



**UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

Petition No. 1790 of 2023

FILED BY

U.P. Jal Vidyut Nigam Limited (UPJVNL)

IN THE MATTER OF:

Determination of Multi Year Tariff (MYT) and approval of Annual Revenue Requirement (ARR) for Hydro Power Stations of U.P. Jal Vidyut Nigam Limited (UPJVNL) for F.Y. 2019 to 2024

**For
Obra, Khara, UGC, Belka, Babail, and Sheetla**

Lucknow

Dated: 15.03.2023

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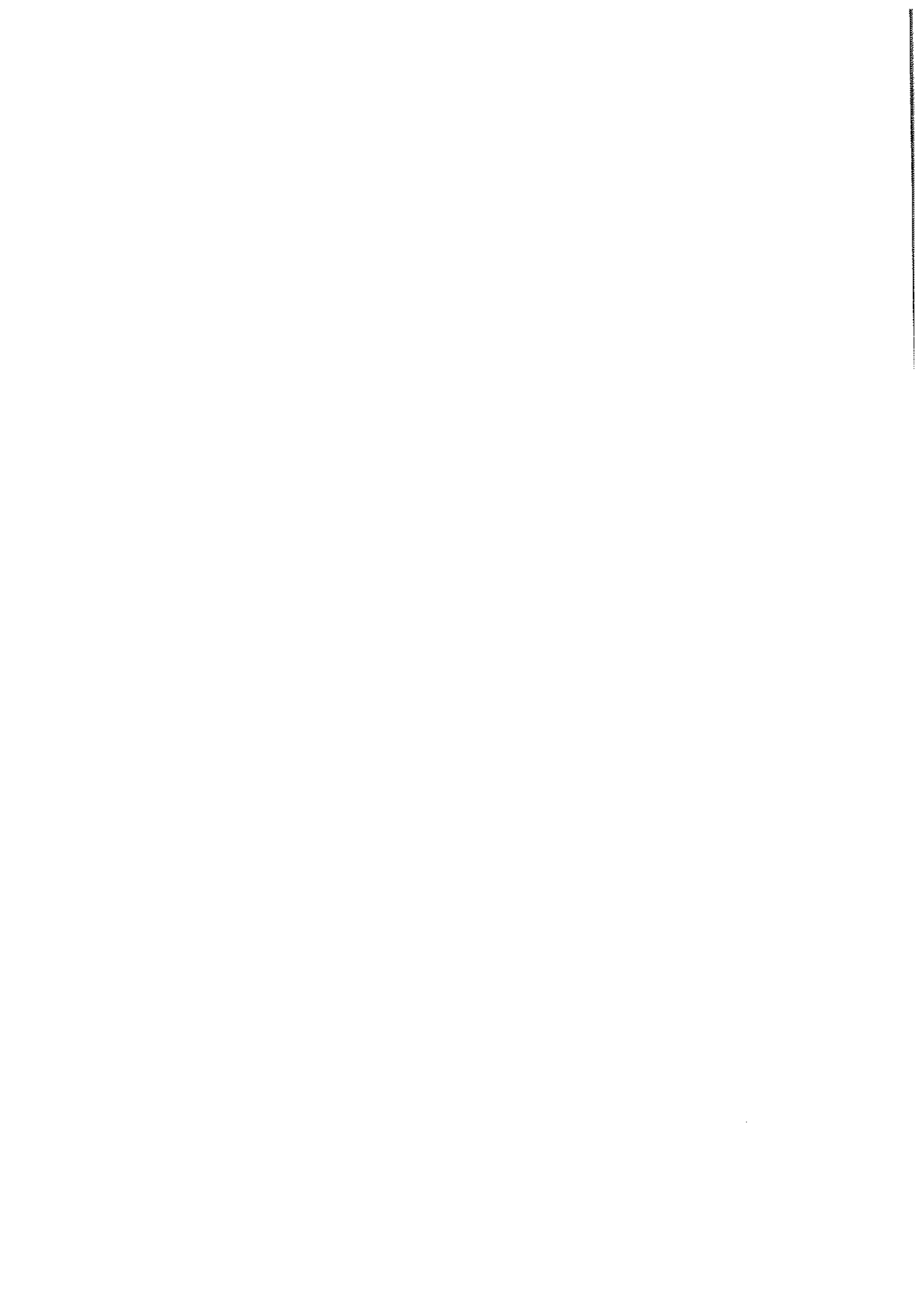




