

**Before**

**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**In the matter of:**

UPCL's Petition on MYT for the Control Period FY 2019-20 to FY 2021-22 and True-up for FY 2017-18.

**AND**

**In the matter of:**

Uttarakhand Power Corporation Limited ...Petitioner  
Victoria Cross Vijeta Gabar Singh Bhawan,  
Kanwali Road, Dehradun

**Coram**

**Shri Subhash Kumar     Chairman**

**Date of Order: December 17, 2018**

This order relates to the Petition on MYT for the Control Period FY 2019-20 to FY 2021-22 and True-up for FY 2017-18 filed by Uttarakhand Power Corporation Limited (UPCL), hereinafter referred to as the Petitioner, on 30.11.2018.

2. The Petition filed by UPCL had certain critical infirmities/deficiencies. The Commission vide its letter dated 06.12.2018 informed the same to UPCL asking it to rectify the said infirmities so that the Petition could be admitted. UPCL submitted the information to the deficiencies pointed out by the Commission on 13.12.2018.
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 further 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 and the critical infirmities pointed out by the Commission vide its letter dated 06.12.2018 and UPCL's replies on the same 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-station should ensure sending all the comments/suggestions on the Tariff Petition received in the drop boxes to the Commission's office every week.

**(Subhash Kumar)**  
**Chairman**

**UTTARAKHAND POWER CORPORATION LIMITED**  
**PUBLIC NOTICE**

**Inviting Comments on the Multi Year Tariff Petition for the Control Period from FY 2019-20 to FY 2021-22 and determination of tariff for FY 2019-20 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 (URC or Commission) for approval of its Annual Revenue Requirement (ARR) for the FY 2019-20 to FY 2021-22 and has sought revision of Retail Tariffs to be charged from different category of electricity consumers in the State for the FY 2019-20.
2. Through the above Petition, UPCL has also sought truing up of expenses for FY 2017-18 (based on audited accounts). The summary of the revised ARR and the revised revenue Gap for FY 2017-18 and projected ARR & projected Revenue gap for the FY 2019-20 to FY 2021-22 are given in the following Table:

(Figures in ₹Crore)

S. No.	Particulars	FY 2017-18		FY 2018-19		Projected by UPCL for		
		Approved by the Commission\$	Final truing up claimed by UPCL	Approved by the Commission	Revised Estimates submitted by UPCL	FY 2019-20	FY 2020-21	FY 2021-22
<b>A.</b>	<b>Expenditure</b>							
1	Power Purchase Expenses	4902.79*	4446.87	4932.43	5173.80	5649.70	6004.6	6397.36
2	UJVN Ltd.'s arrears	-5.98		-47.09				
3	SLDC charges	15.15	15.15	16.84	16.84	17.51	18.21	18.94
4	Transmission Charges- PGCIL	506.40	381.04	388.08	447.34	559.21	564.54	716.31
5	Transmission Charges- PTCUL	237.63	239.18	192.46	192.46	289.68	304.17	319.38
6	O&M expenses	507.67	484.99	505.57	541.08	635.77	747.42	805.39
7	Interest charges (including interest on consumer security deposit)	163.65	149.28	132.88	156.91	186.86	223.09	253.44
8	Guarantee Fee	3.42	10.73	5.59	10.73	10.73	10.73	10.73
9	Depreciation	136.36	127.40	142.42	141.47	166.72	202.91	240.75
10	Return on Equity	50.54	74.89	78.24	88.01	114.13	150.58	187.45
11	Interest on Working Capital	12.31	0.00#	0.00	0.00	14.38	21.74	25.54
12	Net Impact of Gain/Loss Sharing	-	2.64#	0.00	0.00	-	-	-
<b>13</b>	<b>Gross Expenditure</b>	<b>6529.94</b>	<b>5932.18</b>	<b>6347.43</b>	<b>6768.64</b>	<b>7644.69</b>	<b>8247.99</b>	<b>8975.29</b>
<b>B.</b>	<b>Less: Non-tariff income</b>	<b>-185.70</b>	<b>-308.52</b>	<b>-155.26</b>	<b>-142.18</b>	<b>-149.29</b>	<b>-156.76</b>	<b>-164.60</b>
	True up impact of previous year	-141.54	-141.54	64.78	64.78	-166.77	-	-
	Past year adjustment	-139.16	-139.16	-158.71	-158.71	-	-	-
	Adjustment against free power	-	-	-100.74	-100.74	-	-	-
<b>C.</b>	<b>Aggregate Revenue Requirement</b>	<b>6063.54</b>	<b>5342.95</b>	<b>5997.50</b>	<b>6431.79</b>	<b>7328.63</b>	<b>8091.22</b>	<b>8810.70</b>
<b>D.</b>	<b>Revenues from Existing/ Approved Tariffs</b>	<b>6064.21</b>	<b>5480.49</b>	<b>5859.95</b>	<b>-</b>	<b>6445.22</b>	<b>-</b>	<b>-</b>
<b>E.</b>	<b>Revenue Surplus/(Gap) (C-D)</b>	<b>-0.67</b>	<b>-137.54</b>	<b>137.55</b>	<b>-</b>	<b>-883.41</b>	<b>-</b>	<b>-</b>

\$ as per Tariff order dated 29.03.2017 and Review order dated 03.08.2017.

