

**Before**

**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**In the matter of:**

Petition filed by Uttarakhand Power Corporation Limited for True-up of FY 2013-14, Annual Performance Review for FY 2014-15 and determination of ARR & Tariff for FY 2015-16.

**AND**

**In the matter of:**

Uttarakhand Power Corporation Limited ...Petitioner  
Gabar Singh Bhawan, Kanwali Road, Dehradun

**Coram**

<b>Shri Subhash Kumar</b>	<b>Chairman</b>
<b>Shri C.S. Sharma</b>	<b>Member</b>
<b>Shri K.P. Singh</b>	<b>Member</b>

**Date of Order: 22 December 2014**

**Order**

This order relates to the Petition filed by Uttarakhand Power Corporation Limited (hereinafter referred to as UPCL or the Petitioner) on 29.11.2014 for trueing up of expenses for FY 2013-14, Annual Performance Review for FY 2014-15 and determination of Annual Revenue Requirement & tariffs for FY 2015-16.

2. The Petition filed by UPCL had certain infirmities/deficiencies which were conveyed to UPCL vide Commission's letter dated 09.12.2014 asking it to rectify the said infirmities so that the Petition may be admitted by the Commission. UPCL vide its letter dated 16.12.2014 has submitted the replies to the critical deficiencies pointed out by the Commission.

3. Based on the submissions made by UPCL, the Commission provisionally admits the Petition for further processing subject to the condition that UPCL shall provide/furnish any further information/clarifications as deemed necessary by the Commission during the processing of the Petition to the satisfaction of the Commission within the time frame as may be stipulated by the Commission failing which the Commission may proceed to dispose off the matter as it deems fit based on the information available with it.
4. The Commission further directs the Petitioner to publish a public notice within 3 days from the date of this Order detailing the salient features and facts of the Petition filed by it in the format given at Annexure-1 in at least two daily newspapers (one Hindi and one English) widely circulated in the area of its operation both in Hindi and English languages for comments by all stakeholders and public at large. The Petitioner is also directed to place the Petition on its website and its headquarters/other offices for inspection or making relevant extracts available to the public.

**(K.P. Singh)**  
Member

**(C.S. Sharma)**  
Member

**(Subhash Kumar)**  
Chairman

**UTTARAKHAND POWER CORPORATION LIMITED  
PUBLIC NOTICE**

**Inviting Comments on ARR/Tariff Petition for the FY 2015-16 filed by UPCL before the Uttarakhand Electricity Regulatory Commission**

**Salient Points of the ARR/Tariff Petition**

1. Uttarakhand Power Corporation Limited (UPCL), the sole Distribution and Retail Supply Licensee in the State, has filed a Petition before Uttarakhand Electricity Regulatory Commission (UERC or Commission) for approval of its Annual Performance Review (APR) for FY 2014-15, Annual Revenue Requirement (ARR) for the FY 2015-16 and has sought revision of Retail Tariffs to be charged from different category of electricity consumers in the State for the FY 2015-16.
2. Through the above Petition, UPCL has also sought truing up of expenses for FY 2013-14 (based on the provisional accounts). The summary of the revised ARR and the revised revenue Gap for FY 2013-14, FY 2014-15 and projected ARR & projected Revenue gap for the FY 2015-16 are given in the following Table:

(Figures in ₹ Crore)

