



# Uttarakhand Electricity Regulatory Commission

Vidyut Niyamak Bhawan',

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No. UERC/6/TF-759/2024-25/2025/1457

Date: 29 January, 2025

To,

Managing Director,  
Uttarakhand Power Corporation Ltd.,  
Victoria Cross Vijeta Gabar Singh Bhawan,  
Kanwali Road, Dehradun.

**Sub. Multi Year Tariff (MYT) Petition for the Control Period of Three Financial Years from FY 2025-26 to FY 2027-28 alongwith Tariff determination for FY 2025-26, Truing-up for FY 2023-24 and Annual Performance Review for FY 2024-25 and Application seeking approval of Business Plan for the Control Period from FY 2025-26 to FY 2027-28.**

Sir,

This is with reference to the Technical Validation Session held on 28.01.2025 at 11.30 AM at the Commission's office on the above-mentioned subject. In this regard, the minutes of the said TVS are enclosed as **Annexure-A** for information and necessary action at your end. You are required to submit your reply in seven copies alongwith the soft copy of the same accompanied with an affidavit latest by 05.02.2025.

Yours sincerely,

Encl. as above

(Neeraj Sati)  
Secretary

Minutes of Technical Validation Session held on January 28, 2025 in the matter of  
UPCL's Petition for true up of FY 2023-24, Annual Performance Review (APR) of FY  
2024-25 and Business Plan and Multi Year Tariff for the Fifth Control Period from FY  
2025-26 to FY 2027-28

**Present:**

**UERC**

1. Shri Anurag Sharma, Member (Law), UERC.
2. Shri Neeraj Sati, Secretary, UERC.
3. Shri Deepak Pandey, Director (Finance/Tariff), UERC.
4. Shri Gaurav Sharma, Director (Costing/Licensing), UERC.
5. Shri Prabhat Kishor Dimri, Director (Technical), UERC.
6. Shri Yashwardhan Dimri, Joint Director (Technical), UERC.
7. Shri Gaurav Lohani, Dy. Director (Finance/Tariff), UERC.
8. Shri Suresh Gehani, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.).
9. Shri Sanjiv Kumar Singh, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.).
10. Shri Harsh Mohan, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.).

**UPCL**

1. Shri A.K. Agarwal, Director (Projects), UPCL.
2. Shri Kamal Sharma, Director (Finance), UPCL.
3. Shri R.J. Malik, Executive Director (HR), UPCL.
4. Shri N.K. Kandpal, General Manager (Finance), UPCL.
5. Shri D.S. Khati, Chief Engineer (Comml.), UPCL.
6. Shri M.S. Rana, Superintending Engineer (Comml.), UPCL.
7. Shri Anil Dhiman, Superintending Engineer, UPCL.
8. Shri Jitendra Singh, Dy. CPO, UPCL.
9. Shri Arun Kant, Executive Engineer, UPCL.
10. Shri Manoj Aggarwal, Executive Engineer, UPCL.
11. Shri S.K. Mehta, Sr. Accounts Officer, UPCL.

12. Shri Kamal Kant, Accounts Officer, UPCL.
13. Shri Rajat Goel, Associate Director, M/s Deloitte.
14. Shri Shubham Pant, Sr. Consultant, UPCL.
15. Shri Aneet Mohanty, Consultant, M/s Deloitte.
16. Shri Akash Sharma, Sr. Manager, M/s Mercados Energy Markets India Pvt. Ltd.
17. Ms. Shalini, Sr. Analyst, M/s Mercados Energy Markets India Pvt. Ltd.

The queries raised by the Commission and the replies submitted by UPCL along with other issues were discussed in detail as follows:

**I. True Up for FY 2023-24**

1. With regard to variation observed in pending receivables for FY 2023-24, UPCL agreed to submit the current status of pending receivables along with a detailed action plan, including a defined timeframe for finalisation of pending receivables. Additionally, UPCL agreed to provide consumer category-wise break-up of pending receivables for FY 2023-24.
2. It was pointed out that UPCL has considered following Intra State Transmission losses at several places.
  - i) 2.16% in Form F 2.5.
  - ii) 1.97% based on difference in the energy injected in discom periphery vis-à-vis received in State Periphery.
  - iii) 1.30% considered for purchase through IEX.

UPCL agreed to submit the Intra-State Transmission Losses based on actual losses for FY 2023-24 and agreed to submit the revised energy balance based on actual Intra-State Transmission Losses incurred in FY 2023-24.

