rs. 226.87 Crore have been considered in FY 2023-24 itself.

Further, the Commission in Order dated 11.04.2025 has allowed Rs. 0.01 Crore capitalisation pertaining to FY 2022-23 and Rs. 170.25 Crore pertaining to FY 2023-24 in the FY 2024-25. The same has now been considered in the Capitalisation of FY 2024-25 with the same funding ratio as approved in the truing up of the respective FY, i.e. FY 2022-23 and FY 2023-24.

The Petitioner, in the current tariff proceedings has submitted that the Commission, in its previous Orders for the True-up of FY 2016-17 to FY 2023-24, had disallowed a portion of the capitalization claimed by the Petitioner in the respective years' True-up petitions. The Petitioner submitted that such disallowances were primarily on account of the non-availability of Electrical Inspector Certificates for the assets capitalized during the respective years. Accordingly, the corresponding Gross Fixed Assets related to such capitalization were not approved by the Commission at that time and were subsequently approved in later petitions upon submission of the requisite EI certificates by the Petitioner.

The Petitioner further submitted that although the Commission has considered the impact of such capitalization in the subsequent year(s) when the EI certificates were produced and has allowed the corresponding expenses in accordance with the provisions of the Tariff Regulations, the financial impact pertaining to the year in which the capitalization was originally claimed was not allowed in full. The Petitioner submitted that this has resulted in under-recovery under various ARR parameters for the respective years. Therefore, the Petitioner has claimed the impact of such disallowances based on the True-up for each of the FY 2016-17 to FY 2023-24 along with carrying cost and has resubmitted the revised True-up claim considering that the EI Certificate for all the assets capitalized during FY 2016-17 to FY 2023-24 have now been submitted before the Commission.

The Commission vide its Tariff Order dated 28.03.2024 had directed the Petitioner to rectify the anomalies in the EI certificate provided for FY 2016-17 to FY 2021-22 and submit the details as per the format specified by the Commission. The relevant extract of the same is as below:

"Further, due to incomplete and erroneous submission of EI certifcates since FY 2016-17, the Commission has not been able to carry out the final truing up of the past two control periods. The Commission, time and again has been providing opportunity to the Petitioner to submit the pending EI certificates complete in all respect, however, the Petitioner, even after multiple opportunities has failed to rectify the issues. The callous attitude with which the Petitioner is being working is quite evident from the replies submitted above, wherein frivolous reasons are being submitted as an excuse to justify submission of incomplete and unauthenticated data. ***The Commission is of the view that it cannot allow the Petitioner to continue with the current approach and, therefore, directs the Petitioner to submit the pending EI certificates properly tagged and indexed in the format provided by the Commission within six months from the date of this Order failing which the Commission may not allow these assets to be capitalised in the previous years and any such capitalisation, if allowed may be allowed prospectively after the date of submissions of such EI certificates****.*

Further, while making such submissions in future, the Petitioner is directed to recategorise the asset capitalisation as per the following:

The assets shall be capitalised in the year in which the last of the following activity is completed.

a. Date of Inspection Certifcate certifying satisfactory work.

b. Date of submission of fees for Inspection.

c. Date of Capitalisation in the books of account.

In this regard, the Commission will also like to direct the Director (Finance) of the Petitioner Company to prepare a policy and ensure that no HT works are capitalized in the books of accounts, unless all activities related to EI certification is completed, failing which he shall be personally held responsible for the non-compliance of the Commission's directions."

(Emphasis Added)

After going through the submission made by the Petitioner, it is observed that the Petitioner has submitted the requisite details from FY 2016-17 to FY 2023-24 as per the format prescribed by the Commission vide its Order dated 28.03.2024.

As per the approach specified in the Order dated 28.03.2024, the Commission has reworked the yearly capitalization from FY 2016-17 to FY 2023-24. Accordingly, the capitalization of HT works considered by the Commission for the respective FY, is summarized in the Table given below:

Table 3.25: Capitalisation from FY 2016-17 to FY 2023-24 (Rs. Crore)

Capitalization of FY	FY in which the same has been considered							
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
2016-17	177.56	55.48	-	-	-	-	-	-
2017-18	-	105.41	124.99	-	-	-	-	-
2018-19	-	-	291.02	224.04	-	-	-	-
2019-20	-	-	-	146.87	130.77	-	-	-
2020-21	-	-	-	-	189.91	163.17	1.86	-
2021-22	-	-	-	-	-	577.10	128.03	19.98
2022-23							203.21	167.47
2023-24								57.22
Total	**177.56**	**160.88**	**416.01**	**370.90**	**320.68**	**740.28**	**333.10**	**244.68**

Based on the above spread of capitalisation of HT Works along with approved LT and other works, the Commission has revised the Opening GFA and net additions from FY 2016-17 to FY 2023-24 as follows:

Table 3.26: Revised Opening GFA and Net Capitalisation from FY 2016-17 to FY 2023-24 (Rs. Crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Opening GFA	**3980.56**	**4163.37**	**4491.40**	**5330.09**	**5736.87**	**6500.05**	**7946.08**	**8725.28**
Addition HT Works	177.56	160.88	416.01	370.90	320.68	740.28	333.10	244.68
Addition LT & Others	88.96	234.74	494.84	146.79	511.65	789.40	542.74	539.95
De-capitalisation	83.70	67.59	72.17	110.91	69.15	83.64	96.63	40.81
Net Capitalisation	**182.81**	**328.03**	**838.69**	**406.78**	**763.18**	**1446.03**	**779.21**	**743.82**
Closing GFA	**4163.37**	**4491.40**	**5330.09**	**5736.87**	**6500.05**	**7946.08**	**8725.28**	**9469.10**

3.2.3 *Impact of submission of EI Certificates for the Period FY 2016-17 to FY 2023-24:*

As discussed above, the Commission has revised the Opening GFA and yearly capitalisation along with its funding.

Based on the revised capitalisation and revised funding, the ARR allowed in the true up from FY 2016-17 to FY 2023-24 vis-à-vis revised ARR as per revised GFA and net capitalisation is as follows:

Table 3.27: Element-wise ARR component approved in the truing up of FY 2016-17 to FY 2023-24 (Rs. Crore)

Particulars	RoE	IoL	Depreciation	IoWC	R&M Expenses	Total
FY 2016-17	66.45	51.98	118.86	9.02	108.23	354.54
FY 2017-18	71.48	56.57	123.82	10.84	110.08	372.79
FY 2018-19	85.76	59.40	138.82	13.67	121.90	419.55
FY 2019-20	99.74	55.24	157.63	21.39	162.43	496.43
FY 2020-21	114.53	68.32	180.51	12.78	185.1	561.24
FY 2021-22	138.76	86.91	202.76	91.01	207.31	726.75
FY 2022-23	166.58	87.70	220.69	75.01	260.36	810.34
FY 2023-24	189.45	80.97	154.86	99.78	293.64	818.70
Total						**4560.34**

Table 3.28: Revised Element-wise ARR component for truing up of FY 2016-17 to FY 2023-24 approved now (Rs. Crore)

Particulars	RoE	IoL	Depreciation	IoWC	R&M Expenses	Total
FY 2016-17	66.45	51.98	118.86	9.02	108.23	354.53
FY 2017-18	72.92	58.74	125.33	10.84	111.16	379.00
FY 2018-19	83.88	56.89	136.84	13.67	120.32	411.60
FY 2019-20	101.86	62.11	162.18	21.51	168.17	515.83
FY 2020-21	111.06	64.17	176.37	12.78	180.97	545.35
FY 2021-22	135.26	83.50	198.94	90.94	203.97	712.61
FY 2022-23	167.21	110.72	221.34	75.05	260.64	834.97
FY 2023-24	189.18	98.61	154.68	99.77	293.20	835.44
Total						**4589.32**

In accordance with the above, the impact of pending EI Certificate for FY 2016-17 to FY 2023-24 is Rs. 28.98 Crore as against Rs. 210.83 Crore claimed by the Petitioner.

With regard to carrying cost amounting to Rs. 107.65 Crore claimed by the Petitioner, the Commission in the previous Orders has already held that the delay in furnishing proper clearances of the Electrical Inspector is on account of the inefficiency of the Petitioner and no carrying cost shall be allowed on the recoverable amount. Accordingly, the Commission has considered Rs. 28.98 Crore in the ARR for FY 2026-27 without any carrying cost towards the impact of pending EI certificates from FY 2016-17 to FY 2023-24.

3.2.4 *Capitalisation in FY 2024-25*

With regard to FY 2024-25, the Petitioner has claimed gross capitalisation amounting to Rs. 996.65 Crore, comprising of Plant and Machinery & Lines etc. amounting to Rs. 960.57 Crore and other miscellaneous assets amounting to Rs. 36.08 Crore. The Petitioner has also decapitalised assets amounting to Rs. 20.16 Crore in FY 2024-25.

The Commission vide its letter no. UERC/TF-814/2025-26/2026/1555 dated 12.01.2026 directed the Petitioner to provide justification for the observation made in the Audit Report under "Basis for Qualified Opinion" regarding de-commissioned fixed assets shown as damaged items. The Petitioner vide letter no. 457/UPCL/RM/B-29 dated 23.01.2026 and further submissions has provided the list of such items amounting to Rs. 66.61 Crore. The Petitioner further submitted that these damaged items have not been included in the decapitalization in FY 2024-25. In this regard, the Commission is of the view that as these damaged items have been decommissioned by the Petitioner, the same should not be considered as part of gross block for the purposes of allowing Depreciation, Interest on loan and RoE. The Commission has, accordingly, considered the additional decapitalization amounting to Rs. 66.61 Crore in FY 2024-25. Accordingly, the decapitalised assets for FY 2024–25 works out to Rs. 86.78 Crore.

The Petitioner during the tariff proceedings submitted the EI Certificates and the details of HT/LT & other works amounting to Rs. 702.88 Crore for FY 2024-25, out of which the amount pertaining to HT works is Rs. 362.03 Crore and the amount of Rs. 304.78 Crore pertains to LT works and balance amount of Rs. 36.08 Crore pertains to other works. The Commission has considered an amount of Rs. 304.78 towards the capitalization related to LT works in FY 2024-25. Further, based on the approach discussed in the preceding Paras, i.e. allowing the HT related works based on the date of capitalisation, or date of inspection or date of deposit of fees for inspection, whichever is later, an amount of Rs. 236.55 Crore has been considered towards the capitalisation related to HT works in FY 2024-25. The balance amount of Rs. 125.47 Crore related to HT works have been considered in FY 2025-26. Further, an amount of Rs. 36.08 Crore has been considered towards other assets such as furniture and fixtures etc., that do not require EI certificates, in FY 2024-25.

Accordingly, the Commission has allowed an amount of Rs. 490.63 Crore towards the net capitalization pertaining to FY 2024-25. Further, as discussed in the preceding paras, an additional amount of Rs. 241.45 Crore has been allowed in FY 2024-25 towards capitalization related to FY 2022-23 and FY 2023-24, spilled over in FY 2024-25.

The Commission has, accordingly, approved the Opening GFA and net additions for FY 2024-25 as follows:

Table 3.29: Assets base approved by the Commission for FY 2024-25 (Rs. Crore)

Particulars	Amount
Opening Balance	**9469.10**
Net additions	732.08
Closing Balance	**10201.19**

The Commission would like to state here that, while granting investment approvals to various projects carried out by the Petitioner, the Commission has time and again been directing the Petitioner to submit the completed cost and financing of the works after completion of the project alongwith various documents/information listed out in the Orders. However, the Petitioner has been found wanting in ensuring compliance of the same failing which prudence check of the costs is not possible. Moreover, the actual capitalization against the works approved is submitted before the Commission during the true-up exercise. Moreover, the Petitioner submits such capitalisation details through multiple submissions during the tariff proceedings which makes timely analysis of the same difficult.

Accordingly, the Commission directs UPCL to maintain proper and updated records of capital expenditure for the respective financial year, clearly segregating the same into the approved vis-à-vis actual expenditure. The Commission may, at any stage, call for such records for detailed scrutiny of the respective expenditures. The Petitioner is directed to ensure strict regulatory compliances failing which any such capitalisation will not be allowed by the Commission in future years. In this regard, it would also be relevant to point out that the Petitioner made submissions of the capitalisation details for FY 2024-25 through multiple submissions during the current tariff proceedings. It is difficult to comprehend that once the assets have been capitsalised in the accounts and audit for the same has been completed, then why the same cannot be submitted alongwith the Tariff Petition. This raises an aspersion on the quality of filing of the Petitioner. **Hence, the Petitioner is also directed to submit all necessary details of the assets including EI clearance certificates alongwith the truing up Petition or latest before the conclusions of Public hearings from the next truing up proceedings failing which the Commission shall be constrained to consider only those submissions which have made before the conclusion of the hearings.**

3.2.5 *Financing of Capital Cost*

3.2.5.1 Truing Up of Capital Related Expenses for FY 2024-25

The Petitioner has claimed net GFA addition of Rs. 976.49 Crore for FY 2024-25. The means of finance submitted by the Petitioner in its Petition is as shown in the Table below:

Table 3.30: Means of Finance for FY 2024-25 as submitted by the Petitioner (Rs. Crore)

<table>
<tr><th>Particulars</th><th>Amount</th></tr>
<tr><td>Loan</td><td>519.42</td></tr>
<tr><td>Deposit Works</td><td rowspan="2">234.46</td></tr>
<tr><td>Grant</td></tr>
<tr><td>Internal resources</td><td>222.61</td></tr>
<tr><td>Total</td><td>976.49</td></tr>
</table>

As discussed above, the Commission has approved net additional capitalisation of Rs. 490.63 Crore incurred during FY 2024-25, balance capitalisation of FY 2022-23 amounting to Rs. 0.01 Crore in FY 2024-25 (with the same funding ratio as approved in the truing up of FY 2022-23), and balance capitalisation of FY 2023-24 amounting to Rs. 241.44 Crore in FY 2024-25 (with the same funding ratio as approved in the truing up of FY 2023-24). Accordingly, the means of finance as approved by the Commission is shown in the Table below:

Table 3.31: Means of Finance approved by the Commission for FY 2024-25 (Rs. Crore)

Particulars	Amount
Loan	376.59
Grant/Deposit Works	194.10
Equity	161.39
Total	**732.08**

As the issue of pending capitalisation from FY 2016-17 to FY 2023-24 has now been closed in the current tariff proceedings, the Commission examined the issue of difference observed in the value of Loan/Grant & Equity as claimed by the Petitioner and as approved by the Commission as on 01.04.2024.

The Commission while carrying out true-up for FY 2021-22 observed that UPCL has considered opening grants of Rs. 2094.86 Crore towards opening GFA of Rs. 6665.10 Crore for FY 2021-22 as against the trued-up value of Rs. 2854.17 Crore towards opening GFA of Rs. 6606.71 Crore approved in MYT Order dated March 31, 2022. The Commission, accordingly, sought explanation from UPCL on the variation in the opening grants considered by it, and UPCL in its reply submitted that there is a great difficulty in identifying the assets created out of grants and consumer contribution and corresponding depreciation to be charged as well as writing back of the same (in case of scrap) at the time of dismantling of such assets. The relevant extract of the Order dated 30.03.2023 is reproduced hereunder:

"The Commission observed that UPCL has considered opening grants of Rs. 2094.86 Crore towards opening GFA of Rs. 6665.10 Crore for FY 2021-22 as against the trued-up value of Rs. 2854.17 Crore towards opening GFA of Rs. 6606.71 Crore approved in MYT Order dated March 31, 2022. The Commission, accordingly, sought explanation from UPCL on the variation in the opening grants considered by it. UPCL vide its reply dated February 06, 2023 submitted that there is a great difficulty in identifying the assets created out of grants and consumer contribution and corresponding depreciation to be charged as well as writing back of the same (in case of scrap) at the time of dismantling of such assets. UPCL submitted that the same has also been covered in the Capitalization Policy of UPCL approved by the Commission, wherein it has been mentioned that the linking of receipts

of capital grant, consumer contribution and subsidy to the creation of fixed assets and charging depreciation/ writing back proportionate amount is practically not possible. UPCL submitted that this has resulted in variance in the balance of the GFA as submitted in the past (Rs. 2,605 Crore) and the balance as submitted in the latest response as per Audited Accounts (Rs. 2,094.85 Crore). UPCL further submitted that the exercise of identification of such assets along with their source of funding and their corresponding depreciation, has already been assigned on 31.10.2021 initially for 4 months and is still being carried out by M/s K.G. Somani & Co., LLP, Chartered Accountants due to the arduous nature of the task. UPCL, accordingly, requested the Commission to currently consider the value of Grants as per the Audited Accounts.

The Commission has gone through the submissions of the Petitioner and observes that the Commission has been approving the funding of Assets, since the creation of UPCL, based on actuals funding submitted by the Petitioner based on the audited accounts and after carrying out due prudence check and truing up till FY 2020-21 has been carried out based on the same. The submission made by UPCL in the current tariff proceedings raises serious concern on the quality of information being supplied by UPCL in support of its claims. The Commission, therefore, do not find any merit for such re-instatement of funding as no material explanation has been provided by UPCL. The Commission has, therefore, considered the amount of grant as approved by it in its MYT Order dated March 31, 2022. The Petitioner is directed to reconcile the funding and submit the reasons for deviations within six months from the date of this Order."

Further, the Commission once again while carrying out the true-up for FY 2022-23 and FY 2023-24 observed that the Petitioner could not offer any plausible justification for the variation in the amounts of Grant. Moreover, during the true-up proceedings for FY 2023-24, the Petitioner itself submitted that as per the directions of the Commission the exercise of identification of such assets along with their source of funding and their corresponding depreciation, had already been assigned to M/s K.G. Somani & Co., LLP, Chartered Accountants, however, the identification of source of funding could not be done by the Firm. UPCL, accordingly, requested the Commission to currently consider the value of Grants as per the Audited Accounts. The relevant extract of Order dated 11.04.2025 is reproduced hereunder:

"The Petitioner in the current tariff proceedings has continued with its earlier values of grant and has further submitted that as per the directions of the Commission the exercise of identification of such assets along with their source of funding and their corresponding depreciation, had already been

assigned to M/s K.G. Somani & Co., LLP, Chartered Accountants, however, the identification of source of funding could not be done by the Firm. ***UPCL, accordingly, requested the Commission to currently consider the value of Grants as per the Audited Accounts.***

The Commission has gone through the submissions of the Petitioner and observes that the Commission has been approving the funding of Assets, since the creation of UPCL, based on actuals funding submitted by the Petitioner based on the audited accounts and after carrying out due prudence check, and truing up till FY 2022-23 has been carried out based on the same. The submission made by UPCL raises serious concern on the quality of information being supplied by UPCL in support of its claims. The Commission, therefore, does not find any merit for such reinstatement of funding as no material explanation has been provided by UPCL. The Commission has, therefore, considered the amount of grant as approved by it in its Order dated March 28, 2024."

The Commission, accordingly, considering the fact that UPCL itself has failed to reconcile the difference, decided to consider the value of Grants and Equity as per the audited accounts. To analyse the same, the Commission examined the audited accounts of the Petitioner from FY 2001-02 to FY 2023-24 and observed that as per the audited accounts of the respective financial year, UPCL has received a total grant of Rs. 6060.04 Crore from FY 2001-02 to FY 2023-24. Similarly, equity addition from FY 2001-02 to FY 2023-24 was of Rs. 1569.91 Crore. The Commission observed that equity as per the accounts included the amounts converted from current liabilities/loan to equity, which are summarised in the Table given below:

Table 3.32: Amount of Current liabilities/loan converted to Equity

FY	Particulars	Amount (Rs. Crore)
2009-10	CPSU liability converted to equity.	572.00
2013-14	Govt Loans under District Plan/State Plan and ED converted to equity.	368.11
	UPCL liability for free power converted to equity	15.00
2016-17	GoUP Loan converted to equity.	141.04
	District Plan Loan converted to equity.	10.09
Total		**1106.24**

The Commission vide letter no. UERC/TF-814/2025-26/2026/1692 dated 04.02.2026 directed the Petitioner to provide the yearly reconciliation of the amount of Loan, Grant and Equity addition as appearing in the audited accounts, as claimed in the Petition, and that approved by the Commission respectively from FY 2001-02 to FY 2024-25, along with proper justification for the variation observed. The Petitioner, however, failed to provide the required reconciliation or adequate justification for the variation observed in the claimed grant and equity vis-à-vis audited accounts. The Commission further, to provide one final opportunity to the Petitioner, asked UPCL to submit the reconciliation as per the audited accounts, however, UPCL expressed its inability to do the same and sought additional 4 months' time to work out the difference. This raises doubt on the seriousness on the part of the Petitioner to justify its claims. Besides, on one hand UPCL, under affidavit, is claiming truing up as per the audited accounts, on the other it is claiming inflated equity and loans to protect the tariffs.

In the absence of any substantial justification and reconciliation from the Petitioner, the Commission is constrained to consider, the Opening Grant as Rs. 6060.04 Crore, Opening Equity as Rs. 463.67 Crore (excluding the amount of Rs. 1106.24 Crore on account of liability & loan converted to equity, as appearing in the audited accounts, from total equity addition of Rs. 1569.91 Crore till FY 2023-24) and the balance amount has been considered as Opening Loan as on 01.04.2024 for the purpose of truing up for FY 2024-25. Since, servicing of loan (as per Table 3.32) once allowed would have been carried out as per the Regulations and, hence, it would not be proper that for the same asset, loan as well as equity is allowed. Further, on the date of commissioning of the asset there were only loan or current liabilities (as per Table 3.32) which were subsequently converted to equity and the Regulations clearly specify the quantum of loan and the nature of equity to be considered on the date of commissioning of the asset. Hence, the Commission has allowed only the equity share capital infused by the State Government as equity eligible for return purposes. The Commission would also like to mention that this is a provisional adjustment prospectively from FY 2024-25, and the final adjustment of the same, including past period, as per audited accounts shall be carried out once the impact of transfer scheme is brought before the Commission for consideration.

The Commission further notes that on the specific information sought from the Petitioner regarding source of funding of the equity infused for Scheme and Non-Scheme Capitalization in FY 2024-25, the Petitioner submitted the means of finance for net addition in Fixed Assets during FY 2024-25 as follows:

Table 3.33: Means of financing for net additions in Fixed Assets during FY 2024-25 as submitted by the Petitioner

Particulars	Amount (Rs. in Cr.)
Grant/ Deposit	234.46
Loan	86.45
IR/ Equity*	655.58
TOTAL	**976.49**

** In the Petition equity addition has been restricted to 30% of the net add-cap (excluding grant/deposit works) as per the MYT Regulations.*

The Petitioner, further submitted the source of IR/ Equity as follows:

"Amount received from GoU towards equity and rest is majorly from withholding the payment towards government for state royalty power (i.e. free power), Water Tax and Cess & Royalty payable to Govt. (UJVNL)."

The Commission asked UPCL to provide justification as to why RoE should be allowed on the assets created out of the funds withheld towards the payment of Govt. dues, as the same does not entail actual infusion of RoE and is basically diversion of fund from one head to the other. In response to the same, the Petitioner submitted that UPCL requests GoU to provide the amount of equity against the running projects, however, due to non-receipt of equity from GoU, UPCL uses the amount of payables to GoU, for such projects to avoid the delay in the completion of projects and increased cost of the projects. UPCL further submitted that being a fully State Government owned Company, any dues of GoU on UPCL may be treated as Equity.

The Commission analyzed the submission made by UPCL in this regard and observed that there is clear cut diversion of funds by the Petitioner to fund the creation of assets by withholding the payments of GoU. The Commission has been pointing out this issue that UPCL is withholding the payments of GoU to fund its assets, in the past year's Tariff Orders. Further, the same was once again pointed out in the Tariff Order dated 11.04.2025, the relevant extract of which is reproduced hereunder:

"In this regard, the Commission would like to point out that Regulation 24 of MYT Regulations, 2024 lays down what all elements shall comprise of Equity, i.e. share capital, free reserves and any premium while issuing share capital. Accordingly, the Petitioner will have to demonstrate that equity claimed by it should fall under the equity as defined in the Regulations and only then the same would qualify to be eligible for return purposes. The Petitioner has formed a practice to withhold payments to the State Government and utilise the same for creation of assets. Infact during FY 2023-24, the Government liabilities has increased by Rs. 588 Crore to arrive at a closing balance of Rs. 4958.92 Crore as on 31.03.2024. This assertion is also validated by the Cash Flow Statements for FY 2023-24. Except for electricity duty, the dues payable to the State Government has been allowed as pass through in tariffs, and then utilising the same in creation of assets and then claiming RoE on the same would be double loading the consumers of the electricity. This practice will not be allowed during the Fifth Control Period."

Now in the current proceedings, the Petitioner has itself admitted the fact that the assets are being funded by withholding the payment towards government. The Commission takes serious note of the same and does not appreciate such an approach of UPCL of diverging the ARR allowed for a particular expense to be utilised for the other purposes. Had the Petitioner been efficient in utilizing its funds then such a situation would have never arisen. In this regard, Regulation is very clear about what is considered as equity at the time of commissioning of assets. UPCL has been continuing the practice of utilising the payables to GoU in creation of fixed assets in the absence of equity contribution from GoU. The cost of the same has been borne by the consumers of the State and they cannot be again asked be bear the burden of RoE on current liabilities deemed as equity by UPCL.

The Commission, accordingly, directs UPCL to ensure that the amounts approved under the respective heads of ARR are strictly utilised for their intended purposes and shall not be interchanged or diverted to meet expenses under other ARR heads. Any benefit derived by UPCL from withholding funds shall be passed on to the consumers through appropriate tariff adjustments at the time of the truing-up of the respective year.

The Commission is not carrying any adjustment with respect to the same in the present tariff proceedings, and the same shall be considered when the claim for impact of transfer scheme would be made by the Petitioner before the Commission for approval.

3.2.5.1.1 Interest and Finance Charges

The Petitioner has claimed Interest and Finance Charges of Rs. 168.00 Crore for FY 2024-25 against the amount of Rs. 153.05 Crore approved by the Commission in the Tariff Order dated March 28, 2024.

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

a) Government Guarantee fees has been considered as per audited accounts.

b) Interest on consumer security deposit has been claimed as per the actual interest paid during the year.

c) The Petitioner has considered interest on GPF as per the audited accounts.

d) Provision for interest on loans towards assets which shall be converted to grants after successful implementation of the works are excluded at present.

e) Other financial and bank charges have been considered after reducing the interest on overdraft / short term loans.

f) Rebate for online payment.

g) Actual interest accrued during the year has been claimed which is net off capitalisation.

The Petitioner, accordingly, claimed the Interest on loan capital as summarized in the Table given below:

Table 3.34: Interest expense on capital loans as submitted by the Petitioner for FY 2024-25 (Rs. Crore)

Particulars	As per Accounts
Net Interest Expenses as per Accounts	**340.67**
Less:	
Rebate for online payment of bills	58.87
Interest on GPF	8.27
Interest on Old REC Loans	-
Interest on Consumer Security Deposits	98.05
Guarantee Fee	-
Interest on Bank Short Term Loan/ Overdraft	87.39
Bank Charges & Other Commission	40.72
Net Interest Expense Claimed towards Capitalized Assets	**47.36**

Regulation 27 of the UERC Tariff Regulations, 2021 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 2024-25 considering the loan amount corresponding to the assets capitalised in the year based on the approved means of finance, and the interest rate of 10.07% computed on the basis of weighted average interest rate on the actual loan portfolio, i.e. opening loan as reduced by average repayment during the year.

The Petitioner has claimed interest on consumers' security deposits (CSD) for FY 2024-25 on cash basis as Rs. 79.91 Crore, and the Commission has approved the same.

The Petitioner further submitted the details of bank charges of Rs. 40.72 Crore, which includes Interest on Overdraft amount of Rs. 34.74 Crore and bank charges of Rs. 5.98 Crore. The Commission has allowed actual bank charges amounting to Rs. 5.98 Crore as the Interest on Overdraft is being considered separately under IWC.

The Commission has worked out the Interest and Finance Charges for FY 2024-25 considering the loan amounts corresponding to the assets capitalised in the year based on the approved mean of finance, as shown in the Table below:

Table 3.35: Interest and Finance Charges approved for FY 2024-25 (Rs. Crore)

Particulars	Tariff Order	Claimed by UPCL	Approved
Interest on Loan corresponding to assets capitalised	84.61	47.36	38.49
REC Old Loan	-	-	-
Interest on Normative Loans	-	-	-
Guarantee Fee	-	-	-
Financing Charges	1.37	40.72	5.98
Interest on Security Deposit	67.07	79.91	79.91
Net Interest and Finance Charges	**153.05**	**168.00**	**124.38**

3.2.5.1.2 Depreciation

The Petitioner submitted that the Commission has been allowing depreciation on opening GFA as the same was provided in the notes to accounts for the respective years. For FY 2024-25, the depreciation in the audited accounts as submitted by the Petitioner is Rs. 537.76 Crore. The Petitioner submitted that it has calculated depreciation on the Opening GFA for FY 2024-25 considering the depreciation rate of 3.22%. The Petitioner has, accordingly, claimed total depreciation of Rs. 209.86 Crore as against Rs. 252.95 Crore approved by the Commission in the Tariff Order for FY 2024-25.

The Commission observed that UPCL has considered opening grants of Rs. 3505.00 Crore towards opening GFA of Rs. 10021.04 Crore for FY 2024-25 as against the trued-up value of Rs. 6060.04 Crore towards opening GFA of Rs. 9469.10 Crore as approved in preceding paras of this Order, after restricting the amount of Grant and Equity as per the audited accounts of UPCL. The Commission sought explanation from UPCL on considering the opening GFA as Rs. 10021.04 Crore, in response to which UPCL vide its reply dated December 19, 2025, submitted that it has considered the impact of transfer scheme and all pending EI certificates while claiming GFA. With regard to grants, the Petitioner has revised its grant contribution in the Opening GFA for FY 2024-25. In this regard, as discussed above, in the previous tariff proceedings, the Petitioner has submitted that the identification of source of funding could not be done by the external Firm appointed for the purposes, and requested the Commission to currently consider the value of Grants as per the Audited Accounts.

The Commission has gone through the submissions of the Petitioner and observes that the Commission has been approving the funding of Assets, since the creation of UPCL, based on actuals funding submitted by the Petitioner as per the audited accounts and after carrying out due prudence check, and truing up till FY 2023-24 has been carried out based on the same. However, as stated in the preceding paras, the Commission after examining the audited accounts of the Petitioner from FY 2001-02 to FY 2023-24, observed that UPCL has received a total grant of Rs. 6060.04 Crore from FY 2001-02 to FY 2023-24. Accordingly, the Commission has considered the same as Opening Grant for FY 2024-25, as no justification and reconciliation was provided by UPCL for the variation observed in the grant as on 01.04.2024 as per audited accounts.

The Commission has allowed depreciation at a weighted average rate of 3.22% based on the audited balance sheet for FY 2024-25. 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.

The depreciation approved by the Commission for FY 2024-25 is as shown in the Table below:

Table 3.36: Depreciation approved for FY 2024-25 (Rs. Crore)

Particulars	Tariff Order	Claimed by UPCL	Approved
Opening GFA	9019.14	10,021.04	9469.10
Grants	4074.33	3,505.00	6060.04
Depreciable opening GFA	4944.82	6,516.04	3409.06
Net addition during the year	465.73	742.03	537.98
Closing GFA	5410.54	7,258.07	3947.05
Depreciation Rate	5.12%	3.22%	3.22%
Depreciation	**252.95**	**209.86**	**109.79**

3.2.6 *Interest on Working Capital (IoWC)*

The Petitioner submitted that it has computed interest on working capital as per the UERC Tariff Regulations 2021. The Petitioner has submitted that it has claimed normative IoWC of Rs. 181.40 Crore as per the amended Regulation 33 of the UERC Tariff Regulations, 2021.

The Petitioner in the Petition and through subsequent submissions, submitted that the actual interest on working capital/overdraft facility is Rs. 94.53 Crore comprising of interest on Bank OD of Rs. 34.74 Crore, Interest on Special Loans (REC) of Rs. 52.66 Crore and Interest on Special Loans (PFC) of Rs. 7.13 Crore. The Petitioner has also claimed sharing of gains on account of the same, excluding Interest on Special Loans (PFC) of Rs. 7.13 Crore.

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

Table 3.37: Interest on Working Capital Claimed by the Petitioner for FY 2024-25 (Rs. Crore)

Particulars	Amount
Operation and Maintenance Expenses (one month)	72.41
Maintenance Spares @ 15% of O&M Expenses	130.35
Receivables (2 months)	1904.61
Capital required to finance such shortfall in collection of current dues	97.14
Less: Power Purchase for 1 month	740.34
Net working capital	**1464.12**
Interest on working capital	**181.40**

Regulation 33 of the UERC Tariff Regulations, 2021 specifies as follows.

"33. Interest on Working Capital

Rate of interest on working capital shall be on normative basis and shall be equal to the weighted average of 'one year Marginal Cost of Funds based Lending Rate (MCLR)' as declared by the State Bank of India from time to time for the financial year in which the application for determination of tariff is made plus 350 basis points.

(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 the 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 in line with the above, has computed interest on working capital for FY 2024-25 as shown in the Table below:

Table 3.38: Interest on Working Capital as approved by the Commission for FY 2024-25 (Rs. Crore)

Particulars	Amount
Operation and Maintenance Expenses (one month)	68.72
Maintenance Spares @ 15% of O&M Expenses	123.70
Receivables (2 months)	1679.75
Capital required to finance such shortfall in collection of current dues	86.54
Less: Power Purchase for 1 month	723.68
Net working capital	1235.03
Interest on working capital	**149.07**

The Petitioner further submitted that the Petitioner has been availing overdraft facility from various banks which 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 further submitted that it considers the receipt of Delayed Payment Surcharge from the consumers in the year it is received but the funding cost for the same is not being approved by the Commission. The details of overdraft facility and interest expenses for FY 2024-25 as submitted by the Petitioner is as shown in the Table below:

Table 3.39: Interest on Overdraft availed by the Petitioner for FY 2024-25 (Rs. Crore)

Month	Overdraft availed at the end of the month (Rs. Cr.)	Interest on OD (Rs. Cr.)
April, 24	460.46	2.84
May, 24	518.52	3.36
June, 24	470.96	3.10
July, 24	372.60	3.01
Aug, 24	488.29	3.05
Sept, 24	374.05	2.81
Oct, 24	511.81	2.83
Nov, 24	360.55	2.90
Dec, 24	525.26	3.12
Jan, 25	402.30	3.13
Feb, 25	298.46	2.65
March, 25	159.88	1.93
Total		**34.74**

The Petitioner submitted that in addition to the overdraft facility, the Petitioner has availed special loan @ 9.50%, special term loan @ 9.75% and a PFC Special loan to meet the working capital requirement and liabilities for meeting power purchase. The Petitioner submitted that the total actual interest on working capital for FY 2024-25 is Rs. 94.53 Crore (Interest on OD of Rs. 34.74 Crore, interest on special loan of Rs. 12.74 Crore, interest on PFC special loan of Rs. 7.13 Crore and interest on special term loan of Rs. 39.92 Crore).

The Commission observes that the Petitioner for sharing the gain/loss on account of interest on working capital has considered the interest on loan of Rs. 87.39 Crore. It is further observed that the Overdraft facility was availed for the dual purpose of meeting power purchase and to fund the receivables. It is further observed that the collection efficiency of the Petitioner is very poor in the beginning months of the financial year resulting in increased requirement of OD. The Commission in the MYT Oder dated March 31, 2022 ruled as follows.

> *"The need of overdraft arises as UPCL does not meet the collection efficiency targets. In fact in the initial months of the financial year, Collection efficiency is found to be around 50%. Hence, due to inefficiencies of the field officers, the Petitioner Company is being loaded with the burden of LPS to generating companies and interest on overdrafts which ultimately passes on to the consumers. The Commission has taken a serious note of this and* ***directs UPCL to submit the month wise division wise details of collection of dues by the 15th of the next month and action may be taken against the Executive Engineer of those divisions whose collection efficiency is less than the approved collection efficiency."***

The Commission for FY 2024-25 also observed that the collection efficiency in the month of April 2024 was merely 43.48% as against the approved collection efficiency of 99.15%. The Commission is, therefore, of the view that such inefficiency on the part of the Petitioner cannot be passed on to the consumers and, therefore, there is a need to reinstate the OD requirement to fund only the shortfall in the receivables at approved collection efficiency of 99.15%. Moreover, the Commission has clarified in the SoR to the amended Regulations that while comparing the normative Interest on Working Capital against the actual cost of borrowing paid by the discom, the Commission shall reinstate the actual borrowing cost considering the actual working capital requirement at the level of approved collection efficiency and not on actual collection efficiency which is abysmal in the initial months.

The Commission, therefore, sought details of month wise revenue billed and collected to compute the monthly OD requirement and based on the monthly shortfall if any, interest on OD has been pro-rated to compute the actual monthly interest on OD and is as shown in the Table below:

Table 3.40: Interest on Overdraft Re-instated for FY 2024-25 (Rs. Crore)

Month	Revenue Billed (Rs. Cr.)	Revenue Collected (Rs. Cr.)	Collection Efficiency (%)	Revenue Shortfall (Rs. Cr.)	Overdraft availed at the end of the month (Rs. Cr.)	Interest on OD (Rs. Cr.)	Shortfall in collection @ 99.15% collection efficiency (Rs. Cr.)	Interest pro-Rated to actual shortfall (Rs. Crore)
Apr-24	801.60	348.56	43.48%	453.04	460.46	2.84	6.81	0.04
May-24	908.02	767.72	84.55%	140.30	518.52	3.36	7.72	0.05
Jun-24	1,050.74	890.57	84.76%	160.18	470.96	3.10	8.93	0.06
Jul-24	1,051.69	971.91	92.41%	79.78	372.60	3.01	8.94	0.07
Aug-24	972.41	902.61	92.82%	69.79	488.29	3.05	8.27	0.05
Sep-24	884.48	826.89	93.49%	57.59	374.05	2.81	7.52	0.06
Oct-24	908.19	855.16	94.16%	53.03	511.81	2.83	7.72	0.04
Nov-24	815.93	793.41	97.24%	22.53	360.55	2.90	6.94	0.06
Dec-24	770.26	737.45	95.74%	32.81	525.26	3.12	6.55	0.04
Jan-25	855.14	846.92	99.04%	8.23	402.30	3.13	7.27	0.06
Feb-25	888.21	899.83	101.31%	-11.62	298.46	2.65	-	-
Mar-25	916.57	1,383.72	150.97%	-467.16	159.88	1.93	-	-
Total	**10823.25**	**10224.75**	**94.47%**	**598.51**	**-**	**34.74**	**-**	**0.53**

Therefore, for the current proceedings, the re-stated interest of Rs. 0.53 Crore along with actual interest on loan corresponding to the special loan of Rs. 59.79 Crore, which works out to Rs. 60.32 Crore has been considered for sharing of IoWC in accordance with UERC MYT Regulations, 2021 as amended from time to time.

3.2.7 *Return on Equity*

The Petitioner submitted that it has computed Return on Equity (RoE) for FY 2024-25 considering the opening equity of Rs. 1529.29 Crore and the rate of RoE of 16.50%.

The Commission has considered the opening equity of Rs. 463.67 Crore as mentioned in preceding paras of this Order as the opening equity for FY 2024-25. 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 2024-25 is as shown in the Table below:

Table 3.41: Return on Equity approved by the Commission for FY 2024-25 (Rs. Crore)

Particulars	Approved in the Tariff Order	Claimed by UPCL	Approved
Return on Equity	197.80	252.33	76.51

3.2.8 *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. 338.69 Crore.

The Petitioner submitted that it has considered the wheeling charges, cross subsidy surcharge and additional surcharge as part of non-tariff income and has excluded the same from revenue from sale of power.

The Petitioner with regard to Rebate earned has submitted that the same has not been considered as part of NTI as it is to be considered for sharing of gains/losses as per the first amendment to UERC Tariff Regulations, 2021. The Commission agrees with the submissions made by the Petitioner and has not considered the Rebate earned as part of NTI.

The Petitioner has further considered an amount of Rs. 112.84 Crore collected as Delayed Payment Surcharge as part of non-tariff income.

The Commission also observed that UPCL has again not considered DPS amount that was to be recovered from Government consumers. The Commission during the Technical Validation Session sought explanation from the Petitioner for not recovering the same. The Petitioner, vide its reply dated February 18, 2026, submitted that total DPS levied on Government category consumers in FY 2024-25 amounts to Rs. 44 Crore.

The Commission has gone through the submissions of the Petitioner and observes that the Petitioner and GoU have come to an internal agreement on the applicability of DPS which is not as per the UERC Tariff Regulations, 2021. The Commission has been allowing UPCL all the costs that is to be paid to the Government, however, UPCL due to its inefficiencies and also imprudent financial management has either not been able to collect its dues from the consumers or is utilising the said amount in creation of fixed assets which can very well be ascertained from the fact that every year UPCL is claiming assets to be created out of its equity/internal resources when it is having negative net worth and is claiming RoE on the same. Hence, the entire burden of this inefficient practice cannot be loaded on to the consumers. The Commission, accordingly, is of the view that both the Petitioner as well as the Commission are bound by the provisions of UERC Tariff Regulations, 2021, and the Regulation is not subject to any such agreements which may be agreed between the Petitioner and its consumers. Therefore, any impact arising out of such agreement is to the account of the Petitioner.

In view of the above, the Commission has computed the DPS on Government Consumers on monthly basis based on the data submitted in the commercial diary of FY 2024-25. The computation of the same is as follows:

Table 3.42: Month-wise DPS for FY 2024-25 (Rs. Crore)

Particulars	Opening Balance	Amount Billed	Amount Received	Closing Balance	Average	DPS @ 1.25%
Apr-24	705.57	46.90	1.38	751.09	728.33	9.10
May-24	751.09	53.82	1.45	803.47	777.28	9.72
Jun-24	803.47	56.69	4.70	855.46	829.46	10.37
Jul-24	855.46	57.48	16.12	896.81	876.14	10.95
Aug-24	896.81	62.34	30.98	928.17	912.49	11.41
Sep-24	928.17	39.88	19.91	948.14	938.16	11.73
Oct-24	948.14	66.34	36.04	978.44	963.29	12.04
Nov-24	978.44	50.79	12.99	1,016.25	997.35	12.47
Dec-24	1,016.25	42.55	5.43	1,053.37	1,034.81	12.94
Jan-25	1,053.37	56.43	55.17	1,054.64	1,054.01	13.18
Feb-25	1,054.64	59.29	30.30	1,083.63	1,069.13	13.36
Mar-25	1,083.63	85.62	131.76	1,037.49	1,060.56	13.26
Total						**140.51**

Accordingly, the amount for FY 2024-25 has been worked out based on the amount billed and received from the Government Consumers on monthly basis, therefore, the Commission has considered Rs. 140.51 Crore as the amount of DPS on receivable from Government consumers as part of NTI for FY 2024-25.

Accordingly, the non-tariff income claimed by the Petitioner and that approved by the Commission for the purpose of truing up for FY 2024-25 is as given in the Table below:

Table 3.43: Non-tariff Income approved by the Commission for FY 2024-25 (Rs. Crore)

Particulars	Approved in the Tariff Order	Claimed by UPCL	Approved
Non-tariff income	374.86	338.69	479.20

3.3 Tariff Revenue

The Petitioner submitted the revenue at existing tariff as Rs. 10078.47 Crore as against the revenue of Rs. 10763.68 Crore, approved by the Commission for FY 2024-25 in the Tariff Order for FY 2024-25.

The Petitioner submitted that after making significant improvements, the actual distribution loss is 13.69% for FY 2024-25 as against the baseline value of 13.00% approved by the Commission for FY 2024-25. The Petitioner further submitted the loss to be passed on, which is as shown in the Table below:

Table 3.44: Claimed Additional Revenue from Sale for FY 2024-25 (Rs. Crore)

S. No.	Particulars	Actuals
1.	Actual Sales (MU)	14838.22
2.	Actual Distribution Loss Level (%)	13.69%
3.	Actual Energy Input at T-D Interface (MU)	17192.26
4.	Sales at Actual Energy Input with 13.25% Loss (MU)	14914.28
5.	Loss of Sales (MU)	76.06
6.	Revenue at Existing Tariff (Rs. Crore)	10,078.47
7.	ABR (Rs./kWh)	6.79
8.	Loss of Revenue due to higher distribution losses (Rs. Crore)	**51.66**
9.	**Loss to be retained by the Petitioner (2/3 of 8) (Rs. Crore)**	**34.44**

The Petitioner has separately claimed sharing of the above loss to be allowed in FY 2024-25.

The Commission has considered the trued-up distribution loss for FY 2024-25 and has, accordingly, computed the loss of sales as 518.41 MU due to the commercial inefficiencies of UPCL.

The Commission in the past has been considering additional revenue due to substantial variation in the ABR of Departmental employees and other Domestic Consumers. However, from the Commercial Diary for FY 2024-25 it is observed that the ABR of Departmental employees is similar to the ABR of other Domestic consumers and, therefore, no adjustment has been carried out on account of the same.

In accordance with the earlier approach adopted by the Commission, rebate towards online payment of bills have been adjusted from the Revenue and, therefore, the same has been reduced while computing the gap/surplus for FY 2024-25.

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

Table 3.45: Approved Revenue from Sale of Power for FY 2024-25 (Rs. Crore)

Particulars	Amount
Actual Revenue as per books of accounts	10347.29
Less: Sale of Surplus Power	185.05
Less: Wheeling Charges	0.95
Less: CSS	11.45
Less: Additional Surcharge	12.51
Less: Rebate online payment of Bills	58.87
Total Revenue	**10078.47**

The Commission for the computation of ABR, to determine the additional revenue from sale due to inefficiency of the Petitioner in FY 2024-25, has considered the revenue as Rs. 10078.47 Crore as stated above.

Further, as discussed herein above, there is a loss of 518.41 MU on account of commercial inefficiencies of the Petitioner in failing to achieve the distribution loss target approved by the Commission. The Commission has calculated revenue of Rs. 361.85 Crore at an average billing rate of Rs. 6.98/kWh for this additional loss of sale on account of higher distribution losses and after sharing of loss the Commission has considered Rs. 241.23 Crore as additional revenue loss to be borne by the Petitioner while truing up the ARR for FY 2024-25 as shown in the Table below:

Table 3.46: Additional Revenue from Sale due to inefficiency for FY 2024-25 (Rs. Crore)

S. No.	Particulars	Claimed by UPCL	Approved
1.	Actual/ Re-casted Sales (MU)	14838.22	14438.86
2.	Actual Distribution Loss Level (%)	13.69%	16.02%
3.	Actual Energy Input at T-D Interface (MU)	17192.26	17192.26
4.	Sales at Approved Loss of 13.00% (MU)	14914.28	14957.27
5.	Loss of Sales due to Inefficiency (MU)	76.06	518.41
7.	ABR (Rs./kWh)	6.79	6.98
8.	Loss of Revenue due to higher distribution losses (Rs. Crore)	**51.66**	**361.85**
9.	**Losses to borne by Petitioner (2/3rd of 8) (Rs. Crore)**	**34.44**	**241.23**

Accordingly, the Commission has considered a tariff revenue of Rs. 10319.71 Crore, including Rs. 241.23 Crore as deemed revenue on account of excess distribution loss for FY 2024-25, as against total revenue of Rs. 10078.47 Crore claimed by the Petitioner.

3.4 Sharing of Gains and Losses

The sharing of gains and losses claimed by the Petitioner for FY 2024-25 is as shown in the Table below:

Table 3.47: Sharing of Gains and Losses for FY 2024-25 claimed by the Petitioner (Rs. Crore)

Particulars	Amount Gain/(Loss)	Consumer Share	UPCL Share
Gain		1/3rd	2/3rd
IoWC	94.01	31.34	62.67
O&M Expenses	-168.14	-56.05	-112.09
Rebate Earned on Discharge of Power Purchase Liability	43.30	14.43	28.87
Late Payment Surcharge for delayed discharge of Power purchase liability	-30.72	-10.24	-20.48
Total to be reduced from ARR		**-13.93**	

Regulation 12 of the UERC Tariff Regulations, 2021 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

k) Rebate earned on discharge of power purchase liability;

l) Late payment surcharge on account of delayed discharge of power purchase liability;

(10) Upon completion of the Annual Performance Review, the Commission shall pass 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 current and/or 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 Applicant shall be carried forward to the ensuing financial year, alongwith carrying cost at the rate of interest applicable for the year of the tariff period, determined in accordance with the Regulation 33 of these Regulations."

Regulation 13 of the UERC Tariff Regulations, 2021 specifies as under:

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

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, 2021 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 or loss shall be passed on as a rebate or allowed to be recovered in tariffs over such period as may be specified in the Order of the Commission;

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

Hence, in accordance with UERC Tariff Regulations, 2021 as amended from time to time, the O&M expenses, IoWC and Distribution losses, LPS on Power Purchase cost, Rebate on Power Purchase cost 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 2024-25 is as shown in the Table given below:

Table 3.48: Sharing of Gains on Account of Controllable Factors approved by the Commission for FY 2024-25 (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	1031.06	824.67	(206.39)	(68.80)	(137.59)
Distribution Loss	16.02%	13.00%	(361.85)	(120.62)	(241.23)
IoWC	60.32	149.07	88.75	29.58	59.17
PP Rebate	43.30	0	43.30	14.43	28.87
DPS	(30.72)	0	(30.72)	(10.24)	(20.48)
Total			**(466.90)**	**(155.63)**	**(311.27)**

3.5 ARR and Revenue for FY 2024-25

The Commission in its Tariff Order dated March 28, 2024 had approved the Net Revenue Requirement for FY 2024-25 as Rs. 10690.03 Crore. The Petitioner has now claimed an ARR of Rs. 11432.87 Crore for FY 2024-25. 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 2024-25 is given in the Table below:

Table 3.49: Summary of True up for FY 2024-25 approved by the Commission (Rs. Crore)

Particulars	Tariff Order	Claimed by UPCL*	Approved
Power Purchase Cost incl. UJVN Arrears & Water Tax	7609.36	7913.00	7913.00
UJVN Ltd. Arrears/(Surplus)	-126.14		
PGCIL	765.82	591.82	591.82
PTCUL and SLDC	380.60	384.39	384.39
Interest on Loan and guarantee fee	153.05	168.00	124.38
Depreciation	252.95	209.86	109.79
O&M expenses after sharing	791.80	868.77	893.46
Interest on Working Capital	142.26	181.46	149.07
Impact of Sharing on Interest on Working Capital/Rebate & DPS	-	-13.95	-33.78
Return on Equity	197.80	252.33	76.51
Additional Claim on account of Past years GFA disallowed due to non-submission of EI Certificate#		318.48	
Aggregate Revenue Requirement	**10167.51**	**10874.19**	**10208.64**
Less: Non-Tariff Income	374.86	338.69	479.20
Gap/(Surplus) of previous year	897.38	897.38	897.38
Net ARR	**10690.03**	**11432.87**	**10626.83**
Revenue			
Revenue at Existing Tariff	9997.69	10078.47	10078.47
Revenue from Addl Sales. (after sharing)			241.23
Total Revenue	**9997.69**	**10078.47**	**10319.71**
Adjusted Revenue (Surplus)/Gap	**692.34**	**1354.40**	**307.12**

** As per revised claims submitted by UPCL vide its submission dated 20.03.2026.*

 # Since no carrying cost has been allowed, therefore impact has been directly added in the ARR of FY 2026-27.

The Petitioner in its Petition had requested the Commission to approve the gap of Rs. 1354.40 Crore. However, the Commission has approved a gap of Rs. 307.12 Crore for FY 2024-25. Further, it has been observed that the Commission while calculating the truing up impact of FY 2022-23 in the Order dated March 28, 2024 had erroneously allowed an additional carrying cost of Rs. 45.55 Crore in FY 2024-25, accordingly, the same has been corrected and reduced from the closing balance of FY 2026-27. The total gap including carrying cost is as follows:

Table 3.50: Total gap including carrying cost (Rs. Crore)

Particulars	FY 2024-25	FY 2025-26	FY 2026-27
Opening Gap/(Surplus)	-	325.65	365.97
Addition	307.12	-	-
Closing	307.12	325.65	365.97
Interest Rate	12.07%	12.38%	12.38%
Carrying/(Holding) Cost	18.53	40.32	22.65
Closing Balance	325.65	365.97	**388.62**
Recovery of additional carrying cost allowed in true up of FY 2022-23	-	-	45.55
Net truing up impact	-	-	**343.07**

The Commission has, accordingly, considered the total gap of Rs. 343.07 Crore including carrying cost, in the ARR of FY 2026-27.

4. Petitioner's Submissions, Commission's Analysis, Scrutiny and Conclusion on APR for FY 2025-26 and ARR for FY 2026-27.

4.1 Background

As regard the MYT Framework and determination of ARR, UERC Tariff Regulations, 2024 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 31.03.2025 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;

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 fifth Control Period, i.e. from FY 2025-26 to FY 2027-28 excluding the power purchase cost for FY 2026-27 and FY 2027-28 vide its MYT Order dated April 11, 2025.

As regards the Annual Performance Review, Regulation 12(3) of the UERC (Terms and Conditions for Determination of Tariff) Regulations, 2024 specifies as follows:

"(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 current and/or 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 requested the Commission to approve the revised estimates for FY 2025-26 based on the revised submissions in the APR Petition. The Commission had already approved the ARR components for the fifth Control Period from FY 2025-26 to FY 2027-28 (except power purchase cost for FY 2026-27 and FY 2027-28), after detailed analysis, scrutiny and prudence check of the Petitioner's submissions, vide its MYT Order dated April 11, 2025. As the Commission had not approved the power purchase cost for FY 2026-27 in its MYT Order dated April 11, 2025, hence, in the present Order the Commission has approved the power purchase quantum and cost associated therewith based on the analysis and scrutiny of the Petitioner's projections in the Petition and considering the subsequent submissions including actual audited data available for FY 2024-25. As discussed in the previous Chapter, the Commission in this Order has carried out the Truing up for FY 2024-25 in accordance with the UERC Tariff Regulations, 2021. In accordance with Regulation 12(3) of the UERC Tariff Regulations, 2024 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 the year wise actual sales for FY 2017-18 to FY 2024-25 along with the year-on-year growth in sales as shown in the Table below.

Table 4.1: Actual Energy sales for consumer categories during FY 2017-18 to FY 2024-25 (MU)

Consumer Category	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
RTS-1: Domestic	2,741.53	2,849.20	3,113.85	3,307.62	3,357.70	3,552.16	3,731.93	4,092.26
RTS-2: Non-Domestic	1,235.23	1,301.34	1,397.84	1,215.52	1,389.31	1,736.56	1,874.17	2,120.34
RTS-3: Govt. Public Utilities	590.25	614.66	678.32	725.08	718.91	743.84	758.10	869.95
RTS-4: Private Tube-wells/ Pumping sets	271.37	190.13	202.62	225.40	276.93	265.69	280.82	310.22
RTS-5: LT & HT Industry	6,160.29	6,665.69	6,417.17	5,763.04	6,553.99	6,922.26	6,951.18	7,142.47
Total LT	302.21	309.93	311.94	311.19	341.83	343.11	363.26	387.73
Total HT	5,858.07	6,355.76	6,105.24	5,451.85	6,212.16	6,579.14	6,587.91	6,754.74
RTS-6: Mixed Load	182.43	177.75	182.47	169.55	175.62	194.62	194.08	199.28
RTS-7: Railway Traction	27.73	27.91	29.08	26.39	46.30	75.93	79.89	102.09
RTS-8: Electric Vehicle	0.00	0.00	0.00	0.00	0.04	0.17	0.52	1.61
Total	**11,208.82**	**11,826.68**	**12,021.35**	**11,432.59**	**12,518.80**	**13,491.23**	**13,870.70**	**14,838.23**
Year on Year Growth (%)		**5.51%**	**1.65%**	**-4.90%**	**9.50%**	**7.77%**	**2.81%**	**6.98%**

The Petitioner submitted that for the purpose of projecting the sales for FY 2026-27, the Petitioner has considered a mix of long to medium term trend in energy consumption across each consumer category after making suitable adjustments for past abnormalities and recent developments affecting demand. The Petitioner further submitted that the actual sales trend has been analysed for estimating the growth rate. Further, in line with the methodology adopted by the Commission in the past, the Petitioner has applied the CAGR approach based on the sales growth observed over the previous seven years while excluding any outliers in the growth rates to arrive at the appropriate growth rate for estimating the category-wise sales for FY 2026-27.

The category wise growth rate considered by the Petitioner for projecting sales for FY 2026-27 is as shown in the Table below.

Table 4.2: Growth rate considered by the Petitioner for projecting sales for FY 2026-27

S. No	Category	Assumptions (UPCL)	
		Growth (%)	Basis
1	Domestic	6.82%	3 Year CAGR is considered
2	Non-Domestic	15.13%	
3	Public Lamps	8.01%	6 Year CAGR (is considered
4	GIS	1.66%	3 Year CAGR is considered
5	PWW	9.49%	2 Year CAGR is considered
6	PTW	8.50%	6 Year CAGR is considered
7	LT Industry	6.30%	2 Year CAGR is considered
8	HT Industry	2.83%	3 Year CAGR is considered
9	Mixed Load	1.78%	5 Year CAGR is considered
10	Railway Traction	28.55%	5 Year CAGR is considered
11	EV Charging Stations	206.92%	The growth rate of 206.92% based on y-o-y trend is considered.

The Petitioner has considered the base year as FY 2024-25 for projecting the sales for FY 2026-27. The Petitioner has, accordingly, projected the energy sales for FY 2026-27 as shown in the Table below:

Table 4.3: Sales projected by the Petitioner for FY 2026-27 (MU)

S. No.	Category Wise Sales	FY 2026-27
1.	RTS-1: Domestic	4616.76
2.	RTS-2: Non-Domestic	2805.55
3.	RTS-3: Govt. Public Utilities	1002.28
4.	RTS-4: Private Tube-wells / Pumping sets	365.20
5.	RTS-5: LT & HT Industry	
	Total LT	438.15
	Total HT	7142.55
6.	RTS-6: Mixed Load	206.43
7.	RTS-7: Railway Traction	168.71
8.	RTS-8: Electric Vehicle	15.15
	Total	**16760.78**

The Commission has gone through the submissions of the Petitioner. The Commission observed that the sales of 16760.78 MU projected by the Petitioner is higher than 15922.35 MU estimated by the Commission for FY 2026-27 in the MYT Order primarily because the Petitioner considers the actual sales for sales projection while the Commission considers actual sales after recasting for sales projection.

As discussed in Chapter 3, the Commission has carried out the truing up of sales for FY 2024-25. Considering the actual re-casted sales as trued up sales for FY 2024-25, the Commission has re-worked the sales of FY 2026-27 as discussed below.

(i) Base year has been considered as FY 2024-25 as the actual sales data is available. The

Commission has considered the re-casted sales for FY 2024-25 and has added the category wise load shedding carried out during FY 2024-25, as submitted by the Petitioner, to derive the un-restricted sales for FY 2024-25.

(ii) Growth rate of RTS 1: The Commission has considered 2 Year CAGR of 7.16% for Domestic category.

(iii) Growth rate of RTS 2: The Commission has considered 2 Year CAGR of 7.90% for Non-Domestic Category.

(iv) Growth rate of RTS 3- Govt. Public Utilities: The Commission has considered 2 Year CAGR of 7.73% for the combined category.

(v) Growth rate of RTS 4: PTW & RTS 4A: The Commission has considered 5 Year CAGR of 8.50% for the combined category.

(vi) Growth rate of RTS 5: LT & HT Industry: The Commission has considered 2 Year CAGR of 7.63% for LT Industry. Further, for HT Industry, CAGR of 2.83% has been considered, similar to that assumed by the Petitioner.

(vii) Growth rate of RTS 6: Mixed Load: Utilities: The Commission has considered 2 Year CAGR of 0.83% for the category.

(viii) Growth rate of RTS 7: Railway Traction: The Commission has considered the growth rate of 28.55% as also considered by the Petitioner.

(ix) Growth rate of RTS 8: Electric Vehicle: As the actual consumption is negligible and in the absence of any clear trend, the Commission has considered sales as projected by the Petitioner.

The Commission, based on the data received from the SLDC observed that in FY 2024-25, a quantum of 245.70 MU has been scheduled through Open Access by the eligible consumers, primarily HT Industry, which has resulted in loss of sale to UPCL to the same extent. As discussed in subsequent paras of this Order, the Commission anticipates sufficient availability of power with UPCL in FY 2026-27, in view of the recent tie-up of Medium-Term power of 500 MW, to meet the projected demand. The Commission, as discussed in the subsequent paras, has, therefore, carried out certain tariff rationalization measure for Industrial consumers which are aimed towards increasing the consumption of the said category of the consumers and also improving the competitiveness of supply to HT Industry consumers in the State. Accordingly, the Commission expects that the Industrial consumers shall now be inclined to schedule power through the licensee rather than shifting to Open Access to meet their load requirement. Therefore, the Commission considers it appropriate to include the said quantum of 245.70 MU of Open Access sales, while projecting the sales for FY 2026-27, by re-integrating the same into the projected sales of HT Industrial consumers for FY 2026-27.

In view of the above, the total projected sales for FY 2026-27 works out to 16350.45 MU which is higher than the sales of 15831.62 MU (excluding efficiency sales), as approved in the MYT Order dated April 11, 2025, by 518.83 MU. The Commission observes that there is a considerable difference in the sales approved in the MYT Order and that projected now, primarily because of expected higher growth in sales in certain categories than anticipated earlier. The Commission has, therefore, revised the sales considering the revised growth rates as discussed above for FY 2026-27 and the same is as shown below:

Table 4.4: Consumer Category wise sales approved by the Commission for FY 2026-27 (MU)

S. No.	Category	Claimed	Approved
1.	Domestic	4616.76	4675.52
2.	Non-Domestic	2805.55	2292.84
3.	Public Utilities	1002.28	955.17
4.	Private Tube Wells (PTW)	365.20	345.54
5.	Industrial Consumers		
	LT Industries	438.15	429.57
	HT Industries	7142.55	7272.91
6.	Mixed Load	206.43	194.70
7.	Railway Traction	168.71	169.05
8.	Electric Vehicle	15.15	15.15
	GRAND TOTAL	**16760.78**	**16350.45**

4.3 Distribution Loss Trajectory

The Commission has approved the Distribution Loss Trajectory for the fifth Control Period from FY 2025-26 to FY 2027-28 in the MYT Order dated April 11, 2025. The distribution loss trajectory approved by the Commission for the fourth Control Period from FY 2025-26 to FY 2027-28 is as shown in the Table given below:

Table 4.5: Distribution Loss Trajectory approved by the Commission for the fourth Control Period from FY 2025-26 to FY 2027-28

Particulars	FY 2025-26	FY 2026-27	FY 2027-28
	Approved	Approved	Approved
Distribution Losses	12.75%	12.25%	11.75%

The Petitioner has proposed Distribution loss of 12.25% for FY 2026-27 as approved by the Commission in its MYT Order dated April 11, 2025.

The Commission approves the Distribution Loss for FY 2026-27 as 12.25% in accordance with the trajectory approved for the fifth 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 2026-27

Particulars	Proposed	Approved
Distribution Losses	12.25%	12.25%

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. Besides intra-State transmission losses has been considered as 1.03% for FY 2026-27, as approved earlier in the Tariff Order dated 11.04.2025 for the Fifth Control Period.