S. No.	Particulars	FY 2013-14 (True up)		FY 2014-15 (APR)		FY 2015-16 (Proposed)
		Approved by the Commission	Provisional Truing up claimed by UPCL	Approved by the Commission	Revised Estimates submitted by UPCL	Projected by UPCL
<b>A.</b>	<b>Expenditure</b>					
1	Power Purchase Expenses	2841.71	2785.61	3040.86	3311.30	3483.76
1.A	Recovery from UJVNL on account of true up	-2.83	-	156.40	156.40	-
1.B	Cost to meet RPO	-	-	0.00#	61.35	98.78
2	Transmission Charges- PGCIL	163.91	201.03	254.92	203.62	226.55
3	Transmission Charges- PTCUL	195.63	195.63	232.68	238.70	238.70
4	SLDC Charges			6.02	-	-
5	O&M expenses	340.40	354.25	404.23	453.52	537.05
6	Interest charges (Including guarantee fee & Intt. on SD)	118.99	126.20	121.82	151.89	184.07
7	Depreciation	69.46	108.23	69.38	124.37	151.94
8	Provision for Bad and Doubtful Debts	0.00	0.00	0.00	0.00	0.00
9	Return on Equity	25.48	182.23	40.42	194.37	211.03
10	Interest on Working Capital	7.26	0.00	6.36	6.81	21.03
<b>B.</b>	<b>Gross Expenditure</b>	<b>3760.01</b>	<b>3953.18</b>	<b>4333.09</b>	<b>4902.52</b>	<b>5152.91</b>
<b>C.</b>	Less: Non-tariff income	66.70	86.51	70.04	90.84	95.38
<b>D.</b>	<b>Aggregate Revenue Requirement (B-C)</b>	<b>3693.31</b>	<b>3866.67</b>	<b>4263.05</b>	<b>4811.68</b>	<b>5057.52</b>
<b>E.</b>	Revenues from Existing/ Approved Tariffs	3942.94	3755.67	4145.84	-	4311.84
<b>F.</b>	Additional Gap/(Surplus) from truing up of previous years	239.30	239.30	-138.13	-138.13	292.86
<b>G.</b>	Add: Carrying Cost on the total Gap					92.84
<b>H.</b>	Losses to be borne by UPCL as per sharing statement		57.44			-
<b>I.</b>	<b>Revenue Surplus/(Gap) ((E)-(F)-(D)-(G)+(H))</b>	<b>10.34</b>	<b>(292.86)</b>	<b>20.92</b>	<b>*</b>	<b>(1131.38)</b>

\*UPCL has not computed Revenue gap/(surplus) for FY 2014-15

# included in power purchase expenses

3. UPCL has, accordingly, for the FY 2013-14 and FY 2015-16 taken together, projected a total revenue gap of ₹1131.38 Crore.
4. The revenue gap projected by UPCL for different financial years (as indicated above) is primarily due to increase in the power purchase cost (including transmission charges) of UPCL along with the increase in Capital Related Expenses. For FY 2015-16, UPCL has projected the distribution loss level of 17.34% based on the loss trajectory proposed in the business plan. It is also to mention that for projecting the power purchase cost for FY 2015-16 from Central Sector Generating Stations, UPCL has taken the rates as approved in the orders of CERC for FY 2013-14 and has further escalated it twice by 5% to project the power purchase costs for FY 2015-16.
5. UPCL has proposed to recover the entire revenue gap of ₹1131.38 Crore relating to FY 2013-14 and FY 2015-16 through tariffs hike in the FY 2015-16. UPCL has, accordingly, proposed an average tariff hike of 26.24% in the existing retail tariffs of consumers.
6. Further, PTCUL, SLDC and UJVNL have also submitted their ARR and Tariff Petition for FY 2015-16 before the Commission. If their claims are accepted by the Commission it would necessitate a hike of around 10.00% in consumer tariffs in addition to the hike of 26.24% proposed by UPCL for FY 2015-16.

The tariff proposals are as below:

**Table: Summary of Existing and Proposed Tariff Schedule**

Category	Fixed/Demand Charges		Energy Charges		Minimum consumption charges	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
<b>RTS-1: DOMESTIC</b>						
<b>1.1 For consumers getting un-metered supply in Rural Areas</b>						
<b>1.1.1 Hilly areas</b>	₹ 140/ connection/month	₹ 180/ connection/month				
<b>1.1.2 Other Areas</b>	₹ 310/ connection/month	₹ 400/ connection/month				
<b>1.2 Domestic Metered</b>						
1.2.1 Life line consumers						
Below Poverty Line and Kutir Jyoti having load upto 1kW and consumption upto 30 units per month	₹ 7/ connection/month	₹ 10/ connection/month	₹ 1.50/kWh	₹ 1.90/kWh		
<b>1.3 Other domestic consumers</b>						
Consumption upto 100 units	Upto 4 kW: ₹ 35/connection/month More than 4 kW: ₹ 90/connection/month	Upto 4 kW: ₹ 45/connection/month More than 4 kW: ₹ 120/connection/month	₹ 2.30/kWh	₹ 2.90/kWh		
Consumption between 101-200 units			₹ 2.70/kWh	₹ 3.40/kWh		
Consumption between 201-400 units/month			₹ 3.35/kWh	₹ 4.20/kWh		
Consumption Above 400 units			₹ 3.50/kWh	₹ 4.40/kWh		
<b>1.4 Single Point Bulk Supply</b>	₹ 35/kW/month	₹ 45/kW/month	₹ 3.15/kWh	₹ 4.00/kWh		

Category	Fixed/Demand Charges		Energy Charges		Minimum consumption charges	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
<b>RTS-1A: SNOWBOUND*</b>						
1) Domestic	₹ 7/ connection/month	Nil	₹ 1.50/kWh	Nil		
2) Non-domestic upto 1 kW			Nil			
3) Non-domestic more than 1 kW & upto 4 kW			₹ 2.15/kWh	Nil		
4) Non-domestic more than 4 kW	₹ 14/ connection/month	Nil	₹3.25/kWh	Nil		
<b>RTS-2: NON-DOMESTIC</b>						
<b>1. Government/Municipal Hospitals, Government/Government aided Educational Institutions, Charitable Institutions registered under the Income Tax Act, 1961 and whose income is exempted from tax under this Act</b>						
(a) Upto 25 kW	₹ 35/kW/month	₹ 45/kW/month	₹ 3.85/kWh	₹ 4.90/kWh		
(b) Above 25 kW	₹ 35/ kVA/month	₹ 45/kVA/month	₹ 3.45/kVAh	₹ 4.40/kVAh	60 kVAh/kVA/month & 720/ kVAh/kVA/annum	60 kVAh/kVA/month & 720/ kVAh/kVA/annum
<b>2. Other Non-Domestic/Commercial Users</b>						
(a) Small Non Domestic consumers (at hill) with connected load upto 4kW and consumption upto 50 units per month	₹ 35/kW/month	₹ 45/kW/month	₹4.00/kWh	₹ 5.10/kWh		
(b) Upto 25 kW	₹ 35/kW/month	₹ 45/kW/month	₹ 4.55/kWh	₹ 5.75/kWh		
(c) Above 25 kW	₹ 35/kVA/month	₹ 45/kVA/month	₹4.55/kVAh	₹ 5.75/kVAh	60 kVAh/kVA/month & 720/ kVAh/kVA/annum	60 kVAh/kVA/month & 720/ kVAh/kVA/annum
<b>3. Single Point Bulk Supply</b>	₹ 35/kVA/month	₹ 45/kVA/month	₹ 4.45/kVAh	₹ 5.65/kVAh	60 kVAh/kVA/month & 720/ kVAh/kVA/annum	60 kVAh/kVA/month & 720/ kVAh/kVA/annum
<b>4. Independent Advertisement Hoardings as covered under para 1.4 **</b>	-	₹ 200/kW/month	-	₹ 8.00/kWh		
<b>RTS-3: PUBLIC LAMPS - In addition to Tariff, Maintenance charge of ₹ 10/- per light point per month. Further, for every 50 W or part thereof increases over and above 100 W lamp, additional ₹ 80/month has been proposed to be charged against existing ₹ 70/month.</b>						
1. Metered	₹ 30/kW/month	₹ 40/kW/month	₹ 4.10/kWh	₹ 5.15/kWh		
2. Unmetered Rural	₹ 175/100 watt lamp/month	₹ 225/100 watt lamp/month	Nil	Nil		
<b>RTS-4: *** PRIVATE TUBE WELLS/PUMPING SETS - In addition to Tariff, charge of ₹ 20/connection/month for lighting load of not more than two lamps not exceeding 60 W each has been retained.</b>						
1 Unmetered	₹ 180/BHP/month	₹ 230/BHP/month	Nil	Nil		
2 Metered	Nil	Nil	₹1.10kWh	₹ 1.40/kWh	₹ 70/BHP/month & ₹ 840/BHP/annum	₹ 70/BHP/month & ₹840/BHP/annum

