



# Uttarakhand Electricity Regulatory Commission

Vidyut Niyamak Bhawan',

Near ISBT, PO- Majra, Dehradun-248171

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No. UERC/TF-814/2025-26/2026/ 1692

Date: 04 February, 2026

To,

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

**Sub.:** Petition for Annual Performance Review for FY 2025-26 and determination of ARR/  
Tariff for FY 2026-27 alongwith truing up of FY 2024-25.

Sir,

This is with reference to your Petition dated 10.12.2025 and further replies on the above-mentioned subject. In this regard, certain additional deficiencies/shortcomings have been observed which are enclosed as **Annexure-A**. You are required to submit the point-wise replies duly quoting titles/sub-titles and S.No. identical with the deficiencies referred to in enclosed **Annexure-A**. You are required to submit your reply on the same latest by **16.02.2026** in seven copies alongwith the soft copy of the reply accompanied with an affidavit.

Yours sincerely,

Encl. as above

(Neeraj Sati)  
Secretary

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**Additional deficiencies in the matter of UPCL's Petition for True-Up of FY 2024-25, Annual Performance Review of FY 2025-26, Annual Revenue Requirement & Tariff for FY 2026-27.**

1. It is observed that the Petitioner has considered energy availability of 62.50 MUs from Parbati-II generating station at the State periphery in Form 2.5. However, the cost of this energy has not been considered in Form 2.9. In this regard, UPCL is required to clarify whether energy from the aforesaid generating station is actually available. If the same is not available, UPCL should also explain the reasons for its inclusion in Form 2.5. Further, in case the availability from this station has been considered, UPCL shall clarify why the associated cost has not been accounted for in Form 2.9.
2. It is observed that UPCL has considered the rate of free power for the following stations as follows:

Sr. No.	Generating Station	Rate
1.	Dhauliganga	2.30
2.	Tanakpur	2.30
3.	Tehri	2.40
4.	Koteshwar	2.40
5.	Vishnu Prayag	2.40
6.	GVK Srinagar (ALAKNANDA)	2.40
7.	Rajwakti Him Urja SHP	2.50
8.	Debal Chamoli Hydro	2.40
9.	LoharKhet ( parvatiya power)	2.40
10.	Lnt Free Power (Renew)	2.40
11.	LADF	2.40
12.	Natwar mori	3.36
13.	Gunsola	2.40
14.	Swasti	2.40
15.	Vanala	2.40

In this regard, UPCL is required to provide reason for considering different rate of free power for the above generating stations.

3. UPCL is required to provide the source wise plant wise detail along with units considered for meeting the Renewable Purchase Obligation for FY 2026-27.
4. UPCL is required to provide the plant wise bill raised by NHPC, SJVNL and THDCIL for the period from October 2025 to December, 2025.
5. UPCL is required to provide the copy of bill raised by Sasan UMPP and Khurja STPP for the period

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from October 2025 to December, 2025.

6. UPCL is required to reconcile with the Audited Accounts for FY 2024-25, the Wheeling Charges ((L&H Power above 100 HP), Cross Subsidy Surcharge (L&H Power above 100 HP) and Additional Surcharge adjusted from NTI for FY 2024-25.
7. UPCL is required to submit the reconciliation of Statement of Capital Works in progress provided in Form 6.2 with the Audited Accounts.
8. UPCL is required to submit Form 18.12 for HT works claimed during FY 2024-25.
9. UPCL in reply to Query No. 39 vide letter dated 23.01.2026, has not submitted the breakup of the capitalization into HT and LT Works for FY 2024-25. In this regard, UPCL is required to submit the breakup of the capitalization claimed in FY 2024-25 clearly segregating the same between HT and LT works.
10. UPCL in reply to Query No. 41 vide letter dated 23.01.2026, has submitted the scheme wise loan details for FY 2024-25. In this regard, UPCL is also required to submit the interest paid against the scheme wise loan during FY 2024-25.
11. UPCL in reply to the Query No. 11 vide letter dated 23.01.2026 regarding details of follow up activities undertaken to reduce the electricity related fatal incidents has not submitted the requisite details as sought by the Commission. In this regard, UPCL is required to submit the reply to the aforementioned query.
12. UPCL in reply to Query No. 16 vide letter dated 23.01.2026, regarding the variation observed in the number of consumers, connected load, and consumption in EDD (U) Roorkee, has submitted that there has been no addition of consumers or load, and no permanent disconnections in the said category. However, it is observed that in reply to Query No. 6 vide letter dated 30.12.2025, UPCL had furnished details of EDD (U) Roorkee wherein significant variation was noticed in the number of consumers, connected load, and consumption. The Commission had directed UPCL to submit a detailed analysis explaining the reasons for such variation. UPCL has not submitted the requisite analysis and has submitted that there has been no addition in consumers or load and no permanent disconnections in the category. In view of the above, UPCL is hereby directed to submit a detailed and proper analysis clearly explaining the reasons for the variations observed in the billing determinants of EDD (U) Roorkee.
13. UPCL in reply to Query No. 17 vide letter dated 23.01.2026, has submitted only the division-wise details of load added and permanent disconnections in the LT Industry category. However, vide the aforesaid query, the Commission had specifically directed UPCL to furnish a division-wise detailed

