



Uttar Pradesh Electricity Regulatory Commission

Kisan Mandi Bhawan, II Floor, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423 E-mail secretary@uperc.org

No: UPERC/D(T)RAU/2013-402

Dated: 25th June, 2013

To,

Shri Mohd. Ghufraan
Chief Engineer (RAU),
U.P. Power Corporation Ltd.
15th Floor, Shakti Bhawan Extension,
14-Ashok Marg,
Lucknow - 226001.

Sub: Clarifications in regard to the Tariff Orders for FY 2013-14 (Clarification No.1).

Sir,

Please refer to letter No. 1377/RAU/Tariff Order 2013-14 dated 14th June, 2013, vide which a few clarifications have been sought. The point wise clarifications are as tabulated below:

Sl. No.	Issue Raised	UPERC
1	<p>In the Tariff Order(s) for FY 2013-14 at Clause 7.3, the Hon'ble Commission has described about the 'Regulatory Surcharge' and directed to introduce a surcharge of 3.71% over "Rate" as defined in the Rate Schedule for FY 2013-14. In the rate schedule for FY 2013-14 "Rate" has been defined as under :</p> <p>"RATE: Rate, gives the fixed and energy charges at which the consumer shall be billed for his consumption during the billing period applicable to the category"</p> <p>Above definition of rate implies that "Rate" comprises only fixed & energy charges and regulatory surcharge should be applicable on fixed & energy charges only. The Tariff Order is silent about applicability of regulatory surcharge on rebate as well as penalties, such as Load factor rebate, PF rebate, Capacitor s/c, other penalties etc., which are also integral part of billing system of consumers.</p> <p>Therefore you are requested to kindly issue directives about applicability of "Regulatory Surcharge" on rebate as well as penalties imposed on consumers during course of their billing cycle.</p>	<p>The 'Regulatory Surcharge' will be applicable on "Rate" which comprises of fixed / demand & energy charges (including the TOD rates as applicable). Regulatory Surcharge will not be applicable on penalty, rebate or surcharge.</p>
2	<p>Further clarification is also requested about allowable load</p>	<p>The Licensee is directed to provide a</p>



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	in case of consumers getting supply as per "Rural schedule" in LMV-1 & LMV-2 categories as Tariff Order has not defined any load limit to these sub categories and as per Tariff Order these consumers are being billed on per connection basis.	detailed note clarifying the past and current practice in this regard. Based on this submission, the Commission would take a suitable decision.
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Also refer to letter No. 1948/RAU/Tariff Order 2013-14 dated 19th June, 2013, vide which a clarification has been sought. The same is detailed as below:

Sl. No.	Issue Raised	UPERC
1	<p>In the General Provisions of the Rate Schedule of Tariff Order(s) for FY 2013-14 at Clause 15, the following is provided:</p> <p>"15. Whenever, the billing is based on two part tariff structure, the fixed charge will be computed on the basis of contracted load."</p> <p>The corresponding provision in the Tariff Order for FY 2012-13 read as:</p> <p>"15. Whenever, the billing is based on fixed charges there the fixed charge will be computed on the basis of contracted load."</p> <p>The new provision of providing fixed charges on the basis of contracted load wherever billing is based on two part tariff structure is contrary to the spirit of the Tariff. This can be observed from the General Provision Clause No. 6 – 'Billable Demand' which does provide for charging on actual maximum demand which can be higher than the contracted load.</p> <p>Therefore you are requested to kindly issue necessary clarification to avoid any ambiguity in billing.</p>	<p>In all the Tariff Orders for FY 2013-14 of all the distribution licensees the following (Clause 15 of the General Provisions of the Rate Schedule) may be replaced and read as follows in place of the existing provision:</p> <p>Existing:</p> <p>"15. Whenever, the billing is based on two part tariff structure, the fixed charge will be computed on the basis of contracted load."</p> <p>Should be replaced and read as:</p> <p>"15. Whenever, the billing is based on fixed charges, there the fixed charge will be computed on the basis of contracted load."</p>

Further, the licensees are required to follow the RPO as provided in the Uttar Pradesh Electricity Regulatory Commission (Promotion of Green Energy through Renewable Purchase Obligation) Regulations, 2010 in the matter of power purchase. However while purchasing the RPO quantum the licensee is exempted from the merit order principle as provided in the UPERC (Terms & Conditions of Determination of Tariff) Regulations, 2006. The actual power purchase made for FY 2013-14 by the licensees will be subject to true up.



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Further, all distribution licensees and UPPCL are directed to upload all the clarifications being issued on their respective websites for the easy access of all the stakeholders and the public at large.

Yours sincerely,

Secretary

CC.

1. **MD**, U.P. Power Corporation Ltd., Shakti Bhawan, 14-Ashok Marg, Lucknow- 226001.
2. **MD**, MVVNL, 4-A, Gokhale Marg, Lucknow-226001.
3. **MD**, DVVNL, Urja Bhawan, 220KV Sub-Station Mathura Bypass Road, Agra-282007.
4. **MD**, PVVNL, Victoria Park, Meerut-250001.
5. **MD**, PuVVNL, Bhikharipur, 132KV Sub-Station, Poorvanchal Vidyut Bhawan, P.O. Diesel Locomotive Works, Varanasi-221004.
6. **MD**, KESCo, KESA House, 14/71, Civil Lines, Kanpur-208001.
7. **MD & CEO**, Noida Power Company Ltd. Commercial Complex, H-Block, Alpha-II Sector, Greater Noida City.