3. The Petitioner agreed to provide category wise load shedding for FY 2023-24 and FY 2024-25 till December 2024.
4. With regard to reasons provided by UPCL for load shedding in FY 2023-24, UPCL submitted that one of the contributing factors was transmission constraints in Transmission Licensee's Network. UPCL agreed to provide a note on transmission



constraints faced by them, which resulted in load shedding, along with copies of correspondence made with State Transmission Utility in this regard.

5. It was pointed out that the quantum of load shedding submitted by UPCL in reply to Query No 8 vide letter dated 15.01.2025 is 114.09 MUs whereas, the same in reply to Query No 3 of business plan has been submitted as 102 MU. UPCL agreed to submit the finalised data on the quantum of load shedding in FY 2023-24.
6. It was pointed out that in some of the towns, such as Landhora, Khatima, Joshimath, Manglaur, Jaspur and Kashipur, the billing efficiency is 36%, 47%, 48%, 54%, 73% and 79% respectively, which has resulted in higher AT&C losses. In this regard, following submissions are required to be made by UPCL.
  - i) Division wise justification for such low billing efficiency.
  - ii) Submit the division wise allocation of O&M expenses and capital expenditure and also the actual expenses incurred for last three financial years along with the projections for FY 2025-26.
7. It was pointed out that UPCL in reply to Query No. 10, has submitted that opening number of employees for FY 2023-24 is 2506 as against 2517 approved in True Up of FY 2022-23. UPCL is required to confirm the actual number of employees as on 01.04.2023.
8. It was pointed out that the sales for HT Industry have increased by only 0.13% from FY 2022-23 to FY 2023-24, despite a 3.17% increase in the number of consumers and a 5.80% increase in connected load during the same period. Further, the load factor of incremental sales on incremental load of HT Industries is only 0.93%. UPCL agreed to provide its own division wise analysis for the stagnant growth in HT Industry sales.
9. It was pointed out that under domestic category, number of consumers has increased by 70728, however load has increased by only 26896 kW in FY 2023-24. UPCL agreed to submit the detailed justification for the same.
10. UPCL agreed to submit the month wise, source wise quantum of short-term power purchased and cost for FY 2023-24 and FY 2024-25 till December 2024 along with bifurcation of such purchase during peak and off-peak hours for FY 2023-24.
11. With regard to pending EI Certificates, UPCL agreed to submit EI certificates pertaining to



FY 2016-17 to FY 2021-22 on or before 07.02.2025, in the prescribed format (F 18.12) along with balance certificate for FY 2023-24.

12. UPCL agreed to submit the detailed reasons for variation in demand and consumption under mixed load category as also pointed out in Query no. 7 of letter dated 15.01.2025.
13. UPCL agreed to submit the source wise detailed breakup of "other charges" paid to generators.
14. It was clarified that in absence of required submission on DPS to government consumers, the Commission shall compute the DPS in accordance with the methodology adopted in the previous Tariff Order.
15. It was pointed out that the reasons submitted by UPCL in its reply to Query No. 15 to support the increase in R&M expenses in FY 2023-24 is vague. In this regard, UPCL agreed to submit the following information to substantiate its earlier submissions.
  - a. Division-wise details of the Rs. 34.22 Crore expenditure incurred for reconstruction during FY 2023-24 along with detail of specific disasters that occurred during FY 2023-24 necessitating this reconstruction.
  - b. Details of operational efficiency improvements achieved in FY 2023-24 compared to FY 2022-23 and clarification on whether the addition of fixed assets in a year contributes to increased R&M expenses from the same year, supported by relevant justifications.
  - c. Confirmation on whether the repair costs previously booked under "System Improvement Works" were earlier part of R&M expenses. If not, specify the head under which these costs were previously accounted.
  - d. Details of the expenditure incurred for securing valuable assets during FY 2022-23 and FY 2023-24, along with a breakdown of the activities undertaken. UPCL should also confirm that the cost pertaining to the same has not been claimed under capitalisation in FY 2022-23 and FY 2023-24.
  - e. Any specific guidelines to book meter replacement cost as R&M or under additional capitalisation.





