



No. 4143... /UPCL/RM/B-18

Dated: 7/8 -12-2016

BEFORE THE UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

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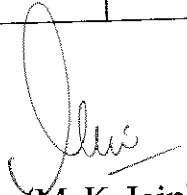
IN THE MATTER OF: ANNUAL REVENUE REQUIRMENT (ARR) PETITION
FOR THE FINANCIAL YEAR 2017-18 ALONGWITH
TARIFF DETERMINATION FOR FY 2017-18, TRUE-UP
FOR FY 2015-16 AND ANNUAL PERFORMNACE
REVIEW FOR FY 2016-17

AND

IN THE MATTER OF: UTTARAKHAND POWER CORPORATION LIMITED.

.....Petitioner

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(M. K. Jain)
Managing Director

BEFORE THE UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

IN THE MATTER OF: ANNUAL REVENUE REQUIRMENT (ARR) PETITION FOR THE FINANCIAL YEAR 2017-18 ALONGWITH TARIFF DETERMINATION FOR FY 2017-18, TRUE-UP FOR FY 2015-16 AND ANNUAL PERFORMNACE REVIEW FOR FY 2016-17

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IN THE MATTER OF: UTTARAKHAND POWER CORPORATION LIMITED.

.....Petitioner

This is with reference to Hon'ble Commission's letter no. UERC/6/TF-356/2016-17/2016/1359, dated 02-12-2016 vide which the petitioner has been asked to submit the reply to the deficiencies/ shortcomings observed by the Hon'ble Commission in the Tariff Petition. The petitioner is directed to submit the reply on the affidavit latest by 6-12-2016. The point wise reply/ information is mentioned herein below and the petitioner most respectfully showeth as follows in the matter:-

A. General

1. UPCL has not submitted the Audited Accounts for FY 2015-16, on the basis of which it has sought truing up for FY 2015-16. UPCL should submit the audited statement of Accounts for FY 2015-16, along with the statutory auditor's and CAG's report.

Reply:

The Annual Audited Accounts for FY 2015-16, the statutory auditor's and CAG's report along with soft copy of the same with MTB have been attached herewith as **Annexure 1**.

B. Forms related

2. The formats submitted by UPCL along with the Petition are independent and are not linked to each other. Further, the formats have external linkages for most of the data. UPCL should resubmit all the Formats using formulae and appropriately link the same to the relevant formats for ensuring consistency and accuracy of the data submitted.

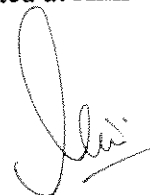
Reply:

The issue has been rectified and the supporting documents (detailed models and information sheets) along with Hard copy of the Formats have been attached herewith as **Annexure -2 (Soft copy& Hard Copy)**.

3. For all Formats, the break-up of actuals for H1 (April to September) and estimated for H2 (October to March) as required in the formats specified by the Commission has not been submitted for the Current year i.e. FY 2016-17. UPCL should submit the same.

Reply:

The information has been updated and the revised formats have been submitted at **Annexure 2**.



4. Some of the Forms submitted in MS Excel formats along with the Petition are not properly/fully filled as per the Formats prescribed by the Commission, as mentioned in the table below:

Table 1: Forms not submitted as per UERC Regulations

Form	Description	Reply
F1& F3	NLDC/RLDC/SLDC Charges have not been shown separately	The NRLDC Charges for FY 2015-16 has been updated and the revised format has been submitted. Further, it is difficult for the Petitioner to project the NRLDC charges for the coming years as there is no particular trend observed in this regard during the past years. The Petitioner therefore requests the Commission to consider the same on actual basis during truing up exercise. The SLDC Charges have been shown as per the format.
F1	Interest capitalisation (IDC) details and calculation has not been given, even though schemes are spilling over to subsequent years	The required information has been updated and the revised format has been submitted accordingly
F1	Income from Wheeling Charges has not been shown separately	Income from Wheeling Charges is included in Non-Tariff Income. However, this information is being collected from the field offices and the same will be submitted to the Hon'ble Commission by 31.12.2016
F1	Income from Cross Subsidy Surcharge has not been considered	Income from Cross Subsidy is included in Non-Tariff Income. However, this information is being collected from the field offices and the same will be submitted to the Hon'ble Commission by 31.12.2016
F2.2	Actual consumer (no. of consumers) data has not been submitted for August and September, 2016	The required information has been updated and the revised format has been submitted accordingly.
F2.3	Actual consumer demand data has not been submitted for August and September, 2016	The required information has been updated and the revised format has been submitted accordingly.
F 2.4	Voltage Wise losses have not been submitted for previous as well as ensuing years	This information is currently not being maintained by the Petitioner. The Petitioner request a waiver for the same in view of regulation 91 of the UERC tariff determination regulations, 2015.
F2.5(2) to F2.5(4)	Data on installed Capacity, Utility share (in % and MW), and Energy Available in MU have not been submitted	The required information has been updated and the revised format has been submitted accordingly.
F2.6	Data to be submitted in the prescribed format for FY 2015-16	The required information has been updated and the revised format has been submitted accordingly.
F2.6(1) & F2.6(2)	All supporting documents have to be submitted, viz., PPA, copies of bills etc. as mentioned in the Notes to the Form	The information is being compiled and shall be submitted to the Hon'ble Commission by 31 Dec 2016
F 2.7	UI Over/Under drawl data not submitted	The desired information is not available with Petitioner. The petitioner request a waiver for the same
F 2.8	(i) Source wise summary quantity purchased has not been submitted (ii) Data to be submitted in the prescribed format for FY 2015-16	The required information has been updated and the revised format has been submitted accordingly.

