

**Before**

# **UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**Petition No. 26 of 2022**

**In the matter of:**

Petition seeking removal of difficulty in implementation of modified Time of Day metering as provided in clause 6.1.3.5 of the Tariff Order dated 31.03.2022 for FY 2022-23.

**In the matter of:**

Uttarakhand Power Corporation Ltd.

... Petitioner

**CORAM**

**Shri D.P. Gairola      Member (Law) / Chairman (I/c)**

**Shri M.K. Jain        Member (Technical)**

**Date of Order : September 12, 2022**

Uttarakhand Power Corporation Ltd. (hereinafter referred to as “UPCL” or “the Petitioner”) has filed a Petition seeking removal of difficulty in implementation of modified Time of Day metering as provided in clause 6.1.3.5 of the Tariff Order dated 31.03.2022 for FY 2022-23 under Section 62(1) of the Electricity Act, 2003 (herein after referred to as “the Act”), Regulation 103 and Regulation 104 of the Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff), Regulations, 2021.

## **1 Background and Petitioner’s Submission**

1.1 The Commission had notified Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2021 (hereinafter referred to as “UERC Tariff Regulations, 2021”) for the fourth Control Period from FY 2022-23 to FY 2024-25 specifying therein terms, conditions, and norms of operation for licensees, generating companies and SLDC. The Commission had issued Tariff Order dated March 31, 2022 for FY 2022-23, including Annual Performance Review for FY 2021-22. In accordance with the provisions of the UERC Tariff Regulations, 2018, the Commission had also carried

out truing up for FY 2020-21 vide its aforesaid Order dated 31.03.2022.

The Petitioner filed a Petition dated 30.06.2022 stating the technical, procedural and economic difficulties faced by it in implementation of the modified Time of Day (ToD) metering slots as approved by the Commission in the Tariff Order dated 31.03.2022.

1.2 The Petitioner submitted that the Commission vide its Tariff Order dated 31.03.2022 modified the time of the day period as mentioned in clause no. 6.1.3.5 of the said Order which reads as under:

*“.....During the current tariff proceedings also some of the stakeholders and State Advisory Committee Members requested the Commission to modify the peak hour slot in such a way that the General shift industry should get 8 hours for operation at normal tariff by changing the winter peak hours from 0600-09000 hours to 0600-0800 hours. Considering the requests received from the stakeholders, the Commission has decided to modify the morning peak hours in winters from 0600-0800 hours. There would be no change in evening Peak, Normal and Off Peak hour duration for ToD metering slots as approved in Order dated February 27, 2019 as follows:*

**Table 6.5: Peak and Off-Peak Hours**

<b>Season/ Time of day</b>	<b>Morning Peak hours</b>	<b>Normal hours</b>	<b>Evening Peak Hours</b>	<b>Off-peak Hours</b>
Winters 01.10 to 31.03	0600-0800 hrs	0800-1800 hrs	1800-2200 hrs	2200-0600 hrs
Summers 01.04 to 30.09	--	0700-1800 hrs	1800-2300 hrs	2300-0700 hrs

“

1.3 The Petitioner submitted that the basis for modification of ToD period in the Tariff Order, was the request by some of the stakeholders and the members of the Advisory Committee for change in winter peak hours considering the general shift of the industry. The Petitioner submitted that the concept of peak hours is associated with the usual demand in the grid and has an objective of managing the same by regulating the price during such hours, therefore, the convenience of industry cannot be the basis for changing or shifting the peak hours which has to be as per the demand supply curve in the state and also in the country. The Petitioner submitted that the duration of shift has no direct correlation with the prices of the electricity and in fact the segregation is so defined so as to achieve the reduction in the overall demand during the peak hour slot, i.e. the hour when the burden of demand in

northern grid approaches its peak. Further, the fixation of peak hour slot is the discretion of the Commission on the aforementioned basis but it does not in any way burdens or restrict the industries or the consumer in operation of the industry and it always remain the discretion of the consumer whether or not he prefers to consume electricity at a particular time and at particular price.