Accordingly, the estimated energy requirement at distribution periphery, State periphery and approved loss level for FY 2026-27 is given in the Table below:

Table 4.7: Energy Input requirement approved by the Commission for FY 2026-27

Particulars	Quantum
Distribution Sales (MU)	16350.45
Loss level for Energy Input (%)	12.75%
Energy Input required at T-D interface (MU)	18739.77
Commercial Loss reduction (%)	0.50%
Commercial Loss reduction (Additional sales due to efficiency improvement) (MU)	93.70
Total sales with efficiency improvement (MU)	16444.15
Overall Distribution Loss (%)	12.25%
PTCUL Loss (%)	1.03%
Energy Input at State periphery (MU)	**18934.80**

4.4 Aggregate Revenue Requirement

Regulation 69 of the UERC Tariff Regulations, 2024 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 the 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 that financial year, if any, and shall comprise of 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 and bad debts actually written off in case the existing provision is insufficient to meet the write-offs

(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.

Any revenue subsidy or grant received from the State Government other than the subsidy under Section 65 of the Electricity Act, 2003."

The Commission in this Order has determined the Net Revenue Requirement for FY 2026-27 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 includes the generating stations of:

- NTPC Ltd.
- NHPC Ltd.
- NPCIL.
- SJVNL.
- THDC Ltd.
- State generating stations of UJVN Ltd.
- UREDA.
- Gas Generating Stations in the State.
- Co-generation stations.
- Independent Power Producers (IPPs).
- 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. The Petitioner submitted that for projecting the ex-bus availability of power for FY 2026-27, the Petitioner has considered the power procurement plan submitted to the Commission. Further, for FY 2025-26, the Petitioner has considered the actual monthly energy availability for the period from April 2025 to September 2025, while for the remaining months of the year, the Petitioner has considered the projected power availability during the second half (H2) of FY 2025-26 as per power procurement plan submitted to the Commission.

With regard to the transmission losses, the Petitioner has considered Inter-State losses of 4% 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 11 LHPs and SHPs, for FY 2026-27, the Petitioner has considered the energy availability based on the Power Procurement Plan submitted by the Petitioner to the Commission. Further, for FY 2025-26, the Petitioner has considered actual monthly energy availability for April 2025 to September 2025 and for the balance months the

Petitioner has considered the projected power availability during the second half (H2) of FY 2025-26 as per the Power Procurement Plan. The Petitioner further submitted that for certain Distributed Renewable Energy (DRE) projects whose scheduling is not done by the SLDC, such as Dunao SHP, Pilangad, Kaliganga-II, Urgam, Galogi, and Kaliganga-I, the projections for power availability during the second half of FY 2025-26 and FY 2026-27 have been estimated based on the average generation of the respective stations over the preceding two years. However, for newly commissioned DRE projects (such as Madhyamaheshwar and Suringad-II), which started generation in FY 2024-25, the projections for the same period have been based on the actual monthly generation during FY 2024-25.

- **NTPC –** For FY 2026-27, the availability has been considered based on the Power Procurement Plan submitted by the Petitioner to the Commission. Further, for FY 2025-26, the Petitioner has considered actual monthly energy availability for April 2025 to September 2025 and for the balance months the Petitioner has considered the projected power availability during the second half (H2) of FY 2025-26 as per the Power Procurement Plan. Apart from firm source, energy is also received from the unallocated share of Central Generating Stations (CGS) at different intervals during the year. For FY 2025-26, the Petitioner has considered the actual generation from April 2025 to September 2025, while no estimation has been made for power availability from this source for the remaining months of the year.
- **NHPC –** The energy availability for FY 2026-27 has been considered based on the Power Procurement Plan submitted by the Petitioner to the Commission. Further, for FY 2025-26, the Petitioner has considered actual monthly energy availability for April 2025 to September 2025 and for the balance months the Petitioner has considered the projected power availability during the second half (H2) of FY 2025-26 as per the Power Procurement Plan.
- **SJVNL, THDC & NPCIL-** The energy availability for FY 2026-27 has been considered based on the Power Procurement Plan submitted by the Petitioner to the Commission. Further, for FY 2025-26, the Petitioner has considered actual monthly energy availability for April 2025 to September 2025 and for the balance months the Petitioner has

considered the projected power availability during the second half (H2) of FY 2025-26 as per the Power Procurement Plan.

- **UREDA Stations and IPPs -** The energy availability for FY 2026-27 has been considered based on the Power Procurement Plan submitted by the Petitioner to the Commission. Further, for FY 2025-26, the Petitioner has considered actual monthly energy availability for April 2025 to September 2025 and for the balance months the Petitioner has considered the projected power availability during the second half (H2) of FY 2025-26 as per the Power Procurement Plan. The Petitioner further submitted that for certain Distributed Renewable Energy (DRE) sources whose scheduling is not undertaken by the State Load Despatch Centre (SLDC), the power availability for H2 of FY 2025-26 and FY 2026-27 has been projected based on the average power generated from the respective stations during the previous two years. Further, for new DRE plants which commenced generation in FY 2024-25, the power availability for H2 of FY 2025-26 and FY 2026-27 has been considered based on the actual power generated during FY 2024-25 in the respective months.
- **State Gas Stations –** The energy availability for FY 2026-27 has been considered based on the Power Procurement Plan submitted by the Petitioner to the Commission. Further, for FY 2025-26, the Petitioner has considered actual monthly energy availability for April 2025 to September 2025 and for the balance months the Petitioner has considered the projected power availability during the second half (H2) of FY 2025-26 as per the Power Procurement Plan.
- **Upcoming Stations –** The energy availability has been considered based on the Power Procurement Plan submitted by the Petitioner to the Commission.
- **State Royalty Power -** For FY 2025-26, actual generation is considered from April 25 to September 25. For Vishnu Prayag and GVK Srinagar, the projections for power availability during H2 of FY 2025-26 and FY 2026-27 has been considered based on the Power Procurement Plan submitted by the Petitioner to the Commission. Further, for other stations, the projections for power availability during H2 of FY 2025-26 and FY 2026-27 has been considered based on average of power generated from respective stations in previous two years, and for new stations, which have started generation from

FY 2024-25 only, the projections for power availability during H2 of FY 2025-26 and FY 2026-27 has been considered as actual power generated during FY 2024-25 in respective months (LADF has also been considered for Natwar mori, Gunsola, Swasti and Vanala based on the same principles).

- **Deficit Power Purchase –** The Petitioner has proposed to procure energy in deficit months through open market.
- **Forward Banking -** The Petitioner has considered the monthly Banking availability for FY 2025-26 and FY 2026-27 on the basis of Power Procurement Plan submitted by the Petitioner to the Commission. The Petitioner has projected to remain in surplus during the summer months and in deficit during the winter months.
- **Transmission Losses -** The Petitioner has considered Inter-State Transmission Losses of 4% based on the trend observed in actual losses for FY 2023-24, FY 2024-25 and FY 2025-26 (H1). Intra-State transmission losses of 1.03% have been considered as approved by the Commission in its MYT Order dated April 11, 2025.

The Petitioner has, accordingly, proposed the total power purchase of 19298.89 MU at State Periphery for FY 2026-27.

The Commission for projection of power purchase for FY 2026-27 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 2026-27 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:

- Status of Commissioning of new generating stations from which power has been projected for FY 2026-27.

- Copy of agreement for procurement of power from new generating stations.

In reply, UPCL submitted the following:

- Copies of relevant PPAs and MoUs for procurement of power from the new generating stations.

The Commission while projecting the quantum of energy available from various sources for FY 2026-27 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 2023-24, FY 2024-25 & FY 2025-26 (actual for 9 months, projections for 3 months); Further, impact of non-availability on account of RMU in Dhakrani and Chilla has been considered.	Three Year's average as per the Commission's earlier approach.
Maneri Bhali-II		
Vyasi		
SHPs viz. Pathri, Mohammadpur & Galogi		

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 2026-27 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 2026-27 (MU)

Particulars	Claimed	Approved
9 Old LHPs	3287.10	2691.76
Maneri Bhali-II	1202.55	1242.03
Vyasi	474.69	317.70
Small Hydro	125.40	156.61
Pathri	*80.70*	*103.84*
Mohammadpur	*36.79*	*44.80*
Galogi	*7.91*	*7.97*
Total	**5089.74**	**4408.09**

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 2023-24, FY 2024-25 & FY 2025-26 (actual for 9 months, projections for 3 months).	Three Year's Average as per the Commission's earlier approach.
Chamera I		
Chamera II		
Chamera III		
Uri		
Dulhasti		
Sewa II		
Uri II		
Parbati 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, POC losses for the period from March 2025 to February 2026 and considering the allocation to Uttarakhand. The summary of energy availability from NHPC Ltd. for FY 2026-27 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.11: Energy Availability from NHPC Ltd. for FY 2026-27 (MU)

Station	Estimated by UPCL	Approved
Salal	29.65	37.42
Tanakpur	67.72	17.30
Chamera I	67.70	71.17
Chamera II	36.50	34.36
Chamera III	33.73	54.49
Uri	59.32	74.56
Dhauliganga	159.80	64.14
Dulhasti	56.92	127.53
Sewa II	17.77	30.08
Uri II	37.08	57.76
Parbati III	75.90	38.81
Kishanganga	33.46	31.49
Free Power-Tanakpur	46.31	53.35
Free Power-Dhauliganga	127.47	118.28
Total	**911.84**	**810.75**

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 2023-24, FY 2024-25 & FY 2025-26 (actual for 9 months, projections for 3 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, POC losses for the period from March 2025 to February 2026 and considering the share allocation to Uttarakhand. The summary of energy availability from THDC Ltd. for FY 2026-27 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 2026-27 (MU)

State	Estimated by UPCL	Approved
Tehri HEP	522.05	142.11
Free Power-Tehri HEP	392.96	384.36
Koteshwar HEP	251.01	89.42
Free Power-Koteshwar HEP	147.64	144.87
Khurja Super Thermal Power Plant	333.84	333.84
Total	**1647.50**	**1094.60**

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 2023-24, FY 2024-25 & FY 2025-26 (actual for 9 months, projections for 3 months)	Three years average considered as per the standard approach followed by the Commission in the past.
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		
Tanda-II		
Meja TPS		

The Commission has estimated the energy availability from these generating stations to

UPCL at the State Periphery after considering the normative auxiliary consumption, POC losses for the period from March 2025 to February 2026 and considering the share allocation to Uttarakhand. The summary of energy availability from NTPC Ltd. for FY 2026-27 at the 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 2026-27 (MU)

Station	Estimated by UPCL	Approved
Singrauli STPS	610.54	737.29
Rihand STPS		
Rihand I	250.25	303.63
Rihand II	216.50	277.90
Rihand III	249.87	318.87
Unchahar STPS		
Unchahar I	226.73	191.64
Unchahar II	95.24	93.32
Unchahar III	81.88	74.71
Unchahar IV	195.10	176.55
Anta CCPP		21.25
Auraiya CCPP		33.46
Dadri CCPP		39.90
Dadri (NCTPP)	36.69	38.30
Jhajjar	63.04	96.21
Kahalgaon II	178.61	279.73
Koldam	169.90	216.48
Tanda II	243.52	201.32
Meja TPS	147.43	208.52
Total	**2765.31**	**3309.07**

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 2023-24, FY 2024-25 & FY 2025-26 (actual for 9 months, projections for 3 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 the State Periphery after considering the normative auxiliary consumption, POC losses for the period from March 2025 to February 2026 and considering the share allocation to Uttarakhand.

The summary of energy availability from SJVN Ltd. for FY 2026-27 as estimated by the Commission is shown in the Table below:

Table 4.17: Energy Availability from SJVN Ltd. at State periphery for FY 2026-27 (MU)

Station	Estimated by UPCL	Approved
Nathpa Jhakri HEP	100.69	117.14
Rampur HPS	154.80	229.98
Total	**255.49**	**347.12**

4.5.6 *Power Purchase from NPCIL Stations*

The Commission has considered the availability from generating stations of NPCIL as under:

Table 4.18: Power Purchase from NPCIL

Stations of SJVNL	Basis	Rationale
Narora APP	Average of actual month wise gross generation in FY 2023-24, FY 2024-25 & FY 2025-26 (actual for 9 months, projections for 3 months).	Actual monthly generation of past 3 years as per the standard approach followed by the Commission.
Rajasthan APP (B&C)		
Rajasthan APP-U7 & U8	Considered as projected by the Petitioner.	Unit-7 is commissioned in FY 2025-26.

The Commission has estimated the energy availability from these generating stations to UPCL at the State Periphery after considering the normative auxiliary consumption, POC losses for the period from March 2025 to February 2026 and considering the share allocation to Uttarakhand. The summary of energy availability from NPCIL for FY 2026-27 as estimated by the Commission is shown in the Table below:

Table 4.19: Energy Availability from NPCIL at State periphery for FY 2026-27 (MU)

Station	Estimated by UPCL	Approved
NAPP	140.38	153.14
RAPP	155.94	141.36
Rajasthan APP-U7 & U8	205.87	205.87
Total	**502.19**	**500.36**

4.5.7 *Power Purchase from Renewable Energy Sources*

The existing renewable energy sources includes the small hydro power stations of UJVN Ltd., 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 the State periphery as projected by UPCL.

The summary of energy availability from existing renewable energy sources for FY 2026-27 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.20: Energy Availability from Renewable Energy Sources for FY 2026-27 (MU)

Station	Estimated by UPCL	Approved
Existing renewable energy sources	2397.85	2397.85

4.5.8 *Power Purchase from Vishnu Prayag HEP, GVK Srinagar & Others (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 2023-24, FY 2024-25 and FY 2025-26 (actual for 9 months, projections for 3 months). The Commission has estimated the energy availability from these generating stations to UPCL at the State Periphery after considering the normative auxiliary consumption, POC losses for the period from March 2025 to February 2026 and considering the free power share of 12% to Uttarakhand and energy through Local Area Development Fund (LADF) as projected by the Petitioner. The Commission has considered the energy availability from other power Stations from which free power is received as proposed by the Petitioner during FY 2026-27. The summary of energy availability from the said stations as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.21: Energy Availability from State Royalty Power for FY 2026-27 (MU)

Station	Estimated by UPCL	Estimated by Commission
Vishnu Prayag HEP (State Royalty Power)	195.88	199.48
GVK Srinagar	151.70	161.51
Singoli Bhatwari	55.40	55.40
Rajwakti and Debal	3.84	3.84
Loharkhet (Parvatiya Power)	1.87	1.87
LADF	4.12	4.12
Vanala	4.14	4.14
Gunsola	1.11	1.11
Swasti	10.29	10.29
Natwar Mori	36.01	36.01
Total	**464.35**	**477.76**

4.5.9 *Power Purchase from Sasan UMPP*

For estimating the energy availability from Sasan UMPP, the Commission has considered the average of actual monthly generation for the years FY 2023-24, FY 2024-25 and FY 2025-26 (actual for 9 months, projections for 3 months).

The Commission has estimated the energy available to UPCL at the State Periphery after considering the normative auxiliary consumption, POC losses for the period from March 2025 to Feb 2026 and considering share allocation to Uttarakhand. The summary of energy availability from Sasan UMPP for FY 2026-27 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.22: Energy Availability from Sasan UMPP at State periphery for FY 2026-27 (MU)

Station	Estimated by UPCL	Approved
Sasan UMPP	635.48	711.25

4.5.10 *Power purchase from State Gas Generating Station*

The Commission for projecting energy availability for FY 2026-27 from gas based generating stations, sought the station wise energy availability from the Petitioner. The Petitioner in its reply submitted that total of 472.80 MUs (Ex-bus) has been considered from the State gas based generating stations, i.e. 315.20 MU from Shravanti gas based station and 157.60 MU from Gama Infraprop gas based station. The Commission observes that the Petitioner has considered the variable cost of generation based on actual of H1 of FY 2025-26. The Commission has, therefore, considered the energy availability from the gas based stations as projected by the Petitioner. The summary of energy availability from these stations for FY 2026-27 as estimated by the Petitioner and the Commission is shown in the Table below:

Table 4.23: Energy Availability from State Gas Generating Stations at State periphery for FY 2026-27 (MU)

Station	Estimated by UPCL	Estimated by Commission
Gama Infraprop	157.60	157.60
Shravanthi Energy	315.20	315.20
Total	**472.80**	**472.80**

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 availability from the generating station to UPCL at State Periphery after considering the normative auxiliary consumption, POC losses for the period from March 2025 to February 2026 and also excluding the free share of Himachal Pradesh. The summary of energy availability from Greenko Budhil Hydro for FY 2026-27 as estimated by the Commission is shown in the Table below:

Table 4.24: Energy Availability from Greenko Budhil Hydro at State periphery for FY 2026-27 (MU)

Station	Estimated by UPCL	Approved
Greenko Budhil Hydro	248.60	218.40

4.5.12 *Power purchase from upcoming generating stations*

The upcoming generating stations include the power plants of UJVN Ltd, solar power plants within and outside the State and other Generating Stations. For estimating the energy availability, the Commission has considered the energy availability from all upcoming stations including solar generation capacity as projected by the Petitioner.

Table 4.25: Energy Availability from upcoming generating stations at State periphery for FY 2026-27 (MU)

Station	Estimated by UPCL	Approved
SJVN (Solar) Phase 3	110.57	110.57
MSSY Solar Phase 3	2.11	2.11
UJVNL solar	34.78	34.78
Medium Term PPA	3942.00	3942.00

4.5.13 *Energy Requirement for THDC-PSP*

The Petitioner has submitted that total share of UPCL in Tehri PSP is 200 MW, i.e. 20% of the installed capacity. The Petitioner in the revised distribution formats, submitted subsequent to filing of the Tariff Petition, stated that it has projected to supply 589.68 MU after considering the conversion losses of 121.60 MU, and it shall receive around 468.08 MU. The Commission has, accordingly, considered the energy requirement of Tehri PSP in the power purchase requirement of UPCL. With regard to availability from THDC-PSP, it has been considered same as proposed by UPCL after adjusting the conversion losses.

4.5.14 *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 4.26: Energy Availability from Firm Sources at State periphery for FY 2026-27 (MU)

Generating Stations	UPCL	Approved
UJVN Ltd.	5089.74	4408.09
NHPC	911.84	810.75
THDC	1647.50	1094.60
NTPC	2765.31	3309.07
NPCIL	502.19	500.36
SJVNL	255.49	347.12
Renewables	2397.85	2397.85
Vishnu Prayag	195.88	199.48
Tehri PSP Availability	468.08	468.08
Sasan UMPP	635.48	711.25
Gamma Infra	157.60	157.60
Shravanthi Energy	315.20	315.20
Greenko Budhil Hydro	248.60	218.40
GVK Srinagar Free Power	151.70	161.51
Singoli Bhatwari Free Power	55.40	55.40
Rajwakti and Debal Free Power	3.84	3.84
LoharKhet (parvatiya power)	1.87	1.87
LADF	4.12	4.12
Vanala	4.14	4.14
Gunsola	1.11	1.11
Swasti	10.29	10.29
Natwar mori	36.01	36.01
SJVN (Solar) Phase 3	110.57	110.57
MSSY Solar Phase 3	2.11	2.11
UJVNL solar	34.78	34.78
Medium Term PPA	3942.00	3942.00
THDC – PSP Export	-589.68	*
Total Firm Sources	**19359.01**	**19305.60**

**Considered in Table 4.28 for working out overall deficit/surplus.*

4.5.15 *Power Purchase for fulfilling RPO*

UPCL submitted that it has considered the energy requirement and capacity of renewable sources and requested the Commission to allow achievement of any shortfall as per the provisions specified in UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-Generating Stations) Regulations, 2023.

The Commission had specified the RPO target for FY 2025-26 to FY 2027-28 in its UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-Generating Stations) Regulations, 2023 along with the subsequent amendment.

The Commission, based on the estimated power purchase from renewable energy sources, has computed the procurement required from Solar and Non-Solar sources for FY 2026-27 as follows.

Table 4.27: Additional Purchase for fulfilling RPO for FY 2026-27

Particulars	Units	Approved
Total Consumption	MU	19524
RPO		
Wind	%	1.97%
HPO	%	1.34%
Distributed RPO	%	1.35%
Other RPO	%	31.29%
RPO		
Wind	MU	385
HPO	MU	262
Distributed RPO	MU	264
Other RPO	MU	6109
Purchase from Renewable Source		
Wind	MU	397
HPO	MU	539
Distributed RPO	MU	658
Other RPO	MU	8658
Unmet Target		
Wind	MU	-
HPO	MU	-
Distributed RPO	MU	-
Other RPO	MU	-

The Petitioner has requested that any shortfall in achievement in a particular year may be allowed as per the provisions specified in UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-Generating Stations) Regulations, 2023, along with subsequent amendment. The Commission has gone through the submissions of the Petitioner and advises UPCL to bring a separate Petition seeking adjustment of unmet RPO, in accordance with UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010.

Further, it is observed that after meeting the Renewable Purchase Obligation (RPO) for FY 2026–27, there is a surplus renewable energy available with the Petitioner of approximately 3233.71 MU. The Commission observed that during FY 2024–25, the Petitioner, on account of such surplus renewable energy available with it, made sale of REC's amounting to Rs. 102.61 Crore.

In view of the above and considering the prevailing market price of Rs. 300 per certificate, the Commission is of the considered view that the Petitioner is likely to realize an additional revenue from sale of RECs in FY 2026-27 as well. Accordingly, the Commission has provisionally considered an additional revenue of Rs. 97.01 Crore towards sale of RECs while approving the ARR of FY 2026-27.

4.5.16 *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 2026-27.

The Commission observes that, based on the monthly estimates of the power demand and availability, the Petitioner is in surplus during May 2026 to September 2026 during FY 2026-27, the Commission has estimated a surplus of 1087.11 MU during May, 2026 to Sep, 2026. Further, in the months of April 2026, and from October, 2026 to March, 2027 estimated deficit would be around 1305.99 MU. The licensee will have to plan accordingly, to utilise the surpluses available with it in the best possible manner so as to offset the deficit during winter months to some extent. The Commission has been encouraging the Petitioner to enter into banking arrangements so that the surplus energy during the summer months can be utilised during the winter months and, therefore, for computing gap/surplus for the year, the Commission has considered the same by adjusting surplus available (considering nominal return banking percentage of 3%) with the estimated deficit.

The Commission observes that in addition to the energy required for meeting the projected sales for FY 2026-27, the Petitioner has to return banked power which was received during FY 2025-26. Further, the Petitioner has also entered few arrangements for advance/return banking of power in FY 2026-27, the net banking of power out of these arrangements is around 439.92 MU. Taking the existing arrangements into account, the Petitioner is estimated to be left with a balance surplus of around 647.18 MU in the summer months, which the Commission estimates that, it will be banked and shall be available with the Petitioner during the deficit winter months with atleast a nominal return percentage of 3%, thus, translating to around 666.60 MU. In addition, against the existing banking arrangements the Petitioner is expected to receive around 268.21 MU in winter months, thus translating the surplus to around 934.81 MU.. The Commission after carrying out above adjustments estimates net deficit of around 371.18 MU in FY 2026-27.

The energy deficit estimated by the Commission for FY 2026-27 after considering banking payable and return Banking is as shown in the Table given below:

Table 4.28: Quantum Energy deficit for FY 2026-27 (MU)

Particulars	Approved
Energy requirement at State periphery	**18934.80**
Energy Requirement for THDC – PSP	589.68
Total Energy requirement at State periphery	**19524.48**
Less: Total Energy available from firm sources	**19305.60**
Add: Return / Advance Banking	439.92
Add: Surplus Banked	647.18
Less: Banking Received	934.81
Deficit/(Surplus)	**371.18**

The Commission while projecting the power purchase, has first projected the monthly power purchase requirement of the Petitioner including pumping energy required for Tehri PSP and banking energy to be supplied and monthly availability from various sources including banking receivables. Based on the monthly requirement and availability, it is observed that the Petitioner is in surplus during May, 2026 to Sep, 2026 and deficit in April 2026, Feb, 2027 and March, 2027, after considering the quantum of power to be returned which was banked earlier against advance banking arrangement.

In this regard, it is relevant to refer to the third proviso to Regulation 73(1) of the MYT Regulations, 2021 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, 2021 lays down conditions under which the distribution licensee can resort to short-term power procurement. It is observed that the Petitioner has tied up 500 MW capacity under medium term PPA, the requirement of short term purchase is expected to be substantially lower and not cross the 5% limit prescribed by the Commission in the MYT order dated 11.04.2025. However, to ensure that the Petitioner is not forced to over rely on short term purchases in the future, **the Petitioner should put its sincere efforts to procure the deficit energy primarily through banking adjustments thereby optimizing the cost of power purchase and**

reliable power keeping minimal reliance on short term/Exchange procurement. The Commission further clarifies that the return banking percentage estimated by the Commission may not in any way be construed to be a blanket approval for percentage of return banking, and the Petitioner is required to put in sincere efforts to get the best terms & conditions available in the market.

4.5.17 *Cost of Power Purchase*

The Petitioner submitted that the cost of power purchase has been projected based on the following assumptions.

Table 4.29: Approach of the Petitioner in estimating the cost of power purchase

Name of the Station	Fixed Cost & Variable Cost
NHPC SJVNL THDC NTPC NPCIL UJVNL UREDA SHPs UREDA Solar UREDA Biomass IPP Hydro Gas Solar Solar Rooftop Medium Term PPA Tehri PSP Other large private generating stations Co- generation Station	For existing generators (except UJVN Large hydro), Variable charges & Other charges (Rs. /unit) is considered as per current year's actual charges with no escalation, and Fixed charges (Rs. Crore) is considered as per actual charges for FY 2024-25 with no escalation. For large hydro of UJVN Ltd., Charges as per their latest Tariff order is considered. For the State Royalty Power, the actual cost of free power in FY 2025-26 has been considered. For the power purchased from open market and power consumed for pumping of Pumped Storage Plant (PSP), the average of actual cost of FY 2022-23, FY 2023-24 and FY 2024-25 has been considered. For upcoming UJVNL Solar, charges are considered as per the Generic Tariff determined by the UERC. For upcoming solar power plants of MSSY and SJVN, charges are considered as per the PPA. For upcoming Medium-term purchase, charges are considered as per Order on Medium-term purchase by the Commission. For upcoming generation from Pumped Storage Plant (PSP), charges are considered as per the latest bill of August raised by THDC.

The Petitioner in its Petition has projected the average power purchase cost of Rs. 4.57/kWh for FY 2026-27 at the State Periphery.

The Commission has estimated the cost of power purchase from various sources as detailed below:

Table 4.30: Approach of the Commission in estimating the Cost of Power Purchase for FY 2026-27

<table>
<tr><th>Source</th><th>Approach of the Commission in estimating the cost of power purchase</th></tr>
<tr><td>UJVN Ltd.</td><td>The Commission has considered the approved Tariff of UJVN Ltd. (10 LHPs) for FY 2026-27.
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 Vyasi, tariff approved by the Commission for FY 2026-27 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 actual Water Tax paid in FY 2024-25.</td></tr>
<tr><td>NHPC Ltd., THDC Ltd., SJVN Ltd.</td><td>The tariff for these stations has been considered equal to approved Annual Fixed Charges (AFC) for FY 2023-24 for stations whose tariff has been approved for FY 2019-24.</td></tr>
<tr><td>NTPC Ltd.</td><td>The tariff for these stations has been considered equal to approved Annual Fixed Charges (AFC) for FY 2023-24 for stations whose tariff has been approved for FY 2019-24. For estimating the Energy Charges for FY 2026-27, to avoid substantial impact on FPPCA, the weighted average rate of actual Energy Charges for the FY 2024-25, as per the Power Purchase data submitted by UPCL has been considered with an escalation of 5%.</td></tr>
<tr><td>NPCIL</td><td>The tariff for NPCIL stations has been considered based on the actual billing during FY 2024-25 without any escalation.</td></tr>
<tr><td>Renewable energy sources</td><td>The tariff as projected by UPCL has been considered for these stations.</td></tr>
<tr><td>Sasan UMPP</td><td>The applicable tariff for FY 2025-26 as per the Com Data for FY 2025-26 has been considered</td></tr>
<tr><td>Gama and Shravanthi CCPP</td><td>The tariff for these stations has been considered as approved by the Commission for FY 2026-27.</td></tr>
<tr><td>Greenko Budhil Hydro</td><td>The annual fixed charges for this station have been considered as approved by the Commission for FY 2026-27.</td></tr>
<tr><td>Upcoming Stations</td><td>Tariff as considered by UPCL has been considered.</td></tr>
<tr><td>Medium Term</td><td>Tariff as considered by UPCL has been considered.</td></tr>
<tr><td>Deficit purchase</td><td>The tariff for deficit purchase has been considered as Rs. 4.57/kWh at State periphery, equivalent to the APPC projected by the Petitioner for FY 2026-27 in the Tariff Petition.</td></tr>
<tr><td>Cost of free power</td><td>The cost of free power has been computed in line with the methodology adopted by the Commission in its Tariff Order dated 28.03.2024., i.e. only the large hydro generating stations commissioned prior to 31.03.2022 have been considered for calculating the rate of free power and is as shown below:
<table>
<tr><th rowspan="2">Particulars</th><th>Quantum</th><th>Total Cost</th><th>Average Cost</th></tr>
<tr><th>MU</th><th>Rs. Crore</th><th>Rs. /kWh</th></tr>
<tr><td>UJVN Ltd. (9 LHPs)</td><td>2691.76</td><td>512.89</td><td>1.91</td></tr>
<tr><td>Maneri Bhali II</td><td>1242.03</td><td>266.43</td><td>2.15</td></tr>
<tr><td>NHPC</td><td>607.63</td><td>215.44</td><td>3.55</td></tr>
<tr><td>THDC</td><td>231.53</td><td>100.20</td><td>4.33</td></tr>
<tr><td>SJVNL</td><td>347.12</td><td>136.49</td><td>3.93</td></tr>
<tr><td>Greenko</td><td>218.40</td><td>70.86</td><td>3.24</td></tr>
<tr><td>Koldam</td><td>216.48</td><td>90.08</td><td>4.16</td></tr>
<tr><td>Kishanganga</td><td>31.49</td><td>9.87</td><td>3.13</td></tr>
<tr><td>Average</td><td>5586.43</td><td>1402.27</td><td>2.51</td></tr>
</table></td></tr>
</table>

The summary of estimated power purchase cost for FY 2026-27 is as shown in the Table below:

Table 4.31: Summary of Power Purchase Cost for FY 2026-27

Generating Stations	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)	3287.10	851.29	2.59	2691.76	594.02	2.21
Vyasi	474.69	414.47	8.73	317.70	313.07	9.85
Maneri Bhali II	1202.55	392.65	3.27	1242.03	266.43	2.15
Small Hydro	125.40	41.60	3.32	156.61	26.15	1.67
Total UJVN Ltd.	**5089.74**	**1700.01**	**3.34**	**4408.09**	**1199.68**	**2.72**
NHPC						
Salal	29.65	9.54	3.22	37.42	6.63	1.77
Tanakpur	67.72	37.93	5.60	17.30	9.41	5.44
Chamera I	67.70	17.24	2.55	71.17	15.31	2.15
Chamera II	36.50	23.57	6.46	34.36	8.30	2.42
Chamera III	33.73	23.77	7.05	54.49	26.22	4.81
Uri	59.32	17.83	3.01	74.56	15.19	2.04
Dhauliganga	159.80	47.49	2.97	64.14	17.71	2.76
Dulhasti	56.92	45.21	7.94	127.53	52.93	4.15
Sewa II	17.77	11.78	6.63	30.08	13.40	4.45
Uri II	37.08	27.97	7.54	57.76	24.65	4.27
Parbati III	75.90	14.69	1.94	38.81	25.70	6.62
Kishanganga	33.46	23.22	6.94	31.49	9.87	3.13
Free Power-Tanakpur	46.31	10.67	2.30	53.35	13.39	2.51
Free Power-Dhauliganga	127.47	29.37	2.30	118.28	29.69	2.51
Total NHPC	**911.84**	**340.27**	**3.73**	**810.75**	**268.39**	**3.31**
THDC						
Tehri HEP	522.05	200.29	3.84	142.11	55.04	3.87
Free Power-Tehri HEP	392.96	94.31	2.40	384.36	96.48	2.51
Koteshwar HEP	251.01	146.34	5.83	89.42	45.17	5.05
Free Power-Koteshwar HEP	147.64	35.43	2.40	144.87	36.36	2.51
Khurja Super thermal power plant	333.84	100.10	3.00	333.84	144.21	4.32
Total THDC	**1647.50**	**576.47**	**3.50**	**1094.60**	**377.26**	**3.45**
NTPC						
Singrauli STPS	610.54	183.05	3.00	737.29	199.49	2.71
Rihand STPS						
Rihand I	250.25	76.70	3.06	303.63	83.47	2.75
Rihand II	216.50	67.00	3.09	277.90	74.81	2.69
Rihand III	249.87	98.78	3.95	318.87	107.31	3.37
Unchahar I	226.73	140.61	6.20	191.64	108.59	5.67
Unchahar II	95.24	63.65	6.68	93.32	52.95	5.67
Unchahar III	81.88	57.13	6.98	74.71	41.66	5.58
Unchahar IV	195.10	140.87	7.22	176.55	111.23	6.30
Anta CCPP	-	10.79	-	21.25	22.91	10.78
Auraiya CCPP	-	21.56	-	33.46	40.90	12.23
Dadri CCPP	-	17.23	-	39.90	39.48	9.89
Dadri (NCTPP)	36.69	24.21	6.60	38.30	21.94	5.73
Jhajjar	63.04	50.47	8.01	96.21	67.37	7.00
Kahalgaon II	178.61	77.07	4.31	279.73	103.05	3.68
Koldam	169.90	90.88	5.35	216.48	90.08	4.16

Table 4.31: Summary of Power Purchase Cost for FY 2026-27

Generating Stations	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
Tanda II	243.52	143.22	5.88	201.32	122.87	6.10
Total NTPC	**2617.88**	**1267.09**	**4.84**	**3100.54**	**1288.12**	**4.15**
NPCIL						
Narora APP	140.38	43.46	3.10	153.14	48.30	3.15
Rajasthan APP (B&C)	155.94	63.66	4.08	141.36	59.43	4.20
Rajasthan APP-U7 & U8	205.87	103.58	5.03	205.87	103.58	5.03
Total NPCIL	**502.19**	**210.69**	**4.20**	**500.36**	**211.30**	**4.22**
SJVNL						
Nathpa Jhakri HEP	100.69	24.84	2.47	117.14	29.84	2.55
Rampur HPS	154.80	89.30	5.77	229.98	106.65	4.64
Total SJVNL	**255.49**	**114.14**	**4.47**	**347.12**	**136.49**	**3.93**
Renewables	2397.85	978.39	4.08	2397.85	978.39	4.08
Free Power-Vishnu Prayag	195.88	47.01	2.40	199.48	50.07	2.51
Sasan UMPP	635.48	107.70	1.69	711.25	106.69	1.50
Gamma Infra	157.60	243.34	15.44	157.60	234.85	14.90
Shravanthi Energy	315.20	587.86	18.65	315.20	485.32	15.40
Total Gas	**472.80**	**831.20**	**17.58**	**472.80**	**720.17**	**15.23**
Meja Power Plant	147.43	117.82	7.99	208.52	130.37	6.25
Greenko Budhil Hydro	248.60	61.04	2.46	218.40	70.86	3.24
GVK Srinagar	151.70	36.41	2.40	161.51	40.54	2.51
L&T Free Power	55.40	13.30	2.40	55.40	13.91	2.51
Rajwakti and Debal	3.84	0.94	2.46	3.84	0.96	2.51
LoharKhet (parvatiya power)	1.87	0.45	2.40	1.87	0.47	2.51
LADF	4.12	0.99	2.40	4.12	1.03	2.51
Vanala	4.14	0.99	2.40	4.14	1.04	2.51
Gunsola	1.11	0.27	2.40	1.11	0.28	2.51
Swasti	10.29	2.47	2.40	10.29	2.58	2.51
Natwar mori	36.01	12.09	3.36	36.01	9.04	2.51
SJVN (Solar) Phase 3	110.57	29.60	2.68	110.57	29.60	2.68
MSSY Solar Phase 3	2.11	0.94	4.46	2.11	0.94	4.46
UJVNL solar	34.78	15.51	4.46	34.78	15.51	4.46
Medium Term	3942.00	2306.07	5.85	3942.00	2306.07	5.85
PSP Export THDC-PSP	-589.68	-334.23	5.67	-	-	-
PSP Availability	468.08	208.96	4.46	468.08	208.96	4.46
Total Firm Sources	**19359.01**	**8646.59**	**4.47**	**19305.60**	**8168.73**	**4.23**
Banking Energy Receivable	680.26					
Deficit Purchase (short term)	300.46	166.82	5.55	371.18*	169.63	4.57
Banking Energy Payable	-1040.83					
Total	**19298.89**	**8813.41**	**4.57**	**19676.78**	**8338.35**	**4.24**
Banking Energy Receivable	-	-	-	934.81	-	-
Banking Energy Payable	-	-	-	-1087.11	-	-

**Including deficit purchase of 152.30 MUs for meeting banking obligation.*

4.5.18 *Water tax*

The Petitioner in its Petition has not claimed water tax for FY 2026-27. The Commission has, however, approved the water tax of Rs. 231.61 Crore for FY 2026-27 same as that actually incurred in FY 2024-25.

4.5.19 *Power Purchase Arrears:*

The Commission in compliance to the Judgment of Hon'ble APTEL dated 28.08.2024 and 30.05.2025 on Appeals filed by M/s Greenko Budhil Hydro Power Pvt. Ltd. and M/s Gama Infraprop (P) Ltd. respectively, had issued orders dated 13.05.2025 and 17.10.2025 respectively. Vide these Orders the amount re-determined in compliance to the Hon'ble APTEL Judgments were to be paid by UPCL in 11 instalments. The Commission vide its letter dated 12.01.2026 directed the Petitioner to submit the details of payment made to M/s Gamma Infra Pvt. Ltd. and M/s Greenko Budhil Hydro Power Ltd. till the end of December 2025 and expected to be made in January 2026 to March 2026 against the amount approved by the Commission vide respective orders. The Petitioner in response to the same submitted the following details:

Table 4.32: Details of Payment to Gamma and Greenko in FY 2026-27

Particulars	Total to be paid (Rs. Crore)	Already paid (Rs. Crore)	Balance in FY 2026-27 (Rs. Crore)
Gamma Infra Group Ltd.	229.46	104.30	125.16
Greenko Budhil Hydro Power Ltd.	308.79	100.25	208.54

Further, the Hon'ble APTEL, in its Judgment in Appeal No. 359 of 2018, on the Petition filed by M/s Him Urja Private Limited against the Commission's Order dated 17.05.2018, has adjudicated upon the issue of tariff adjustment for the Vanala Small Hydro Project (15 MW). The Hon'ble APTEL has directed the Commission to pass consequential orders in terms of its judgment.

Accordingly, in the present Order, the Commission has provisionally considered an amount of Rs. 100 Crore towards arrears on account of the tariff adjustment of Vanala Small Hydro Project, subject to final determination in accordance with the directions of the Hon'ble APTEL.

The Commission has also considered the arrears amounting to Rs. 336.03 Crore pertaining to UJVNL, on account of truing up of FY 2024-25 and PDF arrears, while estimating the power purchase cost for FY 2026-27.

Accordingly, the amount of arrears considered while estimating the power purchase cost for FY 2026-27 are summarized in the Table given below:

Table 4.33: Total Power Purchase Cost including Arrears & Water Tax approved by the Commission for FY 2026-27

Particulars	Total to be paid (Rs. Crore)	Already paid (Rs. Crore)	Arrears in FY 2026-27 (Rs. Crore)
Gama Infra Group Ltd.	229.46	104.30	125.16
Greenko Budhil Hydro Power Ltd.	308.79	100.25	208.54
Vanala	-	-	100.00
UJVNL	-	-	336.57
Total Arrears			**770.27**
Water Tax			**231.61**
Power Purchase Cost for FY 2026-27			**8338.35**
Total Power Purchase Cost for FY 2026-27 with Arrears			**9340.23**

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 2026-27 as indicated in the Table below, failing which, the Commission may disallow power purchases so incurred, while Truing up the ARR for FY 2026-27.

Table 4.34: Quarterly Power Purchase approved by the Commission for FY 2026-27

Quarter	Sales (MU)	Power Purchase Quantum (MU)	Power Purchase Cost including Arrears (Rs. Crore)
April – June	4102.19	4908.61	2330.03
July – September	4373.18	5232.87	2483.95
October – December	3974.44	4755.74	2257.47
January – March	3994.34	4779.56	2268.78
Total	**16444.15**	**19676.78**	**9340.23**

Further, the monthly sales for FY 2026-27 as approved by the Commission is as follows:

Table 4.35: Monthly Sales and Power Purchase approved by the Commission for FY 2026-27

Month	Sales (MU)	Power Purchase (MU)
Apr-26	1201.39	1437.57
May-26	1311.59	1569.43
Jun-26	1589.21	1901.62
Jul-26	1511.57	1808.72
Aug-26	1479.41	1770.23
Sep-26	1382.20	1653.92
Oct-26	1359.97	1627.31
Nov-26	1292.98	1547.16
Dec-26	1321.49	1581.28
Jan-27	1347.01	1611.81
Feb-27	1285.52	1538.23
Mar-27	1361.80	1629.51
Total	**16444.15**	**19676.78**

Further, it has been observed that the Petitioner has projected deficit procurement of around 300.46 MU in FY 2026-27, against which the Commission has projected the same of around 371.18 MU. In this regard, Regulation 75 of MYT Regulations, 2024 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 2026-27, it has been observed that the deficit has reduced substantially and the net deficit is within 5% of the total power purchase requirement. However, in order to ensure that the short-term requirement remains low, **the Petitioner is directed to meticulously plan its power procurement for the next year, i.e. FY 2026-27, and submit an action plan in this regard, stating how it plans to utilise the surplus power available against the estimated deficit, 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.**

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 excluding arrears of FY 2024-25 to compute the average per unit rate of PGCIL transmission charges by dividing the total amount paid to PGCIL by the total units wheeled through PGCIL network. The computed rate is escalated by 3% for FY 2025-26 and FY 2026-27 to arrive at the inter-State transmission charges for FY 2026-27. The Petitioner has proposed the Inter-State Transmission Charges of Rs. 754.23 Crore for FY 2026-27. The Commission observes that the transmission charges as per Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022, is dependent on the Access quantum and not on per unit basis. The Commission, therefore, has escalated actual ISTS transmission charges paid for FY 2025-26 by around 5%, after annualising the cost incurred up to December, 2025, to estimate the transmission charges for FY 2026-27. In accordance with the above approach the Commission has estimated Inter-State transmission charges as Rs. 595.00 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 2026-27 has been projected by considering the total Annual transmission charges approved by the Commission in its Tariff Order dated April 11, 2025.

The Commission has approved the Annual Transmission Charges for PTCUL and SLDC charges of Rs. 651.85 Crore for FY 2026-27 (Rs. 636.08 Crore for PTCUL and Rs. 15.77 Crore for SLDC) for FY 2026-27 vide its Order dated March 30, 2026, including true-up arrears and PDF arrears. Hence, the Commission has considered the same in the approval of ARR for FY 2026-27 for the Petitioner.

The Transmission Charges claimed by the Petitioner and approved by the Commission for FY 2026-27 is as shown in the Table given below:

Table 4.36: Transmission Charges for FY 2026-27 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
Inter-State Transmission Charges	754.23	595.00
Intra-State Transmission Charges	514.27	651.85
Total	**1268.50**	**1246.85**

4.7 GFA and Additional Capitalisation

4.7.1 *GFA base for FY 2026-27*

The Commission vide its MYT Order dated April 11, 2025 on approval of Business Plan for the 5th Control Period from FY 2025-26 to FY 2027-28 had approved the capitalisation of Rs. 951.00 Crore and Rs. 944.70 Crore for FY 2025-26 and FY 2026-27 respectively. As against the same, the Petitioner proposed the capitalisation of Rs. 817.42 Crore and Rs. 3324.28 Crore for FY 2025-26 and FY 2026-27 respectively.

The Petitioner in its Petition submitted that the capital investment plan aims to achieve loss reduction, cater to increasing load demand besides improving the quality of supply to the consumers as well as improving reliability of the system. The Petitioner submitted that it has carried out the detailed analysis of capital investment required for FY 2025-26 and FY 2026-27. The Petitioner projected capital expenditure for FY 2025-26 as Rs. 2121.50 Crore and for FY 2026-27 as Rs. 1872.46 Crore. The Petitioner further submitted that the capitalisation is proposed under the following verticals:

a) Load growth.

b) Loss reduction.

c) System Strengthening.

d) System reliability and safety improvement.

e) Creation of Infrastructure Facilities & other misc. works.

f) Central Sector and Miscellaneous schemes.

The Petitioner further submitted various schemes to achieve the above targets as shown below:

a) Electrification of ITBP Border Out Posts

b) Electrification of Households under Vibrant Village Program

c) Electrification of unelectrified Household under DAJGUA scheme

d) 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 33 kV lines for new connections.

   vii. Laying of 11 kV lines for new connections.

   viii. Laying of LT lines for new connections.

e) Loss reduction:

   i. 11 kV and 33 kV covered cable for forest area.

   ii. Laying of LT ABC cables in theft prone areas.

   iii. Replacement of defective single phase and three phase meters.

iv. Laying of 11 kV and 33 kV underground cables.

f) 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.

g) Creation of infrastructure facilities & other misc. works:

i. Sub-station, Offices, Residences, Boundary wall, Approach Road, etc

The Petitioner submitted that the majority of the old schemes of Government of India, i.e. R-APDRP, IPDS, Saubhagya, etc. have either been closed or have been merged with new RDSS scheme. Therefore, it has considered the schemes which are currently under progress viz. ADB (Uttarakhand Climate Resilient Power System Development Project funded by ADB) and RDSS.

The capital expenditure and additional capitalisation as proposed in the Petition is as shown in the Table below:

Table 4.37: Proposed Capital Expenditure and Capitalisation for FY 2025-26 and FY 2026-27 (Rs. Crore)

Particulars	Proposed Capital Expenditure	Capitalization As per Tariff Petition
FY 2025-26	2125.50	817.42
FY 2026-27	1872.46	3324.28
Total	**3997.96**	**4141.70**

The Commission has gone through the submissions of the Petitioner. It is observed that the Petitioner has projected lower capitalisation in FY 2025-26 but significantly higher capitalisation in FY 2026-27. Moreover, the projected capitalization in FY 2026-27 is more than the capitalisation of Rs. 944.70 Crore approved in the MYT Order dated April 11, 2025 for the said financial year.

The Commission observed that the Petitioner has made a considerable revision of additional capitalisation and there is a considerable gap between the amount approved vis-à-vis now projected by the Petitioner for FY 2025-26 and FY 2026-27 without any concrete basis. Moreover, in the past no substantial improvement in its efficiency has been shown by the Petitioner arising out of the capital works undertaken by it. The Commission, in the absence of any justification has approved the capitalisation for FY 2025-26 and FY 2026-27 as approved in the MYT Order dated April 11, 2025.

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 fulfil the conditions as stipulated by the Commission, based on prudence check. The Commission has, accordingly, approved the capitalization and GFA for FY 2026-27.

Based on the above, the GFA base approved by the Commission for FY 2026-27 is as shown in the Table below:

Table 4.38: GFA base approved by the Commission for FY 2026-27 (Rs. Crore)

S. No.	Particulars	Approved in the MYT Order	Claimed by UPCL	Approved
1.	Opening Value	11033.06	11814.94	11152.19
2.	Total addition during the year	944.70	3324.28	944.70
3.	Closing value	11977.76	15139.22	12096.89

4.8 Means of Finance

The Commission, as discussed above, has considered the capitalisation for FY 2026-27 as Rs. 944.70 Crore. The Commission with regards to the funding proposed by the Petitioner observed that the percentage of equity funding after taking out the grant component is more than the permissible normative limit of 30%. The Commission has, therefore, considered the financing for FY 2025-26 and FY 2026-27 as approved in MYT Order dated 11.04.2025. The approved financing is as shown in the Table below.

Table 4.39: Means of Finance approved by the Commission (Rs. Crore)

Particulars	FY 2025-26	FY 2026-27
Capitalisation	951.00	944.70
Financing		
Grant	421.17	398.88
Debt	370.88	382.08
Equity	158.95	163.75
Total	**951.00**	**944.70**

4.9 Interest and Finance Charges

The Petitioner submitted that the interest on loan for FY 2026-27 has been computed by considering the revised closing balance of FY 2024-25 based on the addition in FY 2024-25. Further, the closing balance of FY 2024-25 has been considered as opening balance for FY 2025-26 and subsequently the proposed capitalisation for FY 2025-26 has been added to arrive at the closing balance of FY 2025-26 which has then been taken as the opening balance of FY 2026-27. The Petitioner further submitted that new loans for FY 2025-26 and FY 2026-27 has been considered as per the means of financing of capitalization, while the repayment has been considered equivalent to the depreciation for FY 2025-26 and FY 2026-27 in line with the UERC Tariff Regulations, 2024. Rate of interest of 10.07% has been applied which is in line with the existing arrangement of loans with REC and PFC and other financial institutions. The Petitioner has, accordingly, claimed Interest on Normative loan balance for FY 2026-27 as Rs. 217.52 Crore. Further, the Petitioner has claimed financial and bank charges, as per actual of FY 2024-25.

The Petitioner further submitted that the opening balance of Consumer Security Deposit for FY 2025-26 has been considered equal to closing balance of previous year, i.e. FY 2024-25 as per the audited accounts and the interest on CSD has been considered based on the provisions specified in the Supply Code, i.e. at the RBI Bank rate prevailing as on 1st April 2025. The Petitioner submitted that bank rate prevailing as on 1st April 2025 is 6.50% and, hence, the same has been considered for the purpose of computation of interest on security deposit. The Petitioner has, accordingly, claimed the interest on consumer security deposit of Rs. 146.25 Crore for FY 2026-27.

Accordingly, the Petitioner has claimed the total interest and financing charges of Rs. 404.49 Crore for FY 2026-27.

Regulation 27 of the UERC Tariff Regulations, 2024 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 01.04.2025 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.03.2025 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.

…"

The Commission has considered the closing loan balance for FY 2024-25 as opening loan balance for FY 2025-26 as discussed in Chapter 3 of the Order. Thereafter, the Commission has considered the loan addition during FY 2025-26 and FY 2026-27 as per the approved means of finance for the respective years. The Commission has considered the depreciation for FY 2025-26 and FY 2026-27 as the normative repayment for these years. Accordingly, the Commission has worked out the closing loan balance for FY 2025-26 and FY 2026-27.

With regard to the computation of the rate of interest, the Commission has considered the weighted average rate of interest of 10.07% as approved for FY 2024-25.

The Commission has determined the interest on loan by applying the interest rate of 10.07% on the amount of average of the opening loan & closing loan excluding the loan additions corresponding to the assets capitalised during FY 2026-27.

The Commission has not allowed interest on additions during the year as the Petitioner capitalises the assets at the end of the financial year, and the amount of interest accrued during the year on the loan portion corresponding to the capital expenditure is treated as Interest during construction and is added to the CWIP for the purposes of capitalisation.

Further, the financing charges of Rs. 5.98 Crore as approved for FY 2024-25 has been considered for FY 2026-27. Interest on security deposit has been considered as Rs. 146.25 Crore as claimed by the Petitioner.

Accordingly, the total interest expenses approved for FY 2026-27 works out to Rs. 240.38 Crore as against the Petitioner's claim of Rs. 404.49 Crore. The interest on loan approved by the Commission for FY 2026-27 is as shown in the Table given below:

Table 4.40: Interest on Loan approved by the Commission for FY 2026-27 (Rs. Crore)

Particulars	Claimed	Allowable
Opening Loan balance	1950.94	947.85
Drawal during the year	679.27	382.08
Repayment during the year	259.23	144.19
Closing Loan balance	2370.98	1185.74
Interest Rate	10.07%	10.07%
Interest on Loan	217.51	**88.15**

Table 4.40: Interest on Loan approved by the Commission for FY 2026-27 (Rs. Crore)

Particulars	Claimed	Allowable
Other finance charges	40.72	5.98
Guarantee fee	-	-
Interest on CSD	146.25	146.25
Rebate for online payments	-	-
Total Interest	**404.49**	**240.38**

4.10 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, 2024. The Petitioner submitted that the average depreciation rate of 3.22% has been applied on the Opening GFA for FY 2026-27. Assets created from grants and deposit works have been excluded for the purpose of depreciation as per the provisions of the UERC Tariff Regulations, 2024.

Accordingly, the Petitioner has proposed the depreciation of Rs. 259.22 Crore for FY 2026-27.

Regulation 28 of the UERC Tariff Regulations, 2024 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 3.22% computed for FY 2024-25 and has applied the same on the opening depreciable GFA for FY 2026-27.

The depreciation approved by the Commission for FY 2026-27 is as shown in the Table given below:

Table 4.41: Depreciation approved for FY 2026-27 (Rs. Crore)

Particulars	Claimed	Allowable
Opening GFA	11814.94	11152.19
Grants	3766.02	6675.31
Depreciable opening GFA	8048.91	4476.88
Net addition during the year	1814.78	529.83
Closing GFA	9863.69	5006.70
Depreciation rate	3.22%	3.22%
Depreciation	**259.22**	**144.19**

4.11 Operation and Maintenance expenses

Regulation 84 of the UERC Tariff Regulations, 2024, 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 shall 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. 2024-25, 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 (GFA n-1) x (1+WPIinflation) and

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

Where -

- *EMP_{n-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 Distribution Licensee and validated by the Commission.

- *'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) for immediately 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 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 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.

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 of 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, 2024, the O&M expenses for FY 2026-27 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 2026-27 is detailed below.

4.11.1 *Employee Expenses*

The Commission had approved the employee expenses of Rs. 486.14 Crore for FY 2026-27 in its MYT Order dated April 11, 2025. As against the same, the Petitioner has computed the employee expenses as Rs. 481.38 Crore as per the UERC Tariff Regulations, 2024 considering the actual employee expenses for FY 2024-25.

The Petitioner has considered the CPI inflation of 4.48% per annum which is the average increase in CPI for preceding three years till the base year (FY 2023-24 to FY 2025-26). The Petitioner has considered growth factor as 0% for FY 2026-27. Further, the Petitioner has considered the capitalisation rate of 12.93% similar to actual capitalisation rate for FY 2024-25.

In accordance with the UERC Tariff Regulations, 2024, the Gn (growth factor) is to be considered in the computation of employee expenses. The Commission has considered the Gn as 0% based on the actual status of recruitment process submitted by the Petitioner from which it has been observed that there are more retirements than recruitments.

In accordance with UERC Tariff Regulations, 2024, 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 years up to FY 2025-26 as 3.75%.

The Commission has considered the gross normative employee expenses approved in the true up for FY 2024-25 for projecting the employee expense for initially FY 2025-26 and then for FY 2026-27 in accordance with the UERC Tariff Regulations, 2024. Further, the Commission has considered the capitalisation rate of employee expenses as 12.93% based on the actual rate of capitalisation for FY 2024-25.

The normative employee expenses approved by the Commission for FY 2026-27 are as shown in the Table below:

Table 4.42: Employee expenses approved by the Commission for FY 2026-27 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
EMPn-1	529.14	529.13
Gn	0.00%	0.00%
CPIinflation	4.48%	3.75%
EMPn = (EMPn-1) x (1+Gn) x (1+CPIinflation)	**552.85**	**548.96**
Capitalisation rate	12.93%	12.93%
Less: Employee expenses capitalized	71.47	70.98
Net Employee expenses	**481.38**	**477.98**

4.11.2 *R&M expenses*

The Commission had approved the R&M expenses of Rs. 407.10 Crore for FY 2026-27 in its MYT Order dated April 11, 2025. As against the same, the Petitioner has computed the R&M expenses as Rs. 637.10 Crore as per the UERC Tariff Regulations, 2024.

The Petitioner submitted that the R&M expenses for FY 2026-27 has been proposed as per the UERC Tariff Regulations, 2024. The Petitioner has considered the K factor of 5.30% based on the average growth rate of "R&M Expenses as a percentage of GFA" in the respective years for the past 5 years. Further, the Petitioner has considered the WPI inflation of 1.73% considering the average increase in the Wholesale Price Index (WPI) for FY 2023-24 to FY 2025-26. Accordingly, the Petitioner has proposed the R&M expenses of Rs. 637.10 Crore for FY 2026-27.

The Commission has determined the R&M expenses for FY 2026-27 in accordance with UERC Tariff Regulations, 2024. The Commission has considered the same K factor of 3.56% as considered by it in its MYT Order dated April 11, 2025. The Commission for computation of R&M expenses has considered the opening GFA for FY 2026-27. The Commission has further considered the WPI inflation of 0.53% which is the average increase in the Wholesale Price Index (WPI) for FY 2023-24 to FY 2025-26. Further, as discussed in the previous paras of this Order while dealing with the true-up for FY 2024-25, the Commission is not carrying out revision of 'k' factor to accommodate the impact of past years true-up, and shall revisit the same once the impact of transfer scheme is finalised.

The R&M expenses approved by the Commission for FY 2026-27 is as shown in the Table below:

Table 4.43: R&M Expenses approved by the Commission for FY 2026-27 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
K	5.30%	3.56%
GFAn-1	11682.50	11152.19
WPIinflation	1.73%	0.53%
R&Mn = K x (GFAn-1) x (1+WPIinflation)	**637.10**	**399.13**

4.11.3 *A&G Expenses*

The Commission had approved the A&G expenses of Rs. 77.78 Crore for FY 2026-27 in its MYT Order dated April 11, 2025. As against the same, the Petitioner has computed the A&G expenses for FY 2026-27 as Rs. 118.87 Crore as per the UERC Tariff Regulations, 2024.

The Petitioner submitted that the A&G expenses for FY 2026-27 consists of two 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. The approach submitted by the Petitioner is as stated below:

a) An escalation factor, i.e. WPI inflation of 3.65% for FY 2025-26 and 1.73% for FY 2026-27, which is the average increase of preceding three years till the base year (FY 2022-23 to FY 2024-25) has been applied for FY 2023-24 and FY 2024-25 to arrive at the normative A&G expense for subsequent years.

b) Capitalization rate of 13.36% based on actual capitalization rate of FY 2024-25 (as also discussed in True-up of FY 2024-25) has been considered for each year.

c) Additional expenditure on account of License fee has been considered, in line with the Commission's methodology and considering increase of 5%.

d) In line with the approach adopted by the Commission for allowing Data center expenses on actual basis (over and above normative computations), the same is estimated for FY 2025-26 and FY 2026-27.

Accordingly, the Petitioner has proposed the A&G expenses of Rs. 118.87 Crore for FY 2026-27.

The Commission has considered the normative gross A&G expenses approved in the MYT Order dated 11.04.2025 for FY 2025-26 as the gross base A&G expenses. This normative opening gross A&G expenses has been escalated by the WPI inflation of 3.65% to arrive at A&G expenses for

FY 2025-26. The gross A&G expenses so arrived at have been considered as the gross opening A&G expenses (A&Gn-1) for FY 2026-27 which has again been escalated by WPI Inflation of 0.53% to arrive at the A&G expenses for FY 2026-27. Further, the Commission has considered the actual capitalisation rate of A&G expenses for FY 2024-25 to be the capitalisation rate for FY 2026-27. In addition, the Commission has provisionally considered the licence fee as Rs. 6.05 Crore as also claimed by the Petitioner for FY 2026-27.

In line with the approach adopted in the MYT Order dated April 11, 2025, the Commission has approved the additional expenses of Rs. 36.82 Crore towards data centre cost for FY 2026-27. However, the Commission is of the view that with the roll out of smart prepaid metering many costs such as meter reading, bill distributions etc. will be saved. The Commission is not taking any view on the same at this stage and will consider such expenses based on actuals during truing up for FY 2026-27. The Commission would also like to caution the Petitioner to exercise full control on these expenses as they are controllable in nature and also avoid any wasteful expenditures.

The normative A&G expenses approved by the Commission for FY 2026-27 is as shown in the Table below:

Table 4.44: A&G expenses approved by the Commission for FY 2026-27 (Rs. Crore)

Particulars	Claimed	Allowable
A&Gn-1	86.22	60.03
WPIinflation	1.73%	0.53%
Gross A&G expenses	**87.72**	**60.35**
Capitalisation rate	13.26%	21.42%
Less: A&G expenses capitalized	11.72	12.93
Net A&G expenses	**76.00**	**47.42**
Provision (Data Centre)	36.82	36.82
License Fee	6.05	6.05
Total A&G Expenses	**118.87**	**90.29**

4.11.4 *O&M Expenses*

The summary of O&M expenses approved by the Commission for FY 2026-27 is as shown in the Table below:

Table 4.45: O&M Expenses approved by the Commission for FY 2026-27 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
Employee expenses	481.38	477.98
R&M expenses	637.10	399.13
A&G expenses	118.87	90.29
Total O&M expenses	**1237.35**	**967.40**

4.12 Smart Meter Opex

The Petitioner has submitted the provision of smart metering OPEX expenses under the RDSS scheme as shown in the Table below:

Table 4.46: Smart Meter OPEX Expenses claimed by the Petitioner from FY 2025-26 to FY 2026-27 (Rs. Crore)

O&M Expense	FY 2025-26	FY 2026-27
Smart metering OPEX Expense	258.47	327.72

The Petitioner in view of the above has requested that Opex cost towards Smart Metering be allowed as per the above Table and consider the same as per actuals during true-up.

The Commission vide letter dated December 12, 2025, directed the Petitioner to submit the approach followed for working out the smart meter expenses under OPEX. In reply to the Commission's query the Petitioner submitted that methodology adopted for calculation of aforesaid smart meter expenses as follows:

Table 4.47: Yearly OPEX Expenses claimed by the Petitioner

Meter Type	Lumpsum Rate per Meter (Rs.)	Per Meter Per Month Charge per Meter (Rs.)	Physical Progress (Nos.)			Lumpsum Amount (in Cr.)			PMPM Charges (in Cr.)			Total Expenses (Cr.)	
			FY 2024-25	*FY 2025-26*	*FY 2026-27 (Projected)*	*FY 2024-25*	*FY 2025-26*	*FY 2026-27 (Projected)*	*FY 2024-25*	*FY 2025-26*	*FY 2026-27 (Projected)*	*FY 2025-26*	*FY 2026-27 (Projected)*
Consumer Meter	1,350	106.5 (Avg. for Consumer Meter)	60512	739488	787870	8.17	99.83	106.36	-	105.60	209.59	213.6	315.95
DTR Meter	5,175	365.5	3470	55,42		1.80	28.85	-	-	11.77	11.77	44.87	11.77
Feeder Meter	9,450	210.7	2374	228		2.24	0.22	-					
Total												**258.47**	**327.72**

The Commission has gone through the submissions made by the Petitioner, it is observed that the Petitioner has not considered the grant of Rs. 675 per consumer meter available to States/ UTs for timely deployment of meters within the targeted timeline for first phase mission. The Commission while computing the yearly value of smart metering Opex expenses has considered the additional grant, in line with its approach as per MYT Order dated April, 11, 2025, as the same would have been availed by UPCL if the prescribed timeline for deployment of smart meters under RDSS scheme was adhered to. As this is a controllable parameter, the financial impact of the same shall not be passed on to the consumers. Further, upon examination of the AMISP contract of the Petitioner, it is observed that the contract value is payable over a period of 93 months. Accordingly, the Commission has computed the annual expenses by considering the contract tenure of 93 months. Accordingly, the Commission has computed the yearly value of Opex expenses as shown in the Table below:

Table 4.48: Yearly OPEX Expenses approved by the Commission (Rs. Crore)

Particulars	No. of Meters	Grant Ceiling (Rs.)	Total Grant (Rs. Crore)
Consumer Smart Meter	1587870	2025	321.54
DTR Smart Meter	59212	5175	30.64
Feeder Smart Meter	2602	9450	2.46
Total Grant (Rs. Crore)			354.64
Contract Value (Rs. Crore)			2027.02
Net of Grant expenditure to be recovered in 93 months (Rs. Crore)			1672.38
Net of Grant expenditure to be recovered per year (Rs. Crore)			**215.79**

Accordingly, the smart metering OPEX expenses approved by the Commission for FY 2026-27 is shown in the Table below:

Table 4.49: Smart Meter OPEX Expenses approved by the Commission for FY 2026-27 (Rs. Crore)

O&M Expense	Amount
Smart metering OPEX Expense	215.79

The OPEX expenses shall be trued up, based on the timelines given under the RDSS scheme and actual deployment of smart prepaid meters by UPCL.

