

Before

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

In the matter of:

UPCL's Petition for approval of MYT for the Control Period from FY 2022-23 to FY 2024-25, True-up for FY 2020-21 and Annual Performance Review for FY 2021-22.

AND

In the matter of:

Uttarakhand Power Corporation Limited

...Petitioner

VCV Gabar Singh Urja Bhawan, Dehradun

CORAM

Shri D.P. Gairola

Member (Law)- Chairman (I/C)

Shri M.K. Jain

Member (Technical)

Date of Order : December 21, 2021

1. This order relates to the Petition for approval of MYT for the Control Period from FY 2022-23 to FY 2024-25, True-up for FY 2020-21 and Annual Performance Review for FY 2021-22 filed by Uttarakhand Power Corporation Limited (UPCL), hereinafter referred to as the Petitioner, on 15.12.2021.
2. The Petition filed by UPCL has not been found to have any substantial material deficiencies.
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 MYT Petition received in the drop boxes to the Commission's office every week.

(M.K. Jain)
Member (Technical)

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

UTTARAKHAND POWER CORPORATION LIMITED
PUBLIC NOTICE

Inviting Comments on the Petition for MYT for the Control Period from FY 2022-23 to FY 2024-25, True-up for FY 2020-21 and Annual Performance Review for FY 2021-22 and determination of Tariff for FY 2022-23 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 from FY 2022-23 to FY 2024-25 and determination of tariff for FY 2022-23 and has sought revision in Retail Tariffs to be charged from different category of electricity consumers in the State for FY 2022-23.
2. Through the above Petition, UPCL has also sought truing up of expenses for FY 2020-21 (based on audited accounts). The summary of the revised ARR and the revised revenue Gap for FY 2020-21 and projected ARR from FY 2022-23 to FY 2024-25 & projected Revenue gap for FY 2022-23 are given in the following Table:

(Figures in Rs. Crore)

S. No.	Particulars	FY 2020-21		FY 2021-22		Projected by UPCL		
		Approved by the Commission	Final truing up claimed by UPCL	Approved by the Commission	Revised Estimates submitted by UPCL	FY 2022-23	FY 2023-24	FY 2024-25
A.	Expenditure							
1	Power Purchase Expenses#	5541.65	4568.91	5269.47	5137.54	5621.07	6060.55	6527.84
2	UJVN Ltd. Arrears Gap / (Surplus)	-	-	(27.61)				
3	SLDC charges	286.49	288.82	288.11	292.10	300.86	309.89	319.18
4	Transmission Charges- PTCUL							
5	Transmission Charges- PGCIL	429.89	607.03	614.55	621.33	641.63	660.88	680.71
6	O&M expenses	554.19	614.52	595.27	652.95	716.64	780.54	860.63
7	Interest charges (including interest on consumer security deposit)	135.94	188.08	128.06	163.97	169.54	183.90	197.08
8	Guarantee Fee	1.52	0.55	1.24	0.55	0.55	0.55	0.55
9	Depreciation	167.47	167.21	178.80	196.42	222.31	247.52	276.08
10	Return on Equity	114.55	106.82	117.87	166.95	192.27	215.07	240.62
11	Interest on Working Capital	0.00	96.88	121.86	135.02	123.20	129.02	135.36
12	Net Impact of Loss/ (Gain) Sharing	0.00	(6.60)					
13	Gross Expenditure	7231.69	6632.22	7287.63	7366.84	7988.09	8587.92	9238.05
B.	Less: Non-tariff income	244.41	286.81	282.72	286.81	286.81	286.81	286.81
	True up impact of previous year Gap/ (Surplus)	(30.16)	(30.16)	620.30	0.00	178.38	0.00	0.00
C.	Aggregate Revenue Requirement	6957.12	6315.25	7625.22	7080.03	7879.66	8301.11	8951.24
D.	Revenues from Existing/ Approved Tariffs	7052.99	6172.78	7684.78	-	7432.10	-	-
E.	Revenue Gap/ (Surplus) (C -D)	(95.87)	178.38^	(59.55)	-	447.56	-	-