1.4 The Petitioner submitted the practical aspects and procedural difficulties in giving effect to the change in ToD hours approved in the Tariff Order dated 31.03.2022, as summarized below:

- i) UPCL submitted that the consumer meters purchased by it are specifically required to be 'Read Only' type considering the security and integrity of the metering system. The requisite change of time slot in the meter cannot be implemented without breaching this requirement of the integrity and interfering with meter by some external mechanism. Further onsite modification in Time of Day (ToD) slot registers a new MRI software patch file along with security key will be required from the meter manufacturers and since UPCL is using meters from varied suppliers and also different versions of meters were supplied from time to time, a number of different software would be required.
- ii) UPCL submitted that the modification will be required to be operational from 1<sup>st</sup> October, 2022 onwards and hence all the meters will be required to be attended before that date, and whether or not the modification is working effectively and correctly can only be checked after the effective date, so there are chances of lapses and it may cause billing errors disrupting issuance of bill and consequently receipt of amount due.
- iii) UPCL submitted that previously in line with Tariff Order dated 27.02.2019 similar modifications were made, however, past experience of performing such activity in compliance of the said order gave practical insight to UPCL in the various difficulties in implementation, and it was observed that the patches supplied were not effective or were infusing wrong changes and in one or two instances have even interfered with other parameters and all these activities had severely affected the billing of the consumers and caused problems to UPCL officials as well as the consumers.
- iv) UPCL submitted that new meters that are available in different stores will also be

required to be updated and for the purpose they all will be required to be taken to the respective nearby labs.

- 1.5 UPCL submitted that in view of above mentioned difficulties and the possibility of breaching the meter protocols and risking the security of meters the only possible effective option that remains with UPCL is to replace all the meters, i.e. the ones installed in consumers premises and also that are lying in the stores irrespective of their age and condition, with the new ones which will require at least 8 month time and this process will lead to purchase of more than 10,000 meters and the replaced meters will be scrapped and reasonably good amount of money will be incurred.
- 1.6 UPCL submitted that the Commission may re-assess the expected benefits in modifying the peak hour slots vis-à-vis the difficulties and expenses required to be incurred in complying with the same, as appears more reasonable to continue with the current time frame than to apply the new modification. UPCL submitted that this part of the Tariff Order may be kept in abeyance till the final view is taken in the matter by the Commission.
- 1.7 The Commission in order to provide transparency and give all the stakeholders an opportunity to submit their objections/suggestions/comments on the proposals of the Distribution Licensee, directed UPCL to publish the salient points of its proposals in the leading newspapers. The salient points of the proposal were published by the Petitioner in the following newspapers:

**Table 1: Publication of Notice**

<b>S. No.</b>	<b>Newspaper Name</b>	<b>Date of Publication</b>
1.	Hindustan Times (English)	10.07.2022
2.	Amar Ujala (Hindi)	09.07.2022

Through the above notice, the stakeholders were requested to submit their objections/suggestions/comments latest by 12.08.2022 on the Petition filed by UPCL (copy of the notice is enclosed as **Annexure-I**). The Commission through the above notice also proposed a public hearing in the matter on 16.08.2022, which was later postponed by the Commission to 24.08.2022. The revised date was also published by the Petitioner for knowledge of stakeholders at large. The Commission received total of 2 Nos. objections/suggestions/comments orally during the proceedings of public hearing on the Petition filed

by UPCL.

1.8 The issues raised by the Petitioner in the Petition, alongwith the analysis of the Commission are dealt in the subsequent section.

## **2 Stakeholders' Objections/Suggestions, Petitioner's Responses and Commission's Views**

The Commission during the public hearing received comments from the stakeholders on the merits of the Petition filed by UPCL. Since, issues are common and have been raised by more than one Respondent, the suggestions/responses/comments have been clubbed and summarized below.

### **2.1 General**

#### **2.1.1 Stakeholder's Comments**

Shri Pankaj Gupta, President, Industries Association of Uttarakhand, and Shri Shakeel A. Siddiqui of Galwalia Ispat Udyog Private Limited vociferously opposed the Petition filed by UPCL against modification of ToD hours stating that there are no grounds for accepting the proposal made by UPCL. They also stated that it is the need of industries to have normal working hours which was the basis for modification being brought out by the Commission in the ToD hours in Tariff Order dated 31.03.2022. It was also submitted that UPCL does not have a concrete plan as to how it will carry out modification in its meters in near future, if not done now, to comply with the Orders of the Commission. They also submitted that technical grounds cannot be a basis for non-compliance of the Order issued by the Commission. They further submitted that if the aforesaid Petition filed by UPCL is allowed then it shall tantamount to non-compliance of the Order issued by the Commission.

