

**BEFORE
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

In the matter of:

Determination of Average Pooled Cost of Power Purchase (APPC) for the financial year 2013-14 for fulfilment of requirement specified under UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010.

Coram

Shri Jag Mohan Lal	Chairman
Shri C.S. Sharma	Member
Shri K.P. Singh	Member

Date of Order: September 26, 2013

ORDER

This Order relates to determination of Average Pooled Cost of Power Purchase (APPC) for the financial year 2013-14 for fulfilment of requirement specified under UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010.

2. Regulation 8.1 of UERC (Compliance of Renewable Purchase Obligation) regulations, 2010, specifies that:

“A generating company engaged in generation of electricity from renewable energy sources shall be eligible to apply for accreditation subject to following conditions:

- a. *It has connectivity to the State network;*
- b. *It does not have any power purchase agreement for the capacity related to such generation to sell electricity at a preferential tariff determined by the Commission;*
- c. *It sells the electricity generated either (i) to the distribution licensee of the area in which the eligible entity is located, at a price not exceeding the pooled cost of power purchase (excluding transmission charges) of such distribution licensee, or (ii) to any other licensee or to an open access consumer at a mutually agreed price, or through power exchange at market determined price; and*

Explanation: For the purpose of these regulations, Pooled Cost of Purchases means the weighted average pooled price at which the distribution licensee has purchased the electricity including the cost of self generation, if any, in the previous year from all the energy suppliers long-term and short-term, but excluding those based on renewable energy sources, as the case may be.

- d. *It possesses the necessary infrastructure required to carry out energy metering and time-block wise accounting."*

3. In accordance with the above provisions of the Regulations, the APPC for the current financial year is based on the weighted average pooled price at which the distribution licensee has purchased the electricity including the cost of self generation, if any, in the **previous year** from all the energy suppliers long-term and short-term, but excluding those based on renewable energy sources and excluding transmission charges. Accordingly APPC for FY 2013-14 shall be based on the weighted average pooled price for FY 2012-13.
4. As has been clarified by the Central Commission in its Order dated 01.06.2010, the pooled cost of power purchase is the weighted average pool price at the distribution level.
5. As far as UPCL's cost of purchase of power for the FY 2012-13 is concerned, the Commission has considered the commercial data pertaining to power purchase submitted by UPCL. The commercial data for FY 2012-13 submitted by UPCL is provisional and not yet audited. The Commission would true up the power purchase cost of UPCL for FY 2012-13 when the audited accounts are available and any variation, if any, arising there from in the APPC for FY 2013-14 would be adjusted by UPCL based on the final APPC

approved by the Commission for FY2013-14 based on the proposal of UPCL in this regard later on.

6. For arriving at the energy availability at distribution level the Commission has taken average transmission losses of PGCIL and PTCUL as 4% and 1.85% respectively.
7. Based on the above, the Commission has considered the power purchase expenses eligible for calculation of weighted average pooled price for FY 2012-13 and accordingly calculation of APPC for FY 2013-14 has been presented in the table given below:

Eligible Power Purchase Expenses for FY 2012-13		
Source of Power	Units (MU)	Total Cost (Rs. Crore)
UJVNL	4,091.84	654.51
NHPC	442.66	173.89
SJVNL	35.07	10.98
THDC	135.25	67.28
NTPC	2,506.36	759.64
NPCIL	234.45	76.35
Free Power to GOU	844.19	200.90
Sub Total	8,289.82	1,943.55
<i>Add: Energy received under Banking arrangement (Inward banking)</i>	67.91	
<i>Add: UI Overdrawal</i>	542.00	189.5
<i>Add: Open Market Purchase</i>	1,602.62	666.77
Total Units Purchased	10,502.34	2,799.81
<i>Less: Energy sent out under Banking arrangement (Outward banking)</i>	178.91	
<i>Less: Trading</i>	79.42	15.42
<i>Less: U.I. Underdrawal</i>	20.74	1.04
State Consumption	10,223.27	2,783.35

** Trading and UI under drawal are revenue receipts by UPCL*

8. Based on the above, the provisional Average Pooled Power Purchased Cost (APPC) approved by the Commission for FY 2013-14 works out to Rs. 2.72 per unit.

(K.P. Singh)
Member

(C.S. Sharma)
Member

(Jag Mohan Lal)
Chairman