



उत्तराखण्ड पावर कारपोरेशन लि०

(उत्तराखण्ड सरकार का उपक्रम)

Uttarakhand Power Corporation Ltd.

(A. Govt. of Uttarakhand Undertaking)

CIN : U40109UR2001SGC026867

Email ID: ogmupcl@yahoo.com Website: www.upcl.org

No. 916.....

/UPCL/RM/B-20

Dated: 27-03-2019

BEFORE THE UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

INDEX

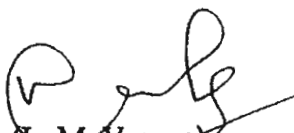
IN THE MATTER OF: APPLICATION FOR DETERMINATION OF ADDITIONAL SURCHARGE IN ACCORDANCE WITH THE PROVISIONS OF UERC (TERMS AND CONDITIONS OF INTRA - STATE OPEN ACCESS) REGULATIONS, 2015 TO MEET THE FIXED COST OF UPCL ARISING OUT OF HIS OBLIGATION TO SUPPLY ELECTRICITY TO THE OPEN ACCESS CONSUMERS.

AND

IN THE MATTER OF: UTTARAKHAND POWER CORPORATION LIMITED.

.....Petitioner

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3	Power purchase data (com data) and Commercial Diary for the period from April, 2018 to September, 2018	In soft copy


(L.M. Verma)
Director (Finance)

राज्य विद्युत नियंत्रण आयोग

Orissa State Power Corporation Ltd

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दिनांक 15.05.2017

पत्र संख्या

100

श्री. ए. आर. मण्डल, अध्यक्ष, राज्यालय, राजधानी, कोलकाता

प्रति,

आवेदनकर्ता को निर्धारित शुल्क का भुगतान करने के लिए निर्देशित किया जाता है।

आवेदन संख्या

आवेदन संख्या

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File No.

Case No.

BEFORE THE UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

IN THE MATTER OF: APPLICATION FOR DETERMINATION OF ADDITIONAL SURCHARGE IN ACCORDANCE WITH THE PROVISIONS OF UERC (TERMS AND CONDITIONS OF INTRA - STATE OPEN ACCESS) REGULATIONS, 2015 TO MEET THE FIXED COST OF UPCL ARISING OUT OF HIS OBLIGATION TO SUPPLY ELECTRICITY TO THE OPEN ACCESS CONSUMERS.

And

In the matter of: Uttarakhand Power Corporation Limited.

.....Petitioner

The humble applicant most respectfully showeth:

1. Specific Legal Provision under which Petition is being filed:

(i) Section-42(4) of the Electricity Act, 2003 stipulates as follows:

"Where the State Commission permits a consumer or class of consumers to receive supply of electricity from a person other than the distribution licensee of his area of supply, such consumer shall be liable to pay an additional surcharge on the charges of wheeling, as may be specified by the State Commission, to meet the fixed cost of such distribution licensee arising out of his obligation to supply."

(ii) Ministry of Power, Government of India, in compliance of Section-3 of the Electricity Act, 2003, issued Tariff Policy on 28-01-2016. Section- 8.5.4 of this policy stipulates as follows:

"The additional surcharge for obligation to supply as per section 42(4) of the Act should become applicable only if it is conclusively demonstrated that the obligation of a licensee, in terms of existing power purchase commitments, has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. The fixed costs related to network assets would be recovered through wheeling charges."



(iii) Regulation 23 of the of UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015 provides as follows for applicability of Additional Surcharge:

"(1) Any consumer, receiving supply of electricity from a person other than the distribution licensee of his area of supply, shall pay to the distribution licensee an additional surcharge on the charges of wheeling, in addition to wheeling charges and cross-subsidy surcharge, to meet out the fixed cost of such distribution licensee arising out of his obligation to supply as provided under sub-section (4) of Section 42 of the Act.

(2) This additional surcharge shall become applicable only if the obligation of the licensee in terms of power purchase commitments has been and continues to be stranded or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. However, the fixed costs related to network assets would be recovered through wheeling charges.

(3) The distribution licensee shall submit to the Commission, on six monthly basis, a detailed calculation statement of fixed cost which the licensee is incurring towards his obligation to supply.

The Commission shall scrutinize the statement of calculation of fixed cost submitted by the distribution licensee and obtain objections, if any, and determine the amount of additional surcharge.

