

Before

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

In the matter of:

UPCL's Petition for True up of FY 2022-23, Annual Performance Revenue for FY 2023-24 and determination of Annual Revenue Requirement for FY 2024-25.

AND

In the matter of:

Uttarakhand Power Corporation Limited
Urja Bhawan, Kanwali Road, Dehradun

...Petitioner

Coram

Shri D.P. Gairola Member (Law) - Chairman (I/c)

Date of Order: December 28, 2023

This Order relates to the Petition for True up for FY 2022-23, Annual Performance Review of FY 2023-24 and determination of Annual Revenue Requirement for FY 2024-25 filed by Uttarakhand Power Corporation Limited (UPCL), hereinafter referred to as the Petitioner, on 18.12.2023.

2. The Petition filed by UPCL had certain critical infirmities/deficiencies. The Commission vide its letter dated 21.12.2023 informed the same to UPCL asking it to rectify the said infirmities so that the Petition could be admitted. UPCL submitted its replies rectifying the deficiencies pointed by the Commission on 26.12.2023.
3. Based on the submissions of UPCL, the Commission decides to admit the Petition provisionally for further processing subject to the condition that UPCL shall furnish any information/clarifications as deemed necessary by the Commission during the processing of the Petition and provide such information and clarifications to the satisfaction of the Commission within the time

frame as may be stipulated by the Commission failing which the Commission would proceed to dispose off the matter as it deems fit based on the information available with it.

4. The Commission further directs the Petitioner to publish a public notice within 3 days from the date of this Order detailing the salient information and facts of the Petition filed by it in the format given at **Annexure 1** in at least two daily newspapers (one Hindi and one English) widely circulated in the area of its operation both in Hindi and English languages for comments by all stakeholders and public at large. The Petitioner is also directed to place the Petition on its website and its headquarters/other offices for inspection or making relevant extracts available to the public.
5. Further, during the previous Tariff proceedings, the Commission had directed UPCL to ensure that suggestion boxes are made available at all the sub-stations of UPCL to ensure maximum participation of people during the Tariff proceedings. The concerned SDO of the sub-stations should ensure sending all the comments/suggestions on the Tariff Petition received in the drop boxes to the Commission's office every week.

(D.P. Gairola)
Member (Law) - Chairman (I/c)

UTTARAKHAND POWER CORPORATION LIMITED
PUBLIC NOTICE

Inviting Comments on the Petition for True-up for FY 2022-23 and Annual Performance Review for FY 2023-24 and determination of Tariff for FY 2024-25 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 2024-25 and determination of tariff for FY 2024-25 and has sought revision in Retail Tariffs to be charged from different category of electricity consumers in the State for FY 2024-25.
2. Through the above Petition, UPCL has also sought truing up of expenses for FY 2022-23 (based on audited accounts). The summary of the revised ARR and the revised revenue Gap for FY 2022-23 and projected ARR from FY 2024-25 & projected Revenue gap for FY 2024-25 are given in the following Table:

(Figures in Rs. Crore)

S. No.	Particulars	FY 2022-23		FY 2023-24		Projected by UPCL FY 2024-25
		Approved by the Commission	Final truing up claimed by UPCL	Approved by the Commission	Revised Estimates submitted by UPCL	
A.	Expenditure					
1	Power Purchase Expenses#	5866.73	6633.78	7352.92	7496.46	7514.47
2	UJVN Ltd. Arrears Gap / (Surplus)	-62.97	303.24	-25.60		
3	SLDC charges	320.11	323.61	369.75	354.23	456.40
4	Transmission Charges- PTCUL					
5	Transmission Charges- PGCIL	558.33	922.13	598.40	899.31	1007.33
6	O&M expenses	681.87	775.85	741.04	791.40	850.69
7	Interest charges (including interest on consumer security deposit)	139.31	106.75	149.88	200.47	226.85
8	Guarantee Fee	0.55		0.24		
9	Depreciation	226.65	280.34	244.41	305.37	338.23
10	Return on Equity	154.73	197.76	176.91	221.98	255.24
11	Interest on Working Capital	101.90	139.17	139.41	149.90	147.21
12	Provisions for Bad and Doubtful Debt		212.96			98.87
13	Net Impact of Loss/(Gain) Sharing		-91.89			
14	Additional Claim of Pending Certificates till last year		170.70*			
15	Gross Expenditure	7987.21	9974.40	9747.35	10419.11	10895.27
B.	Less: Non-tariff income	286.81	172.65	429.57	310.56	310.56
	True up impact of previous year Gap/(Surplus)	8.61	8.61	582.76	582.76	1977.56^
C.	Aggregate Revenue Requirement	7709.01	9810.34	9900.54	10691.31	12562.27

