

# CONCEPT PAPER ON EVALUATING SEASONAL TARIFF FOR HOTEL INDUSTRY

## 1.1 Background

The existing rate schedule for 'RTS-2: Non-Domestic' is as follows:

S. No.	Description	Fixed Charges	Energy Charges
1.1	(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		
	(a) Upto 25 kW	Rs. 90/kW	Rs. 6.00/kWh
	(b) Above 25 kW	Rs. 100/kVA	Rs. 5.85/kVAh
	<b>Other Non-Domestic Users</b>		
	(a) Small Non-Domestic Consumers with connected load upto 4 kW and consumption upto 60 units per month*	Rs. 90/kW	Rs. 5.75/kWh
	(b) Others upto 25 kW not covered in 1.2(a) above.	Rs. 110/kW	Rs. 7.75/kWh
	(c) Above 25 kW	Rs. 115 /kVA	Rs. 7.80/kVAh
1.3	Single Point Bulk Supply**	Rs. 130 /kVA	Rs. 7.80/kVAh
1.4	Independent Advertisement Hoardings.	Rs. 140/kW	Rs. 8.60/kWh

\* If consumption exceeds 60 units/month, then on the entire energy consumed tariff as per sub-category 1.2(b) shall be charged

\*\* For loads above 75 kW for shopping complexes/multiplex/malls.

The existing tariff category comprises of two main sub-categories, one of which includes consumers such as government/government aided educational institutions, Municipal Hospitals, charitable institution which are offered concessional tariff. The other sub-category primarily includes consumers using the electricity to carry out core commercial activities. It is observed that a large section of these commercial consumers are Hotels and Resorts which are largely dependent on the tourism activities. It is observed that even though the State of Uttarakhand offers tourism all around the year, the scale of tourist engagement is largely impacted by seasonality. This seasonality effects the consumption pattern resulting in increase in effective electricity tariff due to lower load factor during off season period for Hotels and Resorts. During previous tariff determination exercise, some of the stakeholders specially belonging to hotel industries had suggested to charge Hotels at domestic rates to provide financial relief to the Hotel Industry and support local businesses as most Hotels and Restaurants remain closed for nearly six months in the off-season but continue

to be billed at Non-Domestic rates. Some stakeholders have suggested that seasonal tariff should be allowed during rainy season to the Hotel Industry. Whereas some of the stakeholders have suggested that since the hotel business operates only for six months – with peak operations lasting two months – load enhancement on its own by Discom, during the operational period is not a feasible solution for the hotel industry and instead the consumers belonging to this category should be offered seasonal benefits. Further, some of the stakeholder suggested to provide concession in fixed charges for Hotel Industry during off-peak season.

The Commission in the previous tariff proceedings has been regularly receiving suggestions to provide appropriate relief to Hotel Industry due to difficulty faced by the industry during the off-peak season.

It is observed that the Hotel Industry is a significant contributor to Uttarakhand's economy and a large proportion of hotels, restaurants, lodges specially situated in the hilly regions of the State remain operational only during specific months of the year. During the remaining period, i.e. the off-season months, most of the sector either remains completely non-operational or operate at a significantly reduced occupancy level. Despite significantly lower actual demand during off-season periods, the consumers of the Hotel Industry continue to be billed based on contracted demand throughout the year, resulting in a significant financial burden. Various stakeholders have submitted that the tourism sector, which is a major contributor to employment generation and a key driver of the State's economy, requires regulatory support in the form of seasonal tariff to ensure long-term sustainability of the Tourism Industry.

It is further observed that the tourist footfall varies across different seasons specially in the hilly regions of the State. This has resulted in a distinct seasonal consumption pattern for the Hotel Industry, with maximum demand being concentrated in the period during tourist peak months and significantly lower demand prevailing for the remainder of the year. It is to be noted that the current tariff applicable to Non-Domestic consumers does not distinguish between seasonal and non-seasonal period, thereby imposing uniform fixed tariff on consumers whose operations are not uniform throughout the year. In the case of hotels, the imposition of fixed charges during months of significantly reduced demand leads to a higher financial burden and adversely impacts the viability of such establishments, many of which fall under the Micro, Small and Medium Enterprise (MSME).