#### **2.1.2 Petitioner's Reply**

In response to the same, UPCL during the public hearing submitted that the meters in which modifications is required to be carried out have been procured from different manufacturers and most of them are very old. UPCL submitted that the OEMs usually do not provide support after a lapse of around 3-5 years which makes it very difficult to implement the modified ToD hours in compliance with the directions issued by the

Commission. UPCL also submitted that the software patch required for upgradation of meters might be vulnerable to misuse.

### **3 Petitioner's submission, and Commission's Analysis and Ruling**

3.1 The powers available to the Commission to remove difficulties and pass such orders as may be necessary to meet the ends of justice are defined under Regulation 103 & Regulation 104 of the MYT Regulations, 2021 which reads as under:

#### ***"103. Savings***

- (1) *Nothing in these Regulations shall be deemed to limit or otherwise affect the power of the Commission to make such orders as may be necessary to meet the ends of justice.*
- (2) *Nothing in these Regulations shall bar the Commission from adopting in conformity with provisions of the Act, a procedure which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or a class of matters, deems it just or expedient for deciding such matter or class of matters.*
- (3) *Nothing in these Regulations shall, expressly or implied, bar the Commission dealing with any matter or exercising any power under the Act for which no Regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner, as it considers just and appropriate.*

#### ***104. Power to Remove Difficulties***

*If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may by general or special order give directions, not being inconsistent with the Act, which appears to the Commission to be necessary or expedient for the purpose of removing difficulties. "*

3.2 The Petitioner in the Petition submitted that it is facing difficulty in implementing the Order of the Commission w.r.t. modification of ToD metering slots as mentioned in clause no. 6.1.3.5 of the Tariff Order dated 31.03.2022. The Petitioner, as discussed above, cited out certain procedural difficulties and technical challenges in giving effect to the said changes in ToD metering slot and submitted that if the said exercise is carried out then it might result in breach of security of the meters and may make them vulnerable and prone to errors. The Petitioner also submitted that another option to overcome the technical challenges is to replace all the concerned meters which would be a costly affair and the cost of the same may

oust the benefits expected out of the replacement.

- 3.3 The stakeholders opposed the Petition filed by UPCL stating that technical challenges in implementation of some activity cannot be a ground for non-compliance of the order passed by the Commission. The stakeholders further submitted that UPCL should plan its activities well in advance rather than seeking excuses for its own inefficiency. The stakeholders submitted that the changes in ToD metering slot approved by the Commission in Tariff Order dated 31.03.2022 was aimed at providing 8 hours of normal tariff to the industries and should not be done away with on account of inefficiency on the part of UPCL.
- 3.4 The Commission analysed the submissions made by both the Petitioner and the Respondent in the matter. Foremost, the Commission expresses its extreme displeasure on the lackadaisical approach of UPCL in complying with the directions of the Commission given in the Order dated 31.03.2022 with respect to modification of ToD metering slots. The Commission passed the Tariff Order on 31.03.2022 and the changes in the ToD metering slots were required to be made effective from 01.10.2022, i.e. almost after six months from the date of Order issued by the Commission. UPCL had sufficient time to carry out the modifications in ToD metering slots and validating the accuracy of the modifications, provided the activities related to it would have been carried out in phased manner within the time frame allowed. However, from the submissions made by UPCL no such readiness could be seen on their part to carry out the compliance of Tariff Order in this regard.

Further, it took UPCL almost three months' time to bring to the notice of the Commission that they are facing difficulty in carrying out the modifications in ToD metering slots, which is devoid of any logic. The Corporation is expected to act promptly and whatever issues are being faced by it should be brought before the appropriate authority in time to reach at a logical conclusion.