Table of Contents

4

1. Foreword	4
1.1. Introduction.....	4
1.2. Installed Capacity of the Petitioner	6
1.3. R&M, Refurbishment & Up-rating Program	9
1.4. Regulatory Framework.....	9
3. Obra Hydro Power Station ARR & MYT.....	18
3.1. UPJVNL Submission	18
3.2. Commission Analysis.....	18
Gross Fixed Asset.....	18
Depreciation	19
Interest on Loan	20
Return on Equity.....	21
Operation and Maintenance.....	21
Interest on Working Capital	22
Annual Fixed Cost.....	22
Plant Availability factor	23
4. Khara Hydro Power Station ARR & MYT.....	25
4.1. UPJVNL Submission	25
4.2. Commission Analysis.....	25
Gross Fixed Asset.....	25
Depreciation	26
Interest on Loan	27
Return on Equity.....	28
Operation and Maintenance.....	28
Interest on Working Capital	29
Annual Fixed Cost.....	29
Plant Availability factor	30
5. Upper Ganga Hydro Station ARR & MYT.....	31
5.1. UPJVNL Submission	31
5.2. Commission Analysis:.....	31
Gross Fixed Asset.....	31
Depreciation	32

Multi-Year Tariff and ARR for FY 2019-20 to FY 2023-24 for Obra,
Khara, UGC, Belka, Babail, and Sheetla Hydro Power Station (UPJVNL)



Interest on Loan	33
Return on Equity	34
Operation and Maintenance	34
Interest on Working Capital	35
Annual Fixed Cost.....	35
6. Babail Hydro Station ARR & MYT	37
6.1. UPJVNL Submission	37
6.2. Commission Analysis:	37
Gross Fixed Asset.....	37
Depreciation	38
Interest on Loan	39
Return on Equity	40
Operation and Maintenance	40
Interest on Working Capital	41
Annual Fixed Cost.....	41
7. Belka Hydro Station ARR & MYT	43
7.1. UPJVNL Submission	43
7.2. Commission Analysis:	43
Gross Fixed Asset.....	43
Depreciation	44
Interest on Loan	45
Return on Equity	46
Operation and Maintenance	46
Interest on Working Capital	47
Annual Fixed Cost.....	47
8. Sheetla Hydro Station ARR and MYT.....	49
9. Summary of Order.....	50
10. Other Provisions.....	51
11. Implementation of the Order	51



Petition No. 1790 of 2023

BEFORE

**THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

(Date of Order:2023)

PRESENT:

Hon'ble Shri Raj Pratap Singh, Chairman

Hon'ble Shri Vinod Kumar Srivastava, Member (Law)

IN THE MATTER OF

Petition under Section 62, 86(1)(a) of the Electricity Act, 2003 read Regulation 15(1) of the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2019 for approval of ARR and determination of MYT Tariff for period from 01.04.2019 to 31.03.2024 in respect of Obra, Khara, Upper Ganga Canal, Belka, Babail and Sheetla Hydro Power Stations of UPJVNL. M/s Uttar Jal Vidyut Nigam Limited

Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL)

Shakti Bhawan, 14 – Ashok Marg, Lucknow – 226001

..... Petitioner

Versus

1. Uttar Pradesh Power Corporation Limited (UPPCL)
Shakti Bhawan, 14 Ashok Marg, Lucknow - 226001
2. Himachal Pradesh Electricity Board Limited (HPEBL)
Vidyut Bhawan, Shimla, Himachal Pradesh - 171004
3. Madhya Pradesh Power Management Company Limited (MPPMCL)
Shakti Bhawan, Vidyut Nagar, Jabalpur (M.P) – 482008
4. Madhyanchal Vidyut Vitran Nigam Limited (MVVNL)
4A, Gokhale Marg, Lucknow
5. Purvanchal Vidyut Vitran Nigam Limited (PuVVNL)
132 kV Sub-station, Bhikaripur, Vidyut Nagar, Varanasi – 221004
6. Paschimanchal Vidyut Vitran Nigam Limited (PVVNL)
Urja Bhawan, Victoria Park, Meerut - 250001
7. Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL)
Galina Road, Sikandara Road, Agra



8. Kanpur Electricity Supply Company Limited (KESCL)
KESA House, Kanpur
9. Noida Power Company Limited (NPCL)
Commercial Complex, H-Block, Alpha-II Sector, Greater Noida
.....Respondent(s)

The following were present:

1. Chief Engineer (O&M), UPJVNL
2. Shri Syed Saif Naqvi, Consultant, UPJVNL
3. Shri Lalit Varshney, UPJVNL
4. Shri Vivek Ranjan, Consultant, UPPCL
5. Shri Mahendra Singh, S.E(PPA), UPPCL
6. Shri Rama Shankar Awasthi, Consumer representative
7. Shri Avdhesh Kumar Verma, Adhyaksh U.P.R.U.P

ORDER

(Date of Public Hearing - 13.01.2023)

1. Foreword

1.1. Introduction

1.1.1. Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL), hereinafter referred to as the "Petitioner" is a company incorporated on 15th April 1985 under the Companies Act 1956 in the name of "Uttar Pradesh Alparthak Evam Laghu Jal Nigam (UPAELJVN)" which was subsequently changed to "Uttar Pradesh Jal Vidyut Nigam Limited" on 17th December 1996.