The Commission further directs the Petitioner to ensure the deployment of smart meters in a phased manner, with installation for all eligible consumers to be completed by August 2026, and to submit a quarterly report to the Commission within 15 days of the end of each respective quarter.

4.13 Interest on Working Capital

The Petitioner has submitted that the interest on working capital (IWC) for FY 2026-27 has been proposed in accordance with the UERC Tariff Regulations, 2024. Accordingly, the Petitioner has proposed the normative IWC of Rs. 210.62 Crore for FY 2026-27.

Regulation 33(2) of the UERC Tariff Regulations, 2024 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 2026-27 in accordance with the UERC Tariff Regulations, 2024.

4.13.1 *One Month O&M Expenses*

The annual O&M expenses approved by the Commission are Rs. 967.40 Crore for FY 2026-27. Based on the approved O&M expenses, one month's O&M expenses work out to Rs. 80.62 Crore for FY 2026-27.

4.13.2 *Maintenance Spares*

The Commission has considered the maintenance spares as 15% of annual O&M expenses, which works out to Rs. 145.11 Crore for FY 2026-27.

4.13.3 *Receivables*

The Commission has approved the receivables for two months equivalent to the expected revenue at existing tariff of Rs. 12590.41 Crore for FY 2026-27, which works out to Rs. 2098.40 Crore for FY 2026-27.

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 2026-27 while approving the Business Plan of UPCL for the Control Period from FY 2025-26 to FY 2027-28. In accordance with the provisions of the UERC Tariff Regulations, 2024, the Commission has approved the capital required to finance shortfall in collection of current dues as 0.85% of the revenue at existing tariff of Rs. 12590.41 Crore for FY 2026-27, which work out to Rs. 107.02 Crore.

4.13.5 *Adjustment for Credit by power suppliers*

The Petitioner has proposed one month of power purchase cost as Rs. 861.31 Crore for FY 2026-27. As per the Power Purchase approved, one month of power purchase cost worked out by the Commission is Rs. 867.48 Crore.

Based on the above, the total working capital requirement of the Petitioner for FY 2026-27, works out to Rs 1563.66 Crore. The interest on working capital for FY 2026-27 approved by the Commission is as shown in the Table below:

Table 4.50: Interest on working capital approved by the Commission for FY 2026-27 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
O&M expenses for 1 month	101.79	80.62
Maintenance Spares	183.22	145.11
2 months of expected revenue at prevailing tariffs	2145.60	2098.40
Capital required to finance shortfall in collection of current dues	109.43	107.02
Minus: one month power purchase cost	861.31	867.48
Net Working Capital	**1678.73**	**1563.66**
Rate of Interest on Working Capital	12.45%	12.38%
Interest on Working Capital	**210.62**	**193.58**

4.13.6 *Return on Equity*

The Petitioner has considered the opening Equity for FY 2026-27 as Rs. 1995.09 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. 329.19 Crore for FY 2026-27.

Regarding the Return on Equity, Regulation 26 of the UERC Tariff Regulations, 2024 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 amount of allowed equity capital for the assets put to use at the commencement of each financial year.

Provided further that, if the generating stations/licensees are able to demonstrate the actual date of asset being put to use and capitalized in its accounts of each asset for the purposes of business carried on by it through documentary evidence, including but not limited to 'asset put to use certificate', 'audited accounts' etc., then in such cases, after due satisfaction of the Commission, the RoE shall be allowed on pro-rata basis after considering additional capitalization done during the year out of the equity capital.

(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.

Provided that return on equity in respect of additional capitalization after 01.04.2025 beyond the original scope of work excluding additional capitalization due to Change in Law, shall be computed at the base rate of one-year marginal cost of lending rate (MCLR) of the State Bank of India plus 350 basis points as on 1st April of the year, subject to a ceiling of 14%;"

In accordance with the UERC Tariff Regulations, 2024, 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 2026-27.

Further, the proviso to the above-mentioned Regulation on RoE provides that if the licensee is able to demonstrate the actual date of asset being put to use and capitalized in its accounts for the purposes of business carried on by it through documentary evidence, then Return on Equity shall be allowed on pro-rata basis considering additional capitalisation done during the year. However, at this stage it cannot be projected when the asset will be capitalised. Moreover, as discussed in Chapter 3 of this Order, it has been the practice of the Petitioner to capitalise the assets at the end of the year. Hence, the Commission may consider the Return on Equity on pro-rata basis at the time of truing-up if complete details as per the proviso to the Regulations are submitted by the Petitioner.

Further, as discussed in Chapter 3 of this Order, in the absence of segregation of additional capitalization after cut-off date beyond the original scope of works, the Commission has not segregated the equity additions into equity on capitalization after cut-off date beyond the original scope of works or otherwise, which shall, however, be reviewed by the Commission at the time of truing up of respective year. **Accordingly, the Petitioner is directed to submit the details of**

capitalization of new works and additional capitalization segregating those works which are capitalised after the cut-off date beyond the original scope and within the original scope of work, separately during the truing up proceedings.

Accordingly, the Commission has considered the closing eligible equity approved for FY 2024-25 as the opening balance for FY 2025-26 as discussed in Chapter 3 of the Order. Thereafter, the Commission has considered the equity addition during FY 2025-26 as per the approved means of finance for FY 2025-26. The Commission has considered the closing balance for FY 2025-26 as the opening balance for FY 2026-27.

The Return on Equity approved by the Commission for FY 2026-27 is as shown in the Table below:

Table 4.51: Return on Equity approved by the Commission for FY 2026-27 (Rs. Crore)

Particulars	Claimed by UPCL	Approved
Opening Equity	1995.09	784.01
Addition during the year	679.27	163.75
Closing Equity	2674.35	947.76
Rate of Return	16.50%	16.50%
Return on Equity	**329.19**	**129.36**

4.13.7 *Income Tax*

The Petitioner has not claimed any Income Tax in its ARR proposals for FY 2026-27.

Regulation 34 of the UERC Tariff Regulations, 2024 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 the 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 2026-27.

4.13.8 *Provisions for Bad and Doubtful Debts*

Regulation 31 of the UERC Tariff Regulations, 2024 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 of 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 in line with the regulations, the Petitioner has claimed 1% of estimated revenue at existing tariff towards provisions of Bad and Doubtful Debts for FY 2026-27 and has requested the Commission to consider the claim on the basis of actual bad debts written off at the time of truing up process.

In accordance with the UERC Tariff Regulations, 2024, provision of Bad and Doubtful Debts is allowable up to 1% of the estimated annual revenue of the distribution licensee subject to a ceiling of 5% of the receivables at the beginning of the year. Hence, the Commission has provisionally allowed an amount of Rs. 113.30 Crore for FY 2026–27, calculated as minimum of 1% of the revenue from the existing tariff and 5% of the receivables at the beginning of the year, subject to truing up. Further, **the Petitioner is directed to submit its claim at the time of truing up, duly certified by Statutory Auditor along with specific approval of BoD justifying the write offs, and after ensuring that the due process as per the approved policy has been complied with. Failure to comply with this directive will result in the disallowance of such provisions/ write-offs during truing up of FY 2026-27. Further, any write offs of Bad Debts shall only be allowed after due reconciliation of arrears reflected in the books of accounts and that reflected in the commercial diary of UPCL.**

4.13.9 *Non-Tariff Income*

The Petitioner has proposed non-tariff income of Rs. 338.69 Crore, as per actual non-tariff Income for FY 2024-25.

In the absence of any yardstick for estimating the non-tariff income of the Petitioner, the Commission provisionally approves the NTI approved for FY 2024-25 after excluding an amount of

Rs. 102.61 Crore towards sale of REC in FY 2024-25. In addition to the adjusted non-tariff income of Rs. 236.08 Crore (338.69 - 102.61) for FY 2024-25, the Commission has provisionally considered Rs. 140.51 Crore on account of DPS from Government Consumers, as computed for FY 2024-25, and Rs. 97.01 Crore towards anticipated sale of RECs in view of the surplus RPO projected for FY 2026-27. The Commission has, accordingly, considered the total non-tariff income of Rs. 473.60 Crore for FY 2026-27. The same shall, however, be Trued up based on the actual audited accounts for the year.

4.13.10 *Revenue Requirement for FY 2026-27*

Based on the above, the net Revenue Requirement approved by the Commission for FY 2026-27 is as shown in the Table below:

Table 4.52: Revenue Requirement approved by the Commission for FY 2026-27 (Rs. Crore)

S. No.	Particulars	UPCL	Approved
1	Power Purchase Cost including RPO, Water Tax & Arrears	9105.64	9340.23
2	Transmission Charges		
	PGCIL	753.61	595.00
	PTCUL & SLDC	615.13	651.85
3	Interest on Loan and finance charges	258.24	94.13
4	Interest on consumer security deposit	146.25	146.25
5	Depreciation	259.23	144.19
6	O&M expenses	1221.50	967.40
7	Smart Meter OPEX Expenses	327.72	215.79
8	Interest on Working Capital	210.62	193.58
9	Return on Equity	329.19	129.36
10	Provisions for bad debts	125.48	113.30
11	**Aggregate Revenue Requirement**	**13352.61**	**12591.09**
12	Less: Non-Tariff Income	338.69	473.60
13	True up impact Gap/(Surplus)	1718.06	343.07
14	Additional Claim – Past ARR (EI Certificate)	-	28.98
15	**Net Revenue Requirement**	**14731.98***	**12489.54**

** As per revised claims submitted by UPCL vide its submission dated 20.03.2026.*

4.14 Revenue at Existing Tariff

The Petitioner has projected the revenue of Rs. 12548.05 Crore for FY 2026-27 at the existing Tariffs. The Petitioner in its Petition has projected the category-wise revenue for FY 2026-27 based on the existing fixed and energy charges as approved by the Commission in the tariff Order dated April 11, 2025.

The revenue at existing Tariff as proposed by the Petitioner and estimated by the Commission is shown in the Table given below:

Table 4.53: Revenue for FY 2026-27 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	4616.76	2628.02	5.69	4675.52	2874.21	6.15
2.	RTS-2: Non-Domestic	2805.55	2424.77	8.64	2292.84	2029.40	8.85
3.	RTS-3: Govt Public Utilities	1002.28	835.61	8.34	955.17	838.25	8.78
4.	RTS-4: Private Tube Wells	365.20	103.69	2.84	345.54	98.53	2.85
7.	RTS-5: Industry	7580.70	6238.85	8.23	7702.48	6376.89	8.28
	LT Industry	438.15	331.34	7.56	429.57	348.87	8.12
	HT Industry	7142.55	5907.50	8.27	7272.91	6028.02	8.29
8.	RTS-6: Mixed Load	206.43	165.31	8.01	194.70	156.80	8.05
9.	RTS-7: Railway Traction	168.71	140.21	8.31	169.05	133.00	7.87
10.	RTS-8: EV Charging Station	15.15	11.59	7.65	15.15	11.59	7.65
	Revenue from Incremental Sales	-	-	-	93.70	71.74	7.66
Total		**16760.78**	**12548.05**	**7.49**	**16444.15**	**12590.41**	**7.66**

4.15 Revenue Gap/(Surplus) for FY 2026-27 at existing Tariff

Based on the net revenue requirement of Rs. 14731.98 Crore (including the proposed True up amount for FY 2024-25) and revenue at existing Tariff of Rs. 12548.05 Crore, the Petitioner has proposed the revenue gap of Rs. 2183.94 Crore to be recovered by way of proposed Tariff hike for FY 2026-27.

Considering the net revenue requirement of Rs. 12489.54 Crore and revenue at existing Tariff of Rs. 12590.41 Crore, the Commission has approved the revenue surplus of Rs. 100.87 Crore for FY 2026-27. The revenue surplus for FY 2026-27 proposed by the Petitioner and approved by the Commission is as shown in the Table given below:

Table 4.54: Revenue Gap/(Surplus) for FY 2026-27 (Rs. Crore)

Particulars	Proposed by the Petitioner	Approved
Net Revenue Requirement	14731.98	**12489.54**
Revenue at existing Tariff	12548.05	12590.41
Revenue Gap/(Surplus)	**2183.94**	**(100.87)**

5. Tariff Rationalisation, Tariff Design and related issues

5.1 Tariff Rationalisation and Tariff Design for FY 2026-27

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 2026-27 at tariffs approved vide Tariff Order dated April 11, 2025 will be Rs. 12590.41 Crore. Against this, the ARR approved by the Commission for FY 2026-27 including gap on account of truing up of previous years works out to Rs. 12489.54 Crore, leaving a total surplus of Rs. 100.87 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 to recover the projected ARR for FY 2026-27.

The Petitioner also proposed the following amendment in the Tariff structure for FY 2026-27.

5.1.2.1 Green Power Tariff

The Petitioner submitted that the Commission in the tariff Order for FY 2025-26, had approved the Green Power Tariff of 36 paisa/unit applicable for all consumer categories.

The Petitioner for FY 2026-27 has proposed the rate of Green Power Tariff based on the projected cost of procurement from RE and non-RE sources of energy. The Petitioner based on the estimated Power purchase cost from RE and non-RE sources of energy, proposed the Green Power Tariff for FY 2026-27 as follows:

Computation of Green Power Tariff

The total power purchase cost projected by the Petitioner for Non-RE power, i.e. after excluding RE power eligible for RPO from the total power, is provided in the Table below:

Table 5.1: Power Purchase Cost as projected by UPCL

Particulars	FY 2026-27
Computation of cost for Non-RE power (Total Power minus RE power)	
Net Generation at State periphery (MU)	16872.52
Total power purchase cost (Rs. Crore)	5160.48
Net Rate of Non-RE power (Rs./kWh)	3.06
Computation of cost for RE power	
Net Generation (MU)	2755.97
Total Cost (Rs. Crore)	1069.24
Net Rate of RE power (Rs./kWh)	3.88
Total cost for Non-RE power & RE power	
Net Generation at State periphery (MU)	19628.49
Total cost excluding Transmission charges (Rs. Crore)	6229.72
Net Rate (Rs./kWh)	3.17

In view of the above, Green Power Tariff proposed by UPCL is as follows:

Table 5.2: Green Power Tariff Proposed by UPCL for FY 2026-27

Particulars	Computation
Average cost of RE for FY 2026-27 (Rs./kWh)	3.88
Less: Average cost of Non-RE for FY 2026-27 (Rs./kWh)	3.06
Difference (Rs./kWh)	0.82
Less: Promotional discount for Green Power	50%
Applicable Green Power Charges (Rs/kWh)	**0.41**

The Petitioner submitted that the Green Power Tariff is proposed for all the categories of consumers as approved by the Commission in its previous Orders.

5.1.2.2 LT industry consumers availing higher demand

The Petitioner submitted that the Commission vide its Order dated April 11, 2025 has specified that any LT Industrial consumer with a sanctioned load ≤ 75 kW shall be required to pay demand charges as applicable to HT Industrial consumers on the entire recorded demand, for the billing month in which the consumer's recorded demand exceeds 100 kVA. Accordingly, the said demand charges was applicable for calculation of excess load/demand penalty as per the provisions of the Supply Code.

The Petitioner requested to continue with the same for FY 2026-27.

5.1.2.2.1 Prepaid metering

The Petitioner has proposed to continue with the existing terms of the pre-paid metered scheme, as approved by the Commission for FY 2025-26 in its Tariff Order dated April 11, 2025.

5.1.2.2.2 *Time of Day Tariffs*

The Petitioner submitted that the Ministry of Power issued Electricity (Rights of Consumers) Amendment Rules, 2023 on 14th June 2023, which prescribed that Time of Day tariff for Commercial and Industrial consumers having maximum demand more than 10 Kilowatt shall be made effective from a date not later than 1st April, 2024, and for other consumers except agricultural consumers, the Time of Day tariff shall be made effective not later than 1st April, 2025. The Petitioner submitted that the key pre-requisites for implementation of TOD tariff are as follows:

- Meters/ Smart Meters/ Pre-paid meters with TOD functionality
- Existing Billing software readiness
- Infrastructure for Smart Meter (server, network, integration with various modules like HES, MDM)
- Notification of Solar hours, Peak & off-peak hours by Commission.

The Petitioner submitted that while TOD tariffs are already in place for Industrial consumers, the existing metering and billing infrastructure of UPCL does not support TOD functionality for other consumers.

The Petitioner, accordingly, proposed to introduce the TOD tariffs for consumer categories other than agricultural consumers from FY 2027-28, once sufficient deployment of smart meters is there for analysis. The Petitioner further submitted that Industrial consumers are already having TOD tariffs.

5.1.2.2.3 *Rebate for Online Payment of Electricity Bills*

The Petitioner has proposed to continue with the existing terms for rebate on online payment as approved by the Commission for FY 2025-26 in its Tariff Order dated April 11, 2025.

5.1.2.2.4 *Removal of Difficulty with respect to Rate schedule applicable to IIT Roorkee*

The Petitioner submitted that a connection bearing No. 680K000005997 of 10,000 kVA has been released to IIT, Roorkee and is presently being billed under Rate Schedule RTS-6 (Mixed Load). The Petitioner has further submitted that, earlier, IIT, Roorkee had approached the Commission for conversion from RTS-6 (Mixed Load) to RTS-2 (Non-Domestic – Government/ Government Aided Educational Institutions). The Commission, after holding various meetings with the officers of the Petitioner and IIT, Roorkee, forwarded the said representation to the Petitioner vide letter no. UERC/6/TF-25/2024-25/2025/579, dated 09.07.2025 for disposal of the same.

The Petitioner submitted that the said connection is a single-point bulk supply connection catering to various premises of the institute, including supply to the employee's premises. It further submitted that the domestic load on the said connection is in the range of 10% to 12%. As per the provisions of the Tariff Order for FY 2025-26, Rate Schedule RTS-6 (Mixed Load) is applicable to single-point bulk supply connections more than 75 kW where supply is used for a combination of domestic (with more than 60% domestic load) and other non-domestic purposes.

The Petitioner further submitted that Rate Schedule RTS-2 (Non-Domestic – Government /Government Aided Educational Institutions) is applicable only where the entire supply is utilized by the institution and no further supply is extended to employees. It also submitted that, as per Para 14 of the Conditions of Supply annexed to the Tariff Order for FY 2025-26, single-point bulk supply connections are not permissible under RTS-2, except in cases such as shopping complexes, multiplexes, and malls. Further, the Petitioner has submitted that the tariff under RTS-2 (Fixed Charges: Rs. 100/kVA/month; Energy Charges: Rs. 5.85/kWh) is lower than the tariff applicable to the single-point bulk supply under domestic category (Fixed Charges: Rs. 120/kVA/month; Energy Charges: Rs. 7.50/kWh). Therefore, allowing IIT, Roorkee to be billed under RTS-2 would lead to discrimination with the domestic consumers under RTS-1, who are paying higher tariff than the tariff applicable on RTS-2 (Non-Domestic – Government / Government Aided Educational Institutions).

In view of the above, the Petitioner has requested the Commission to introduce a separate sub-category under Rate Schedule RTS-2 for single-point bulk supply to Government/Government Aided Educational Institutions, the tariff of which should be higher than that applicable to single-point bulk supply under the domestic category.

5.1.2.2.5 Escalation in Miscellaneous Charges:

The Petitioner has proposed 6.65% escalation in the Miscellaneous Charges equivalent to average of CPI and WPI.

The Commission analysed the submission made by UPCL, and observed that UPCL has simply proposed an increase in the Miscellaneous Charges without giving any rationale for the same.

In this regard, the Commission compared the miscellaneous charges being levied in neighbouring States by the Discoms and found them to be lower in comparison to those levied by UPCL. Consequently, the Commission does not find any merit in UPCL's submission to escalate the Miscellaneous Charges based on CPI and WPI and directs UPCL to bring the matter in the next tariff proceedings, if necessary. It should be presented with a proper study and justification in support of the same.

5.1.2.2.6 *Additional rationalization measure proposed by the Petitioner through separate submission.*

The Petitioner during the proceedings proposed additional tariff rationalization measure by making a submission vide its letter no. 457/UPCL/RM/B-29 dated. 23.01.2026, as follows:

i. Levy of Fixed Charges in consumer categories RTS-8 (Electric Vehicle Charging Station) and RTS-9 (Temporary Supply). The Petitioner also proposed levy of excess load/demand penalty in order to avoid the misuse of contracted load violation by these consumer categories.

ii. Tariff for Single Point Bulk Supply under RTS-1 (Domestic) category be determined in accordance with the sub rule 14(d)(ii) of the MoP, GoI notified Electricity (Right to consumers) Amendment Rules, 2024 dated 22.02.2024, so as to have tariff parity among individual domestic consumers as well as those domestic households fed through single point bulk supply connections.

The Commission vide its letter no. UERC/TF-814/2025-26/2026/1715 dated 09.02.2026 asked UPCL to submit a formal proposal for the proposed additional tariff rationalization measures in the form of a supplementary Petition, however, till the date of issuance of this Order no such proposal has been forwarded by UPCL before the Commission. Accordingly, the same has not been taken into consideration by the Commission.

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 Green Power Tariff

The Commission in the past has been approving the Green Power Tariff for the consumers since FY 2022-23. Further, the Commission in its Tariff Order for FY 2025-26 dated April 11, 2025 considering the request of the Petitioner approved the Green Power Tariff of Rs. 0.36/kWh applicable for all the category of consumers.

The Petitioner has proposed the Green Power Tariff for FY 2026-27 in line with the approach adopted by the Commission while approving Green Power Tariff for FY 2025-26.

The Commission, continuing with the approach adopted in the previous year's Tariff Order, opines that the power from Renewable Energy source is intermittent in nature and in order to supply 100% RE power to any consumer it entails additional cost towards grid balancing and fixed cost of stranded capacity, which cannot be passed to other consumers of the State. Therefore, it is necessary to recover such additional cost from these consumers requiring 100% RE power only and not from the other consumers of the State. However, the Green Power Tariff should also be reasonable to the consumer, thereby acting as a catalyst for wider acceptance.

The Commission has analysed the approach adopted by other State Electricity Regulatory Commission and opines that it is appropriate to compute Green Power Tariff as the difference of the weighted average rate of RE procurement and weighted average variable cost of non-RE procurement (except hydro and nuclear generating stations where total charges need to be considered). Further, the cost of power projected to be scheduled through Medium Term source has been considered to be recovered equally through Fixed Charges and Variable Charges based on the information submitted by the Petitioner at the time of seeking approval of the said procurement. However, since the cost of such RE procurement is already embedded in the base tariff being determined by the Commission some benefit needs to be passed on to the consumer as well. Accordingly, the Commission considers it appropriate to levy only 50% of the rate so arrived from the consumers willing to procure 100% RE power from DISCOMs to promote procurement of RE power. However, this approach may be reviewed by the Commission at the time of determining the tariff for subsequent period based on the observation gained during the course of time and other data or information that becomes available subsequently. Based on the above, Green Power Tariff approved by the Commission for FY 2026-27 is shown in the Table below:

Table 5.3: Green Power Tariff approved by the Commission for FY 2026-27

RE Power Procurement for the Period FY 2026-27			Non-RE Power Procurement for the Period FY 2026-27			Difference between RE & Non-RE Power	Approved Green Power Tariff
MU	Rs. Crore	Rs./ Unit	MU	Rs. Crore	Rs./Unit	Rs./Unit	Rs./Unit
A	B	C	D	E	F	G = (C – F)	H=G*50%
2763.30	1066.00	3.86	16913.48	5199.14	3.07	0.78	0.39

In view of the above, the Commission approves the Green Power Tariff of Rs. 0.39/kWh, which will be applicable for any consumer availing RE power on payment of Green Power tariff in addition to the applicable tariff. The Green Power Tariff will be applicable to all the category of consumers without any restrictions in accordance with the provisions of the RE Regulations, 2023, as amended from time to time.

The Petitioner will provide RE power in accordance with the RE Regulations, 2023 to the interested eligible consumers on a request made by them and such consumers shall be required to pay applicable Green Power Tariff over and above the tariff applicable for that consumer category as per the relevant tariff schedule of the Tariff Order in force.

The revenue earned by the Petitioner from such sale of green power shall be considered as Tariff Income at the time of truing up. Such treatment of revenue shall also ensure that the benefit of the same is passed on to the other consumers of the State.

The Commission would like to clarify that such green energy supplied by the Petitioner to the consumers will be duly considered for meeting the RPO of UPCL when it is in excess of the RPO of the obligated consumer or the RPO obligated consumers does not wish to consider the same for meeting its RPO obligations.

5.1.3.2 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 2022-23, 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.

Further, the Commission opines 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 Utility 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. However, in the current tariff proceedings, it has been observed that to meet the deficit quantum of power requirement, the Petitioner has been resorting to short term procurement from exchanges, etc. which has no additional incidence on the fixed costs, and all the power available with it is being sold. Hence, the Commission in this Tariff Order has not increased the Fixed/Demand charges for any existing category of consumers as the licensee is also expected to bring in efficiency for recovery of its charges.

5.1.3.3 Continuous Supply Surcharge

The Commission, in its Tariff Order dated October 23, 2009, had approved the 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 avail 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 on a 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 the continuous nature of their process. In this connection, Regulation 3(2) of UERC (Release of new HT & EHT Connections, Enhancement and Reduction of Loads) Regulations, 2008 specifies that loads for all HT consumers having continuous processes, irrespective of the 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 and 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 March 21, 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 April 18, 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. The Commission in its Tariff Order for FY 2021-22 dated April 26, 2021 considering the requests of various stakeholders decided to reduce the continuous supply surcharge from 7.5% of energy charges to 5% of energy charges. Further, the Commission in its Tariff Order for FY 2022-23 dated March 31, 2022 considering the requests of various stakeholders decided to reduce the continuous supply surcharge from 5% of energy charges to 2.5% of energy charges.

Subsequently, the Commission vide its Order dated October 19, 2022 in Petition No. 31 of 2022 considering the huge shortages and cost of power available in the market and also the influx of applications seeking continuous supply, increased the Continuous Supply Surcharge from 2.5% of energy charges to 15% with effect from October 1, 2022.

The Commission in its Tariff Orders for FY 2023-24, FY 2024-25 and FY 2025-26 continued with the Continuous Supply Surcharge of 15%.

In the current 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. On the other hand, some of the stakeholders submitted that the continuous supply surcharge should be applicable only for continuous process industries and not for all the industries.

The Commission observed that UPCL has since tied up adequate power through medium-term arrangements aggregating to 500 MW, significantly improving its overall power availability position. As per the power purchase availability assessment as done in Chapter 4 of this Order, the deficit is now limited only to three months in FY 2026-27, namely April 2026, February 2027 and March 2027, and does not persist throughout the year.

In view of the substantially improved power procurement position and availability of sufficient power during the remaining months, the Commission is of the view that the existing Continuous Supply Surcharge (CSS) of 15% can be reduced to 7.5% for FY 2026-27. The Commission shall, however, continue to monitor the power supply position and may whenever deems necessary review the surcharge based on change in demand-supply conditions.

As regards the suggestion that the continuous supply should be allowed only to continuous process industries, the Commission in its previous Tariff Order dated 11.04.2025 had allowed the option of continuous supply to the continuous process industries only. It is undeniable that a Discom is obligated to supply 24 x 7 reliable power supply under Universal Service Obligation, however, in case of shortages when power is not available elsewhere at affordable rates, it would have to resort to load shedding to balance its demand and supply mismatch. As discussed earlier the utility is anticipated to be power deficit only in 3 months, and the same may increase/decrease based on the efficiency of banking arrangements, which UPCL may undertake subsequently in FY 2026-27 to manage its surplus/deficit position. If continuous supply option is extended to all the industries, it may result in deficit in some more months during the year. In the present scenario, the Commission does not consider it necessary, at this stage to allow continuous supply option to all the industries as the licensee would be under tremendous pressure to procure electricity at costlier rates to meet the supply to the industries opting for continuous supply under the contractual obligations which would unnecessarily burden the tariffs. The Commission will again review the month wise demand supply situation and take appropriate view in the next Tariff Order. However, as dealt in Chapter-3 and Chapter-4 of this Order, the Petitioner is directed to explore the means of effective and efficient banking arrangements to optimise its power surplus/deficit scenario.

Further, in this regard Para 8.2.1 (1) of the National Tariff Policy 2016 also stipulates as under:

> *"…The reduction of Aggregate Technical & Commercial (AT&C) losses needs to be brought about but not by denying revenues required for power purchase for 24 hours supply and necessary and reasonable O&M and investment for system upgradation.* ***Consumers, particularly those who are ready to pay a tariff which reflects efficient costs have the right to get uninterrupted 24 hours supply of quality power****."*

(Emphasis added)

Hence, in line with the views taken by the Commission in its Tariff Order dated 11.04.2025 for FY 2025-26, 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 will only be available to continuous process industries provided such industries are either connected through an independent feeder or industrial feeder wherein all the industrial consumers on such feeder have opted for continuous supply option.

The existing continuous process industrial consumers opting for continuous supply shall pay 7.5% extra energy charges with effect from April 01, 2026 or in case of new consumers from the date of new connection, till March 31, 2027 irrespective of the 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, 2027, irrespective of the actual period of continuous supply option.

In this regard, the Commission would like to clarify certain key issues, pertaining to the applicability conditions for existing and new continuous process industrial consumers in order to avoid any misinterpretation of the conditions, and the same are discussed as under:

- Only Continuous Process Industry consumers operating 24 hours a day and for 7 days in a week, without any weekly off, 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 Continuous Process Industry 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.
- Continuous Process Industry consumers who have opted for Continuous supply, provided they meet the criteria of continuous process industry as discussed above, shall continue to remain Continuous Supply Consumers and they need not to apply again for seeking continuous supply option. Such consumers shall pay 7.5% extra energy charges, in addition to the energy charges approved, w.e.f. April 01, 2026 till March 31, 2027. 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, 2026.
- The existing Continuous Process Industry 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 consumers shall be applicable with effect from April 01, 2026 till March 31, 2027. 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 the 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, 2027, irrespective of actual period of continuous supply option.

- The existing Continuous Process Industry 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, 2026 and they shall continue to pay continuous supply surcharge alongwith the tariff approved in this Order till April 30, 2026. 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 the 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.

It is hereby clarified that continuous supply surcharge shall not be applicable on power procured by industrial consumers through open access.

5.1.3.4 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 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, 2024, specifically empowers the Commission to design load-factor based tariffs for any category of consumers and is reproduced below:

> *"(2)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 has carefully examined the submissions of the stakeholders regarding the principle of incentivising higher load factor through lower tariffs. It is observed that in previous years, the demand was on the higher side as compared to supply of power, resulting in deficit power scenario within the State almost for more than 6 months in a year. Further, the State was also heavily reliant on power supply from hydro based generating sources, while hydro generation is well suited for meeting peaking demand, it is inherently limited in serving as a reliable base load source. Consequently, the prevailing tariff design did not adequately incentivise higher and sustained consumption by industrial consumers. However, in light of the evolving power procurement scenario within the State, the Commission is of the view that the load factor-based tariff framework needs to be revisited.

The Commission observes that in recent years, there has been a significant improvement in the demand–supply position of UPCL, particularly with the addition of base load power in its procurement portfolio and increasing renewable energy penetration. Further, UPCL has recently tied up medium-term power procurement of 500 MW, which by providing the base load must increase the availability of firm and reliable power for continuous supply.

In view of the above, the Commission is of the considered view that there is now adequate availability of base load power, and it is both necessary and desirable to encourage industrial consumers to increase their consumption levels and maintain higher load factors. A higher load factor would not only ensure better utilisation of the available power but also improve system efficiency, reduce per-unit cost, and improve the financial health of the utility.

The Commission further observed that several HT industrial consumers are restricting their consumption to around 40% load factor and procuring additional power through open access, primarily due to the higher tariff applicable beyond this limit. The Commission is of the view that this has resulted into sub-optimal utilisation of the Utility's tied-up power and reduces the intended benefits of long-term and medium-term power procurement planning. The Commission further observed that the industrial consumption in the State during past few years have been either reducing or increasing at very marginal rate which clearly indicates that the industries are opting to procure power through Open Access. In FY 2020-21, i.e. five years back the industrial consumption was 50.65 % of total consumption which has reduced to 48.49% in FY 2024-25 and is further anticipated to reduce to 46.04% in FY 2026-27. If this situation continues, the burden of reduction in industrial consumption will have to be borne by subsidised domestic and agriculture categories. Hence, it has become all the more important from the viability perspective to take some remedial actions in the changed scenario of substantial availability of power with UPCL, including RTC power of 500 MW through medium term, to cater to the base load.

Accordingly, with a view of rationalising the tariff structure by providing appropriate incentives for higher consumption, the Commission hereby revises the load factor-based tariff for HT consumers as follows:

- HT Industry having contracted load above 88 kVA/75 kW (100 BHP)

1. **Contracted Load up to 1000 kVA:**
    a. **Upto 50% Load Factor: Rs. 6.85/kWh**
    b. **Above 50% Load factor: Rs. 6.60/kWh**
2. **Contracted Load above 1000 kVA:**
    a. **Up to 50% Load Factor: Rs. 6.85/kWh**
    b. **Above 50% Load factor: Rs. 6.60/kWh**

The Commission is of the view that the revised tariff structure will provide a clear signal to the industrial consumers to improve their load factor, promote efficient utilisation of the available base load power, and align the tariff with the current power scenario within the State. The same is also expected to improve the financial viability of the State Discom while ensuring reliable and economical power supply to the industrial consumers within the State.

5.1.3.5 Time of Day Tariff

As discussed earlier, the Petitioner has proposed to implement the ToD tariffs for all the categories of consumers, except agriculture, which shall be applicable to the consumers once the smart meter for consumers is installed under RDSS.

Regarding Time-of-Day Tariff, the stakeholders in the past and also during the current proceedings, have requested as follows:

- Surcharge during peak hour and rebate during off-peak hour should be equal.
- ToD Tariff should be approved for all consumer categories as per MoP Rules.
- Abolish the morning peak hours.
- Reduce the evening peak hours from 1800-2300 hrs in summer months to 1800-2200 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 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 its Tariff Order dated April 26, 2021 increased the off-Peak hour rebate from 15% to 20% in order to incentivise the consumers to shift the consumption to Off-peak hours. Considering the requests of the stakeholders, the Commission in its Tariff Order dated March 31, 2022 reduced the peak hour surcharge to 30%.

The Commission considering the power deficit situation in the State and in order to incentivise the consumers to shift the consumption to Off-peak hours increased the off-Peak hour rebate from 20% to 25% and kept the peak hour surcharge as 30% in its Tariff Order dated March 28, 2024 and continued the same in its Tariff Order dated April 11, 2025 for FY 2025-26.

Further, the Commission in its Tariff Order dated April 11, 2025, had proposed the introduction of Time-of-Day (ToD) tariffs for industrial consumer categories, to be implemented upon the installation of smart meters under the RDSS scheme and directed UPCL to expedite the installation process of smart meters for HT Industrial consumers and LT Industrial consumers. The relevant extract of the same is as follows:

> *"Accordingly, **the Commission directs UPCL to expedite the installation process and ensure completion of smart meters installation for HT Industrial consumers by June 2025 and for LT Industrial consumers by August 2025**. In the absence of any actual ToD slotwise consumption data for other categories, the Commission has not approved the implementation of ToD tariff for other consumer categories in this Order and will take a view on the same in the next tariff proceedings."*

UPCL in its recent submission, in a separate proceeding, submitted the status of smart meter implementation for the eligible consumers as follows:

Table 5.4: Status of Smart Meter implementation as submitted by the Petitioner

Particulars	Target completion date	Scope	Actual progress as on 22.02.2026	Expected completion date
HT Consumers	June, 26 as per agreement	3334	3630	-
Government Connections	September, 25 as per UERC	21764	10449	June, 26
Departmental Employees Connections	June, 25 as per UERC	11195	6016	June, 26

UPCL also submitted before the Commission that for all the eligible LT consumers with load exceeding 25 kW, the implementation of the smart meter shall be completed by the end of March'26.

It is observed that UPCL has completed the installation process of smart meter for HT Industrial consumers, and for LT industrial consumers with load exceeding 25 kW, the work is expected to be completed by 31.03.2026. In view of the anticipated completion of installation of smart meters across these consumer categories, the Commission is revisiting the peak and off-peak hours under the Time-of-Day (ToD) tariff framework applicable for the industrial consumers. The revised ToD tariff framework shall apply to all the HT Industry consumers and to LT Industry consumers with load exceeding 25 kW.

The same is being carried out in alignment with the provisions of the Ministry of Power (Rights of Consumers) Amendment Rules, 2023, which, inter alia, mandates the integration of solar hours within the ToD framework. The relevant extract of the same is as follows:

*"**(8A) Time of Day Tariff:-** The Time of Day tariff for Commercial and Industrial consumers having maximum demand more than ten Kilowatt shall be made effective from a date not later than 1st April, 2024 and for other consumers except agricultural consumers, the Time of Day tariff shall be made effective not later than 1st April, 2025 and a Time of Day tariff shall be made effective immediately after* installation of smart meters, for the consumers with smart meters:

Provided that, the Time of Day Tariff specified by the State Commission for Commercial and Industrial consumers during peak period of the day shall not be less than 1.20 times the normal tariff and for other consumers, it shall not be less than 1.10 times the normal tariff:

Provided further that, tariff for solar hours of the day, specified by the State Commission shall be atleast twenty percent less than the normal tariff for that category of consumers:

Provided also that the Time of Day Tariff shall be applicable on energy charge component of the normal tariff:

Provided also that the duration of peak hours shall not be more than solar hours as notified by the State Commission or State Load Despatch Centre.

Explanation:- *For the purposes of this rule, the expression "solar hours" means the duration of eight hours in a day as specified by the State Commission."*

Further, the Commission also issued a concept paper on "ToD Tariff for Solar and Non-Solar Hours" and invited comments and suggestions from stakeholder on the following issues:

"……

12) In the backdrop of the above discussion and in exercise of the powers conferred under Sections 61, 62, 64, 86(1)(a), 86(1)(e), and 86(1)(i) of the Electricity Act, 2003, read with the Electricity (Rights of Consumers) Amendment Rules, 2023, the Commission seeks comments and suggestions from stakeholders on the following issues arising out of the Concept Paper on ToD Tariff for Solar and Non-Solar Hours:-

A. Specification of Solar and Non-Solar Hours

a) In accordance with the Electricity (Rights of Consumers) Amendment Rules, 2023, Solar Hours are required to be specified as eight hours in a day. Stakeholders are requested to suggest appropriate Solar Hour time blocks for Uttarakhand, supported by technical or operational rationale.

b) Whether Solar Hours should be uniform throughout the year or differentiated season-wise (summer and winter), considering variations in solar generation and demand patterns.

B. Design of ToD Time Blocks

a) Whether Solar Hours should be treated as a distinct ToD block, separate from existing Peak, Normal and Off-Peak hours, with an explicit tariff signal.

b) Suggestions are invited on modification or rationalisation of the existing Peak and Off-Peak hour structure to incorporate Solar and Non-Solar Hours, while maintaining simplicity and transparency.

C. Tariff Structure and Rate Design

Comments and suggestions from stakeholders are invited:

a) on the adequacy of the minimum 20% rebate during Solar Hours prescribed under the MoP Rules for effective demand shifting.

b) Whether peak hour surcharge and Solar/Off-Peak rebates should be symmetrical or *differentiated, and the expected impact of such design.*

c)Whether differentiated Solar and Non-Solar ToD tariff structures should be adopted across consumer categories for consumers above 10 kW.

d) Stakeholders may also highlight implementation challenges and suggest mitigation measures for effective transitioning to a Solar and Non-Solar Hour–based ToD regime.

D. Alignment with Electricity (Rights of Consumers) Amendment Rules, 2023

a) Comments and suggestions from stakeholders are invited on ensuring full alignment of the ToD tariff framework with the provisions of the Electricity (Rights of Consumers) Amendment Rules, 2023.

b) In case of any anticipated implementation challenges, stakeholders may suggest suitable transitional or phased approaches for compliance.

…"

It is observed that, while some of the consumers have supported the integration of solar hour under ToD Tariff regime, others have submitted that in the State of Uttarakhand, solar energy presently constitutes only a minor portion of the State's overall energy mix. Accordingly, it has been submitted that differentiating solar hours on seasonal basis would not aid meaningfully in demand shifting or enhancing operational efficiency.

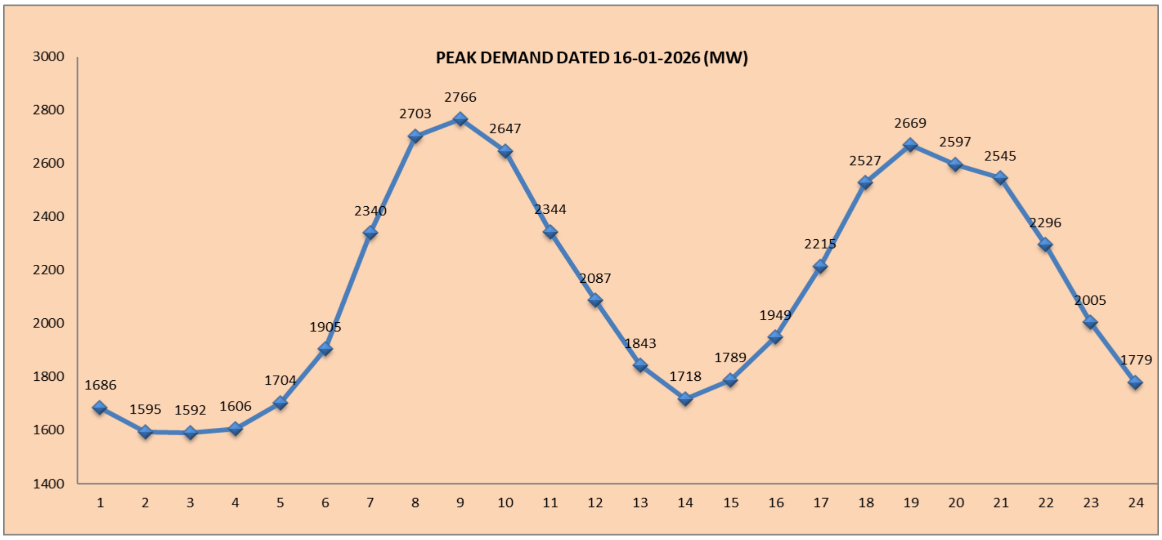
In this regard, the Commission is of the view that such assessment doesn't adequately captures the evolving energy landscape of the State. It is observed that rooftop solar is witnessing rapid growth within the State of Uttarakhand, driven by policy support and lower cost of solar power installation. It is further observed that, for FY 2026-27, UPCL has also tied up with SJVNL and UJVN Ltd. for procurement of Solar power indicating an upward solar energy penetration. Besides it has also been observed that during daytime, i.e. solar hours, power is available in the market at a cheaper rate as compared to the peak hours.

In addition to the above, the integration of solar hours within the ToD framework will promote utilisation of renewable energy, reduce dependency on costly power during peak hours and will also facilitate grid stability by encouraging demand to shift towards solar hours.

Further, as per the MoP Electricity (Rights of Consumers) Amendment Rules, 2023, the Commission is mandated to clearly specify the duration of "Solar Hours", which shall comprise eight hours in a day. This requirement necessitates an explicit differentiation of solar and non-solar time blocks within the ToD tariff structure to ensure regulatory compliance and consistency with national policy objectives. Accordingly, in order to ensure alignment of the Solar Hours within the ToD regime, the Commission has decided to revise the ToD tariff framework. The revised framework shall incorporate distinct Solar Hour classifications along with appropriate peak and normal demand periods, thereby enabling improved load management, reduction in peak power procurement costs, and efficient integration of increasing renewable energy in the State.

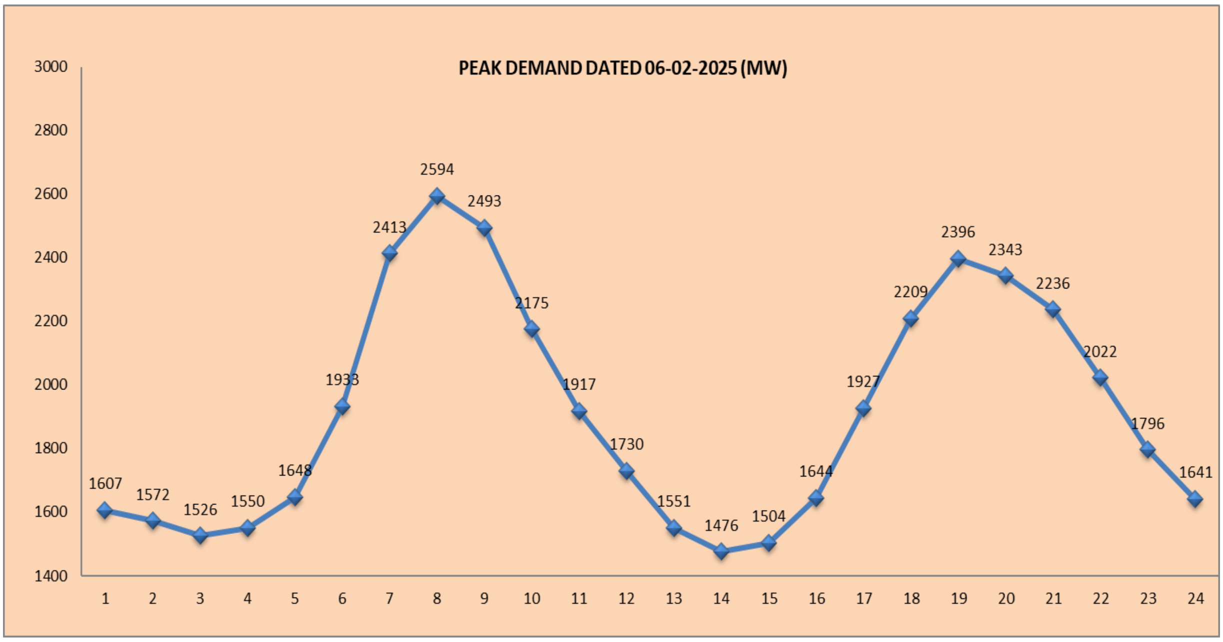
The Commission, in each of its tariff determination exercise, has been analysing the shift from the peak hours to normal and off-peak as well as the consumption pattern during the peak and off-peak hours in the State. The Commission has analysed the unrestricted load curves in summer as well as the winter 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 16th January 2026 (MW) [Winter Month]



Morning Peak Demand – 2766 MW at 9.00 AM
Evening Peak Demand – 2669 MW at 7.00 PM

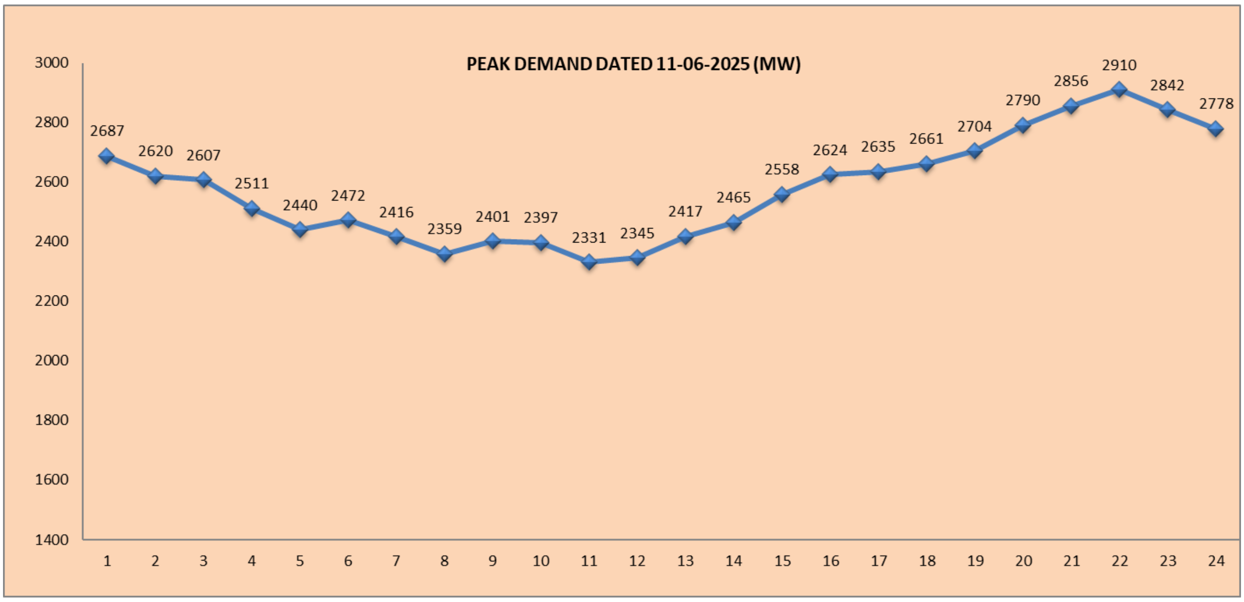
Chart 2: Load Curve for 06th February 2026 (MW) [Winter Month]



Morning Peak Demand – 2594 MW at 8.00 AM

Evening Peak Demand - 2396 MW at 7.00 PM

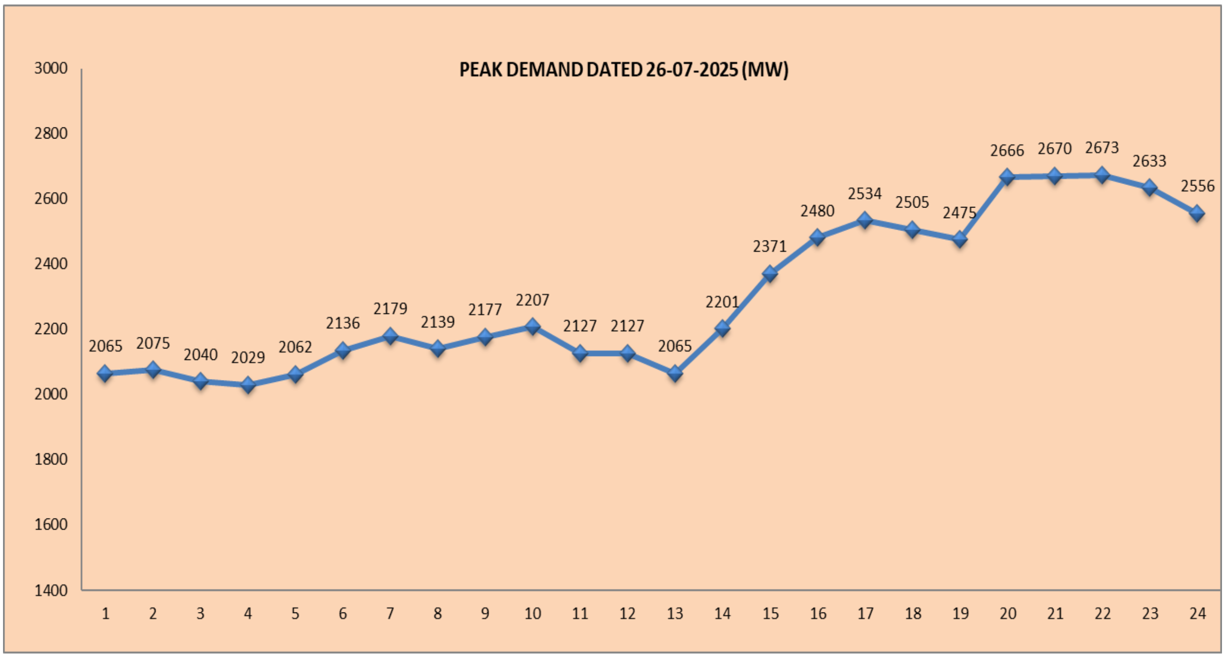
Chart 3: Load Curve for 11th June, 2025 (MW) [Summer Month]



Peak Demand – 2910 MW at 10.00 PM

No Morning Peak

Chart 4: Load Curve for 26th July, 2025 (MW) [Summer Month]



Evening Peak Demand – 2673 MW at 10.00 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 January and February, 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 January 16, 2026 and February 06, 2026, respectively, it can be observed that the demand starts rising from 6.00 a.m. till it reaches the peak at approximately 8.00 a.m. and 9:00 a.m., respectively, and thereafter starts declining around 9:00 a.m. and 10:00 a.m., respectively. This situation of morning peak begins from October and lasts till March, i.e. during the entire winter season. In contrast, during the summer months, the peak demand occurs around 10:00 p.m.

In view of the above load pattern analysis, the Commission is continuing with the existing classification of morning peak hours and evening peak hours for the winter and summer months, respectively. Further, considering the increasing penetration of solar generation during daylight hours, the Commission is introducing a separate "Solar Hours" category from 9:00 a.m. to 5:00 p.m, which shall apply uniformly throughout the year.

The same will result in optimum utilisation of power during solar hours, when the power is abundantly available and also the market prices are low, and encourage industrial consumers to shift their load to daytime hours, thereby improving grid efficiency and reducing overall power procurement costs.

Hence, the Commission has modified the existing ToD hours as follows:

Table 5.5: ToD Hours

Season/Time	Morning Peak hours	Solar hours	Evening Peak hours	Normal hours
Winter 1.10 to 31.03	0600-0900 hrs	0900-1700 hrs	1800-2200 hrs	2200-0600 hrs & 1700-1800
Summers 01.04 to 30.09	-	0900-1700 hrs	1800-2300 hrs	2300-0900 hrs & 1700-1800

Further, as stated above, the revised ToD tariff framework shall apply to all the HT Industry consumers and to LT Industry consumers with load exceeding 25 kW.

As regards the peak hour surcharge and solar hour rebate, the Commission, in the present Order, has maintained the peak hour surcharge at 30% and has introduced a rebate of 22.5% during the specified solar hours, which is also in line with the stipulations made in the Electricity (Rights of Consumers) Amendment Rules, 2023 notified by MoP, GoI, to keep the Solar Hour surcharge and rebate, respectively, to at least 20% of the normal tariff for the commercial and industrial consumers.

Currently, the TOD tariffs as discussed above is applicable only for LT and HT industries having load exceeding 25 kW. The Commission shall decide on extending the same to other categories of consumers once the smart meters are installed in the next tariff proceedings. **Accordingly, UPCL is directed to complete the smart metering in other consumer categories at the earliest and in no later than 31.03.2027.**

5.1.3.6 Seasonal Tariff – Hotel Industry

During the current and previous tariff proceedings, some of the stakeholder and members of the SAC requested the Commission to charge Hotels at domestic rates to provide financial relief to the Hotel Industry and support local businesses as most Hotels and Restaurants remain close for nearly six months in the off-season but continue to be billed at Non-Domestic rates. Some stakeholders have suggested that seasonal tariff should be allowed during rainy season to the Hotel Industry. Whereas some of the stakeholders have suggested that since the hotel business operates only for six months—with peak operations lasting two months—load enhancement on its own by

Discom, during the operational period is not a feasible solution for the hotel industry and instead the consumers belonging to this category should be offered seasonal benefits. Further, some of the stakeholder suggested to provide concession in fixed charges for Hotel Industry during off-peak season.

Hence, in view of the above, and to properly align the tariff structure of Hotel Industry with their consumption cycle, the Commission issued a Concept Paper on "Seasonal Tariff for Hotel Industry" inviting comments/suggestions on the draft concept paper from all the Stakeholders on the following issues:

> ***"1.4 Seasonal Tariff - Alternatives***
>
> *Accordingly, after perusing the initiatives taken by various other SERCs and in view of the representations received from several stakeholders of the State, Comments/Suggestions are invited from various stakeholders on the following options:*
>
> ***Option (A):***
>
> *In this approach, the off-season months will be determined by the State Commission. It is observed that in the State of Uttarakhand a substantial area comprises of hilly region and snowbound region, where, Hotel Industry typically experiences a lower electricity consumption during the winter season, i.e. months from November to March. It is also observed that, during the winter season, the tourist footfall is the lowest in the State resulting in lower electricity consumption. Therefore, during these months option of seasonal tariff may be allowed to the consumers of Hotel Industry.*
>
> ***Option (B):***
>
> *In this approach, flexibility may be provided to the consumer to declare the off-season months, in line with the approach followed by the State of Uttar Pradesh, wherein option to choose the off-season months is solely on the consumers.*
>
> *The Consumers may declare the off-season months by providing a prior notice of one month (once in a year in the month of April) to the Licensee. The off-season declaration shall remain valid on a year-to-year basis. In case the consumer intends to change the off-season months, a prior notice of one month shall be submitted to the licensee.*
>
> *Other Terms*
>
> *For both the options provided above, i.e., whether the off-season months are Option (A) specified by the Commission, i.e. from November to March, or Option (B) declared by the consumers, the following methodology for billing shall be applicable during off-season months:*

1. "Seasonal Consumers", shall mean a consumer who takes and uses power supply for Hotel Industry. The Hotel Industry shall consist of Hotels, Resorts and Home Stays, registered under the respective statute governing such commercial establishment, other than those covered under RTS-1. UPCL is required to draft an application format alongwith list of documents required to be filed by the applicant covered under the Hotels, Resorts and Home Stays, registered under the respective statute governing such commercial establishment and obtain for seasonal benefit as mentioned herein.

2. The consumers availing the benefit of Seasonal Tariff shall be required to have Smart/TVM Meter installed in their premises.

3. A Consumer opting for 'off season months' shall declare/change the 'off-season' months, in the month of April of the relevant Financial Year, for maximum of 5 months and a minimum of 3 months. Once declared by the consumer, off-season cannot be modified for that financial year. However, a consumer may opt to change its status once in year provided the consumer shall give a clear one month's notice prior to start of off-season period declared by him in case he intends to change his 'Normal season'

4. The consumer opting for seasonal benefit will have the flexibility to declare his offseason maximum demand subject to a maximum of 30% of the contracted demand. The tariff rates (demand charge per kW / kVA and energy charge per kWh / kVAh) for such industries during off-season period will be the same as for normal period.

5. In cases where the maximum demand recorded during any off-season month is less than 30% of the Contracted Demand (CD), the fixed charges for off season month shall be based on the demand charges corresponding to the maximum demand recorded during the month or 30% of the Contract Demand whichever is higher. In case the maximum demand recorded during an off-season month exceeds 30% of the CD, the same shall be treated as working season month and monthly charges shall be computed based on normal billable Contracted Demand.

6. During off-season, if the actual recorded demand in a given month violates 30% then such violation shall be considered as the first violation and no penalty shall be leviable in that billing cycle, however, in case of any violation during different billing cycle in the same off-season period, the demand charges for the billing period shall be calculated at a rate 10% higher than the applicable demand charges for the entire off-season period.

7. The off-season tariff shall also not be available for those units who offsets its consumption through alternate sources, like open access, captive generation plants, etc.

In addition to the above, stakeholder may suggest other ways to introduce seasonality without impacting revenue recovery of UPCL and without overburdening other category of consumers…"

The Commission in the draft concept paper analysed the various seasonal tariff frameworks as specified by other State Electricity Regulatory Commissions (SERCs). The Commission is of the view that, seasonality does impact certain sections of consumers and after perusing the various approaches being followed by several SERCs, there is a need to evaluate the idea of seasonality in relation to the Hotel Industry as there is a significant and consistent variation in consumption of power by these consumers during peak and off-peak season.

The introduction of seasonal tariff may provide economic relief to the sector. This will also discourage these consumers from resorting to temporary disconnections or repeated sanctioned-load revisions during off-season months, thereby reducing administrative overheads for the Discom.

It is observed that in the State of Uttarakhand a substantial area comprises of hilly region and snowbound region, where Hotel Industry typically experiences a lower electricity consumption during the winter season, i.e. during the months from November to March. It is also observed that, during the winter season, the tourist footfall is the lowest in the hilly areas of the State due to heavy snowfall and also due to closure of Char Dhams.

The Commission also observed that during the off-season period occupancy in Hotels located in remote areas remains almost negligible and in some cases is completely suspended for three to five months. The Commission is of the view that these business units must be facing undue hardship due to the burden of fixed charges being levied on their electricity connections. Furthermore, their electricity consumption during the offseason months is typically restricted to minimal maintenance and regular upkeep of the premises which is not expected to exceed 10% of their contracted demand compared to the operations during the normal period.

Accordingly, the Commission is of the view that option for seasonal tariff may be allowed to the hotel industry for the months November to March in a financial year.

In view of the above, the Commission approves the following provision for Seasonal Tariff for Hotel Industry is as follows:

1. **"Seasonal Consumer –** Hotel & Restaurant", shall consist of Hotels, Restaurant, Resorts, and those Home Stays which are registered under the respective statute governing such commercial establishment, other than those covered under RTS-1. The Commission will

issue a format of an application along with the procedure for such consumers, seeking seasonal benefit as mentioned herein below.

2. **'Off-Season'** months for the Hotel Industry shall be from 1st of November to 31st of March next year.
3. The consumers applying for Seasonal benefit shall have a Smart/TVM Meter installed in their premises.
4. In cases where the maximum demand recorded during any off-season month is upto 10% of the Contracted Demand (CD), the fixed charges for off season month shall be computed on 10% of the Contracted Demand on the fixed rate of charge, as applicable during the normal period. In case where the maximum demand recorded during an off-season month exceeds 10% of the CD, the same shall not be treated as off-season month and, accordingly, all the charges shall be applicable as per the Rate Schedule.
5. The off-season benefit shall not be available for those consumers who offsets its consumption through open access.
6. No load enhancement request shall be allowed during the off-season months.

5.1.3.7 LT industry consumers availing higher demand

The Petitioner has proposed to continue with the provision specified by the Commission in its Tariff Order dated April 11, 2025, wherein, the Commission has specified that any LT Industrial consumer with a sanctioned load ≤ 75 kW shall be required to pay demand charges as applicable to HT Industrial consumers on the entire recorded demand, for the billing month in which the consumer's recorded demand exceeds 100 kVA. Also, accordingly, the said demand charges shall now be applicable for calculation of excess load/demand penalty as per the provisions of the Supply Code.

The Commission has, accordingly, decided to continue with the existing provision for LT Industrial consumers with sanctioned load ≤ 75 kW, as approved in Tariff Order dated April 11, 2025.

Accordingly, any LT Industrial consumer with a sanctioned load ≤ 75 kW shall be required to pay demand charges as applicable to HT Industrial consumers on the entire recorded demand, for the billing month in which the consumer's recorded demand exceeds 100 kVA. Also, the said demand charges shall now be applicable for calculation of excess load/ demand penalty as per the provisions of the Supply Code.