analysis explaining the significant variation observed in the highlighted divisions. In this regard, UPCL is required to submit a comprehensive analysis clearly explaining the variations observed in the number of consumers, connected load, and consumption in the concerned divisions, along with supporting data and justification. Further, a discrepancy has been observed between the data submitted in reply to Query No. 7 vide letter dated 30.12.2025 and the data furnished in reply to Query No. 17 vide letter dated 23.01.2026. For instance, in respect of EDD (U) Roorkee, the number of consumers added has been indicated as -121 in the earlier submission, whereas in the table submitted in reply to letter dated 23.01.2026, the addition in number of consumers is reflected as -5. In view of the above, the Petitioner is directed to reconcile the discrepancies for all the divisions and, submit a detailed analysis for the variations observed, and resubmit the corrected and verified data.

14. UPCL in reply to Query No. 20 vide letter dated 23.01.2026, has submitted the list of damaged items. In this regard, UPCL to confirm whether the same has been included in the decapitalization incurred in FY 2024-25 as per the Audited Accounts.

15. UPCL in reply to Query No. 23 vide letter dated 23.01.2026, regarding source of funding of the balance equity of Rs. 49.18 Crore and breakup of equity infused for Scheme and Non-Scheme Capitalization, has submitted the following:

*"The expenditure in respect of capitalization done in FY 2024-25 was made in previous years i.e. before FY2024-25 and accordingly equity infused was against the equity received in corresponding years."*

As seen from the above, UPCL has not provided the requisite details as sought by the Commission. In this regard, UPCL is required to submit the source of funding of the balance equity of Rs. 49.18 Crore along with supporting document. Additionally, UPCL is also required to furnish the details of equity received till date, along with the specific works/projects against which the same has been utilized.

16. UPCL in reply to Query No. 31 vide letter dated 23.01.2026, has submitted that it has made an error by not claiming SLDC Charges and impact of RoE on equity invested from PDF amount. In this regard, UPCL is required to submit the revised working of the tariff hike after considering the aforesaid expenses and all other changes made by it in the power purchase cost and components of the ARR while submitting replies to the queries raised by the Commission.

17. UPCL in reply to Query No. 34 vide letter dated 23.01.2026, regarding submission of investment approvals along with financial and physical progress in respect of capital expenditure proposed for FY 2025-26 and FY 2026-27, has submitted that the requisite information is being compiled from various divisions and shall be furnished by 31.01.2026. In this regard, UPCL is required to submit the complete and consolidated details, duly verified, without any further delay.