- f. Confirm and undertake that no double accounting of meter replacement cost has incurred in FY 2023-24.
16. UPCL is required to submit the major cost heads under miscellaneous expenses for FY 2023-24.
17. UPCL agreed to submit the division wise break up of employees with designations of contractual staff cost along with basis of recruitment of the staff. UPCL further agreed to submit the total number of contractual staff at the end of last three financial years ending FY 2023-24 alongwith the contracts of different agencies.
18. It was pointed out that the rebate earned on payment of power purchase has reduced from Rs. 60.03 Crore in FY 2022-23 to Rs. 30.96 Crore in FY 2023-24. UPCL submitted that the provisions governing rebates on power purchase payments were amended in FY 2023-24 and agreed to provide copies of the relevant amendments to the rebate provisions with Central Generating Stations.
19. It was pointed out that under A&G expenses for FY 2023-24, Rs. 34.81 Crore pertains to AMC expenses. UPCL agreed to submit the copies of AMC contracts and contract of TDS management having a value exceeding Rs. 1 Crore.
20. UPCL agreed to submit the details and supporting document of actual equity infusion by GoU for funding the net capitalisation (excluding grant) of Rs. 586.52 Crore in FY 2023-24. Further, UPCL is required to reconcile the scheme-wise loans submitted in its reply dated 15.01.2025 and MYT Format with the audited accounts.
21. It was pointed out that UPCL has availed special loan for working capital requirement. UPCL agreed to reconcile the special loan availed with the balance sheet.
22. UPCL agreed to submit the requisite orders of Electrical Inspector in support of compensation paid during FY 2023-24.
23. It was pointed out that UPCL has considered liability of Rs. 572 Crore against power purchase dues towards CPSUs as equity. UPCL agreed to justify as to how such amount can be considered for the purpose of allowing RoE when the amount has not been utilised to create or acquire any asset related to distribution business.
24. UPCL is required to submit the month-wise details of overdraft facility availed along with



month-wise revenue billed and collected for FY 2023-24.

25. UPCL is required to submit the detailed reasons for increase in interest on consumer security deposits and other financial and bank charges from Rs. 11.26 Crore to Rs. 33.68 Crore in FY 2023-24.
26. It is pointed out that ABR for almost all categories for various divisions were lower than the previous year's ABR and in some cases of PTW and RTS 4-A, the ABR was even lower than the energy charges approved for the year. The list of such divisions is annexed as **Annexure 1. Director Operations, UPCL is required to submit a report on or before 28.02.2025 for such decrease in ABR under various divisions.**
27. With regard to assessed sales and its revenue not being maintained separately, UPCL submitted that the division wise assessed sales are included under the actual sales provided for FY 2023-24. UPCL agreed to submit the division wise assessed sales and their corresponding revenue booked in FY 2023-24.
28. It was also pointed out that in Form 18.12 of the MYT Petition majority of the works have been capitalised in FY 2023-24, however, Electrical Inspector's clearance was carried out in FY 2024-25 or the inspection fee was deposited in FY 2024-25. Director (F), UPCL is required to provide the justification for capitalising the assets without clearances from the Electrical Inspector despite categorical directions by the Commission. Further, UPCL is required to provide complete details of assets capitalised as required in Form 18.12.

## **II. Business Plan & MYT (FY 2025-26 to FY 2027-28)**

1. It was pointed out that in the Petition UPCL has outlined various initiatives/capital works undertaken during the past Control Period, which are proposed to continue in the 5<sup>th</sup> Control Period. UPCL agreed to provide detailed information on the progress made till date under these initiatives and submit a comprehensive plan for their continuation in the 5<sup>th</sup> Control Period.
2. UPCL is required to provide its internal policy detailing the methodology and process for monitoring of high loss feeders.
3. It was pointed out that in Section 5.3.4 of the Petition UPCL has highlighted various initiatives to improve billing efficiency and collection of bills, including 'Photo based





billing started in some areas to remove meter reader malpractices & improve customer satisfaction.' In this regard, UPCL is agreed to submit the agreement executed with the agency deployed for meter reading and details of division wise number of meter readers contracted/assigned for this task.