Category	Fixed/Demand Charges		Energy Charges		Minimum consumption charges	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
<b>RTS-5: GOVERNMENT IRRIGATION SYSTEM</b>						
Upto 75 kW	₹ 30/kW/month	₹ 40/kW/month	₹ 4.10/kWh	₹ 5.15/kWh		
More than 75 kW	₹ 30/kVA/month	₹ 40/kVA/month	₹3.95/kVAh	₹5.00/kVAh		
<b>RTS-6: PUBLIC WATER WORKS****</b>						
Upto 25 kW	₹ 30/kVA/month	₹ 40/kW/month	₹4.00/kVAh	₹ 5.10/kWh		
Above 25 kW		₹ 40/kVA/month		₹5.10/kVAh		
<b>RTS-7: LT &amp; HT INDUSTRIES*****</b>						
<b>1. LT Industry having contracted load upto 100 BHP/75kW</b>						
1.1 Contracted load up to 25 kW	₹ 100/kW of contracted load	₹ 130/kW/month	₹3.75/kWh	₹4.65/kWh	60 kWh/kW of contracted load/month & 720/kWh/kW of contracted load / annum and 40/kWh/kW of contracted load /month & 480 kWh /kW of contracted load / annum for Atta Chakki	60 kWh/kW of contracted load/month & 720/kWh/kW of contracted load / annum and 40/kWh/kW of contracted load /month & 480 kWh /kW of contracted load / annum for Atta Chakki
1.2 Contracted load more than 25 kW	₹ 100/kVA of contracted load	₹ 130/kVA/month	₹ 3.40/kVAh	₹ 4.30/kVAh	60 kVAh/kVA of connected load/month & 720/kVAh/kVA of connected load / annum	60 kVAh/kVA of connected load/month & 720/ kVAh/kVA of connected load / annum
<b>2. HT Industry having contracted load above 100 BHP/75kW/88kVA</b>						
<b>2.1 Contracted load upto 1000 kVA</b>						
2.1.1 LF upto 33%	₹ 210/kVA of billable demand	₹ 270/kVA of billable demand	₹3.05 /kVAh	₹3.85/kVAh	110 kVAh/kVA of contracted load/month & 1320/kVAh/kVA of contracted load/ annum	110 kVAh/kVA of contracted load/month & 1320/ kVAh/kVA of contracted load/ annum
2.1.2 LF above 33% and upto 50%			₹ 3.30/kVAh	₹ 4.15/kVAh		
2.1.3 LF above 50%			₹ 3.60/kVAh	₹ 4.55/kVAh		
<b>2.2 Contracted load more than 1000 kVA</b>						
2.2.1 LF upto 33%	₹ 270/kVA of billable demand	₹ 345/kVA of billable demand	₹ 3.05/kVAh	₹3.85/kVAh	110 kVAh/kVA of contracted load/month & 1320/kVAh/kVA of contracted load/ annum	110 kVAh/kVA of contracted load/month & 1320/ kVAh/kVA of contracted load/ annum
2.2.2 LF above 33% and upto 50%			₹ 3.30/kVAh	₹ 4.15/kVAh		
2.2.3 LF above 50%			₹	₹		