18. UPCL in reply to Query No. 35 vide letter dated 23.01.2026, regarding submission of (i) cost-benefit analysis of capitalization carried out in FY 2024-25 and capital expenditure projected for FY 2025-26 and FY 2026-27, and (ii) details of major heads and schemes under which capitalization has been undertaken/proposed, clearly segregating works requiring prior approval and those not requiring prior approval in terms of the MYT Regulations, has submitted that the cost-benefit analysis shall be reflected and accrued in future years along with a detailed report. However, UPCL has not furnished the specific details as sought by the Commission. In this regard, UPCL is required to submit the complete and scheme-wise details, including the requisite cost-benefit analysis and segregation of works as per the MYT Regulations, as the same is necessary for detailed scrutiny of the capitalization claimed for FY 2024-25 and the capital expenditure projected for FY 2025-26 and FY 2026-27.
19. UPCL, in its reply to Query No. 25 vide letter dated 23.01.2026, has submitted a Table, wherein the expenditure incurred towards reconstruction of assets damaged due to disasters amounting to Rs. 114.99 crore has been mentioned as "estimated basis". In this regard, UPCL is required to furnish the details of expenditure incurred on actual basis under the said works. Additionally, it is observed that UPCL has received only Rs. 15.99 crore against the aforesaid amount. UPCL is therefore required to furnish detailed justification for receipt of only Rs. 15.99 crore as against the estimated expenditure of Rs. 114.99 crore claimed by UPCL, along with supporting documents.
20. UPCL in reply to Query No. 35 vide letter dated 23.01.2026, submitted year wise detail of inter-State Power purchase. In this regard, UPCL is required to provide the calculation methodology for computing the GNA and T-GNA Charges alongwith supporting Excel file for the same..
21. UPCL is required to furnish the month-wise computation of Delayed Payment Surcharge (DPS) to be levied on the Government Category Consumer, in accordance with the billing methodology applied to other consumer categories, for FY 2024-25
22. UPCL in reply to Query no. 37 vide letter dated 23.01.2026 has not submitted the details of additional capitalization segregating the same into expense incurred towards loss reduction, load growth, others etc. In this regard, UPCL is required to provide the requisite information at the earliest.
23. UPCL is required to provide the month wise, source wise quantum of short-term power purchased and cost for FY 2025-26 till December 2025 along with bifurcation of such purchase during normal, peak and off-peak hours.
24. UPCL, in response to Query No. 51 vide letter dated 23.01.2026, has submitted the break-up of "Legal & Professional including Fee & Subscription." However, it is observed that the break-up reflects an amount of Rs. 17.29 crore towards "Commission on Sale of REC" and Rs. 7.56 crore towards consultancy charges. In this regard, UPCL is required to furnish detailed particulars, including the

name(s) of the agency(ies) to whom the commission has been paid, copies of the relevant contracts/agreements, and the basis of payment for the "Commission on Sale of REC," along with complete details in respect of the consultancy charges.

25. UPCL is required to furnish the justification for claiming expenditure of Rs. 15.85 crore towards meter reading activities for FY 2026-27, particularly in view of the fact that approximately 50% of the consumers are proposed to be covered under the RDSS scheme during the said year.
26. UPCL in reply to Query No. 50 vide letter dated 23.01.2026 has provided hourly consumption data for Industry consumers (LT industry above 10 kW & all HT Industries) and Non-domestic consumer categories (above 10 kW) for December 2025 only. In this regard, UPCL is required to furnish the requisite information as sought by the Commission in the aforesaid query for FY 2024-25.
27. The Commission observed that UPCL has received a total grant of Rs. 6493.98 Crore from FY 2001-02 to FY 2024-25 as per the audited accounts of the respective FY. Similarly, equity addition from FY 2001-02 to FY 2024-25 is of Rs. 1743.34 which includes amounts converted from liabilities/loan to equity as summarized herein below: (Year wise details of equity and grant addition is enclosed as *Annexure 1*)

FY	Particulars	Amount (Rs. Crore)
2009-10	CPSU liability converted to equity	572
2013-14	Govt Loans under District Plan/State Plan and ED converted to equity	368.11
	UPCL liability for free power converted to equity	15
2016-17	GoUP Loan converted to equity	141.04
	District Plan Loan converted to equity	10.09
<b>Total</b>		<b>1106.24</b>

The Petitioner in the current Petition has claimed an amount of Rs. 4159.17 Crore towards grant and Rs. 1956.40 towards equity as at the end of FY 2024-25. In this regard, UPCL is required to provide the yearly reconciliation of the amount of Loan, Grant and Equity addition as appearing in the audited accounts, as claimed in the Petition, and that approved by the Commission respectively from FY 2001-02 to FY 2024-25, alongwith rational justification for the variation observed. The Petitioner is hereby informed that failing to provide justification and reconciliation for variation observed, the Commission may consider the amount of grants and equity as appearing in the books of accounts of the respective FY and balance amount would be considered as loan.