Even during the onset of the current tariff proceedings, several responses have again been

received by the Commission from various hoteliers and hotel associations of the State to provide appropriate relief to the Hotel Industries due to difficulty faced by them during the off-season period.

**Hence, in view of the above, the necessity is felt to carve out a better tariff structure that aligns with the consumption cycle of the Hotel Industry which may lead to a more efficient sharing of the system costs while also ensuring a stable revenue stream for the Discom.**

## **1.2 Seasonal Tariff as Applicable in Various States**

It is observed that the concept of seasonal tariff is already in practice in the State of Uttarakhand and have also been specified by several other States. The seasonal tariff structures have been considered by the Commission and several other SERCs across consumer categories such as industries, exhibiting verifiable seasonality in consumption, like agricultural-based units, cold storages and other seasonal industries. Some of these initiated reforms are as follows.

In the Tariff Order dated 11.04.2025 issued by Uttarakhand State Electricity Regulatory Commission (UERC), the Commission has laid down provisions of seasonal tariff for industries having load more than 18 kW (25 BHP). The relevant extract of aforesaid Tariff Order is as follows:

“ .....

### **4. Seasonal Industries**

*Where a consumer having load in excess of 18 kW (25 BHP) and ToD meter and avails supply of energy for declared Seasonal industries during certain seasons or limited period in the year, and his plant is regularly closed down during certain months of the financial year, he may be levied for the months during which the plant is shut down (which period shall be referred to as off-season period) as follows:*

- (i) *The tariff for ‘Season’ period shall be same as “Rate of Charge” as given in this schedule.*
- (ii) *Where actual demand in ‘Off Season’ Period is not more than 30% of contracted load, the energy charges for “Off-Season” period shall be same as energy charges for “Season” period given in Rate of Schedule above. However, the contracted demand in the “Off Season” period shall be reduced to 30%.*
- (iii) *During ‘Off-season’ period, the maximum allowable demand will be 30% of the contracted demand and the consumers whose actual demand exceeds 30% of the contracted demand in any month of the ‘Off Season’ will be denied the above benefit of reduced contracted demand during that season. In addition, a surcharge at the rate of 10% of the demand charge shall be payable for the entire ‘Off*

*Season' period*

***Terms and Conditions for Seasonal Industries***

- (i) *The period of operation should not be more than 9 months in a financial year.*
- (ii) *Where period of operation is more than 4 months in a financial year, such industry should operate for at least consecutive 4 months.*
- (iii) *The seasonal period once notified cannot be reduced during the year. The off-season tariff is not applicable to composite units having seasonal and other categories of loads.*
- (iv) *Industries in addition to sugar, ice, rice mill, frozen foods and tea shall be notified by Licensee only after prior approval of the Commission*

.....”

As per the above, to avail the benefits of seasonal tariff, an industrial consumer must have a load over 18 kW (25 BHP) and a ToD meter installed in its premises. Further, such tariff shall only be applicable to those with a period of operation of not more than 9 months. The relaxation provided in the tariff is in terms of reduced contract demand for the purpose of billing and no reduction in the rates has been provided.

During off-season period, to avail the benefit, the consumer is required to ensure that the actual demand is within 30% of the contracted demand. In case the actual demand exceeds 30% of the contracted demand in any of the off-season months, the benefit of reduced contracted demand is not applicable for the consumer during that season and an additional surcharge at the rate of 10% of the demand charge shall also be payable for the entire off-season period.

Further, the seasonal period, once declared, shall not be permitted to be modified during the year. Additionally, composite units having both seasonal and non-seasonal loads have been kept out of the ambit of the tariff.