Form	Description	Reply
F 5.1	(i) Scheme wise details of capex projects not submitted (ii) Details (Asset class-wise opening & closing balance) not submitted for FY 2016-17 and FY 2017-18	The Petitioner would like to submit that according to form F 5.1, the Petitioner has submitted the total additions during each year of FY 2016-17 & 2017-18. In this regard the Petitioner would like to mention that the capex works executed by the Petitioner are spread across various areas and it is not possible for the Petitioner to ascertain the additions in each asset individually. The Petitioner would like to submit that the capex plan has been discussed in detail in the petition. The Petitioner therefore humbly requests the Hon'ble Commission to provide a waiver for the same
F 5.2	Data not submitted as per the prescribed Format	The petitioner would like to submit that head wise capitalization for the coming years cannot be projected and therefor the Hon'ble Commission to provide a waiver for the same.
F 5.3	Data not submitted as per the prescribed Format	The Petitioner would like to mention that the line items such as FERV & AAD are not applicable to the Petitioner. Further, the information has been submitted from the annual books of accounts under the applicable heads given in the formats.
F 5.4	Data not submitted as per prescribed Format	The petitioner would like to submit that Contributions, Grants and subsidies towards Cost of Capital Assets for the coming years cannot be projected and therefor the Hon'ble Commission to provide a waiver for the same.
F 6.1	(i) Data Not submitted as per prescribed Format (ii) All supporting documents have to be submitted as mentioned in the Notes to the Form	In this regard the Petitioner would like to mention that the capex works executed by the Petitioner are spread across various areas and it is not possible for the Petitioner to ascertain the additions in each asset individually. The Petitioner would like to submit that the capex plan has been discussed in detail in the petition.
F 6.4	Data not submitted as per prescribed Format	The required information has been updated and the revised format has been submitted accordingly.
F 6.5	Data not submitted as per prescribed Format	This information is currently not being maintained by the Petitioner. The Petitioner request a waiver for the same
F 6.6	Data not submitted as per prescribed Format	This information is currently not being maintained by the Petitioner. The Petitioner request a waiver for the same
F 6.7	Data not submitted as per prescribed Format	This information is currently not being maintained by the Petitioner. The Petitioner request a waiver for the same
F 6.8	Data not submitted as per prescribed Format	The required information has been updated and the revised format has been submitted accordingly.
F 6.9	Data not submitted as per prescribed Format	This information is currently not being maintained by the Petitioner. The Petitioner request a waiver for the same
F 6.10	Data not submitted as per prescribed Format	This information is currently not being maintained by the Petitioner. The Petitioner requests a waiver for the same
F 7.1	Data not submitted as per prescribed Format	The Petitioner is a Distribution Company which executes a number of projects which are small in nature and loan taken by the Petitioner is not against one particular project but against the entire Capex. Providing the details of financial packages requested by the Commission is difficult therefore the Petitioner humbly requests the Commission to provide a waiver from submission of the Form 7.1.
F 7.2	Data not submitted as per prescribed Format	The Petitioner requests a waiver for the same with reasons explained against reply to query of form F 7.1 above.
F 7.4	Data not submitted as per prescribed Format; Loan wise details have to be submitted, followed by summary	The required information has been updated and the revised format has been submitted accordingly.

Form	Description	Reply
F 7.5	Calculation of interest on loan not submitted for FY 2015-16	The required information has been updated and the revised format has been submitted accordingly.
F 12	Data not submitted as per prescribed Format	This information is being collected from the field units and shall be provided to the Hon'ble Commission by 31.12.2016
F 13	Data to be submitted as per the prescribed Format for FY 2015-16	The information is currently not available as per the prescribed format for FY 2015-16. The Petitioner request a waiver for the same.
F 13(1), F 13(2) & F 14	Data Not submitted as per prescribed Format	The information has been provided in the prescribe format as per tariff design approved by the Hon'ble Commission
F 15	Data on category wise collection efficiency not submitted	The required information has been provided as per prescribe format.
F 17.1 to F 17.3	Data submitted from Sep-15 only rather than from April 15	This information is presently not available from April 15 to August 15. The Petitioner requests a waiver for the same.
F 18.4	Category wise load shedding data not submitted	The required information is available only in the format as provided in F 18.4. However category wise/month wise load shedding has been provided in point no 25 of this deficiency note.
F 18.5	Detailed Note to be submitted as prescribed in the Format	The information is under preparation and shall be provided to Hon'ble commission by 31.12.2016
F 18.7	Detailed Note to be submitted as prescribed in the Format	The information is under preparation and shall be provided to Hon'ble commission by 31.12.2016
F 18.8	Data to be submitted separately for '<6 months' and '6 months to 1 year separately'	This information is currently not available for less than 6 month and 6 month to 1 year separately however the detailed information has been provided in prescribed format. The Petitioner request a waiver for the same

UPCL is required to submit the duly filled in forms in MS Excel formats.

C. Other Queries

- In Table 2, PGCIL charges of Rs. 414.80 Crore do not match with the PGCIL charges of Rs. 379.66 Crore as shown in the note no. 9 of the Balance Sheet. Reasons for the difference may be submitted.

Reply:

In note no. 19 of balance sheet, short term Open Access charges at Sr. No 49 has been shown as 35.13 Crore and PGCIL charges at Sr. No 52 has been shown as Rs. 379.67 Crore. Sum of both items have been shown in the petition as PGCIL charges.

- PTCUL charges (including SLDC charges) approved by the Commission for FY 2015-16 was Rs. 302.75 Crore for FY 2015-16. However, PTCUL charges considered as Rs. 318.50 Crore. Reasons for the same should be furnished.

Reply:

The difference between approved value and value considered in petition is Rs. 15.75 Cr. (Rs. 318.50 Cr minus Rs. 302.75 Cr.) is on account of incentive bills raised by M/S PTCUL, details as follows:

S. No	Month	Amount (Rs in Crore)
1	October-15	0.70
2.	November-15	0.02
3.	December-15	0.82
4.	January-16	0.85
5.	February-16	-0.84
6.	March-16	0.85
7.	Incentive FY 13-14 & FY 14-15	5.78
8.	Incentive from FY 09-10 To FY 12-13 & from April, 15 To September, 15	7.57
Total		15.75

7. The Commission in its Tariff Order dated 05.04.2016 had directed UPCL to claim the cost of energy returned under banking of Rs. 299.37 Crore during truing up exercise of FY 2015-16. However, the cost as reflected in note no. 19 of the Balance Sheet shows the cost of banked power as Rs. 50.89 Crore. UPCL is required to give the justification alongwith the manner in which cost of Rs. 50.88 Crore has been booked and how Rs. 299.37 Crore has been adjusted.

Reply:

As per direction of Hon'ble Commission, the cost of inward banking i.e. Rs. 299.37 Cr. has been claimed in FY 2015-16 i.e. the year in which the said banking was returned. Cost of returned banking is being reflected in the power purchase procured from various generators. In this connection, it is also submitted that for inward banking in FY 2014-15, a provision was made in Accounts for this energy amounting to Rs. 299.37 Cr. by debiting power purchase and crediting the provision. In FY 2015-16 this provision was reversed i.e. provision was debited and power purchase was credited by the said amount for the cost of returned banking. Power purchase was again debited by crediting the respective generator.


In this connection, it is also submitted that in FY 2015-16 there were also inward banking for which provision was made amounting to Rs. 350.26 Cr. Therefore, resulting provision is being reflected in note no. 19 of Annual Accounts for Rs. 350.26 Cr. – Rs. 299.37 Cr. = Rs. 50.88 Cr.

8. In Table 12, for FY 2014-15, UPCL has shown the total additions in its GFA as Rs. 493.22 Crore. However, during the truing up exercise for FY 2014-15, UPCL had submitted the net additions as Rs. 472.76 Crore. UPCL needs to reconcile the differences.

Reply:

During tariff determination exercise for FY 2016-17 (including truing up FY 2014-15) net addition in assets amounting to Rs. 472.76 Crore were submitted only in respect of plant and machinery and lines and cable networks. However in table 12 for FY 2014-15 total additions in GFA amounting to Rs. 493.22 Crore are in respect of all the assets.

9. In Table 13, UPCL is required to give the basis of considering the average depreciation rate for FY 2015-16 as 5.22% and as subsequently computed average GFA during the year. In this regard, UPCL is required to submit:



- (a) Basis of arriving at the average depreciation rate of 5.22%.

Reply:

Asset class wise depreciation rates as provided in the regulations have been applied on the average of opening and closing GFA to derive the depreciation during the year FY 2015-16 and the average depreciation rate has been computed by applying the following formula:

$$\{\text{Depreciation} \times 2 / \text{opening GFA} + \text{Closing GFA}\} \times 100$$

- (b) Capitalization Policy of UPCL.