28. UPCL is required to submit the item /expense head wise details of Miscellaneous expenses for FY 2024-25.
29. UPCL in reply to Query No. 5 vide letter dated 23.01.2026, has submitted that the approach adopted by it to write-off Bad Debts aligns with provision of policy for writing off bad debts as approved by

the Commission, however, UPCL has not submitted any trail of documentary as necessitated under the said policy, viz. notices issued, report of the committee formed etc. In this regard, UPCL is required to submit the requisite information as previously sought by the Commission.

30. UPCL in reply to Query No. 8 vide letter dated 23.01.2026, has submitted the division wise details of write-off for RTS-3 category as per commercial diary. In this regard, it is observed that UPCL has not provided the consumer wise details along with documentary records of bad debts written off for the aforesaid category.
31. UPCL in reply to Query No. 18 vide letter dated 23.01.2026, has submitted that it has directed the field officials to correct all the anomalies in the Commercial Diary as pointed by the Commission and the same shall be ensured in the Commercial Diary for FY 2025-26. In this regard, UPCL is required to clarify the manner in which the anomalies identified in the commercial diary of FY 2024-25 will be adjusted in the ensuing period, i.e., Commercial Diary of FY 2025-26. UPCL is further required to submit the accounting treatment to be carried in its books of accounts for the proposed adjustments.
32. UPCL, in response to Query No. 42 vide letter dated 23.01.2023, has submitted that a special loan was availed in addition to the bank overdraft facility for meeting its power purchase liabilities. In this regard, UPCL is required to furnish detailed justification for availing the special loan, particularly when it has already been utilizing the overdraft facility to meet its power purchase requirements.
33. UPCL in reply to Query No. 54 vide letter dated 23.01.2026, has submitted that the Commercial Diary for FY 2025-26 is under preparation and will be submitted to the Commission in due course. In this regard, UPCL is required to submit the said Commercial Diary till December 2025 at the earliest.

Annexure-1

Details of Year- wise equity

Year	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10*	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Opening Bal	-	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	577.00	577.00	577.00	585.80	968.91	1,008.90	1,086.90	1,284.03	1,306.03	1,321.03	1,444.91	1,444.91	1,474.91	1,529.91	1,569.91
Recd during the year	5.00	-	-	-	-	-	-	-	572.00	-	-	8.80	383.11	39.99	78.00	197.13	22.00	15.00	123.88	-	30.00	55.00	40.00	173.43
Closing balance	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	577.00	577.00	577.00	585.80	968.91	1,008.90	1,086.90	1,284.03	1,306.03	1,321.03	1,444.91	1,444.91	1,474.91	1,529.91	1,569.91	1,743.34

Details of Year- wise grant

Year	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Opening Bal	-	49.45	186.03	289.72	437.71	577.37	825.18	1,108.76	1,234.38	1,405.03	1,455.11	1,498.79	1,561.70	1,619.15	3,012.28	3,169.87	3,282.56	3,446.12	4,345.69	4,778.35	5,286.05	5,474.61	5,804.68	6,060.04
Recd during the year	49.45	136.58	103.69	147.99	139.66	247.81	283.58	125.62	170.65	50.08	43.68	62.91	57.45	1,393.13	157.59	112.69	163.56	899.57	432.66	507.70	188.56	330.07	255.36	433.94
Closing balance	49.45	186.03	289.72	437.71	577.37	825.18	1,108.76	1,234.38	1,405.03	1,455.11	1,498.79	1,561.70	1,619.15	3,012.28	3,169.87	3,282.56	3,446.12	4,345.69	4,778.35	5,286.05	5,474.61	5,804.68	6,060.04	6,493.98

3