In the Tariff Order dated 27.03.2025 issued by **Karnataka State Electricity Regulatory Commission** (KSERC), for Seasonal Industries ‘working season’ and ‘off-season’ has been defined and consumers can avail the benefit of seasonal tariff after requesting the Licensee to determine their ‘working season’ month and ‘off-season’ months. The relevant extract of the Tariff Order is as follows:

***“24. Seasonal Industries***

***Applicable to all Seasonal Industries.***

- i) *The industries that intend to avail this benefit shall have Electronic Tri- Vector Meter / Smart Meter installed to their installations.*
- ii) *'Working season' months and 'off-season' months shall be determined by an order issued by the Executive Engineer of the concerned O&M Division of the Licensee as per the request of the Consumer and will continue from year to year unless otherwise altered. The Consumer shall give a clear one month's notice in case he intends to change his 'working season'.*
- iii) **The consumption during any month of the declared off-season shall not be more than 25% of the average consumption of the previous working season.**
- iv) *The 'Working season' months and 'off-season' months shall be full-calendar months. If the power availed during a month exceeds the allotment for the 'off-season' month, it shall be taken for calculating the billing demand as if the month is the 'working season' month.*
- v) *The Consumer can avail the facility of 'off-season' up to six months in a calendar year not exceeding in two spells in that year. During the 'offseason' period, the Consumer may use power for administrative offices etc., and for overhauling and repairing plant and machinery.*

**NOTE: The terms and conditions for seasonal industries will also apply to LT4(c) category installations on submission of written request to opt for seasonal benefits.**

.....

## **26. Seasonal Industries**

- a. *The industries, which intend to utilize seasonal industry benefit, shall conform to the conditionality's under Para no. 24 of the General terms and conditions of tariff (applicable to both HT & LT).*
- b. *The industries that intend to avail this benefit shall have Electronic Tri-Vector Meter / Smart Meter fitted to their installation.*
- c. *Monthly charges during the seasonal months shall be fixed charges and energy charges. The monthly charges during the off seasonal months shall be the energy charges plus 25% of the applicable fixed charge.*

As per the above, to avail the benefits of seasonal tariff, an industrial consumer must have an Electronic Tri- Vector Meter / Smart Meter installed. Further, the working season and off-season will be determined by the Licensee as per the request of the consumers and the same will continue year on year unless revised by the consumer giving at least one-month prior notice. Further, the consumer can avail the facility of 'off-season' for up to six months in a calendar year

not exceeding in two spells in that year.

The Karnataka Commission has stipulated that for any consumer to avail the benefit, the energy consumption during off season shall not be more than 25% of the average consumption of previous working season. In case the consumption in an off-season month exceeds the same, the billing for that month shall be done as per the tariff applicable for the working season month.

**Uttar Pradesh Electricity Regulatory Commission (UPERC)** in its Tariff Order dated 22.11.2025 have also provided for seasonal tariff. The UPERC's Tariff Order discusses seasonality provisions and issues directives for recovery from such seasonal consumers. The relevant extract of the Tariff Order is as follows:

***"4. PROVISIONS RELATED TO SEASONAL INDUSTRIES:***

*Seasonal industries will be determined in accordance with the criteria laid down below. No exhaustive list can be provided but some examples of industries exhibiting such characteristics are sugar, ice, rice mill, kolhu and cold storage. **The industries which operate during certain period of the year, i.e. have seasonality of operation, can avail the benefits of seasonal industries provided:***

- i) The load of such industry is **above 13.4 BHP (for motive power loads) & 10 kW (other loads)** and have Tri-vector Meters / TOD meters installed at their premises, however **for Kolhu consumers such load is of 10 HP or above.***
- ii) The continuous **period of operation** of such industries shall be **at least 4 (four) months but not more than 9 (nine) months** in a financial year.*
- iii) Any prospective consumer, desirous of availing the seasonal benefit, **shall specifically declare his season at the time of submission of declaration / execution of agreement** mentioning the period of operation unambiguously.*
- iv) In the absence of such declaration at the time of execution of the agreement, the consumer may, if eligible for seasonal tariff, **submit a declaration of the off-season** which shall be applicable from the date of declaration provided by the consumer. The consumers will not be required to submit declaration of off-season every year.*
- v) The **seasonal period once notified cannot be reduced** during the next consecutive 12 months. The off-season tariff is not applicable to composite units having seasonal and other category loads.*