Reply:

The petitioner is in process to prepare the capitalization policy of the company. This work has been awarded to M/S Darashaw & Co Pvt Ltd. (Consultant). First draft of the policy has been prepared and approved by the internal committee constituted for the purpose. Final approval of the board shall be obtained on the same and thereafter the final policy shall be submitted to the Hon'ble Commission.

- (c) The asset class wise depreciation for each block of assets.

Reply:

The details are given below in table

Land and Rights	
Land held under lease	0.71
Buildings	2.20
Plant & Machinery	31.35
Lines & Cable Network	78.22
Furniture and Fixtures	0.35
Vehicles	0.11
Office Equipment	1.15
OTHERS:-	0.00
-1. Hydraulic Works	0.03
-2. Other Civil Works	0.01
Total	114.12

10. In Table 22, against the material cost variance of Rs. 58.34 Crore transferred to Profit & Loss Account for FY 2015-16 for truing up, UPCL has only claimed Rs. 36.78 Crore. Reasons for the same may be given. Similarly, reasons for not considering trajectory reserve of Rs. 1.03 Crore may also be elaborated.

Reply:

1. In line with the approach adopted by Hon'ble Commission in the tariff order dated 05.04.2016, the petitioner has considered net material cost variance after excluding the grant portion as non- tariff income. The computation of the same may be mentioned herein below:

(Material Cost Variance / total addition in GFA) x total addition excluding grant)

$$(58.34/284.78) \times 179.56 = 36.78 \text{ Cr}$$

2. Transitory reserve for Rs. 1.03 Cr. (i.e. Rs. 0.96 Cr. In FY 2003-04 and Rs. 0.065 Cr in FY 2006-07) has been written back and the said amount has not been shown in non-tariff income as the Hon'ble Commission did not allow the same as expense in the ARR.
11. Profit & Loss Account for FY 2015-16 includes exceptional prior period items of Rs. 6.91 Crore. However, UPCL has not considered the same in the truing up for FY 2015-16. Reasons for the same may be given.

Reply:

Out of Rs. 6.91 Crore, Rs. 0.12 Core have been included in A&G Expenses (as shown at para no 2.8) and Rs. 6.79 Crore have been included in Govt Guarantee Fee as shown at para no 2.14.

12. UPCL is required to submit the details of Bad Debts written off by it of Rs. 56.11 Crore during FY 2015-16.

Reply:

The details of Bad Debts written off by it of Rs. 56.11 Crore during FY 2015-16 are given in table below:

S. No.	Name of Division	Amount (Rs.)
1	EDD (Rural), Roorkee	112,29,000
2	EDD (Rural),Haldwani	27,57,000
3	EDD, Vikas Nagar, Dehradun	81,13,713
4	Elect. Distribution Division (R), Dehradun	10,16,348
5	Elect.Distribution division Shrinager(G)	949,06,151
6	Electricity Dist. Div (Rural), Haridwar.	452,73,000
7	Electricity Dist. Div., Nainital	18,46,000
9	Electricity Distribution Division, Bazpur	114,63,000
10	Electricity Distribution Division, Champawat	7,10,000
11	Electricity Distribution Division, Dharchula	2,64,000
12	Electricity Distribution Division, Doiwala	35,79,237
13	Electricity Distribution Division, Gopeshwar	53,56,000
14	Electricity Distribution Division, Haldwani	156,95,302
15	Electricity Distribution Division, Haridwar	885,35,812
16	Electricity Distribution Division, Jaspur	61,83,161
18	Electricity Distribution Division, Kotdwar	40,31,424
19	Electricity Distribution Division, Lakshar	307,91,586
20	Electricity Distribution Division, Narayanbagarh	40,11,000
21	Electricity Distribution Division, Pithoragarh	7,04,000
22	Electricity Distribution Division, Ramnagar	41,37,000
23	Electricity Distribution Division, Ranikhet	1,24,000
24	Electricity Distribution Division, Rishikesh	40,56,482
25	Electricity Distribution Division, Roorkee	2307,64,263
26	Electricity Distribution Division, Rudraprayag	108,98,177
27	Electricity Distribution Division, Rudrapur	387,46,000
28	Electricity Distribution Division, Sitarganj	188,41,000
29	Electricity Distribution Division, Tehri	99,62,902
30	Electricity Distribution Division, Uttarkashi	326,48,059
31	Electricity Distribution Division,Almora	29,57,802
32	ElectyDistDiv, Pauri	29,02,147

S. No.	Name of Division	Amount (Rs.)
34	Urban Distribution Division (S), D.dun	127,63,369
35	Urban Distribution division(N), D.dun	-1801,22,523
36	Urban Electy. Distn. Div. (Central), Dehradun	359,84,925
Total:		5611,29,337

13. UPCL is required to submit categorywise revenue billed during FY 2015-16.

Reply:

The category wise revenue billed during FY 2015-16 are as follows:

Category		Billed Unit (MU)	Revenue Billed (Rs. Cr.)
RTS-1	Domestic	2391.15	774.92
RTS-2	Non Domestic	1121.03	576.87
RTS-3	Public Lamp	45.37	24.16
RTS-4	Private Tube well	331.98	41.95
RTS-5	Govt. Irrigation System	141.03	77.28
RTS-6	Public Water Works	347.04	295.12
RTS-7	LT Industry	282.32	143.01
RTS-7	HT Industry	5437.27	2,647.10
RTS-8	Mixed Load	186.78	80.49
RTS-9	Railway Traction	14.16	6.78
		10298.14	4,667.68

14. UPCL is required to submit the actual sales data for FY 2016-17 till September, 2016.

Reply:

Commercial Diary for the month of March 2016 and September 2016 is enclosed herewith in soft copy at **Annexure-3**.

15. At Para 3.17, UPCL has submitted that distribution loss level achieved during FY 2015-16 was 18.39% whereas the same has been mentioned as 18.01% at Table 33. UPCL is required to clarify the discrepancy.

Reply:

The distribution loss for FY 2015-16 has been Recasted as per direction of the Hon'ble commission as follows.

Category	Metered		Un-metered		Unmetered- Re-casted
	Load (kW)	Consumption (MU)	Load (kW)	Consumption (MU)	Consumption (MU)
Domestic	2491123.00	2390.83	128.00	0.32	0.12
PTW	140530.00	281.71	1096.00	50.27	2.20
Total	2631653.00	2672.54	1224.00	50.59	2.32

Recasted Sales (MU)	
Sales As per Diary	10298.14
Unmetered Sales	-50.59
Unmetered Recasted Sales	2.32
Total Recasted Sales	10249.87

Re-casted Distribution Loss	
Total Recasted Sales (MU)	10249.87
Input Energy (MU)	12559.60
Recasted Distribution Loss	18.39%

18.01% losses as shown at table 33 are as per our records i.e commercial diary

16. In Table 54, UPCL is required to submit the status of works (both physical and financial) capital expenditure for which has been proposed in FY 2016-17 and FY 2017-18.