1.1.2. UPAELJVN was incorporated to investigate new sites for Mini & Small hydroelectric schemes in hilly & plain regions of the State, formulate detailed project reports, and execute the same. The main objectives to be pursued by the Company were as mentioned below:

- To establish, operate and maintain small hydroelectric generating stations and associated transmission lines and sub-stations.
- Survey & investigation of New Small Hydro-Electric Schemes and Preparation of Project Reports.
- To enter into arrangements for the sale of electricity generated by Nigam to the U.P State Electricity Board or to any other agency with the state government's consent.
- Electrification of the villages located near Nigam's Small Hydro-Electric Projects. To promote the participation of the Private sector in the development of Small Hydro-Electric Projects in Uttar Pradesh.



1.1.3. The reforms in the power sector of Uttar Pradesh started with the enactment of the Uttar Pradesh Electricity Reforms Act, 1999. Subsequently, Uttar Pradesh Electricity Reforms Transfer Scheme, 2000 (hereinafter referred to as the First Transfer Scheme) was notified vide notification No. 149/P-1/2000-24, Lucknow, on 14th January 2000.

1.1.4. Consequent to this, Uttar Pradesh State Electricity Board (UPSEB) was unbundled into three different entities, Uttar Pradesh Power Corporation Limited (UPPCL), Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) and Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL). Uttar Pradesh Power Corporation Limited (UPPCL) was vested with the responsibility of the transmission and distribution of electricity. Uttar Pradesh Rajya Vidyut Nigam Limited (UPRVUNL) was vested with the responsibility of the generation and sale of electricity from the thermal generating stations and Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL) was vested with the responsibility of the generation and sale of electricity from the hydro generating assets of erstwhile UPSEB.

1.1.5. As part of the scheme all Hydro Power generating stations as set out in Schedule B to the transfer scheme were transferred to and vested with the Petitioner. The transfer Scheme vide GoUP vide notification no. 348/P-1/2001-24 dated 25th January 2001 made the Transfer Scheme effective from 14th January 2000. The modified Scheme provided that the value of gross fixed assets as INR 943.38 Cr. & Rs. 403.18 Cr as total long-term debt and the equity amount to Rs. 372.18 Cr.

1.1.6. Pursuant to the reorganization of the state by carving out the state of Uttarakhand from Uttar Pradesh, the generating assets falling under the geographical domain of Uttarakhand were vested in a new company, the Uttarakhand Jal Vidyut Nigam Limited (UJVNL) with effect from 08th November 2001 the date on which the State of Uttarakhand was carved out of Uttar Pradesh. The MoP, GoI in its Order No. 42/7/2000 dated 05th November 2001 laid down the procedure for the division of 'Assets & Liabilities' between UPJVNL & UJVNL, the Board of Directors of UPJVNL accorded their approval for the transfer of balances to UJVNL in its 70th Meeting dated 07th August 2003. The balances were transferred retrospectively dated 08th November 2001. UPJVNL transferred a provisionally GFA balance of INR 676.22 Cr to UJVNL. The transfer of balances to UJVNL has in effect altered the capital cost and cost structures devolved upon it by the First Transfer Scheme. The following shows the changes in the GFA values in context with the Uttarakhand Transfer Scheme

Multi-Year Tariff and ARR for FY 2019-20 to FY 2023-24 for Obra, Khara, UGC, Belka, Babail, and Sheetla Hydro Power Station (UPJVNL)



Table 1 Capital Structure as per the Transfer Scheme

Particulars	Capital Structure as per First Transfer Scheme	Capital Structure as per Uttarakhand Transfer Scheme
UP Plants	432.49	320.19
UT Plants	510.88	676.22
GFA Balance	943.38	996.42 ^[1]

1.1.7. The First Transfer Scheme had assigned a GFA value of INR 432.49 Cr to the hydro stations of Rihand, Obra, Matatila, Khara, and UGC (pertaining to UP). However, the UPJVNL assigned a higher value at the time of transfer of balances to UJVNL to the hydro stations situated in Uttarakhand, thereby assigning a GFA value of only INR 320.19 Cr as against the erstwhile value of INR 432.49 Cr for hydro stations of UP. The annual accounts of UPJVNL have been prepared considering the transfer of balances to UJVNL (where GFA transferred to UJVNL was INR 676.22 Cr.). The finalization of assets and liabilities between UPJVNL and UJVNL is still pending due to some disputes, which are referred to GoI for final settlement.

