

**THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

Petition No. 252,253,254,255,256 of 2005

Petitioners:

Uttar Pradesh Power Corporation Ltd
Madhyanchal Vidyut Vitran Nigam Ltd
Poorvanchal Vidyut Vitran Nigam Ltd
Paschimanchal Vidyut Vitran Nigam Ltd
Dakshinanchal Vidyut Vitran Nigam Ltd

IN THE MATTER OF:

Application for determination of Annual Revenue Requirement and Tariffs for
the year 2005-06 under section 24 of the Uttar Pradesh Electricity Reforms
Act, 1999.

ORDER

The Commission has vide its order dated 10th October, 2005 admitted the ARR/Tariff petitions for the FY 2005-06 filed by UPPCL Transco and the four distribution companies viz Paschimanchal Vidyut Vitran Nigam Ltd., Poorvanchal Vidyut Vitran Nigam Limited, Madhyanchal Vidyut Vitran Nigam Limited and Dakshinanchal Vidyut Vitran Nigam Limited (hereinafter referred to as Licensee(s)) and has also directed the licensees to publish the salient point of the ARR/tariff petitions in at least two daily newspapers widely circulated in their area of operation.

The Commission in its above order has also expressed that:

“Due to inordinate delay in filing a legally proper and complete petition, the process of annual tariff determination has gone wide off the mark with respect to the provision of Conduct of Business Regulation of the Commission. Therefore, the Commission while admitting the present ARR/tariff petitions for FY 2005-06 proposes that the licensees should also submit their ARR details for FY 2006-07 within 15 days so that the Commission can process consolidated ARR filings for FY 05-06 and FY 06-07.”

Chairman UPPCL had vide letter 403/RAU/TF/2005-06 dated 20th October 2005 requested the Commission for deferment of advertisement of salient points of ARR/Tariff filings for FY 05-06. In continuation to above letter, Chairman UPPCL, on behalf of UPPCL Transco and the four distribution companies has further submitted a petition dated 25th Oct 2005 requesting the Commission to allow them to defer the publication of salient features of the ARR & Tariff proposals for the FY 05-06 on the ground they agree to the above suggestion of the Commission that ARR & Tariffs for FY 05-06 and FY 06-07 should considered together but for that they need to reconsider the tariffs as submitted in the ARR/Tariff filings for FY 05-06 and also to take decisions on subsidy and other tariff related issues. It has further been submitted that although the distribution licensees have been instructed to prepare the above information/details but the exercise cannot be completed in 15 days and may take a little longer time.

In this context the Commission would like to point out that licensees at the first instance did not file the complete ARR/Tariff petitions as per the Conduct of Business Regulations 2004 of the Commission, and submitted only the ARR portion. The tariff proposals were subsequently submitted as late as on 29th July 2005 and there still remained data gaps and data deficiencies in the filings, which could not be sorted out despite long correspondences and deliberations at both ends. The Commission therefore issued notices dated 28th Sept. 2005 to all licensees for hearing on admittance of the petitions. The basic objective of the above hearing was to sort out the pending issues related to the admittance of the petitions and also to debate and discuss important issues impacting the licensees and the power sector. However, in view of inordinate delay in the filing of legally proper and complete petition for the FY 05-06 the Commission also mooted the idea of considering consolidated filing of ARR/Tariff petition for the FY 05-06 & 06-07, in the above hearing.

The view of licensees that emerged during the course of above hearing dated 5th Oct 2005 was that, the Commission may admit the petition for the FY 05-06 and take further view as and when complete data regarding FY 06-07 gets filed. On the basis of above hearing the Commission admitted the petitions for the FY 05-06 vide its order dated 10th October 2005. However, after the issuance of the above order there seems some reversal in the thinking of the licensees as now they are seeking more time for filing the consolidated petition.

As far as Commission is concerned, in view of such delayed filings and delayed submission of subsequent information/clarification, when the next filing for FY 06-07 is almost due, it was always in favour of consolidated filings for the FY 05-06 & 06-07. As the licensees have now changed their view in favour of consolidated filing and have requested the Commission for grant of some extra time for revising the data, the Commission grants them time up to 30th November 2005 for filling the consolidated petitions for FY 05-06 & FY 06-07, by which time ARR/Tariff petitions for the FY 06-07 actually become due.

The Commission further, withholds admittance part of the above order and also defers advertisement of salient points of ARR/Tariff petitions till such time the consolidated petitions are submitted and accepted by the Commission. Licensee shall however comply with the other directions of the Commission as given in the order dated 10th Oct 2005.

(R. D. Gupta)
Member

(P. N. Pathak)
Member

(Vijoy Kumar)
Chairman

Dated : 28th October, 2005
Lucknow