#including Water tax & RPO

^including Carrying Cost of Rs. 35.91 Crore

3. UPCL has, accordingly, projected a total revenue gap of Rs. 447.56 Crore including truing up impact for FY 2020-21.
4. For FY 2022-23, UPCL has projected the distribution loss level of 13.50% based on the loss trajectory proposed in the business plan. It is also to mention that for projecting the power purchase cost for FY 2021-22 from UJVN Ltd. stations and Central Sector Generating Stations, UPCL has prorated actual Fixed Cost including arrears of 6 months to compute total fixed cost for FY 2021-22 and used an yearly escalation rate of 3% on FY 2021-22 to arrive at Fixed Cost for FY 2022-23 to FY 2024-25. Further, the variable cost have been projected based on the per unit rate of the actual variable cost for FY 2021-22 after using an yearly escalation rate of 3% per annum to arrive at variable cost for FY 2022-23 to FY 2024-25. 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 for FY 2021-22 escalated by 3%. For Intra-state transmission charges (PTCUL charges) and SLDC charges, UPCL has considered the actual 6 months charges pro-rated to complete FY 2021-22 and the annual transmission charges of FY 2021-22 along with the yearly escalation of 3% is considered for arriving the charges for FY 2022-23 to FY 2024-25.
5. UPCL has proposed to recover the revenue gap of Rs. 447.56 Crore relating to true up for FY 2020-21 and projected ARR & tariff for FY 2022-23 through tariff hike in the FY 2022-23. UPCL has, accordingly, proposed an average tariff hike of 6.02% in the existing retail tariffs of consumers.
6. Further, PTCUL, SLDC and UJVN Ltd. have also submitted their ARR and Tariff Petition for the FY 2022-23 before the Commission. If all the claims as proposed are accepted by the Commission it would necessitate a hike of 10.18% in consumer tariffs for FY 2022-23.
7. UPCL has proposed to revise the applicable tariffs for FY 2022-23 to meet the revenue gap of Rs. 447.56 Crore.

The tariff proposals are as below:

Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
RTS-1: Domestic				
1.1 Life Line Consumers	18/Connection/month	18/Connection/month	1.61 Rs/kWh	1.61 Rs/kWh
1.2 Other Domestic Consumers				
(i) Upto 100 Units/month	60/connection/month	62/connection/month	2.80 Rs/kWh	2.87 Rs/kWh
(ii) 101-200 Units/month	120/connection/month	126/connection/month	4.00 Rs/kWh	4.22 Rs/kWh
(iii) 201-400 Units/month	200/connection/month	215/connection/month	5.50 Rs/kWh	5.92 Rs/kWh
(iv) Above 400 Units/month	300/connection/month	330/connection/month	6.25 Rs/kWh	6.88 Rs/kWh
1.3. Single Point Bulk Supply above 75 kW	95 Rs/kW/month	105 Rs/kW/month	5.15 Rs/kWh	5.67 Rs/kWh
RTS-1A: Snowbound				
Domestic			1.61 Rs/kWh	1.61 Rs/kWh
Non-Domestic upto 1 kW	18/connection/month	18/Connection/month	1.61 Rs/kWh	1.61 Rs/kWh
Non-Domestic above 1 kW & upto 4 kW			2.36 Rs/kWh	2.36 Rs/kWh
Non-Domestic above 4 kW	30/connection	30/connection/month	3.51 Rs/kWh	3.51 Rs/kWh

Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
RTS-2: Non-Domestic				
1.1 Upto 25 kW	75 Rs/kW/month	80 Rs/kW/month	4.65 Rs/kWh	4.93 Rs/kWh
1.2 Above 25 kW	85 Rs/kVA/month	92 Rs/kVA/month	4.40 Rs/kVAh	4.75 Rs/kVAh
2. Other non-Domestic/Commercial Users				
2.1 Small shops (Load upto 4 KW & consumption upto 50 units pm)	70 Rs/kW/month	70 Rs/kW/month	4.70 Rs/kWh	4.70 Rs/kWh
2.2 Upto 25 kW other than above	90 Rs/kW/month	95 Rs/kW/month	5.80 Rs/kWh	6.15 Rs/kWh
2.3 Above 25 kW	90 Rs/kVA/month	96 Rs/kVA/month	5.80 Rs/kVAh	6.21 Rs/kVAh
3. Single Point Bulk Supply above 75 kW	90 Rs/kVA/month	99 Rs/kVA/month	5.75 Rs/kVAh	6.33 Rs/kVAh
4.0 Independent Advertisement Hoardings	110 Rs/kW/month	121 Rs/kW/month	6.40 Rs/kWh	7.04 Rs/kWh
RTS-3: Govt. Public Utilities				
1. Metered (Urban)	90 Rs/kVA/month	99 Rs/kVA/month	5.80 Rs/kVAh	6.38 Rs/kVAh
2. Metered (Rural)	80 Rs/kVA/month	86 Rs/kVA/month	5.80 Rs/kVAh	6.21 Rs/kVAh
RTS-4: Private Tube-wells / Pumping sets				
1. Metered	-	-	2.08 Rs/kWh	2.08 Rs/kWh
RTS-4 A: Agriculture Allied Activities				
1. Metered	-	-	2.75 Rs/kWh	3.03 Rs/kWh
RTS-5: LT & HT Industry				
LT Industries- Contracted load upto 75kW (100 BHP)				
1.1 LT Industries (Upto 25 kW)	155 Rs/kW/month	163 Rs/kW/month	4.60 Rs/kWh	4.83 Rs/kWh
1.2 LT Industries (above 25kW & upto 75 kW)	160 Rs/kVA/month	168 Rs/kVA/month	4.30 Rs/kVAh	4.52 Rs/kVAh
HT Industries (above 75 KW/88KVA)				
2.1 Contracted load upto 1000 kVA				
1- Load factor upto 40%	340 Rs/kVA of billable demand	369 Rs/kVA of billable demand	4.45 Rs/kVAh	4.70 Rs/kVAh
2-Load factor above 40%	340 Rs/kVA of billable demand	369 Rs/kVA of billable demand	4.85 Rs/kVAh	5.10 Rs/kVAh
2.2 Contracted load above 1000 kVA				
1- Load factor upto 40%	410 Rs/kVA of billable demand	445 Rs/kVA of billable demand	4.45 Rs/kVAh	4.70 Rs/kVAh
2-Load factor above 40%	410 Rs/kVA of billable demand	445 Rs/kVA of billable demand	4.85 Rs/kVAh	5.10 Rs/kVAh
RTS-6: Mixed Load				
Mixed Load Single Point Bulk Supply above 75 kW including MES	110 Rs/kW/month	117 Rs/kW/month	5.45 Rs/kWh	5.78 Rs/kWh
RTS-7: Railway Traction				
Railway Traction	265 Rs/kVA/month	281 Rs/kVA/month	4.70 Rs/kVAh	4.98 Rs/kVAh
RTS-8: Electric Vehicle Charging Station				
Electric Vehicle Charging Station	-	-	5.50 Rs/kWh	5.50 Rs/kWh

ToD charges for the industries:

Industries	Rate of charge during		
	Normal hours	Peak hours	Off-peak hours
LT Industries	Rs. 4.52/kVAh	Rs. 6.77/kVAh	Rs. 3.61/kVAh
HT Industries with Load Factor			
Upto 40%	Rs. 4.70/kVAh	Rs. 7.65/kVAh	Rs. 3.76/kVAh
Above 40%	Rs. 5.10/kVAh	Rs. 7.65/kVAh	Rs. 4.08/kVAh

8. In addition, UPCL has also proposed following:
- (a) No tariff hike has been proposed for BPL & PTW Consumers.
 - (b) Continuation of prepaid metering scheme.
 - (c) Rationalisation of Fixed Charges in Domestic & HT Industry Category.
 - (d) Nominal hike of 2.5% for 0-100 slab in other Domestic category
 - (e) Average 5-6% hike in other slabs of other Domestic category
 - (f) Average 6.4% hike in Non-domestic category
 - (g) Average 5.0% in LT Industrial category
 - (h) Average 5.7% in HT Industrial category
 - (i) Proposed Green Power Scheme for RTS-5 HT Industry with load above 88 kVA/75 kW (100 BHP) to supply green power to interested consumers and sought determination of green power tariff.
 - (j) Proposed Electric Vehicle Charging Tariff to be in line with tariff for Domestic Category.
9. 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.
10. The Petition is also available at the website of the Commission (www.uerc.gov.in) and at the Petitioner's website (www.upcl.org).
11. 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 **31.01.2022**. 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 **31.01.2022**.