S. No.	Particulars	FY 2022-23		FY 2023-24		Projected by UPCL
		Approved by the Commission	Final truing up claimed by UPCL	Approved by the Commission	Revised Estimates submitted by UPCL	FY 2024-25
D.	Revenues from Existing/ Approved Tariffs	7513.09	8218.09	9029.69	-	9887.17
E.	Revenue Gap/(Surplus) (C -D)	195.92	1592.26	870.85	-	2675.10

#including Water tax & RPO
*including Carrying Cost of Rs. 50.26 Crore
^including Carrying Cost of Rs. 385.31 Crore

3. UPCL has, accordingly, projected a total revenue gap of Rs. 2675.10 Crore including truing up impact for FY 2022-23.
4. For FY 2024-25, UPCL has projected the distribution loss level of 13.00% based on the loss trajectory approved by the Commission in its MYT Order dated 31.03.2022.
5. For projecting the power purchase cost for FY 2024-25 from Central Sector Generating Stations, UPCL has prorated actual Fixed Cost excluding arrears of first 6 months of FY 2023-24 to arrive at Fixed Cost for FY 2024-25. Further, the variable cost has been projected based on the per unit rate of the actual variable cost excluding arrears for the first six months of FY 2023-24. Further, for projecting the power purchase cost for FY 2024-25 from UJVN Ltd. stations (Except Vyasi LHP), UPCL has considered the Fixed Cost and Variable Cost as approved by the Commission in MYT Order dated 31.03.2022. 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 2023-24. For Intra-state transmission charges (PTCUL charges) and SLDC charges, UPCL has considered the ARR approved by the Commission for FY 2024-25 in its MYT Order dated 31.03.2022.
6. UPCL has proposed to recover the revenue gap of Rs. 2675.10 Crore relating to true up for FY 2022-23 and projected ARR & tariff for FY 2024-25 through tariff hike in the FY 2024-25.
7. To recover part of the proposed gap of Rs. 2675.10 Crore, UPCL has sought subsidy from government which UPCL has submitted that if the same is received the Gap to be recovered shall decrease to Rs. 2238.22 Crore. However, since there is no firm commitment as of now from the Government regarding subsidy to UPCL, hence, the entire gap of Rs. 2675.10 Crore shall be recoverable through tariff hike.
8. UPCL has, accordingly, proposed an average tariff hike of 27.06% (without subsidy) in the existing retail tariffs of consumers.
9. Further, PTCUL, SLDC and UJVN Ltd. have also submitted their ARR and Tariff Petition for the FY 2024-25 before the Commission. If all the claims as proposed are accepted by the Commission, it would necessitate a hike of 38.66% in consumer tariffs for FY 2024-25.
10. UPCL has proposed to revise the applicable tariffs for FY 2024-25 to meet the revenue gap of Rs. 2675.10 Crore.

The tariff proposal to recover revenue gap without subsidy support is as below:

Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
RTS-1: Domestic				
1.1 Life Line Consumers	18/Connection/month	18/Connection/month	1.75 Rs/kWh	1.93 Rs/kWh
1.2 Other Domestic Consumers				
(i) Upto 100 Units/month	Upto 1 kW 60 Rs./kW/month	Upto 1 kW 70 Rs./kW/month	3.15 Rs/kWh	3.65 Rs/kWh
(ii) 101-200 Units/month			4.60 Rs/kWh	5.43 Rs/kWh
(iii) 201-400 Units/month			6.30 Rs/kWh	7.56 Rs/kWh
(iv) Above 400 Units/month	Above 1 kW and up to 4 kW 70 Rs./kW/month Above 4 kW 80 Rs./kW/month	Above 1 kW and up to 4 kW 81 Rs./kW/month Above 4 kW 93 Rs./kW/month	6.95 Rs/kWh	9.17 Rs/kWh
1.3. Single Point Bulk Supply above 75 kW	100 Rs/kVA/month	124 Rs/kVA/month	6.25 Rs/kVAh	7.88 Rs/kVAh
RTS-1A: Snowbound				
Domestic	18 Rs/Con/Month	21 Rs/Con/Month	1.75 Rs/kWh	2.01 Rs/kWh
Non-Domestic upto 1 kW	18 Rs/Con/Month	21 Rs/Con/Month	1.75 Rs/kWh	2.01 Rs/kWh
Non-Domestic above 1 kW & upto 4 kW	18 Rs/Con/Month	21 Rs/Con/Month	2.60 Rs/kWh	2.99 Rs/kWh
Non-Domestic above 4 kW	30 Rs/Con/Month	35 Rs/Con/Month	3.80 Rs/kWh	4.37 Rs/kWh
RTS-2: Non-Domestic				
1.1 Upto 25 kW	80 Rs/kW/month	104 Rs/kW/month	5.40 Rs/kWh	7.02 Rs/kWh
1.2 Above 25 kW	90 Rs/kVA/month	117 Rs/kVA/month	5.15 Rs/kVAh	6.70 Rs/kVAh
2. Other non-Domestic/Commercial Users				
2.1 Small shops (Load upto 4 kW & consumption upto 50 units pm)	75 Rs/kW/month	98 Rs/kW/month	5.10 Rs/kWh	6.63 Rs/kWh
2.2 Upto 25 kW other than above	95 Rs/kW/month	124 Rs/kW/month	6.70 Rs/kWh	8.71 Rs/kWh
2.3 Above 25 kW	95 Rs/kVA/month	124 Rs/kVA/month	6.70 Rs/kVAh	8.71 Rs/kVAh
3. Single Point Bulk Supply above 75 kW	110 Rs/kVA/month	143 Rs/kVA/month	6.80 Rs/kVAh	8.84 Rs/kVAh
4.0 Independent Advertisement Hoardings	120 Rs/kW/month	156 Rs/kW/month	7.50 Rs/kWh	9.75 Rs/kWh
RTS-3: Govt. Public Utilities				
1. Metered (Urban)	115 Rs/kVA/month	152 Rs/kVA/month	6.90 Rs/kVAh	9.11 Rs/kVAh
2. Metered (Rural)	105 Rs/kVA/month	139 Rs/kVA/month	6.90 Rs/kVAh	9.11 Rs/kVAh
RTS-4: Private Tube-wells / Pumping sets				
1. Metered	-	-	2.30 Rs/kWh	2.65 Rs/kWh
RTS-4 A: Agriculture Allied Activities				
1. Metered	-	-	3.25 Rs/kWh	3.74 Rs/kWh
RTS-5: LT & HT Industry				
LT Industries- Contracted load upto 75 kW (100 BHP)				
1.1 LT Industries (Upto 25 kW)	170 Rs/kW/month	213 Rs/kW/month	5.45 Rs/kWh	6.81 Rs/kWh
1.2 LT Industries (above 25 kW & upto 75 kW)	175 Rs/kVA/month	219 Rs/kVA/month	5.15 Rs/kVAh	6.44 Rs/kVAh

Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
HT Industries (above 75 KW/88KVA)				
2.1 Contracted load upto 1000 kVA				
1- Load factor upto 40%	390 Rs/kVA of billable demand	507 Rs/kVA of billable demand	5.50 Rs/kVAh	7.10 Rs/kVAh
2-Load factor above 40%	390 Rs/kVA of billable demand	507 Rs/kVA of billable demand	5.90 Rs/kVAh	7.63 Rs/kVAh
2.2 Contracted load above 1000 kVA				
1- Load factor upto 40%	460 Rs/kVA of billable demand	598 Rs/kVA of billable demand	5.50 Rs/kVAh	7.10 Rs/kVAh
2-Load factor above 40%	460 Rs/kVA of billable demand	598 Rs/kVA of billable demand	5.90 Rs/kVAh	7.63 Rs/kVAh
RTS-6: Mixed Load				
Mixed Load Single Point Bulk Supply above 75 kW including MES	130 Rs/kVA/month	166 Rs/kVA/month	6.50 Rs/kVAh	8.32 Rs/kVAh
RTS-7: Railway Traction				
Railway Traction	315 Rs/kVA/month	416 Rs/kVA/month	6.10 Rs/kVAh	8.05 Rs/kVAh
RTS-8: Electric Vehicle Charging Station				
Electric Vehicle Charging Station	-	-	6.25 Rs/kWh	7.56 Rs/kWh

ToD charges for the industries:

Industries	Rate of charge during		
	Normal hours	Peak hours	Off-peak hours
LT Industries	Rs. 5.15/kVAh	Rs. 6.70/kVAh	Rs. 4.12/kVAh
HT Industries with Load Factor			
Upto 40%	Rs. 5.50/kVAh	Rs. 7.67/kVAh	Rs. 4.40/kVAh
Above 40%	Rs. 5.90/kVAh	Rs. 7.67/kVAh	Rs. 4.72/kVAh

11. In addition, UPCL has also proposed following:

- Continuation of prepaid metering scheme.
- Rationalisation of Fixed Charges.
- Green Power Tariff for all consumer categories.
- Continuation of existing rebate on online payment of electricity bills.
- Average 20% hike in all the slabs of other Domestic category.
- Average 30% hike in Non-domestic category.

- (g) Average 32% hike in Government Public Utilities category.
- (h) Average 15% hike in Private tube wells category.
- (i) Average 28% hike in LT & HT Industrial category.
- (j) Average 28% hike in Mixed load category.
- (k) Average 32% hike in Railway traction category.
- (l) Average 21% hike in Electric vehicle and charging station category.

12. Detailed Petition can be seen free of cost on any working day at the Commission's office or at the offices of General Manager (Regulatory Management) at Victoria Cross Vijeta Gabar Singh Bhawan, Kanwali Road, Dehradun/General Manager (Distribution), Garhwal Zone, UPCL, 120-Haridwar Road, Dehradun/General Manager (Distribution), Kumaon Zone, UPCL, 132-KV Substation, Kathgodam, Haldwani. 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.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 **31.01.2024**. 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 **31.01.2024**.