



UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

Petition No.: 368, 369, 370, 371 & 372 of 2006

Filed by:

U. P. Power Corporation Limited
Pachimanchal Vidyut Vitran Nigam Limited
Dakshinanchal Vidyut Vitran Nigam Limited
Madhyanchal Vidyut Vitran Nigam Limited
Poorvanchal Vidyut Vitran Nigam Limited

IN THE MATTER OF:

REVIEW APPLICATION IN THE MATTER OF AGGREGATE REVENUE
REQUIREMENT & TARIFF ORDER IN FY 2006-07

Lucknow
26th September 2007

ORDER

1. On the ARR/tariff applications of UP Power Corporation Limited (the then Vitran Nigam Limited, Paschimanchal Vidyut Vitran Nigam Limited and Dakshinanchal Vidyut Vitran Nigam Limited for financial year 2006-07, which Transco), Madhyanchal Vidyut Vitran Nigam Limited, Poorvanchal Vidyut were admitted by the Commission on 1st December, 2006, the Commission issued a detailed tariff order on 10th May, 2007 under the provisions of Electricity Act, 2003. Subsequent to the issuance of the tariff order, a review petition was filed by four distribution companies i.e. Madhyanchal Vidyut Vitran Nigam Limited, Poorvanchal Vidyut Vitran Nigam Limited, Paschimanchal Vidyut Vitran Nigam Limited and Dakshinanchal Vidyut Vitran Nigam Limited on 20th June, 2007 for review of aforesaid tariff order in petition No. 369, 370, 371 & 372 of 2006. The Commission, vide its order dated 13th July, 2007 held the issues related to hour linked tariff in metered consumers as well as the provision related to keeping first 100 units free of cost in rural metered consumers as maintainable for the purposes of review while rejecting the remaining issues as non maintainable for the purposes of review in accordance with the provisions of Civil Procedure Code. In order to provide clarity on issues held maintainable /non-maintainable, the relevant portion of the Commission's order dated 13th July, 2007 is being reproduced:

"A list is being given to show, which of the items raised by review application dated 20th June, 2007 & supplementary affidavits dated 28th June, 2007 & 4th July, 2007 have been held to be maintainable for the purposes of review and which of those have been found to be not maintainable.

- a. *Review of hour linked tariff in metered consumers of LMV-1, LMV-2, LMV-4, LMV-6 and 11 kV consumers of HV-2 category - Maintainable*
- b. *Review of the provision of keeping first 100 units free of cost in rural metered consumers under LMV-1, LMV-2 & LMV-5 category – Maintainable*
- c. *Review of tariff for LMV-3 category - Not Maintainable*
- d. *Review of tariff for LMV-8 category – Not Maintainable*
- e. *Review of TOD charges under HV-2 Category – Not Maintainable*

Review for removing anomaly on the rates of 11 kV consumers under HV-2 category – Typographical error, necessary correction given.”

2. After adjudicating on the issue of the maintainability, the Commission, directed the licensees that during the pendency of the review on issues held to be maintainable, the licensees would charge the transitional tariff, as provided in the tariff order dated 10th May, 2007 against these heads. Further, the observation/direction of the Commission contained in para 15 of the order dated 13th July, 2007 is being reproduced to underline the procedural aspect of proceedings in the aftermath of review admissibility order”

“The Commission therefore, finds the review petition as maintainable on these two accounts and admits the petition on these two accounts for final disposal with direction for charging of transitional tariff, as discussed in previous para of this order. The Commission would invite public objections and comments on the matters under review and it may also conduct appropriate public hearings, as it may deem fit, for soliciting public response on the matter. Notice for inviting public objections and comments as well as notices for public hearings would be issued by the Commission separately. After receipt of such comments and objections, the review applicants would be given time to file their response on the comment / objections. The review applicants are, however, directed to implement the tariff order dated 10th May, 2007 specifying transitional tariffs against the categories for which the review has been found to be maintainable. The review applicants are also directed that while notifying the tariff, it should be clearly indicated that the provision of transitional tariff against the items under review would be subject to the final outcome of the review petition.”

3. Subsequent to aforesaid order, the licensees implemented the tariff with effect from 13th August, 2007 however, UPPCL also preferred an appeal before Appellate Tribunal for Electricity (ATE) on 5th September, 2007 under section 111 of Electricity Act, 2003 challenging the prescribed rates of tariff order dated 10th May, 2007 for un metered LMV-8 category & TOD structure of HV-2 category as well as the findings of the review order dated 13th July, 2007 on above issues vide which these were held to be non-maintainable.

4. Since tariff order is a composite scheme having close inter-linkages, isolated decisions on revenue streams of different consumer categories/sub categories at different fora is not desirable. Accordingly, the Commission decides that the proceedings on the review petition, as mentioned in para 2 of this order, would be initiated after the outcome of the matter before the Appellate Tribunal of Electricity.

(R. D. Gupta)
Member

(P.N. Pathak)
Member

(Vijoy Kumar)
Chairman

Dated : 26th September, 2007

Place : Lucknow.