5.1.3.8 Removal of Difficulty with respect to Rate schedule applicable to IIT Roorkee

The Petitioner has submitted that IIT Roorkee is presently being billed in Rate Schedule RTS-6 (Mixed Load) whereas the IIT, Roorkee had represented its case before the Commission for conversion of Rate Schedule from Rate Schedule RTS-6 (Mixed Load) to RTS-2 (Non-Domestic – Government / Government Aided Educational Institutions). Further, the Petitioner has proposed to introduce a single point bulk supply category and requested that the same may be inserted in Rate Schedule RTS-2 (Non-Domestic – Government/ Government Aided Educational Institutions), the tariff of which should be higher than the rate of single point bulk supply of domestic category.

The Commission after carefully examining the issue is of the view that in order to remove the ambiguity regarding the applicability of tariff to different educational institutions, a separate sub-category be created under RTS-2 based on the connected load of the respective consumer. The Commission has, therefore, rationalised the tariff for Government/Government Aided Educational Institutions. The Commission has shifted this sub-category to “Other Non-Domestic” Consumers in rate schedule RTS-2 (S.No. 1.2) and has retained the existing subsidised tariff to Government/ Government Aided Educational Institutions with load upto 10 kW while merging the tariffs of Government/Government Aided Educational Institutions with load above 10 kW with “Other Non-Domestic” consumers in rate schedule RTS-2 (S.No. 1.2).

5.1.3.9 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 in its Petition has proposed to continue with the existing terms of the pre-paid supply approved by the Commission for FY 2025-26. In this regard, the Commission observes that the Commission in its previous Tariff Order dated 11.04.2025 had made the pre-paid metering scheme mandatory for the consumers that have been identified under the RDSS scheme, and for other consumers, the option of Pre-paid metering shall be available for all categories of consumers under LT category. Further, the Prepaid Metering was made mandatory for new Temporary LT connections, Advertisements/Hoardings and for Government LT connections for past nine Tariff Orders. However, UPCL has not complied with the same and has infact, again proposed to continue with the existing terms of pre-paid supply approved by the Commission in its previous Tariff Order for FY 2025-26. The Commission strictly cautions UPCL against such callous attitude and directs UPCL to comply with the Orders and directions of the Commission, failing which action may be initiated against it for non-compliance, under the provisions of the Electricity Act, 2003.

The Commission, accordingly, approves the following conditions for Pre-Paid Metering:

a) The Pre-paid metering scheme shall be mandatory for the consumers that have been identified under the RDSS scheme, and for other consumers, the option of Pre-paid metering shall be available for all categories of consumers under LT category. Further, apart from above, the Prepaid Metering shall be mandatory for new Temporary LT connections, Advertisements/Hoardings and for Government LT connections.

   Provided that the option of prepaid metering shall not be available to the Seasonal industries covered under Rate Schedule RTS-5 and Hotel Industry covered under Rate Schedule RTS-2, opting for seasonal tariff.

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 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.

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 and to provide an option to the consumers (who are not mandatorily covered under the scheme) to express their interest to opt for the Prepaid metering scheme latest by June 15, 2026.

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, 2026 to all the eligible consumers, 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 following methodology for recovery of arrears from the consumers shall be followed:

i. On the date of conversion of post-paid meter to prepaid meter, the final bill before adjustment of security deposits shall be prepared. This bill shall also include the value of the bill which has already been issued before the conversion of metering system and the due date of the bill is after the date of the conversion of the metering system and the said bill is unpaid on the date of conversion of metering system;

ii. Interest on security deposits shall be computed till the date of conversion of postpaid meter conversion to prepaid meter and the said interest shall be added in the existing security deposits. Sum of the existing security deposits and interest thereon shall be the final value of security deposit of the consumer.

iii. In case the value of security deposits is lower than final bill of the consumer, the differential amount of security deposit and final bill (electricity arrears) shall be recovered in equal daily instalments and the value of each instalment shall be maximum of the following:

a. Arrear amount (Rs.) / 300 days.

b. Billing value of previous 03 months (Rs.) x 25% / (3 x 30 days)

iv. The order of adjustment of arrear amount and current bill amount shall be as per the following priority:

a. Arrear amount

b. Current bill amount

v. Delayed Payment Surcharge shall be recovered as per existing provisions of Regulations / Tariff Order.

vi. Notwithstanding the provision of sub-clause (iii) above, the Consumer can approach the licensee at any time before the full and final recovery of arrears, for adjustment of balance amount of arrears in full, alongwith applicable DPS from the amount available in his prepaid account. In such case, the distribution licensee shall compute the balance amount of arrears alongwith applicable DPS thereon till the date of adjustment and adjust the same against the balance available in the prepaid account of the consumers, with an intimation to the respective consumer. However, no part adjustment shall be allowed in this manner.

g) On conversion of consumers connection from existing post-paid to prepaid metering system, the following methodology for refund of security deposit shall be followed:

i. On the date of conversion of post-paid meter to prepaid meter, the final bill before adjustment of security deposits shall be prepared. This bill shall also include the value of the bill which has already been issued before the conversion of metering system and the due date of the bill is after the date of the conversion of the metering system;

ii. Interest on security deposits shall be computed till the date of conversion of postpaid meter to prepaid meter and the said interest shall be added in the existing security deposits. Sum of the existing security deposits and interest thereon shall be the final value of security deposit of the consumer.

iii. In case value of security deposits is higher than final bill of the consumer, the differential amount of security deposit and final bill shall be adjusted in the account of the consumer at the time of conversion of metering system. This balance shall be used as recharge value of the consumer;

h) 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.

i) All the Prepaid meters will be provided with an alarm to indicate low credit.

j) As per the guiding principles and Section 47(5) of the Electricity Act, 2003, the Petitioner shall not charge any security deposit, including amount towards Material Security Deposit, as is required in post-paid connections except for Temporary Connections where material security deposit shall be applicable as specified in the Supply Code.

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-9, i.e. Temporary Supply for Illumination/Public Address/ceremonies and festivities/ functions/ temporary shops not exceeding 3 months.

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.

5.1.3.10 Prompt Payment Rebate

The Petitioner has proposed to continue with the existing prompt payment rebate approved by the Commission for FY 2025-26. The Commission has decided to continue with the same rebate as UPCL is in migration mode from post-paid to pre-paid meters and once the migration completes, prompt payment rebate would lose its relevance for LT consumers as they would be paying in advance to UPCL. However, for HT consumers the Commission may take a view thereafter. The Commission, accordingly, approves the following prompt payment rebate as approved in Tariff Order dated April 11, 2025:

(i) *A prompt payment rebate of 1. 5% 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, online Bank Transfer (RTGS/NEFT/IMPS) etc. within 10 days from the date of issuance of the bill/ bill date.*

(ii) *A prompt payment rebate of 1.00% 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 etc., within 10 days from the date of issuance of the bill/bill date.*

Provided that the prompt payment rebate shall be subject to cap of Rs 10,000/- per month for LT Consumers and Rs 1,00,000/- per month for HT consumers.

The prompt payment rebate as stated above, however, shall not be applicable for part payment of bills by the consumers.

5.1.3.11 Billing Cycle for RTS 4 – Private Tube Wells/Pumping Sets

As per the current provisions, the bills for PTW consumers are raised 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.

During the current tariff proceedings, some of the stakeholders requested the Commission to approve the billing cycle as quarterly basis instead of twice a year.

The Commission has examined the issue and is of the view that the half-yearly billing cycle results in accumulation of substantial dues over a prolonged period. Further, introducing quarterly billing will result in better monitoring of consumption and improve transparency for consumers.

The Commission also recognises the fact that PTW consumption is of seasonal nature and immediate transition to quarterly payment will result in financial burden on the consumers. Therefore, to safeguard the interest of the consumers, the Commission has retained the provision for half-yearly payment without levy of DPS.

Accordingly, the bills shall be raised for this category on a quarterly basis, i.e. for the period June to August, September to November, December to February, and March to May. The bills raised till December (for the quarter 'June to August' and 'September to November') may be paid by consumers 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, bills raised till June (for the quarter 'December to February' and 'March to May') may be paid either in lump-sum or in parts (not more than four times) 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.

5.1.3.12 Voltage Rebate

It is observed that the consumers availing supply at 33 kV and, 132 kV and above, voltage levels result in relatively lower technical losses, thereby reducing the overall cost burden on the system. To promote efficient utilisation of the network, the Commission has considered rationalising the voltage rebate applicable to various consumers availing supply at 33 kV and 132 kV and above.

Further, the Commission is of the view that such rationalisation would encourage the industrial consumers to migrate to higher voltage levels, thereby improving system efficiency and optimising network utilisation. Besides one of the way of achieving the loss reduction trajectory approved by the Commission would be when more and more consumers avail supply at higher voltages, particularly industries.

In view of the above, the voltage rebate for consumers having contracted load above 75 kW/88 kVA, and receiving supply at 33 kV, and 132 kV & above, shall be as follows:

i. In case of supply at 33 kV the consumer shall receive a rebate of 4.5% on the Energy Charge as against the existing rebate of 3.5%.

ii. In case of supply at 132 kV and above the consumer shall receive a rebate of 8% on the Energy Charge as against the existing rebate of 7.5%.

5.1.3.13 Single point Bulk Supply

In the past, residents of housing societies have raised various concerns regarding the provision of electricity through single-point bulk supply connection, primarily on account of relatively higher charges as compared to individual connections under domestic category.

The Commission is of the view that while providing individual connections to each resident may appear beneficial, it would pose significant challenges, including excessive wiring within the premises of the society disturbing the aesthetics, space constraints for metering installations, increased technical losses, and complexities in operation and maintenance. Such an approach may also lead to safety concerns and inefficiencies in distribution within densely populated residential society.

Further, in accordance with the sub rule 14(d)(ii) of the Electricity (Right to consumers) Amendment Rules, 2024 dated 22.02.2024, tariff for Single Point Bulk Supply under RTS-1 (Domestic) should be determined so as to have tariff parity among individual domestic consumers as well as those domestic households fed through single point bulk supply connections.

Accordingly, in order to address consumer concerns, while maintaining system efficiency and practicality, the Commission has decided to rationalize the tariff for single-point bulk supply. Therefore, the energy charges for such connections are being reduced from existing Rs. 7.50/kVAh to Rs. 6.25/kVAh for FY 2026-27.

5.1.4 *Treatment of Revenue Surplus*

As concluded in Chapter 4 of the Order, the revenue at existing tariffs leaves a revenue surplus of Rs. 100.87 Crore to meet the Net Revenue Requirement for FY 2026-27, considering the gap determined after truing up of expenses and revenue based on the audited accounts for FY 2024-25.

Therefore, with a view to align the average realisation with average cost of supply across the various consumer categories considering the net surplus of Rs. 100.87 Crore, the Commission has retained the existing tariff for most of the tariff categories and has taken rationalisation measures for some of the consumer categories as discussed in the preceding paras. The approved tariff will be applicable from April 1, 2026 and shall remain 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 2025-26 had computed the cross subsidies for different category of subsidising consumers which were in accordance with the Tariff Policy.

The Commission has now approved the tariffs and has ensured that the cross subsidies have broadly reduced or is being maintained with respect to the 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 2026-27. 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, 2026 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. The Commission has not increased the fixed charges and energy charges for BPL category for FY 2026-27.

For other domestic consumers, the Commission has retained the existing fixed charges and energy charges with no change in tariff except for single point bulk supply connections.

For single point bulk supply connections, the energy charge have been reduced to Rs. 6.25/kVAh from Rs. 7.50/kVAh and fixed charges has not been changed.

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 5.6: 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. 1.85/kWh	Rs. 18/Connection	Rs. 1.94/kWh	Rs. 18/Connection	Rs. 1.85/kWh
1.2	**Other Domestic Consumers**						
(i)	0-100 Units/Month	• Upto 1 kW-Rs. 75/kW/Month • Above 1 kW and upto 4 kW-Rs. 85/ kW/ month • Above 4 kW-Rs. 100/kW/ month	Rs. 3.65/kWh	• Upto 1 kW-Rs. 87/kW/Month • Above 1 kW and upto 4 kW-Rs. 99 /kW/month • Above 4 kW-Rs. 116/kW/ month	Rs. 4.23/ kWh	• Upto 1 kW-Rs. 75/kW/Month • Above 1 kW and upto 4 kW-Rs. 85/ kW/ month • Above 4 kW-Rs. 100/kW/ month	Rs. 3.65/kWh
(ii)	101-200 Units/Month		Rs. 5.25/kWh		Rs. 6.09/ kWh		Rs. 5.25/kWh
(iii)	201-400 Units/Month		Rs. 7.15 /kWh		Rs. 8.29/ kWh		Rs. 7.15 /kWh
(iv)	Above 400 Units/Month		Rs. 7.80/kWh		Rs. 9.04/ kWh		Rs. 7.80/kWh
2	Single point bulk supply	Rs. 120/kVA	Rs. 7.50/kVAh	Rs.135/kVA	Rs. 7.88/ kVAh	Rs. 120/kVA	Rs. 6.25/kVAh

5.1.8 *RTS 1-A: Concessional Snowbound Area Tariff*

The existing tariff has been retained for this consumer 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 5.7: 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. 1.85/kWh	Rs. 21/ Connection	Rs. 2.16/kWh	Rs. 18/ Connection	Rs. 1.85/kWh
2.	Non-Domestic upto 1 kW	Rs. 18/ Connection	Rs. 1.85/kWh	Rs. 21/ Connection	Rs. 2.16/kWh	Rs. 18/ Connection	Rs. 1.85/kWh
3.	Non-Domestic above	Rs. 18/	Rs.	Rs. 21/	Rs.	Rs. 18/	Rs.

Table 5.7: 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
	1 kW & upto 4 kW	Connection	2.75/kWh	Connection	3.21/kWh	Connection	2.75/kWh
4.	Non-Domestic above 4 kW	Rs. 30/ Connection	Rs. 4.00/kWh	Rs. 35/ Connection	Rs. 4.67/kWh	Rs. 30/ Connection	Rs. 4.00/kWh

5.1.9 *RTS-2: Non-Domestic Tariff*

For Non-domestic consumers, the Commission has retained the existing fixed charges and energy charges. The Commission has separately specified the tariff for concessional sub-category of hospitals and charitable institutions, which shall include:

- Government/Municipal Hospitals;
- Charitable Institutions registered under the provisions of Income Tax Act, 1961 and whose income is exempted from tax under this Act.

Further, as discussed in para 5.1.3.8 above, to rationalise the tariff structure for government/government aided educational institutions, the Commission has introduced a new sub-category “Government/Government Aided Educational Institutions upto 10 kW under “Other non-domestic users and the tariff for other Government/Government Aided Educational Institutions shall be the same as applicable for other non-domestic consumers;

The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in Table below:

Table 5.8: 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, Hospitals and Charitable Institutions etc.**						
1.1	Upto 25 kW	Rs. 90/ kW	Rs. 6.00/ kWh	Rs. 105/kW	Rs. 7.01/ kWh	Rs. 90/ kW	Rs. 6.00/kWh
1.2	Above 25 kW	Rs. 100/ kVA	Rs. 5.85/ kVAh	Rs. 117/kVA	Rs. 6.83/kVAh	Rs. 100/ kVA	Rs. 5.85/kVAh
2	**Other Non-Domestic Users**						
2.1	Upto 4 kW and consumption upto 60 units per month	Rs. 90 / kW	Rs. 5.75/ kWh	Rs. 113 /kW	Rs.6.71 / kWh	Rs. 90 / kW	Rs. 5.75/ kWh
2.2	Government/Government Aided Educational Institutions up to 10 kW	-	-	-	-	Rs. 90/ kW	Rs. 6.00/ kWh
2.3	Others upto 25 kW not covered in 2.1 and 2.2 above	Rs. 110 / kW	Rs. 7.75/ kWh	Rs. 129 /kW	Rs. 9.05 / kWh	Rs. 110 / kW	Rs. 7.75/ kWh
2.4	Above 25 kW	Rs. 115 / kVA	Rs. 7.80/ kVAh	Rs. 135 /kVA	Rs. 9.11/kVAh	Rs. 115 / kVA	Rs. 7.80/kVAh
3	Single Point Bulk Supply	Rs. 130 / kVA	Rs. 7.80/ kVAh	Rs. 163/ kVA	Rs. 9.11/kVAh	Rs. 130 / kVA	Rs. 7.80/kVAh

Table 5.8: 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
	above 75 kW						
4	Independent Advertisement Hoardings	Rs. 140/ kW	Rs. 8.60/kWh	Rs. 163/ kW	Rs. 10.04/kWh	Rs. 140/ kW	Rs. 8.60/ kWh

5.1.10 *RTS-3: Government Public Utilities*

The Commission has retained the existing tariff for this consumer category. The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in the Table below:

Table 5.9: 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. 130/kVA	Rs. 7.85/ kVAh	Rs. 152/kVA	Rs. 9.17/ kVAh	Rs. 130/kVA	Rs. 7.85/ kVAh
Rural (Metered)	Rs. 120/kVA	Rs. 7.85/ kVAh	Rs. 140/kVA	Rs. 9.17/ kVAh	Rs. 120/kVA	Rs. 7.85/ kVAh

5.1.11 *RTS-4: Private Tube Wells/Pump Sets and Agriculture Allied Activities*

The existing tariff has been retained for this consumer category. The existing tariff, tariff proposed by the licensee and that approved by the Commission are given in the Table below:

Table 5.10: 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. 2.70/ kWh	Nil	Rs. 2.84/ kWh	Nil	Rs. 2.70/kWh
RTS-: 4A: Agriculture Allied Activities						
Metered (Upto 25 kW)	Nil	Rs. 3.80/kWh	Nil	Rs. 3.99/kWh	Nil	Rs. 3.80/kWh
Metered (25 kW – 75 kW)	Rs. 75/kVA	Rs. 3.80/kVAh	Rs. 88/kVA	Rs. 3.99/kVAh	Rs. 75/kVA	Rs. 3.80/kVAh
Metered (Above 75 kW)	Rs. 100/kVA	Rs. 4.00/kVAh	Rs. 1117/kVA	Rs. 4.20/kVAh	Rs. 100/kVA	Rs. 4.00/kVAh

5.1.12 *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.

The tariff for LT category has been retained at existing level with no change. Further, as discussed above, the Commission has modified the Load Factor based tariff structure and has increased the Load Factor threshold limit from existing 40% to 50% for the HT industry consumers. The Commission has approved the lower tariff for consumers having load factor more than 50%. Further, the Commission has retained the peak hour rate as 30% higher than the normal hour rate and solar hour rebate as 22.5%. Further, continuous process industrial consumers opting for continuous supply as per eligibility given in this Order shall have to pay 7.5% 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 5.11: 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						
Contracted Load upto 75 kW	Rs. 185/ kVA	Rs. 5.75/ kVAh	Rs. 185/ kVA	Rs. 6.71/ kVAh	Rs. 185/ kVA	Rs. 5.75/ kVAh

The existing tariff and tariff proposed by the licensee and that approved by the Commission for HT Industry is given in the Tables below:

Table 5.12: Existing and Proposed Tariff for HT Industries

S. No.	Category	Load Factor	Existing Tariff		UPCL Proposed Tariff	
			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%	6.45	Rs. 410/ kVA of the billable demand	7.53	Rs. 479/kVA of the billable demand
		Above 40%	6.85		8.00	
1.2	Contracted Load More than 1000 kVA	Upto 40%	6.45	Rs. 480/ kVA of the billable demand	7.53	Rs. 560/kVA of the billable demand
		Above 40%	6.85		8.00	

Table 5.13: Approved Tariff for HT Industries

S. No.	Category	Load Factor	Approved Tariff	
			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 50%	6.85	Rs. 410/ kVA of the billable demand
		Above 50%	6.60	
1.2	Contracted Load More than 1000 kVA	Upto 50%	6.85	Rs. 480/ kVA of the billable demand
		Above 50%	6.60	

5.1.13 *RTS-6: Mixed Load*

The Commission has retained the existing tariff for this category. The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in the Table below:

Table 5.14: 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. 150/kVA	Rs. 7.30/ kVAh	Rs. 175/kVA	Rs. 8.52/ kVAh	Rs. 150/kVA	Rs. 7.30/ kVAh

5.1.14 *RTS-7: Railway Traction*

The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in the Table below:

Table 5.15: 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. 330/kVA	Rs. 7.05/ kVAh	Rs. 413/kVA	Rs. 8.23/ kVAh	Rs. 330/kVA	Rs. 7.05/ kVAh

5.1.15 *RTS-8: Electric Vehicle Charging Stations*

The Commission has retained the existing energy charges of Rs. 7.65/kWh.

The existing tariff, tariff proposed by the licensee and that approved by the Commission is given in the Table below:

Table 5.16: 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. 7.65/ kWh	--	Rs. 8.03/ kWh	--	Rs. 7.65/ kWh

5.2 Revenue for FY 2026-27

Considering the revised tariffs, the Commission has projected revenue at the approved tariffs from each category for FY 2026-27. The summary of category-wise projected revenue for FY 2026-27 is given in the following Table:

Table 5.17: Summary of Category Wise Projected Revenue at Approved Tariffs

S. No.	Category	Sales	Revenue	Average Billing Rate (ABR)
		MU	Rs. Crore	Rs./Unit
1.	RTS-1: Domestic	4675.52	2861.01	6.12
2.	RTS-2: Non Domestic	2292.84	2020.73	8.81
3.	RTS-3: Govt. Public Utilities	955.17	856.28	8.96
4.	RTS-4: Private Tube Wells	345.54	98.53	2.85
5.	RTS-5: Industry			
	LT Industry	429.57	350.05	8.15
	HT Industry	7272.91	5933.29	8.16
6.	RTS-6: Mixed Load	194.70	155.22	7.97
7.	RTS-7: Railway Traction	169.05	133.00	7.87
8	RTS 8 : EV Charging Stations	15.15	11.59	7.65
9.	Additional Sales (Efficiency improvement)	93.70	71.17	7.60
	Total	**16444.15**	**12490.87**	**7.60**

The estimated revenue for FY 2026-27 at approved tariffs works out to Rs 12490.87 Crore, as against the net ARR of Rs. 12489.54 Crore worked out after adjusting trued-up surplus/gaps of previous years leaving a surplus of Rs. 1.34 Crore with UPCL.

The Commission will consider the actual sales and revenues while carrying out the truing up for FY 2026-27.

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 5.18: Cross Subsidy at Average Cost of Supply for FY 2026-27

Category	Approved Average Billing Rate (ABR)	Average Cost of Supply (ACoS)	ABR / ACoS	Cross Subsidy
	Rs./kWh	Rs./kWh	%	%
RTS-1: Domestic	6.12	7.60	80.51%	-19.49%
RTS-2: Non Domestic	8.81	7.60	115.96%	15.96%
RTS-3: Govt. Public Utilities	8.96	7.60	117.96%	17.96%
RTS-4: Private Tube Wells	2.85	7.60	37.52%	-62.48%
RTS-5: Industry				
LT Industry	8.15	7.60	107.22%	7.22%
HT Industry	8.16	7.60	107.34%	7.34%
RTS-6: Mixed Load	7.97	7.60	104.90%	4.90%
RTS-7: Railway Traction	7.87	7.60	103.52%	3.52%
RTS 8: EV Charging Stations	7.65	7.60	100.66%	0.66%

The comparison of Cross Subsidy at approved tariffs with respect to the average cost of supply in Tariff Order for FY 2025-26 and as approved in this Tariff Order for FY 2026-27 is given below:

Table 5.19: Cross Subsidy at Approved Tariffs in FY 2025-26 and FY 2026-27

Category	Cross Subsidy at Approved Tariff for FY 2025-26	Cross Subsidy at Approved Tariff for FY 2026-27
RTS-1: Domestic	-19.63%	-19.49%
RTS-2: Non Domestic	15.76%	15.96%
RTS-3: Govt. Public Utilities	14.96%	17.96%
RTS-4: Private Tube Wells	-62.60%	-62.48%
RTS-5: Industry		
LT Industry	7.48%	7.22%
HT Industry	7.58%	7.34%
RTS-6: Mixed Load	2.55%	4.90%
RTS-7: Railway Traction	1.71%	3.52%
RTS 8: EV Charging Stations	-0.13%	0.66%

The Commission while designing the tariffs for FY 2026-27 has ensured to bring the cross-subsidy levels within the range of ± 20% as 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 the 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 for FY 2026-27 as approved by the Commission is Rs. 12591.09 Crore (excluding NTI & truing up impact of FY 2024-25 and past EI certificates) and after excluding the power purchase cost and Transmission Charges, the net amount works out to Rs. 2004.00 Crore.

The PLSD during FY 2025-26 is 2910 MW.

Hence, in accordance with the methodology provided in the aforesaid Regulations, the wheeling charges payable by customers seeking open access for FY 2026-27 (applicable upto 31st March, 2027) shall be:

Table 5.20: Wheeling Charges approved for FY 2026-27

Description	Rs./MW/day
Wheeling Charges	**18867/-**

"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, for different categories of consumer, is summarised in the Table given below:

Table 5.21: Wheeling Charges approved for Embedded open access consumers for FY 2026-27

Description	Rs./MW/day
HT industry consumers having contracted load above 1000 kVA	5454/-
HT industry consumers having contracted load upto 1000 kVA	7410/-
Non-Domestic consumers	15654/-
Domestic consumers	15514/-
Mixed Load consumers	14676/-

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. 18867/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 be got 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 2026-27 shall be the pooled average system distribution losses, i.e. 12.25% considered in this Order. Cross subsidy surcharge applicable, in accordance with the Regulations, to open access customers for FY 2026-27 have been determined as Rs. 0.56/kWh for HT industrial consumers, Rs. 1.21/kWh for non-domestic consumers and Rs. 0.37/kWh for mixed load 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. Review of Commercial Performance of UPCL

6.1 General

Uttarakhand, the 27th State of India was created on 09.11.2000 as the 10th Himalayan State of the country blessed with abundant natural resources with an approx. 53,483 sq. km area and presently having a population of approximately 122.00 Lakh. The Electricity Distribution Network is managed by Uttarakhand Power Corporation Limited (UPCL) the sole distribution licensee in the State. UPCL had been entrusted to cater to the Transmission & Distribution Sector inherited after the de-merger from UPPCL (erstwhile UPSEB) since 01.04.2001. The Electricity Act, 2003 mandated the separation of Transmission functions under Power Sector Reforms. Consequently, on 01.06.2004, the Power Transmission Corporation of Uttarakhand Limited (PTCUL) was formed to maintain & operate EHV Transmission lines & substations in the State.

In Uttarakhand, UPCL is the sole power distribution utility in the State to cater to the sub–transmission & distribution network which includes substations & distribution lines in 13 districts of Uttarakhand namely Dehradun, Pauri, Tehri, Uttarkashi, Rudraprayag, Chamoli, Haridwar, Pithoragarh, Bageshwar, Almora, Nainital, Champawat, & Udhamsingh Nagar, details of which are given below in Table 6.1 & 6.2.

Table 6.1: Details of Substations (S/s) maintained by UPCL (As on 31.12.2025)

S.No.	Name of District	33/11 kV S/s			11/0.415 kV S/s	
		Nos.	No. of Transformers	Total MVA capacity	Nos.	Total MVA capacity
Garhwal Zone						
1	Dehradun	66	132	1233.00	11138	1261.59
2	Uttarkhashi	14	25	109.45	2193	105.27
3	Pauri	35	60	290.00	6384	308.16
4	Tehri	19	37	314.00	4521	216.71
5	Chamoli	16	25	125.05	2569	100.58
6	Rudraprayag	8	12	72.00	2032	71.95
Total Garhwal Zone		**158**	**291**	**2143.50**	**28837**	**2064.26**
Haridwar Zone						
7	**Haridwar**	**68**	**147**	**1551**	**25776**	**1491.22**
Kumaon Zone						
8	Nainital	31	59	504.00	7455	697.61
9	U.S.Nagar (Kashipur, Bazpur Jaspur)	22	49	492.00	9095	482.24
10	Almora	29	51	206.50	4565	167.30
11	Bageshwar	9	13	53.00	2215	71.20
Total Kumaon Zone		**91**	**172**	**1256**	**23330**	**1418.35**
Rudrapur Zone						
12	U.S.Nagar (Rudrapur-1, Rudrapur-2, Kiccha, Sitarganj & Khatima)	36	77	780.00	12789	770.25
13	Pithoragarh	20	36	186.00	4052	143.97
14	Champawat	7	11	78.50	1823	74.62
Total Rudrapur Zone		**63**	**124**	**1044.50**	**18664**	**988.84**
Total UPCL		**380**	**734**	**5994.50**	**96607**	**5962.67**

Table 6.2: Detail of Lines maintained by UPCL (As on 31.12.2025)

S.No.	Name of District	33 kV Line (In Km.)	11 kV Line (In Km.)	LT Line (In Km.)
Garhwal Zone				
1	Dehradun	831.37	5309.06	13094.52
2	Uttarkhashi	321.62	2410.56	3828.18
3	Pauri	724.30	5555.42	9018.05
4	Tehri	476.70	4614.26	7093.36
5	Chamoli	355.84	2741.74	4107.43
6	Rudraprayag	170.19	1401.68	2026.80
Total Garhwal Zone		**2880.02**	**22032.72**	**39168.34**
Haridwar Zone				
7	**Haridwar**	**773.56**	**6182.03**	**7343.91**
Kumaon Zone				
8	Nainital	436.97	3331.55	5868.04
9	U.S.Nagar (Kashipur, Bazpur Jaspur)	377.29	2477.04	2325.80
10	Almora	548.89	5114.77	7983.18
11	Bageshwar	197.31	1848.64	2569.97
Total Kumaon Zone		**1560.46**	**12772.00**	**18746.99**
Rudrapur Zone				
12	U.S.Nagar (Rudrapur-1, Rudrapur-2, Kiccha, Sitarganj & Khatima)	540.71	3218.38	4707.06
13	Pithoragarh	440.59	3562.22	4302.80
14	Champawat	144.00	1887.50	3062.82
Total Rudrapur Zone		**1125.30**	**8668.10**	**12072.68**
Total UPCL		**6339.34**	**49654.85**	**77331.91**

Further, on examination of the details of sub-stations and lines maintained by UPCL as on 31.12.2025 vis-a-vis as on 31.12.2024, it has been observed that UPCL was able to increase its total transformation/sub-station capacity and total line length as detailed below: -

Table 6.3: Increase in Assets maintained by UPCL as on 31.12.2025 vis-a-vis 31.12.2024

Description	33 kV	11 kV	LT
Substation capacity as on 31.12.2024 (in MVA)	5756	5609	-
Substation capacity as on 31.12.2025 (in MVA)	5995	5963	-
Net Increase in Substation Capacity (in MVA)	**239**	**354**	**-**
Line length as on 31.12.2024 (in Km)	6172	48917	76161
Line length as on 31.12.2025 (in Km)	6339	49655	77332
Net Increase in line length (in Km)	**167**	**738**	**1171**

The Distribution network of UPCL as on 31.12.2025 contains four Zones namely Garhwal, Haridwar, Kumaon & Rudrapur having total Fourteen Circles containing 46 Divisions. The State has a distinct advantage over other comparable States as a small number of industrial consumers consume major share of power. Hence, a large portion of revenue of the Petitioner comes from these consumers.

Table 6.4: Details of Zone-wise, Circle-wise & Division-wise Consumers of UPCL (as on December, 2025)

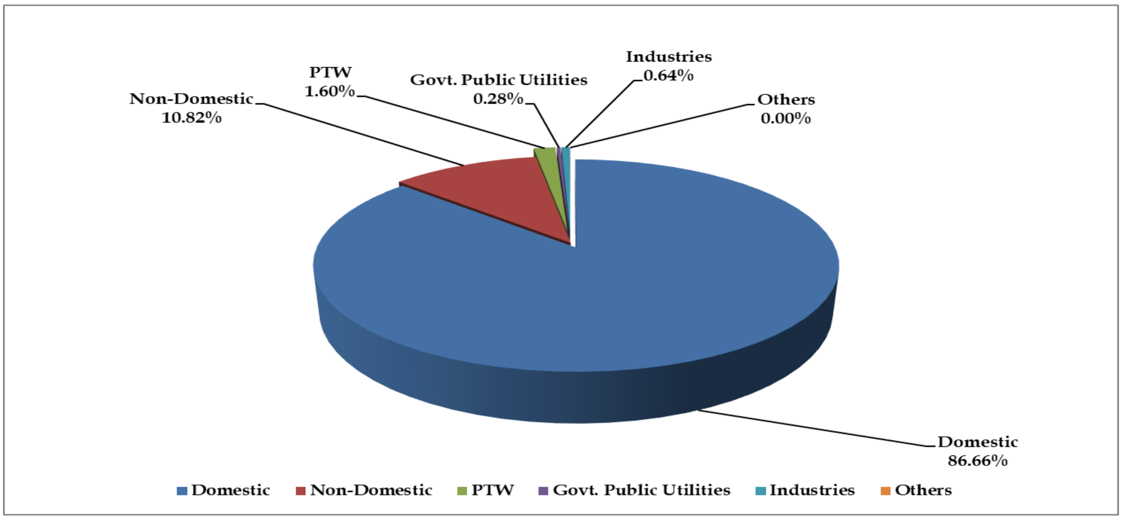
Zone & Consumers (in Nos)	Circle & Consumers (in Nos)	Division & Consumers (in Nos)
1. Kumaun (694477)	**1. Ranikhet (222190)**	1. Almora (70756)
		2. Ranikhet (47406)
		3. Bhikiyasain (38998)
		4. Bageshwar (65030)
	2. Haldwani (293195)	5. Nainital (68987)
		6. Haldwani (U) (51409)
		7. Haldwani (R) (107728)
		8. Ramnagar (65071)
	3. Kashipur (179092)	9. Kashipur (81749)
		10. Jaspur (51018)
		11. Bajpur (46325)
2. Rudrapur (461400)	**4. Pithoragarh (113585)**	12. Pithoragarh (77411)
		13. Dharchula (36174)
	5. Champawat (182901)	14. Champawat (59267)
		15. Sitarganj (65279)
		16. Khatima (58355)
	6. Rudrapur (164954)	17. Rudrapur (56180)
		18. Rudrapur II (66629)
		19. Kichha (42145)
3. Garhwal (1175351)	**7. Srinagar (214268)**	20. Pauri (53050)
		21. Srinagar (49753)
		22. Kotdwar (75148)
		23. Nainidanda (36317)
	8. Karanprayag (156866)	24. Rudraprayag (63915)
		25. Gairsain (29068)
		26. Gopeshwar (44558)
		27. Narayanbagar (19325)
	9. Tehri (151873)	28. Tehri (110191)
		29. Uttarkashi (41682)
	10. Dehradun (238725)	30. Dehradun North (58458)
		31. Dehradun Central (64687)
		32. Dehradun South (115580)
	11. Dehradun (R) (292008)	33. Rishikesh (75696)
		34. Dehradun (R) (94209)
		35. Mohanpur (77308)
		36. Doiwala (44795)
	12. Chakrata (121611)	37. Vikasnagar (89956)
		38. Badkot (31655)
4. Haridwar (482638)	**13. Haridwar (238272)**	39. Haridwar (U) (50089)
		40. Jwalapur (110168)
		41. Haridwar (R) (8562)
		42. Laksar (69453)
	14. Roorkee (244366)	43. Roorkee (U) (70020)
		44. Ramnagar (61683)
		45. Roorkee (R) (59930)
		46. Bhagwanpur (52733)
Total No. of Billed Consumers in UPCL as on 31.12.2025 (Source CPM Reports)		**2813906**

The Consumer Mix, Consumption pattern, Contracted/Connected Load pattern & Revenue pattern for FY 2023-24 & FY 2024-25 are elaborated below:

6.1.1 *Consumer Mix as on March, 2024 & March 2025*

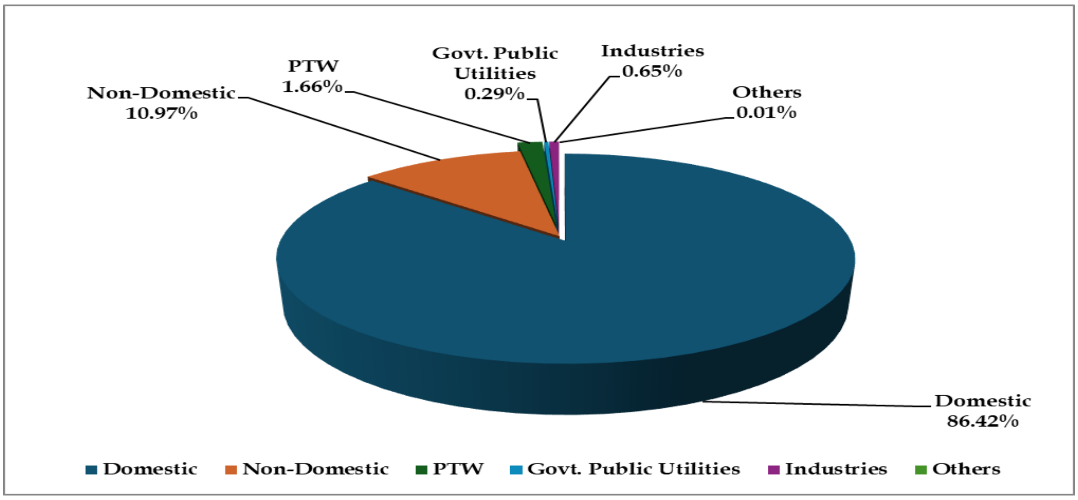
As per the CS-3/CS-4 report of UPCL as on March, 2024, out of the total approximately 29.13 Lakh consumers in the State, there were 86.66%-Domestic consumers, 10.82%-Non-Domestic consumers and only 0.64% consumers of the Industrial category. It is seen that these industrial (HT+LT Industries) consumers accounted for around 50.11% of the total consumption of the State and contribute to about 55.34% of Petitioner's revenue. The following Chart depicts the consumer mix in the State as on March 2024.

CHART 1: Consumer Mix (March, 2024)



As on March, 2025, out of the total approximately 29.99 Lakh consumers in the State, there were 86.42%-Domestic consumers, 10.97%-Non-Domestic consumers and only 0.65% consumers of the Industrial category. It is seen that these industrial (HT+LT Industries) consumers accounted for around 48.13% of the total consumption of the State and contribute to about 53.12% of Petitioner's revenue. The following Chart depicts the consumer mix in the State as on March 2025.

CHART 2: Consumer Mix (March, 2025)



On comparing the Consumer Mix as on March, 2025 vis-a-vis March, 2024, it has been observed that out of total increase of 86,232 consumers, majorly 67,724 consumers increased in Domestic category, 13,950 consumers in Non-Domestic category, 3270 under PTW category and 531 consumers in Govt. Public Utilities. Industrial category experienced rise in 718 consumers.

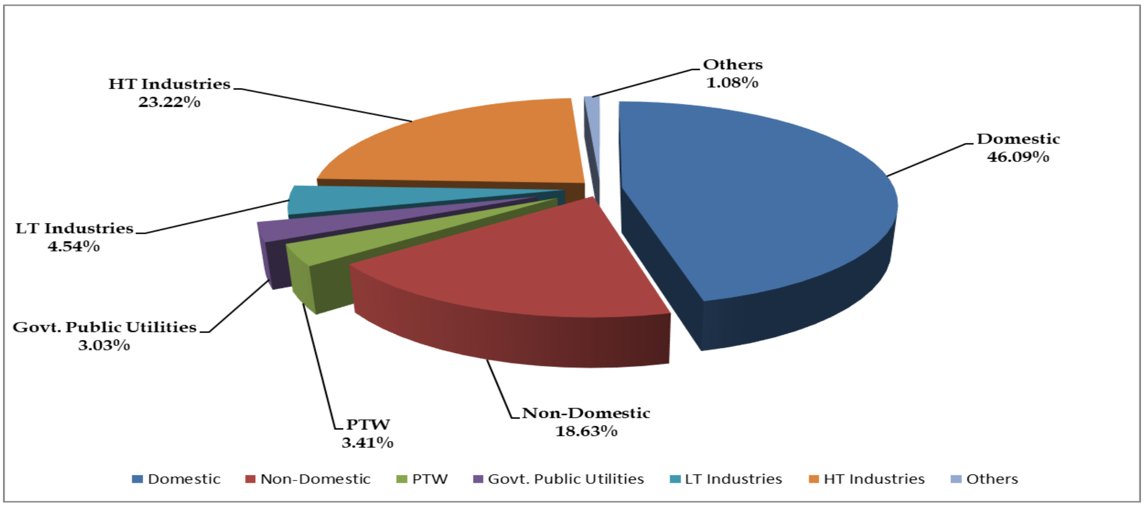
Further, under the category of 'electric vehicle charging station', an addition of 41 number of connections has been observed in FY 2024-25 in comparison to FY 2023-24. This reflects a significant year-on-year growth in the state's EV infrastructure deployment.

6.1.2 *Consumer Contracted/ Connected Load Pattern as on March, 2024 & March, 2025*

As on March, 2024, it was observed that the total Contracted/Connected load in the State was 8468.49 MW. The Contracted/Connected load of Industrial Consumers (HT+LT Industries) was 27.76% and the Contracted/Connected load of Domestic & Non-domestic consumers was 46.09% & 18.63% respectively.

The following Chart depicts the category-wise Contracted/Connected load in the State as on March, 2024.

CHART 3: Consumer Contracted/Connected Load (March, 2024)

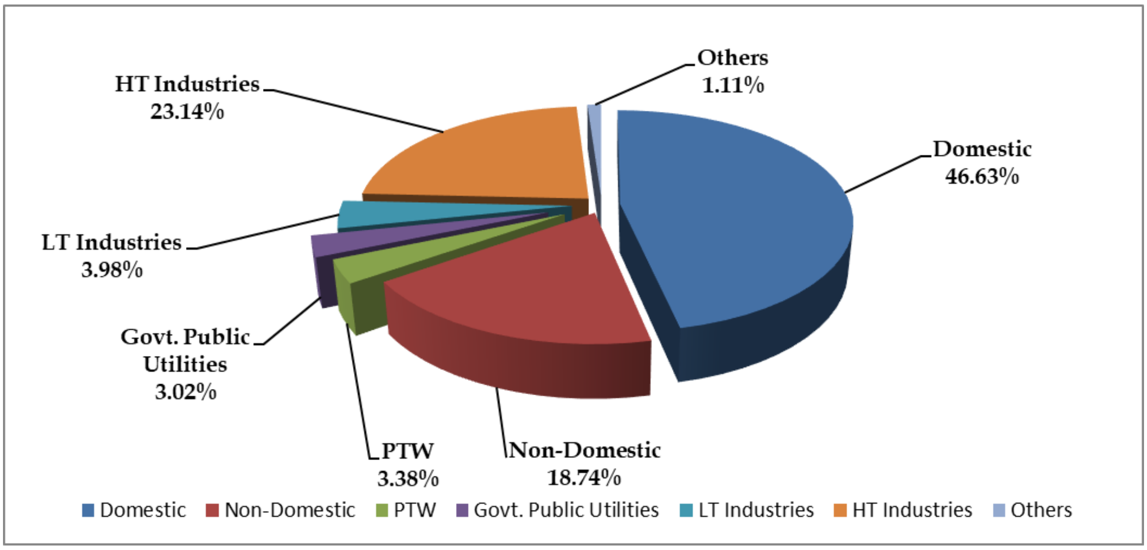


As on March, 2025, it was observed that the total Contracted/Connected load in the State was 8945.77 MW. The Contracted/Connected load of Industrial Consumers (HT+LT Industries) was 27.12% and the Contracted/Connected load of Domestic & Non-domestic consumers was 46.63% & 18.74% respectively.

The following Chart depicts the category-wise Contracted/Connected load in the State as on

March, 2025.

CHART 4: Consumer Contracted/Connected Load (March, 2025)

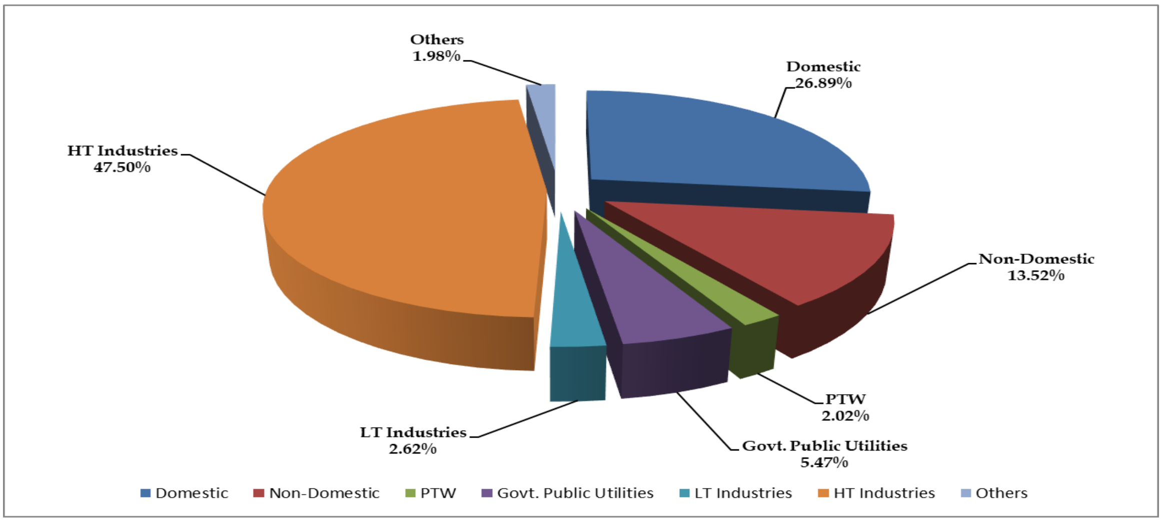


From the above chart, it has been observed that Domestic category constitutes the major share followed by Industry category. In FY 2024-25, the total Contracted/Connected load has increased by 477.26 MW for the State with respect to previous FY. The Contracted/Connected load of all the categories have increased by some amount with maximum increase in Domestic, Non-domestic and Industries, category consumers by 268.75 MW, 98.413 MW and 75.23 MW respectively. The Contracted/Connected load is expected to substantially increase in domestic category with smart meter installation.

6.1.3 *Consumption Pattern during FY 2023-24 & FY 2024-25*

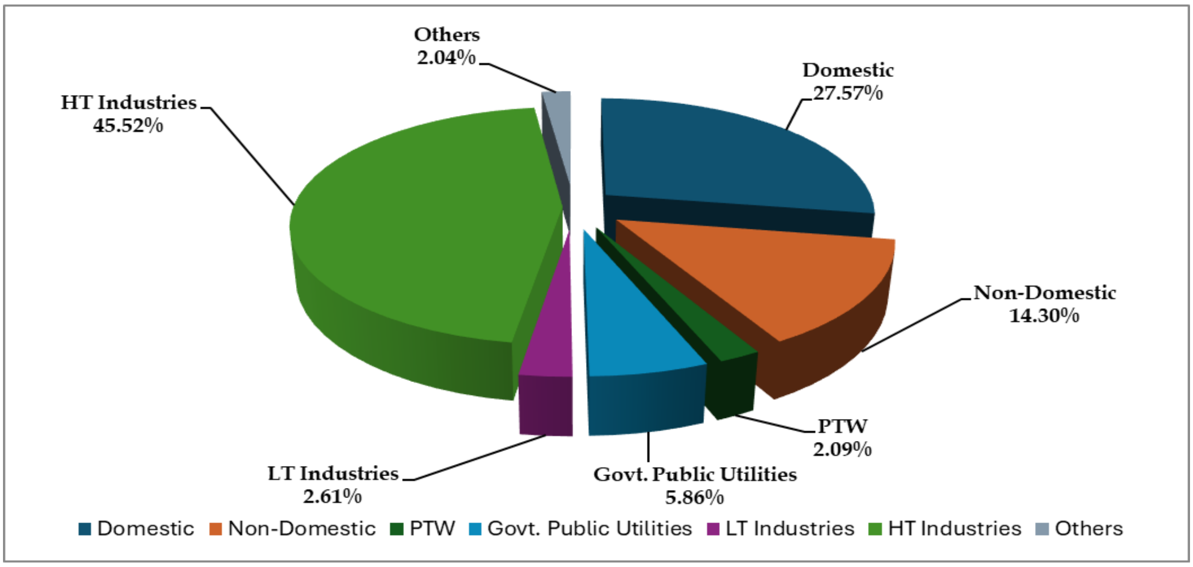
The total energy consumption in FY 2023-24 was 13870.71 MUs. In FY 2023-24, it was observed that with respect to total consumption of the State, the consumption of Industrial consumers (HT+LT Industries) was 50.12% and for Domestic & Non-Domestic consumers the consumption was 26.89% & 13.52% respectively. The following Chart shows the consumption pattern in the State during FY 2023-24.

CHART 5: Consumption Pattern during FY 2023-24



The total energy consumption in FY 2024-25 was 14838.224 MUs. Out of which the consumption of Industrial consumers (HT+LT Industries) was 48.13% and for Domestic & Non-Domestic consumers the consumption was 27.57% & 14.30% respectively. The following Chart shows the consumption pattern in the State during FY 2024-25.

CHART 6: Consumption Pattern during FY 2024-25



On comparing the energy consumption of Industries during FY 2024-25 vis-a-vis FY 2023-24, it has been observed that the energy consumption of Domestic, Non-domestic and Industrial category consumers increased by approx. 360.236 MUs, 246.392 MUs, and 191.169 MUs and respectively. It has been observed that the energy consumption of PTW increased by 29.393 MUs in FY 2024-25 in comparison to FY 2023-24.

Earlier, the quantum of power traded through exchanges (Open Access) by the embedded Open Access consumers was increasing on year-on-year basis upto FY 2017-18. However, in FY 2018-19 the quantum power traded through exchanges by the embedded open access consumers decreased vis-a-vis FY 2017-18 level, which had later increased in FY 2019-20 & FY 2020-21. Further, in FY 2021-22 & FY 2022-23, the quantum of power traded through open access by the consumers had decreased drastically vis-à-vis FY 2020-21. The probable reasons for such decline could be High Inter State transaction charges, installation of solar power projects by the industries, regulatory changes w.r.t. Renewable Energy Certificates etc. However, the same has been again found in rising trend in FY 2023-24, FY 2024-25 & FY 2025-26 (upto February, 2026). Total power traded in FY 2025-26 (upto February, 2026) was 590.61 MUs which is highest uptill now. A significant rise of 140% in trade of power through open access has been observed in FY 2025-26 (up to February 2026) in comparison to FY 2024-25, which is very alarming from financial & commercial perspective for the distribution licensee.

The Commission has observed that as open access is sought mainly by industries which are subsidising consumers, therefore, any reduction in revenue from industries would affect the financial and commercial viability of distribution business. Hence, the Petitioner should ensure the quality and reliability of power supply at competitive rates to its consumers otherwise the consumers would be utilising the option of Open Access for meeting their demand at market rates from the Power Exchanges. The details of quantum of power traded through Open Access in last ten years are given in the Table below:

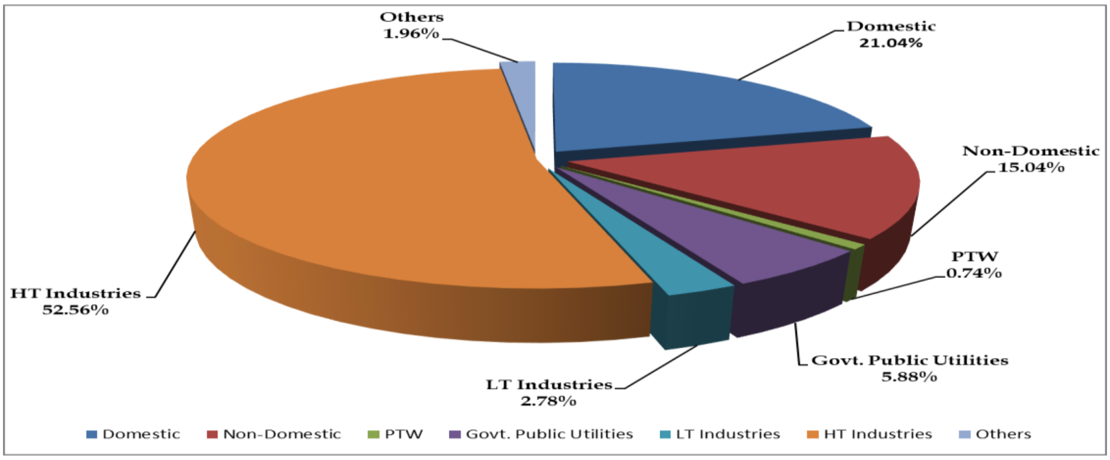
Table 6.5: Quantum of Power Traded through Open Access (at NR periphery)

Year	Quantum (MU)
FY 2015-16	274.52
FY 2016-17	385.81
FY 2017-18	440.37
FY 2018-19	249.66
FY 2019-20	275.45
FY 2020-21	370.12
FY 2021-22	63.04
FY 2022-23	18.65
FY 2023-24	67.90
FY 2024-25	245.70
FY 2025-26 (upto Feb, 2026)	590.61

6.1.4 *Revenue Pattern during FY 2023-24 & FY 2024-25*

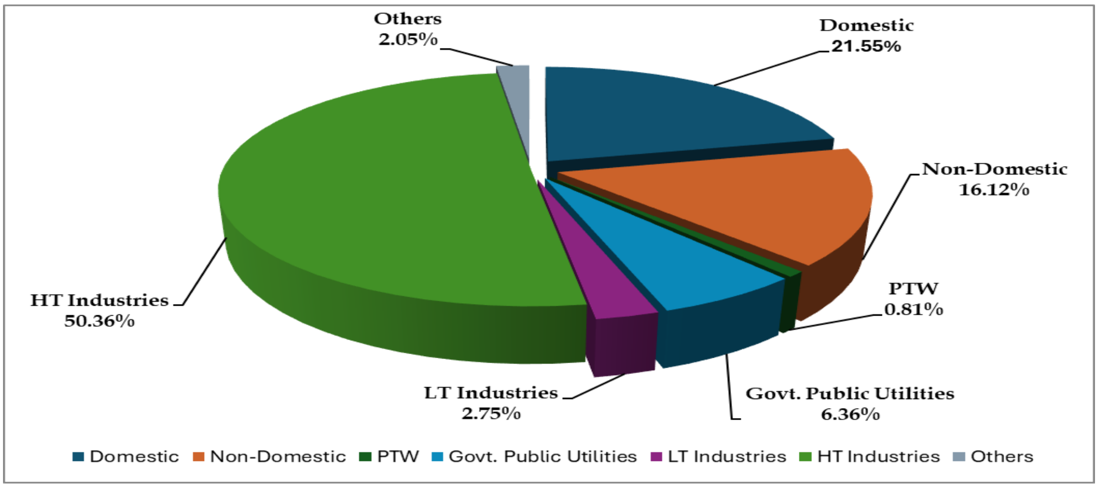
As per CS-4 report, the total Revenue assessed in the State during FY 2023-24 was Rs. 999085.52 Lakh. The contribution of Industrial consumers was 55.34% [HT Industrial consumers was 52.56%, LT industrial consumers was 2.78%] whereas Domestic consumers and Non-Domestic consumers were contributing around 21.04% & 15.04% respectively.

CHART 7: Revenue Mix in FY 2023-24



Further, as per CS-4 report, the total Revenue assessed in the State during FY 2024-25 was Rs. 10,83,359.80 Lakh. The contribution of Industrial consumers was 53.12% [HT Industrial consumers was 50.36%, LT industrial consumers was 2.75%] whereas Domestic consumers and Non-Domestic consumers were contributing around 21.55% & 16.12% respectively.

CHART 8: Revenue Mix in FY 2024-25



On comparing the revenue assessed pattern of FY 2023-24 and FY 2024-25, it is noticed that the total revenue assessed increased by Rs. 84,274.28 Lakh out of which the share of domestic consumers, Non-domestic & Industries were Rs. 23,288.89 Lakh, Rs. 24,341.03 Lakh and Rs. 22,545.1 Lakh respectively. Moreover, the total revenue for Govt. Public Utilities in FY 2024-25 increased by Rs. 10,139.68 Lakh in comparison to revenue of previous financial year i.e. FY 2023-24.

From the analysis of Consumer Mix, Consumer Contracted/Connected Load, Consumption pattern and Revenue pattern during FY 2023-24 & FY 2024-25, it has been observed that there has been a spurt in all the above parameters for Domestic category followed by normal increase for non-domestic and Industrial categories. This prima-facie depicts that subsidized consumers and their load & consumption are increasing in higher proportion vis-a-vis subsidizing consumers endangering the overall economics of the distribution sector.

6.2 Commission's Analysis and Directions on Commercial Performances

The Commission has been monitoring & reviewing the performance of the Petitioner based on the information/reports submitted by it. Infact, higher distribution losses in distribution system are detrimental to financial and commercial viability of the Petitioner. Therefore, analysis of Petitioner's performance especially in respect of Metering, Billing and Revenue Collection is vital with the focus on reducing the Aggregate Technical and Commercial (AT&C) losses of the Petitioner. The Commission from its very first Tariff Order has been issuing various directions/Orders in this regard from time to time. However, the Petitioner has not been complying with the directions religiously. The Commission had, therefore, decided to monitor the commercial performance of the Petitioner in a more structured manner on a monthly basis and, accordingly, various formats were issued to the Petitioner vide the Commission's letter No. 284 dated 17.05.2012 with the direction to submit the above information in the said Formats regularly for each month by 15th day of the next month.

Despite, the specific directions issued by the Commission in its previous Tariff Orders, the Petitioner had neither been submitting the periodical reports timely nor in accordance with the prescribed formats.

Later, considering the fact that the Petitioner had 35 number of Distribution Divisions in the State at that period of time, the Commission felt the need to monitor UPCL on Distribution Division-wise basis and to quantify the improvement on monthly basis w.r.t. Commercial performance indicators. Further, it was found to be necessary that Division-wise targets on each parameter be provided by the licensee which would make the whole monitoring process more meaningful. Hence, the Commission vide its letter No. 1622 dated 27.11.2014 issued following revised Commercial Performance Monitoring (CPM) formats directing UPCL to submit information on the said formats in hard as well as in soft copy (MS-excel file in CD) on regular basis latest by 25th day of the next month from January, 2015 onwards.

Table 6.6: Revised Formats prescribed by the Commission vide letter dated 27.11.2014

S. No.	Description	Format
1.	No. of Consumers	1
2.	Quarterly Targets of NA/NR, IDF/ADF/RDF	2
3.	Status of Not Accessible (NA) Consumers (in Percentage)	2(A)
4.	Status of Not Read (NR) Consumers (in Percentage)	2(B)
5.	Status of Identified Defective Meters (IDF) (in Percentage)	2(C)
6.	Status of Appeared Defective Meters (ADF) (in Percentage)	2(D)
7.	Status of Reading Defective Meters (RDF) (in Percentage)	2(E)
8.	Quarterly Targets of IDF Meters/Mechanical Meters/Un-metered Consumers/Ghost Consumers	3
9.	Status of Identified Defective Meters (IDF)	3(A)
10.	Status of Un-metered Consumers	3(B)
11.	Status of Mechanical Meters	3(C)
12.	Status of Ghost Consumers	3(D)
13.	Status of Not Billed (NB)/Stop Billed (SB) Cases	4
14.	Status of Outstanding Arrears	5
15.	MRI Status of KCC Consumers	6
16.	Status of Revenue realisation per unit of Energy Sold	7
17.	Status of AT&C Losses of UPCL	8

Further, on the request of the Petitioner during the review meeting dated 31.07.2024 for extending the timeline upto 45 days for submission of monthly CPM reports, the Commission accepted the said request of the Petitioner and accordingly allowed 45 days for submission of monthly CPM reports.

However, the Commission observed that even after extension of the aforesaid stipulated timeline, still the Distribution Licensee has been inconsistent in furnishing the Commercial Performance Monitoring reports on the aforesaid formats in hard as well as in soft copy on regular basis in accordance with the directions, i.e. within 45 days for submission of monthly CPM reports.

The Commission is of the view that the basic purpose of prescribing the formats by Commission was to obtain the correct data within the stipulated time frame for analysis of the actual performance of UPCL on monthly basis vis-a-vis target performance of the Distribution licensee. Non-submission of the information in the prescribed format within the stipulated time frame shows a lackadaisical approach of the Petitioner towards compliance of the provisions of the Act/ Regulations/directions of the Commission.

In this regard, the Commission directs Petitioner to submit timely monthly Commercial

Performance Monitoring reports strictly in the prescribed formats on regular basis, so as to reach the Commission latest within 45 days (Format 7 & Format 8 within 60 days) and also submit the Quarterly Targets as per prescribed Format - 2 & 3 alongwith the Commercial Performance Monitoring report for the month of April, 2026. The Petitioner is further directed to upload monthly CPM reports on its website so that the same is accessible to all consumers, failing which appropriate action may be taken against the officer responsible. Further, the Petitioner is directed to designate an officer responsible for reporting compliance of the aforesaid directions within the stipulated timeline and to submit the details of such designated officer before the Commission on or before 31.05.2026.

Over the period, Unmetered consumers, Mechanical Meters & Ghost consumers have reduced to 'Nil'. Accordingly, the Petitioner has stopped reporting such cases in above mentioned prescribed Format 3(B), 3(C) & 3(D) respectively.

Further, the Commission has observed that web-site link of the UPCL pertaining to commercial diary data is not being updated promptly and the CS-3/CS-4 data for a particular month is available after a delay of more than two months. In this regard, the Commission in its previous Tariff Order at Para 8.1.8 had directed UPCL to update and maintain the CS-3 & CS-4 report on its website regularly & promptly. However, despite Commission's categorical directions, it has been observed that CS-3/CS-4 data in the web-site link of the UPCL is being published/uploaded with a delay of more than two months. This shows a lackadaisical approach of UPCL towards compliance of the Commission's direction.

Therefore, the Commission again cautions the Petitioner that the practices of uploading the delayed CS-3 & CS-4 reports on its website should be strictly avoided. In this regard, the Commission directs the Petitioner to update and maintain the CS-3 & CS-4 report on their website regularly and promptly within 60 days from the end of the respective month in a manner it is accessible to general consumers, failing which appropriate action may be taken against the officer responsible.

The Commission's analysis on the information submitted by the Petitioner for the period 01.01.2025 to 31.12.2025 through its various submissions is being discussed in paragraphs mentioned hereunder:

6.2.1 *Metering*

The Commission in its earlier Tariff Orders had been repeatedly giving directions to the

Petitioner to energise new connections with the static/electronic meters and to replace all old mechanical meters with new electronic/static meters in accordance with CEA Regulations. Infact, the Commission has also directed UPCL to take benefit of centrally funded schemes such as 'Revamped Distribution System Scheme' which encompasses installation of Smart Meters in large scale and provides lucrative funding scheme for the same.

The reports pertaining to various performance parameters on metering and other issues have been analysed and findings thereof are being discussed below.

6.2.1.1 *Replacement of Improper, Non-Functional, Stop/Stuck up defective meters (referred to as Identified defective meters (IDF))*

In this regard, the Commission vide its Tariff Order dated 11.04.2025 had directed the Petitioner to restrict percentage defective meters (IDF) to 2% in plain areas and 3% for hilly areas of the State, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) & 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.

