



Uttarakhand Electricity Regulatory Commission

PRESS NOTE

Date : 26.04.2024

Tariff Order UPCL for FY 2024-25 - Highlights

- UPCL filed the Petitions for approval of True Up of FY 2022-23, Annual Performance Review for FY 2023-24 and Aggregate Revenue Requirement and Tariff for FY 2024-25 before the Commission on December 18, 2023.
- To meet its power purchase cost and other expenses, UPCL had projected a total ARR of Rs. 12562.27 Crore for FY 2024-25 including truing up for FY 2022-23 alongwith carrying cost, considering distribution loss of 13.00% and revenue at existing tariff of Rs. 9887.17 Crore. Thus, UPCL has projected a total revenue gap of Rs. 2675.10 Crore, and to recover the same it has requested for a tariff hike of about 27.06%.
- **In the present Order dt. 28.03.2024, the Commission has, accordingly, scrutinised and approved the following:**
 - a. Truing-Up for FY 2022-23 based on the audited accounts,
 - b. ARR for FY 2024-25,
 - c. Tariff Determination for FY 2024-25.
- Based on the scrutiny of data submitted by UPCL, the Commission has determined the ARR for FY 2024-25 as Rs. 10167.51 Crore. Further, considering the impact of final truing up of FY 2022-23 and the projected NTI for FY 2024-25, the Net Revenue Requirement works out to Rs. 10690.03 Crore. The Commission has further estimated the revenues at existing tariffs (Tariffs as approved in Order dated 30th March 2023) on projected sale of 14708.02 MU for FY 2024-25 as Rs. 9997.69 Crore, which left a revenue gap of Rs. 692.34 Crore. To recover this revenue gap of Rs. 692.34 Crore an annual tariff hike of around 6.92% has been allowed.
- Based on above approved Net Revenue Requirement of Rs. 10690.03 Crore and projected sales of 14708.02 MU for FY 2024-25, the average cost of supply of the Petitioner works out to Rs. 7.27/kWh as compared to the approved Average Cost of Supply of Rs 6.66/kWh for FY 2023-24.
- The Commission has approved the distribution loss trajectory of 13.00% for FY 2024-25, as also projected by UPCL in accordance with the Business Plan Order dated 31.03.2022.

- The details of approved Annual Revenue Requirement (ARR) for FY 2024-25 are as below:-

Table 1 : ARR approved for FY 2024-25 (Rs. Crore)

S. No.	Particulars	UPCL	Approved
1	Power Purchase Cost including RPO & Water Tax	7514.47	7609.36
2	UJVN Ltd. Arrears/ (Surplus)		(126.14)
3	Transmission Charges		
	PGCIL	1007.33	765.82
	PTCUL & SLDC	456.4	380.60
4	Interest on Loan and finance charges	159.78	85.98
5	Interest on consumer security deposit	67.07	67.07
6	Depreciation	338.23	252.95
7	O&M expenses	850.69	791.80
8	Interest on Working Capital	147.21	142.26
9	Return on Equity	255.24	197.80
10	Provisions for bad debts	98.87	-
11	Aggregate Revenue Requirement	10895.27	10167.51
12	Less: Non-Tariff Income	310.56	374.86
13	Add: True up impact Gap/ (Surplus) for FY 2022-23	1977.56	897.38
14	Net Revenue Requirement	12562.27	10690.03

- **Salient Points of Retail Tariff for the FY 2024-25**
 - The Commission has restricted the tariff hike to around 6.92% with respect to tariffs approved in Order dated 30th March, 2023 as against the proposal of UPCL of tariff hike of about 27.06% and overall tariff hike proposed by all the utilities of about 38.66%.
 - While revising the tariffs for different category of consumers, the Commission has attempted to reduce the cross-subsidies for all the categories.
 - No increase in Fixed and Energy Charges for BPL consumers (Around 4.5 Lakh consumers, 17% of domestic consumers) and Snow bound consumers.
 - Marginal increase of Rs. 15/kW/Month in Fixed Charges for Domestic Consumers with load upto 4 kW, an increase of Rs. 20/kW/Month for Domestic consumers having load above 4 kW and increase of Rs. 20/kVA for single point bulk supply consumers (Around 22 Lakh consumers, 82% of domestic consumers).
 - Marginal increase of 25 paise in Energy Charges for Domestic consumers consuming upto 100 Units/Month, increase of 30 paise for Domestic consumers consuming from 101 to 200 Units/Month, increase of 40 paise for Domestic consumers consuming from 201 to 400 Units/Month and above 400 Units/Month

and increase of Rs. 75 paise per kVAh for single point bulk supply consumers (Around 22 Lakh consumers, 82% of domestic consumers).