\* including Water tax.

# Since O&M expenses & Interest on Working Capital have been considered based on normative expenses, consumer's share from the net gain has been reduced from the net expenditure.

3. UPCL has, accordingly, for the FY 2017-18 and FY 2019-20 taken together, projected a total revenue gap of ₹883.41 Crore.
4. For FY 2019-20, UPCL has projected the distribution loss level of 14.67% based on the loss trajectory proposed in the business plan. It is also to mention that for projecting the power purchase cost for FY 2019-20 from UJVN Ltd. stations and Central Sector Generating Stations, UPCL has escalated applicable rates for FY 2017-18 by 5% and 3% respectively per annum for the subsequent years based on actual energy bills and rates as approved by UERC in its Order dated 21.03.2018 and in the orders of CERC respectively. Inter-state transmission charges (PGCIL charges) have been projected on "per unit basis", i.e. power projected to be procured from outside based on the actual per unit cost paid from April, 2018 to September, 2018 escalated by 5%. UPCL has considered the Intra-state transmission charges (PTCUL charges) and SLDC charges as per ARR approved by the Commission for PTCUL for FY 2018-19 vide its Order dated 21.03.2018 and has further escalated the same by 5% for each year of the control period for estimating PTCUL charges and by 4% for each year of the control period for estimating SLDC charges.
5. UPCL has proposed to recover the revenue gap of ₹883.41 Crore relating to FY 2017-18 and FY 2019-20 through tariff hike in the FY 2019-20. UPCL has, accordingly, proposed an average tariff hike of 13.71% in the existing retail tariffs of consumers.
6. Further, PTCUL, SLDC and UJVN Ltd. have also submitted their ARR and Tariff Petition for the Control Period FY 2019-20 to FY 2021-22 before the Commission. If their claims are accepted by the Commission it would necessitate a total Tariff hike of 25.85% in consumer tariffs for FY 2019-20.
7. UPCL has proposed to revise the applicable tariffs for FY 2019-20 to meet the revenue gap of ₹883.41 Crore.

The tariff proposals are as below:

Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
<b>RTS-1: Domestic</b>				
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	55/connection/month	55/connection/month	2.65 Rs/kWh	2.75 Rs/kWh
(ii) 101-200 Units/month	80/connection/month	85/connection/month	3.45 Rs/kWh	3.60 Rs/kWh
(iii) 201-400 Units/month	135/connection/month	145/connection/month	4.70 Rs/kWh	5.10 Rs/kWh
(iv) Above 400 Units/month	220/connection/month	245/connection/month	5.40 Rs/kWh	6.05 Rs/kWh

Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
1.3. Single Point Bulk Supply above 75 kW	70 Rs/kW/month	80 Rs/kW/month	4.25 Rs/kWh	4.75 Rs/kWh
<b>RTS-1A: Snowbound</b>				
Domestic	18/connection/month	18/Connection/month	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	18/Connection/month	18/Connection/month	2.36 Rs/kWh	2.36 Rs/kWh
Non-Domestic above 4 kW	30/connection/month	30/connection/month	3.51 Rs/kWh	3.51 Rs/kWh
<b>RTS-2: Non-Domestic</b>				
1. (i) Government/Municipal Hospitals (ii) Government/Government Aided Educational Institutions (iii) Charitable Institutions registered under the Income Tax Act, 1961 and whose income is exempted from tax under this Act				
1.1 Upto 10 kW	60 Rs/kW/month	70 Rs/kW/month	4.35 Rs/kWh	4.95 Rs/kWh
1.2 Above 10 kW & upto 25 kW	60 Rs/kW/month	80 Rs/kVA/month	4.35 Rs/kWh	4.60 Rs/kVAh
1.3 Above 25 kW	70 Rs/kVA/month	80 Rs/kVA/month	4.05 Rs/kVAh	4.60 Rs/kVAh
<b>2. Other non-Domestic/Commercial Users</b>				
2.1 Load upto 4 KW & consumption upto 50 units per month	65 Rs/kW/month	70 Rs/kW/month	4.55 Rs/kWh	5.00 Rs/kWh
2.2 Upto 10 kW	70 Rs/kW/month	80 Rs/kW/month	5.35 Rs/kWh	6.10 Rs/kWh
2.3 Above 10 kW & upto 25 kW	70 Rs/kW/month	80 Rs/kVA/month	5.35 Rs/kWh	6.05 Rs/kVAh
2.3 Above 25 kW	70 Rs/kVA/month	80 Rs/kVA/month	5.25 Rs/kVAh	6.05 Rs/kVAh
3. Single Point Bulk Supply above 75 kW	70 Rs/kVA/month	80 Rs/kVA/month	5.15 Rs/kVAh	5.90 Rs/kVAh
4.0 Independent Advertisement Hoardings	85 Rs/kW/month	100 Rs/kW/month	5.80 Rs/kWh	6.65 Rs/kWh
<b>RTS-3: Govt. Public Utilities</b>				
1. Metered (Urban)	60 Rs/kVA/month	70 Rs/kVA/month	4.85 Rs/kVAh	5.60 Rs/kVAh
2. Metered (Rural)	50 Rs/kVA/month	60 Rs/kVA/month	4.85 Rs/kVAh	5.60 Rs/kVAh
<b>RTS-4: Private Tube-wells / Pumping sets</b>				
1. Metered	Nil	Nil	1.84 Rs/kWh	2.10 Rs/kWh
<b>RTS-4 A: Agriculture Allied Activities</b>				
1. Metered	Nil	Nil	1.84 Rs/kWh	2.10 Rs/kWh
<b>RTS-5: LT &amp; HT Industry</b>				
LT Industries- Contracted load upto 75kW(100 BHP)				
1.1 LT Industries (upto 10 kW)	145 Rs/kW/month	165 Rs/kW/month	4.25 Rs/kWh	4.85 Rs/kWh
1.2 LT Industries (Above 10 kW & upto 25 kW)	145 Rs/kW/month	165 Rs/kVA/month	4.25 Rs/kWh	4.45 Rs/kVAh
1.3 LT Industries (above 25kW & upto 75 kW)	145 Rs/kVA/month	165 Rs/kVA/month	3.90 Rs/kVAh	4.45 Rs/kVAh

Category	Fixed / Demand Charges		Energy Charges	
	Existing	Proposed	Existing	Proposed
<b>HT Industries (above 75 KW/88KVA)</b>				
2.1 Contracted load upto 1000 kVA				
1- Load factor upto 40%	295 Rs/kVA of billable demand	340 Rs/kVA of billable demand	3.85 Rs/kVAh	4.46 Rs/kVAh
2-Load factor above 40%	295 Rs/kVA of billable demand	340 Rs/kVA of billable demand	4.20 Rs/kVAh	4.86 Rs/kVAh
2.2 Contracted load above 1000 kVA				
1- Load factor upto 40%	355 Rs/kVA of billable demand	410 Rs/kVA of billable demand	3.85 Rs/kVAh	4.46 Rs/kVAh
2-Load factor above 40%	355 Rs/kVA of billable demand	410 Rs/kVA of billable demand	4.20 Rs/kVAh	4.86 Rs/kVAh
<b>RTS-6: Mixed Load</b>				
Mixed Load Single Point Bulk Supply above 75 kW including MES	75 Rs/kW/month	85 Rs/kW/month	4.80 Rs/kWh	5.50 Rs/kWh
<b>RTS-7: Railway Traction</b>				
Railway Traction	245 Rs/kVA/month	280 Rs/kVA/month	4.35 Rs/kVAh	5.00 Rs/kVAh

ToD charges for the industries:

Industries	Rate of charge during		
	Normal hours	Peak hours	Off-peak hours
<b>LT Industries</b>	₹ 4.45/kVAh	₹ 6.68/kVAh	₹ 3.69/kVAh
<b>HT Industries with Load Factor</b>			
Upto 40%	₹ 4.46/kVAh	₹ 7.29/kVAh	₹ 3.79/kVAh
Above 40%	₹ 4.86/kVAh	₹ 7.29/kVAh	₹ 4.13/kVAh

\*In addition, UPCL in its Tariff proposals for FY 2019-20 has also proposed to shift from kWh to kVAh billing for LT and Non-Domestic consumers having load of more than 10 kW and upto 25 kW.

- 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](mailto:secy.uerc@gov.in) by 31.01.2019. Responses/suggestions, if any, may also be dropped at the drop boxes installed at every sub-stations of UPCL in an envelope addressed to Secretary, Uttarakhand Electricity Regulatory Commission by the stipulated date.
- 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](http://www.uerc.gov.in)) and at the Petitioner's website ([www.upcl.org](http://www.upcl.org)).