Provided that any additional surcharge so determined by the Commission shall be applicable on prospective basis on all open access consumers.

(4) Additional surcharge determined on per unit basis shall be payable, on monthly basis, by the open access consumers based on the actual energy drawn during the month through open access.

Provided that such additional surcharge shall not be levied in case distribution access is provided to a person who has establish a captive generation plant for carrying the electricity to the destination of his own use."

2. Limitation:

No limitation of time is specified for filing of the accompanying petition.

3. Facts of the Case:

(i) Hon'ble Commission vide its order dated 18-08-2011 had determined the additional surcharge @ 15% of the applicable ToD rate of energy charge on the basis of prevalent Tariff Order. This additional surcharge was applicable only on those embedded consumers who draw power through open access for meeting their part/ full load requirements. This additional surcharge remained applicable for the period upto 31-03-2017. Thereafter, Hon'ble Commission vide Tariff Order dated 29-03-2017 for FY 2017-18 read with order dated 23-05-2017 stopped the levy of this surcharge from 01-04-2017.

(ii) The petitioner in the ARR and Tariff Petitions for FY 2018-19 and 2019-20 also proposed levy of additional surcharge on the energy drawn through open access by the embedded consumers but the Hon'ble Commission rejected the said proposals.

(iii) Thereafter, Hon'ble Commission vide its letter no. UERC/6/TF-25/2018-19/2019/1809, dated 22-03-2019 directed the petitioner to initiate necessary action for levy of additional surcharge on the open access consumers as per the provisions of the Electricity Act, 2003 and relevant regulations with a view to avoid any undue burden on the petitioner and other consumers of the State.

(iv) For justification of applicability of additional surcharge and its determination, it is submitted that presently, the Open Access Consumers with the Petitioner Company are of embedded nature. These Open Access Consumers buy power from the Petitioner Company as well as through Open Access as per their financial suitability but the Petitioner is required to supply power to them as per their contracted capacity with the Petitioner Company, in the cases these Open Access Consumers do not go for Open Access and choose to buy power from the Petitioner. Accordingly, the Petitioner is required to have an arrangement of power sufficient to meet the requirement of these Open Access Consumers including the quantum which they were buying earlier through Open Access.



- (v) Due to its obligation, petitioner has made arrangement to supply power to the Consumers including Open Access Consumers which they were buying earlier through Open Access. In case any Consumer now go for Open Access, the power purchase commitments of the petitioner becomes stranded and therefore the Open Access Consumers are required to bear fixed component of power purchase cost (about 30% of total power purchase cost) of the petitioner. Hon'ble Commission in its order dated 18-08-2011 (at para - 6) also accepted this fact. This para may be quoted as follows:

"The Commission is fully aware of the fact that the petitioner's fixed cost of the power arranged by it, well in advance, for meeting the demand of embedded consumers would get stranded when such consumers draw power through open access from elsewhere for meeting their part/full load requirements during the day."

- (vi) In accordance with the provisions of Regulation - 23 (3) of the UERC (Terms and Conditions of Intra - State Open Access) Regulations, 2015, the details of fixed cost which the petitioner has incurred towards his obligation to supply of electricity for the period from April, 2018 to September, 2018 are as follows:

S. No.	Particulars	Values
a.	Variable power purchase cost from April, 2018 to September, 2018	Rs. 1907.00 Cr.
b.	Fixed power purchase cost from April, 2018 to September, 2018	Rs. 849.24 Cr.
c.	Total power purchase cost from April, 2018 to September, 2018	Rs. 2756.24 Cr.
d.	Actual billed energy from April, 2018 to September, 2018	6025.32 MU
e.	Actual distribution losses from April, 2018 to September, 2018	17.27%
f.	Billed energy from April, 2018 to September, 2018 at the approved distribution losses of 14.50%	6227.06 MU
g.	Energy drawn though open access at consumer meter from April, 2018 to September, 2018 (open access energy at distribution periphery : 76.92 MU x 85.50%)	65.77 MU
h.	Stranded fixed cost component of power purchase from April, 2018 to September, 2018 (Rs. 849.24 Cr. x 65.77 MU / 6227.06 MU)	Rs. 8.97 Cr.