- The Commission has increased the tariff for Domestic to keep the Cross Subsidy at 20% of Average Cost of Supply as per National Tariff Policy. After increased tariffs, the cross subsidy of domestic category has remained at 20%. As per Tariff policy the tariff for all the categories has to be ideally within the band of +/- 20% of Average Cost of Supply. To keep the tariff for lowest slab of domestic category at 80% of Average Cost of Supply, the tariff would require to be increased to Rs. 5.82/kWh as against now approved tariff of Rs 4.15/kWh for 100 units consumption. In order to achieve overall cross subsidy for Domestic Category at 20%, tariff for higher slabs has been kept higher.
- The Commission has marginally increased the energy charge for PTW category from Rs. 2.30/kWh to Rs. 2.55/kWh and reduced the cross subsidy from 64.5% in FY 2023-24 to 63.7% in FY 2024-25. As per Tariff policy the tariff for all the categories has to ideally within the band of +/- 20% of Average Cost of Supply. To keep the tariff for PTW category at 80% of Average Cost of Supply, the tariff would require to be increased to Rs. 5.82/kWh. Such increase would result in the tariff shock, hence tariff for PTW kept at 63.7% below Average Cost of Supply.
- The Commission has kept the solar water heater rebate to Rs. 75 for each 50 litre of capacity.
- The Commission has kept the prompt payment rebate to 1.5% for payment of electricity bills to be made through digital mode and 1% for payment of electricity bills through any other mode.
- The Commission has kept the Billable Demand to actual maximum demand or 75% of the contracted load whichever is higher.
- UPCL has been directed 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. However, the option of continuous supply shall be 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 connected through an independent feeder or industrial feeder provided that all the industrial consumers on such feeder opts for continuous supply option.

- The Commission has retained the Peak Hour Tariff equivalent to 130% and increased the off peak hour rebate from 20% to 25% of Normal hour tariff.
- Demand Charges of HT Industrial consumers, who do not receive minimum average supply of 18 hours per day during the month, shall be levied at 80% of the approved Demand Charges during that month.
- In order to simplify the tariff structure, the Commission has merged two sub-categories of LT Industry and specified as a single category “LT Industry having contracted load upto 75kW (100 BHP)”.
- Considering the requests of large industrial consumers, the Commission has directed UPCL to raise the bills for large industrial consumers have Contract Demand of 3 MVA and above on fortnightly basis (every 15 days).
- The Commission has approved the Green Tariff for consumers who intends to consume power generated only through renewable energy sources for a small premium of Rs. 0.28/kWh over and above approved tariff.
- General increase in tariff of consumers resulting in the increase in the Average Billing Rate vis-à-vis Tariff approved in the Order dated 30.03.2023 is as under:

Table 2: Increase in Average Billing Rate during FY 2024-25

Category	Tariff as per last year tariff Order dt. 30.03.2023	Now Revised ABR (Rs/kWh)	Increase in ABR w.r.t T.O. 30.03.2023
Domestic	5.33	5.82	0.49
Non Domestic	7.74	8.43	0.69
Govt Public Utilities	7.70	8.36	0.66
PTW	2.37	2.64	0.27
LT Industrial	7.20	7.84	0.64
HT Industrial	7.26	7.90	0.64
Mixed Load	6.95	7.47	0.52
Railway Traction	6.89	7.43	0.54
EV Charging Stations	6.25	7.00	0.75

- The details of retail tariffs as applicable to different categories of consumes w.e.f. 01.04.2024 are as below:-