*The off-season tariff is also **not available to those units who have captive generation** exclusively for process during season and who avail Licensees supply for miscellaneous loads and other non-process loads.*

vi) *The consumer opting for seasonal benefit has a flexibility to declare his **offseason maximum demand subject to a maximum of 25% of the contracted demand**. The tariff rates (demand charge per kW / kVA and energy charge per kWh / kVAh) for such industries during off-season period will be the same as for normal period. Further, during the off-season period, **fixed charges shall be levied on the basis of maximum demand recorded by the meter** (not on normal billable demand or on percentage contracted demand). **Rates for the energy charges shall however be the same as during the operational season**. Further, first violation in the off-season would attract normal billable demand charges and energy charges calculated at the **unit rate 50% higher** than the applicable tariff during normal period but only for the month in which the consumer has defaulted. However, on **second violation in the off-season, the consumer will be charged at the normal billable demand for the entire off-season and energy charges calculated at the unit rate 50% higher than the applicable tariff during normal period.***

As per the above, to avail the benefits of seasonal tariff, an industrial consumer based on the end use of electricity, need to fulfill certain load conditions and must have continuous period of operation of not less than four months and not more than nine months in a financial year. The consumer is required to clearly declare the seasonal details at the time of execution of the agreement and the consumer is not required to submit the off-season declaration every year. The scheme puts a condition that once declared the seasonal period cannot be reduced during the next consecutive 12 months. During the off-season months, the consumer has a flexibility to declare his off-season maximum demand subject to a maximum of 25% of the contracted demand. Fixed charges in the off-season months are levied on the actual maximum demand recorded by the meter, while energy charges are levied at the rate as applicable during normal operational season. The Commission, to prevent frivolous and inaccurate declaration, has also specified penalty in the form of higher tariff in case the consumer breaches the declared demand during the off-season period.

The Commission has excluded consumers with composite units with mixed seasonal and other category loads and captive generation-based units from the said scheme.

The **Punjab State Electricity Regulatory Commission (PSERC)** in its Tariff Order dated 28.03.2025 has also included provision for seasonal tariff for some categories (e.g., rice shellers and other seasonal agro-processing units). The relevant extract of the Tariff Order is as follows:



### ***“9. Two Part Tariff (TPT) Structure/Fixed Charges***

*All consumers (except AP, AP High-Technology/High Density Farming, EV Charging Stations, Start up power for Generators and CPPs, Sri Harmandir Sahib and Sri Durgiana Mandir) shall be covered under the Two Part Tariff structure, as approved by the Commission in the Tariff Order. Further fixed charges (unless otherwise specified in Schedules of Tariff) shall be charged as under:*

*(a) .....*

*(b) For other consumers (not covered under Contract Demand system as per condition 10 below), the Fixed Charges shall be levied on 80% of the sanctioned/contracted load (actual load recorded or detected, if higher) in kW as may be applicable*

### ***18. Seasonal Industries***

***18.1*** *Seasonal industries mean industries/factories which by virtue of the nature of their production, **work during a part of the year up to a maximum of 9 months during the year**, as specified below in Condition 18.2.*

***18.2*** *Approved seasonal industries are as under:*

*(i) All cotton ginning, pressing and bailing plants*

*(ii) All rice shellers*

*(iii) All rice bran stabilization units (without T.G. Sets)*

*(iv) Kinnow grading & Waxing Centers*

*(v) Maize Dryer Plants*

*(vi) Food (including fruits and vegetables) processing, packaging and storage units.*

• *Seasonal period for industries at Sr. No. (i), (iii) and (iv) shall be considered from 1st September to 31st May next year and seasonal period for rice sheller industry at Sr. no. (ii) shall be from 1st October to 30th June next year. The seasonal industrial consumers at Sr. no. (i) to (iv) shall not be required to serve advance notice before starting or closing the unit.*

• *Seasonal industrial consumers at Sr. No. (v) and (vi) shall be required to intimate the period of their season subject to a maximum of 9 months by 31<sup>st</sup> May or one month prior to the start of the season, whichever is earlier.*

***18.3*** *Rice bran stabilization units having T.G. Sets, Rice Huller Mills, Ice Factories and Ice Candy Plants shall not be treated as seasonal industries.*