With regard to compliance of the directive, the Petitioner has submitted the following Target vis-a-vis status of IDF cases: -

1. **Quarterly Target of IDF cases for FY 2025-26.**

Table 6.7: Quarterly Target of Defective Meters (IDF) for FY 2025-26

Particulars	At the end of Q-1	At the end of Q-2	At the end of Q-3	At the end of Q-4
IDF cases	1.33%	1.16%	0.96%	0.79%

2. **Status of Defective Meters (IDF)**

Table 6.8: Status of Defective Meters (IDF)

As on	% Defective Meters
31.03.2024	1.68%
31.03.2025	1.50%
30.06.2026	1.50%
30.09.2026	1.48%
31.12.2025	1.90%

On examination of the Quarterly Targets submitted by UPCL in Format-2, it is observed that the target set for IDF cases at the end of 1st, 2nd and 3rd quarter of FY 2025-26 were 1.33%, 1.16% and 0.96% respectively against which UPCL has achieved IDF Percentage of 1.50%, 1.48% and 1.90%

respectively, which shows that the Petitioner has attempted to meet the target set by itself to some extent.

The Commission opines that the Petitioner has made its efforts for reducing percentage IDF meter to below 2%. However, the Petitioner indeed requires improvement at division level also in order to reduce provisional billing cases and aim for achievement of overall target set for Provisional Billing cases i.e. NA/NR, RDF/ADF/IDF cases in the State in accordance with the Orders of the Commission.

Circle-wise number of defective meters reported by the Petitioner in the prescribed format 3(A) is shown in the Table given below:

Table 6.9: Status of Defective Meters

S. No.	Name of Circle	No. of Defective Meters as on 31.03.2022	No. of Defective Meters as on 31.03.2023	No. of Defective Meters as on 31.03.2024	No. of Defective Meters as on 31.03.2025	No. of Defective Meters as on 31.12.2025	% of Defective Meters as on 31.03.2025	% of Defective Meters as on 31.12.2025
1.	EDC Dehradun (R)	2570	1720	3270	1878	3066	0.67%	1.0%
2.	EDC Roorkee	4623	1797	3990	534	4309	0.22%	1.8%
3.	EDC Haridwar	6540	2681	9118	4325	7234	1.84%	3.0%
4.	EDC Srinagar	3331	2422	1947	2528	2710	1.20%	1.3%
5.	EDC Karnprayag	6780	6650	6152	7480	8359	4.84%	5.3%
6.	EDC Dehradun	4243	2441	3379	2986	3747	1.27%	1.6%
7.	EDC Kashipur	1312	875	1644	533	3786	0.30%	2.1%
8.	EDC Rudrapur	5711	2596	2797	1021	1833	0.64%	1.1%
9.	EDC Ranikhet	5999	6045	6335	8475	4749	3.87%	2.1%
10.	EDC Haldwani	3441	1602	2809	3371	4413	1.18%	1.5%
11.	EDC Tehri	3721	3182	2854	1409	2338	0.94%	1.5%
12.	EDC Pithoragarh	964	586	734	772	1323	0.69%	1.2%
13.	EDC Champawat				2408	2980	1.34%	1.6%
14.	EDC Chakarata				2130	2605	1.79%	2.1%
Total		**49235**	**32597**	**45029**	**39850**	**53452**	**1.45%**	**1.90%**

From the above table, it is observed that the total number of defective meters has increased by 13,602, i.e., from 39,850 as on 31.03.2025 to 53,452 as on 31.12.2025. This reflects a significant rise in the number of defective meters during the said period. It is further observed that the percentage of defective meters in EDC Karnprayag and EDC Haridwar as on 31.12.2025 were 5.3% and 3% which is well above the limit allowed for hilly (3%) and plain (2%) areas.

The overall percentage of defective meters in UPCL's network was 1.45% as on 31.03.2025 and has increased to 1.90% as on 31.12.2025 which although are within the limit of defective meters as specified by the Commission i.e. 2% for plain areas and 3% for hilly areas. However, it has been observed that still some Circles namely EDC Karnprayag, EDC Haridwar, and EDC Rudrapur where a lot of improvement w.r.t. replacement of defective meters is required to be done. Therefore, the Petitioner should make its efforts for bringing the limit of % IDF meters i.e. 2% for plain and 3% for hilly areas as per directions issued in previous Tariff Order dated 11.04.2025. The Petitioner indeed requires improvement at EDC Karnprayag and EDC Haridwar w.r.t. reduction in percentage defective meters through specific monitoring from the Head Office of the Petitioner and the Superintending Engineer (Distribution) should be made responsible in case percentage defective meters (IDF) are not restricted below the specified limit of 3% and 2% respectively for hilly and plain areas.

It is an admitted fact that by expeditious replacement of defective meters on the basis of well laid down defective meter replacement programme, the Petitioner would not only be able to control this menace but shall also comply with the provisions of SOP Regulations.

The Petitioner should put all its efforts for reducing the IDF cases below 2% in plains areas and 3% in hilly areas as per UERC (Standards of Performance) Regulations, 2022 where the actual IDF cases are above the target level so that Provisional Billing cases can be minimized and revenue can be enhanced.

With regard to Smart Meters, the Commission in its Order dated 19.10.2023 had accorded in-principle approval for Smart Prepaid Metering at approximately 16 Lakh Consumers across the State. The Commission opines that the Petitioner should make its all efforts for completing the project within the timelines approved by MoP, GoI for the same. Although, the service level agreement are signed between the Advanced Metering Infrastructure Service Provider (AMISP) and the Petitioner for upkeeping of the system. The Commission advises that inspite initial implementation problems may arise, the limit set by the Commission for the defective meters shall continue to prevail.

Accordingly, the Commission directs the Petitioner to restrict percentage defective meters (IDF) to 2% for plain areas and 3% for hilly areas, 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.

6.2.2 *Billing*

The Commission, vide its earlier Tariff Orders, and various directions issued from time to time in this regard has been directing the Petitioner to improve its quality of billing, bill distribution and revenue collection system. It is noted that the Petitioner has made a beginning in this direction and has developed a system for internet based online view/payment of electricity bill besides bill payment facility also through Common Service Centres (CSCs) situated across the State for its consumers which has not only benefitted the consumers of the State but has also improved the overall billing and bill collection system of the Petitioner. However, the Commission is of the view that still a majority of consumers are located in remote hilly/rural areas and they may not avail internet based online facilities hence, a lot of scope for improvement in billing, bill distribution and bill collection system is required at the Petitioner's end for consumers residing in such areas.

6.2.2.1 Provisional Billing: Status of NA/NR, IDF/ADF/RDF

The Commission vide its Tariff Order dated 11.04.2025, had issued directions to the Petitioner to reduce the percentage NA/NR cases to below 2% in the entire State, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution), Executive Engineer (Distribution) & 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.

The Petitioner has submitted the following information on quarterly target of NA/NR for FY 2025-26 in Format 2 of CPM reports:

Table 6.10: Quarterly Target of NA/NR for FY 2025-26

Financial Year	Particulars	At the end of Q-1	At the end of Q-2	At the end of Q-3	At the end of Q-4
2025-26	NA cases	0.95%	0.81%	0.70%	0.57%
	NR cases	0.81%	0.68%	0.54%	0.39%
	Total NA/NR	1.76%	1.49%	1.24%	0.96%

Table 6.11: Status of NA/NR submitted in Commercial Performance Monitoring Report

Particulars	NA Cases	NR Cases	Total NA/NR
As on 31.03.2025	1.11%	0.98%	2.09%
As on 30.06.2025	1.00%	1.50%	2.50%
As on 30.09.2025	0.62%	2.45%	3.07%
As on 31.12.2025	0.70%	1.04%	1.74%

On examination of actual progress made in the field as on 31.12.2025, as against the Petitioner's target, it has been observed that NA/NR cases were 1.74%, which are within the target percentage NA/NR cases of 2% as restricted by the Commission.

On examination of the above Tables, it has been noticed that the Petitioner in FY 2025-26 (upto Dec,2025) has achieved 0.70% NA cases & 1.04% NR cases, the total NA/NR cases 1.74%against the set target of 1.24% for the Q-3 of FY 2025-26. Thus, during FY 2025-26 (upto Dec, 2025), the Petitioner has not only achieved the target level of 2% NA/NR as directed by the Commission but also has achieved quarterly target levels.

Hence, the Commission is of the view that the Petitioner should continue improvement at each division level in order to reduce & maintain the NA/NR cases to below 2% level as per the directions in this regard. Therefore, the Petitioner is required to diligently monitor & pursue each Distribution Division rigorously so as to align its actual percentage of NA/NR billing with the targets in accordance with the Commission's Orders/directions.

The Commission directs the Petitioner to put its sincere efforts in reducing & maintaining the percentage NA/NR cases to below 2% in the entire State, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution) and 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.

Further, the Commission has observed that the percentage of provisional billing cases namely NA/NR, RDF/ADF/IDF, furnished in prescribed formats 2(A), 2(B), 2(C), 2(D) & 2(E) for FY 2024-25 (upto December, 2025) have slightly reduced w.r.t. March, 2025 level vis-a-vis total number of billed consumers as shown in the Table given below:

Table 6.12: Status of Provisional billing Viz. NA/NR/IDF/ADF/RDF

Status	As on 31st March 2021	As on 31st March 2022	As on 31st March 2023	As on 31st March 2024	As on 31st March 2025	As on 31st December 2025
NA (%)	1.64	1.66	1.40	1.45	1.11	0.70%
NR (%)	0.90	0.93	0.66	1.10	0.98	1.04%
IDF (%)	2.15	1.95	1.25	1.68	1.50	1.90%
ADF (%)	0.00	0.00	0.00	0.00	0.00	0.00
RDF (%)	0.93	1.10	1.09	1.25	0.88	0.41%
Total (%)	**5.62**	**5.64**	**4.40**	**5.48**	**4.47**	**4.05%**
Total Billed Consumers (Nos.) #	**2,439,959**	**2,521,628**	**2,601,170**	**2,680,066**	**27,57,446**	**28,13,906**

#Total billed consumers as furnished by Petitioner in prescribed Format-1.

From the above Table, it is observed that there has been substantial decrease in total percentage of NA/NR, IDF/ADF/RDF cases in month of December, 2025 vis-a-vis FY 2024-25 i.e. from 4.47% to 4.05%, which is within the limit prescribed in the directions/provisions of the SOP Regulations, 2022 issued by the Commission, i.e. 4% in plain areas and 5% in hilly areas. Therefore, it can be said that the Petitioner has put in concerted efforts to bring the overall provisional billing percentage to within 4% of the total number of consumers in plain areas and 5% for hilly areas of the State.

The Commission had held a review meeting on 31.07.2024 w.r.t. the review of compliance of directives issued by the Commission in its Tariff Order for FY 2024-25 for the Petitioner, wherein, the Commission had directed the Petitioner to submit division-wise percentage revenue billed on provisional billing basis alongwith its monthly CPM reports. However, the Commission has observed that the Petitioner has not furnished the desired information.

In this regard, the Commission again directs the Petitioner to restrict the provisional billing cases within the limit prescribed above as well as in Regulations (i.e. 4% for plain areas and 5% for hilly areas of the State), 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. Further, the Petitioner is directed to submit division-wise percentage revenue billed on provisional billing basis alongwith its monthly CPM reports.

6.2.2.2 NB & SB Cases

The Commission, in its Tariff Order dated 11.04.2025, had taken a considerate view and had 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.

The Petitioner's submission in the prescribed Format-4 of Commercial Performance Monitoring Report pertaining to Not Billed (NB) and Stop Billed (SB) is being presented in the Table given below:

Table 6.13: Status of NB/SB Cases

Status		As on 03/21	As on 03/22	As on 03/23	As on 03/24	As on 03/25	As on 12/25
No. of NB/SB Cases	NB	161580	154461	142962	131418	125424	115240
	SB						

From the above Table, it is evident that no. of NB/SB have reduced in FY 2025-26 (upto 31.12.2025) w.r.t. cases as on March, 2025, which indicates that the Petitioner has shown some interest in reducing these NB/SB cases. Further, the Commission has observed that the Petitioner was able to liquidate only 8.12% in three quarters of FY 2025-26, whereas, it was required to liquidate atleast 5% in each quarters which is way behind its target.

Therefore, taking a serious note on non-compliance and under performance by the Petitioner with regard to liquidation and finalisation of NB/SB cases, **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 achieving the target or in timely submission of report, action under the provisions of Act/Rules/Regulations may be initiated against the Petitioner.

6.2.2.3 *Outstanding Arrears*

The Commission in its Tariff Order dated 11.04.2025 had 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 also directed to submit an Action Plan within a month of issuance of this Order including the steps it proposes to take for collecting electricity dues from the beginning of the financial year with same vigour as it normally does in the last quarter of the financial year.

The status of Outstanding Arrears furnished by the Petitioner in the prescribed Format- 5 is given below:

Table 6.14: Status of Outstanding Arrears

Description	As on 03/22		As on 03/23		As on 03/24		As on 03/25		As on 11/25	
Arrear	**No.**	**Amount (Rs. Lakh)**	**No.**	**Amount (Rs. Lakh)**	**No.**	**Amount (Rs. Lakh)**	**No.**	**Amount (Rs. Lakh)**	**No.**	**Amount (Rs. Lakh)**
Arrear>=5 Lac	3034	120128.55	3078	119604.7	3020	106050.9	2806	97652.62	3638	122182.25
1=<Arrear<5 Lac	8547	15330.78	8444	14872.98	11051	19467.91	10868	19172.84	9374	17911.91
0.5 Lac=<Arrear<1 Lac	18017	12296.83	18679	12789.55	21470	14829.97	19128	13191.03	19274	13135.23
0.1 Lac=<Arrear<0.5 Lac	144588	30031.31	152275	31394.67	152484	32505.82	138072	29471.30	169999	35328.00
0.05 Lac=<Arrear <0.1 Lac	127774	9118.63	128893	9201.79	116093	8297.73	112327	7974.82	133651	9532.71
Total	**301960**	**186906.10**	**311369**	**187863.70**	**304118**	**181152.32**	**283201**	**167462.61**	**335936.00**	**198090.10**

From the above Table, it is evident that the Petitioner was able to reduce number of arrear cases and outstanding arrears in FY 2024-25 in comparison to FY 2023-24, however, for FY 2025-26 (upto November, 2025) the no. of arrear cases and outstanding arrears have increased again. This is alarming and depicting that the Petitioner is not making sincere efforts for recovery of outstanding arrears.

The Commission is of the view that the Petitioner has been lackadaisical towards collection of arrears and lacks seriousness in laying down a planned programme/roadmap. This is a grave concern for the financial health of the Petitioner and may weed away the Petitioner's financial viability since 3.36 Lakh cases of arrears (which is around 11.96% of the total billed consumers of the Petitioner) were pending as on 30.11.2025 with a staggering amount of Rs. 1980.90 Crore pending recovery by the Petitioner which is about 17.11% of the Petitioner's approved Net ARR for FY 2025-26, i.e. Rs. 11576.05 Crore.

The comparison of Outstanding Arrears furnished by the Petitioner in the above Table vis-a-vis Outstanding Arrears shown in the Commercial Diary, i.e. CS-4 is given below: -

Table 6.15: Status of Outstanding Arrears (Rs. Crore)

Description	As on 31.03.2021	As on 31.03.2022	As on 31.03.2023	As on 31.03.2024	As on 31.03.2025	As on 31.11.2025
As per Commercial Performance Monitoring report *(excluding Arrears of amount below Rs. 5,000)*	1643.87	1869.06	1878.63	1811.52	1674.62	1980.90
As per CS-4 report *(including Arrears of amount below Rs. 5,000)*	2258.16	2297.48	2201.52	2248.62	2264.26	3163.64

It is pertinent to highlight that the outstanding arrears as reflected in the Commercial Performance Report (CPM) do not match with those in the CS-4 report. The discrepancy arises because the CS-4 report includes arrears below Rs. 5000, whereas such amounts have not been considered in the CPM reports.

The Petitioner is aware of the fact that the CS-3 & CS-4 reports are being referred by Commission for analysing the Commercial Performance of the Petitioner. Moreover, for better transparency it is important that Petitioner should maintain its Commercial Diary data and update the same from time to time on its website in the interest of consumers of the State. However, while accessing the website for examination of the Commercial Performance Data, it has been found that the CS-3 & CS-4 reports are not being promptly updated on Petitioner's website. Despite the Commission's directions, the Petitioner is updating the CS-3 & CS-4 reports with delay.

From the above Table, it has been observed that the Petitioner has not made sincere efforts in recovering its arrears in FY 2025-26 (upto 30.11.2025). The total arrear as per CS-4 report to be realised as on 30.11.2025 is Rs. 3163.64 Crore which is approx. 27.33% of its approved Net ARR for FY 2025-26. Moreover, on examination of Commercial Performance Monitoring Report as mentioned in Table above, it has been observed that the performance of the Petitioner has deteriorated in FY 2025-26 (upto November, 2025).

The Commission is of the view that the Petitioner must understand the gravity of the situation and should abstain from its legacy practice of remaining callous about recovery of arrears throughout the year and wakes from slumber in the last quarter of the Fiscal Year. This by all standards, in any commercial organization is an in-appropriate practice and inculcates un-professional work culture in the organisation especially for the young field officers who adapt the same and are misguided by the false belief in the wrong historical practice. Further, the Commission cautions the Petitioner if such trend continues in ensuing years, it may result in incorrigible damage to the commercial & financial viability of the distribution business.

Therefore, the Commission hereby 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 for ensuring the collection of electricity electricity dues from the beginning of the financial year (prepare monthly report, analysis, issue corrective order, file the same) with similar efforts as it normally does in the last quarter of the financial year.

6.2.2.4 Analysis of Load Factor of High Value Consumers

The load factor of the consumers, as submitted by the Petitioner in the prescribed Format-6 of Commercial Performance Monitoring Report has been shown in Table given below:

Table 6.16: Status of Consumers

Description	As on 03/21	As on 03/22	As on 03/23	As on 03/24	As on 03/25	As on 12/25
Total High Value Consumers	26503	28853	32992	38762	42585	42698
*Abnormal cases	7325	5415	5684	7000	7056	6884
L.F<10%	12282	13947	15517	18450	19251	19217
L.F>10%	14221	14906	17475	20312	23334	23481

**Abnormal cases- Consumers exceeding sanctioned demand, Consumers having CT, PT by-pass Tamper Report, unbalanced Tamper Report & any other Tamper Report.*

From the above Table, it has been observed that UPCL has not been able to reduce the number of consumers having load factor less than 10% and the same are continuously increasing on year-on-year basis. Further, number of consumers as on 31.12.2025 having load factor less than 10% was 19217, which is around 45.00% of the total number of consumers analyzed. The Commission is of the view that the consumers having load factor less than 10% are in alarmingly high numbers.

Further, it has been observed that till August, 2021 UPCL had submitted the details of 'Consumers exceeding sanctioned demand', 'Consumers having CT by-pass Tamper Report', 'Consumers having PT by-pass Tamper Report', 'Consumers having unbalanced Tamper Report' & 'Consumers having any other Tamper Report' and the same comprised the abnormal cases. However, from September, 2021 onwards the Petitioner is submitting the details of only 'Consumers exceeding sanctioned demand' against the abnormal cases.

The Commission in its previous Tariff Order has been categorically directing the Petitioner for constituting a cell in its commercial wing for analysis and monitoring of consumer data including low load factor cases, meter tamper cases, etc. However, it is observed that UPCL is not submitting the abnormal cases report against 'Consumers having CT by-pass Tamper Report', 'Consumers having PT by-pass Tamper Report', 'Consumers having unbalanced Tamper Report' & 'Consumers having any other Tamper Report' before the Commission which shows indifferent approach of UPCL towards the Commission's directions.

In this regard, the Commission opines that the Petitioner should promptly analyse the consumer data w.r.t. 'abnormal cases' i.e. Consumers exceeding sanctioned demand, Consumers having CT/PT by-pass Tamper Report, unbalanced Tamper Report & any other Tamper Report etc. and submit the same to the Commission in the prescribed format.

The total billed consumer base of about 28.14 Lakh consumers in the State (as on 31.12.2025) as per CPM Report out of which 42,698 consumers are High value consumers whose data is furnished in Format-6 of CPM reports. The Industrial consumers which are only about 0.65% of the total consumer base of the Petitioner contribute nearly 53.12% of its total annual revenues as on March, 2025.

Therefore, the Commission again directs the Petitioner to comply with the directions to constitute a cell in its commercial wing for analysis and monitoring of consumer data including low load factor cases, meter tamper cases, etc. and to submit details of abnormal cases strictly as per the prescribed Format-6 of monthly CPM reports, failing which appropriate action under Act/ Rules/Regulations may be initiated against the responsible officer (s).

6.2.2.5 Status of Revenue realisation per unit sold

The Commission in its Tariff Order dated 11.04.2025 had 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 & realisation against past dues, failing which appropriate action shall be initiated against the Petitioner/Licensee.

The status of Revenue Realisation per unit sold furnished by the Petitioner in the prescribed

Format-7 is given below:

Table 6.17: Status of Revenue Realisation per unit sold

Year	Sold Energy (MU)	Total Revenue Realization (Rs. Lakh)	Average Realization Rate (Rs./unit)	Average Power Purchase Cost per Unit sold (Rs./unit)	Approved /Trued-up Average Cost of Supply (Rs/Unit)
FY 2016-17	10575.544	555300*	5.25	4.63	4.69
FY 2017-18	11208.82	603052*	5.38	4.58	4.77
FY 2018-19	11826.68	637700*	5.39	4.85	5.29
FY 2019-20	12021.35	656362*	5.46	5.65	5.94
FY 2020-21	11432.59	673707*	5.89	4.82	5.48
FY 2021-22	12518.80	699773#	5.59	5.03	6.13
FY 2022-23	13491.22	817248#	6.06	6.18	6.90
FY 2023-24	13873.34	918752#	6.62	5.38	7.29
FY 2024-25	14838.22	1005824#	6.78	6.16	7.36

**Including Duties/Cess/DPS & other recoveries*
#Excluding Duties/Cess/DPS & other recoveries

On examination of data provided in Format-7 of reports, it has been observed that data upto FY 2020-21 as illustrated in the table above includes Duties/Cess/DPS & other recoveries and the Commission in this regard vide its previous Tariff Orders had 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 & realisation against past dues, failing which appropriate action shall be initiated against the Petitioner/Licensee.

Further, it has been observed that the Petitioner has attempted to calculate the 'Average Realisation Rate' by excluding Delayed Payment Surcharge, Electricity Duty & Green Energy Cess in Format-7 of CPM Reports from FY 2021-22 onwards.

On analysing the aforesaid Table, it has been observed that the Average Cost of Supply i.e. Rs. 7.36 per KWh is significantly higher than the Average Revenue Realisation rate i.e. Rs. 6.78 per KWh in FY 2024–25. This will affect the financial & commercial viability of distribution business. Hence, to bridge the gap between cost of supply and Average Revenue Realisation rate, the Petitioner should ensure on reducing technical & commercial losses and increase collection of its past arrears.

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 & realisation against past dues, failing which appropriate action shall be initiated against the Petitioner/Licensee.

6.3 Energy Audit

The Commission in its earlier Tariff Orders had been reiterating its direction for conducting the energy audit of 11 kV feeders and submit the audit report before the Commission. The Commission in its Tariff Order dated 11.04.2025 had directed the Petitioner to provide/maintain the metering system including communication system at each feeder, 'T' points, DTs and consumers in its distribution network for effective energy auditing and accounting.

The Petitioner in its response to compliance to directives in its instant Petition submitted "*The energy Audit Report in respect all EDCs shall be provided to the Hon'ble Commission shortly*".

Further, the Regulation 3.16 (3) 'Energy Audit' of UERC (Distribution Code) Regulations, 2018 stipulates that distribution licensee is required to carry out energy audit of total system by compiling data and analysis of each substations and feeders within each distribution division/sub-division. Therefore, the Commission vide its letter dated 14.02.2025 had directed the Petitioner to submit energy audit report in accordance with Sub-Regulation (3) of the Regulation 3.16 of UERC (Distribution Code) Regulations, 2018 in the respect of Electricity Distribution Circles (EDCs) namely EDC Roorkee, EDC Rudrapur, EDC Kashipur, EDC Haldwani, EDC Haridwar, EDC Dehradun (Urban) and EDC Dehradun (Rural) latest by 30.04.2025. For rest of EDCs, report was to be submitted by 30.06.2025. Further, the Commission vide its Tariff Order dated 11.04.2025 had directed the Petitioner to submit the desired Energy Audit Reports of EDCs within the aforesaid stipulated timeline. On non-receipt of the desired Energy audit reports, the Commission vide its reminder letter dated 05.08.2025 had again directed the Petitioner to submit the Energy audit reports of all EDCs by 29.08.2025.

Despite continuous issuance of directions by the Commission to the Petitioner for submission of Energy Audit Reports of its all EDCs, the Petitioner has repeatedly failed to comply with the directions of the Commission. This shows callous and indifferent approach of the Petitioner towards the directions of the Commission. The Commission has taken the matter seriously and is now giving the final opportunity for submission of the desired Energy Audit Reports.

Therefore, the Petitioner is directed to submit energy audit report in accordance with Sub-Regulation (3) of the Regulation 3.16 of UERC (Distribution Code) Regulations, 2018 in respect of all Electricity Distribution Circles (EDCs) latest by 30.06.2026 together with analysis of action plan for eliminating and deficiencies or shortcomings found. Further, the Petitioner is again directed to provide/maintain the metering system including communication system at each feeder, 'T' points, DTs and consumers in its distribution network for effective energy auditing and accounting.

6.4 AT&C Losses

From the above comprehensive analysis of metering, billing & collection activities of the Petitioner, it is evident that still a lot of improvement, especially in the areas of provisional billing, liquidation of NB/SB cases, recovery of Outstanding Arrears and prompt revenue realization is required. The AT&C losses of the Petitioner as on 30.11.2025 as per Commercial Performance Monitoring report are 24.69%. The reason for such high AT&C loss is primarily high distribution losses (14.31%) and low collection efficiency (87.88%) till 30.11.2025. It is prudent to highlight that the Commission in its previous Order had categorically directed the Petitioner to ensure completion of the R-APDRP works within the specified timelines and also achieve the specified target for reduction of AT&C losses to the target in the scheme in the selected towns within the stipulated timeframe for availing the benefits of conversion of loan into grant. Similar directions were issued by the Commission in its Order dated 05.10.2016 pertaining to Capital Investment for the Integrated Power Development Scheme (IPDS) Project, Ministry of Power (MoP), Government of India (GoI). Further, the Commission vide its Order dated 19.10.2023 pertaining to 'Revamped Distribution Sector Scheme' (RDSS) of MoP, GoI has categorically directed UPCL to strictly adhere the RDSS guidelines and achieve the specified target of AT&C losses.

Therefore, the Commission is of the view that with the linkage of cost of funding of Centrally funded Schemes with the AT&C loss achievement, such programs can be construed as a double-edged sword, which might cause adverse financial impact in case the Petitioner fails to achieve the required reduction in AT&C losses of the target area.

The status of AT&C losses of UPCL for the last ten financial years furnished by the Petitioner in the prescribed Format-8 is given below:

Table 6.18: Status of AT&C Losses

Year	Input Energy (MU)	Energy Sold (MU)	Assessment (Rs Lakh)	Collection (Rs Lakh)	Distribution Loss (%)	Approved Distribution Loss (%)	Collection Efficiency (%)	Actual AT&C Loss (%)	Computed AT&C losses (Based on Approved Norms) (%)
FY 2015-16	12559.60	10298.14	493267	524286	18.01	15.00	106.29	12.85	16.28
FY 2016-17	12780.32	10575.54	540075	555300	17.25	15.00	102.82	14.92	16.28
FY 2017-18	13213.73	11208.82	609821	603052	15.17	14.75	98.89	16.11	15.82
FY 2018-19	13803.71	11826.68	654424	637641	14.32	14.50	97.44	16.52	15.36
FY 2019-20	13880.96	12021.35	714458	656362	13.40	14.25	91.87	20.44	15.06
FY 2020-21	13287.59	11432.59	683958	673707	13.96	14.00	98.50	15.25	14.77
FY 2021-22	14581.68	12518.80	783863	769259	14.15	13.75	98.14	15.75	14.48
FY 2022-23	15757.27	13491.22	891180	882179	14.38	13.50	98.99	15.25	14.24
FY 2023-24	16118.90	13873.34	998682.00	987996.00	13.93	13.25	98.93	14.85	13.99
FY 2024-25	17192.26	14838.22	1083360.00	1071529.00	13.69	13.00	98.91	14.63	13.74
FY 2025-26 (upto Nov, 2025)	11386.63	9757.48	761659.00	669353.00	14.31	12.75	87.88	24.69	13.49

From the above Table, it has been observed that the collection efficiency in FY 2025-26 (upto 31.11.2025) i.e. 87.88% has drastically decreased vis-a-vis FY 2024-25 level i.e. 98.91%.

Further, from the above Table it has been observed that the distribution losses in FY 2025-26 (upto November, 2025) is 14.31% which is more than the approved distribution loss levels. Moreover, the actual AT&C losses for the above period is also higher than the computed AT&C losses (calculated on the basis of approved level of distribution losses & collection efficiency in respective Tariff Orders) due to low collection efficiency and high distribution losses.

From the above Table, it is observed that the collection efficiency in FY 2024-25 & FY 2025-26 (upto Nov, 2025) were 98.91% & 87.88% respectively. In this regard, as discussed in above section on Revenue realisation per unit sold, the petitioner has excluded the realisation against Delayed Payment Surcharge, Electricity Duty & Green Energy Cess in Format-7 of CPM Reports. However, while calculating its AT&C losses respectively the same have been included. This shows that the real AT&C losses would be much higher than the figures depicted by the distribution licensee in its Commercial Performance Monitoring reports.

Further, with regard to the collection efficiency performance during FY 2025-26 (upto

30.11.2025), the Commission has observed that despite Commission's specific directions for recovery of revenue through the year, still the collection efficiency data is depicting that the revenue collection drive is being conducted rigorously during the fag end of the financial year only and sincere efforts at Petitioner's end are missing during the initial and mid period of the financial year.

The major component of AT&C losses are the distribution losses which basically comprises of Technical and Commercial losses. Since Technical & Commercial losses are more in LT network in comparison to HT network, hence, it would be prudent that in order to substantially reduce AT&C losses, the Petitioner needs to strengthen its LT network with energy efficient devices and energy conservation measures.

The Commission has observed that the percentage losses indicated in the Commercial Performance Monitoring Report are an average of losses occurring in EHT/HT and LT consumers. Since, marginal AT&C losses occurring at EHT/HT consumers end are compensating the losses occurring at LT consumers end, therefore, the actual losses occurring against LT consumers would be way above the AT&C losses shown in the Table status of AT&C losses given above and therefore does not depict the correct picture.

In light of the above, it should be the foremost endeavour of the licensee to reduce the distribution losses at LT level and increase its collection efficiency on priority basis. The Petitioner should device or practical mechanism with effective monitoring with utmost sincerity and urgency together with taking up the following works at the earliest for reducing the AT&C losses:

1. The Petitioner must conduct planned regular actions for early recovery of outstanding arrears.
2. The Petitioner must analyse High value consumers having load factor less than 10% on a regular basis and lay down mechanism for checking inspection/tamper analysis/ condition monitoring of MRI reports and metering equipment.
3. The Petitioner must ensure that all the meters of the consumers are read and their bills prepared and distributed within time. The Petitioner shall also ensure that no provisional bills namely NA/NR are issued for more than two billing cycles in accordance with the provisions of UERC (The Electricity Supply Code, Release of New Connections and Related Matters) Regulations, 2020 and amendments issued from time to time. Divisional head must be held accountable for not controlling provisional billings. The Petitioner

should make efforts to always issue computerized bills to its consumers requiring no human intervention.

4. The Petitioner should prepare a time bound plan/programme to replace all the bare overhead conductors with insulated aerial bunched conductors (AB conductor) in theft prone areas alongwith effective monitoring mechanism for its implementation.
5. The Petitioner should also prepare a time bound plan/programme for segregation of rural feeders into Agriculture and Non-Agriculture load basis which would be an effective measure for segregation of theft/pilferage of electricity in Agriculture and Non-Agricultural usage in villages/rural areas.
6. The Petitioner should make extra efforts to get the arrears realised from the defaulting Government departments. The Commission is of the view that the Petitioner should efficiently execute the Smart Metering Project so that revenue recovery can be enhanced and problems related to accumulation of arrears is resolved.
7. Replace the GI wire based power distribution system with suitable conductor so that technical losses in the system can be reduced and the same would also help in improving the quality of power supply to the consumers.
8. The Petitioner should ensure that meters are installed at each point (including T off points) for correct energy accounting and should be kept in proper working condition.
9. The Petitioner should also develop GIS based consumer indexing database in areas other than the areas covered under R-APDRP/IPDS also, which shall be helpful in providing prompt services to consumer and shall be helpful in planning the new connections, transformer augmentation, phase change, localising fault, supply restoration and other services to consumers necessarily provided by any distribution utility having its vision & mission aligned to provide quality consumer services.

The Petitioner should make its all efforts for timely completion of the projects funded by the Central Government as any laxity on part of the Petitioner result in delay in completion of projects would result in conversion of grant into loans.

6.5 Commission's Analysis and Directions on Financial Performance

The Commission has been monitoring & reviewing the performance of the Petitioner based on the information/reports submitted by it. The Commission in its earlier Tariff Orders had carried out the analysis of financial performance of UPCL based on its statement of accounts in certain key areas. In line with the same methodology, the key performance ratios after considering the financial performance of UPCL in FY 2024-25 based on the audited financial statements are detailed below.

6.5.1 *Liquidity Ratio*

Liquidity ratio analyzes the ability of a company to pay off both its current liabilities as they become due as well as their long-term liabilities as they become current. In other words, these ratios show the cash levels of a company and the ability to turn other assets into cash to pay off liabilities and other current obligations.

Liquidity is not only a measure of how much cash a business has. It is also a measure of how easy it will be for the company to raise enough cash or convert assets into cash. Assets like accounts receivable, trading securities, and inventory are relatively easy for many companies to convert into cash in the short term. Thus, all of these assets go into the liquidity calculation of a company.

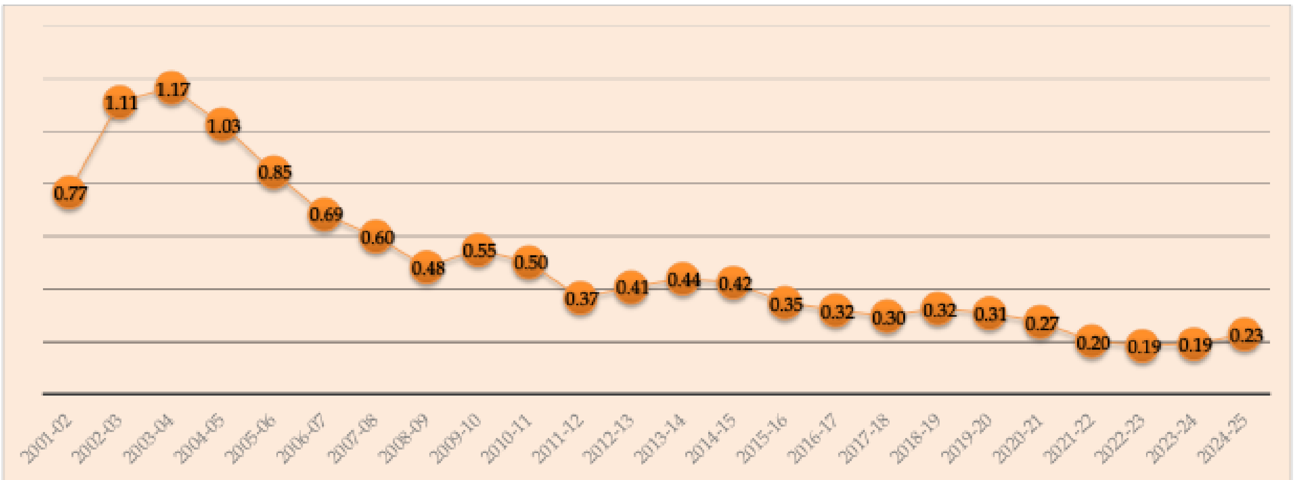
6.5.1.1 Quick Ratio or Acid Test Ratio

It is the ratio of (current asset – inventories) and current liabilities. The quick ratio or acid test ratio is a liquidity ratio that measures the ability of a company to pay its current liabilities when they become due with only quick assets. Quick assets are current assets that can be converted to cash within 90 days or in the short-term. Cash, cash equivalents, short-term investments or marketable securities and current accounts receivable are considered quick assets excluding inventories.

The quick ratio is often called the acid test ratio. The acid test shows how well a company can quickly convert its assets into cash in order to pay off its current liabilities. It also shows the level of quick assets to current liabilities.

Higher quick ratios are more favourable for companies because it shows that there are more quick assets than current liabilities. A company with a quick ratio of 1 indicates that quick assets equals current liabilities. This also shows that the company could pay off its current liabilities without selling any long-term assets.

Chart 9: UPCL Quick Ratio from FY 2001-02 to FY 2024-25



As can be seen from above graph, UPCL's Quick Ratio was relatively comfortable during the initial years, remaining close to unity in FY 2002-03 and FY 2003-04. However, a consistent and pronounced declining trend is observed thereafter, reflecting a sustained weakening of the Corporation's liquidity position over time.

From FY 2004-05 onwards, the ratio exhibits a steady deterioration, falling below the acceptable threshold and continuing its downward trajectory in subsequent years. In the more recent period, the ratio has reached critically low levels, indicating that the Corporation's quick assets are significantly inadequate to meet its short-term obligations.

This adverse trend may be primarily attributed to:

- Utilisation of current liabilities in creation of fixed assets leading to reduction in current assets,
- Continuous build-up of current liabilities, and
- Inefficiencies in working capital management.

Although a marginal improvement is observed in FY 2024-25 compared to the previous year, the ratio remains substantially below the normative level of 1, thereby indicating that the improvement is not sufficient to materially strengthen the liquidity position. The sustained decline in the Quick Ratio highlights increasing liquidity stress and suggests that the Corporation may be relying on alternative means such as short-term borrowings or deferral of payments to meet its obligations. This situation poses a risk to operational efficiency and financial stability.

The Corporation needs to undertake focused corrective measures to restore its liquidity position, including:

- Strengthening billing and collection mechanisms to improve cash inflows,
- Implementing strict controls over current liabilities, and
- Enhancing overall working capital efficiency.
- Utilisation of long term funds in creation of fixed assets rather than utilising the current liabilities.

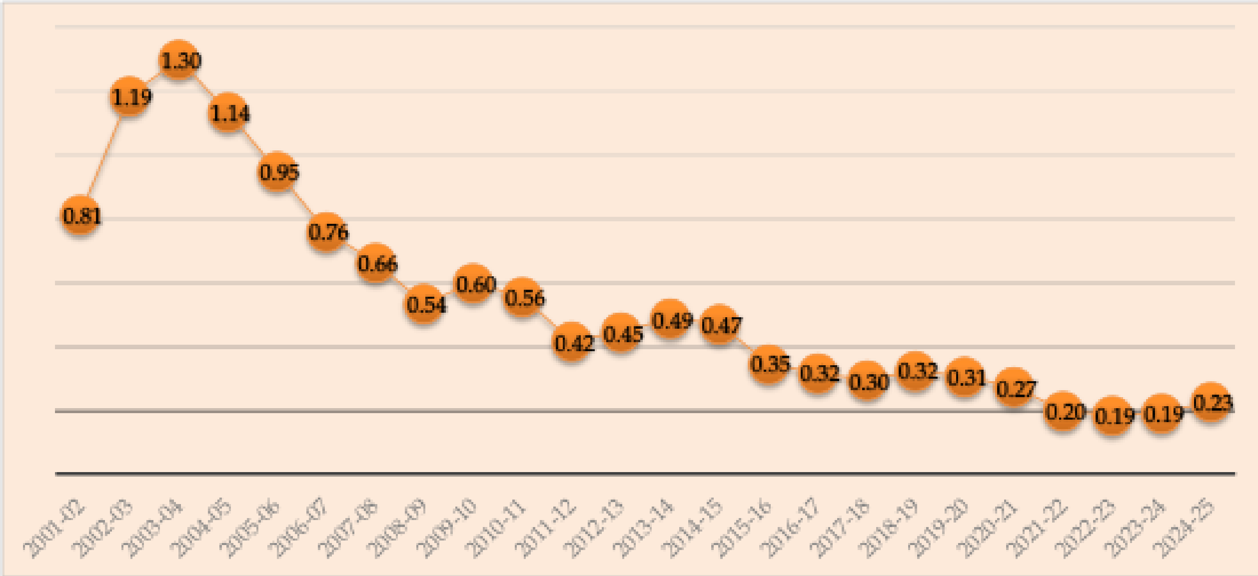
Improving the Quick Ratio towards the benchmark level should be prioritised to ensure long-term financial sustainability and resilience.

6.5.1.2 Current Ratio

It is the ratio of current assets and current liabilities. The current ratio is a liquidity and efficiency ratio that measures a firm's ability to pay off its short-term liabilities with its current assets. The current ratio is an important measure of liquidity because short-term liabilities are due within the next year, thus, implying that a company has a limited amount of time in order to raise the funds to pay for these liabilities. Current assets like cash, cash equivalents, marketable securities and inventories can easily be converted into cash in the short term. This means that companies with larger amounts of current assets will more easily be able to pay off current liabilities when they become due without having to sell off long-term, revenue generating assets.

A higher current ratio is always more favourable than a lower current ratio because it shows the company can more easily discharge the current liabilities. A Current Ratio of less than 1 indicates a high working capital leveraging and highly risky position since it indicates that the Current Liabilities are not fully backed up by the Current Assets and in the event of default, the Company may resort to selling its Assets to meet out its debts.

Chart 10: UPCL Current Ratio from FY 2001-02 to FY 2024-25



As can be seen from the above graph, UPCL maintained a relatively stable position in the initial years up to FY 2004-05. However, thereafter, the Current Ratio shows a persistent declining trend, indicating a continuous deterioration in the Corporation's short-term financial strength. In the subsequent years, the ratio consistently remained below the acceptable benchmark level, and notably, during the last five years, it has not even reached 0.5, which signifies a critically weak liquidity position. This implies that the Corporation's current assets are insufficient to cover even half of its current liabilities.

The low Current Ratio indicates high working capital stress and increased reliance on external funding. It suggests that the Corporation may be compelled to either, Liquidate long-term assets, or Resort to additional borrowings to meet its short-term obligations. The trend also reflects inefficiencies in recovery of dues from consumers, leading to constrained cash inflows.

Simultaneously, the data indicates that current liabilities are being utilised to finance long-term assets, which is a structurally unsound financial practice. It is also pertinent to note that this issue has been consistently highlighted by the Commission in previous Tariff Orders, wherein concerns were raised regarding the financing of capital expenditure through current liabilities. Although the Corporation has indicated utilisation of internal resources for asset creation, such resources, in effect, appear to represent funds that should have been deployed towards settlement of current liabilities, including statutory dues such as royalty, duties, PDF etc. The Petitioner, as disccued in the previous paras of this Order, has affirmed that it is withholding payments to the GoU for finacing its asssets.

The sustained weak Current Ratio underscores the need for urgent corrective measures to restore liquidity balance.

In this regard, the Petitioner is directed to:

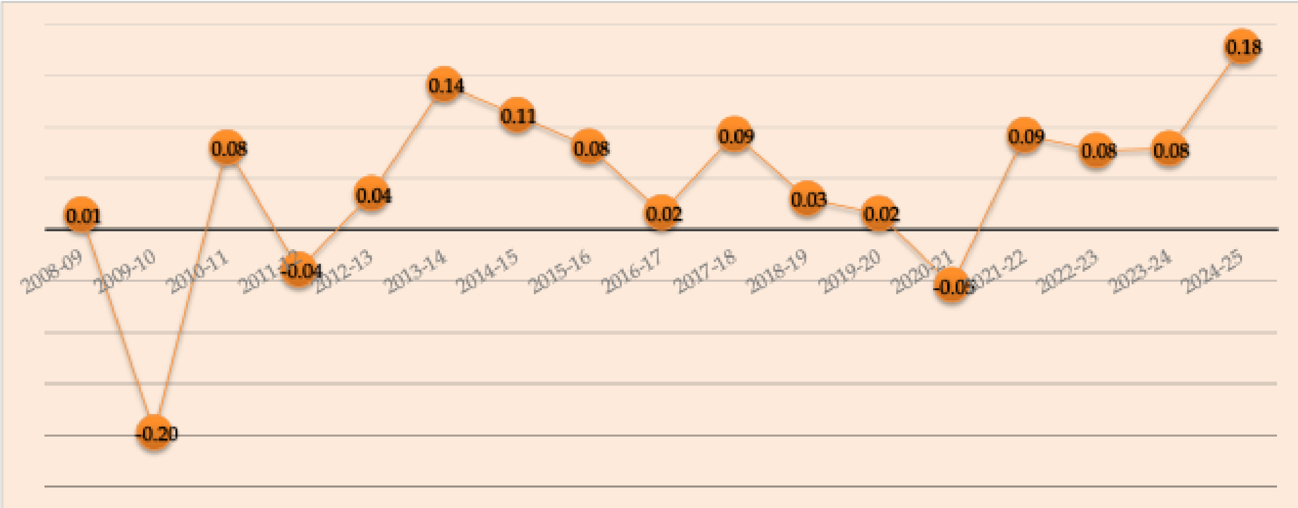
- **Undertake an age-wise analysis of outstanding current liabilities as on 31.03.2025 clearly showing the ageing for past 1 year as '0-30 days, 31-90 days, 90 to 180 days, and 180 to 365 days' and for the outstanding liability beyond 1 year the ageing must be presented at yearly intervals.**
- **Assess the extent of liabilities that require immediate settlement versus those where excess provisions may exist, and**
- **Identify potential reversals of excess provisions, if any.**

The outcome of this analysis, along with actionable measures, should be submitted to the Commission within three months from the date of the Order.

6.5.1.3 Operating Cash Flow Ratio

It is the ratio of cash flow from operation and the current liabilities. It is a measure of how well current liabilities are covered by the cash flow generated from a company's operations. The operating cash flow ratio can gauge a company's liquidity in the short term. Using cash flow as opposed to income is considered a cleaner, or more accurate measure to analyse the financial health of a company & also its operations. The operating cash flow ratio is a measure of the number of times a company can pay off current debts with cash generated in the same time period. A higher number means a company can cover its current debts more times, which is a good thing. Companies with a high or increasing operating cash flow ratio are in good financial health. Those that are struggling to cover liabilities may be in trouble, at least in the short term.

Chart 11: UPCL Operating Cash Flow Ratio from FY 2008-09 to FY 2024-25



As can be seen from the above graph, UPCL's Operating Cash Flow Ratio has remained consistently below the benchmark level of 1 throughout the observed period, indicating that the cash generated from operations has been insufficient to fully meet current liabilities. The trend reflects significant volatility, with instances of negative ratios in FY 2009-10, FY 2011-12, and FY 2020-21, which implies negative cash flow from operating activities during these years. Such adverse performance can be attributed to:

- High distribution losses,
- Inefficient billing and collection mechanisms, and
- Resultant cash flow constraints from core operations.

In the intervening years, although the ratio turned positive, it remained at sub-optimal levels, generally ranging well below unity. This indicates that even during relatively stable periods, the Corporation was unable to generate sufficient operating cash to cover its short-term obligations, thereby necessitating reliance on external funding or deferment of liabilities.

In FY 2024-25, a marginal improvement is observed compared to the preceding year; however, the ratio continues to remain significantly below the desired level, highlighting that the improvement is not yet indicative of a structurally strong cash flow position.

The persistently low Operating Cash Flow Ratio signifies weak operational cash generation capacity and points towards underlying inefficiencies in core business operations. It also raises concerns regarding the Corporation's short-term solvency and financial sustainability, as reliance on non-operational sources of funds is neither stable nor desirable in the long run.

To improve its Operating Cash Flow Ratio, the Corporation needs to undertake focused measures aimed at strengthening its operational efficiency, including:

- Reduction of distribution losses,
- Improvement in billing and collection efficiency, and
- Strengthening of cash flow management practices.

Enhancing cash generation from core operations is critical to ensure that the Corporation can independently meet its short-term obligations and maintain a stable financial position.

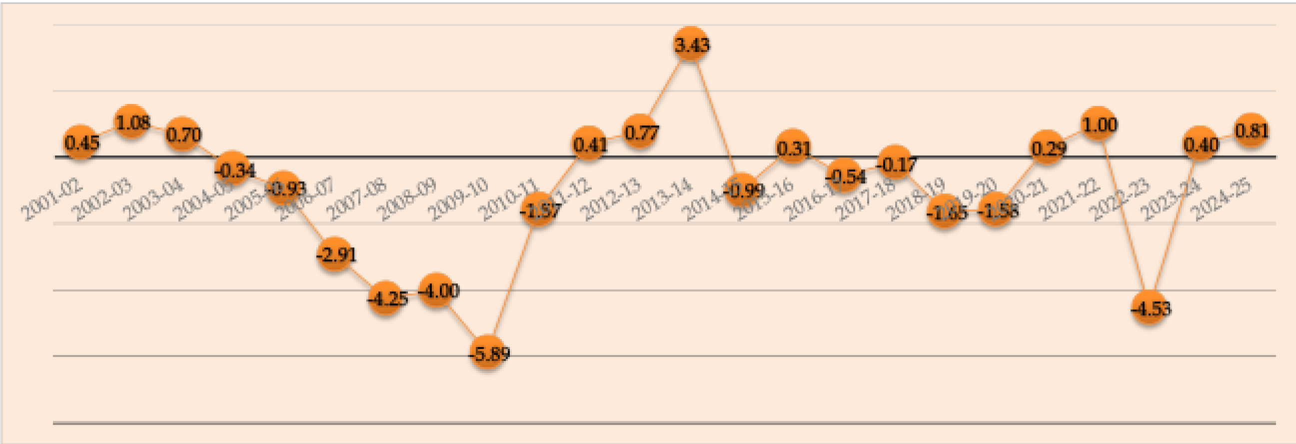
6.5.2 *Solvency Ratio*

Solvency ratios, also called leverage ratios, measures a company's ability to sustain operations indefinitely by comparing debt levels with equity, assets, and earnings. In other words, solvency ratios identify going concern issues and a firm's ability to pay its bills in the long term. Solvency ratios focuses more on the long-term sustainability of a company instead of the current liability payments. Better solvency ratios indicate a more creditworthy and financially sound company in the long-term.

6.5.2.1 Interest Coverage Ratio

It is a ratio of EBIT (operating Income) during a given period and the amount a company spends in interest payment on its debts during the same period. The interest coverage ratio is used to determine how easily a company can pay interest on outstanding debt. Essentially, the interest coverage ratio measures how many times over a company could pay its current interest payment with its available earnings. In other words, it measures the margin of safety a company has for paying interest during a given period, which a company needs in order to survive future (and perhaps unforeseeable) financial hardship, should it arise. A company's ability to meet its interest obligations is an aspect of a company's solvency, and is, thus, a very important factor in the return for shareholders. The lower a company's interest coverage ratio is, the more its debt expenses burden on the company. When a company's interest coverage ratio is 1.5 or lower, its ability to meet interest expenses may be questionable. 1.5 is generally considered to be a bare minimum acceptable ratio for a company and a tipping point below which lenders will likely refuse to lend the company more money, as the company's risk for default is too high. Moreover, an interest coverage ratio below 1 indicates the company is not generating sufficient revenues to service its interest expenses. If a company's ratio is below 1, it will likely need to spend some of its cash reserves in order to meet the difference or borrow more, which will be difficult for reasons stated above. Otherwise, even if earnings are low for a single month, the company risks falling into bankruptcy. Generally, an interest coverage ratio of 2.5 is often considered to be a warning sign, indicating that the company should be careful not to dip further.

Chart 12: UPCL Interest Coverage Ratio from FY 2001-02 to FY 2024-25



As can be seen from the above graph, UPCL's Interest Coverage Ratio has remained consistently weak and volatile over the years, reflecting significant stress in meeting its debt servicing obligations. The ratio has been below the acceptable threshold in most of the financial years, indicating that the Corporation's earnings have been largely insufficient to comfortably cover interest expenses. Notably, only in FY 2013-14 did the Corporation achieve a ratio exceeding the minimum benchmark, suggesting a relatively better operating performance in that year. However, this improvement was not sustained, and the ratio subsequently deteriorated.

A particularly concerning trend is observed in FY 2022-23, where the ratio sharply declined to (-) 4.53, as against 1.0 in FY 2021-22. This significant deterioration is attributable to substantial losses incurred during the year, primarily due to high power purchase costs arising from inadequate planning and cost management. A negative ratio indicates that the Corporation not only failed to cover its interest obligations from operating earnings but also incurred operating losses, thereby aggravating its financial stress.

In the subsequent years, a gradual recovery is visible, with the ratio improving to 0.40 in FY 2023-24 and further to 0.81 in FY 2024-25. While this indicates a positive direction, the ratio still remains below unity, implying that the Corporation continues to face challenges in fully meeting its interest obligations through operational earnings. The persistently low and, at times, negative Interest Coverage Ratio highlights severe solvency concerns and indicates a high degree of financial risk. It reflects:

- Inadequate operating profitability,
- High dependence on borrowed funds, and
- Inefficiencies in cost planning and control, particularly in power purchase expenses.

The current position is financially unsustainable in the long run and necessitates urgent corrective measures. The Corporation should focus on:

- Strengthening cost control mechanisms, especially in power procurement,
- Improving operational efficiency and profitability, and
- Optimising its debt structure to reduce interest burden.

Sustained improvement in the Interest Coverage Ratio is essential to ensure the Corporation's creditworthiness, financial stability, and long-term viability.

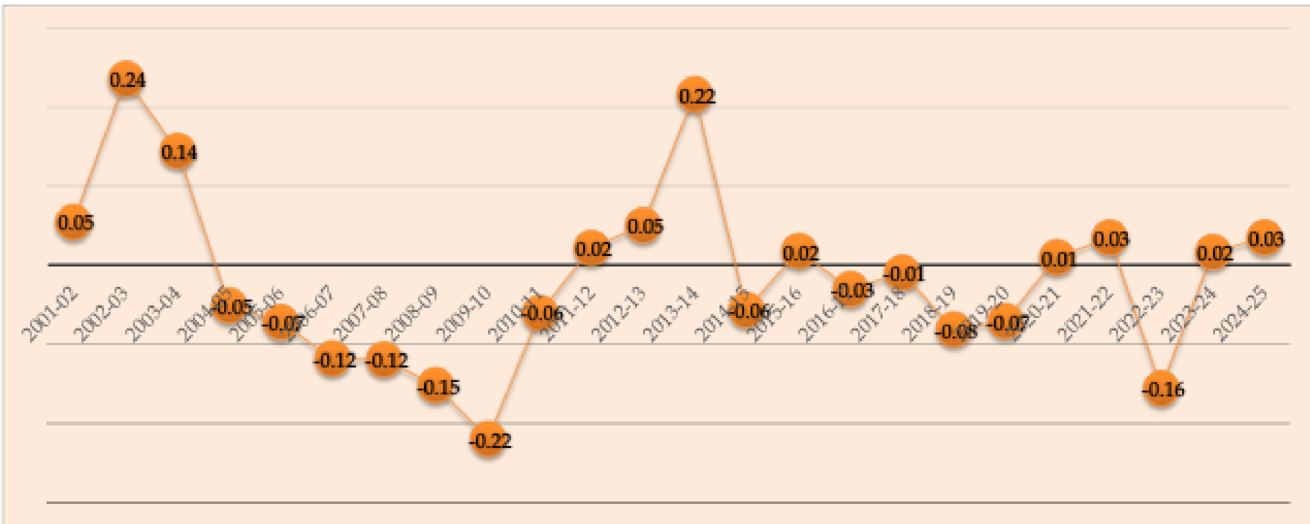
6.5.3 *Profitability Ratio*

Profitability ratios compare income statement accounts to show a company's ability to generate profits from its operations. Profitability ratios focus on a company's return on investment in inventory and other assets. These ratios basically show how well companies can achieve profits from their operations. Profitability is also important to the concept of solvency and going concern.

6.5.3.1 Return on Total Assets

It is a ratio of EBIT during a given period and average Fixed Assets. The ratio is considered to be an indicator of how effectively a company is using its assets to generate earnings before contractual/statutory obligations are paid. The greater a company's earnings in proportion to its assets (and the greater the coefficient from this calculation), the more effectively that company is said to be using its assets. This ratio allows to see the relationship between organisation's resources and its income, and it can provide a point of comparison to determine if an organization is using its assets more or less effectively than it had done previously.

Chart 13: UPCL Return on Assets Ratio from FY 2001-02 to FY 2024-25



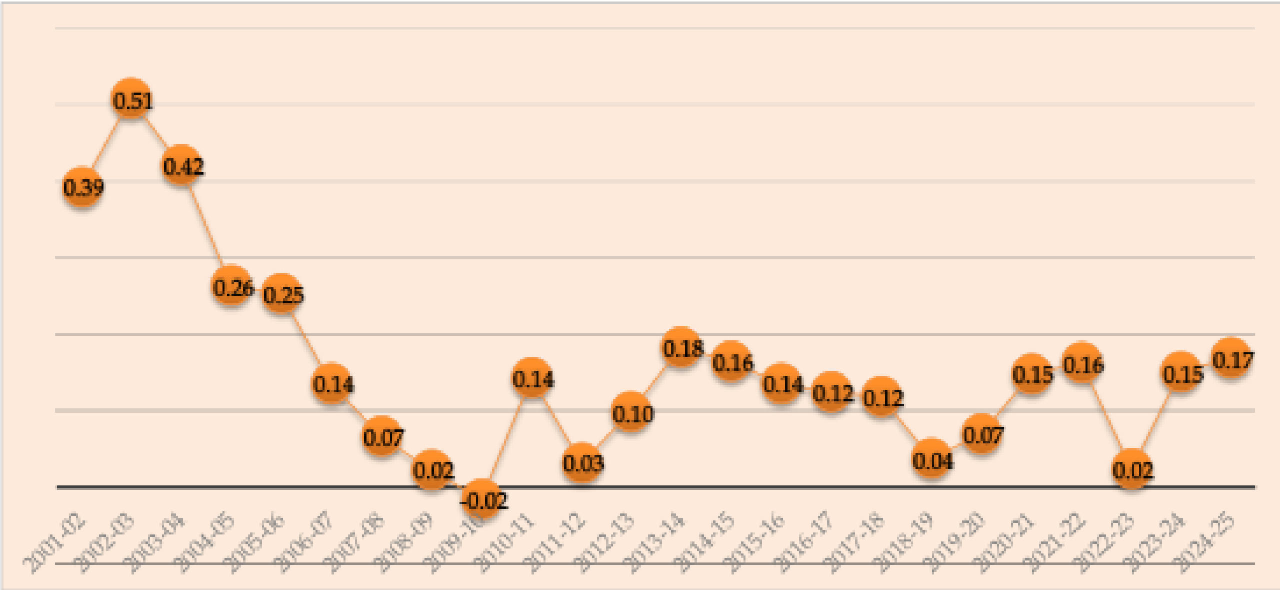
As can be seen from the above graph, UPCL's Return on Total Assets (ROTA) exhibits significant volatility over the period, with several instances of low or even negative returns. This trend indicates that the company's earnings from operations have not consistently kept pace with the investments made in fixed assets. Despite periods of marginal improvement, the overall pattern suggests that asset expansion has not translated proportionately into higher operating earnings. The recurring dips into negative territory further highlight phases where asset utilization has been particularly inefficient.

This divergence between asset growth and earnings generation points toward underlying challenges such as underutilization of capacity, lag in realizing returns from capital expenditure or operational inefficiencies impacting revenue. Consequently, the company appears to have struggled to optimize the productivity of its asset base over time.

6.5.3.2 *Gross Margin Ratio*

Gross margin is the difference of average sales revenue and the average direct cost, ie. Power purchase cost in case of the Petitioner. Accordingly, gross margin ratio is the ratio of gross margin and the revenue of the company. Higher gross margin ratios are more favorable indicating that the company will have more money to pay its operating expenses.

Chart 14: UPCL Gross Margin Ratio from FY 2001-02 to FY 2024-25



As can be seen from above graph, UPCL has maintained a predominantly positive gross margin ratio throughout the period under review, with the exception of FY 2009–10, where the ratio turned marginally negative. This indicates that, in most years, the company has been able to recover its power procurement costs through its sales revenue. However, a closer examination reveals a declining and relatively moderate gross margin trend over time. After peaking at 0.51 in FY 2002–03, the ratio shows a sharp contraction in subsequent years, followed by a prolonged phase of low and fluctuating margins. In recent years, although there is some recovery, the margins remain modest and largely range within a narrow band.

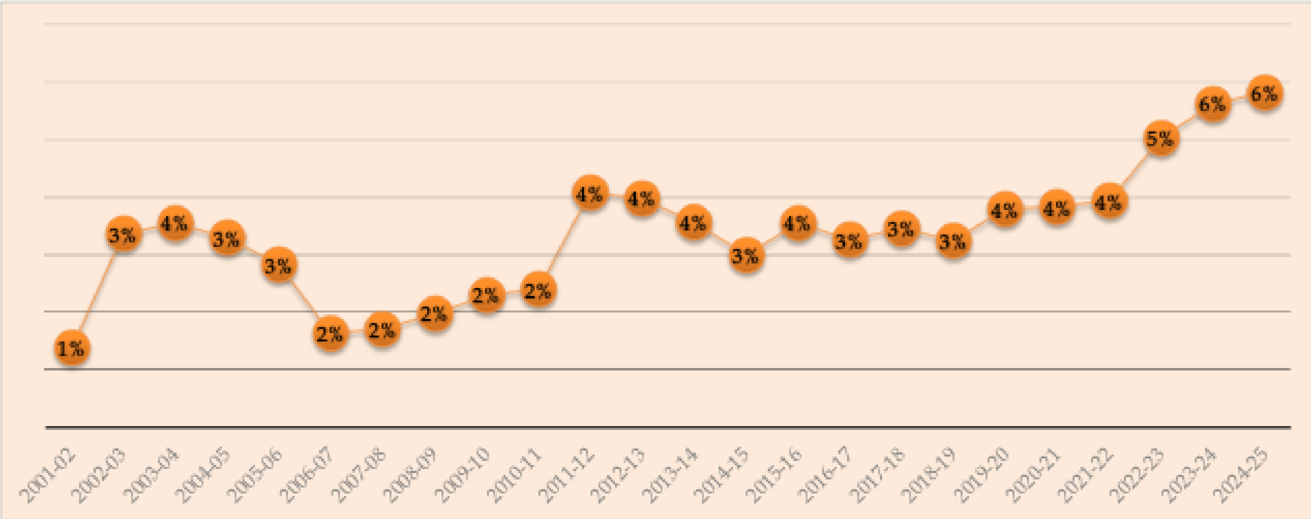
The subdued gross margin levels suggest limited headroom for the company to absorb operating expenses beyond power purchase costs. This constrains financial flexibility and increases vulnerability to cost pressures, inefficiencies, or adverse regulatory developments. The persistently low margins indicate that while cost recovery at the procurement level is largely achieved, the overall profitability remains sensitive and may be insufficient to sustainably cover other operational and fixed costs over the long term.

6.5.4 *Operating or Activity Ratio*

6.5.4.1 Repair & Maintenance to Net Fixed Assets

The maintenance expense to fixed assets ratio allows to understand the age or condition of the company's equipment. An increase to a company's repairs and maintenance expense to fixed assets ratio over time can signal ageing equipment or assets that are being pushed to their operating limits.