Reply:

Status of works (both physical and financial) of capital expenditure proposed for FY 2016-17 and FY 2017-18 are enclosed here with soft copy at Annexure2.

17. UPCL should submit the data on actual number of new employees employed, employees promoted and employees retired in FY 2015-16 and FY 2016-17 vis-à-vis the number of new employees considered by the Commission, while approving the O&M expenses for FY 2015-16.

Reply:

Particulars	FY'2015-16	FY'2016-17 (till Sep)
Opening no. of Employees	3456	3274
Employees recruited	63	2
Retirement	245	132
Closing No. of Employees	3274	3144

18. In Table 122, UPCL has submitted the additional manpower to be deputed during FY 2016-17 and FY 2017-18. UPCL is required to submit the status and preparedness for the same.

Reply:

The recruitment process for the additional manpower proposed in FY 2016-17 & FY 2017-18 is in progress

19. For FY 2015-16, UPCL is required to segregate the additions of fixed assets into HT & LT works and should submit the Clearance from the Electrical Inspector for capitalisation of various HT/EHT schemes for FY 2015-16.

Reply:

This information is collected from the field units, which will take some time. Hon'ble Commission is requested to kindly grant time for submission of the information by 31 January 2017.

20. As regards the additional capitalisation during FY 2015-16, UPCL should submit the detailed workings in soft copy (MS Excel) for computing the scheme wise IDC.

Reply:

The scheme wise interest charged to CWIP during FY 2015-16 are given below. The details excel sheet attached as Annexure2:

Interest charge to CWIP during FY 2015-16

Sl. No.	Particulars	Amount(Rs. in crore)
1	REC NEF loan interest paid	9.29
2.	R-APDRP (Part B): Interest paid	0.32
3.	RAPDRP-PART A (Grant): Interest provided	7.58

4.	RAPDRP-PART A (SCADA) Interest provided	0.55
5.	RAPDRP-PART B (Grant) Interest provided	4.08
6.	RAPDRP-PART B (Loan) Interest provided	0.40
	TOTAL	22.22

21. UPCL should submit the revised calculation of sharing of gains and losses by considering the approved values for truing purpose, rather than revised values.

Reply:

The revised calculation of sharing of gains and losses by considering the approved values is as follows:

Sharing of Gains and Losses					
As per approved in tariff order for FY 2015-16	Approved	Actual	Amount	Pass on to consumers	To be borne by UPCL
Profit (Loss) due to Revenue from Additional Sales	15.00%	18.39%	-193.90	-48.48	-145.43
Profit (Loss) on Employee Cost	329.63	246.94	82.69	16.54	66.15
Profit (Loss) on R&M Expenses	134.39	115.51	18.88	3.78	15.11
Profit (Loss) on A&G Expenses	27.50	17.62	9.88	1.98	7.90
Total				-26.18	-56.26

22. UPCL has submitted the revised Opening and Closing GFA for all years starting from FY 2001-02 to FY 2015-16. UPCL should submit the reconciliation of the revised Opening and Closing GFA for these years with the Opening and Closing GFA approved by the Commission for the respective years, and submit justification for any variation between the two sets of values.

Reply:

The Petitioner in line with the methodology followed by the Hon'ble Commission in its Tariff Order for FY 2015-16 (Refer Page No.94 of Tariff Order for FY 2015-16) has considered the opening GFA for FY 2007-08 same as the closing GFA for FY 2006-07 as approved by the Hon'ble Commission in MYT Order 2013 (Refer Page No. 236 of the MYT Order 13). Further, the Petitioner has considered the net additions in GFA during each year starting from FY 2007-08 to FY 2013-14 as approved by the Hon'ble Commission in its Tariff Order for FY 2015-16(Refer table 3.19, Pg 95 of Tariff Order FY 2015-16).

For FY 2014-15 the Petitioner has considered the actual net additions as per the Audited Annual Accounts of FY 2014-15 and closing balance of Rs. 3695.79 Crore, whereas Hon'ble commission in the Tariff Order date 05.04.2016 has considered net additions of Rs. 472.76 Crore and closing balance of Rs. 3575.32 Crore. Thus the difference of GFA as on 31.03.2015 is due to difference in addition for the year as explained in point no. 8 herein above.

For FY 2015-16 the Petitioner has considered the actual net additions as per the Audited Annual Accounts of FY 2015-16. The detailed year by year calculation of GFA same as explained in the Tariff Petition (Refer "Capital Cost of Original Assets, Pg. 16 of the Petition) has been shown in the following table for better understanding:

Particulars		Opening value	Additions during the year	Deletions during the year	Transferred to PTCUL	Closing value of GFA
2001-02	Grant etc.	17.50	5.63	0.40	0.00	22.73
	Loan	490.50	2.47	4.54	0.00	488.43
	Internal resources	0.00	22.64	0.00	0.00	22.64
	Total	508.00	30.74	4.94	0.00	533.80
2002-03	Grant etc.	22.73	43.44	3.87	0.00	62.30
	Loan	488.43	26.63	17.16	126.34	371.56
	Internal resources	22.64	29.87	0.00	0.00	52.51
	Total	533.80	99.94	21.03	126.34	486.37
2003-04	Grant etc.	62.30	9.32	9.11	0.00	62.50
	Loan	371.56	129.59	22.76	19.76	458.62
	Internal resources	52.51	8.15	0.00	0.00	60.66
	Total	486.37	147.05	31.87	19.76	581.79
2004-05	Grant etc.	62.50	149.40	8.27	0.00	203.64
	Loan	458.62	49.39	18.80	0.00	489.21
	Internal resources	60.66	87.16	0.59	0.00	147.23
	Total	581.79	285.95	27.66	0.00	840.08
2005-06	Grant etc.	203.64	41.03	11.74	0.00	232.93
	Loan	489.21	77.44	19.80	0.00	546.85
	Internal resources	147.23	14.89	1.15	0.00	160.97
	Total	840.08	133.36	32.69	0.00	940.75
2006-07	Grant etc.	232.93	145.00	19.27	0.00	358.65
	Loan	546.85	22.18	19.62	0.00	549.41
	Internal resources	160.97	160.55	1.83	0.00	319.70
	Total	940.75	327.73	40.72	0.00	1227.76
2007-08	Grant etc.	358.65	178.20	0.00	0.00	536.85
	Loan	549.41	47.32	0.00	0.00	596.73
	Internal resources	319.70	87.18	0.00	0.00	406.88
	Total	1227.76	312.70	0.00	0.00	1540.46
2008-09	Grant etc.	536.85	79.37	0.00	0.00	616.22
	Loan	596.73	24.74	0.00	0.00	621.47
	Internal resources	406.88	54.32	0.00	0.00	461.20
	Total	1540.46	158.43	0.00	0.00	1698.89
2009-10	Grant etc.	616.22	227.88	0.00	0.00	844.10
	Loan	621.47	17.49	0.00	0.00	638.96
	Internal resources	461.20	75.51	0.00	0.00	536.71
	Total	1698.89	320.88	0.00	0.00	2019.77
2010-11	Grant etc.	844.10	247.34	0.00	0.00	1091.44
	Loan	638.96	57.22	0.00	0.00	696.18