(vii) For estimation of additional surcharge to be levied for FY 2019-20, it is pertinent to refer the provisions of UERC (Terms and Conditions of Intra - State Open Access) Regulations, 2015 wherein at Regulation - 20 it has been provided that the open access charges applicable for any financial year shall be based on the ARR and Tariff Order of that financial year. As only Industrial Consumers avails the facility of open access in the petitioner company, the additional surcharge for these Industrial Consumers for FY 2019-20 may be computed as follows based on the values approved in the Tariff Order dated 27-02-2019 for FY 2019-20:

S. No.	Particulars	Values
a.	Total power purchase cost approved in the Tariff Order for FY 2019-20	Rs. 5400.74 Cr.
b.	Estimation of fixed component of power purchase cost for FY 2019-20 based on the proportion of fixed power purchase cost in the total power purchase cost from April, 2018 to September, 2018 (Rs. 5400.74 Cr. / Rs. 2756.24 Cr. x Rs. 849.24 Cr.)	Rs. 1664.05 Cr.
c.	Approved billed energy for FY 2019-20	12397.76 MU
d.	Additional surcharge (b/c)	Rs. 1.34 p.u.
e.	Applicable energy charge on HT Industrial consumers during normal hours (having load factor above 40%)	Rs. 4.35 / KVAH
f.	Additional surcharge as a percentage of energy charge (Rs. 1.34 p.u. / Rs. 4.35 p.u.)	30.80% of energy charge

(viii) The power purchase data (com data) and commercial diary for the period from April, 2018 to September, 2018 are attached herewith in soft copy.

4. Cause of Action:

This petition is being filed before the Hon'ble Commission in compliance of the provisions of Section - 42 (4) of the Electricity Act, 2003 and Regulation - 23 of the UERC (Terms and Conditions of Intra State Open Access) Regulations, 2015.

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5. Ground of Relief:

Due to its obligation, petitioner has made arrangement to supply power to the Consumers including Open Access Consumers which they were buying earlier through Open Access. In case, any Consumer now go for Open Access the power purchase commitments of the petitioner becomes stranded and therefore the Open Access Consumers are required to bear fixed component of power purchase cost of the petitioner. Absence of suitable additional surcharge levied to the open access consumer would result in undue burdening on the other consumers.

6. Details of Remedies Exhausted:

As the Hon'ble Commission is the Appropriate Authority to consider the matter, no remedies has been sought from any other Forum / Court / Authority etc.

7. Matter not previously filed for pending with any other court:

As the Hon'ble Commission is the Appropriate Authority to consider the matter, the application is being filed only before the Hon'ble Commission and no other application is pending in the matter with any other Court.

8. Relief sought:

The Petitioner prays that the Hon'ble Commission may:

- a) admit the accompanying Petition;
- b) approve the additional surcharge for FY 2019-20 @ 30.80% of the energy charge to be recovered on the energy drawn through open access by the embedded consumers of Industrial category;
- c) condone any inadvertent omissions/errors/shortcomings and permit Petitioner to add/change/modify/alter this filing and make further submissions as may be required at future date; and
- d) pass orders, as the Hon'ble Commission may deem fit and proper keeping in view the facts and circumstances of the case.

9. Interim Order, if any, prayed for:

No prayer for interim order has been made.

10. Details of Index:

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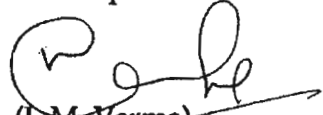
11. Particulars of fee remitted:

Application fee amounting to Rs. 20,000.00 only is being deposited favouring Secretary, Uttarakhand Electricity Regulatory Commission, Dehradun. *Demand Draft No. UPQ 672124, dated 26.03.2019 issued by PNB, Dehradun.*

12. List of enclosures:


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For and on behalf of
Uttarakhand Power Corporation Limited


(L.M. Verma)
Director (Finance)

Verification

I, Lalit Mohan Verma S/o Late Shri Sundar Lal Verma, aged about 61 years, working as Director (Finance) Uttarakhand Power Corporation Limited, VCV Gabar Singh Urja Bhawan, Dehradun do hereby verify that the contents of Paras 1 to 12 are derived from official records, which are true to my personal knowledge and that I have not suppressed any material fact.


(L.M. Verma)
Director (Finance)
Uttarakhand Power Corporation Limited

1. The Commission has received information from the Ministry of Energy and Power regarding the proposed project. The Commission is currently reviewing the information provided and will issue a decision within the next few weeks.