Chart 15: UPCL R&M to Net Fixed Asset Ratio from FY 2001-02 to FY 2024-25



It can be seen from the above graph, UPCL's R&M to Net Fixed Assets ratio has largely remained within the range of 3%–4% over the period under review, indicating a relatively stable level of maintenance expenditure in proportion to its asset base. This stability can, in part, be attributed to the continuous inflow of grant funding under various Government of India schemes such as APDRP, RAPDRP, and IPDS. These schemes have supported not only the creation of new infrastructure but also the augmentation and strengthening of existing assets. As a result, a portion of the maintenance burden has effectively been offset through capital interventions, thereby moderating the need for higher recurring R&M expenditure.

However, a notable upward trend is observed in the recent years, with the ratio rising to 6% in FY 2023–24 and remaining at the same level in FY 2024–25—the highest across the entire period. This increase may indicate emerging pressures from ageing assets, higher upkeep requirements, or augmentation. The recent escalation in the ratio suggests a potential shift towards higher maintenance intensity, which, if sustained, could impact cost efficiency. It underscores the need for the company to closely monitor its maintenance practices, optimize expenditure, and ensure effective asset lifecycle management to avoid undue financial strain while maintaining service reliability.

6.5.4.2 Repair & Maintenance to Inventory Ratio

This ratio depicts the relation between the R&M expenses to Net Inventory maintained by the

Corporation. In case of UPCL, being an Electricity Distribution Company, the inventory is not converted into sales as part of the operations carried out by the entity. Further most of the project works are getting done by the Corporation on turn-key basis, wherein the material and labour is supplied by the Contractor, thus denying the need for maintenance of inventory for said purpose. The maintenance of inventory would be required by the Corporation for the purposes of meeting its requirement of Repair & Maintenance works as may be carried out from time to time during the course of its operation. In view of the above, the calculation of inventory turnover ratio would not hold good for the discoms like UPCL wherein the inventory is being maintained not for the purposes of sale, but to meet out the expenses arising in the course of operation. Hence, a customized ratio has been worked upon to analyse the relation between the inventories maintained by the entity and how much of the same is being actually used during the year for meeting the R&M expenses while carrying out the operations of the entity.

Further, the Commission in the past has observed that since FY 2015-16, UPCL has been showing nil inventory under Current Assets in its audited financial statements, and is showing the entire amount under the Fixed Assets as inventory for Capital Works.

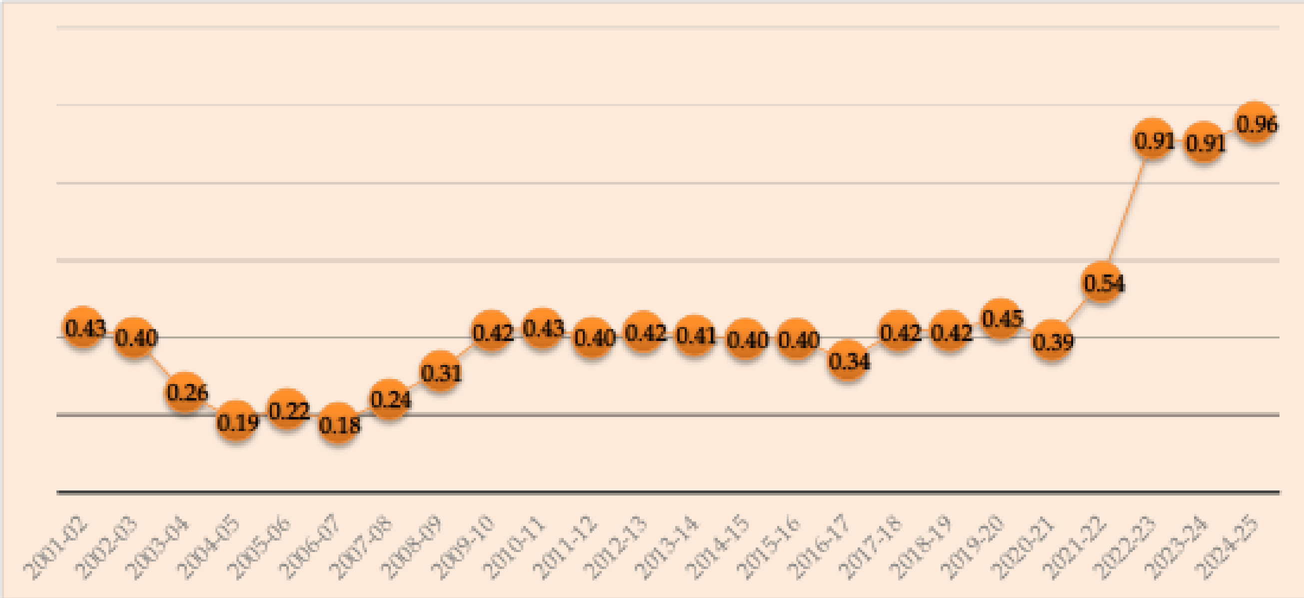
In this regard, UPCL has given disclosure in its audited financial statements for showing the entire inventory under Fixed Assets as reproduced below:

> *"Based on the consumption pattern of inventory comprising of stores and spares in the past, company is of the view that substantial portion of such inventory shall be consumed in future for construction/erection of the capital assets. Since the identification/determination of inventory to be consumed for other than capital purpose is not possible at this stage, the whole inventory of stores and spares has been classified as "Inventory for Capital Works.*
>
> *The company has not identified any obsolete, slow moving and dead stock except for those lying in the Centralised Stores Division as all the items in the store are usable inspite of the fact that they are very old."*

In this regard, the Commission is of the view that the formulae used for calculating R&M to Inventory ratio till FY 2014-15 is not serving any purpose from FY 2015-16, since due to Nil inventory under the Current assets, the ratio has shown absurd variations. The Commission has accordingly modified the formulae to include the inventory for CWIP in the calculation.

The revised formulae for the same is as follows: R&M Expenses/Average Inventory (including Inventory for Capital Works).

Chart 16: UPCL R&M to Inventory Ratio Trend from FY 2001-02 to FY 2024-25



As can be seen from above graph the ratio has generally remained in the range of 0.30 to 0.45 over a substantial period, implying that approximately 30%–45% of the average inventory is being utilized annually towards R&M activities. This indicates relatively high inventory levels, as a significant portion remains unutilized within a given year. In recent years, however, a sharp increase in the ratio is evident, rising from 0.54 in FY 2021–22 to around 0.91 in FY 2022–23 and FY 2023–24, and further to 0.96 in FY 2024–25. This suggests a substantial increase in R&M expenditure relative to inventory, potentially indicating either accelerated consumption of stored materials or rising maintenance requirements.

At the same time, the absolute level of inventory, particularly for capital works, remains significantly high. The capital inventory of ₹ 528.17 crore as on 31.03.2025 constitutes about 54.09% of the gross fixed asset additions during FY 2024–25 (₹ 976.48 crore). Similarly, in FY 2023–24, the capital inventory stood at ₹ 797.81 crore, while the inventory for capital works represented 56.39% of the additions in the said FY. This reflects a continued buildup of inventory intended for future capital deployment.

Such elevated inventory levels point toward potential inefficiencies in inventory planning and utilization. Holding large volumes of inventory not only blocks financial resources but also entails carrying costs and exposes the utility to risks such as obsolescence, technological changes, and physical deterioration, particularly relevant in the power sector where equipment specifications evolve over time. The combination of high inventory levels and rising R&M utilization suggests the need for a more robust inventory management framework, including better alignment between procurement and actual consumption patterns, improved forecasting, and periodic review of stock levels.

Considering this as a prime-facie lapse on the part of the Petitioner 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 31.3.2026.

(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 choosingthe same.

(d) Whether any inventory classificaion, such as ABC analysis has been 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?

(f) Reasons for such high inventory levels and financing for the same?

6.5.5 *Efficiency Ratio*

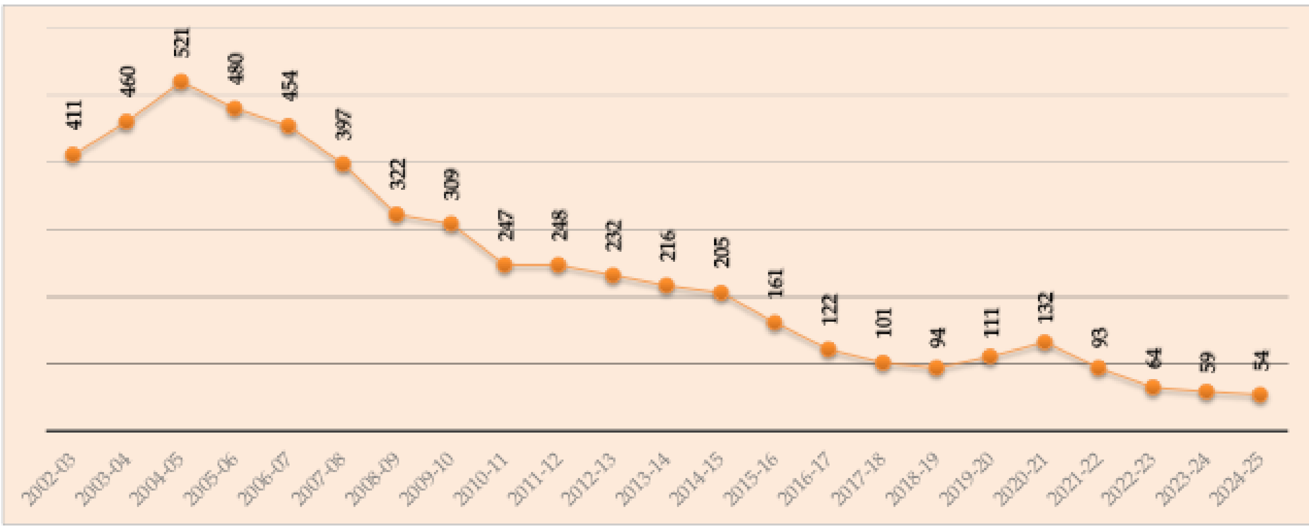
The efficiency ratio is typically used to analyze how well a company uses its assets and liabilities internally. An efficiency ratio can calculate the turnover of receivables, the repayment of liabilities, the quantity and usage of equity, and the general use of inventory and machinery.

6.5.5.1 Average Collection Period

Number of days of receivable represents collection period or age of receivables for distribution utilities. This measures effectiveness of a distribution utilities credit and collection efforts in allowing credit to customers, as well as its ability to collect cash from them. This comparison is used to evaluate how long customers are taking to pay a company. A low figure is considered best, since it means that a business is locking up less of its funds in accounts receivable, and so can use the funds for other purposes. Also, when receivables remain unpaid for a reduced period of time, there is less risk of payment default by customers. It is calculated based on the following formulae:

Average Collection Period: 365x(Average account receivables÷Revenue from sale of power).

Chart 17: UPCL Number of days of Receivable from FY 2002-03 to FY 2024-25



The collection period of receivables of UPCL has demonstrated a significant improvement in its collection efficiency over the years. The receivable days have declined sharply from a peak of over 520 days in the early 2000s to approximately 54 days in FY 2024–25. This substantial reduction reflects sustained efforts by the utility to strengthen its billing systems, streamline collection processes, and enhance consumer payment compliance. Notwithstanding this improvement, the current collection period of around 54 days still exceeds the desirable benchmark of a 45-day cycle, which is typically aligned with power procurement payment obligations. The existing level implies that the utility takes nearly 1.8 months to realize its revenues, leading to a lag between cash inflows and outflows.

While the current performance compares favorably with the all-India average receivable days (approximately 124 days), the persistence of a gap relative to the ideal benchmark indicates scope for further improvement. This assumes greater significance in light of the utility's financial position, where timely cash realization is critical to meeting power purchase liabilities and other operational expenditures. Given that UPCL has already implemented measures such as monthly billing for most consumers and more frequent billing cycles for high-demand consumers, like provision of fortnightly billing for large consumers having Contracted Demand of 3 MVA and above, the remaining inefficiencies may stem from collection practices, enforcement mechanisms, or consumer payment behavior. In view of the above, the collection efficiency remains an area requiring focused attention. Strengthening recovery mechanisms, leveraging digital payment channels, and enforcing stricter timelines for dues realization would be essential to further reduce the receivable cycle and improve liquidity. **Accordingly, the Petitioner is directed to formulate and submit a time-bound action plan aimed at achieving improvement in the receivable cycle, within 3 months of the date of Order.**

6.5.5.2 *Collection Efficiency Ratio*

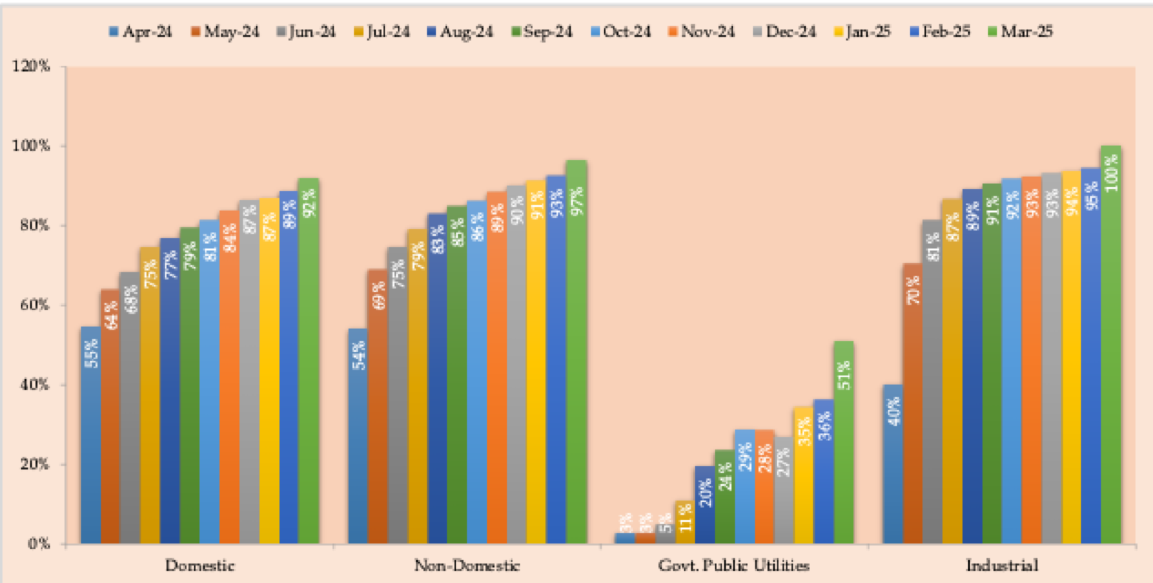
The Collection efficiency ratio represents the efficiency and effectiveness of the dues recovery processes of the entity on periodic basis. With respect to power distribution/retail sector, a higher ratio represents that there are well established procedure for recovery mechanism and the sales of the company are being channelled through metered connections. On the contrary, a lower ratio may represent a very lenient approach of the Corporation in recovering its due from the consumers and lack of stringent processes to deal with the defaulting consumers.

The Commission in its MYT Order dated 31.03.2022, while approving the Business Plan of UPCL for fourth control period, has approved the collection efficiency for FY 2024-25 as 99.15%.

In the present case, the Commission has calculated the Collection Efficiency ratio of UPCL for FY 2024-25 under the four broad Tariff categories, viz. Domestic Consumers, Non-Domestic Consumers, Industrial Consumers and Govt. Utilities, based on details submitted by UPCL and revenue collection and realization data submitted by it for FY 2023-24 during the current tariff proceedings. The Commission has slightly modified the approach for calculating Collection Efficiency, by only considering the assessment and realisation related to current year, i.e. without any arrears, to have more realistic data.

Accordingly, the Collection Efficiency ratio has been calculated based on the following formulae **= Realisation of Current Assessment ÷ Current Assessment.**

Chart 18: UPCL Collection Efficiency for FY 2024-25



As can be seen from the above graph, compared to overall Collection Efficiency approved by the Commission for FY 2024-25 of 99.15%, UPCL has been able to meet the same only in the last month of FY 2024-25 in case of Industrial Consumers. However, UPCL is barely able to achieve the approved level of collection efficiency for other categories as shown above. Further as can be seen from above, the rising graph on monthly basis clearly indicates that during the initial months of the year the collection efficiency ranges between 50% to 85%, which is gradually increasing towards the later parts of the year. Moreover, as far as collection from Govt. Utilities is concerned, the same is too low in the initial months and is ranging in the average of 03%-50% during the year and going upto a maximum of 51% in the month of March'25. The pattern indicates a back-loaded recovery cycle, where collections are concentrated toward the end of the financial year rather than being evenly distributed.

This trend clearly shows that the organization will be facing financial crunches during the initial months due to lack of adequate collection and may have to resort to outside borrowings to meet the cost of operations. This in turn will lead to imposition of additional financial burden on the organization in the form of interest cost and ultimately the effect of inefficiency would have to be borne by the consumers. If proper measures to ensure the timely collection of revenues from the consumers is taken right from the beginning and also timely action against the defaulters are taken then a discipline in collections could have been maintained and the required funds to meet the operational needs of the organization would be readily available in the form of revenue from sales at no extra cost. UPCL's issue is not just low collection efficiency, it is poor timing and uneven distribution of collections, leading to unnecessary financial strain. Improving discipline in monthly recoveries could significantly reduce borrowing costs and enhance financial stability without increasing tariffs.

It has been observed based on the Petitions submitted by the UPCL and also on the basis of audited financial statements of various years, that UPCL has been resorting to over draft (OD) funding at high rate of interest to meet its operation cost which could surely be avoided if a proper discipline in collection of the assessed revenue is maintained on periodic basis. **In this regard, the Commission directs UPCL that Committee of Directors constituted for the purpose must sit by 15th of every month to monitor the collection of dues division wise and also division wise losses of the preceding month and also suggest measures to improve the collections & reduce losses and submit a consolidated report before the Commission of the meetings of the Committee of Directors in this regard, on quarterly basis, i.e. within 15 days from the end of the respective**

quarter. Further, the Petitioner should also upload month-wise division wise Sales, Revenue Billed and Revenue Realised along with associated billing and collection efficiency on monthly basis, so that the same is accessible to general consumer, failing which appropriate action may be taken against the officer responsible.

6.5.6 *Conclusion*

After analyzing the data related to the Petitioner's Commercial Performance, it is concluded that the Petitioner has to take immediate action in eliminating Ghost consumers, Provisional billing cases (NA/NR/IDF), replacing mechanical meters which are adversely inflicting upon the Petitioner's commercial & financial viability.

The performance improvement can be done by judiciously allocating the responsibilities in field as well as at corporate level. Moreover, the Petitioner should understand the significance of Commercial Performance Monitoring Reporting mechanism and should bring sincerity in its approach towards it. Further, a sense of belongingness/ownership has to be inculcated in every employee of the Petitioner's Organisation.

Further, it is imperative to highlight that the Commercial Performance Reporting mechanism not only brings transparency in the system but also is an eye-opener for the Petitioner for taking timely corrective actions. Therefore, authenticity of reports is of paramount importance. The Petitioner is required to strengthen its Commercial Wing so that timely authentic reports are furnished to the Commission, and it shall also help in prompt dissemination of information within the organization which shall be beneficial for the Petitioner as well as for consumers of the State.

Considering the business spread of the Petitioner among its constituent divisions, the Commission is of the view that performance monitoring of the Petitioner should be done at its each Distribution Division levels. For this purpose, it is imperative that Division-wise target setting on each parameter should be provided by the Petitioner in the first month of the Fiscal Year itself, so that the whole Technical & Commercial monitoring process becomes meaningful with conclusive inference on quantitative improvement on month-on-month basis.

7. 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 Tariff Order for FY 2025-26 as well as the summary of new directions (given in preceding Chapters of this Order) for compliance and implementation by the Petitioner.

7.1 Compliance to the Directives Issued in Tariff Order for FY 2025-26

7.1.1 *Performance Report*

The Commission directed the Petitioner to submit timely monthly Commercial Performance Monitoring reports strictly in the prescribed formats on regular basis, so as to reach the Commission latest within 45 days (Format 7 & Format 8 within 60 days) and also submit the Quarterly Targets as per prescribed Format - 2 & 3 alongwith the Commercial Performance Monitoring report for the month of April, 2025. The Petitioner also directed to upload these reports on its website so that the same is accessible to all consumers, failing which appropriate action may be taken against the officer responsible.

Petitioner's Submissions

The Petitioner submitted that the commercial performance monitoring report in the prescribed formats for the month of August, 2025 has been submitted to the Commission vide its letter no. 9669/CE(Coml.)/UPCL/SE-II/ BII (1) /CPM, dated November 14, 2025. It submitted that the report for the month August, 2025 has been uploaded on its website. The Petitioner further submitted that division wise quarterly targets for NA/NR / IDF/ ADF/ RDF/ Mechanical Meters/Ghost consumers for FY 2025-26 have been submitted to the Commission vide its letter no. 4255/CE(Comml.)/UPCL/ SE-II/BII (1) /CPM, dated June 26, 2025. These targets are as follows:

Table 7.1: Quarterly targets of NA/NR/IDF/ADF etc. for FY 2025-26

Particulars	At the end of Q-1	At the end of Q-2	At the end of Q-3	At the end of Q-4
NA cases	0.95%	0.81%	0.70%	0.57%
NR cases	0.81%	0.68%	0.54%	0.39%
IDF cases	1.33%%	1.16%	0.96%	0.79%
Mechanical Meters	Nil	Nil	Nil	Nil
Ghost Consumers	Nil	Nil	Nil	Nil

Note: There are no Mechanical Meters and Ghost Consumers available in the system.

The status of performance parameters as on August, 2025 as submitted by the Petitioner is as follows:

Table 7.2: Status of NA/NR/IDF cases as on March, 2025 vis-a-vis August, 2025

Particulars	At the end of March, 24	At the end of March, 25	At the end of August, 25
NA cases	1.45%	1.11%	0.82%
NR cases	1.10%	0.98%	1.10%
IDF cases	1.68%	1.50%	1.59%

The Commission observes that the Petitioner has not been punctual in its submissions of monthly reports and uploads the same on its website. **Therefore, the Commission directs Petitioner to submit timely monthly Commercial Performance Monitoring reports strictly in the prescribed formats on regular basis, so as to reach the Commission latest within 45 days (Format 7 & Format 8 within 60 days) and also submit the Quarterly Targets as per prescribed Format - 2 & 3 alongwith the Commercial Performance Monitoring report for the month of April, 2026. The Petitioner is further directed to upload monthly CPM reports on its website so that the same is accessible to all consumers, failing which appropriate action may be taken against the officer responsible. Further, the Petitioner is directed to designate an officer responsible for reporting compliance of the aforesaid directions within the stipulated timeline and to submit the details of such designated officer before the Commission on or before 31.05.2026.**

7.1.2 *Reliability Indices*

The Commission directed the Petitioner to submit the monthly report on Reliability Indices on regular basis and also submit the targets of Reliability Indices on the prescribed Format SoP-10 of UERC (Standards of Performance) Regulations, 2022 alongwith its ARR for FY 2026-27. The Petitioner is further directed to upload these reports on its website so that the same is accessible to all consumers, failing which appropriate action may be taken against the officer responsible.

The Petitioner submitted that steps have been taken at Corporate Office to ensure that the said report is timely submitted to the Commission on regular basis. The report for the month of July, 2025 has been submitted to the Commission vide UPCL's letter no. 8034/CE (Comml.)/UPCL /SE-II/B-II/ M-SSM, dated October 06, 2025. The actual details of SAIFI, SAIDI & MAIFI are as follows:

Table 7.3: Actual Details of SAIFI, SAIDI & MAIFI

Year	SAIFI (No.)		SAIDI (Minutes)		MAIFI (No.)	
	Rural	Urban	Rural	Urban	Rural	Urban
March,23	29	23	898	579	6	4
March, 24	22	20	992	559	6	5
March, 25	23	18	992	589	6	4
May, 25	26	18	930	486	7	5
June, 25	25	19	963	540	7	5
July, 25	25	19	930	552	8	5

The Petitioner further submitted that these reports are available on its website. Further, the Petitioner vide its letter dated 05.12.2025 submitted the information pertaining to Annual Targets Levels of Reliability Indices as detailed below:-

Table 7.4: Annual Targets Levels of Reliability Indices

Particulars	Urban Feeder			Rural Feeder		
Reliability Indices (RI)	SAIFI (In No.)/Month	SAIDI (In Minute)/Month	MAIFI (In No.)/Month	SAIFI (In No.)/Month	SAIDI (In Minute)/Month	MAIFI (In No.)/Month
Annual Target for FY 2025-26	17	510	5	22	880	8
Annual Target for FY 2026-27	16	480	5	21	850	7
Annual Target for FY 2027-28	15	450	4	20	820	7

The Commission has noted & approved the Petitioner's aforesaid Annual Targets Levels of Reliability Indices and directs it to adhere with the aforesaid Annual Targets of Reliability Indices.

The Commission also directs the Petitioner to submit the Annual Targets Levels of Reliability Indices on the prescribed Format SoP-10 of UERC (Standards of Performance) Regulations, 2022 alongwith its ARR for FY 2027-28. The Petitioner is further directed to upload these reports on its website so that the same is accessible to all consumers, failing which appropriate action may be taken against the officer responsible.

7.1.3 *Analysis of Load Factors of High Value Consumers*

The Commission directed the Petitioner to constitute a cell in its commercial wing for analysis and monitoring of consumer data including low load factor cases, meter tamper cases, etc. The Commission directs the Petitioner to submit details of abnormal cases strictly as per the prescribed Format-6 of monthly CPM reports. The Petitioner is further directed to upload these reports on its website so that the same is accessible to all consumers, failing which appropriate action may be taken against the officer responsible.

The Petitioner submitted that it had awarded the work vide Order no. 590/UPCL/CE/CCP-II/ 41/2021-22 (Sai Computers), dated September 19, 2022, of monthly data analysis for a period of one year to M/s Sai Computers Ltd., Meerut. The updated status of MRI checked as per report of consultant as submitted by the Petitioner is as follows:

Table 7.5: Status of MRI Checked as per report of Consultant

S. No.	Particulars	Oct, 22 to Feb, 24
1.	Average monthly MRI analyzed (No.)	8493
2.	Total suspected cases reported (No.)	1569
3.	Pending suspected case (No.)	539
4.	Total cases checked by division (No.)	1030
5.	Total cases wherein irregularities found and assessment proposed (No.)	484
6.	Total cases wherein proposed assessment is realized (No.)	416
7.	Assessment (Rs. Lakh)	1738
8.	Realization (Rs. Lakh)	962
9.	Assessment (%) (5/4)	47%

The Petitioner further submitted that the details of MRI analysis of KCC consumers for the month upto April, 2025 have been submitted to the Commission vide its letter no. 4255/CE(Comml.)/ UPCL/SE-II/ BII (1) /CPM, dated 26-06-2025.

The MRI status of KCC consumers as submitted by the Petitioner is as follows:

Table 7.6: MRI Status of KCC Consumers

Status	No. of Consumers					
	March, 21	March, 22	March, 23	March, 24	March, 25	Sep, 25
Total Nos. of KCC Consumers	26503	28853	32992	38762	42585	42007
Consumers having load factor more than 75%	812	665	959	1045	1386	1124
Consumers having load factor more than 50%	2045	1783	2440	2727	3414	3144
Consumers having load factor more than 30%	4989	4753	6141	6893	8367	8660
Consumers having load factor more than 20%	8066	8140	9851	11541	13782	14689
Consumers having load factor more than 10%	14221	14906	17475	20312	23334	24886
Consumers having load below 10%	12282	13947	15517	18450	19251	17121
Consumers exceeding sanctioned demand	4655	5415	5684	7000	7056	7847

The Commission has taken note of the submission made by the Petitioner. **The Commission again directs the Petitioner to comply with the directions to constitute a cell in its commercial wing for analysis and monitoring of consumer data including low load factor cases, meter tamper cases, etc. and to submit details of abnormal cases strictly as per the prescribed Format-6 of monthly CPM reports, failing which appropriate action under Act/ Rules/Regulations may be initiated against the responsible officer (s).**

7.1.4 *Collection Efficiency*

The Commission directed the Petitioner to constitute a Committee of Directors which shall hold its meeting by 15th of every month to monitor the collection of dues division wise and also division wise losses of the preceding month and also suggest measures to improve the collections & reduce losses and submit a report before the Commission of the meetings of the Committee of Directors in this regard, by the end of each month.

UPCL was further directed to upload month-wise division wise Sales, Revenue Billed and Revenue Realized along with associated billing and collection efficiency on monthly basis, so that the same is accessible to general consumer, failing which appropriate action may be taken against the officer responsible.

Petitioner's Submissions

The Petitioner submitted that as per the direction of the Commission, UPCL vide its O.M. No. 4666/UPCL/RM/C-20, dated September 13, 2024 constituted the Committee of Directors (Director – Projects, Director – Operations, Director – Finance) to monitor the division wise collection of electricity dues and electricity losses.

The Petitioner further submitted that monitoring of division wise performance against the above targets is being done at Corporate Office on regular basis jointly by the team of full time Directors and the concerned officers of those distribution divisions who are under performing are reprimanded during the meeting and they are directed to take all possible measures for improvement of the efficiency / performance. In case the team of Directors feels that there are lapse on the part of any officer, action are taken against them. Some details of such correspondence made by the Corporate Office of the UPCL with the field officers has separately been filed with Commission vide Chief Engineer (Commercial)'s letter no. 5060/UPCL/RM/C-21, dated August 06, 2025.

The Petitioner has submitted that following actions are being taken for increase in revenue collection:

i. Vigilance raids are being conducted and cases are being registered under Sections 126 and 135 of Electricity Act, 2003. Legal proceedings are being initiated against the person(s) who is found indulging in theft of electricity.

ii. Defective Meters are being replaced.

iii. LT ABC is being laid in theft prone areas.

iv. Automatic Meter Reading is being done of high value consumers.

v. Android based billing has been introduced for improvement in Billing Efficiency.

vi. Electricity connections of defaulting consumers are being disconnected on regular basis.

vii. Actions are being taken against the defaulting consumers under Section 3 and 5 of the Uttarakhand (U.P. Government Electricity undertakings (Dues Recovery) Act, 1958) Adaptation and Modification order, 2002 for recovery of revenue arrears.

viii. Implementation of smart metering is in process under RDSS scheme.

The Petitioner further submitted that as a result of efforts done by UPCL, the improvement in performance for FY 2024-25 is as follows:

Table 7.7: Performance Improvement

Particulars	2023-24	2024-25
Distribution Loss	13.89%	13.69%
Billing Efficiency	86.11%	86.31%
Collection Efficiency	99.14%	98.99%
AT&C Losses	14.64%	14.57%

The Petitioner has submitted that the division wise details of billed energy, billed revenue, revenue realized, billing efficiency and collection efficiency for the month of March, 2025 has been posted on the website of UPCL. The said information is as follows:

Table 7.8: Division Wise Revenue Details

S. No.	Name of Divisions / Circles / Zones	Energy Sold (MU)	Billed Revenue (Rs. Cr.)	Revenue Realized (Rs. Cr.)	Billing Efficiency (%)	Collection Efficiency (%)
1	EDD, Raipur	335.27	231.55	254.48	92.96%	109.90%
2	EDD, Rishikesh	305.43	207.39	215.99	91.74%	104.14%
3	EDD, Doiwala	190.09	129.10	125.94	92.14%	97.56%
4	EDD, Mohanpur	583.51	445.73	448.30	92.97%	100.58%
5	**EDC, (R) Dehradun**	**1,414.29**	**1,013.77**	**1,044.71**	**92.59%**	**103.05%**
6	EDD (N), Dehradun	349.40	257.48	252.49	93.57%	98.06%
7	EDD (S), Dehradun	551.17	378.03	371.39	94.38%	98.24%
8	EDD (C), Dehradun	337.82	239.58	237.70	94.96%	99.21%
9	**EDC, (U) Dehradun**	**1,238.39**	**875.09**	**861.58**	**94.31%**	**98.46%**
10	EDD Vikasnagar	233.46	157.16	151.10	82.89%	96.14%
11	EDD, Badkot	37.95	20.92	21.70	73.62%	103.71%
12	**EDC, Chakrata**	**271.41**	**178.08**	**172.80**	**81.46%**	**97.03%**
13	EDD, Tehri	292.05	218.20	226.56	80.46%	103.83%
14	EDD, Uttarkashi	55.74	34.94	36.63	70.36%	104.82%
15	**EDC, Tehri**	**347.79**	**253.14**	**263.19**	**78.65%**	**103.97%**
16	EDD, Srinagar	134.24	102.03	100.16	92.71%	98.17%
17	EDD, Pauri	86.26	67.35	68.88	79.06%	102.28%
18	EDD, Kotdwar	397.01	287.42	279.09	96.28%	97.10%
19	EDD, Nainidanda	18.33	12.76	12.08	76.29%	94.65%
20	**EDC, Srinagar**	**635.83**	**469.56**	**460.21**	**92.12%**	**98.01%**

Table 7.8: Division Wise Revenue Details

S. No.	Name of Divisions / Circles / Zones	Energy Sold (MU)	Billed Revenue (Rs. Cr.)	Revenue Realized (Rs. Cr.)	Billing Efficiency (%)	Collection Efficiency (%)
21	EDD, Narayanbagarh	13.51	8.25	8.18	76.21%	99.22%
22	EDD, Gairsain	42.59	30.42	30.93	90.03%	101.68%
23	EDD, Gopeshwar	86.62	71.85	66.38	87.77%	92.38%
24	EDD, Rudraprayag	79.67	57.02	54.33	81.75%	95.28%
25	**EDC, Karnprayag**	**222.38**	**167.54**	**159.83**	**85.15%**	**95.40%**
26	**Garhwal Zone**	**4,130.10**	**2,957.19**	**2,962.31**	**90.43%**	**100.17%**
27	EDD (U), Roorkee	343.01	218.29	208.65	66.81%	95.58%
28	EDD (R), Roorkee	659.32	456.23	436.22	69.94%	95.61%
29	EDD Bhagwanpur	765.15	578.91	586.48	85.88%	101.31%
30	EDD Ramnagar (Roorkee)	266.78	181.29	174.48	68.28%	96.25%
31	**EDC, Roorkee**	**2,034.25**	**1,434.72**	**1,405.83**	**74.30%**	**97.99%**
32	EDD (U), Haridwar	361.52	282.42	273.75	94.17%	96.93%
33	EDD (R), Haridwar	1,222.97	991.97	1,008.18	99.99%	101.63%
34	EDD, Laksar	456.47	335.36	295.64	72.24%	88.16%
35	EDD, Jwalapur	524.79	360.79	345.59	81.70%	95.78%
36	**EDC, Haridwar**	**2,565.76**	**1,970.54**	**1,923.16**	**89.05%**	**97.60%**
37	**Haridwar Zone**	**4,600.02**	**3,405.26**	**3,328.99**	**81.87%**	**97.76%**
38	EDD (U), Haldwani	207.86	143.76	133.04	82.40%	92.54%
39	EDD, Nainital	129.83	88.60	93.36	82.30%	105.38%
40	EDD, Ramnagar	222.99	164.72	155.77	81.12%	94.56%
41	EDD (R), Haldwani	424.05	291.56	284.56	88.73%	97.60%
42	**EDC, Haldwani**	**984.73**	**688.63**	**666.72**	**84.68%**	**96.82%**
43	EDD, Kashipur	934.98	678.35	696.88	92.49%	102.73%
44	EDD, Bajpur	491.10	364.62	327.89	87.63%	89.92%
45	EDD, Jaspur	562.04	393.45	379.11	92.87%	96.36%
46	**EDC, Kashipur**	**1,988.12**	**1,436.42**	**1,403.87**	**91.34%**	**97.73%**
47	EDD, Almora	89.72	59.80	58.37	88.76%	97.61%
48	EDD, Bageshwar	52.70	35.58	34.54	69.52%	97.07%
49	EDD, Ranikhet	50.74	35.40	34.67	79.69%	97.95%
50	EDD, Bhikiyasain	34.74	25.85	25.53	78.43%	98.76%
51	**EDC, Ranikhet**	**227.90**	**156.63**	**153.11**	**80.01%**	**97.76%**
52	**Kumaon Zone**	**3,200.74**	**2,281.69**	**2,223.71**	**88.32%**	**97.46%**
53	EDD, Rudrapur I	1,161.13	911.25	933.11	96.14%	102.40%
54	EDD, Khichha	358.51	263.13	263.92	82.16%	100.30%
55	EDD, Rudrapur II	336.17	249.83	247.25	72.28%	98.97%
56	**EDC, Rudrapur**	**1,855.81**	**1,424.21**	**1,444.28**	**87.99%**	**101.41%**
57	EDD, Sitarganj	585.98	432.83	432.55	84.88%	99.93%
58	EDD, Khatima	235.73	174.48	173.09	82.23%	99.20%
59	EDD, Champawat	78.68	51.22	50.76	76.80%	99.09%
60	**EDC, Champawat**	**900.38**	**658.53**	**656.39**	**83.41%**	**99.67%**
61	EDD, Pithoragarh	116.35	75.81	77.11	81.32%	101.71%
62	EDD, Dharchula	34.83	20.57	21.28	69.82%	103.43%
63	**EDC Pithoragarh**	**151.18**	**96.38**	**98.38**	**78.35%**	**102.07%**
64	**U.S. Nagar Zone**	**2,907.37**	**2,179.12**	**2,199.05**	**85.97%**	**100.91%**
65	**Total Uttarakhand**	**14,838.22**	**10,823.25**	**10,714.05**	**86.31%**	**98.99%**

In this regard, the Commission directs UPCL that Committee of Directors constituted for the purpose must sit by 15th of every month to monitor the collection of dues division wise and also division wise losses of the preceding month and also suggest measures to improve the collections & reduce losses and submit a consolidated report before the Commission of the meetings of the Committee of Directors in this regard, on quarterly basis, i.e. within 15 days from the end of the respective quarter. Further, the Petitioner should also upload month-wise division wise Sales,

Revenue Billed and Revenue Realised along with associated billing and collection efficiency on monthly basis, so that the same is accessible to general consumer, failing which appropriate action may be taken against the officer responsible.

7.1.5 *Provisions for Bad and Doubtful Debts*

The Commission directed the Petitioner to justify such drastic increase in pending dues within one month from the date of this Order. UPCL was also directed to continue raising the issue of pending dues regularly on Government connections like Public Lamps, Public Water Works and GIS and settle the dues.

Petitioner's Submission

The Petitioner submitted that the issue for recovery of pending dues on Govt. connections is being regularly perused with GoU. The status of Assessment, Collection and Arrears against Government connections during FY 2023-24, FY 2024-25 and FY 2025-26 is as follows:

Table 7.9: Division Wise Details of Arrears & Collection on Govt. connections (Rs. Crore)

S. No.	Category	Balance as on 31.03.2023	Balance as on 31.03.2024	Assessment: 2024-25	Payment (cash / adjustment): 2024-25	Balance as on 31.03.2025	Assessment : (April,25 to Sep,25)	Payment (cash / adjustment) : (April,25 to Sep,25)	Balance as on 30.11.2025
1	Public Water Works (Jal Nigam / Jal Sansthan)	49.36	47.18	403.75	450.93	0.00	257.15	158.56	98.58
2	Public Lamp	63.53	71.63	38.23	39.15	70.71	18.93	14.23	75.41
Total ULBs and RLBs (1+2)		**112.89**	**118.81**	**441.98**	**490.08**	**70.71**	**276.08**	**172.79**	**174.00**
3	Govt. Irrigation System	43.27	40.87	91.02	80.36	51.53	62.69	81.83	32.40
Total		**156.16**	**159.68**	**533.00**	**570.44**	**122.24**	**338.77**	**254.62**	**206.39**
4	Other Government Department	44.39	28.28	86.39	89.89	24.78	65.01	53.84	35.95
Government Department Dues		**200.54**	**187.95**	**619.39**	**660.33**	**147.01**	**403.79**	**308.46**	**242.34**

The Commission has noted the submissions of the Petitioner in this regard. **UPCL is directed to continue raising the issue of pending dues regularly on Government connections like Public Lamps, Public Water Works and GIS and settle the dues.**

7.1.6 *Consultative Committee*

The Commission directed MD, PTCUL to nominate atleast one officer not below the level of Chief Engineer in the Consultative Committee constituted under the orders/ directions of the Commission within one month from the issuance of the Tariff Order.

In this regard, the office of Director (Operations), PTCUL vide their letter dated 988/Dir. (Operations)/PTCUL/UERC dated 15.05.2025 submitted the compliance of the same.

The Commission takes note of the same. **The Commission directs UPCL to hold regular**

meetings of the consultative committee to understand each other's concerns and take corrective actions/measures to resolve the same.

7.1.7 *To update and Maintain the CS-3 & CS-4 report on web-site*

The Commission directed the Petitioner that practices of uploading the delayed CS-3 & CS-4 reports on its website should be strictly avoided. The Commission also directed the Petitioner to update and maintain the CS-3 & CS-4 report on their website regularly and promptly in a manner it is accessible to general consumers, failing which appropriate action may be taken against the officer responsible.

Petitioner's Submission

The Petitioner submitted that the steps have been taken to update the commercial diary and the CS-3 & CS-4 statement for the month of February, 2025 has been posted on the website of UPCL. Further, UPCL vide its Office Memorandum No. 3313/UPCL/RM/L-20, dated August 16, 2022 had ordered that the commercial diary shall be finalized within 40 days from the end of the month. It was also informed to the Commission that earlier there were the provision for finalization of monthly billing data in R-APDRP billing system after a month, with a view to reduce the timing for preparation of commercial diary, UPCL vide its letter no. 1811/UPCL/RM/L-20, dated April 08, 2024 ordered for finalization of the billing data within 15 days from the end of the month and instructions have been issued to prepare the commercial diary within 30 days from the end of the month. The commercial diary for the month of March, 2025 has been posted on the website of UPCL.

The Commission again cautions the Petitioner that the practices of uploading the delayed CS-3 & CS-4 reports on its website should be strictly avoided. In this regard, the Commission directs the Petitioner to update and maintain the CS-3 & CS-4 report on their website regularly and promptly within 30 days from the end of the respective month in a manner it is accessible to general consumers, failing which appropriate action may be taken against the officer responsible.

7.1.8 *Month-wise division wise Collection*

The Commission directed the Petitioner to submit the month wise division wise details of collection of dues by the 15th of the next month and action may be taken against the Executive Engineer of those divisions whose collection efficiency is less than the approved collection efficiency.

Petitioner's Submission

The Petitioner submitted that the division wise status of collection for the period from April, 25 to September, 25 is as follows:

Table 7.10: Division-wise Collection Efficiency

S. No.	Name of Divisions / Circles / Zones	Amount (Rs. Cr.)
1	EDD, Raipur	133.89
2	EDD, Rishikesh	171.36
3	EDD, Doiwala	77.17
4	EDD, Mohanpur	279.39
5	**EDC, (R) Dehradun**	661.81
6	EDD (N), Dehradun	145.79
7	EDD (S), Dehradun	223.92
8	EDD (C), Dehradun	139.38
9	**EDC, (U) Dehradun**	509.10
10	EDD Vikasnagar	75.05
11	EDD, Badkot	8.80
12	**EDC, Chakrata**	83.85
13	EDD, Tehri	91.87
14	EDD, Uttarkashi	17.59
15	**EDC, Tehri**	109.46
16	EDD, Srinagar	35.93
17	EDD, Pauri	21.85
18	EDD, Kotdwar	178.58
19	EDD, Nainidanda	4.99
20	**EDC, Srinagar**	241.35
21	EDD, Narayanbagarh	3.43
22	EDD, Gairsain	12.87
23	EDD, Gopeshwar	41.40
24	EDD, Rudraprayag	23.74
25	**EDC, Karnprayag**	81.44
26	**Garhwal Zone**	1687.01
27	EDD (U), Roorkee	141.98
28	EDD (R), Roorkee	215.33
29	EDD Bhagwanpur	371.79
30	EDD Ramnagar (Roorkee)	107.03
31	**EDC, Roorkee**	836.14
32	EDD (U), Hardwar	169.13
33	EDD (R) SIDCUL, Hardwar	694.70
34	EDD, Laksar	167.34
35	EDD, Jwalapur	215.82
36	**EDC, Haridwar**	1246.98
37	**Haridwar Zone**	2083.12
38	EDD (U), Haldwani	73.84
39	EDD, Nainital	48.13
40	EDD, Ramnagar	90.83
41	EDD (R), Haldwani	154.30
42	**EDC, Haldwani**	367.10
43	EDD, Kashipur	406.88
44	EDD, Bajpur	176.16
45	EDD, Jaspur	196.88
46	**EDC, Kashipur**	779.92
47	EDD, Almora	20.13
48	EDD, Bageshwar	14.05
49	EDD, Ranikhet	13.03
50	EDD, Bhikiyasain	7.80
51	**EDC, Ranikhet**	55.01
52	**Kumaon Zone**	1202.03
53	EDD, Rudrapur I	596.75
54	EDD, Khichha	144.36
55	EDD, Rudrapur II	149.06

Table 7.10: Division-wise Collection Efficiency

S. No.	Name of Divisions / Circles / Zones	Amount (Rs. Cr.)
56	**EDC, Rudrapur**	890.18
57	EDD, Sitarganj	276.82
58	EDD, Khatima	103.20
59	EDD, Champawat	28.03
60	**EDC, Champawat**	408.06
61	EDD, Pithoragarh	27.23
62	EDD, Dharchula	10.89
63	**EDC Pithoragarh**	38.12
64	**U.S. Nagar Zone**	1336.36
	Total Uttarakhand	**6308.53**

The Petitioner has submitted that commercial diary for the month of April, 25 to Sep, 25 has not been finalized till date and, therefore, the division wise actual collection efficiency cannot be compared with the approved collection efficiency. On finalization of commercial diary for the month of April, 25 to Sep, 25 the division wise collection efficiency shall be compared with the approved collection efficiency, and the said details shall be submitted to the Commission

The Commission observes clear non-compliance in this regard and **directs the Petitioner to submit the month wise division wise details of collection of dues by the 15th of the next month and action may be taken against the Executive Engineer of those divisions whose collection efficiency is less than the approved collection efficiency.**

7.1.9 *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 submitted that vide its letter No. 3260/UPCL/RM/C-21, dated May 05, 2025 it had directed all the field officers to liquidate and finalize atleast 5% of NB/SB cases in each quarter.

UPCL submitted that the status of NB/SB cases for the month of August, 2025 has been submitted to the Commission vide letter No. 9669/ CE (Coml.) / UPCL/SE-II/ BII (1) /CPM, dated November 14, 2025. The status of the same is as follows:

Table 7.11: Status of NA/NR cases

Particulars	NB/SB Cases
As on 31-03-2020	158300
As on 31-03-2021	161580
As on 31-03-2022	154461

As on 31-03-2023	142962
As on 31-03-2024	131418
As on 31-03-2025	125424
As on 31-08-2025	116982

The Petitioner submitted that, it is clear that there is a regular reduction in no. of NB/SB cases.

The Commission has taken note of the submission made by the Petitioner. **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 achieving the target or in timely submission of report, action under the provisions of Act/Rules/Regulations may be initiated against the Petitioner.

7.1.10 *Location of Installation of Meters*

The Commission directed the Petitioner to submit quarterly status report with regard to shifting of meters in all the divisions to the Commission.

Petitioner's Submissions

UPCL submitted that vide its letter no. 3260 /UPCL/RM/C-21, dated 05.05.2025, it had directed all the field officers to comply with this direction of the Commission, i.e. shifting of the meters to the safer location in or around the premises of the consumers.

The Commission takes note of the same. **The Commission directs the Petitioner to submit quarterly status report with regards to shifting of meters in all the divisions to the Commission.**

7.1.11 *Sales*

The Commission directed the Petitioner to carry out a monthly review of its ABR for all the divisions vis-à-vis ABR approved by the Commission for the respective financial year and submit the report of analysis along with the proposed corrective action on monthly basis. The findings of the report should be placed before the BoD on quarterly basis and Board's recommendation/action on the same should be submitted to the Commission within 15 days of such BoD meeting but not later than end of the month succeeding such quarter.

The Petitioner was further directed to fix responsibility and take action against the concerned Superintending Engineer/ Executive Engineer of the respective division for the anomalies in the commercial diary, and submit report of the same to the Commission along with the monthly report of review of division wise ABR.

Petitioner's Submission

The Petitioner submitted that as regards to the monthly review of ABR for all the division vis-à-vis ABR approved by the Commission for FY 2024-25, it is submitted that the Commission, from time to time, directs the UPCL for improvement of the commercial diary. Accordingly, UPCL has taken efforts for improvement in commercial diary at division, circle, zone and Corporate Office level. Accordingly, the commercial dairy for the month of March, 2025 has been finalized.

The Commission takes note of the submission made by UPCL and observes that UPCL has not complied with the aforesaid direction in previous year. **The Commission, accordingly, directs UPCL to carryout a monthly review of category wise ABR for all the divisions vis-à-vis ABR approved by the Commission for the respective financial year and submit the report alongwith analysis and proposed corrective action on monthly basis. The findings of the report shall be placed before the BoD on quarterly basis and Board's recommendation/action on the same shall be submitted to the Commission within 15 days of such BoD meeting but not later than end of the month succeeding such quarter. UPCL is further directed to fix responsibility and take action against the concerned Superintending Engineer/Executive Engineer of the respective division for the anomalies in the commercial diary, and submit report of the same to the Commission alongwith the monthly report of review of division wise ABR.**

7.1.12 *Scrutiny of KCC data*

The Commission directed the Petitioner to continuously monitor KCC data including low load factor cases, meter tamper cases, etc. The Commission also directed UPCL to submit the report on analysis and monitoring of KCC data on monthly basis by 15th of every month.

Petitioner's Submission

The Petitioner submitted the updated status of MRI checked as per the report of the consultant, which is as follows:

Table 7.12: Status of MRI checked

S. No.	Particulars	Oct, 22 to Feb, 24
1.	Average monthly MRI analyzed (No.)	8493
2.	Total suspected cases reported (No.)	1569
3.	Pending suspected case (No.)	539
4.	Total cases checked by division (No.)	1030
5.	Total cases wherein irregularities found and assessment proposed (No.)	484
6.	Total cases wherein proposed assessment is realized (No.)	416
7.	Assessment (Rs. Lakh)	1738
8.	Realization (Rs. Lakh)	962
9.	Assessment (%) (5/4)	47%

The Commission has noted the submissions of the Petitioner. However, the details of MRI's checked subsequent to February, 2024 has not been submitted. The Petitioner is directed to continuously monitor the KCC data & submit the report on monthly basis to the Commission by 15th of every month.

7.1.13 *ToD Tariff*

The Commission directed the Petitioner to expedite the installation process and ensure completion of smart meters installation for HT Industrial consumers by June 2025 and for LT Industrial consumers by August 2025. The Commission directs the Petitioner to submit the complete data of time block wise consumption data on monthly basis for all the HT consumers and LT consumers, for which the Smart Metres have been installed. The Commission also directed the Petitioner to propose the modifications in ToD slots as well as implementation of ToD tariffs for other categories in its Tariff Petition for FY 2026-27 based on actual consumption data upon installation of Smart Meters and its impact on revenue.

Petitioner Submission

The Petitioner submitted that it is fully committed to expedite the smart meter installation process. Till 05.12.2025, UPCL completed the 101% HT Smart Meter installation work and 87% on LT Industrial consumers as per sanctioned DPR. UPCL has also directed the AMISPs to complete the smart meter installation for the remaining industrial consumers as per the current scope.

The Smart Meter Installation Progress on HTCT & LTCT connections till December 05, 2025, is as follows:

Table 7.13: Smart Meter Installation Progress on HTCT & LTCT connections

Meter Type	M/s Garhwal Smart Metering Pvt Ltd			M/s Adani Energy Solution Ltd		
	Total Scope	Actual Progress as on Date	Progress (%)	Total Scope	Actual Progress as on Date	Progress (%)
Three Phase LTCT Consumer Meter	4,500	3,378	75.1%	2,938	3,061	104.2%
Three Phase HTCT Consumer Meter	1,974	2,021	102.4%	1,360	1,348	99.1%

Meter Type	UPCL TOTAL		
	Total Scope	Actual Progress as on Date	Progress (%)
Three Phase LTCT Consumer Meter	7,438	6,439	86.6%
Three Phase HTCT Consumer Meter	3,334	3,369	101.0%

The Petitioner further submitted that it will ensure the submission of monthly time block-wise consumption data for all HT and LT consumers where smart meters have been installed. The Petitioner has directed the AMISPs to submit the required data. Once the data is received from AMISPs, UPCL will share it with the Commission at the earliest.

The Petitioner has submitted that it will analyze the actual consumption data collected from the installed smart meters and assess its revenue implications. Based on this analysis, a proposal for modification in Time-of-Day (TOD) tariffs for other consumer categories will be submitted to the Commission.

The Commission has noted the submission made by the Petitioner.

7.1.14 *Return on Equity*

The Commission directed the Petitioner to submit the segregation of equity addition for works after cut-off date beyond the original scope alongwith next tariff filing including the impact of the same duly considering the FY 2023-24 as well.

Petitioner's Submission

The Petitioner submitted that the required information will be provided as per direction of Commission.

The Commission has noted the submissions of the Petitioner. **The Commission again directs the Petitioner to submit segregation of equity addition for works after cut-off date beyond the original scope, alongwith next tariff filing, including the impact of the same duly considering the FY 2024-25 as well.**

7.1.15 *AT&C Loss*

The Commission directed the Petitioner to submit quarterly status report towards the implementation of the works related to Smart Metering works and Loss reduction works under RDSS scheme.

The Commission further directed the Petitioner to upload these reports on its website so that the same is accessible to all consumers, failing which appropriate action may be taken against the officer responsible.

Petitioner's Submission

The Petitioner submitted that the report towards implementation of works related to Smart Metering and Loss reduction under RDSS is being regularly provided to the Commission on quarterly basis. The said report for the quarter ending Sep, 2025 was provided to the Commission vide UPCL's letter no. 2207/ Dir. (Projects)/ UPCL/UERC, dated October 06, 2025. The status of works under RDSS at the end of Sep, 2025 is as follows:

Table 7.14: Status Of Works Under RDSS

<table>
<tr><th colspan="2">Works/Projects</th><th>Details of the present status of the project</th></tr>
<tr><td colspan="3"><u>Revamped Reforms-Linked Results-Based Distribution Sector Scheme (RDSS)</u>:</td></tr>
<tr><td colspan="3">i. <u>Smart Metering Works</u>:</td></tr>
<tr><td rowspan="2">A. Smart Metering Works</td><td>Garhwal Region (PKG-A)</td><td>Smart Meter Installed/Scope:
Feeder Meter: 1464/1565
DTR Meter: 2916/30779
Consumer Meter: 136855/962035</td></tr>
<tr><td>Kumaon Region (PKG-B)</td><td>Smart Meter Installed/Scope:
Feeder Meter: 958/1037
DTR Meter: 1761/28433
Consumer Meter: 165552/625835</td></tr>
<tr><td colspan="2">A. Sub Total (Smart Metering Works)</td><td>Smart Meter Installed/Scope:
Feeder Meter: 2422/2602
DTR Meter: 4677/59212
Consumer Meter: 302407/1587870</td></tr>
<tr><td colspan="3">ii. <u>Loss Reduction Works</u>:</td></tr>
<tr><td rowspan="12"></td><td>EDC-Dehradun Urban (PKG-A)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Dehradun Rural (PKG-B)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Tehri (PKG-C)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Srinagar (PKG-D)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Karanprayag (PKG-E)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC- Roorkee (PKG-F)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Haridwar (PKG-G)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Haldwani (PKG-H)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Kashipur (PKG-I)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Ranikhet (PKG-J)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Rudrapur (PKG-K)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td>EDC-Pithoragarh (PKG-L)</td><td>Material supply and erection work is under progress</td></tr>
<tr><td colspan="2">B. Sub Total (Loss Reduction Worsk)</td><td>* As per agreement of all 12 packages of Loss Reduction (LR) works, awarded cost is restricted tp DPR Cost i.e. Rs. 1261.99 Cr.</td></tr>
<tr><td colspan="3">iii. <u>IT-OT Works</u>:</td></tr>
<tr><td colspan="2">B(i). IT-OT</td><td>Work awarded on 17.04.2025 and agreement signed on 26.05.2025. Discussion on as is study, Gap Analysis and documents is under process. BoQ was approved on 26.08.2025 and hardware supply has been started. High Level Design (HLD) & Low Level Design (LLD) (Version -1.0) have been submitted by Infinite. GIS work status - GIS Survey plan submitted by M/s Infinite. Attribute data model submitted and approved from UPCL on 18-09-25. Paint code format fanilized and approved from UPCL 18-09-25. 100+ team deployed at field for GIS survey work for asset mapping by M/s Infinite.</td></tr>
<tr><td colspan="2">B(i)a. RT-DAS</td><td>End to end testing of RTU with control center completed at 167 nos. out of 185 nos. installed and commissioned of RTU & its components at 33/11 kV Substations.
Integration of legacy system with new RT-DAS system is completed and all 106 nos. of sites are commissioned.</td></tr>
<tr><td colspan="2">C. Sub Total (IT-OT and RT-Das Works)</td><td></td></tr>
<tr><td colspan="3">iv. <u>ERP Works</u>:</td></tr>
<tr><td colspan="2">B(i)b. ERP (Subsumed RDSS)</td><td>Final payment of implementation phase is in process.</td></tr>
<tr><td rowspan="2">B(i)c. ERP Upgrade</td><td>ERP License</td><td>Work completed.</td></tr>
<tr><td>ERP Hardware</td><td>The NIT for additional ERP hardware upgrade has been re-tendered and was floated on 30-09-25. The RFP was subsequently floated on 03-10-25, with an</td></tr>
</table>

Table 7.14: Status Of Works Under RDSS

Works/Projects		Details of the present status of the project
		estimated cost of ₹1.33 crore. The Pre-Bid Conference was scheduled for 08-10-25 at 11:30 hrs.
C. Sub Total (ERP Worrks)		
v. PMA (M/s Medhaj, M/s PFCCL)		PMA work going on (M/s Medhaj Techno Concept Pvt Ltd.,).
		DPR of undergrounding of HT/LT lines with SCADA automation in Kumbh Mela area/Ganga Corridor of Rishikesh with SCADA and revamping SCADA in Dehradun has been approved by Monitoring Committee of RDSS in its 50th meeting amounting to Rs. 547.83 Cr. and sanction letter from nodal agency has also been received on 18.08.2025. Investment approval for the same is also under preparation and submitted to UERC in due course.

The Commission has taken note of the submission made by the Petitioner.

7.1.16 *Prepaid Metering*

The Commission directed the Petitioner to ensure that the roll-out of the prepaid metering scheme is done in a time bound manner ensuring that the time frame mentioned in the Tariff Petition is met and also submit a quarterly report within 15 days of the end of each quarter to the Commission.

Petitioner's Submission

The Petitioner submitted that it is committed to ensuring the timely and effective roll-out of the prepaid metering scheme in accordance with the implementation schedule specified in the tariff petition. The Petitioner further submitted that it has already initiated the conversion of UPCL employees' and office connections to prepaid mode. As of now, total 1011 nos. of UPCL employees' and office connections have been converted into prepaid mode.

The smart meter installation progress as on December 05, 2025 is as follows:

Table 7.15: Smart Meter Installation Progress

Meter Type	M/s Garhwal Smart Metering Pvt Ltd			M/s Adani Energy Solution Ltd			UPCL TOTAL		
	Total Scope	Actual Progress as on Date	Progress (%)	Total Scope	Actual Progress as on Date	Progress (%)	Total Scope	Actual Progress as on Date	Progress (%)
Single Phase Whole Current Consumer Meter	8,88,237	1,50,825	17.0%	5,89,847	2,08,999	35.4%	14,78,084	3,59,824	24.3%
Three Phase Whole Current Consumer Meter	67,324	7,355	10.9%	31,690	4,472	14.1%	99,014	11,827	11.9%
Three Phase LTCT Consumer Meter	4,500	3,378	75.1%	2,938	3,061	104.2%	7,438	6,439	86.6%
Three Phase HTCT Consumer Meter	1,974	2,021	102.4%	1,360	1,348	99.1%	3,334	3,369	101.0%
Total Consumer Meter	**9,62,035**	**1,63,579**	**17.0%**	**6,25,835**	**2,17,880**	**34.8%**	**15,87,870**	**3,81,459**	**24.0%**
DT Meter	30,779	4,294	14.0%	28,433	2,380	8.4%	59,212	6,674	11.3%
Feeder Meter	1,565	1,495	95.5%	1,037	980	94.5%	2,602	2,475	95.1%
TOTAL	**9,94,379**	**1,69,368**	**17.0%**	**6,55,305**	**2,21,240**	**33.8%**	**16,49,684**	**3,90,608**	**23.7%**

The Commission has taken note of the submission made by the Petitioner.

The Commission directs UPCL to roll-out prepaid metering scheme in a time bound manner ensuring that the time frame mentioned in the Tariff Petition is met and also submit a quarterly report within 15 days of the end of each quarter to the Commission. With respect to accessing smart meter data and use of Mobile Application (Smart Meter APP), the Petitioner is directed to organise orientation sessions for the consumers and inform them as to how through Mobile APP all the relevant data can be accessed by them.

7.1.17 *Distribution Loss Target*

The Commission directed the Petitioner to submit division wise (for all EDD's) distribution loss target duly approved by BoD, budget for O&M expenses (separately for Employee expenses, R&M expenses and A&G expenses) and Capital Expenditure for each month of FY 2025-26 for approval of the Commission, alongwith cost benefit analysis and improvement in efficiency expected over the past period, within 30 days of the date of Order. UPCL was further directed to submit before the Commission, division wise status and actual O&M expenses and capital expenditure incurred against the targets approved by the Commission within 15 days from the end of the respective quarters on periodic basis.

The Commission also directed UPCL to submit the data received from the feeders and DTs on a quarterly basis to the Commission within 15 days from the end of each quarter alongwith its observations on the same. Further, UPCL was also directed to submit an action plan within 1 month of the date of the Order as to how it proposes to make use of the real time data coming to it in loss reduction as well as conducting energy audit.

Petitioner's Submission

The Petitioner submitted that the targets of billing efficiency, collection efficiency and AT&C losses for FY 2025-26, as fixed by the Commission are as follows:

Table 7.16: Targets of Billing Efficiency, Collection Efficiency and AT&C

Particulars	As per UERC
Billing Efficiency	12.75%
Collection Efficiency	99.15%
AT&C Losses	13.49%

The Petitioner further submitted that with a view to achieve targets as fixed by UERC, the targets of field units have been fixed and circulated vide UPCL's letter no. 7347/UPCL/RM/L-17, dated August 01, 2025. The said information has also been provided to the Commission vide UPCL's letter no. 7549/ UPCL/RM/C-21, dated August 10, 2025. The summary of these targets is as follows:

Particulars	Target value
Distribution Loss	10.19%
Collection Efficiency	100%
AT&C Losses	10.19%
Through Rate excluding FPPCA: Non-Govt. Category	Rs. 6.71/unit

The Petitioner submitted that monitoring of division wise performance against the above targets is being done at Corporate Office on regular basis and the following actions are being taken for increase in revenue collection:

a. Vigilance raids are being conducted and cases are being registered under Sections 126 and 135 of Electricity Act, 2003. Legal proceedings are being initiated against the person(s) who is 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 of high value consumers.

e. Android based billing has been introduced for improvement in Billing Efficiency.

f. Electricity connections of defaulting consumers are being disconnected on regular basis.

g. Actions are being taken against the defaulting consumers under Section 3 and 5 of the Uttarakhand (U.P. Government Electricity undertakings (Dues Recovery) Act, 1958) Adaptation and Modification order, 2002 for recovery of revenue arrears.

h. Implementation of prepaid metering is in process under RDSS scheme.