4. It was pointed out that the growth rate considered by UPCL for projection of sales in FY 2025-26 to FY 2027-28 does not reflect the current trend of growth observed across the various consumer categories. UPCL is required to submit the detailed justification for considering such growth rate.
5. UPCL agreed to submit the PPA executed with ReNew Surya Vihaan Pvt. Ltd. and ReNew Surya Roshni Pvt. Ltd. and their current status along with basis of considering 80% PLF for power sourced from ReNew Surya Roshni Pvt. Ltd.
6. It was pointed out that UPCL in its energy balance table has included energy availability from short-term sources in the 'Total Energy Availability at the State Periphery' and has not shown any deficit in the Energy Balance for the control period. This presents an inaccurate picture of the 'Energy Deficit/Surplus position of UPCL, as reliance on short-term sources itself indicates a deficit between Energy Requirement and Energy Availability. UPCL agreed to submit the revised Energy Balance, considering energy availability from firm sources only under 'Total Energy Availability at the State Periphery', accurately reflecting the Energy Deficit/Surplus position.
7. UPCL agreed to submit the basis of considering 40% PLF of Gas based generating stations along with the details of gas tied up and how it intends to operate the plant in the next control period.
8. UPCL is required to provide the rationale for considering lower capital expenditure under RDSS compared to the capitalization projected for the period from FY 2024-25 to FY 2027-28. Further, UPCL agreed to submit its readiness to comply with the timelines prescribed in the RDSS Guidelines especially with regards to deployment of smart meters.
9. UPCL agreed to submit the date on which the works included under 'Other Miscellaneous Works' were submitted for approval of the Commission.
10. UPCL is required to submit the reasons for not installing prepaid meter for release of new

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connection and replacement of defective single phase and three phase meters.

11. It was pointed out that UPCL has added energy availability from “additional energy to be covered for THDC processing” as 80.23 MUs at State Periphery and has accordingly made the Energy Balance for the Control Period. In this regard, UPCL is required to revise the Energy Balance and relevant power purchase forms by adding the pumping demand from Tehri PSP in its requirement and, energy available from Tehri PSP after factoring in the conversion losses for the Control Period. Further, UPCL is required to submit the basis of considering fixed charges of 530 paise/kwh and energy charge of 482.90 paise/kWh.
12. It was pointed out that UPCL in reply to Query No. 14, has submitted that it will provide information to PTCUL for preparation of perspective plan. UPCL submitted that various meetings were held with State Transmission Utility regarding planning and co-ordination. UPCL agreed to submit the minutes of meeting held with State Transmission Utility with respect to the preparation of Capital Investment Plan.
13. UPCL agreed to provide their comments on the Business Plan submitted by PTCUL especially with regards to capex plan.
14. UPCL is required to provide the lending agreement for the project funded by ADB to Govt. of Uttarakhand along with any supporting documents, including commitments from the State Government for equity contributions or lender commitments.
15. It was pointed out that energy availability projected at State periphery from short-term sources constitutes 13.93%, 15.87%, and 21.82% of the total projected availability during FY 2025-26, FY 2026-27, and FY 2027-28, respectively. UPCL is required to submit the copies of Resource Adequacy Plan of UPCL as prepared by CEA.
16. With regard to finalization of the nomination of the recruiting agency and the unfreezing of 52 posts, UPCL submitted that no updates have been received from the Government of Uttarakhand concerning the aforementioned posts.

### **III. MYT Petition (APR for FY 2024-25 and ARR for FY 2025-26 to FY 2027-28)**

1. UPCL agreed to submit the category wise actual sales recorded from July 2024 to December 2024.
2. UPCL agreed to submit the details of all pending applications with regard to new



connections across all consumer category, including the date of receipt of the application.

3. It was pointed out that UPCL has considered lower energy availability from Dhalipur, Tiloth, Solar Rooftop in FY 2025-26 to FY 2027-28 as compared to FY 2024-25. UPCL agreed to submit the detailed justification for the same. UPCL is further directed to align its power projection for UJVNL plants for fifth Control Period, in conformity with the projections made by UJVNL.
4. UPCL agreed to submit the current status of upcoming solar projects considered in Table 81 of MYT Petition.
5. It was pointed out that security deposits will be required to be refunded by UPCL to consumers upon the installation of prepaid meters. In this regard, UPCL agreed to provide an impact analysis of the same. Further, UPCL agreed to submit the current status vis-à-vis target for deployment of consumer smart meters, DT meters and feeder meters under RDSS.
6. UPCL agreed to submit the status of works (physical and financial progress) as on 31.12.2024 for capital expenditure proposed for FY 2024-25.
7. It was pointed out that UPCL at para 2.20 of the MYT Petition has submitted that loss reduction is difficult due to hilly terrain and majority of the loss are technical loss with very little scope for further reduction. UPCL agreed to submit the analysis supporting the claim made regarding majority of distribution losses of UPCL being technical losses.
8. UPCL agreed to provide details such as any approval or commitment to infuse equity support from Government of Uttarakhand for funding of capitalisation proposed in the next control period.
9. With regard to increase in cost of call centre, UPCL agreed to submit the copy of agreement entered into by it for outsourcing the works which also include charges towards use of the assets like, 25 kVA Online UPS with batteries, 16 channel DVR and CCTV etc.
10. UPCL agreed to submit the calculation for cost of smart meter considered under OPEX.
11. With regard to proposal made by UPCL for applying the HT Industrial Tariff to LT consumers having Load up to 75 kW and user demand exceeding 100 kVA. UPCL submitted that some of the LT consumers are exceeding their demand more than 100 kVA

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on repetitive basis and therefore, HT Industrial tariff should be made applicable for them as penalty levied for exceeding the demand on them is on lower side. UPCL is required to submit the computation of additional revenue that will be generated from the aforesaid proposal.