**Existing Tariff (Tariff approved in Order dated 30th March, 2023), UPCL
Proposed Tariff and Approved Tariffs for different category of Consumers**

Category Wise Tariff

RTS-1: Domestic Tariff

Table 3: 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. 1.75/kWh	Rs. 18/Connection	Rs. 1.93/kWh	Rs. 18/Connection	Rs. 1.75/kWh
1.2	Other Domestic Consumers						
(i)	0-100 Units/Month	<ul style="list-style-type: none"> Upto 1 kW-Rs. 60/kW/Month Above 1 kW and upto 4 kW -Rs. 70/kW/month Above 4 kW-Rs. 80/kW/month 	Rs. 3.15/ kWh	<ul style="list-style-type: none"> Upto 1 kW-Rs. 70/kW/Month Above 1 kW and upto 4 kW-Rs. 81 /kW/month Above 4 kW-Rs. 93/kW/month 	Rs. 3.65/ kWh	<ul style="list-style-type: none"> 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. 3.40/kWh
(ii)	101-200 Units/Month		Rs. 4.60/ kWh		Rs. 5.43/ kWh		Rs. 4.90/kWh
(iii)	201-400 Units/Month		Rs. 6.30 /kWh		Rs. 7.56/ kWh		Rs. 6.70 /kWh
(iv)	Above 400 Units/Month		Rs. 6.95/ kWh		Rs. 9.17/ kWh		Rs. 7.35/kWh
2	Single point bulk supply	Rs. 100/kVA	Rs. 6.25/ kVAh	Rs.124/kVA	Rs. 7.88/ kVAh	Rs. 120/kVA	Rs. 7.00/kVAh

RTS-1A: Concessional Snowbound Areas Tariff

Table 4: 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							

Table 4: 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.	Domestic	Rs. 18/ Connection	Rs. 1.75/kWh	Rs. 21/ Connection	Rs. 2.01/kWh	Rs. 18/ Connection	Rs. 1.75/kWh
2.	Non-Domestic upto 1 kW	Rs. 18/ Connection	Rs. 1.75/kWh	Rs. 21/ Connection	Rs. 2.01/kWh	Rs. 18/ Connection	Rs. 1.75/kWh
3.	Non-Domestic above 1 kW & upto 4 kW	Rs. 18/ Connection	Rs. 2.60/kWh	Rs. 21/ Connection	Rs. 2.99/kWh	Rs. 18/ Connection	Rs. 2.60/kWh
4.	Non-Domestic above 4 kW	Rs. 30/ Connection	Rs. 3.80/kWh	Rs. 35/ Connection	Rs. 4.37/kWh	Rs. 30/ Connection	Rs. 3.80/kWh

RTS-2: Non-Domestic Tariff**Table 5: Tariff for Non-Domestic**

S. No.	Description	Existing Tariff		UPCL Proposed Tariff		Approved	
		Fixed / Charges (Per Month)	Energy Charges	Fixed / Demand Charges (Per Month)	Energy Charges	Fixed / Demand Charges (Per Month)	Energy Charges
1	Government, Educational Institutions and Hospitals etc.						
1.1	Upto 25 kW	Rs. 80/ kW	Rs. 5.40/ kWh	Rs.104/kW	Rs 7.02/kWh	Rs. 90/ kW	Rs. 5.70/ kWh
1.2	Above 25 kW	Rs. 90/ kVA	Rs. 5.15/ kVAh	Rs. 117/kVA	Rs 6.70 /kVAh	Rs. 100/ kVA	Rs. 5.50/ kVAh
2	Other Non-Domestic Users						
2.1	Upto 4 kW and consumption upto 60 units per month	Rs. 75 / kW	Rs. 5.10/ kWh	Rs 98 /kW	Rs.6.63 /kWh	Rs. 90 / kW	Rs. 5.40/ kWh
2.2	Others upto 25 kW not covered in 2.1 above	Rs. 95 / kW	Rs. 6.70/ kWh	Rs. 124 /kW	Rs. 8.71 /kWh	Rs. 110 / kW	Rs. 7.35/ kWh
2.3	Above 25 kW	Rs. 95 / kVA	Rs. 6.70/ kVAh	Rs. 124 /kVA	Rs. 8.71/kVAh	Rs. 115 / kVA	Rs. 7.35/ kVAh
3	Single Point Bulk Supply above 75 Kw	Rs. 110 / kVA	Rs. 6.80/ kVAh	Rs. 143/ kVA	Rs. 8.84 /kVAh	Rs. 130 / kVA	Rs. 7.35/ kVAh
4	Independent Advertisement Hoardings	Rs. 120/ kW	Rs. 7.50/kWh	Rs. 156/ kW	Rs 9.75 /kWh	Rs. 140/ kW	Rs. 8.20/kWh