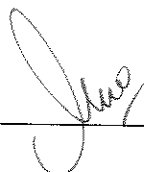
Particulars		Opening value	Additions during the year	Deletions during the year	Transferred to PTCUL	Closing value of GFA
	Internal resources	536.71	125.56	0.00	0.00	662.27
	Total	2019.77	430.12	0.00	0.00	2449.89
2011-12	Grant etc.	1091.44	151.59	0.00	0.00	1243.03
	Loan	696.18	118.62	0.00	0.00	814.80
	Internal resources	662.27	66.96	0.00	0.00	729.23
	Total	2449.89	337.17	0.00	0.00	2787.06
2012-13	Grant etc.	1243.03	53.21	0.00	0.00	1296.24
	Loan	814.80	53.48	0.00	0.00	868.28
	Internal resources	729.23	123.81	0.00	0.00	853.04
	Total	2787.06	230.50	0.00	0.00	3017.56
2013-14	Grant etc.	1296.24	30.15	0.00	0.00	1326.39
	Loan	868.28	92.54	0.00	0.00	960.82
	Internal resources	853.04	62.32	0.00	0.00	915.36
	Total	3017.56	185.01	0.00	0.00	3202.57
2014-15	Grant etc.	1326.39	181.84	0.00	0.00	1508.23
	Loan	960.82	216.10	0.00	0.00	1176.92
	Internal resources	915.36	95.28	0.00	0.00	1010.64
	Total	3202.57	493.22	0.00	0.00	3695.79
2015-16	Grant etc.	1508.23	105.22	0.00	0.00	1613.45
	Loan	1176.92	142.24	0.00	0.00	1319.16
	Internal resources	1010.64	37.32	0.00	0.00	1047.96
	Total	3695.79	284.78	0.00	0.00	3980.57

23. UPCL should submit the voltage-wise cost of supply for Current year and FY 2017-18, and the Cross-subsidy w.r.t. voltage wise cost of supply.

Reply:

This information is currently not being maintained by the Petitioner. The Petitioner would like to submit that as per the UERC Tariff Regulations 2015(Refer Regulation 91 of the regulation), the average cost of supply shall be used as benchmark for determining the tariff in case of pending availability of information relating to voltage wise cost to supply.

24. UPCL should submit the justification for the variation between Opening Depreciable GFA of Rs. 2068.62 Crore approved by the Commission for FY 2015-16 and the Depreciable GFA of Rs. 2187.56 Crore considered by UPCL for true-up of FY 2015-16. In case of any discrepancy, UPCL should submit the revised calculations of depreciation.



Reply:

The Petitioner has revised the opening and closing GFA as approved by the Commission in its tariff order for FY 2015-16 as is explained in the reply to point 8 above. Since, the Commission has itself revised the GFA therefore the values will evidently not match to that approved in the Tariff Order, therefore the variation is bound to occur in this case.

25. UPCL should submit the actual month wise category wise load shedding data for FY 2014-15 & FY 2015-16.

Reply:

The actual month wise category wise load shedding data for FY 2014-15 & FY 2015-16 are as follows:

2014-15	April	May	June	July	August	September	October	November	December	January	February	March	Total
Domestic	3.42	3.09	4.62	7.01	10.09	8.25	12.27	5.69	3.16	4.43	3.37	3.59	68.97
Commercial	1.61	1.46	2.18	3.30	4.75	3.88	5.77	2.68	1.49	2.09	1.59	1.69	32.45
Street Light	0.07	0.06	0.10	0.14	0.21	0.17	0.25	0.12	0.07	0.09	0.07	0.07	1.42
PTW	0.45	0.41	0.61	0.92	1.32	1.08	1.61	0.75	0.41	0.58	0.44	0.47	9.05
Government Irrigation	0.16	0.15	0.22	0.33	0.48	0.39	0.58	0.27	0.15	0.21	0.16	0.17	3.26
Water Works	0.48	0.43	0.64	0.98	1.40	1.15	1.71	0.79	0.44	0.62	0.47	0.50	9.60
L.T. Industry	0.46	0.41	0.62	0.94	1.35	1.11	1.64	0.76	0.42	0.59	0.45	0.48	9.24
H.T. Industry	7.61	6.89	10.30	15.61	22.48	18.37	27.33	12.67	7.04	9.87	7.51	7.99	153.67
Mixed Load	0.28	0.25	0.38	0.57	0.82	0.67	1.00	0.46	0.26	0.36	0.28	0.29	5.63
Railway Traction	0.02	0.02	0.03	0.05	0.07	0.05	0.08	0.04	0.02	0.03	0.02	0.02	0.45
Total	14.55	13.17	19.69	29.84	42.97	35.12	52.25	24.22	13.46	18.88	14.35	15.28	293.76

2015-16	April	May	June	July	August	September	October	November	December	January	February	March	Total
Domestic	5.03	3.41	2.49	2.97	5.17	7.95	0.04	2.04	4.42	5.70	0.84	0.29	40.34
Commercial	2.36	1.60	1.17	1.39	2.42	3.73	0.02	0.96	2.07	2.67	0.40	0.14	18.91
Street Light	0.10	0.06	0.05	0.06	0.10	0.15	0.00	0.04	0.08	0.11	0.02	0.01	0.77
PTW	0.70	0.47	0.35	0.41	0.72	1.10	0.01	0.28	0.61	0.79	0.12	0.04	5.60
Government Irrigation	0.30	0.20	0.15	0.18	0.31	0.47	0.00	0.12	0.26	0.34	0.05	0.02	2.38
Water Works	0.73	0.49	0.36	0.43	0.75	1.15	0.01	0.30	0.64	0.83	0.12	0.04	5.86
L.T. Industry	0.59	0.40	0.29	0.35	0.61	0.94	0.01	0.24	0.52	0.67	0.10	0.03	4.76
H.T. Industry	11.43	7.75	5.65	6.76	11.76	18.07	0.10	4.64	10.06	12.95	1.92	0.66	91.74
Mixed Load	0.39	0.27	0.19	0.23	0.40	0.62	0.00	0.16	0.35	0.44	0.07	0.02	3.15
Railway Traction	0.03	0.02	0.01	0.02	0.03	0.05	0.00	0.01	0.03	0.03	0.00	0.00	0.24
Total	21.65	14.68	10.71	12.80	22.27	34.22	0.19	8.79	19.04	24.53	3.63	1.24	173.75

26. The Commission in its order dated 11.04.2015 approved the government guarantee fees of Rs. 2.03 Crore for FY 2015-16 whereas in the current Petition for True-up of FY 2015-16 UPCL has claimed the government guarantee fees of Rs. 13.62 Crore. UPCL should provide the justification for this increase in the government guarantee fees along with the supporting documents to substantiate the same.

Reply:

The government guarantee fees are given in table below:

1.