The Petitioner further submitted that vide its O.M. No. 4666/UPCL/RM/C-20, dated August 13, 2024 constituted the Committee of Directors (Director –Projects, Director – Operations, Director – Finance) to monitor the division wise collection of electricity dues and electricity losses. Moreover, the copy of Annual Revenue and Capital Budget for FY 2025-26 duly approved by the Board of Directors in its 125th meeting held on October 10, 2025 was submitted to the Commission vide UPCL's letter no. 10185/UPCL/RM/C-21, dated December 06, 2025. The Petitioner submitted that Superintending Engineer (IT), has been asked by this office to coordinate with the officers of the Commission for having a meeting alongwith its self-implementation team with the Commission to explain in detail the present status of SAP implementation difficulties faced by it.

The Petitioner further submitted that the quarter wise data of feeders and DTs shall be provided to the Commission in due course of time and the action plan for using the real time data in loss reduction as well as conducting energy audit is under preparation and shall be provided to the Commission shortly.

The Commission has taken note of the submission made by the Petitioner. **The Commission, in line with the direction issued in the previous Tariff Order, again directs the Petitioner to submit division wise (for all EDD's) distribution loss target duly approved by BoD,** budget **for O&M expenses (separately for Employee expenses, R&M expenses and A&G expenses) and Capital Expenditure for each month of FY 2026-27 for approval of the Commission, alongwith cost benefit analysis and improvement in efficiency expected over the past period, within 30 days of the date of Order. UPCL is further directed to submit before the Commission, division wise status and actual O&M expenses and capital expenditure incurred against the targets approved by the Commission within 15 days from the end of the respective quarters on periodic basis.**

The Commission also directed UPCL to submit the data received from the feeders and DTs on a quarterly basis to the Commission within 15 days from the end of each quarter alongwith its observations on the same. Further, UPCL is also directed to submit an action plan within 1 month of the **date of the Order as to how it proposes to make use of the real time data coming to it in loss reduction as well as conducting energy audit.**

7.1.18 *Smart Meter Deployment Plan*

The Commission directed the Petitioner to ensure the deployment of smart meter in a phased manner as per the following schedule and a send a quarterly report to the Commission within 15 days of the end of respective quarter:

Phase 1: Installation of smart meter for all eligible HT consumers by June, 2025, and installation of smart meters with prepaid functionality for all employees of UPCL, PTCUL & UJVN Ltd. by the end of June, 2025.

Phase 2: Installation of smart meters with prepaid functionality on all Government category consumers by September, 2025.

Phase 3: Installation of smart meters with prepaid functionality on remaining LT consumers in the balance months of FY 2025-26 as per the deployment schedule.

Petitioner's Submission

The Petitioner acknowledges and undertakes to implement the deployment of smart meters in a phased manner as per the schedule directed by the Commission. Specifically, the following milestones will be strictly adhered to:

Phase 1: UPCL completed the 101% Smart Meter installation works on HT connections as per sanctioned quantity of HTCT Meters. In compliance with the directive, UPCL has taken active steps to implement smart metering on Departmental (UPCL, PTCUL, UJVNL) categories of connections. As of now, approximately 54% of the work has been completed. The progress is being monitored, and necessary instructions are being issued regularly to the respective AMISPs. UPCL has directed the AMISPs to increase deployment of field teams, and prioritize these connections in their execution plan to ensure completion of the remaining work.

Phase 2: In compliance with the directive, UPCL has already completed the installation of 5,641 nos. smart meters on Government category (RTS-3) connections as per the sanctioned DPR. Further, UPCL has directed the AMISPs to complete the smart meter installation work on all remaining Government connections falling within the project scope areas. As of now, approximately 46% of the work has been completed. The progress is being monitored, and necessary instructions are being issued regularly to the respective AMISPs. UPCL has directed the AMISPs to increase deployment of field teams, and prioritize these connections in their execution plan to ensure timely completion of the remaining work.

Phase 3: In compliance with the directive, UPCL has issued necessary directions to AMISPs to complete the Smart Meter Installation on LT consumers by FY 25-26. As of now, approximately 24% of the work has been completed as per sanctioned DPR. Installation of smart meters on remaining LT Consumers shall be completed by June-26.

The progress of Govt and Departmental is given below:

Table 7.17: Smart Meter Implementation Progress

UTTARAKHAND GOVERNMENT & POWER DEPARTMENTAL CONNECTIONS				
Region	**Govt Connections Category**	**Total Connections**	**Cumulative Meter Installed**	**% Progress**
Garhwal	RTS-2	6471	1752	27%
Garhwal	RTS-3	5420	3996	74%
TOTAL GARHWAL	**Total Govt.**	**11891**	**5748**	**48%**
Kumaon	RTS-2	6942	2216	32%
Kumaon	RTS-3	2930	1987	68%
TOTAL KUMAON	**Total Govt.**	**9872**	**4203**	**43%**

Region	Department Type	Total Connections	Cumulative Meter Installed	% Progress
Garhwal	UPCL	3753	2010	54%
	UJVNL	2408	1235	51%
	PTCUL	741	489	66%
TOTAL GARHWAL	**Total Deptt**	**6902**	**3734**	**54%**
Kumaon	UPCL	2597	1358	52%
	UJVNL	287	201	70%
	PTCUL	355	192	54%
TOTAL KUMAON	**Total Deptt**	**3239**	**1751**	**54%**

The Commission has taken note of the submission of the Petitioner & finds the progress to be very dismal. **The Commission further directs the Petitioner to ensure the deployment of smart meters in a phased manner, with installation for all eligible consumers to be completed by August 2026, and to submit a quarterly report to the Commission within 15 days of the end of each respective quarter.**

The Commission further directed the Petitioner to complete the smart metering in other consumer categories at the earliest and in no case later than 31.03.2027.

7.1.19 *AT&C*

The Commission directed the Petitioner to submit the division-wise target distribution losses for FY 2024-25 and actual distribution losses for FY 2024-25 by June 30, 2025. Further, the Commission directs the UPCL to submit the division-wise actual collection efficiency achieved during FY 2024-25 by June 30, 2025.

The Petitioner submitted that the required information is as follows:

a. Target distribution losses of UPCL for FY 2024-25: 9.90%.

b. Actual distribution losses for FY 2024-25: 13.69% (approved: 13.00%).

c. Actual collection efficiency of UPCL for FY 2024-25: 98.99% (approved: 99.15%).

The Petitioner submitted that the division wise actual and target distribution losses and actual collection efficiency for FY 2024-25 has been submitted to the Commission vide UPCL's letter no. 10147/UPCL/RM/C-21, dated 06.12.2025, as follows:

S. No.	Name of Divisions/Circles/Zones	Actual Distribution Losses: 2024-25	Target Distribution Losses: 2024-25	Actual Collection Efficiency: 2024-25
1	EDD, Raipur	7.04%	6.50%	109.90%
2	EDD, Rishikesh	8.26%	8.00%	104.14%
3	EDD, Doiwala	7.86%	6.85%	97.56%
4	EDD, Mohanpur	7.03%	4.50%	100.58%
	EDC, (R) Dehradun	**7.41%**	**5.99%**	**103.05%**
1	EDD (N), Dehradun	6.43%	7.50%	98.06%
2	EDD (S), Dehradun	5.62%	6.00%	98.24%
3	EDD (C), Dehradun	5.04%	4.75%	99.21%
	EDC, (U) Dehradun	**5.69%**	**6.10%**	**98.46%**
1	EDD Vikasnagar	17.11%	15.00%	96.14%
2	EDD, Barkot	26.38%	15.00%	103.71%
	EDC, Chakrata	**18.54%**	**15.19%**	**97.03%**
1	EDD, Tehri	19.54%	16.00%	103.83%
2	EDD, Uttarkashi	29.64%	20.00%	104.82%
	EDC, Tehri	**21.35%**	**16.72%**	**103.97%**
1	EDD, Srinagar	7.29%	7.00%	98.17%
2	EDD, Pauri	20.94%	12.00%	102.28%
3	EDD, Kotdwar	3.72%	3.73%	97.10%
4	EDD, Nainidanda	23.71%	20.00%	94.65%
	EDC, Srinagar	**7.88%**	**6.35%**	**98.01%**
1	EDD, Narayanbagarh	23.79%	20.00%	99.22%
2	EDD, Gairsain	9.97%	14.00%	101.68%
3	EDD, Gopeshwar	12.23%	15.00%	92.38%
4	EDD, Rudraprayag	18.25%	16.00%	95.28%
	EDC, Karnprayag	**14.85%**	**15.68%**	**95.40%**
	Garhwal Zone	**9.57%**	**8.45%**	**100.17%**
1	EDD (U), Roorkee	33.19%	20.00%	95.58%
2	EDD (R), Roorkee	30.06%	20.00%	95.61%
3	EDD Bhagwanpur	14.12%	10.00%	101.31%
4	EDD Ramnagar (Roorkee)	31.72%	20.00%	96.25%
	EDC, Roorkee	**25.70%**	**17.20%**	**97.99%**
1	EDD (U), Hardwar	5.83%	6.50%	96.93%
2	EDD, SIDCUL	0.01%	0.50%	101.63%
3	EDD, Laksar	27.76%	20.00%	88.16%
4	EDD, Jwalapur	18.30%	15.00%	95.78%
	EDC, Haridwar	**10.95%**	**9.15%**	**97.60%**
	Haridwar Zone	**18.13%**	**13.31%**	**97.76%**
1	EDD (U), Haldwani	17.60%	10.00%	92.54%
2	EDD, Nainital	17.70%	11.00%	105.38%
3	EDD, Ramnagar	18.88%	13.00%	94.56%
4	EDD (R), Haldwani	11.27%	9.00%	97.60%
	EDC, Haldwani	**15.32%**	**10.52%**	**96.82%**
1	EDD, Kashipur	7.51%	6.25%	102.73%
2	EDD, Bajpur	12.37%	9.00%	89.92%
3	EDD, Jaspur	7.13%	6.75%	96.36%
	EDC, Kashipur	**8.66%**	**7.15%**	**97.73%**
1	EDD, Almora	11.24%	8.00%	97.61%
2	EDD, Bageshwar	30.48%	10.00%	97.07%
3	EDD, Ranikhet	20.31%	10.00%	97.95%
4	EDD, Bhikiyasain	21.57%	10.00%	98.76%
	EDC, Ranikhet	**19.99%**	**8.00%**	**97.76%**
	Kumaon Zone	**11.68%**	**8.81%**	**97.46%**
1	EDD, Rudrapur I	3.86%	2.95%	102.40%
2	EDD, Kichha	17.84%	14.00%	100.30%
3	EDD, Rudrapur II	27.72%	10.00%	98.97%

S. No.	Name of Divisions/Circles/Zones	Actual Distribution Losses: 2024-25	Target Distribution Losses: 2024-25	Actual Collection Efficiency: 2024-25
	EDC, Rudrapur	**12.01%**	**6.90%**	**101.41%**
1	EDD, Sitarganj	15.12%	9.00%	99.93%
2	EDD, Khatima	17.77%	9.00%	99.20%
3	EDD, Champawat	23.20%	9.00%	99.09%
	EDC, Champawat	**16.59%**	**9.20%**	**99.67%**
1	EDD, Pithoragarh	18.68%	12.00%	101.71%
2	EDD, Dharchula	30.18%	12.00%	103.43%
	EDC Pithoragarh	**21.65%**	**10.80%**	**102.07%**
	Udhamsingh Nagar Zone	**14.03%**	**8.16%**	**100.91%**
Total Uttarakhand		**13.69%**	**9.90%**	**98.99%**

The Commission has taken note of the submission made by the Petitioner. The Commission **again directs UPCL to submit the division-wise target distribution losses for FY 2025-26 and actual distribution losses for FY 2025-26 by June 30, 2026. Further, the Commission directs the UPCL to submit the division-wise actual collection efficiency achieved during FY 2025-26 by June 30, 2026.**

7.1.20 *Fixed Asset Register*

The Commission directed the Petitioner to submit the Fixed Asset Register updated up to FY 2023-24 within 3 months from the date of tariff Order.

Petitioner's Submission

In compliance of the above directions, the Petitioner submitted the following:

i) The Fixed Assets Registers for the period up to FY 2012-13 had already been submitted to the Commission. These registers were got prepared through a consulting firm i.e. M/s L.B. Jha & Co., Chartered Accountants, Kolkata.

ii) The Fixed Assets Register for the period from FY 2013-14 to FY 2015-16 had been submitted to the Commission vide UPCL's letter no. 1774/UPCL/RM/C-14, dated 28-04-2018.

iii) Fixed Assets registers for the FY 2016-17 had been submitted vide UPCL's letter no. 1199/UPCL/RM/C-14, dated 15.05.2018.

iv) Fixed Assets registers for the FY 2017-18 had been submitted vide UPCL's letter no. 3720/UPCL/RM/C-15, dated 25.11.2019.

v) The Fixed Assets Register for FY 2018-19 have been submitted to the Commission vide UPCL's letter no. 2768 /UPCL/RM/C-16, dated 23.09.2020.

vi) The Fixed Assets Register for FY 2019-20 have been submitted to the Commission vide

UPCL's letter no. 1901/UPCL/RM/C-17, dated 14.07.2021

vii) The Fixed Assets Register for FY 2020-21 have been submitted to the Commission vide UPCL's letter no. 2809/UPCL/RM/C-18, dated 12.07.2022.

viii) The Fixed Assets Register for FY 2021-22 have been submitted to the Commission vide UPCL's letter no. 3749/UPCL/RM/C-20, dated 29.07.2024.

ix) The work order dated 21.09.2024 for execution of the assignment for preparation of Fixed Assets Register for FY 2022-23 and FY 2023-24 has been given to M/s Hemant Arora & Co., LLP, Chartered Accountants. The Fixed Assets Register for FY 2022-23 have been submitted to the Commission vide UPCL's letter no. 9021 /UPCL/RM/, dated 09.10.2025 and the said work for FY 2023-24 is expected to be completed by the end of December, 2025.

The Commission has taken note of the submission of the Petitioner. **The Commission directs the Petitioner to submit the Fixed Asset Register updated up to FY 2024-25 within 3 months from the date of this Order.**

7.1.21 *Voltage wise Cost of Supply*

The Commission directed the Petitioner to compile and submit the voltage-wise loss data and voltage-wise cost of supply information alongwith next Tariff Petition, considering the ongoing smart meter deployment under the RDSS scheme, which will significantly enhance data accuracy and enable on-line energy audit & accounting.

Petitioner's Submission

The Petitioner submitted that presently, UPCL is not in a position to compute Voltage wise Cost of Supply. It will be possible only after completion of Smart Metering Works under RDSS Scheme. The said scheme is under implementation.

The Commission has noted the submission of the Petitioner. **Considering the ongoing smart meter deployment under the RDSS scheme, which will significantly enhance data accuracy and enable on-line energy audit & accounting, UPCL is hereby directed to compile and submit the voltage-wise loss data and voltage-wise cost of supply information alongwith next Tariff Petition.**

7.1.22 *Status of NA/NR, IDF/ADF/RDF*

The Commission directed the Petitioner to put its sincere efforts in reducing the percentage

NA/NR cases to below 2% in the entire State latest, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution) and 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.

Further, the Commission directed the Petitioner to restrict the provisional billing cases within the limit prescribed above as well as in Regulations (i.e. 4% for plain areas and 5% for hilly areas of the State), 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. Furthermore, the Petitioner was directed to submit division-wise percentage revenue billed on provisional billing basis alongwith its monthly CPM reports and upload these reports on its website so that the same is accessible to all consumers, failing which appropriate action may be taken against the officer responsible.

Petitioner's Submission

The Petitioner submitted that vide its letter no. 3260/UPCL/RM/C-21, dated May 05, 2025, Petitioner had directed all the field officers to comply with this direction of the Commission, i.e. to restrict percentage of NA/NR cases to 2%.

Table 7.18: Quarter Wise Targets of NA/NR Cases for FY 2025-26

Particulars	At the end of Q-1	At the end of Q-2	At the end of Q-3	At the end of Q-4
NA cases	1.02%	0.88%	**0.77%**	0.64%
NR cases	1.14%	0.97%	0.82%	0.60%

Table 7.19: Status of NA/NR cases

	NA Cases	NR Cases
As on 31-03-2019	4.25%	4.64%
As on 31-03-2020	1.44%	4.16%
As on 31-03-2021	1.64%	13.29%
As on 31-03-2022	1.66%	0.90%
As on 31-03-2023	1.40%	0.93%
As on 31-03-2024	1.45%	0.66%
As on 31-03-2025	1.11%	0.98%
As on 31-08-2025	0.82%	1.10%

The Petitioner further submitted that it has identified the division wherein the NA and NR cases at the start of FY 2025-26 are more than 2% and targeted these cases during FY 2025-26 below 2%. The list of such division is as follows:

Table 7.20: Division-wise NA/NR cases

S. No.	Name of Division	NA and NR cases (%)
1.	EDD, Rudraprayag	9.96
2.	EDD, Badkot	9.81
3.	EDD, Laksar	9.65
4.	EDD, Bhikiyasain	7.14
5.	EDD, Narayanbagar	4.92
6.	EDD, Kotdwar	4.69
7.	EDD, Gopeshwar	4.44
8.	EDD, Tehri	4.03
9.	EDD, Dharchula	3.66
10.	EDD, Roorkee (R)	3.52
11.	EDD, Gairsain	3.48
12.	EDD Bhagwanpur	3.02
13.	EDD Vikasnagar	2.99
14.	EDD, Ranikhet	2.81
15.	EDD, Pauri	2.80

The Commission has noted the submissions of the Petitioner and **again directs the Petitioner to put its sincere efforts in reducing & maintaining the percentage NA/NR cases to below 2% in the entire State, failing which the concerned Chief Engineer (Distribution), Superintending Engineer (Distribution) and 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 further directs the Petitioner to restrict the provisional billing cases within the limit prescribed above as well as in Regulations (i.e. 4% for plain areas and 5% for hilly areas of the State), 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. Further, the Petitioner is directed to submit division-wise percentage revenue billed on provisional billing basis alongwith its monthly CPM reports.

7.1.23 *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 again directed to submit an Action Plan within a month of issuance of the Order including the steps it proposes to take for collecting electricity dues from the beginning of the financial year with same vigour as it normally does in the last quarter of the financial year.

Petitioner's Submission

The Petitioner submitted that the Committee for review and monitoring of matters related to Permanent disconnection as per provisions of policy on provisioning and writing off of bad and doubtful debts has been constituted and information of the same was given to the Commission vide UPCL's letter no. 3453/UPCL/RM/B-27, dated July 11, 2024. Further, as regards the difference in revenue arrears as per Annual Accounts and billing data base, the Petitioner submitted that it has assigned the work of reconciliation of arrears shown differently in various records to M/s KG Somani & Co. LLP Charted Accountants who submitted his report in June 2023 and pointed out the difference in electricity arrears in various records of UPCL as follows:

Particulars	Amount (Rs. Cr)
Arrears as per Audited Accounts	1462.65
Arrears as per Ledger	2910.09
Arrears as per Commercial Diary	2201.53

The Petitioner further submitted that as per the report of the Consultant, the arrears as on 31.03.2023 was Rs. 1614.68 Crore. The corrective action on the report of the consultant is in progress. The Petitioner submitted that as per Audit report the summary of the balance which are irrecoverable and to be kept separately apart from normal balances in R-APDRP billing module has been arrived as follows:

a. Govt. Balances

Type of Consumer	Amount (Rs. Crore)
RTS-3A (Public Lamps)	20.77
RTS-3B (Govt. Irrigation System)	320.40
RTS-3C (Public Water Works)	720.35
Total	**1061.52**

b. Non-Govt. Balance

Type of Consumer	Amount (Rs. Crore)
Non KCC Non Live more than 5 years, Balances less than 1 Lakh	257.88

The Petitioner submitted that Director (Operation) vide its letter dated July 22, 2023 forwarded the above report to the field units for taking corrective action as per the recommendation of the Auditor. The office of Director (Operation) vide its letters dated September 13, 2023, October 25, 2023 and January 29, 2024 reminded the field officers to take immediate action in the matter.

UPCL submitted that as per the direction of the Commission's letter no. UERC/6/TF-774/2025-26/2025/752 dated August 07, 2025 the list of defaulters having arrears exceeding Rs. 01 Lakh alongwith ageing of the same was submitted to the Commission vide its letter no. 7254/UPCL/RM/C-21, dated August 29, 2025 the summary of the same is as follows:

(Live Consumers)

Category	Upto 1 year		Above 1 year upto 3 year		Above 3 year upto 5 year	
	Rs. Cr.	No.	Rs. Cr.	No.	Rs. Cr.	No.
RTS-1 : Domestic	1.57	830	1.20	748	1.19	789
RTS-1 A : Domestic Snowbound	0.01	1	0.01	1	-	
RTS-2 : Non-Domestic	3.84	1256	0.98	392	0.63	274
RTS-3A : Public Lamps	2.64	260	1.59	283	0.48	106
RTS-3B : GIS	35.17	1519	3.65	215	0.75	46
RTS-3C : PWW	62.60	1729	5.52	336	2.73	90
RTS-4 : Private Tube Wells/Pumping Sets	0.87	444	0.65	340	0.52	306
RTS-4A : Agriculture Allied Activities	0.09	48	0.03	14	0.01	4
RTS-5 : LT& HT Industry	7.56	735	1.40	197	0.72	94
RTS-6 : Mixed Load	0.27	11	0.01	2	-	-
RTS-7 : Railway Traction	0.20	2	-	-	-	-
RTS-8 : Electric Vehicle Charging Station	-	2	-	-	-	-
RTS-9 : Temporary Supply	0.47	107	0.09	37	0.06	24
Total	**115.30**	**6944**	**15.12**	**2565**	**7.10**	**1733**

(Non Live Consumers)

Category	Upto 1 year		Above 1 year upto 3 year		Above 3 year upto 5 year	
	Rs. Cr.	No.	Rs. Cr.	No.	Rs. Cr.	No.
RTS-1 : Domestic	0.01	8	0.14	53	0.18	80
RTS-2 : Non-Domestic	0.01	3	0.03	15	0.06	28
RTS-3A : Public Lamps	-	-	-	-	-	-
RTS-3B : GIS	-	-	0.01	4	0.01	1
RTS-3C : PWW	-	2	0.04	2	-	-
RTS-4 : Private Tube Wells/ Pumping Sets	-	2	-	3	0.01	10
RTS-4A : Agriculture Allied Activities	-	-	-	-	-	-
RTS-5 : LT& HT Industry	0.02	5	0.11	23	0.57	23
RTS-9 : Temporary Supply	-	-	-	2	-	1
Total	**0.04**	**20**	**0.33**	**102**	**0.84**	**143**

Category	Above 5 year		Total Arrears	
	Rs. Cr.	No.	Rs. Cr.	No.
RTS-1 : Domestic	3.65	2482	3.98	2623
RTS-2 : Non-Domestic	2.47	1110	2.56	1156
RTS-3A : Public Lamps	0.03	1	0.03	1
RTS-3B : GIS	0.10	8	0.12	13
RTS-3C : PWW	0.76	14	0.80	18
RTS-4 : Private Tube Wells/ Pumping Sets	2.01	808	2.03	823
RTS-4A : Agriculture Allied Activities	-	2	-	2
RTS-5 : LT& HT Industry	2.38	280	3.08	331
RTS-9 : Temporary Supply	0.02	11	0.03	14
Total	**11.42**	**4716**	**12.64**	**4981**

The Petitioner submitted that the division wise targets of billing efficiency, collection efficiency, AT&C Losses and revenue collection for FY 2025-26 have been fixed. The monitoring of division wise performance report for the month of July, 2025 has been submitted to the Commission vide UPCL's letter no. 8034/ CE (Comml.) / UPCL /SE-II/B-II/M-SSM, dated October 06, 2024.

The Petitioner further submitted that the division wise targets of billing efficiency, collection efficiency, AT&C Losses and revenue collection for FY 2025-26 have been fixed vide its letter no. 7347/UPCL/RM/L-17, dated September 01, 2025 and monitoring of division wise performance against the above targets is being done at Corporate Office on regular basis. The summary of these targets is as follows:

Type of Consumer	Amount (Rs. Crore)
Distribution Losses	10.19%
Collection Efficiency	100%
AT&C Losses	10.19%
Through Rate excluding FPPCA (Rs. / unit) Non-Govt. Category	Rs. 6.71 p.u.

Further, Petitioner submitted that all Chief Engineers (Distribution) have been directed to replace GI wires, if any in the network latest by the end of September, 2025 and to submit compliance under Affidavit. It further submitted that Periodical testing and monitoring of 33/11 KV Sub Stations and protection systems is being carried out by respective Executive Engineer test on regular basis.

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 for ensuring the collection of electricity electricity dues from the beginning of the financial year (prepare monthly report, analysis, issue corrective order, file the same) with similar efforts as it normally does in the last quarter of the financial year.**

7.1.24 *Conductor Augmentation*

The Commission directed to continue identifying 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, 2025 and submit a compliance report under affidavit on the same.

The Commission also directed the Petitioner to prepare and submit an action plan for checking and refurbishment of protection systems at various 33/11 kV substations latest by June 30, 2025.

Petitioner's Submission

The Petitioner submitted that all Chief Engineers (Distribution) have been directed to replace GI wires, if any in the network latest by the end of September, 2025 and to submit compliance under Affidavit. Further, periodical testing and monitoring of 33/11 kV Sub Stations and protection systems is being carried out by respective Executive Engineer test on a regular basis.

The Commission has noted the submissions of the Petitioner. **The Petitioner is again directed to continue identifying 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, 2026 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, 2026.**

7.1.25 *Procurement of Deficit Energy*

The Commission directed the Petitioner to ensure that actual power purchase to meet the deficit should not exceed the rate approved by the Commission in the relevant tariff orders at the 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. Moreover, the Commission also directed UPCL to minimize its reliance on short term procurement within 5% of its overall power requirement in the financial year.

Petitioner's Submission

The Petitioner submitted that it is committed to take prior approval of Commission for power purchase (to be done through Tender, LDC, UPC, Banking etc. – longer duration short term avenues) * above the prescribed rate of Rs. 4.93 per unit as specified in the Tariff Order 2025-26 (UPCL). Further, w.r.t. reduction of short term dependence, UPCL has already finalised the tender of Medium term procurement (500 MW) basis.

***Note:** The Petitioner mentioned that the Day Ahead & Real Time market has a very short-time bidding window and crucial timelines for the bid placement hence it is difficult to take prior approval of the same on daily (for DAM) /real time (for RTM) basis.

In view of the above, UPCL will share the information about the same in timely manner as per usual practice. Also, all the power purchase to be done through Tender/LDC/UPC/Banking etc. (longer duration short term avenues) where timelines are relaxed, prior approval of the Commission will be taken as per direction.

The Commission has noted the submissions of the Petitioner in this regard. **The Commission directs UPCL to ensure that actual power purchase to meet the deficit should not exceed the rate approved by the Commission in the relevant tariff orders at the 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. Moreover, the Commission also directs UPCL to minimise its reliance on short term procurement within 5% of its overall power requirement in the financial year in accordance with the prevailing MYT Regulations.**

7.1.26 *Analysis of Current Liabilities*

The Commission directed the Petitioner to carry out the age-wise analysis of its total current liabilities outstanding as on 31.03.2025 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 Submission

The Petitioner submitted that the ageing position of Creditors for Power Purchase is as follows:

Table 7.21: Ageing Position of Creditors

Age	31.03.2024 (Rs. Cr.)	31.03.2025 (Rs. Crore) (Provisional)
0 to 90 days	913.99	1801.20
91 to 120 days	NIL	NIL
More than 120 days	NIL	NIL
Total	**913.99**	**1801.20**

The Petitioner submitted that the age-wise position of Amount payable to GoU as on 31.03.2024 is as follows:

Table 7.22: Age-Wise Position of Amount Payable to GoU as on 31.03.2023

Particulars	0 to 90 days	91 to 120 days	More than 120 days	Total
Electricity Duty	104.47	33.57	192.77	330.81
Green Energy Cess	24.27	8.59	150.36	183.22
Free Power	229.41	-	1796.16	2025.57
Water Tax	63.53	42.33	1160.99	1266.85
Cess & Royalty	21.68	8.49	1122.30	1152.47
Total	**443.36**	**92.98**	**4422.58**	**4958.92**

The Petitioner further submitted that the age-wise position of Amount payable to GoU as on 31.03.2025 is as follows:

Table 7.23: Age-Wise Position of Amount Payable to GoU as on 31.03.2025

Particulars	0 to 90 days	91 to 120 days	More than 120 days	Total
Electricity Duty	109.83	34.03	93.95	237.81
Green Energy Cess	30.10	4.49	120.82	155.41
Free Power	267.61	0.00	2025.57	2293.18
Water Tax	158.10	0.00	1340.37	1498.47
Cess & Royalty	34.71	7.91	1271.23	1313.85
LADF	1.85	0.00	0.00	1.85
Total	**602.20**	**46.43**	**4851.94**	**5500.57**

The Commission has noted the submissions of the Petitioner in this regard. **The Commission directs UPCL to:**

- **Undertake an age-wise analysis of outstanding current liabilities as on 31.03.2025 clearly showing the ageing for past 1 year as '0-30 days, 31-90 days, 90 to 180 days, and 180 to 365 days' and for the outstanding liability beyond 1 year the ageing must be presented at yearly intervals.**
- **Assess the extent of liabilities that require immediate settlement versus those where excess provisions may exist, and**
- **Identify potential reversals of excess provisions, if any.**

The outcome of this analysis, along with actionable measures, should be submitted to the Commission within three months from the date of the Order.

7.1.27 *Voltage wise losses and cost*

The Commission **considering the ongoing smart meter deployment under the RDSS scheme, which will significantly enhance data accuracy and enable on-line energy audit & accounting, directs the Petitioner to compile and submit the voltage-wise loss data and voltage-wise cost of supply information alongwith next Tariff Petition.**

7.1.28 *Bad Debt*

The Commission directed the Petitioner to submit the division wise category wise details of actual bad debts written off till date within 2 months of the date of Order.

Petitioner's Submission

The Petitioner submitted that the details of division wise and category wise bad debts written off for FY 2022-23 and 2023-24 has been provided to the Commission vide UPCL's letter no. 4876/ UPCL/RM/C-21, dated 23.07.2025. The said information for FY 2024-25 has been submitted to the Commission vide UPCL's letter no. 10186/UPCL/RM/C-21, dated 06.12.2025.

The Commission has taken note of the submission made by the Petitioner.

7.1.29 *Inventory Management*

The Commission directed the Petitioner to submit the following details within one month from the date of Order failing which appropriate action will be initiated under the Act:

a) List of inventory as on 31.03.2025.

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 has been 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 Submission

The Petitioner submitted that the desired information is submitted to the Commission vide its letter no. 3857/UPCL/RM/C-21, dated 04.06.2025.

The Commission directs the Petitioner 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 31.3.2026.

(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 has been 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, along with the report of last physical verification. If physical verification is not being conducted

reasons for the same?

(f) Reasons for such high inventory levels and financing for the same?

7.1.30 *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. Prior approval of the Commission shall be obtained as and when required as per direction of the Commission.

It is also relevant to mention here that UPCL has also prepared a policy on power cuts. This policy was approved by the Board of UPCL in the meeting held on 23.07.2015 and also submitted to the the Commission. The policy is as follows:

Table 7.24: Policy for Load Shedding

<u>बिजली कटौती की नीति (पॉलिसी)</u>

1. सामान्यतः राज्य में कोई बिजली कटौती नहीं की जायेगी।
2. बिजली की मांग उपलब्धता से अधिक होने, राज्य के बाहर अथवा भीतर पारेषण/वितरण तंत्र के उपलब्ध न होने आदि आपातकालीन स्थितियों (Emegency Conditions) में राज्य में बिजली कटौती निम्नलिखित प्राथमिकता के अनुसार की जायेगी:

क्रम संख्या	औद्योगिक श्रेणी	अन्य श्रेणियां
1.	स्टील उद्योग/फरनेस उद्योग	ग्रामीण मैदानी क्षेत्र
2.	अविरल विद्युत आपूर्ति का चुनाव न करने वाले अन्य उद्योग	छोटे नगरीय मैदानी क्षेत्र
3.	अविरल विद्युत आपूर्ति का चुनाव करने वाले उद्योग	बड़े नगरीय मैदानी क्षेत्र
4.	–	पर्वतीय क्षेत्र
5.	–	राजधानी
औद्योगिक श्रेणी एवं अन्य श्रेणियों के मध्य बिजली कटौती का निर्णय दिन के समयकाल एवं इन श्रेणियों की बिजली आवश्यकता के अनुसार निदेशक (परिचालन) द्वारा प्रबन्ध निदेशक की सहमति से लिया जायेगा। शाम के पीक ऑवर्स की अवधि में अन्य श्रेणियों की तुलना में औद्योगिक श्रेणी को बिजली कटौती के लिये प्राथमिकता दी जायेगी।		

3. सभी पर्यटन/तीर्थ स्थल तथा स्वतंत्र पोषक से पोषित अस्पताल एवं पेयजल योजनाओं पर कोई विद्युत कटौती नहीं की जायेगी।
4. किसी भी क्षेत्र में लगातार एक नियत अवधि में बिजली कटौती 14 दिनों से अधिक नहीं की जायेगी।

सभी उद्योगों को माह में न्यूनतम औसत 18 घण्टे प्रतिदिन बिजली आपूर्ति सुनिश्चित की जायेगी।

The Commission has noted the submissions of the Petitioner. **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.**

7.1.31 *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 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 2025-26, failing which, the Commission may disallow power purchases so made while Truing up the ARR for FY 2025-26.

The Commission further directed the Petitioner to prepare its power purchase plan for the next three years 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. The Petitioner was 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 UPCL.

Petitioner's Submission

The Petitioner submitted that it is endeavouring to take prior approval of the Commission, in case the variation in power purchase quantum or total power purchase cost in any quarter is expected to exceed 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 2025-26. In fact, any anticipated deviation which may impact the cost and quantum is also being shared with the Commission as per usual practice. Further, three Years' Power Procurement Plan has already been shared with the Commission vide UPCL's letter no.-3570/UPCL/Dir.(Project)/UERC dated 17.05.2025.

The Petitioner further submitted that the details of power purchases for the first quarter of FY 2025-26 has been submitted to the Commission vide UPCL's letter no. 7315/UPCL/CE(Comml.)/PP-quarterly data, dated 30.08.2025.

The Commission has noted the submissions of the Petitioner in this regard. **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 2026-27 as indicated in the Table below, failing which, the Commission may disallow power purchases so incurred, while Truing up the ARR for FY 2026-27.**

7.1.32 *Replacement of Improper, Non-Functional, Stop/Stuck up defective or IDF Meters*

The Commission directed the Petitioner to restrict percentage defective meters (IDF) to 2% for plain areas and 3% for hilly areas, 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 Submission

The Petitioner vide its letter no. 3260/UPCL/RM/C-21, dated May 05, 2025 submitted that it had directed all the field officers to comply with this direction of the Commission, i.e. to restrict percentage of defective (IDF) meters to 3% for hilly areas and to 2% for plain areas.

Table 7.25: Quarter Wise Targets of IDF Cases for FY 2025-26

Particulars	At the end of Q-1	At the end of Q-2	At the end of Q-3	At the end of Q-4
IDF cases	1.33%	1.16%	0.96%	0.79%

Table 7.26: Status of Defective Meters

As on 31-03-2019	3.52%
As on 31-03-2020	2.96%
As on 31-03-2021	2.15%
As on 31-03-2022	1.95%
As on 31-03-2023	1.25%
As on 31-03-2024	1.68%
As on 31-03-2025	1.50%
As on 31-08-2025	1.59%

The Petitioner submitted that it is clear that the IDF cases are within limit as specified by the Commission. The Petitioner further submitted that it has identified those divisions where the IDF cases at the start of FY 2025-26 are beyond limit specified by the Commission. These divisions are as follows:

"Percentage defective meters as on 2024-25 in respect of divisions Rudraprayag (6.50%), Gaisain (5.90%), Bhikiyasain (5.52%) , Bageshwar (5.03%), Ranikhet (4.26%), Badkot (3.64%), Laksar (3.64%), Haldwani (Urban) (2.46%), Sitarganj (2.16%)".

The Petitioner submitted that it has targeted to reduce the IDF cases in the above division as per limit specified by the Commission.

The Commission has noted the submissions of the Petitioner and **directs the Petitioner to restrict percentage defective meters (IDF) to 2% for plain areas and 3% for hilly areas, 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.**

7.1.33 *Status of Revenue realization per unit sold*

The Commission directed 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 & realisation against past dues, failing which appropriate action shall be initiated against the Petitioner/Licensee. The Petitioner was also directed to upload these reports on its website so that the same is accessible to all the consumers, failing which appropriate action may be taken against the officer responsible.

Petitioner's Submission

The Petitioner submitted that the desired information is being provided to the Commission as per direction.

The Commission's observation in this regard has been detailed at Chapter 6 of this Order.

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 & realisation against past dues, failing which appropriate action shall be initiated against the Petitioner/Licensee.

7.1.34 *Departmental Employees*

The Commission directed the Petitioner to continue showing the expenses incurred on account of concessional supply separately as expenses in its accounts.

Petitioner's Submission

The Petitioner submitted that the concession in electricity provided to the employees and pensioners are regularly being booked by various units as employee costs under the separate GL 75.625 'Electricity Expenses on Departmental Employees/ Pensioners'.

The Commission has taken note of the submission made by the Petitioner. **The Commission, hereby, once again directs the Petitioner to continue showing the expenses incurred on account of concessional supply separately as expenses in its accounts.**

7.1.35 *Depreciation*

The Commission **directs the Petitioner to claim depreciation in line with its practice followed in the accounts as it capitalizes the assets on the last day of the Financial Year or submit proper justification that the accounting policy has changed along with justifying the capitalization claimed as reflected in its accounts with date of capitalization.**

7.1.36 *Energy Audit*

The Commission directed the Petitioner to provide/maintain the metering system including communication system at each feeder, 'T' points, DTs and consumers in its distribution network for effective energy auditing and accounting. Further, the Petitioner is directed to submit energy audit report after BoD approval in accordance with Sub-Regulation (3) of the Regulation 3.16 of UERC (Distribution Code) Regulations, 2018 in the respect of Electricity Distribution Circles (EDCs) namely EDC Roorkee, EDC Rudrapur, EDC Kashipur, EDC Haldwani, EDC Haridwar, EDC Dehradun (Urban) and EDC Dehradun (Rural) latest by 30.04.2025. For rest of EDCs, report shall be submitted by 30.06.2025.

Petitioner's Submission

The Petitioner submitted that work of Smart Metering will be covered under RDSS Scheme which will include Smart Metering of 33&11 KV feeders, DTs. (excluding agricultural and 16 KVA Transformers) and Consumers. However, UPCL is doing Energy auditing and accounting as per norms prescribed by BEE. Further, the Petitioner in its response to compliance to directives in its instant Petition submitted *"The energy Audit Report in respect all EDCs shall be provided to the Hon'ble Commission shortly".*

The Regulation 3.16 (3) 'Energy Audit' of UERC (Distribution Code) Regulations, 2018 stipulates that distribution licensee is required to carry out energy audit of total system by compiling data and analysis of each substations and feeders within each distribution division/sub-division. Therefore, the Commission vide its letter dated 14.02.2025 had directed the Petitioner to submit energy audit report in accordance with Sub-Regulation (3) of the Regulation 3.16 of UERC (Distribution Code) Regulations, 2018 in the respect of Electricity Distribution Circles (EDCs) namely EDC Roorkee, EDC

Rudrapur, EDC Kashipur, EDC Haldwani, EDC Haridwar, EDC Dehradun (Urban) and EDC Dehradun (Rural) latest by 30.04.2025. For rest of EDCs, report were to be submitted by 30.06.2025. Further, the Commission vide its Tariff Order dated 11.04.2025 had directed the Petitioner to submit the desired Energy Audit Reports of EDCs within the aforesaid stipulated timeline. On non-receipt of the desired Energy audit reports, the Commission vide its reminder letter dated 05.08.2025 had again directed the Petitioner to submit the Energy audit reports of all EDCs by 29.08.2025.

Despite continuous issuance of directions by the Commission to the Petitioner for submission of Energy Audit Reports of its all EDCs, the Petitioner has repeatedly failed to comply with the directions of the Commission. This shows callous and indifferent approach of the Petitioner towards the directions of the Commission. The Commission has taken the matter seriously and is now giving the final opportunity for submission of the desired Energy Audit Reports.

Therefore, the Petitioner is directed to submit energy audit report in accordance with Sub-Regulation (3) of the Regulation 3.16 of UERC (Distribution Code) Regulations, 2018 in respect of all Electricity Distribution Circles (EDCs) latest by 30.06.2026 together with analysis of action plan for eliminating and deficiencies or shortcomings found. Further, the Petitioner is again directed to provide/maintain the metering system including communication system at each feeder, 'T' points, DTs and consumers in its distribution network for effective energy auditing and accounting.

7.1.37 *Submitting the Correct Information*

The Commission directed the Petitioner to submit the correct information/figures/data before the Commission within the stipulated time frame after thorough check by the concerned officers of the Petitioner.

Petitioner's Submission

The Petitioner submitted that the concerned officers have been directed to properly check the information before submitting the same to the Commission.

The Commission is of the view that merely passing instructions/directions down the organisational hierarchy would not serve the purpose. The information brought before the Commission has to be cross-checked at the corporate level and only correct information should be furnished before the Commission. The Commission is deeply concerned about the superficial replies being furnished by the Petitioner and, thus, cautions the Petitioner that the practices of furnishing the unvalidated/ incorrect information before the Commission should be strictly avoided, and this should not be repeated in future else appropriate action under the Act/Rules/Regulations would be initiated. **Therefore, the Commission directs the Petitioner to submit the correct information/figures/data before the Commission within the stipulated time frame after thorough check by the concerned officers of the Petitioner.**

7.1.38 *Continuous Supply*

The Commission directed the Petitioner to ensure that consumers opting for continuous supply gets uninterrupted supply of electricity except for load shedding required due to emergency break-down/shut-down failing which action may be initiated against it under the Electricity Act, 2003.

Petitioner's Submission

The Petitioner submitted that the continuous supply of electricity is being provided to the consumers as per the provisions of the Tariff Order dated April 11, 2025.

The Commission has taken note of the submission made by the Petitioner. **The Commission again directs the Petitioner to ensure that consumers opting for continuous supply gets uninterrupted supply of electricity except for load shedding required due to emergency break-down/shut-down failing which action may be initiated against it under the Electricity Act, 2003.**

7.1.39 *Billing Cycle*

The Commission directed to ensure that a consumer gets a clear 15 days time for payment of bills from receipt of bill without attracting the levy of DPS.

Petitioner's Submission

The Petitioner submitted that the due date for bills is being kept as + 15 days from the date of issuance of bills. The bills are also delivered through e-mail to the consumers having valid e-mail id registered in billing software. SMS alerts for bills generation are also sent to consumers with a link to view & pay bills through UPCL website. Consumers can also view his bill by creating login on web portal & mobile app of UPCL.

The Commission's observation in this regard has been detailed at Chapter 6 of this Order. **The Commission again directs the Petitioner to ensure that a consumer gets a clear 15 day's time for payment of bills from receipt of bill without attracting the levy of DPS.**

7.1.40 *Deficit Power Purchase*

The Commission has restricted the purchase of power from short term sources to 5% of the total energy availability at State Periphery, in line with the provisions of the MYT Regulations, and considered the procurement of balance deficit power through Medium/Long term sources. The Commission, accordingly, directed the Petitioner to prepare its power procurement in line with the above approach and submit the same to the Commission within one month from the date of this Order.

Petitioner's Submissions

UPCL submitted that it is working in line with the directions of Commission to reduce short term dependence. A 500 MW medium term procurement has been finalised to achieve the Commission's directions. Ten Years' Procurement plan considering medium, long and probable upcoming capacities has been already shared with the Commission.

The Commission has noted the submissions of the Petitioner. **The Commission directs the Petitioner to put its sincere efforts to procure the deficit energy primarily through banking adjustments thereby optimizing the cost of power purchase and reliable power keeping minimal reliance on short term/Exchange procurement. The Commission further clarifies that the return banking percentage estimated by the Commission may not in any way be construed to be a blanket approval for percentage of return banking, and the Petitioner is required to put in sincere efforts to get the best terms & conditions available in the market.**

7.1.41 *Employee Expenses*

The Commission directs UPCL to book the Salary paid to all the employees- regular and outsourced under employee expenses. UPCL is directed to submit the basis of recruiting outsourced employees along with any policy for the same within 1 month of the date of order.

Petitioner's Submissions

The Petitioner submitted that as per the direction of the Commission separate GL (s) have been created under Employee Cost for booking of payment to outsourced employees. The information regarding basis of recruiting outsourced employees have been submitted to the Commission vide UPCL's letter no. 3892/UPCL/RM/C-21, dated 09.06.2025.

The Commission has taken note of the submissions made by the Petitioner. The Commission observed that, UPCL has submitted that it has booked the salary of outsourced employee in a separate

General Leger in the line with the direction given by the Commission in the previous Tariff Order. **In this regard, the Petitioner is directed to submit the compliance of the same for FY 2025-26 duly supported by accounting records within one month of the date of the order.**

The Commission further directs UPCL to frame a policy for internal recruitment of outsourced employees being currently done at the field levels and submit the same to the Commission within two months of the date of order.

7.1.42 *Consumer Grievances*

The Commission directed the Petitioner to ensure that all the concerns raised by stakeholders are examined and prompt, time-bound action is taken to address them effectively. Compliance reports on the actions taken must be submitted to the Commission for review, ensuring transparency and accountability in the process within 3 months of the date of Order.

The Commission further directed the Petitioner to submit a factual position of the issues of financial irregularities raised by Shri Vijay Singh Verma and Shri Vishal Sharma within 3 months of the date of Order. UPCL was also directed to submit its comments on the issue of NOC raised by Shri Ram Kumar Agarwal, Director within 3 months of the date of this Order.

Petitioner's Submission

The Petitioner submitted that, action is taken by the officers of UPCL as per the prevailing rules and regulations.

The Commission has taken note of the submission made by the Petitioner. **The Commission directs the Petitioner to ensure accurate metering, timely resolution of billing complaints, and strengthening of consumer grievance redressal mechanisms.**

7.1.43 *Vigilance Drive*

The Commission directed the Petitioner to study the practice being adopted in other States to deal with the situation of harassment and assault while carrying out the vigilance drives/raids and submit an action plan within one month of the date of the issuance of the Order as to how it proposes to deal with the aforesaid issues.

Petitioner's Submission

The Petitioner submitted that steps has been taken for preparation of the said information and shall be provided to the Commission once it is finalized.

The Commission observes non-compliance of the direction in this regard and once again directs the Petitioner to study the practice being adopted in other States to deal with the situation of harassment and assault while carrying out the vigilance drives/raids and submit an action plan within one month of the date of the issuance of the Order as to how it proposes to deal with the aforesaid issues.

7.1.44 *Average Collection Period*

The Commission directed the Petitioner to submit within 3 months, an action plan to improve its collection period.

Petitioner's Submission

The Petitioner submitted that the targets of billing efficiency, collection efficiency and AT&C losses for FY 2025-26, as fixed by the Commission are as follows:

Particulars	As per UERC
Billing Efficiency	87.75%
Collection Efficiency	99.15%
AT&C Losses	13.49%

The Petitioner further submitted that the division wise targets of billing efficiency, collection efficiency, AT&C Losses and revenue collection for FY 2025-26 have been fixed vide UPCL's letter no. 7347/UPCL/RM/L-17, dated 01.09.2025. Further, monitoring of division wise performance against the above targets is being done at Corporate Office on regular basis. The summary of these targets is as follows:

Distribution Loss	10.19%
Collection Efficiency	100.00%
AT&C Loss	10.19%
Through Rate excluding FPPCA (Rs. / unit) Non-Govt. Category	Rs. 6.71 p.u

The Petitioner submitted that monitoring of division wise performance against the above targets is being done at Corporate Office on regular basis. The following action is being taken for increase in revenue collection:

a. Vigilance raids are being conducted and cases are being registered under Sections 126 and 135 of Electricity Act, 2003. Legal proceedings are being initiated against the person(s) who is 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 of high value consumers.

e. Android based billing has been introduced for improvement in Billing Efficiency.

f. Electricity connections of defaulting consumers are being disconnected on regular basis.

g. Actions are being taken against the defaulting consumers under Section 3 and 5 of the Uttarakhand (U.P. Government Electricity undertakings (Dues Recovery) Act, 1958) Adaptation and Modification order, 2002 for recovery of revenue arrears.

h. Implementation of prepaid metering is in process under RDSS scheme.

The Commission has taken note of the submission made by the Petitioner. **The Commission again directs UPCL to formulate and submit a time-bound action plan aimed at achieving improvement in the receivable cycle, within 3 months of the date of Order.**

7.1.45 *Transfer Scheme*

The Commission directed the Petitioner to claim the impact of Transfer Scheme in the next tariff filing failing which this claim shall not be allowed by the Commission as the matter cannot be left lingering on till perpetuity.

Petitioner's Submission

The Petitioner submitted that the copy of UPCL letter no. 3970/UPCL/RM/H-4, dated 11.06.2025 was provided to the Commission vide UPCL's letter no. 7254/UPCL/RM/C-21, dated 29.08.2025. The Petitioner vide its said letter has provided the details to GoU of reasons adversely affecting the liquidity of the Company and requested GoU to take necessary decision in the matter.

The Commission has taken note of the submission made by the Petitioner. **The Commission, giving one last opportunity to the Petitioner, directs it to claim the impact of the transfer scheme, if any, alongwith the next tariff filing failing which the Commission will not consider any impact of the same as the matter cannot be left lingering on till perpetuity.**

7.1.46 *Wheeling Charges and CSS*

The Commission directed the Petitioner to ensure 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 Submission

The Petitioner submitted that the Zonal Accounts Officers have been instructed to ensure booking under the following head in their subordinate offices in books of accounts:

a. GL 61.511: Wheeling Charges (L&T Power above 100 HP).

b. GL61.512: Cross subsidy surcharge (L&H Power above 100 HP).

c. GL 61.512A: Additional surcharge (L&H Power above 100 HP).

The Petitioner submitted that as per the direction of the Commission wheeling charges and cross subsidy surcharge is being shown separately in non-tariff income in the true-up petition/claim.

The Commission has noted the compliance of the Petitioner. **The Commission again directs the Petitioner to ensure 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.**

7.1.47 *Monthly FPPCA charges*

The Commission is directed to UPCL to ensure to publish the monthly FPPCA charges alongwith the computations of the same on its website.

Petitioner's Submission

The Petitioner submitted that the Orders of FPPCA are being regularly posted on the website of UPCL immediately after issuance of the same.

The Commission has already directed the Petitioner to upload the details of the FPPCA to be charged from the consumers latest by 28th of each preceding month. **Accordingly, UPCL is directed to take note of the same and ensure strict compliance of the directives.**

7.1.48 *RPO*

UPCL is directed to ensure compliances of the RPO targets fixed by the Commission in its Regulations and accordingly facilitate in the development of renewable sources of energy with the State namely soar, wind, battery storage, PSP etc.

Petitioner's Submission

The Petitioner submitted that RPO targets as per the UERC RE Regulations, 2023 has already been complied by UPCL for FY 2024-25, the details of the same are as follows:

S. No.	Particulars	MU
1	Total Energy Consumption (MU)	17286.01
2	**RPO Target**	**5168.52**
2.1	Wind (0.67%)	115.82
2.2	HPO (0.38%)	65.68
2.3	Distribution RPO (0.75%)	129.65
2.4	Other RPO (28.10%)	4857.37
3	**Actual RE Consumption**	**9045.18**
3.1	Wind (1.15%)	198.10
3.2	HPO (2.47%)	427.05
3.3	Distribution RPO (3.68%)	636.9
3.4	Other RPO (45.03%)	7783.13

The Petitioner further submitted that the expected status of RPO for FY 2025-26 has been submitted to the Commission vide UPCL's letter no. 1614/UPCL/Com/RPO/CE, dated 25.03.2025, as per details given hereinbelow:

S. No.	Particulars	MU
1	Total Energy Consumption (MU)	19093
2	**RPO Target**	**6302.60**
2.1	Wind (1.45%)	276.85
2.2	HPO (1.22%)	232.93
2.3	Distribution RPO (1.05%)	200.48
2.4	Other RPO (29.29%)	5592.34
3	**Actual RE Consumption**	**9968**
3.1	Wind (1.04%)	190
3.2	HPO (2.24%)	915
3.3	Distribution RPO (3.34%)	726
3.4	Other RPO (40.76%)	8137

UPCL is directed to ensure compliances of the RPO targets fixed by the Commission in its Regulations and accordingly facilitate in the development of renewable sources of energy with the State namely soar, wind, battery storage, PSP etc.

7.1.49 *Updation of Information*

The Commission directed UPCL to display on its website any change in tariff and other charges within 3 days of the issue of any such order by the Commission.

Petitioner's Submission

The Petitioner submitted that all orders related to tariff and other charges are being regularly posted on the website of UPCL as per direction of the Commission.

The Commissions has taken note of the submission made by the Petitioner. **The Commission directs UPCL to ensure timely publication of Commercial Diary, System Energy Reports, and reliability indices, in its website in accordance with the time lines laid down by the Commission. Further, the Commission directs UPCL to upload all its ensuing Tariff Petitions on its website in proper searchable formats. Further, the Commission also directs UPCL to display on its website any change in tariff and other charges within 3 days of the issue of any such order by the Commission.**

7.1.50 *Maintenance of Distribution Infrastructure*

The Commission directed UPCL to take corrective measures, including ensuring proper earthing of poles, covering of lines passing through public areas with insulated conductors, and conducting regular lopping and chopping of vegetation near overhead lines, particularly in forested areas and also regular maintenance of its assets, to prevent future incidents.

Petitioner's Submission

The Petitioner submitted that vide its letter no. 3260/UPCL/RM/C-21, dated 05.05.2025, it directed all the field officers to comply with this direction of the Commission, i.e. to take corrective measures, including ensuring proper earthing of poles, covering of lines passing through public areas with insulated conductors, and conducting regular lopping and chopping of vegetation near overhead lines, particularly in forested areas and also regular maintenance of its assets, to prevent future incidents.

25, it directed all the field officers to comply with this direction of the Commission, i.e. to take corrective measures, including ensuring proper earthing of poles, covering of lines passing through public areas with insulated conductors, and conducting regular lopping and chopping of vegetation near overhead lines, particularly in forested areas and also regular maintenance of its assets, to prevent future incidents.

The Commission has taken note of the submission made by the Petitioner. **The Commission again directs the Petitioner to take corrective measures, including ensuring proper earthing of poles, covering of lines passing through public areas with insulated conductors, and conducting regular lopping and chopping of vegetation near overhead lines, particularly in forested areas and also regular maintenance of its assets, to prevent future incidents.**

7.1.51 *Monthly Billing*

The Petitioner was directed to submit a time frame within which monthly billing will be introduced for domestic consumers in the State within 3 months of the date of this Order.

Petitioner's Submission

As per the direction of the Commission, the Petitioner is in process to convert the billing of domestic consumers from bimonthly basis to monthly basis. The updated status of conversion of bimonthly billing to monthly billing is as follows:

S. No.	Particulars	Office order no. with date
1.	**Orders regarding monthly billing of domestic consumers having load above 4 kW**	O.M. No. 2658/ UPCL/RM/L-20, dated 20.08.2019 and O.M. No. 2029/UPCL/RM/F-4, dated 30.07.2020
2.	**Orders regarding monthly billing of domestic consumers having load upto 4 kW in the following divisions:**	O.M. No.3 416/UPCL/ RM/F 4, dated 29.12.2022
i.	Electricity Distribution Division (Centre), Dehradun	
ii.	Electricity Distribution Division, Rishikesh	
3.	**Orders regarding monthly billing of domestic consumers having load upto 4 kW in the following divisions:**	O.M. No. 2366/UPCL/RM/F-4, dated 17.05.2023
i.	Electricity Distribution Division (Urban), Haridwar	
ii.	Electricity Distribution Division, Kashipur	
iii.	Electricity Distribution Division, Jaspur	
iv.	Electricity Distribution Division, Bajpur	
v.	Electricity Distribution Division, Sitarganj	
vi.	Electricity Distribution Division, Khatima	
vii.	Electricity Distribution Division (I), Rudrapur	
4.	**Orders regarding monthly billing of domestic consumers having load upto 4 kW in the following divisions:**	O.M. No. 3223/ UPCL/ RM/F-4, dated 04.07.2023
i.	Electricity Distribution Division, Bhagwanpur	
ii.	Electricity Distribution Division (Ramnagar), Roorkee	
iii.	Electricity Distribution Division (Urban), Roorkee	
iv.	Electricity Distribution Division (Urban), Haldwani	
v.	Electricity Distribution Division, Ramnagar	
vi.	Electricity Distribution Division, Kichha	
vii.	Electricity Distribution Division, Doiwala	
viii.	Electricity Distribution Division (Rural), Haldwani	
ix.	Electricity Distribution Division (Rural), Roorkee	
x.	Electricity Distribution Division, Jwalapur	
xi.	Electricity Distribution Division, Laksar	
5.	**Orders regarding monthly billing of domestic consumers having load upto 4 kW in the following divisions:**	O.M. No. 4369/ UPCL/ RM/F-4, dated 15.09.2023
i.	Electricity Distribution Division (South), Dehradun	
ii.	Electricity Distribution Division, Mohanpur	
iii.	Electricity Distribution Division (II), Rudrapur	
iv.	Electricity Distribution Division, Nainital	
6.	**Orders regarding monthly billing of domestic consumers having load upto 4 kW in the following divisions:**	O.M. No. 4762/ UPCL / RM/F-4, dated 07.10.2023
i.	Electricity Distribution Division, Almora	

The Petitioner submitted that there are bi-monthly billing in domestic category in the following divisions:

a. Electricity Distribution Division, Raipur

b. Electricity Distribution Division (North), Dehradun

c. Electricity Distribution Division, Vikasnagar

d. Electricity Distribution Division, Badkot

e. Electricity Distribution Division, Tehri

f. Electricity Distribution Division, Uttarkashi

g. Electricity Distribution Division, Srinagar

h. Electricity Distribution Division, Pauri

i. Electricity Distribution Division, Kotdwar

j. Electricity Distribution Division, Nainidanda

k. Electricity Distribution Division, Narayanbagarh

l. Electricity Distribution Division, Gairsain

m. Electricity Distribution Division, Gopeshwar

n. Electricity Distribution Division, Rudraprayag

o. Electricity Distribution Division (Rural), Haridwar

p. Electricity Distribution Division, Bageshwar

q. Electricity Distribution Division, Ranikhet

r. Electricity Distribution Division, Bhikyasain

s. Electricity Distribution Division, Champawat

t. Electricity Distribution Division, Pithoragarh

u. Electricity Distribution Division, Dharchula

Hence, it is clear that all the division of plain area have already been covered under monthly billing in domestic category and there is manpower issue in implementation of monthly billing in hilly area.

The Commission, from the compliance submitted by UPCL, observes that since October, 2023, non action has been taken by UPCL to convert bi-monthly billing in monthly billing in the remaining divisions. Besides, UPCL's submission is incorrect that all the divisions in the plain areas have been covered under monthly billing. EDD Raipur, EDD Dehradun (N), EDD Haridwar (R) lie in the plain areas.

The Commission has taken note of the submission made by the Petitioner. **The Commission again directs the Petitioner to submit a time frame within which monthly billing will be introduced for all the domestic consumers in the State within 3 months of the date of this Order.**

7.1.52 *Provision for Bad Debts*

The Commission directed UPCL to submit details as specified by the Commission in its tariff Order dated March 28, 2024 regarding provision for bad and doubtful debts. Failure to comply with this directive will result in the disallowance of such provisions/ write-offs during truing up of FY 2025-26.

Petitioner's Submission

The Petitioner submitted that the required information has been provided to the Commission vide UPCL's letter no. 4876/UPCL/RM/C-21, dated 23.07.2025.

The Commission has taken note of the submission made by the Petitioner. **The Commission directs the Petitioner to submit its claim at the time of truing up, duly certified by Statutory Auditor along with specific approval of BoD justifying the write offs, and after ensuring that the due process as per the approved policy has been complied with. Failure to comply with this directive will result in the disallowance of such provisions/ write-offs during truing up of FY 2026-27. Further, any write offs of Bad Debts shall only be allowed after due reconciliation of arrears reflected in the books of accounts and that reflected in the commercial diary of UPCL. The Petitioner is also directed to comply with the aforesaid directive for FY 2025-26 as well.**

7.1.53 *LT Industry Consumers availing higher demand*

The Commission directed UPCL that any LT Industrial consumer with a sanctioned load ≤ 75 kW shall be required to pay demand charges as applicable to HT Industrial consumers on the entire recorded demand, for the billing month in which the consumer's recorded demand exceeds 100 kVA. Also, accordingly, the said demand charges shall now be applicable for calculation of excess load/ demand penalty as per the provisions of the Supply Code.

Petitioner's Submission

The Petitioner submitted that this provision has been implemented by incorporating the logic in the billing software

The Commission has taken note of the submission made by the Petitioner.

7.2 Fresh Directives

7.2.1 *Review of the Directives*

The Board of Directors of UPCL is directed to monitor the compliance of all directives issued by the Commission and ensure their timely implementation. The Managing Director of UPCL shall submit the status of actions taken on the directives issued by the Commission to the Board on a monthly basis within 15 days of the end of each month, with a copy to the Commission. The Board shall atleast quarterly review the status of compliance and a report incorporating the recommendations of the Board shall be submitted to the Commission within 30 days of the quarter's end.

7.2.2 *Billing and Collection analysis for FY 2024-25*

The Commission, accordingly, directs UPCL to carry out an in house study for the significant difference between the revenue approved by the Commission for FY 2024-25 and the actual revenue claimed by UPCL for FY 2024-25 despite an increase in actual sales claimed vis-à-vis that approved by the Commission, and submit the report of the study before the Commission within 3 month of the date of the Order (Refer 3.1.1).

7.2.3 *Capitalization and Efficiency Improvement*

The Commission observed that in some Electricity Distribution Divisions (EDDs) of UPCL the ABR is significantly lower than the ABR approved by the Commission in the Tariff Orders. The Petitioner has not been able to provide a plausible explanation for this. Furthermore, the Commission notes that UPCL has consistently incurred capital expenditure across all its EDDs claiming the same towards efficiency improvement. However, the benefit expected from these expenditures does not align with the actual performance reported by UPCL. **In this regard, the Commission directs UPCL to conduct a study analysing the impact of capital expenditure on the performance improvement of each division. This should result in a consequential improvement in the division-wise billing efficiency, collection of revenue and the recovery of the ABR in line with the tariff approved by the**

Commission. UPCL is required to submit the report of this study for the financial year 2025-26 within six months of the issuance of this Order. The Petitioner is further directed to conduct similar studies on a quarterly basis for the financial year 2026-27 and submit a report of the same within 45 days from the end of the respective quarter.