RTS-3: Government Public Utilities

Table 6: 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. 115/kVA	Rs. 6.90/ kVAh	Rs. 152/kVA	Rs. 9.11/ kVAh	Rs. 130/kVA	Rs. 7.45/ kVAh
Rural (Metered)	Rs. 105/kVA	Rs. 6.90/ kVAh	Rs. 139/kVA	Rs. 9.11/ kVAh	Rs. 120/kVA	Rs. 7.45/ kVAh

RTS-4/4A: Private Tube Wells / Pump Sets Tariff

Table 7: 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. 2.30/ kWh	Nil	Rs. 2.65/ kWh	Nil	Rs. 2.55/ kWh
RTS-4A: Agriculture Allied Activities						
Metered	Nil	Rs. 3.25/ kWh	Nil	Rs. 3.74/ kWh	Nil	Rs. 3.60/ kWh

RTS-5: Industrial Tariff

Table 8: Tariff for LT Industry

Category	Existing Tariff		UPCL Proposed Tariff		Approved	
	Fixed Charges (Per Month)	Energy Charges	Fixed Charges (Per Month)	Energy Charges	Fixed Charges (Per Month)	Energy Charges
RTS-5: Industry						
LT Industry						
1. Contracted Load upto 25 kW	Rs. 170/ kW	Rs. 5.45/ kWh	Rs. 219/ kVA	Rs. 6.44/ kVAh	Rs. 185/ kVA	Rs. 5.40/ kVAh
2. Contracted Load more than 25 kW	Rs. 175/ kVA	Rs. 5.15/ kVAh	Rs. 219/ kVA	Rs. 6.44/ kVAh	Rs. 185/ kVA	Rs. 5.40/ kVAh

Table 9: Existing, Proposed and Approved Tariff for HT Industries

S. No.	Category	Load Factor	Existing Tariff		UPCL Proposed Tariff		Approved Tariff	
			Energy Charges (Rs./kVAh)	Fixed /Demand Charges (Rs./kVA)	Energy Charges (Rs./kVAh)	Fixed /Demand Charges (Rs./kVA)	Energy Charges (Rs./kVAh)	Fixed /Demand Charges (Rs./kVA)
1	HT Industry having contracted load above 88kVA/75 kW (100 BHP)							
1.1	Contracted Load up to 1000 kVA	Upto 40%	5.50	Rs. 390/kVA of the billable demand	7.10	Rs. 507/kVA of the billable demand	6.00	Rs. 410/ kVA of the billable demand
		Above 40%	5.90		7.63		6.40	
1.2	Contracted Load More than 1000 kVA	Upto 40%	5.50	Rs. 460/kVA of the billable demand	7.10	Rs. 598/kVA of the billable demand	6.00	Rs. 480/ kVA of the billable demand
		Above 40%	5.90		7.63		6.40	

RTS-6: Mixed Load Tariff

Table 10: 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. 130/kVAh	Rs. 6.50/ kVAh	Rs. 166/kVA	Rs. 8.32/ kVAh	Rs. 150/kVA	Rs. 6.90/ kVAh

RTS-7: Railway Traction Tariff

Table 11: 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. 315/kVA	Rs. 6.10/ kVAh	Rs. 416/kVA	Rs. 8.05/ kVAh	Rs. 330/kVA	Rs. 6.60/ kVAh

RTS-8: Electric Vehicle Charging Stations

Table 12: 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. 6.25/ kWh	--	Rs. 7.56/ kWh	--	Rs. 7.00/ kWh