Sl. No.	Particulars	Amount (Rs. in crore)
1.	Provision for Guarantee fees for FY 2015-16	3.42
2.	Provision for penalty due to non-payment of Guarantee fees for FY 2015-16 (as per advise of Statutory Auditor)	3.41
3.	Provision for penalty due to non-payment of Guarantee fees on Outstanding Guarantee fees as on 31.03.2015 (as per advise of Statutory Auditor)	6.79
	Total	13.62

2. Details of provision of Guarantee fees for FY 2015-16

S. No	Loan	Outstanding Loan Amount as on 31.03.2016	Guarantee Fees (Rs. In Crore)	Penalty Amount due to non-payment of Guarantee Fees (Rs. In Crore)
1	Old REC Loan	84.26	0.84	0.84
2	R-APDRP (Part-A) – PFC	71.78	0.71	0.71
3	RAPDRP- Part A (SCADA)- PFC	4.96	0.05	0,05
4	RAPDRP- Part B - PFC	181.25	1.81	1.81
		342.25	3.41	3.41

27. UPCL has not mentioned the existing and projected Wires Availability as well as Supply Availability for FY 2017-18. UPCL should give the details of the same.

Reply:

The said information is not presently available with the petitioner, Hon'ble Commission requested to grant waiver for the same.

28. In Para 3.16 of the Petition, UPCL has mentioned that the variation in interest expenses claimed in the Petition has been calculated w.r.t approved interest expense. Where as in the Table 11, the variation has been calculated as per the actual interest expenses. UPCL may clarify this discrepancy.

Reply:

The desired information is as follows:

Particulars	Approved	Actual	Now Claimed	Variation with Approved
Interest Expenses (Rs. Cr)	139.44	188.89	136.67	2.77

29. UPCL should submit the reasons for increase in depreciation claimed with respect to approved depreciation for FY 2015-16.

Reply:

The petitioner computed the depreciation for FY 2015-16 based on the audited values. Detailed calculation/depreciable GFA/ rate of depreciation have been explained herein above/petition. Whereas the depreciation approved for FY 2015-16 is not based on audited data.

30. UPCL should submit the reasons for increase in RoE claimed with respect to approved RoE for FY 2015-16.

Reply:

The petitioner computed the RoE for FY 2015-16 based on the audited values. Detailed calculation/year wise means of finance have been explained herein above/petition.

31. UPCL in Para 3.62 (a) submitted that the expected COD for new stations has been taken from sources like CEA reports, PPA signed and as per information provided by the generator. UPCL should provide the status & details of expected COD considered with supporting documents to substantiate the same.


Reply:

The information is under compilation/preparation and shall be provided to Hon'ble Commission by 31 Dec 2016.

32. In Para 3.78, UPCL submitted that the cost of power from new stations which are under development by the private developers has been projected on the basis of PPA/relevant regulation etc. UPCL should submit the basis and assumptions considered for projecting cost of power.

Reply:

The information is under compilation/preparation and shall be provided to Hon'ble Commission by 31 Dec 2016.



33. In Para 3.79, UPCL has considered the cost of power as Rs. 1 per Unit under open access charges. UPCL should submit the basis for considering the rate of Rs. 1 per Unit alongwith break up of various components. UPCL has submitted that it proposes to procure the net deficit of 573 MU through banking at the rate of Rs. 1 per Unit (Open Access charges) for deriving the cost of power. However, at Table 50, the cost of procurement of power through banking has been taken as nil. UPCL is required to explain the deficiency.

Reply:

The information is under compilation/preparation and shall be provided to Hon'ble Commission by 31 Dec 2016.

34. UPCL should provide the revised Table 52 with units mentioned in it. Further, expenses incurred in meeting unmet RPO through REC should also be submitted in the table as stated in Para 3.84 of the Petition.

Reply:

The Modified table including the details of RPO met through REC is mentioned below:

S. No.	Particulars	2016-17		2017-18	
		Non-Solar	Solar	Non-Solar	Solar
A	Total Power Purchase excluding Hydro	6507.94	6507.94	7327.89	7327.89
B	RPO Target (%)	8.75%	2.75%	9.50%	4.75%
C	RPO Target (MU)	569.44	178.97	696.15	348.07
D	Total Power Purchase from Hydro and Co-gen (MU)	571.70	85.79	704.60	372.49
E	Unmet Target (MU)	2.26	-93.18	8.45	24.41
F	Past Unmet brought forward (MU)	699.58	8.12	8.45	24.41
G	Total Unmet Target (MU)	697.32	101.30		
H	Target Met from RE power till Sep 2016 (MU)	200	0	0	0
I	Target Met from REC till Sep 2016 (MU)	52.50			
J	Balance to be Met (MU)	444.82	101.30		
K	Target to be met from Oct -16 to Mar-17 (MU)	436.37	76.89		
	RPO quantum to be passed on to next year	8.45	24.41	0	

35. In Para 3.224, UPCL has estimated that the expenditure incurred towards central schemes will be capitalized into 35%, 35% and 30% over three years based on the historical trend from the year in which the expenditure has been incurred. The balance capital expenditure is split into 25%, 25% and 50% over three years based on the historical trend. This submission of UPCL is not clear, UPCL should submit the explanation in support of this submission.

Reply:

The para 3.224 may be read as

UPCL has estimated that the expenditure incurred towards central schemes will be capitalized within three years i.e 35%, 35% and 30% from the year in which the expenditure has been incurred. The balance capital expenditure (other than Central Govt schemes) will be capitalized into 25%, 25% and 50% over three years.

36. UPCL should submit all the revised summary tables including the Commission's approved figures for FY 2016-17 and FY 2017-18.

Reply:

The revised summary table including the approved figures by Hon'ble Commission is mentioned below:

Particulars	FY 2016-17		FY 2017-18	
	Approved	Projected	Approved	Projected
Power purchase expenses	4047.13	4241.15		4269.56
Impact of True-up of UJVN Ltd	-35.19			
Transmission charges -PGCIL charges	385.26	616.12		685.44
Transmission charges -PTCUL charges	261.04	261.04		296.02
SLDC Chagres	10.08	10.08		13.72
Water Tax	153.82			
Interest on Loan	79.83	171.70	96.73	190.58
Interest on Consumer Security Deposit	52.56			
Guarantee Fee	3.4			
Depreciation	125.32	123.49	142.80	143.12
O&M Expenses	574.73	474.62	644.24	539.46
Interest on working capital	23.48	10.41		12.47
Return on Equity	47.12	94.48	53.60	113.11
ARR	5728.58	6003.09		6263.48
Less: Non-Tariff Income	178.60	176.86		185.70
Add: true up impact of FY 2014-15	-175.1	-175.1		-27.90
past year adjustment	-122.01	-122.01		-307.04
Net Revenue Requirement	5252.87	5529.12		5742.83
Revenue	5253.82	5221.04		5556.52
Gap/(Surplus)	(0.95)	308.09		186.32

37. UPCL in Para 3.271 submitted that it has not considered the provision for bad debts at 1% while calculating ARR for FY 2017-18 as allowed in UERC MYT Regulations, 2015 whereas in the Summary it has considered the bad debts. UPCL may clarify this discrepancy.