- 3.5 The Commission, however, considering the gravity of the situation and practical difficulties that UPCL may face to carry out the modification in the ToD metering slots is of the view that it would not be prudent to carry out the modification in the existing meters as it might be a very time consuming activity and might lead to compromising the sanctity of the ToD meters making them vulnerable to tampering by third parties and may also give rise to consumer disputes. In such a situation the other option, as submitted by UPCL, is to replace

all the ToD meters with new ones, is also not viable as the same also is a very time consuming activity and a costly affair compared to benefits that might be derived out of the same. The Commission, accordingly, is of the view that replacing all the ToD meters is not a viable option considering the costs associated with carrying out such replacement and also the fact that the old replaced meters would be of no use leading to loss in the form of assets lying idle in the stores.

- 3.6 The Commission accordingly in exercise of powers conferred under Regulation 103 & Regulation 104 of the MYT, Regulations 2021 directs that the modification of ToD metering slots as approved in Tariff Order dated 31.03.2022 may be kept in abeyance till further orders in this regard, and the ToD metering slots as approved in previous years Tariff Order dated 26.04.2021 shall continue to be applicable for FY 2022-23 as well.
- 3.7 UPCL is directed to submit an action plan/proposal before the Commission for carrying out necessary modification in the ToD metering slots as approved by the Commission in Tariff Order dated 31.03.2022 alongwith the next tariff filing for FY 2023-24 which would be due by November 30, 2022.
- 3.8 Ordered Accordingly.

**(M.K. Jain)**  
**Member (Technical)**

**(D.P. Gairola)**  
**Member (Law) / Chairman (I/c)**


**UTTARAKHAND POWER CORPORATION LIMITED**

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**PUBLIC NOTICE**

**Public Hearing on the Petition filed by Uttarakhand Power Corporation Limited for seeking Removal of Difficulty in Implementation of Modified Time of Day Metering as provided in Clause 6.1.3.5 of the Tariff Order dated 31.03.2022 for FY 2022-23.**

**Salient Points of the 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) seeking Removal of Difficulty in Implementation of Modified Time of Day Metering as provided in Clause 6.1.3.5 of the Tariff Order dated 31.03.2022 for FY 2022-23.
2. Through the above Petition, UPCL has sought the following relief before the Commission.

S. No.	Particulars
1	Re-assessment of the expected benefits in modifying the peak hours slot vis-à-vis the difficulties and expenses required to be incurred in complying the same.
2	To keep in abeyance the modified Time of Day (ToD) metering as approved in the Tariff Order dated 31.03.2022, and allow UPCL to take action as per earlier ToD metering periods, till the time the final view is taken by the Commission in the matter.

3. Responses/suggestions, if any, are sought from consumers and other stakeholders on the Petition. Responses may be sent to the Secretary, Uttarakhand Electricity Regulatory Commission, either in person, or by post at 'Vidyut Niyamak Bhawan', Near ISBT, PO-Majra, Dehradun-248171 or through e-mail to [secy.uerc@gov.in](mailto:secy.uerc@gov.in) by **12.08.2022**.
4. The Commission has also decided to hold a Public Hearing in the matter on **16.08.2022 at 11:30 AM** in the Commission's office on the above-mentioned address. Any person, who wishes to put his views on the subject before the Commission, is invited to appear before the Commission and make the submission in the above public hearing.
5. Detailed Petition can be seen free of cost on any working day at the Commission's office or at the offices of Chief Engineer (Commercial) at Victoria Cross Vijeta Gabar Singh Urja Bhawan, Kanwali Road, Dehradun/Chief Engineer (Distribution), Garhwal Zone, UPCL, 120- Haridwar Road, Dehradun/Chief Engineer (Distribution), Kumaon Zone, UPCL, 132-KV Substation, Kathgodam, Haldwani/Chief Engineer (Distribution), Haridwar Zone, UPCL, Roshnabad, Haridwar/Chief Engineer (Distribution), Udham Singh Nagar Zone, UPCL, 33KV Sub-Station, Sector-2, SIDCUL, Pantnagar, Rudrapur-263153. Relevant extracts can also be obtained from the above mentioned offices of the Petitioner.
6. 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)).

No. 257/EE(CM)/UPCL/A-2 Date:- 08.07.2022

Managing Director

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