*18.4 The seasonal Industry consumers shall have the option to be covered under General Industry Category and the relevant Industrial Tariff shall be applicable in such cases. The seasonal industrial consumers shall exercise their option one month prior to the start of the season. In such cases, the billing as general industry shall be done for the whole one year i.e. for a period of 12 months from the date of the start of the season.*

#### **18.5 Billing of Seasonal Industries**

*Billing for all seasonal industries shall be done on a monthly basis and charged as under:*

*18.5.1 For exclusive Seasonal industries mentioned above, billing shall be as per the tariff (comprising of fixed and energy charges) applicable in the respective schedule of tariff for seasonal industry. However, the Fixed Charges, as applicable in the respective schedule of tariff for seasonal period, shall be levied only for the period of six months from the beginning of the seasonal period, in accordance with condition 9 above. Thereafter, only energy charges, as applicable in the respective schedule of tariff, shall be levied on actual consumption recorded during the month. However, demand surcharge shall be leviable for the excess demand, if any, as per the relevant schedule of tariff."*

*18.5.2 For mixed Industries, comprising of seasonal Industry and general industry, billing shall be done monthly as under:*

- a) Energy Charges shall be levied on actual consumption recorded during the month, as applicable in the respective Schedule of Tariff for General Industry, throughout the year.*
- b) Fixed Charges in accordance with condition 9 above, shall be levied on sanctioned contract demand for general load, as applicable in the respective Schedule of Tariff for General Industry throughout the year and on sanctioned contract demand for seasonal load for six months at seasonal rates, as applicable in the respective Schedule of Tariff, from the beginning of the seasonal period, irrespective of the actual period of the running of the seasonal load.*

*....."*

As per the above, PSERC has pre-defined the condition for seasonal industries having operational period of up to 9 months and has also pre-defined certain categories of industries that can avail the benefit of the seasonal tariff. The PSERC has also defined seasonal periods for certain categories, while requiring others to intimate their seasonal period in advance. Further, certain industries such as rice bran stabilization units with TG sets, rice huller mills and ice factories have been expressly excluded from availing the benefit of seasonal industries.

Seasonal industry consumers are given the option to either be billed under the seasonal industry category or to opt for the general industry category, with a prior notice of one month

before the start of the season. Billing of seasonal industries is carried out on a monthly basis, with fixed and energy charges applicable during the initial six months of the seasonal period, and only energy charges thereafter on actual consumption. However, demand surcharge is levied for the excess demand, if any.

In case of mixed industries having both seasonal and general load, energy charges are levied throughout the year at general industry rates, while fixed charges are levied on sanctioned contract demand for general load throughout the year and shall be on sanctioned contract demand for seasonal load for six months at seasonal rates, irrespective of the actual period of the running of the seasonal load.

The **Gujarat Electricity Regulatory Commission (GERC)** in its Tariff Order dated 31.03.2025 has included provision for “seasonal consumers” wherein for units consumed during off-season are charged at a flat rate per unit. The relevant extract of the Tariff Order is as follows:

**“4.5 MINIMUM BILL PER INSTALLATION FOR SEASONAL CONSUMERS**

**4.5.1** *“Seasonal Consumers”, shall mean a consumer who takes and uses power supply for ice factory, ice candy machines, ginning and pressing factory, oil mill, rice mill, huller, salt industry, sugar factory, khandsari, cold storage plants (including such plants in fisheries industry), tapioca industries manufacturing starch, vegetable dehydration industries.*

**4.5.2.** *Any consumer, who desires to be billed for the minimum charges on annual basis shall intimate to that effect in writing at least one month before commencement of billing period about the off-season during which energy consumption, if any, shall be mainly for overhauling of the plant and machinery. The off-season period at any time shall be a full calendar month/months. **The total period of the off-season so declared and observed shall be not less than three calendar months in a calendar year.***

**4.5.3.** *The total **minimum amount under the head “Fixed and Energy Charges”** payable by the seasonal consumer satisfying the eligibility criteria under sub-clause 4.5.1 above and complying with the provision stipulated under sub-clause 4.5.2 above shall be **Rs. 1800 per annum per kW of the contracted load/sanctioned load.***