2. The Commission is also reviewing the proposed project in light of the current energy market conditions. The Commission will take into account the impact of the project on the overall energy supply and demand in the region.

3. The Commission will also consider the environmental impact of the project and will consult with the relevant authorities to ensure that the project complies with all applicable laws and regulations.

Section 2 of the Act

Application for a license to generate and supply electricity in the region of the proposed project. The Commission is currently reviewing the application and will issue a decision within the next few weeks.

Section 3 of the Act

1. The Commission has received information from the Ministry of Energy and Power regarding the proposed project. The Commission is currently reviewing the information provided and will issue a decision within the next few weeks.

2. The Commission is also reviewing the proposed project in light of the current energy market conditions. The Commission will take into account the impact of the project on the overall energy supply and demand in the region.

3. The Commission will also consider the environmental impact of the project and will consult with the relevant authorities to ensure that the project complies with all applicable laws and regulations.

Section 4 of the Act

The Commission is currently reviewing the application and will issue a decision within the next few weeks.

(Signature)
 (Name)
 (Title)

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The Commission is currently reviewing the application and will issue a decision within the next few weeks. The Commission will take into account the impact of the project on the overall energy supply and demand in the region. The Commission will also consider the environmental impact of the project and will consult with the relevant authorities to ensure that the project complies with all applicable laws and regulations.

(Signature)
 (Name)
 (Title)



सत्यमेव जयते

INDIA NON JUDICIAL Government of Uttarakhand

e-Stamp

Certificate No.	: IN-UK94984283265025Q
Certificate Issued Date	: 13-Dec-2018 10:47 AM
Account Reference	: NONACC (SV)/ uk1260004/ DEHRADUN/ UK-DH
Unique Doc. Reference	: SUBIN-UKUK126000491554196663566Q
Purchased by	: UTTARAKHAND POWER CORPORATION LTD
Description of Document	: Article Miscellaneous
Property Description	: NA
Consideration Price (Rs.)	: 0 (Zero)
First Party	: UTTARAKHAND POWER CORPORATION LTD
Second Party	: NA
Stamp Duty Paid By	: UTTARAKHAND POWER CORPORATION LTD
Stamp Duty Amount(Rs.)	: 10 (Ten only)

File No.
Case No.

BEFORE UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

matter of: Application for Determination of Additional Surcharge in Accordance with the Provisions of UERC (Terms and Conditions of Intra - State Open Access) Regulations, 2015 to meet the Fixed Cost of UPCL arising out of its obligation to Supply Electricity to the Open Access Consumers.

matter of: Uttarakhand Power Corporation Limited
at No. 1800 BHANDARI
STAMP VENDOR
Dehradun Compound, Dehradun

AFFIDAVIT VERIFYING THE PETITION

I, Lalit Mohan Verma, S/o Late Shri Sundar Lal Verma, aged about 61 years, working as Director (Finance) - Uttarakhand Power Corporation Limited, VCV Gabar Singh Bhandari, Dehradun, the deponent named above do hereby solemnly affirm and state on oath as under:

That the deponent is the Director (Finance) of Uttarakhand Power Corporation Limited who is authorized as per resolution of the company and is acquainted with the facts as deposited to below.

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 12 of the accompanying petition are based on the perusal of records which I believe to be true and verify that no part of the affidavit is false and nothing material has been concealed.

Deponent

(L. M. Verma)

Director (Finance)

Uttarakhand Power Corporation Limited

Statutory Alert:

1. The authenticity of this Stamp Certificate should be verified at 'www.shcitesstamp.com'. Any discrepancy in the details on this Certificate and as available on the website renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please Inform the Competent Authority.

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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.


(.....)
Advocate
R.N. 515404

Solemnly affirmed before me on this27/12/19..... day of
.....by 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.....Shri Anil Prasad Ranakoti.....
who is identified Shri.....Shri Anil Prasad Ranakoti.....
at Dehradun on.....27/12/19.....
KM. URMILA BHATIA
Advocate & NOTARY, Dehradun.

I have examined the above and find that the same is correct and true to the best of my knowledge and belief.


A. J. ...
...

I have examined the above and find that the same is correct and true to the best of my knowledge and belief.

I have examined the above and find that the same is correct and true to the best of my knowledge and belief.

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