7.2.4 *Power Purchase Plan*

The Petitioner directs to meticulously plan its power procurement for the next year, i.e. FY 2026-27, and submit an action plan in this regard, stating how it plans to utilize the surplus power available against the estimated deficit, 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 (Refer 4.5.18).

7.2.5 *Capitalization*

The Commission directs UPCL to maintain proper and updated records of capital expenditure for the respective financial year, clearly segregating the same into the approved vis-à-vis actual expenditure. The Commission may, at any stage, call for such records for detailed scrutiny of the respective expenditures. The Petitioner is directed to ensure strict regulatory compliances failing which any such capitalisation will not be allowed by the Commission in future years (Refer 3.2.4).

The Commission further directs UPCL to submit all necessary details of the assets including EI clearance certificates alongwith the truing up Petition or latest before the conclusions of Public hearings, from the next truing up proceedings, failing which the Commission shall be constrained to consider only those submissions which have made before the conclusion of the hearings (Refer 3.2.4).

The Commission also directs UPCL, to submit the details of capitalization of new works and additional capitalization segregating those works which are within the original scope and otherwise separately during the truing up proceedings (Refer 4.16.6).

7.2.6 *Division wise details of disaster/calamity*

The Commission directs the Petitioner to submit the details of the disaster/calamity occurring in any distribution division alongwith the details of work to be carried out for reconstruction activities consequent to the disaster/ calamity within 15 days of the occurrence of

such disaster/ calamity (Refer 3.1.4.2).

7.2.7 *Constitution of Standing Committee for Monitoring High Loss Feeders*

The Commission observes that the performance improvement of UPCL in the High Loss feeder identified under the RAPDRP scheme has not been significant in the recent past since the scheme commenced. The Commission is of the view that measures must be put in place to realise the anticipated benefits. **Accordingly, UPCL is directed to constitute a standing committee for monitoring of the highest loss feeders. The committee shall identify 10 highest loss feeders and devise an action plan for monitoring and improvement of their performance. The list of identified feeders and the action plan shall be submitted to the Commission for approval within one month of the date of Order. After approval the committee shall commence its work as per the action plan on the identified feeders and submit its report along with recommendations and action taken for efficiency improvement within the timelines specified by the Commission in the approval.**

7.2.8 *Interchangeability of Funds*

The Commission directs UPCL to ensure that the amounts approved under the respective heads of ARR are strictly utilised for their intended purposes and shall not be interchanged or diverted to meet expenses under other ARR heads. Any benefit derived by UPCL from withholding funds shall be passed on to the consumers through appropriate tariff adjustments at the time of the truing-up of the respective year (Refer 3.2.5.1).

7.2.9 *Status of Danpur Substation*

The Commission directs UPCL to submit the status of Danpur Sub-station (Refer 2.28.3).

7.2.10 *Monitoring of Financial & Operational Performance*

The Commission directs the UPCL to identify each Electricity Distribution Circle (EDC) as a separate Strategic Business Unit for monitoring financial and operational performance on a periodic basis. Further, all the Electricity Distribution Divisions within each EDC shall be treated as a Profit Centre. Each Division shall prepare and submit its monthly budget requirement for capital and operational expenses for each month of the FY 2026-27 and submit the same to its respective EDC. The EDC shall analyse the requirements of its divisions and forward a consolidated budget to the Head Office of UPCL. This budget will be analysed and approved in line with the ARR approved by the Commission for the respective FY and a copy of the approved monthly budget will be

forwarded to the Commission within one month of the date of this Order.

Subsequently, EDCs shall regularly monitor the operational and financial performance of their divisions against the approved budget and submit a report of the same on a quarterly basis to the Commission within one month of the end of the respective quarter.

7.3 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 2026-27 annexed hereto as Annexure-1. These Tariffs will be effective from April 01, 2026.

(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.

(Prabhat Kishor Dimri) **Member (Technical)**	**(Anurag Sharma)** **Member (Law)**	**(M.L. Prasad)** **Chairman**

8. Annexures

8.1 Annexure 1: Rate Schedule Effective from 01.04.2026

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 88 kVA and up to 3 MVA shall be released at 11 kV or above, loads above 3 MVA and upto 10 MVA shall be released at 33 kV or above, loads above 10 MVA and upto 50 MVA shall be released at 132 kV or above, for loads above 50 MVA 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 confirming 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 in case of bi-monthly billing 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. 75/- p.m. for each 50 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 tche 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. Voltage Rebate/ Surcharge

(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 4.5% 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 8% 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 1.50% 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, online Bank Transfer (RTGS/NEFT/IMPS) etc. within 10 days from the date of issuance of the bill/ bill date.

(ii) A prompt payment rebate of 1.00% 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 etc., within 10 days from the date of issuance of the bill/bill date.

Provided that the prompt payment rebate shall be subject to cap of Rs 10,000/- per month for LT Consumers and Rs 1,00,000/- per month for HT consumers.

The prompt payment rebate as stated above shall, however, not be applicable for part payment of bills by the 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. 140/kW

Fixed Charges for contracted load = 30 x 140=Rs. 4200

Fixed Charges for excess load = 13x (2 x140) =Rs. 3640

Total Fixed Charges = 4200+3640= Rs. 7840

(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. 480/kVA

Demand Charges for contracted demand =2500 x 480=Rs. 1200000

Demand Charges for excess demand = 300x (2 x 480) =Rs. 288000

Total Demand Charges = 1200000+288000= Rs. 1488000

Provided that any LT Industrial consumer with a sanctioned load ≤ 75 kW shall be required to pay demand charges as applicable to HT Industrial consumers on the entire recorded demand, for the billing month in which the consumer's recorded demand exceeds 100 kVA. Accordingly, the said demand charges shall now be applicable for calculation of excess load/ demand penalty as per the provisions of the Supply Code.

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 from UPCL. In case the individual owner/occupier avails individual connection, the tariff as applicable for that category shall be levied.

(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

(i) 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.

(ii) 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, Dormatories, 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. 1.85/kWh
1.2) Other Domestic Consumers		
Upto 100 units per month	• Upto 1 kW-Rs. 75/kW/Month • Above 1 kW and upto 4 kW-Rs. 85/kW/month • Above 4 kW-Rs. 100/kW/month	Rs. 3.65/kWh
101-200 units per month		Rs. 5.25/kWh
201-400 units per month		Rs. 7.15/kWh
Above 400 units per month		Rs. 7.80/kWh
2) Single Point Bulk Supply	Rs. 120/kVA/month	Rs. 6.25/kVAh

** Fixed Charges based on sanctioned load*

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. 1.85/kWh
2) Non-domestic upto 1 kW		Rs. 1.85/kWh
3) Non-domestic more than 1 kW & upto 4 kW		Rs. 2.75/kWh
4) Non-Domestic more than 4 kW	Rs. 30/connection/month	Rs. 4.00/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 60 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) Charitable Institutions registered under the Income Tax Act, 1961 and whose income is exempted from tax under this Act.		
	(a) Upto 25 kW	Rs. 90/ kW	Rs. 6.00/ kWh
	(b) Above 25 kW	Rs. 100/ kVA	Rs. 5.85/ kVAh
1.2	**Other Non-Domestic Users**		
	(a) Small Non-Domestic Consumers with connected load upto 4 kW and consumption upto 60 units per month*.	Rs. 90 / kW	Rs. 5.75/ kWh
	(b) Government/Government Aided Educational Institutions with connected load upto 10 kW	Rs. 90/ kW	Rs. 6.00/ kWh
	(c) Others upto 25 kW not covered in 1.2(a) and (b) above.	Rs. 110 / kW	Rs. 7.75/ kWh
	(d) Above 25 kW	Rs. 115 / kVA	Rs. 7.80/ kVAh
1.3	Single Point Bulk Supply**	Rs. 130 / kVA	Rs. 7.80/ kVAh
1.4	Independent Advertisement Hoardings.	Rs. 140/kW	Rs. 8.60/kWh

** If consumption exceeds 60 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. Seasonal Consumers-Hotel

"Seasonal Consumer – Hotel & Restaurant", shall consist of Hotels, Restaurant, Resorts, and those Home Stays which are registered under the respective statute governing such commercial establishment, other than those covered under RTS-1. The Commission will issue a format of an application along with the procedure for such consumers, seeking seasonal benefit as mentioned herein below

The terms and conditions for Seasonal Consumers-Hotel are as follows:

i. **'Off-Season'** months for the Hotel Industry shall be from 1st of November to 31st of March next year.

ii. The consumers applying for Seasonal benefit shall have a Smart/TVM Meter installed in their premises.

iii. In cases where the maximum demand recorded during any off-season month is upto 10% of the Contracted Demand (CD), the fixed charges for off season month shall be computed on 10% of the Contracted Demand on the fixed rate of charge, as applicable during the normal period. In case where the maximum demand recorded during an off-season month exceeds 10% of the CD, the same shall not be treated as off-season month and, accordingly, all the charges shall be applicable as per the Rate Schedule.

iv. The off-season benefit shall not be available for those consumers who offsets its consumption through open access.

v. No load enhancement request shall be allowed during the off-season months.

4. Other Conditions

4.1 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.

4.2 All consumers above 25 kW shall necessarily have ToD Meters.

4.3 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.

4.4 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. 130/kVA/month	Rs. 7.85/ kVAh
Rural (Metered)	Rs. 120/kVA/month	Rs. 7.85/ 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.

2. Rate of charge

Category	Fixed Charges Rs./BHP/Month	Energy Charges Rs./kWh
RTS 4: PTW (Metered)	Nil	2.70

3. Payments of bills and Surcharge for Late Payment

The bills shall be raised for this category on a quarterly basis, i.e. for the period June to August, September to November, December to February, and March to May. The bills raised till December (for the quarter 'June to August' and 'September to November') may be paid by consumers 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, bills raised till June (for the quarter 'December to February' and 'March to May') may be paid by consumers either in lump-sum or in parts (not more than four times) 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, fisheries and other units growing flowers/vegetables, fruits including mushroom cultivation which does not involve any kind of processing of product except for storing and preservation. This schedule shall also apply for incidental agricultural processes confined to chaff cutter, thrasher, cane crusher and rice huller only.

2. Rate of charge

Category	Fixed Charges	Energy Charges
RTS 4(A): Agricultural Allied Services (Metered)		
Upto 25 kW	Nil	Rs. 3.80 / kWh
Above 25 kW & upto 75 kW	Rs. 75/kVA/month	Rs. 3.80 / kVAh
Above 75 kW	Rs. 100/kVA/month	Rs. 4.00 / kVAh

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 75 kW (100 BHP)	Rs. 5.75/kVAh		Rs. 185/ 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 50%	6.85	Rs. 410/kVA of the billable demand*
	Above 50%	6.60	
2.2 Contracted Load More than 1000 kVA	Upto 50%	6.85	Rs. 480/kVA of the billable demand*
	Above 50%	6.60	

** Billable demand shall be the actual maximum demand or 75 % 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	Solar hours	Evening Peak Hours	Normal Hours
Winters 01.10 to 31.03	0600-0900 hrs	0900-1700 hrs	1800-2200 hrs	2200-0600 hrs & 1700-1800
Summers 01.04 to 30.09	--	0900-1700 hrs	1800-2300 hrs	2300-0900 hrs & 1700-1800

The, ToD Rate of Energy Charges shall be as under:

For LT Industry

Energy Charge during		
Normal Hours	**Peak Hours**	**Solar Hours**
Rs. 5.75/kVAh	Rs. 7.48/kVAh	Rs. 4.46/kVAh

For HT Industry

Load Factor*	Energy Charge during		
	Normal Hours	**Peak Hours**	**Solar Hours**
Upto 50%	Rs. 6.85/kVAh	Rs. 8.91/kVAh	Rs. 5.31/kVAh
Above 50%	Rs. 6.60/kVAh	Rs. 8.58/kVAh	Rs. 5.12/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) Only Continuous Process Industry consumers operating 24 hours a day and for 7 days in a week without any weekly off 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 Continuous Process Industry 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) Continuous Process Industry 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 7.5% extra energy charges, in addition to the energy charges approved, w.e.f. April 01, 2026 till March 31, 2027. 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, 2026.

(iii) The existing Continuous Process Industry 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 consumers shall be applicable with effect from April 01, 2026 till March 31, 2027. 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 the 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, 2027, irrespective of actual period of continuous supply option.

(iv) The existing Continuous Process Industry 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, 2026 and they shall continue to pay continuous supply surcharge alongwith the tariff approved in this Order till April 30, 2026. 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.

(v) The non continuous process industrial consumers will not have an option to avail continuous supply. The existing non continuous process industrial consumers who have opted for continuous supply will get continuous supply only till 30th April, 2026 and they shall continue to pay continuous supply surcharge alongwith the tariff approved in this Order till April 30, 2026.

(vi) UPCL shall not change the status of a continuous supply feeder to a non-continuous supply feeder.

(vii) 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.

(viii) UPCL/PTCUL shall carry out the 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.

(ix) Continuous supply surcharge shall not be applicable on power procured by industrial consumers through open access.

(x) 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.

8. Billing Cycle for Large Industrial Consumers

UPCL shall raise the bills for large industrial consumers having Contracted Demand of 3 MVA and above on fortnightly basis (every 15 days).

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. 150/kVA/month	Rs. 7.30/kVAh

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
Rs. 330/-	Rs. 7.05

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 Electric Vehicle Charging Stations set up for providing Electric Vehicle Charging facilities.

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. 7.65

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

(i) The rate of charge for 1 (i) above shall be corresponding rate of charge in appropriate Schedule Plus 25%.

(ii) The appropriate rate schedule for the temporary supply for construction of house or any residential premises shall be RTS-1 and, accordingly, the rate of charge shall be rate applicable for RTS-1 plus 25%.

(iii) The following rate of energy and fixed charges shall apply for the temporary supplies for other construction works not covered above:

FixedCharges	Energy Charges
Rs./kVA/month	Rs./kVAh
---	Rs. 9.50

8.2 Annexure 2: Schedule of Miscellaneous Charges

<table>
<tr><th>Sl. No.</th><th colspan="3">Nature of Charges</th><th>Unit</th><th>Approved (Rs.)</th></tr>
<tr><td rowspan="3">1</td><td colspan="3">Checking and Testing of Meters</td><td></td><td></td></tr>
<tr><td colspan="3">a. Single Phase Meters</td><td>Per Meter</td><td>100.00</td></tr>
<tr><td colspan="3">b. Three Phase Meters</td><td>Per Meter</td><td>150.00</td></tr>
<tr><td rowspan="3"></td><td colspan="3">c. LT Tri-vector Meters</td><td>Per Meter</td><td>700.00</td></tr>
<tr><td colspan="3">d. 11 kV Tri-vector Meters</td><td>Per Meter</td><td>2,000.00</td></tr>
<tr><td colspan="3">e. 33 kV Tri-vector Meters</td><td>Per Meter</td><td>2,500.00</td></tr>
<tr><td>2</td><td colspan="3">Initial testing of Bidirectional / Net Meters</td><td></td><td></td></tr>
<tr><td rowspan="5"></td><td colspan="3">a. Single Phase Meters</td><td>Per Meter</td><td>200.00</td></tr>
<tr><td colspan="3">b. Three Phase Meters</td><td>Per Meter</td><td>300.00</td></tr>
<tr><td colspan="3">c. LT Tri-vector Meters</td><td>Per Meter</td><td>1000.00</td></tr>
<tr><td colspan="3">d. 11 kV Tri-vector Meters</td><td>Per Meter</td><td>1500.00</td></tr>
<tr><td colspan="3">e. 33 kV Tri-vector Meters</td><td>Per Meter</td><td>2000.00</td></tr>
<tr><td rowspan="3">3</td><td colspan="3">Replacement of Meters</td><td></td><td></td></tr>
<tr><td colspan="3">a. Installation of Meter and its subsequent removal in case of Temporary Connections</td><td>Per Job</td><td>150.00</td></tr>
<tr><td colspan="3">b. Changing of position of Meter Board at the consumer's request</td><td>Per Job</td><td>200.00</td></tr>
<tr><td rowspan="3">4</td><td colspan="3">Checking of Capacitors (other than initial checking) on consumer’s request:</td><td></td><td></td></tr>
<tr><td colspan="3">a. At 400 V/ 230 V</td><td>Per Job</td><td>300.00</td></tr>
<tr><td colspan="3">b. At 11 kV and above</td><td>Per Job</td><td>500.00</td></tr>
<tr><td>5</td><td colspan="3">Charges for special reading of consumer meter</td><td>Per Job</td><td>100.00</td></tr>
<tr><td rowspan="6">6</td><td rowspan="3">Nature of Charges</td><td rowspan="3">Unit</td><td colspan="3">Miscellaneous Charges* (Rs.) for Disconnection/Reconnection</td></tr>
<tr><td rowspan="2">Permanent Disconnection on consumer’s request</td><td colspan="2">For Non-payment of Dues</td></tr>
<tr><td>Disconnection</td><td>Reconnection</td></tr>
<tr><td>a. Consumer having load above 100 BHP/75 kW</td><td>Per Job</td><td>1000.00</td><td>500.00</td><td>500.00</td></tr>
<tr><td>b. Industrial and Non Domestic consumers upto 100 BHP/75 kW</td><td>Per Job</td><td>600.00</td><td>300.00</td><td>300.00</td></tr>
<tr><td>c. All other categories of consumers</td><td>Per Job</td><td>300.00</td><td>150.00</td><td>150.00</td></tr>
</table>

8.3 Annexure 3: Public Notice

UTTARAKHAND POWER CORPORATION LIMITED
(A Govt. of Uttarakhand Undertaking) CIN : U40109UR2001SGC025867
Victoria Cross Vijeyta Gabar Singh Urja Bhawan, Kanwali Road, Dehradun - 248001
E-mail ID: cgmupcl@yahoo.com, Website: www.upcl.org, Tel. No. : 0135-2768895, Fax No.: 0135-2768867

PUBLIC NOTICE

Inviting Comments on the Petition for True-up for FY 2024-25 and Annual Performance Review for FY 2025-26 and determination of Tariff for FY 2026-27 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 approval of its Annual Revenue Requirement (ARR) for FY 2026-27 and Determination of tariff for FY 2026-27 and has sought revision in Retail Tariffs to be charged from different category of electricity consumers in the State for FY 2026-27.
2. Through the above Petition, UPCL has also sought truing up of expenses for FY 2024-25 (based on audited accounts). The summary of the revised ARR and the revised revenue Gap for FY 2024-25 and projected ARR from FY 2026-27& projected Revenue gap for FY 2026-27 are given in the following Table:

(Figures in Rs. Crore)

S. No.	Particulars	FY 2024-25		FY 2025-26		FY 2026-27
		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 Expenses#	7609.36	7907.84	7539.52	8505.46#	9067.16#
2	UJVN Ltd. Arrears Gap /(Surplus)	(126.14)		613.46	-	-
3	SLDC charges	380.60	384.39	562.87	468.38	514.27
4	Transmission Charges- PTCUL					
5	Transmission Charges- PGCIL	765.82	591.82	720.61	695.03	754.23
6	O&M expenses	791.80	868.77	898.73	1138.10	1221.50
7	Smart Metering OPEX Expenses	-	-	167.24	258.47	327.72
8	Interest charges (including interest on consumer security deposit)	153.05	168.00	175.12	345.50	404.49
9	Depreciation	252.95	209.86	180.19	233.76	259.23
10	Return on Equity	197.80	252.33	227.62	289.06	329.19
11	Interest on Working Capital	142.26	181.40	124.85	206.60	209.00
12	Provisions for Bad and Doubtful Debt	-	-	109.85	117.55	125.48
13	Net Impact of Loss/(Gain) Sharing	-	(13.93)	-	-	-
14	Additional Claim of Pending Certificates till last year	-	318.48*	-	-	-
15	**Gross Expenditure**	**10167.51**	**10868.97**	**11320.06**	**12257.92**	**13212.28**
B.	Less: Non-tariff income	374.86	338.69	382.20	338.69	338.69
	True up impact of previous year Gap/(Surplus)	897.38	897.38	638.19	638.19	1711.45^
C.	**Aggregate Revenue Requirement**	**10690.03**	**11427.66**	**11576.05**	**12557.42**	**14585.04**
D.	Revenues from Existing/Approved Tariffs	**10763.68**	**10078.47**	**10985.39**	**-**	**12548.05**
E.	**Revenue Gap/(Surplus) (C –D)**	**-73.65**	**1349.19**	**590.66**	**-**	**2036.99**

#Including Water tax & RPO.
****including Carrying Cost of Rs. 107.65 Crore.***
^including Carrying Cost of Rs. 362.25 Crore.

3. UPCL has, accordingly, projected a total revenue gap of Rs. 2036.99Crore including truing up impact for FY 2024-25.
4. For FY 2026-27, UPCL has projected the distribution loss level of 12.25% based on the loss trajectory approved by the Commission in its MYT Order dated 11.04.2025.
5. For projecting the power purchase cost for FY 2026-27 from UJVN Ltd.'s stations, UPCL has considered charges as per their latest Tariff Orders. For Central Sector Generating Stations, UPCL has considered the Fixed Cost as per FY 2024-25 with no escalation, and the variable cost and other cost as per current year's actual charges with no escalation. 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 (excluding arrears) for FY 2024-25 escalated by 3%. For Intra-state transmission charges (PTCUL charges) and SLDC charges, UPCL has considered the ARR approved by the Commission for FY 2026-27 in its MYT Order dated 11.04.2025.
6. UPCL has proposed to recover the revenue gap of Rs. 2036.99Crore relating to true up for FY 2024-25 and projected ARR & tariff for FY 2026-27 through tariff hike in the FY 2026-27.
7. UPCL has, accordingly, proposed an average tariff hike of 16.23%in the existing retail tariffs of consumers.
8. Further, PTCUL, SLDC and UJVN Ltd. have also submitted their ARR and Tariff Petition for the FY 2026-27before the Commission. If all the claims as proposed are accepted by the Commission, it would necessitate a hike of 18.50%in consumer tariffs for FY 2026-27.
9. UPCL has proposed to revise the applicable tariffs for FY 2026-27 to meet the revenue gap of Rs. 2036.99Crore.
10. The tariff proposal to recover revenue gap without subsidy support is as below:

Consumer Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
RTS 1: Domestic Consumer				
1.1 BPL / Lifeline Consumers	18.00 Rs/Connection/Month	18.00 Rs/Connection/Month	1.85 Rs/kWh	1.94 Rs/kWh
1.2 Other Domestic Consumers				
Upto 1 kW				
(i) upto 100 Units/month	75 Rs/kW/Month	87Rs/kW/Month	3.65 Rs/kWh	4.23 Rs/kWh
(ii) 101-200 Units/month	75 Rs/kW/Month	87Rs/kW/Month	5.25 Rs/kWh	6.09 Rs/kWh
(iii) 201-400 Units/month	75 Rs/kW/Month	87 Rs/kW/Month	7.15 Rs/kWh	8.29 Rs/kWh
(iv) Above 400 Units/month	75 Rs/kW/Month	87 Rs/kW/Month	7.80 Rs/kWh	9.04 Rs/kWh
Above 1 kW and upto 4 kW				
(i) upto 100 Units/month	85 Rs/kW/Month	99.00 Rs/kW/Month	3.65 Rs/kWh	4.23 Rs/kWh
(ii) 101-200 Units/month	85 Rs/kW/Month	99.00 Rs/kW/Month	5.25 Rs/kWh	6.09 Rs/kWh
(iii) 201-400 Units/month	85 Rs/kW/Month	99.00 Rs/kW/Month	7.15 Rs/kWh	8.29 Rs/kWh
(iv) Above 400 Units/month	85 Rs/kW/Month	99.00Rs/kW/Month	7.80 Rs/kWh	9.04 Rs/kWh
Above 4 kW				
(i) upto 100 Units/month	100 Rs/kW/Month	116.00 Rs/kW/Month	3.65 Rs/kWh	4.23 Rs/kWh
(ii) 101-200 Units/month	100 Rs/kW/Month	116.00 Rs/kW/Month	5.25 Rs/kWh	6.09 Rs/kWh
(III) 201-400 Units/month	100 Rs/kW/Month	116.00 Rs/kW/Month	7.15 Rs/kWh	8.29 Rs/kWh
(iv) Above 400 Units/month	100 Rs/kW/Month	116.00 Rs/kW/Month	7.80 Rs/kWh	9.04 Rs/kWh
2. Single Point Bulk Supply	120 Rs/kVA/Month	140.00Rs/kVA/Month	7.50 Rs/kVAh	8.76 Rs/kVAh
RTS-1A: Snowbound				
1. Domestic	18.00 Rs/Connection/Month	21.00 Rs/Connection/Month	1.85 Rs/kWh	2.16 Rs/kWh
2. Non-Domestic upto 1 kW	18.00 Rs/Connection/Month	21.00 Rs/Connection/Month	1.85 Rs/kWh	2.16 Rs/kWh
3. Non-Domestic above 1 kW &upto 4 kW	18.00 Rs/Connection/Month	21.00 Rs/Connection/Month	2.75 Rs/kWh	3.21 Rs/kWh
4. Non-Domestic above 4 kW	30.00 Rs/Connection/Month	35.00 Rs/Connection/Month	4.00 Rs/kWh	4.67 Rs/kWh
RTS 2: Non-Domestic Consumer				
(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	90 Rs/kW/Month	105.00 Rs/kW/Month	6.00 Rs/kWh	7.01 Rs/kWh
1.2 Above 25 kW	100 Rs/kVA/Month	117 Rs/kVA/Month	5.85 Rs/kVAh	6.83 Rs/kVAh
2. Other non-Domestic Users				
2.1 Upto 4 kW and consumption upto 60 units per month	90 Rs/kW/Month*	113 Rs/kW/Month	5.75 Rs/kWh*	6.71 Rs/kWh

Consumer Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
2.2 Others upto 25 kW not covered in 2.1 above	110 Rs/kW/Month	129 Rs/kW/Month	7.75 Rs/kWh	9.05 Rs/kWh
2.3 Above 25 kW	115 Rs/kVA/Month	135 Rs/kVA/Month	7.80 Rs/kVAh	9.11 Rs/kVAh
3. Single Point Bulk Supply above 75 kW	130 Rs/kVA/Month	163 Rs/kVA/Month	7.80 Rs/kVAh	9.11 Rs/kVAh
4. Independent Advertisement Hoardings	140 Rs/kW/Month	163 Rs/kW/Month	8.60 Rs/kWh	10.04 Rs/kWh
RTS 3: Government Public Utilities				
1. Urban	130 Rs/kVA/Month	152 Rs/kVA/Month	7.85 Rs/kVAh	9.17 Rs/kVAh
2. Rural	120 Rs/kVA/Month	140 Rs/kVA/Month	7.85 Rs/kVAh	9.17 Rs/kVAh
RTS 4: Private Tubewells/Pumping Sets				
1. Metered			2.70 Rs/kWh	2.84 Rs/kWh
RTS- 4A: Agriculture Allied Services				
1. Metered (Upto 25 kW)			3.80 Rs/kWh	3.99 Rs/kWh
2.Metered (25 kW – 75 kW)	Rs 75/kVA/Month	Rs 88/ kVA/Month	3.80 Rs/ kVAh	3.99 Rs/ kVAh
3. Metered (above 75kW)	Rs 100/kVA/Month	Rs 117/kVA/Month	4.00 Rs/kVAh	4.20 Rs/kVAh
RTS 5: HT & LT Industry				
Total LT				
1. LT Industries (upto 75 kW)-Normal Hours	185 Rs/kVA/Month	185 Rs/kVA/Month	5.75 Rs/kVAh	6.71 Rs/kVAh
1.1 Normal Hour Charges			5.75 Rs/kVAh	6.71 Rs/kVAh
1.2 Peak Hour Charges			7.48 Rs/kVAh	8.73 Rs/kVAh
1.3 Off Peak Hour Charges			4.31 Rs/kVAh	5.03 Rs/kVAh
1. HT Industries (contracted load upto 1000 KVA)				
1.1 Load factor upto 40% -Normal Hours	410 Rs/kVA of billable demand	479 Rs/kVA of billable demand	6.45 Rs/kVAh	7.53 Rs/kVAh
1.2 Load factor above 40%- Normal Hours	410 Rs/kVA of billable demand	479 Rs/kVA of billable demand	6.85 Rs/kVAh	8.00 Rs/kVAh
1.3 Peak Hour Charges(Load Factor upto 40%)			8.91 Rs/kVAh	10.40 Rs/kVAh
1.4 Peak Hour Charges(Load Factor above 40%)			8.91 Rs/kVAh	10.40 Rs/kVAh
1.5 Off Peak Charges- Load Factor upto 40%			4.84 Rs/kVAh	5.65 Rs/kVAh
1.6 Off Peak Charges- Load Factor above 40%			5.14 Rs/kVAh	6.00 Rs/kVAh
2. HT Industries (above 1000 KVA)				
2.1 Load factor upto 40% -Normal Hours	480 Rs/kVA of billable demand	560 Rs/kVA of billable demand	6.45 Rs/kVAh	7.53 Rs/kVAh
2.2 Load factor above 40%- Normal Hours	480 Rs/kVA of billable demand	560 Rs/kVA of billable demand	6.85 Rs/kVAh	8.00 Rs/kVAh
3.1 Peak Hour Charges(Load Factor upto 40%)			8.91 Rs/kVAh	10.40 Rs/kVAh
3.2 Peak Hour Charges(Load Factor above 40%)			8.91 Rs/kVAh	10.40 Rs/kVAh
3.3 Off Peak Charges- Load Factor upto 40%			4.84 Rs/kVAh	5.65 Rs/kVAh
3.4 Off Peak Charges- Load Factor above 40%			5.14 Rs/kVAh	6.00 Rs/kVAh
3.5 Continuous Supply Surcharge				
RTS 6: Mixed Load				
Mixed Load Single Point Bulk Supply above 75 kW including MES as deemed licensee	150 Rs/kVA/Month	175 Rs/kVA/Month	7.30 Rs/kVAh	8.52 Rs/kVAh
RTS 7: Railway Traction				
Railway Traction	330 Rs/kVA/Month	413 Rs/kVA/Month	7.05 Rs/kVAh	8.23 Rs/kVAh
RTS 8: Electric Vehicle and Charging Station				
Electric Vehicle and Charging Station	-	-	7.65 Rs/kWh	8.03 Rs/kWh
RTS 9: Temporary Supply#				
Temporary supply for other construction works	-	-	9.50/kVAh	11.40/kVAh

** Upto 4 kW and consumption upto 60 units per month vide Tariff Order dated 11.04.2025*

 # The rate of charges for Temporary supply for other purposes shall be appropriate rate schedule plus 25%, and for construction of house or residential premises shall be RTS-1 plus 25%.

ToD charges for the Industries:

Industries	Rate of charge during		
	Normal hours	Peak hours	Off-peak hours
LT Industries	Rs. 6.71/kVAh	Rs. 8.73/kVAh	Rs. 5.03/kVAh
HT Industries with Load Factor			
Upto 40%	Rs. 7.53/kVAh	Rs. 10.40/kVAh	Rs. 5.65/kVAh
Above 40%	Rs. 8.00/kVAh	Rs. 10.40/kVAh	Rs. 6.00/kVAh

11. In addition, UPCL has also proposed the following:
(a) Continuation of prepaid metering scheme.
(b) Green Power Tariff for all consumer categories.
(c) Time of Day Tariffs for all consumer categories other than Agricultural consumers from FY 2027-28 based on the analysis of data from the smart meters.
(d) Continuation of rate schedule of HT Industry for LT industry consumers availing higher demand.
(e) Continuation of existing rebate on online payment of electricity bills.
(f) Insertion of single point bulk supply category under the rate schedule to RTS-2 (Non-Domestic -Government/Government Aided Educational Institutions), the tariff of which should be higher than the rate of single point bulk supply of domestic category.
(g) Energy charge hike is limited to 5% for BPL/Lifeline consumers, with no increase in fixed charges.
(h) An average hike of 15.72% is proposed for all slabs of the domestic category other than BPL.
(i) Average 16.89% hike in Non-Domestic category.
(j) An average 16.76% hike is proposed for the domestic - single point bulk supply category.
(k) Average 16.76% hike in Government Public Utilities category.
(l) Average 5.09% hike in Private tube wells category.
(m) Average 16.27% hike in Industrial category.
(n) No hike proposed in demand charges for LT industrial consumers.
(o) Average 16.75% hike in Mixed load category.
(p) Average 17.89% hike in Railway traction category.
(q) Average 5% hike in Electric vehicle and charging station category.
(r) 6.65% escalation equivalent to average of CPI and WPI is proposed in Miscellaneous charges.

12. Detailed Petition can be seen free of cost on any working day at the Commission's office or at the office of Chief Engineer (Commercial) at Victoria Cross Vijeta Gabar Singh Urja Bhawan, Kanwali Road, Dehradun/Chief Engineer (Distribution), Garhwal Zone, UPCL, Shivalik Complex, 2nd Floor, Near LIC Divisional Office, Haridwar Road, Dharmpur, Dehradun/Chief Engineer (Distribution), Kumaon Zone, UPCL, 132-KV Substation, Kathgodam, Haldwani/Chief Engineer (Distribution), Haridwar Zone, UPCL, Roshnabad,Haridwar/Chief Engineer (Distribution), Udhamsingh Nagar Zone, UPCL, 33KV Sub-Station, Sector-2, SIDCUL, Pantnagar, Rudrapur-263153, Distt. Udhamsingh Nagar. Relevant extracts can also be obtained from the above mentioned offices of the Petitioner. The Petition is also available at the website of the Commission **(www.uerc.uk.gov.in)** and at the Petitioner's website **(www.upcl.org)**.

13. 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 **31.01.2026.** 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 **31.01.2026.**

No. 843/EE(CM)/UPCL/A-2/ Dt. 31/12/2025 **Managing Director**

"SAVE ELECTRICITY IN THE INTEREST OF THE NATION" Use L.E.D. Bulb to save Electricity.
(Toll-Free No. 1912) "Pay Electricity bill online 24x7 from www.upcl.org".
(For Information on Electricity theft; Informer may report to Toll free No. 1800 180 4185 / Fax No. 0135-2760911)

8.4 Annexure 4: List of Respondents

Sl. No.	Name	Designation	Organization	Address
1.	Lt. Gen. Dr. S.P. Kochhar	Director General	Cellular Operators Association of India (COAI)	14, Bhai Veer Singh Marg, New Delhi–110001.
2.	Sh. Ashish Dhyani	-	-	Haridwar Dehradun Highway, Lane No. 11, Chidderwala, Rishikesh-249204, Dehradun, Uttarakhand.
3.	Sh. Ashok Shukla	-	M/s V.N. Plastics Pvt. Ltd.	Khasra No. 231, Village-Nalheri Dehviran, Near Ultratech Cement Plant, Puhana Gurukul Marg, Bhagwanpur, Roorkee, Distt. Haridwar.
4.	Sh. Vasudev Shah	-	-	-
5.	Sh. Sudhir Kumar Saini	Manager	Opto Electronics Factory	C/o Chief General Manager, Raipur, Dehradun-248008, Uttarakhand.
6.	Sh. Jamna Prasad Dogra	-	-	S/o Sh. Hansraj Dogra, House No. 135, Village & PO-Langha, Vikasnagar, Dehradun-248125, Uttarakhand.
7.	Sh. Chetan Pant	-	-	Surbhi Colony, Bhagwanpur Jaisingh, Haldwani-263139, Distt. Nainital.
8.	Sh. Tushar Agrawal	-	Maa Sheetla Ventures Ltd. (Formally Name- M/s BTC Industries Ltd.)	Village-Kishanpur, Tehsil-Kiccha, Distt. Udhamsingh Nagar-263148, Uttarakhand.
9.	Sh. Vishal Agrawal	Head (Tech Services)	M/s Tata Motors Ltd.	Plot No. 1, Sector-11, Integrated Industrial Estate, SIDCUL, Pantnagar-263153, Distt. Udhamsingh Nagar.
10.	Sh. Nitin Pant	Advocate	-	Jagdish Vihar, Kusumkhera, Haldwani-263139, Uttarakhand.
11.	Sh. Pawan Agarwal	Vice-President	M/s Uttarakhand Steel Manufacturers Association	C/o Shree Sidhbali Industries Ltd., Kandi Road, Kotdwar, Uttarakhand.
12.	Sh. Ashu Gupta	Vice President (Regulatory & Policy)	M/s Clean Max	4th Floor, The International, 16-Maharshi Karve Road, New Marine Lines Cross Road No. 1, Churchgate, Mumbai-400020.
13.	Sh. Himanshu Chawla	Head (Regulatory)	Power Foundation of India	B-28, Qutab Institutional Area, New Delhi-110016.
14.	Sh. Pankaj Gupta	President	Industries Association of Uttarakhand	Mohabewala Industrial Area, Dehradun-248110.
15.	Ms. Vidisha Dubey Srivastava	Authorized Signatory	M/s Distributed Solar Power Association (DiSPA)	Office-A-57, DDA Sheds, Okhla Industrial, Phase-II, New Delhi-110020.
16.	Sh. Shakeel A. Siddiqui	Legal Advisor	M/s Kashi Vishwanath Textile Mill (P) Ltd.	5th KM, Stone, Ramnagar Road, Kashipur-244713, Distt. Udhamsingh Nagar.

Sl. No.	Name	Designation	Organization	Address
17.	Sh. Shakeel A. Siddiqui	Legal Advisor	M/s Galwalia Ispat Udyog Pvt. Ltd.	Narain Nagar Industrial Estate, Bazpur Road, Kashipur-244713, Distt. Udhamsingh Nagar.
18.	Sh. Pawan Agarwal	President	M/s Kumaon Garhwal Chamber of Commerce & Industry-Uttarakhand	Chamber House, Industrial Estate, Bazpur Road, Kashipur, Distt. Udhamsingh Nagar.
19.	Sh. Hardeep Rajput	-	-	Ward No.-03, Village-Barkot Mafi, P.O.-Dandi, Dehradun-248145.
20.	Sh. Munish Talwar	Head (Electrical Maint.)	M/s Asahi India Glass Ltd.	Integrated Glass Plant, Village-Latherdeva Hoon, Manglaur-Jhabrera Road, P.O.-Jhabrera, Tehsil-Roorkee, Distt. Haridwar, Uttarakhand.
21.	Sh. Ramesh Chandra Menaria	Sr. Manager (Electrical)	Hindustan Zinc Ltd.	Chanderiya Lead Zinc Smelter, P.O.-Putholi, Distt. Chittorgarh-312021, Rajasthan.
22.	Sh. Subhash Mohan Kukreti	Director	M/s Kukreti Steel Pvt. Ltd.	F-23-27, UPSIDC Industrial Area, Jashodharpur, Kotdwar-246149.
23.	-	Director	M/s Kashi Vishwanath Steels Pvt. Ltd.	Narain Nagar Industrial Estate, Bazpur Road, Kashipur-244713, Distt. Udhamsingh Nagar.
24.	Sh. Devendra Singh	-	Munsiyari Hotel Association	S/o Late Sh. Prem Singh, Ward No. 07, Malla Ghorpatta, Munsiyari Bus Station, P.O.-Munsiyari, Distt. Pithoragarh.
25.	Sh. Manohar Singh	Social Activist	-	Address-Bus Station, Munsiyari, Distt. Pithoragarh, Uttarakhand.
26.	Sh. Teeka Singh Saini	Block President	Bhartiya Kisan Union	Office-33, Katoratal, Kashipur, Distt. Udhamsingh Nagar.
27.	Sh. Bipin Chandra Tiwari	-	M/s Indus Towers Ltd.	Okaya Centre, Tower No.-1, 2nd Floor, B-5, Sector-62, Gautam Budh Nagar, Noida-201301, Uttar Pradesh.
28.	Sh. Veeru Bisht	-	-	21-Mohanpur, Post Off.- Premnagar, Dehradun-248007.
29.	Sh. Sanjay Chaudhary	Zonal President (Garhwal)	Bhartiya Kisan Union (Tikait)	Village-Nagla Salaru, Post Off.-Gurukul Narsan, Distt. Haridwar.
30.	Sh. Manmohan Bhardwaj	-	-	House No. 166/112, Kalidas Road, Dehradun.
31.	Sh. Amit Sharma	Partner	M/s WELKIN OVERSEAS	Village-Kotwal Alampur, P.O.-Jhabrera, Roorkee-247665, Distt. Haridwar.
32.	Sh. Sunny Gupta	Partner	M/s WELKIN FOODS	Khasra no. 504&506, Village-Sadhauli, P.O.-Jhabrera, Roorkee-247665, Distt. Haridwar.
33.	Sh. Adesh Panwar	-	-	Chaudhari Rupram Market, P.O.-Jhabrera, Roorkee-247665, Distt. Haridwar.
34.	Sh. Vijay Singh Verma	-	-	Village-Delna, P.O.-Jhabrera-247665, Distt. Haridwar.
35.	Dr. Vijay Singh Tomar	State President	Laghu Udyog Bharti	E-11, UPSIDC Industrial Area, Selaqui, Dehradun-248011.

Sl. No.	Name	Designation	Organization	Address
36.	Sh. Manmohan Bhardwaj	Zonal Chairman (Garhwal)	M/s Kumaon Garhwal Chamber of Commerce & Industry-Uttarakhand	Chamber House, Industrial Estate, Bazpur Road, Kashipur, Distt. Udhamsingh Nagar.
37.	Sh. Harindra Kumar Garg	Chairman (National Council)	SMAU International Industry & Trade Chambers	SMAU Office, 4th Floor, Pentagon Mall, SIDCUL, Distt. Haridwar-249403.
38.	Sh. O.P. Sinha	-	-	Resident, Pacific Estate Residential Welfare Society, Kanwali Road, Vasant Vihar, Dehradun.
39.	Sh. Sachin Gauniyal	-	M/s Jai Shri Badri	Opp. Petrol Pump, Near ISBT, Badrinath Dham, Distt. Chamoli, Uttarakhand.
40.	Ms. Beena Chauhan	-	Hotel Om Radhey Restaurant	Near Bus Station, Badrinath, Distt. Chamoli, Uttarakhand.
41.	Sh. Mithlesh Dhyani	Partner	Hotel Dwarikesh Badrinath	Near Bus Station, Badrinath Dham, Distt. Chamoli, Uttarakhand.
42.	Smt. Madhu Panwar	-	-	W/o Sh. Vimlesh Singh Panwar, Nagni Hills, Badrinath Dham, Distt. Chamoli-246422, Uttarakhand.
43.	Sh. Sudhir Singh Mehta	-	Bharat Shree Guest House	Mana Road, Near Bus Station, Badrinath, Distt. Chamoli-246422, Uttarakhand.
44.	Sh. Vikram Kothari	-	-	Badrinath, Distt. Chamoli, Uttarakhand.
45.	Sh. Nishchay Mehta	-	Hotel Rishiganga Badrinath	Main Road, Near Bhola Giri Ashram, Distt. Chamoli-246422, Uttarakhand.
46.	Sh. Gautam Bhandari	-	Janti Guest House-Badrinath	Village-Mana, Badrinath Bypass Road, P.O.-Mana, Badrinath, Distt. Chamoli-246422, Uttarakhand.
47.	-	-	Hotel Shankar Shree-Badrinath	Badrinath Road, near Bus Stand, Badrinath, Distt. Chamoli-246443, Uttarakhand.
48.	Sh. Digambar Singh Panwar	-	Hotel Himgiri Badrinath	Near Bus Stand, Badrinath Dham, Distt. Chamoli-246422, Uttarakhand.
49.	-	Gram Pradhan	Gram Sabha-Bhyundar	Village-Pulna, Block & Tehsil-Joshimath, Distt. Chamoli, Uttarakhand.
50.	Sh. Dinesh Mehta	Partner	Nar Narayan Guest House-Badrinath	Main Road, near Bus Stop, Badrinath, Distt. Chamoli-246422, Uttarakhand.
51.	Sh. Pankaj Sharma	Director	M/s Green Wattage Pvt. Ltd.	E-135, Okhla Industrial Estate Phase-III, New Delhi-110020.
52.	Sh. Karan Virmani	Sales Manager	New Hotel Snow Crest	Main Road, Badrinath Dham, Distt. Chamoli-246422, Uttarakhand.

8.5 Annexure 5: List of Participants in Public Hearings

List of Participants in Hearing at Karanprayag on 18.02.2026

S.No.	Name of the Participants	Designation	Organization	Postal Address
1.	Sh. Durga Prasad Thapliyal	Advocate	-	Near Govt. Industrial Training Institute (ITI), Karanprayag-246428, Distt. Chamoli, Uttarakhand.
2.	Sh. Mahanand Maithani	Advocate	-	Near Umadevi Temple, Karanprayag-246428, Distt. Chamoli, Uttarakhand.
3.	Sh. Gopal Chandra Chaudhary	-	-	Village-Matholi, P.O.-Simli, Tehsil- Karanprayag, Distt. Chamoli, Uttarakhand.
4.	Ms. Neetu Devi	-	-	Village-Sekhari, P.O.-Ghandiyal, Block & Tehsil-Karanprayag, Distt. Chamoli, Uttarakhand.
5.	Sh. Pankaj Kumar	-	-	Village-Ghandhinagar, P.O. & Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
6.	Sh. Santosh Kumar	-	-	Village-Kimoli, P.O.-Kimoli, Tehsil-Karanprayag-246488, Distt. Chamoli, Uttarakhand.
7.	Sh. Harish Chauhan	Ex Pradhan	-	Village-Kaleshwar, Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
8.	Ms. Sumedha Bisht	-	-	Village-Majkhola, Block & Tehsil-Karanprayag-246429, Distt. Chamoli, Uttarakhand.
9.	Sh. Narendra Topal	Member	Block Panchayat	Village-Phalota, P.O.-Koladungari-246474, Block & Tehsil-Karanprayag, Distt. Chamoli, Uttarakhand.
10.	Sh. Rakesh Negi	-	-	Village-Kimoli, P.O.-Kimoli, Tehsil-Karanprayag-246488, Distt. Chamoli, Uttarakhand.
11.	Sh. Mohit	Member	Block Panchayat	Village-Top, P.O.-Ujjawalpur-246444, Tehsil-Karanprayag, Distt. Chamoli, Uttarakhand.
12.	Ms. Pushpa Devi	-	-	Village-Jasyara, P.O.-Nainisain, Tehsil-Karanprayag-246488, Distt. Chamoli, Uttarakhand.
13.	Sh. Arvind Chauhan	-	-	Parivartan Library, Karanprayag Main Bazar Road, Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
14.	Sh. Bhuwan Dimri	-	-	Village-Umatta, P.O.-Umatta Chatti, Block-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
15.	Ms. Anita Dimri	Member	Block Panchayat	Village-Umatta, P.O.-Umatta Chatti, Block-Karanprayag-246444,

S.No.	Name of the Participants	Designation	Organization	Postal Address
				Distt. Chamoli, Uttarakhand.
16.	Sh. Bhagwati Prasad	-	-	Village-Dimmor Saini, P.O.-Simli, Tehsil-Karanprayag-246474, Distt. Chamoli, Uttarakhand.
17.	Ms. Sunita Khanduri	-	-	Village-Nago, P.O. & Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
18.	Sh. Virendra Singh Mingwal	-	-	Simli Road, Subhash Nagar, P.O.-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
19.	Sh. Brijesh Bisht	-	-	Village & Gram Panchayat-Kuneth, Tehsil-Karanprayag-246488, Distt. Chamoli, Uttarakhand.
20.	Ms. Indu	-	-	Village-Bhatoli-1, P.O.-Bhatoli-246444, Tehsil-Gairsain, Distt. Chamoli, Uttarakhand.
21.	Sh. Pushkar Lal	-	-	Ward No. 02, Raj Nagar, P.O. & Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
22.	Ms. Sarita Devi	-	-	Village-Kuneth, P.O.-Nainisain, Tehsil-Karanprayag-246488, Distt. Chamoli, Uttarakhand.
23.	Sh. Vinod Khanduri	-	-	Village-Nakote, P.O. & Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
24.	Sh. Virendra Singh Negi	-	M/s Pinder Motors Ltd.	C/o Sh. Utkarsh Negi, Plot No.-A-4, Industrial Area, Tatasu Mazyadi, P.O.-Simli, Tehsil-Karanprayag-246474, Distt. Chamoli, Uttarakhand.
25.	Sh. Deepak Singh	-	Roopkund Masala Udhyog	Near Mahila Base Hospital, P.O.-Simli, Tehsil-Karanprayag, Distt. Chamoli, Uttarakhand.
26.	Sh. Naveen Pujari	-	-	Ward No. 01, P.O. & Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
27.	Sh. Bhuwan Nautiyal	-	-	Upper Bazar, P.O. & Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
28.	Sh. Pushkar Singh Rawat	-	-	Main Market, P.O. & Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
29.	Sh. Manveer Singh Rawat	-	-	Village-Siri, P.O.-Saliyana, Tehsil-Karanprayag-246444, Distt. Chamoli, Uttarakhand.
30.	Sh. Pushkar Rawat	-	-	Karn Chowk, Near SBI Bank, Rawat Restaurant & Sweets, Main Market, Karanprayag-246444, Distt. Chamoli, Uttarakhand.

List of Participants in Hearing at Munsiyari on 20.02.2026

S.No.	Name of the Participants	Designation	Organization	Postal Address
1.	Sh. P.C. Pandey	Vice President	Hotel Association-Munsiyari	Main Market Area, P.O.-Munsiyari-262554, Distt. Pithoragarh, Uttarakhand.
2.	Sh. Devendra Singh	-	Hotel Association-Munsiyari	S/o Late Sh. Prem Singh, Owner-Brahma Kamal Hotel, Ward No. 07, Malla Ghorpatta, P.O.-Munsiyari-262554, Distt. Pithoragarh.
3.	Sh. Manohar Singh Tolia	Social Activist	-	Address-Near Bus Station, Munsiyari, Distt. Pithoragarh, Uttarakhand.
4.	Sh. Tara Pangti	-	-	Village-Bunga, Block-Munsiyari-262554, Distt. Pithoragarh, Uttarakhand.
5.	Sh. Sundar Ram Johri	Vice President	Shilpi Vikas Samiti	P.O.-Munsiyari-262554, Distt. Pithoragarh, Uttarakhand.
6.	Sh. Ishwar Singh Nabiyal	-	-	Village-Ralam, P.O.-Lilam, Tehsil-Munsiyari-262554, Distt. Pithoragarh, Uttarakhand.
7.	Sh. Surendra Singh Koranga	-	-	Village-Ralam, P.O.-Lilam, Tehsil-Munsiyari-262554, Distt. Pithoragarh, Uttarakhand.
8.	Sh. Rajendra Pangti	Chairman	Nagar Panchayat-Munsiyari	Nagar Panchayat Office, P.O.-Munsiyari-262554, Distt. Pithoragarh, Uttarakhand.
9.	Sh. Rajendra Singh	-	-	Village-Talla Ghorpatta, P.O.-Munsiyari-262554, Distt. Pithoragarh, Uttarakhand.

List of Participants in Hearing at Rudrapur on 23.02.2026

S.No.	Name of the Participants	Designation	Organization	Postal Address
1.	Sh. Shakeel A. Siddiqui	Industrial Advisor	M/s Galwalia Ispat Udyog Pvt. Ltd.	Narain Nagar Industrial Estate, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar.
2.	Sh. Ashok Bansal	President	M/s Kumaon Garhwal Chamber of Commerce & Industry Uttarakhand	Chamber House, Industrial Estate, Bazpur Road, Kashipur, Distt. Udhamsingh Nagar.
3.	Sh. Sanjay Kumar Adhlakha	Director	M/s Ambashakti Glass India Pvt. Ltd.	Plot No. 41, Sector-3, IIE, SIDCUL, Pantnagar, Rudrapur-263153, Distt. Udhamsingh Nagar.
4.	Sh. Arjun Singh Takuli	-	-	Plot No. 49, Sector-4, IIE, SIDCUL, Pantnagar, Rudrapur-263153, Distt. Udhamsingh Nagar.
5.	Sh. Avdhesh Kumar Mishra	-	M/s Kashi Vishwanath Steels Pvt. Ltd.	Narain Nagar Industrial Estate, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar.
6.	Sh. Sushil Kumar Tulsiyar	-	M/s Umashakti Steels Pvt. Ltd.	Village-Vikrampur, Post Off.-Bazpur–262401, Distt. Udhamsingh Nagar.
7.	Sh. Jagdish Singh	-	-	Village-Dharampur, Post Off.-Chatarpur, Tehsil-Kichha, Kashipur-263153, Distt. Udhamsingh Nagar.
8.	Sh. Rujal Desai	-	M/s Hindustan Zinc Ltd.	Pantnagar Metal Plant (PMP), Plot No. 2&3, Sector-14, IIE, SIDCUL, Rudrapur, Distt. Udhamsingh Nagar.
9.	Sh. Teeka Singh Saini	Block President	Bhartiya Kisan Union	Office-61, Katoratal, Kashipur, Distt. Udhamsingh Nagar
10.	Sh. Baljinder Singh Sandhu	District General Secretary	Bhartiya Kisan Union	Village-Paiga, P.O.-Mahuakheraganj, Tehsil-Kashipur-244713, Distt. Udhamsingh Nagar.
11.	Sh. Kuldeep Singh Cheema	-	Bhartiya Kisan Union	Village & Post Office-Dakiya Kalan, Tehsil-Kashipur-244713, Distt. Udhamsingh Nagar.
12.	Sh. Dilbag Singh Cheema	-	-	Village & Post Office-Dakiya Kalan-1, Tehsil-Kashipur-244713, Distt. Udhamsingh Nagar.
13.	Sh. Arunesh Kumar Singh	-	-	Village-Fulsunga, P.O.-Transit Camp, Rudrapur-263153, Distt. Udhamsingh Nagar.
14.	Sh. Santosh Singh	-	-	Village-Narayanpur, Kichha Sub-Post Office (SO)-263148, Distt. Udhamsingh Nagar.
15.	Ms. Shikha Nautiyal	-	-	Room No. 18, Lead Bank office, Vikas Bhawan, Rudrapur, Distt. Udhamsingh Nagar.
16.	Sh. Daljeet Singh	-	District Court	Chamber No. 14, Rudrapur-263153, Distt. Udhamsingh Nagar.
17.	Sh. Hari Nandan Joshi	-	-	Rudrapur, Distt. Udham Singh Nagar.

List of Participants in Hearing at Dehradun on 27.02.2026

S.No.	Name of the Participants	Designation	Organization	Postal Address
1.	Sh. Ashu Gupta	Vice President (Regulatory & Policy)	M/s Clean Max	4th Floor, The International, 16-Maharshi Karve Road, New Marines Lines Cross Road No. 1, Churchgate, Mumbai-400020.
2.	Sh. Aman Singh	-	M/s Clean Max	4th Floor, The International, 16-Maharshi Karve Road, New Marines Lines Cross Road No. 1, Churchgate, Mumbai-400020.
3.	Ms. Vidisha Dubey Srivastava	-	M/s Distributed Solar Power Association (DiSPA)	Office-A-57, DDA Sheds, Okhla Industrial, Phase-II, New Delhi-110020.
4.	Ms. Urvashi Trivedi	-	M/s Distributed Solar Power Association (DiSPA)	Office-A-57, DDA Sheds, Okhla Industrial, Phase-II, New Delhi-110020.
5.	Sh. Pankaj Gupta	President	M/s Industries Association of Uttarakhand	Mohabewala Industrial Area, Dehradun-248110.
6.	Sh. Rajiv Agarwal	-	M/s Industries Association of Uttarakhand	Patelnagar Cooperative Area, Patelnagar, Dehradun.
7.	Sh. Sanjeev Kumar Sharma	Office Executive	M/s Industries Association of Uttarakhand	C/o Satya Industries, Mohabewala Industrial Area, Dehradun-248110
8.	Sh. S.M. Bijalwan	-	-	House No. 115, Lane No. 03, Gokul Dham Society, near Durga Chowk, Banjarawala, Dehradun.
9.	Sh. Rahul Dev	State Convenor	Laghu Udhyog Bharti	House No. C-19, Turner Road, Dehradun.
10.	Sh. Manmohan Bhardwaj	Member	Laghu Udhyog Bharti	House No. 166/112, Kalidas Road, Dehradun.
11.	Sh. D.S. Bhandari	-	-	House No.-01, Lower Adhoiwala, Chandar Road, Dalanwala, Dehradun.
12.	Ms. Meenakshi Ghildiyal	-	Uttarakhand Kranti Dal	UKD Office, 10-Court Road, Dehradun.
13.	Sh. Sunil Kumar	-	Uttarakhand Kranti Dal	House No.-253-A, Lane No.-02, Sarthi Vihar, Ajabpur Danda, Dehradun.
14.	Sh. Subhash Chauhan	-	M/s Flex Foods Ltd.	Lal Tappar Industrial Area, P.O. Resham Majri, Haridwar Road, Dehradun-248140.
15.	Sh. R.L. Khanduri	-	M/s Flex Foods Ltd.	Lal Tappar Industrial Area, P.O. Resham Majri, Haridwar Road, Dehradun-248140.
16.	Sh. Vibhor Chauhan	-	-	House No.-773, Dayanand Nagri, near Vanprasth Ashram, Kankhal, Jwalapur Road, Jwalapur, Distt. Haridwar-249407.
17.	Sh. Harindra	Chairman	SIDCUL Manufacturers	SMAU Office, 4th Floor, Pentagon

S.No.	Name of the Participants	Designation	Organization	Postal Address
	Kumar Garg		Association of Uttarakhand	Mall, SIDCUL, Distt. Haridwar.
18.	Ms. Pooja Singh	-	-	House No. 53-54, Pankaj Vihar, Pithuwala, Shimla Bypass Road, Dehradun-248171.
19.	Sh. Vishal Bhardwaj	-	M/s Nature's Bestow	Regd. Office-179, Kalidas Road, Dehradun-248001.
20.	Sh. Arvind Jain	Member	Tarun Kranti Manch	6-Ramleela Bazaar, Dehradun.
21.	Sh. Shailendra Kumar Singh	-	-	Dashmesh Vihar, Raipur Road, Dehradun-248008.
22.	Sh. Ramesh Joshi	State President	Suraj Sewa Dal	Office-Kaulagarh Road, Sirmaur Marg, Rajendra Nagar, Dehradun.
23.	Sh. Vijay Singh Verma	-	-	Village-Delna, P.O.-Jhabrera-247665, Distt. Haridwar.
24.	Sh. Pradeep Sati	-	-	Shivam Vihar, Near Trihari Apartments, Kedarpur, Mothrowala, Dehradun-248001.
25.	Sh. Amit Sharma	-	-	Village-Sadholi, P.O.-Bijholi, Jbabreda, Roorkee-247666, Distt. Haridwar.
26.	Sh. Adesh Panwar	-	-	Chaudhari Rupram Market, P.O.-Jhabrera, Roorkee-247665, Distt. Haridwar.
27.	Sh. Yashveer Arya	-	-	Surbhi Enclave, Canal Road, Jakhan, Rajpur Road, Dehradun-248001.
28.	Sh. Pawan Agarwal	Vice-President	M/s Uttarakhand Steel Manufacturers Association	C/o Shree Sidhbali Industries Ltd., Kandi Road, Kotdwar, Uttarakhand.
29.	Sh. Subhash Kumar Kukreti	Director	M/s Kukreti Steel Pvt. Ltd.	F-23-27, E-73-76, UPSIDC Industrial Area, Jasodharpur Industrial Area, Kotdwar-246149, Uttarakhand.
30.	Sh. Suresh Bansal	-	M/s Kukreti Steels Ltd.	F-23-27, E-73-76, UPSIDC Industrial Area, Jasodharpur Industrial Area, Kotdwar-246149, Uttarakhand
31.	Sh. Sunil Kumar Gupta	Editor	Teesri Aankh ka Tehalka	16, Chakrata Road (Tiptop Gali), Dehradun-248001.
32.	Sh. Umed Singh	-	M/s Himalaya Ispat Pvt. Ltd.	C-5 & C-6, SIDCUL Industrial Area, Jashodharpur, Kotdwar-246149, Uttarakhand.
33.	Sh. Rohit Kumar Gupta	-	M/s Amrit Varsha Udhyog Ltd.	UPSIDC Industrial Area, Jashodharpur, Haridwar Road, Kotdwar-246149, Uttarakhand.
34.	Sh. Anil Kumar Nautiyal	-	-	Village-Rudrapur, P.O.-Rudrapur, Via Sahaspur-248197, Dehradun.
35.	Sh. Devraj Semwal	-	-	Village-Rudrapur, P.O.-Rudrapur, Via Sahaspur-248197, Dehradun
36.	Sh. Vajid Ali	-	-	Village-Rudrapur, P.O.-Rudrapur, Via Sahaspur-248197, Dehradun.
37.	Sh. Jamna Prasad Dogra	-	-	S/o Sh. Hansraj Dogra, House No. 135, Village & P.O.-Langha,

S.No.	Name of the Participants	Designation	Organization	Postal Address
				Vikasnagar, Dehradun-248125.
38.	Sh. Bipin Chandra Tiwari	-	M/s Indus Towers Ltd.	Okaya Centre, Tower No.-1, 2nd Floor, B-5, Sector-62, Gautam Budh Nagar, Noida-201301, Uttar Pradesh.
39.	Sh. R.P.S. Tomar	-	M/s Indus Towers Ltd.	Okaya Centre, Tower No.-1, 2nd Floor, B-5, Sector-62, Gautam Budh Nagar, Noida-201301, Uttar Pradesh.
40.	Sh. Somveer	-	-	Village-Karaundi, Thana-Bhagwanpur-247661, Tehsil-Roorkee, Distt. Haridwar.
41.	Sh. Deshraj	-	-	Village-Dheer Mazra, Tehsil-Bhagwanpur-247661, Roorkee, Distt. Haridwar.
42.	Sh. Prabodh Tiwari	-	-	Village-Nagla Salaru, Post Off.-Gurukul Narsan, Distt. Haridwar.
43.	Sh. Dharmendra Singh	Spokesperson	Garhwal Mandal Vikas Nigam Ltd.	74/1 Rajpur Road Dehradun-248001.
44.	Sh. Sukram Pal Singh	-	Bhartiya Kisan Union	Village-Mandavali, Post Off.-Gurukul Narsan, Distt. Haridwar-247670.
45.	Sh. K.L. Sundriyal	General Secretary	M/s Prantiya Electrical Contractors Association-Uttarakhand	2(4/3), New Road, Near Hotel Relax, (Amrit Kaur Road), Dehradun.
46.	Sh. Surya Prakash Bhatt	State President	Human Rights Commission	271/153, Araghar, Canal Terminal, Dehradun.
47.	Sh. Anurag Singh	-	-	House No. 3/3, Chandrapuri, Roorkee-247663, Distt. Haridwar.
48.	Sh. Sanjay Chaudhary	Zonal President (Garhwal)	Bhartiya Kisan Union (Tikait)	Village-Nagla Salaru, Post Off.-Gurukul Narsan, Distt. Haridwar.
49.	Sh. Vijay Shastri	Distt. President	Bhartiya Kisan Union	S/o Sh. Ram Dhan Singh, Village-Boodpur Chauhan, Thana-Jhabrera-247665, Distt. Haridwar
50.	Sh. Ashok Tyagi	DGM (Electrical)	M/s Reliance Jio Infocomm Ltd.	Reliance Market, 1st Floor, Near Niranjanpur Mandi, GMS Road, Dehradun-248001.