**4.5.4.** *The units consumed during the off-season period shall be charged for at **a flat rate of 480 Paise per unit.***

**4.5.5.** *The electricity bills related to the off-season period shall not be taken into account towards the amount payable against the annual minimum bill. The amount paid by the consumer towards the electricity bills related to the seasonal period only under the heads “Fixed Charges” and “Energy Charges”, shall be taken*

*into account while determining the amount of short-fall payable towards the annual minimum bill as specified under sub-clause 4.5.3 above.*

*..."*

As per the above, GERC has defined the seasonal industries, who takes and use power supply for ice factory, ice candy machines, ginning and pressing factory, oil mill, rice mill, huller, salt industry, sugar factory, khandsari, cold storage plants (including such plants in fisheries industry), tapioca industries manufacturing starch, vegetable dehydration industries. The consumer availing the season tariff is required to provide at least one month in advance, with the off-season comprising full calendar months and aggregating to not less than three months in a calendar year. During the off-season, consumption is intended to be limited mainly to activities such as overhauling and maintenance.

The State Commission for the seasonal consumers has specified an annual minimum amount of Rs. 1800 per annum per kW of the contracted load/ sanctioned load and the units consumed is charges at a flat rate of 480 Paise per unit. Further, the electricity bills related to the off-season period is not taken into account towards the amount payable against the annual minimum bill.

### **1.3 Evaluating Seasonal Tariff for Hotel Industry**

Considering that various SERCs including UERC have acknowledged that seasonality do impact certain sections of consumers and after perusing the various approaches being followed by several SERCs, there is a need to evaluate the idea of seasonality in relation to the Hotel Industry as there is a significant and consistent variation in consumption of power of these consumers during peak and off-peak season.

The introduction of seasonal tariff may provide economic relief to the sector. The introduction of the same, will also discourage these consumers from resorting to temporary disconnections or repeated sanctioned-load revisions during off-season months, thereby reducing administrative overheads for the Discom.

Further, as the State of Uttarakhand comprises of both snowbound and plain areas, the off-season does not uniformly fall within the same months across the State. In some of the areas, the off-season months coincides with the winter season, i.e. from November to March, whereas in other areas, the off-season months aligns with the monsoon season, i.e. from July to September.

For instance, in areas such as Kedarnath/Badrinath/Gangotri/Yamunotri, tourist inflow remains significant during the monsoon season due to the Char-Dham Yatra, and the off-season sets in thereafter with negligible footfall. Consequently, the off-season months may differ by one or more months depending on the geographical location and the nature of economic activity in the concerned area, thus suggesting regional variations. On the flip side, managing division wise different off-season period could pose administrative and billing related issues. Hence, the question arises that whether there should be a predefined off season for all as followed by the State of Punjab or should it be pre-defined for each division or whether the off-season should be decided by the consumers as allowed in Uttar Pradesh.

Another aspect that requires deliberation is whether there should be any lock in period prohibiting change in the off-season period. On one hand, State such as Karnataka allows the consumers the flexibility to change its off-season months with a prior one-month notice, whereas, the State of Uttar Pradesh and Uttarakhand, does not allow for change in seasonality once declared by the consumers for the complete year.

The third important aspect that requires inputs and suggestions is what should be the threshold consumption limit to qualify a month as off-season. Whether such threshold should be linked to energy demand as is followed by UPERC or consumption during the month as adopted by the State of Karnataka.

Further, to discourage frivolous declarations and abuse of the process certain disincentives should also be part of seasonal tariff. Therefore, to prevent the misuse of such initiatives, SERCs including UERC have specified certain dis-incentives that are applicable in case of violations and have also levied certain conditions that should be fulfilled by the consumers to derive benefits out of the seasonal tariff. These conditions are required to be tailor made for hotel industry operating in the State of Uttarakhand so that the initiative is well directed.

In view of the above and considering the geographical conditions of the State, two possible approaches emerge. The first one being that the seasonal months may be defined by the Commission by specifying a uniform off-season period of five months, from November to March. This approach is based on the fact that, during the winter season, the tourist footfall is on the lower side in the substantial portion of the hilly regions, leading to lower electricity demand and load factors. As typically, the winter in the State of Uttarakhand starts from November, the months from November to March may be considered as off-season months for the Hotel Industry.