1.2. Installed Capacity of the Petitioner

1.2.1. Consequent to the Transfer Scheme, 2000 dated 14th January 2000 the total capacity transferred to and vested with UPJVNL was 1494.35 MW as shown in the table below:

Table 2 Running Hydro Power Stations as per Transfer Scheme, 2000

S. No.	Power Station Detail	Units (Nos)	Unit Capacity (in MW)	Total Capacity (in MW)
1	Rihand Power Station	6	50	300
2	Obra Hydel Power Station	3	33	99
3	Matatila Power Station	3	10.2	30.6
4	Khatima Power Station	3	13.8	41.4
5	Ramganga Power Station	3	66	198
6	Dhakrani Power Station	3	11.25	33.75
7	Dhalipur Power Station	3	17	51
8	Chibro Power Station	4	60	240
9	Kulhal Power Station	3	10	30
10	Chilla Power Station	4	36	144
11	Khodri Power Station	4	30	120

[1] Includes opening balance as on 14th January 2000 of UP Laghu Jal Vidyut Nigam Limited, Capital additions in FY 2000 and excluding balance of INR 0.71 Cr pertaining to Belka & Babail

Multi-Year Tariff and ARR for FY 2019-20 to FY 2023-24 for Obra, Khara, UGC, Belka, Babail, and Sheetla Hydro Power Station (UPJVNL)



12	ManeriBhali Stage I Power Station	3	30	90
13	Khara Power Station	3	24	72
Upper Ganga Canal Power Stations				
14	Bhola Power Stations	4	0.375	1.5
		2	0.6	1.2
15	Palra Power Station*	3	0.2	0.6
16	Sumera Power Station*	2	0.6	1.2
17	Salwa Power Station	2	1.5	3
18	Chitaura Power Station	2	1.5	3
19	Nirgazini Power Station	2	2.5	5
20	Mohammadpur Power Station	3	3.1	9.3
21	Pathri Power Station	3	6.8	20.4
	Total	68		1494.35

* Units were abandoned at the time of transfer

1.2.2. On the reorganization of the State of UP and formation of Uttarakhand, assets, with effect from 09th November 2001, Uttar Pradesh was left with an installed capacity of only 515.3 MW. In pursuance of Government of India (GoI) order No. 42/7/2000-R&R dated 05th November 2001 assets and liabilities of the Petitioner were shared between the Petitioner & Uttarakhand Jal Nigam Limited (UJVNL). Accordingly, the details of Installed Capacity and the age of the generating stations retained with Petitioner are listed in the table below:

Table 3 Running Hydro Power Stations vested with UPJVNL pursuant to GoI order dated 05th November 2001

S. No	Hydro Power Station	Unit No.	Derated Capacity (in MW)	Date of Commercial Operational	Age of Plant as on 31 st March 2019 (in Years)
1	Rihand Power Station	1	50	1962	57
		2	50	1962	57
		3	50	1962	57
		4	50	1962	57
		5	50	1962	57
		6	50	1966	53
			300	Average Age	56
2	Obra Hydel Power Station	1	33	15-05-1970	49
		2	33	07-12-1970	48
		3	33	08-04-1971	48
		Sub-Total	99	Average Age	48
3		1	10.2	26-02-1965	54

Multi-Year Tariff and ARR for FY 2019-20 to FY 2023-24 for Obra, Khara, UGC, Belka, Babail, and Sheetlia Hydro Power Station (UPJVNL)



S. No	Hydro Power Station	Unit No.	Derated Capacity (in MW)	Date of Commercial Operational	Age of Plant as on 31 st March 2019 (In Years)
	Matatila Power Station	2	10.2	02-06-1965	54
		3	10.2	03-09-1965	54
		Sub-Total	30.6	Average Age	54
		1	24	29-12-1992	26
4	Khara Power Station	2	24	29-12-1992	26
		3	24	29-12-1992	26
		Sub-Total	72	Average Age	26
		Upper Ganga Canal Power Stations			
5	Nirgazini Power Station	1	2.5	1937	82
		2	2.5	1931	88
		Sub-Total	5	Average Age	85
6	Chitaura Power Station	1	1.5	1938	81
		2	1.5	1938	81
		Sub-Total	3	Average Age	81
7	Salawa Power Station	1	1.5	1937	82
		2	1.5	1937	82
		Sub-Total	3	Average Age	82
8	Bhola Power Stations	1	0.375	Between 1929-1935	90
		2	0.375		89
		3	0.375		88
		4	0.375		87
		5	0.6		85
		6	0.6		84
		Sub-Total	2.7	Average Age	87
Total			515.3	Average Age	65

1.2.3. In addition to the above, post the Uttarakhand Transfer Scheme, UPJVNL has commissioned the following hydropower stations, taking the total capacity to 524.9 MW:

Table 4 New Hydro Power Commissioned by UPJVNL

Name of the Project	District	Year of Commissioning	Capacity (MW)
Belka	Saharanpur	2002-03	2 x 1.5
Babail	Saharanpur	2002-03	2 x 1.5
Sheetlia	Jhansi	2006-07	3 x 1.2