12. UPCL is required to submit the PERT chart indicating scheduled timelines for the recruitment against posts under Group "A", Group "B" and Group "C".

**UPCL agreed to submit replies to all queries as sought above latest by February 05, 2025.**



## 1. Reason for Decrease in ABR vis-à-vis previous years.

## Domestic (BPL)

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Change	Avg. Monthly Consumption per Consumer	Normative ABR
EDD, Laksar	2.01	4.76	-57.83%	268.92	4.46
EDC, Haridwar	2.79	4.27	-34.70%	161.97	4.25
EDC, Pithoragarh	2.59	3.42	-24.15%	29.84	2.35
EDD (U), Roorkee	3.01	3.92	-23.24%	159.68	4.25
EDD, Dharchula	2.67	3.23	-17.40%	31.25	2.33

## Other Domestic

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase	Avg. Monthly Consumption per Consumer
EDD, Dharchula	4.13	4.92	-15.91%	47.64
EDD (R), Roorkee	3.94	4.50	-12.49%	179.58
EDD (C), Dehradun	5.64	6.31	-10.57%	196.98
EDD, Laksar	4.59	5.02	-8.57%	130.00

## Non-Domestic (up to 75kW)

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD (R), Roorkee	5.85	6.94	-15.80%
EDD, Barkot	6.31	7.38	-14.42%
EDD (C), Dehradun	7.78	8.31	-6.36%
EDD, Pithoragarh	6.97	7.37	-5.54%

## Non-Domestic (above 75kW)

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD, Barkot	6.69	7.53	-11.08%
EDD, Vikasnagar	7.17	7.83	-8.39%



## PTW

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD, Nanital	1.79	2.20	-18.63%
EDD (R), Haridwar	2.35	2.82	-16.76%
EDD, Laksar	1.85	2.19	-15.73%
EDD (U), Roorkee	1.86	2.18	-14.62%
EDC, Haridwar	1.95	2.21	-11.81%

**ABR considerably lower than Normative Tariff (Rs. 2.20/kWh)**

Name of the Division	Current ABR (Rs. kWh)
EDD, Tehri	2.00
EDD (U), Roorkee	1.86
EDD, Laksar	1.85
EDC, Haridwar	1.95
EDD, Nainital	1.79
EDD, Rudrapur-II	2.13

## Agriculture - Allied - RTS 4A

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD, Tehri	2.52	2.95	-14.80%
EDD, Rudrapur-I	2.55	2.85	-10.39%
EDD, Bajpur	2.87	2.90	-1.05%

**Approved Tariff (Rs. 2.99/kWh) - Lower ABR**

Name of the Division	Current ABR (Rs. kWh)
EDD, Rishikesh	2.73
EDD, Tehri	2.52
EDD, Pauri	2.00
EDD, Bajpur	2.87
EDC, Rudrapur-I	2.55

## LT Industry

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD, Barkot	6.41	8.26	-22.43%
EDD (R), Roorkee	7.05	7.86	-10.29%

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**HT (up to 1000 kVA)**

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD, Barkot	7.11	8.88	-19.99%

**HT (above 1000 kVA)**

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD, Jwalapur	6.26	6.31	-0.84%

**Public Water Works**

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD, Sitargang	-7.58 <sup>1</sup>	6.24	-221.58%

*1. Please also provide justification for negative ABR.*

**Public Lamps**

Name of the Division	Current ABR (Rs. kWh)	Previous ABR (Rs. kWh)	Increase
EDD, Barkot	5.51	6.49	-19.99%
EDD, Gairsain	7.04	8.06	-12.68%
EDD, Jwalapur	6.96	7.80	-10.79%
EDD (U), Roorkee	5.92	6.25	-5.39%
EDD, Gopeshwar	4.86	5.06	-3.80%
EDD, Mohanpur	6.88	7.12	-3.36%