The second approach is consumer centric approach, in which the option may be provided to the consumers to declare the off-season months based on their consumption pattern, with specific conditions for declaration of the off-season months as also defined by the State of Karnataka and Uttar Pradesh.

#### **1.4 Seasonal Tariff - Alternatives**

Accordingly, after perusing the initiatives taken by various other SERCs and in view of the representations received from several stakeholders of the State, Comments/Suggestions are invited from various stakeholders on the following options:

##### **Option (A):**

In this approach, the off-season months will be determined by the State Commission. It is observed that in the State of Uttarakhand a substantial area comprises of hilly region and snowbound region, where, Hotel Industry typically experiences a lower electricity consumption during the winter season, i.e. months from November to March. It is also observed that, during the winter season, the tourist footfall is the lowest in the State resulting in lower electricity consumption. Therefore, during these months option of seasonal tariff may be allowed to the consumers of Hotel Industry.

##### **Option (B):**

In this approach, flexibility may be provided to the consumer to declare the off-season months, in line with the approach followed by the State of Uttar Pradesh, wherein option to choose the off-season months is solely on the consumers.

The Consumers may declare the off-season months by providing a prior notice of one month (once in a year in the month of April) to the Licensee. The off-season declaration shall remain valid on a year-to-year basis. In case the consumer intends to change the off-season months, a prior notice of one month shall be submitted to the licensee.

##### **Other Terms**

For both the options provided above, i.e., whether the off-season months are **Option (A)** specified by the Commission, i.e. from November to March, or **Option (B)** declared by the consumers, the following methodology for billing shall be applicable during off-season months:

1. “Seasonal Consumers”, shall mean a consumer who takes and uses power supply for Hotel Industry. The Hotel Industry shall consist of Hotels, Resorts and Home Stays, registered

under the respective statute governing such commercial establishment, other than those covered under RTS-1. UPCL is required to draft an application format alongwith list of documents required to be filed by the applicant covered under the Hotels, Resorts and Home Stays, registered under the respective statute governing such commercial establishment and obtain for seasonal benefit as mentioned herein.

2. The consumers availing the benefit of Seasonal Tariff shall be required to have Smart/TVM Meter installed in their premises.
3. A Consumer opting for 'off season months' shall declare/change the 'off-season' months, in the month of April of the relevant Financial Year, for maximum of 5 months and a minimum of 3 months. Once declared by the consumer, off-season cannot be modified for that financial year. However, a consumer may opt to change its status once in year provided the consumer shall give a clear one month's notice prior to start of off-season period declared by him in case he intends to change his 'Normal season'
4. The consumer opting for seasonal benefit will have the flexibility to declare his offseason maximum demand subject to a maximum of 30% of the contracted demand. The tariff rates (demand charge per kW / kVA and energy charge per kWh / kVAh) for such industries during off-season period will be the same as for normal period.
5. In cases where the maximum demand recorded during any off-season month is less than 30% of the Contracted Demand (CD), the fixed charges for off season month shall be based on the demand charges corresponding to the maximum demand recorded during the month or 30% of the Contract Demand whichever is higher. In case the maximum demand recorded during an off-season month exceeds 30% of the CD, the same shall be treated as working season month and monthly charges shall be computed based on normal billable Contracted Demand.
6. During off-season, if the actual recorded demand in a given month violates 30% then such violation shall be considered as the first violation and no penalty shall be leviable in that billing cycle, however, in case of any violation during different billing cycle in the same off-season period, the demand charges for the billing period shall be calculated at a rate 10% higher than the applicable demand charges for the entire off-season period.
7. The off-season tariff shall also not be available for those units who offsets its consumption

through alternate sources, like open access, captive generation plants, etc.

In addition to the above, stakeholder may suggest other ways to introduce seasonality without impacting revenue recovery of UPCL and without overburdening other category of consumers. The comments, suggestions, or alternative approaches relevant to the subject matter of the Concept Paper 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 **31.01.2026**.