Category	Fixed/Demand Charges		Energy Charges		Minimum consumption charges	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
			3.60/kVAh	4.55/kVAh	load/annum	
<b>RTS-8: MIXED LOADS</b>	₹ 40/kW/month	₹ 50/kW/month	₹ 3.80/kWh	₹4.80/kWh		
<b>RTS-9: RAILWAY TRACTION</b>	₹ 190/kVA/month	₹ 240/kVA/month	₹ 3.25/kVAh	₹ 4.10/kVAh		
<b>RTS-10: TEMPORARY SUPPLY</b>						
(1) For Illumination / public address/ ceremonies for load up to 15 kW	₹ 1110 per day	₹ 1400 per day				
(2) Temporary shops set up during festivals / melas and having load upto 2 kW	₹ 70 per day	₹ 100 per day				
(3) Other Temporary shops/ Jhuggi /Jhopris for load upto 1 kW						
3.1) Rural	₹ 100/month/connection	₹ 125/month/connection				
3.2) Urban	₹ 200/month /connection	₹ 250/month /connection				

\* UPCL has proposed to abolish the snowbound category (RTS-1A) as there are no existing consumers under this category over last five (5) years.

\*\* The Petitioner also proposes to introduce a new tariff sub-category under RTS-2 (Non Domestic) for Private Advertisement Boards and Hoardings.

\*\*\* UPCL has proposed to remove the thrasher, cane crusher and rice huller from RTS-4 (PTW) category as such activities are of industrial nature and has accordingly, proposed them to be covered under Rate Schedule RTS-7.

\*\*\*\* In RTS-6 (Public water works), UPCL has proposed to introduce kWh tariff for PWW connections with connected load upto 25 kW where meter capable of recording kVAh consumption are not installed.

\*\*\*\*\*For industries opting continuous supply, UPCL has proposed to retain the continuous supply surcharge of 15%. Besides this, UPCL has proposed the following ToD charges for the industries:

Industries	Rate of charge during		
	Normal hours	Peak hours	Off-peak hours
<b>LT Industries</b>	₹ 4.30/kVAh	₹ 6.45/kVAh	₹ 3.85/kVAh
<b>HT Industries with Load Factor</b>			
Less than 33%	₹ 3.85/kVAh	₹ 6.85/kVAh	₹ 3.45/kVAh
Above 33% and upto 50%	₹ 4.15/kVAh	₹ 6.85/kVAh	₹ 3.75/kVAh
Above 50%	₹ 4.55/kVAh	₹ 6.85/kVAh	₹ 4.10/kVAh

\*\*\*\*\* UPCL has also submitted that as the Commission, while defining the load factor formula, had reduced the Open Access Energy from the total consumption but did not reduce the demand against the Open Access Consumption from the total contracted/maximum demand, UPCL has proposed revision in the formula as follows:

$$\frac{\text{Consumption during the billing period}}{\text{Maximum Demand or Contracted Demand whichever is less} \times \text{No. of hours in the billing period}} \times 100$$

\*\*\*\*\* UPCL also submitted that in accordance with the provisions of Electricity Act 2003, drawing of demand in excess of the contracted demand on any electricity connection is unauthorised use of electricity and the tariff for such unauthorised use should be at a rate equal to twice the normal tariff applicable. Accordingly, demand charges and energy charges corresponding to the excess demand has been proposed to be charged at twice the normal rates.

5. Objections/suggestions are invited from consumers and other stakeholders on the Petition. These may be sent to the Secretary, Uttarakhand Electricity Regulatory Commission, either in person, or by post at Vidyut Niyamak Bhawan, Near I.S.B.T., P.O. Majra, Dehradun-248171 or through e-mail to [uttaranchalerc@rediffmail.com](mailto:uttaranchalerc@rediffmail.com) by 31.01.2015.
6. Detailed Petition can be seen free of cost on any working day at the Commission's office or at the offices of General Manager (Regulatory Management) at Victoria Cross Vijeyta Gabar Singh Bhawan, Kanwali Road, Balliwala Chowk, Dehradun-248001/General Manager (Distribution), Garhwal Zone, UPCL, 120-Haridwar Road, Dehradun/General Manager (Distribution), Kumaon Zone, UPCL, 132-KV Substation, Kathgodam, Haldwani. Relevant extracts can also be obtained from the above mentioned offices of the Petitioner.
7. The Petition is also available at the website of the Commission ([www.uerc.gov.in](http://www.uerc.gov.in)) and at the Petitioner's website ([www.upcl.org](http://www.upcl.org)).