Reply:

In para 3.271, Table 133 may be read as follows:

Year	FY 2016-17	FY 2017-18
Annual revenue requirement (Rs Cr)	5529.12	5742.83
Provision for bad debt	0	0

38. UPCL in Para 3.64 submitted that on the basis of the above-mentioned projections from external and internal sources of Uttarakhand, the energy to be procured from all sources by the Petitioner has been projected at 573.49 MU and 13629.79 MU respectively at State periphery for FY 2017-18. The statement of UPCL is not clear. UPCL should submit the clarification on the same.

Reply:

The Para 3.64 may be read as

On the basis of the projections from external and internal sources of Uttarakhand, the energy to be procured from all sources by the Petitioner has been projected at 13629.79 MU including inward banking of 573.49 MU at State periphery for FY 2017-18.

39. In Para 4.3, UPCL has submitted that the 700 kVAh meters have been procured for installation by UPCL till date and the rest of the meters will be replaced by end of March. UPCL should submit the remaining numbers of meters and when these meters will be procured.

Reply:

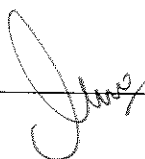
The above para may be considered modified as mentioned below:

It is submitted that 2000 kVAh Meters have been procured out of which 700 Meters have been installed at different location. By the end of March 2017 kVAh Meters shall be installed on all the Public Lamps and GIS connections.

40. In compliance to the Commission's directive No. 10, UPCL submitted that the policy has been prepared and was put up to the Audit Committee in the meeting held on 24-06-2016. Audit Committee directed to get the same examined and verified through a firm of Professional Chartered Accountants. The process of examination and verification of the policy is in progress. UPCL should submit when the Policy will be submitted to the Commission for approval.

Reply:

The process of examination and verification of the policy is in progress and expected to be completed by 15-01-2017. Thereafter the policy will be put up the audit committee and Board of



Directors and the approved policy will be filed to the Hon'ble Commission seeking approval from the same.

41. UPCL should submit the proposed tariff hike in terms of percentage for each consumer category for FY 2017-18 to meet the projected revenue gap.

FY 2017-18

Category	Sales in MU	Revenue (Rs. Cr)		Rs/Unit		Hike
		Existing	Proposed	Existing	Proposed	
RTS-1: Domestic	2,908.48	1,014.32	1,048.32	3.49	3.60	3.35%
RTS-2: Non-Domestic	1,333.10	761.27	786.37	5.71	5.90	3.30%
RTS-3: Public Lamps	45.28	21.93	22.70	4.84	5.01	3.51%
RTS-4: Private Tube-wells / Pumping sets	357.32	60.90	62.87	1.70	1.76	3.23%
RTS-5: Government Irrigation System	145.47	70.27	72.91	4.83	5.01	3.76%
RTS-6: Public Water Works	377.98	182.59	188.91	4.83	5.00	3.46%
RTS-7: Total HT & LT Industry	6,257.86	3,331	3,442	5.32	5.50	3.35%
Total LT	320.70	171.94	177.48	5.36	5.53	3.22%
Total HT	5,937.16	3,158.68	3,264.88	5.32	5.50	3.36%
RTS-8: Mixed Load	203.36	95.95	99.00	4.72	4.87	3.18%
RTS-9: Railway Traction	35.13	18.66	19.40	5.31	5.52	3.96%
Total	11,663.98	5,556.52	5,742.837	4.76	4.92	3.35%

42. UPCL should justify the proposed tariff hike in terms of reduction of cross-subsidy between various consumer categories, in accordance with the provisions of the EA, 2003, Tariff Policy and previous Orders of the Commission.

Reply:

The level of cross-subsidy among various consumer categories are given below:

Category	Cross Subsidy	
	Existing	Proposed
RTS-1: Domestic	26.79%	26.79%
RTS-2: Non-Domestic	-19.87%	-19.81%
RTS-3: Public Lamps	-1.66%	-1.81%
RTS-4: Private Tube-wells / Pumping sets	64.22%	64.26%
RTS-5: Government Irrigation System	-1.41%	-1.81%
RTS-6: Public Water Works	-1.40%	-1.51%
RTS-7: Total HT & LT Industry	-11.72%	-11.72%
Total LT	-12.54%	-12.40%

Category	Cross Subsidy	
	Existing	Proposed
Total HT	-11.68%	-11.69%
RTS-8: Mixed Load	0.96%	1.13%
RTS-9: Railway Traction	-11.48%	-12.14%

Hence it is clear that there is no change in the level of cross-subsidy. There are minor differences in few categories due to rounding of the Fixed Charges and Energy Charges

43. As regards Cross Subsidy, UPCL should submit table indicating the existing and proposed category wise cross subsidy, in view of the proposed tariff revision.

Reply :

The information is provided as mentioned in point no 42 above.

D. Discrepancies

44. The asset addition submitted in Form 5.1 does not match with asset addition in Form 5.2 as shown in the Table below:

Table 2: Discrepancies in asset addition (Rs. Crore)

Year	Asset addition as submitted in Form 5.1	Asset addition as submitted in Form 5.2
FY 2016-17	594.63	376.39
FY 2017-18	958.41	874.03

UPCL should reconcile the numbers and maintain consistency at all places.

Reply:

In format 5.1, the value indicated total asset addition during the year but in format 5.2 the value indicated Net Asset Addition during the Year less consumer contribution /grant.

45. The year wise capital expenditure as submitted in Form 6.1 does not match with the year wise investment as submitted in Form 6.2 as shown in the Table below:

Table 3: Discrepancies in capital expenditure (Rs. Crore)

Year	Capital expenditure as submitted in Form 6.1	Investment as submitted in Form 6.2
FY 2015-16	284.78	531.92
FY 2016-17	594.63	-
FY 2017-18	958.41	-

UPCL should reconcile the numbers and maintain consistency at all places.

Reply:

The format 6.1 & 6.2 has been updated accordingly and attached as **Hard copy & Annexure 2**

46. In Form 6.2, UPCL has not submitted the investment capitalisation during FY 2016-17 and FY 2017-18 while the asset addition has been submitted in Form 5.1 and Form 5.2. UPCL should reconcile the numbers and maintain consistency at all places.

Reply :

The required information has been updated and the revised format has been submitted as **Soft copy, Hard at Annexure-2.**

47. Discrepancy regarding Form 5.2 in the Excel formats and Form 5.2 in the Petition:

- a) Depreciation for FY 2015-16:

Table 4: Discrepancy regarding the depreciation for FY 2015-16 (Rs. Crore)

S.No.	Depreciation as in Form 5.2 of Excel formats	Depreciation as in Form 5.2 of the Petition	Depreciation as in Table 13 of the Petition
	121.51	118.80	114.12

Reply:

The Petitioner would like to clarify that figures of depreciation calculated based on the opening value of GFA. Table 13 of the Petition may be read as follows:

Particulars	FY 2015-16
Opening GFA net of grant and consumer contribution	2187.56
Net Additions as per accounts (Additions-Deletions-grant/consumer contribution)	179.56
Closing GFA net of grant and consumer contribution	2367.12
Average depreciation rate	5.22%
Depreciation on Opening GFA	114.12

The corrected form 5.2 of the petition is enclosed here with at Annexure-2 the same has been corrected in excel format.

