Sanjay Srivastava Secretary

To,

1. Chairman, U.P. Power Corporation Ltd., Shakti Bhawan, 14, Ashok Marg, Lucknow- 226001.

Ref: UPERC/Secy/D(Tariff)/15-561

Dated: June 17, 2015

- 2. MD, U.P. Power Corporation Ltd., Shakti Bhawan, 14, Ashok Marg, Lucknow 226001.
- 3. MD, MVVNL, 4-A, Gokhale Marg, Lucknow 226001.
- 4. MD, DVVNL, Urja Bhawan, 220KV Sub-Station, Mathura Bypass Road, Agra 282007.
- 5. MD, PVVNL, Victoria Park, Meerut 250001.
- 6. MD, PuVVNL, Bhikharipur, 132KV Sub-Station, Poorvanchal Vidyut Bhawan, P.O. Diesel Locomotive Works, Varanasi 221004.
- 7. MD, KESCo, KESA House, 14/71, Civil Lines, Kanpur 208001.
- 8. CE, RAU, Regulatory Affairs Unit, U.P. Power Corporation Ltd., 15thFloor, Shakti Bhawan Extension, 14, Ashok Marg, Lucknow 226001.

Subject: Applicability of Regulatory Surcharges for State Distribution Licensees for FY 2015-16 as per Commissions Orders dated June 6, 2014 and October 1, 2014.

Sir,

The Commission has received a letter from UPPCL dated June 9, 2015 seeking clarification on the applicability of Regulatory Surcharge-1 on the various categories of consumers as approved in the Commission's Suo-Moto Order dated April 22, 2015 in the above matter.

The last para of the said order is reproduced as follows:

"It is to be noted that as the efforts for reduction in line losses have been mostly directed at the domestic and agriculture consumers, the revised Regulatory Surcharge-1 & Regulatory Surcharge-2 for FY 2015-16 as approved in this order, would only be applicable for the consumer of LMV-1 & LMV-5 categories only."

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From the above, it can be seen that there is clear intention of reducing the Regulatory Surcharges only for the consumers of LMV-1 & LMV-5 categories. However to give more clarity on the applicability issue, the Commission clarifies that for the rest of the consumers categories (except LMV-1 & LMV-5 categories), the Regulatory Surcharge-1 & Regulatory Surcharge-2 for FY 2015-16 will continue to be same as was applicable for FY 2014-15.

The licensees are directed to issue public notices in newspapers in regard to the above clarification so as the same is widely publicised.

This clarification is issued with the approval of the Commission.

Yours sincerely,

Sanjay Srivastava Secretary