



Uttarakhand Electricity Regulatory Commission

'Vidyut Niyamak Bhawan',

Near ISBT, PO- Majra, Dehradun-248171

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No. UERC/6/TF-669/2022-23/2022/1140

Date: 19 December, 2022

To,

Managing Director,
Uttarakhand Power Corporation Ltd.,
Victoria Cross Vijeta Gabar Singh Bhawan,
Kanwali Road, Dehradun.

Sub.: Filing of Petition for Annual Performance Review for FY 2022-23 and determination of ARR/Tariff for FY 2023-24 alongwith Truing up of FY 2021-22.

Sir,

This is with reference to your petition dated 15.12.2022 on the above-mentioned subject. In this regard, certain deficiencies/shortcomings have been observed which are enclosed as Annexure-A. You are required to submit the point-wise replies duly quoting titles/sub-titles and S.No. identical with the deficiencies referred to in enclosed Annexure-A. You are required to submit your reply on the same latest by 26.12.2022 in seven copies alongwith the soft copy of the reply accompanied with an affidavit so that your application may be put up before the Commission for admission.

Further, certain additional deficiencies/shortcomings have also been observed which are enclosed as Annexure-B. You are required to submit the point-wise replies duly quoting titles/sub-titles and S.No. identical with the deficiencies referred to in enclosed Annexure-B. You are required to submit your reply on the same latest by 16.01.2023 in seven copies alongwith the soft copy of the reply accompanied with an affidavit.

Yours sincerely,

Encl. as above


(Neeraj Sati)
Secretary


UPCL's Petition for True-Up of FY 2021-22, Annual Performance Review of FY 2022-23, Annual Revenue Requirement for FY 2023-24 along with Tariff Determination for FY 2023-24

I. Preliminary information required for admission of Petition

A. General

1. UPCL has not submitted the Audited Accounts for FY 2021-22, on the basis of which it has sought trueing up for FY 2021-22. UPCL should submit the Audited Statement of Accounts along with its Statutory Auditor's and CAG's Report. UPCL is also required to submit the Monthly Trial Balance for FY 2021-22.
2. It is observed that UPCL while projecting Revenue from Existing Tariff has considered revenue from APPS which amounts to misrepresentation and against regulations as APPS was one time measure allowed by Commission and is applicable till 31.03.2023. UPCL is therefore directed to project the revenue and the consequent gap and its proposals to meet such gap after excluding the revenue from APPS.
3. UPCL should also justify the revised proposed tariff hike in terms of reduction in cross-subsidy between various consumer categories, in accordance with the provisions of the EA 2003, Tariff Policy, 2016 and previous Orders of the Commission.
4. UPCL has proposed inclusion of tariff for fisheries under RTS 4A from RTS 5, however the same has not been included by the Petitioner under RTS 4A category submitted in the proposed Rate Schedule at Pg. 140 of the Petition. UPCL is required to clarify its proposal and rectify the inconsistency.

B. Forms Related

5. The Formats submitted by UPCL along with the Petition are independent and are not linked to each other. 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. UPCL is also required to submit the base data considered for its projections with regards to Power Purchase and Sales in Excel format.
6. 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 2022-23. UPCL should submit the same.

7. 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:

Form	Description
F 1	Interest Expenses towards Capitalised Assets details have not been given. Income from Wheeling Charges, Other Business, Cross Subsidy Surcharge and Additional Surcharge, /grant received are not shown separately. Further, revenue at existing tariff has been submitted as Rs. 10394.48 Crore which is not matching with revenue at existing tariff submitted in Form 13.
F 2.2	Confirm if the No. of consumers data for April to September 2022 is on actual basis.
F 2.3	Confirm Load data for April to September 2022 is on actual basis.
F 2.8	i. Source-wise summary of quantity purchased has not been submitted. ii. Data to be submitted in the prescribed format for FY 2021-22 to FY 2023-24. iii. Explain why Data with respect to FY 2021-22 for April-Sept is mentioned as Provisional and for October 21 to March 22 as Estimates. UPCL to submit the same on actual basis.
F 2.9 to F 2.9.3	Capacity Charges paid/ payable by Utility (Rs Crore) & Variable Cost per unit including Fuel Price Adjustment (Rs/kWh) has not been given for FY 2021-22 and FY 2023-24. Form FY 2022-23, the column variable cost per unit including FPA is showing erroneous values which needs to be rectified.
F 6.1	Statement of Capex not submitted as per the prescribed formats.
F 7.1	Details of Financing not submitted as per the prescribed formats.
F 7.4	Data not submitted as per the prescribed formats; Loan Tranche-wise details to be submitted along with the summary.
F 10	The Opening Equity for FY 2023-24 is not matching with the Closing values for FY 2022-23.
F 12	Income from wheeling charges not submitted in the prescribed format.
F 13	Revenue from sale of power at the existing tariff includes APPS which is misrepresentation of tariff and needs to be removed and revised form to be submitted.
F 18.8	The Form is showing Ref Error in some of the fields.

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

8. It is observed that in Form 4.1 & 4.2, UPCL has submitted the details for the year FY 2015-

- 16, FY 2016-17 and then FY 2020-21 and FY 2021-22. UPCL is required to submit the data for the missing years from FY 2017-18 to FY 2019-20.
9. It is observed that UPCL in Para 2.42 of the Petition has considered Rs. 51.33 Crore as normative A&G stating that the same was approved by the Commission for FY 2020-21 which is incorrect as Gross A&G expenses approved by the Commission as per Table 4.19 of the Order dated 31.03.2022 is Rs. 30.34 Crore. UPCL is required to rectify the same.
 10. Table under Facts of the case shows energy at State Periphery as 14256.44 MU and Energy at Distribution periphery as 16042.93 for FY 2022-23. This seems to be erroneous as Energy at State Periphery has to be higher than energy at Distribution periphery. UPCL is required to rectify the same.
 11. UPCL in Para 2.52 of the Petition has submitted Gross Capitalisation as Rs. 1514.51 Crore which is in variance with Form 6.2 and Form 6.4 wherein the same has been submitted as Rs. 1503.97 Crore. UPCL is required to rectify the same.
 12. It is observed that there is totalling error in Table 109, with regard to both capitalisation and capital expenditure. Further, there is also totalling error while computing Grand total. UPCL is required to rectify the same.
 13. UPCL in Form 2.9 has submitted other charges of Rs. 128.53 Crore paid to UJVN Ltd. in FY 2021-22. UPCL to submit the details of such charges paid.
 14. It is observed that in Table 96 of the Petition which shows energy availability from State royalty power for FY 2022-23, there is an error in calculating the Total of State royalty power. UPCL is required to rectify the same.
 15. It is also observed that in Table 96 and 97 of the Petition, UPCL has not considered free power from Singoli Bhatwari HEP. UPCL is required to rectify the same.
 16. The Closing Equity submitted in Table 141 for FY 2022-23 and FY 2023-24 do not match with those submitted in Form 10. UPCL is required to rectify the same and maintain consistency at all places.
 17. The total O&M expenses submitted for FY 2023-24 in Table 148 do not match with that submitted in Form F4. The Petitioner is required to rectify the same and maintain consistency at all places.