- b) Net asset addition in FY 2015-16 less consumer contribution/grants:

Table 5: Discrepancy regarding the asset addition (Rs. Crore)

S.No.	Net Asset addition as in Form 5.2 of Excel Formats	Net Asset addition as in Form 5.2 of the Petition
1	284.79	179.57

UPCL should justify these discrepancies and maintain the consistency at all places.

Reply:

The net asset addition in FY 2015-16 excluding consumer contribution/ grant is Rs. 284.79 Crore. Format 5.2 has been corrected.

48. The details of interest on working capital for FY 2015-16 submitted by UPCL in Table 15 does not match with the details available in Form 8. The discrepancy is as shown in the table below:

Table 6: Discrepancies regarding Interest on working Capital (Rs. Crore)

S.No.	Particulars	Amount as in Table 15	Amount as in Form 8
1	Receivables (2 Months)	810.26	799.08
2	Less: Adjustment for security deposit & credit by power purchase	942.61	942.40
3	Net working Capital	(43.67)	(54.66)

UPCL should clarify this discrepancy and maintain the consistency at all places.

Reply:

The Petitioner would like to clarify that figures in mentioned in table 15 revenue is the final figures and the figures shown in form 8 may be read as given in table 15. Format 8 has been corrected and enclosed with Soft copy, Hard Copy at **Annexure – 2**.

49. UPCL in Table 69 submitted that out of the total annual funding for Part-A R-APDRP works, 90% will come from grant and remaining 10% will be the debt part and equity will be zero. Whereas in the amount column of the table debt is shown as zero and equity as Rs. 6.39 Crore. UPCL should rectify this discrepancy and maintain consistency at all places.

Reply:

The Amount Rs. 6.39 Crore is the Debt part under RAPDRP Part –A scheme. The Table 69 of the Petition may be read as follows:

FY	Source	%	Amount (Rs. Cr)
2016-17	Debt	10	6.39
	Equity	0	0.00
	Grant	90	57.48
Total			63.86

50. UPCL has submitted the surplus amounts as negative amounts in Formats while the surplus amounts have been submitted as positive amounts in the Petition. UPCL should maintain consistency at all places.

Reply:

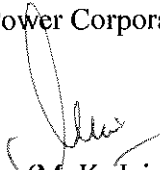
The surplus amount has been considered as an income and gap has been treated as expenditure.

51. It is also submitted before the Hon'ble Commission that as per audited accounts for FY 2014-15, the capitalization for the year is for Rs. 493.22 Cr whereas Hon'ble Commission in its Tariff Order date 05.04.2016 has considered the said value as Rs. 472.76 Cr resulting in revenue loss to the petitioner.



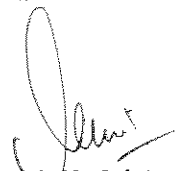
Hon'ble Commission is requested to kindly revisit the ARR of 2014-15 and consider the Capitalization as per audited accounts i.e. Rs. 493.22 Cr and allow all the claims (e.g. depreciation and Return on Capital etc) based on this capitalization.

For and on behalf of
Uttarakhand Power Corporation Limited


(M. K. Jain)
Managing Director

Verification

I, M. K. Jain S/o Shri Vijay Kumar Jain, aged about 58 years, working as Managing Director – Uttarakhand Power Corporation Limited, VCV Gabar Singh Urea Bhawan, Dehradun do hereby verify that the contents of Paras 1 to 51 are derived from official records, which are true to my personal knowledge and that I have not suppressed any material fact.


(M. K. Jain)
Managing Director
Uttarakhand Power Corporation Limited

भारतीय न्यायिक

TEN
RUPEES

Rs. 10

INDIA

INDIA NON JUDICIAL

In the matter of: ANNUAL REVENUE REQUIREMENT (ARR) PETITION FOR THE FINANCIAL YEAR 2017-18 ALONGWITH TARIFF DETERMINATION FOR FY 2017-18, TRUE-UP FOR FY 2016-17 AND ANNUAL PERFORMANCE REVIEW FOR FY 2016-17

उत्तराखण्ड

And

In the matter of: Uttarakhand Power Corporation Limited.

Petitioner

AFFIDAVIT VERIFYING THE PETITION

I, M. K. Jain, S/o Shri Vijay Kumar Jain, aged about 58 years, working as Managing Director - Uttarakhand Power Corporation Limited, VCV Gabar Singh Urja Bhawan, Dehradun, the deponent named above do hereby solemnly affirm and state on oath as under:

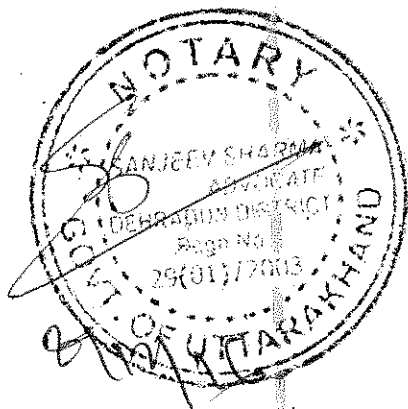
1. That the deponent is the Managing Director of Uttarakhand Power Corporation Limited who is authorized as per resolution of the company dated 29-11-2016 and is acquainted with the facts deposed to below.
2. I, the deponent named above do hereby verify that the contents of the paragraph No.-1 of the affidavit and those of the paragraph No.-1 to 51 of the accompanying petition are based on the perusal of records which I believe to be true and verify that no part of this affidavit is false and nothing material has been concealed.

Deponent

(M. K. Jain)

Managing Director

Uttarakhand Power Corporation Limited



05 OCT 2015

279 / 18.1d
29-0-10

V.P. CL P. DUK

SHYAMBA WATV
Group V... L.No. 99
Court Com... Unfradun



I, **Anil Prasad Ranakoti**, Advocate, do hereby declare that the person making this affidavit is known to me through the perusal of records and I am satisfied that he is the same person alleging to be deponent himself.

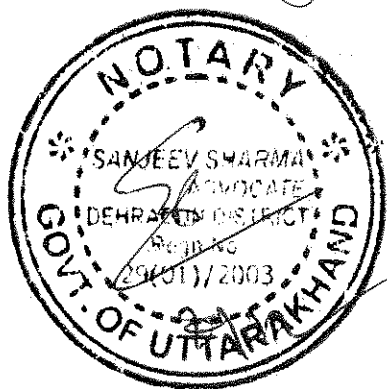
(.....*Anil*.....)
Advocate
F.N. 9758/03

Solemnly affirmed before me on this day ofby the deponent who has been identified by the aforesaid advocate.

I have satisfied myself by examining the deponent that he understood the contents of the affidavit which has been read over and explained to him. He has also been explained about section 193 of Indian Penal Code that whoever intentionally gives false evidence in any of the proceedings of the Commission or fabricates evidence for purpose of being used in any of the proceedings shall be liable for punishment as per law.

(Notary Public)

This affidavit is sworn before me by
Shri.....*M.K. Jaiswal*.....
who is identified by Shri.....*Anil Prasad Ranakoti*.....
at Dehradun on.....*21/11/03*.....
Anil Prasad Ranakoti
Advocate



25
Sanjeev Sharma
SANJEEV SHARMA
Advocate & NOTARY, Dehradun