



PURVANCHAL VIDYUT VITARAN NIGAM LTD.
PURVANCHAL VIDYUT BHAVAN,
VIDYUT NAGAR, P.O.-D.L.W.,
VARANASI-221004
E-Mail :- cccompuvvnl@gmail.com

No. 1317 /PuVVNL/Commercial/

Date: 14.02.2023

To,

The Secretary,
Uttar Pradesh Electricity Regulatory Commission
VibhutiKhand, Gomti Nagar
Lucknow- 226010

Sub: 1st Information Requirement/Discrepancies/Data Gaps in the Petition No. 1949 of 2023 dated 9th January, 2023 of True-Up (FY 2021-22), Annual Performance Review (FY 2022-23), Aggregate Revenue Requirement (FY 2023-24).

Ref: UPERC Letter No. UPERC/Secy/D (T)/2023-1545 dated 31.01.2023

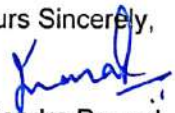
Dear Sir,

This is with reference to your above-mentioned letter directing submission of replies to 1st Information Requirement/Discrepancies/Data Gaps in the Petition No. 1949 of 2023 dated 09th January, 2023 of True-Up (FY 2021-22), Annual Performance Review (FY 2022-23), Aggregate Revenue Requirement (FY 2023-24) of PuVVNL, Varanasi.

The Licensee hereby submits the point-wise replies to the queries/information required by the Hon'ble Commission along with all the Annexures, wherever required. Some Annexures are very heavy and required huge quantum of papers for print outs. As such the same are up-loaded in soft copies.

Enclosure as above. [06 (1+ 5 copies)]

Yours Sincerely,


Rajendra Prasad
Director (Comm.)

CC:

1. Managing Director, PuVVNL Varanasi.
2. CE, RAU, UPPCL.

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी



**Reply to 1st Information Requirement / Discrepancies/ Data Gaps in the
Petition No. 1949, - 2023 of PUVVNL**

Dated:-January 09, 2023

**True-Up (FY 2021-22), Annual Performance Review (FY 2022-23), Aggregate
Revenue Requirement (FY 2023-24)**

Ref: UPERC/Secy/D(T)/2023-1545 dated: 31/01/2023

Section 1: Response to General Queries

- 1.1** Petitioners to provide trued up billing determinants for past seven years, individually and consolidated in MS-Excel linked formats. Further, Petitioners to file the formats as detailed in Annexure-3.

Response:

It is respectfully submitted that Discom wise billing determinants for past 7 years is a part of Revenue Model submitted before the Hon'ble Commission. The consolidated Billing Determinants have already provided on dated 24.01.2023 vide email. The same is again attached at **Annexure-A** along with this document.

- 1.2** DVVNL to provide category, sub-category & slab-wise billing determinants for Torrent Distribution franchise for True-Up, APR and ARR years.

Response:

The query does not pertain to PUVVNL.

- 1.3** The Petitioners are required to submit information in additional format raised by the Commission vide letter No. UPERC/Secy/D(Tariff)/2022-23-1372 dated December 26, 2022.

Sr. No.	Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	KESCO
A	Additional Formats -2 (Letter No. UPERC/Secy/D(T)/ 21-1019, Dated: November 11, 2021					
1	Power Purchase cost	✓	x	x	x	x
2	Sales and Revenue	x	x	x	x	x
3	Gross Fixed Assets	x	x	x	x	x
4	Consumer Security Deposit	x	x	x	x	✓
5	Voltage-wise Losses	x	✓	x	✓	✓
6	Vehicles	x	x	x	x	x
7	Land	x	x	x	x	x
8	Miscellaneous					
8.1	-Pending Cases	✓	✓	✓	✓	✓
8.2	-Open Access Consumers	x	x	x	x	x
8.3	-Item-wise CWIP	x	x	x	x	x
8.4	-Electricity duty in Bad Debts	✓	✓	✓	✓	✓

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
नगरासी

Sr. No.	Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	KESCO
B	Additional Format -3 (Letter No. UPERC/Secy/D(T)/ 21-1019, Dated: November 2, 2021					
1	Annexure-1 (Power Purchase Cost)	*	*	*	*	*
2	Annexure-2 (Power Purchase Details)	*	*	*	*	*
3	Annexure-3 (Energy Balance)	✓	✓	✓	✓	✓
4	Annexure-4 (List of Open Access Consumers)	*	*	*	*	*
5	Annexure-5 (Short Term Power Purchase Transactions)-Time Blocks for procurement	*	*	*	*	*
6	Annexure-6 (List of Generators for HPO compliances)	*	*	*	*	*
7	Annexure-7 (Distribution Losses with consolidated)	*	*	*	*	*
8	Annexure-8 (Long Term Loans)	✓	✓	✓	✓	✓
9	Annexure-9 (Int. on consumer Security Deposits)	*	*	*	*	✓
10	Annexure-10 (Grant Details-5 years)	✓	✓	✓	✓	✓
11	Annexure-11 (Grant Details- True-Up, APR & ARR)	✓	✓	✓	✓	✓
	Note: <ul style="list-style-type: none"> All formats shall be provided in MS-Excel version *formats are incomplete / not linked/not submitted 					

Response:

Details of Additional Formats submitted under **Annexure-B (Format-1.3A and Format-1.3B)** is attached for consideration of Hon'ble Commission.

- 1.4 The Petitioner to submit RPO computation as per the formats sent vide Letter No. UPERC/Secy/D(Tariff)/2022-23-1372 dated December 26, 2022.

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	KESCO
Data Regarding RPO computation from FY 2018-19 to FY 2023-24	*	*	*	*	*

Response:

It is submitted that the DISCOM-wise RPO is not submitted by the Petitioner. The consolidated details are attached at **Annexure-C**.

- 1.5 The Petitioners to provide Discoms wise details of SAUBHAGYA Scheme and along with the

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि
वाराणसी

financial details. Also provide Discoms wise details of consumers under SAUBHAGYA Scheme in the following format year wise for the FY 2021-22, 2022-23 & 2023-24:

Particulars	No. of consumers	Connected load/ contracted demand	Total Energy Sales
	(in '000)	(in KW)	(in MU)
Rural			
Urban			

Response: Details are attached under **Annexure-D** for kind consideration of the Commission.

- 1.6 In the hard copies filed for the use of the Hon'ble Chairman & Members, there are numerous MYT Formats which are not legible because of the print on A4 sheet. These documents shall either be in A3 and larger sheet to ensure that same are readable.

Response:

It is respectfully submitted that all the formats have been provided in soft copy (excel). However, due to nature of format some of the format cannot be printed completely on one paper. Therefore, the Hon'ble Commission may kindly allow relaxation on this point.

- 1.7 Petitioners to provide summary of Revenue Gap on Discom wise and consolidated basis for True-up APR and ARR year similar to the Table 9.27 of Tariff Order dated July 20, 2022.

Response:

DISCOM-wise details are already submitted under Petition and consolidated details are as under:

Particulars	Rate of Interest (%)	FY 2021-22	FY 2022-23	FY 2023-24
Revenue (Gap)/Surplus of the Year		(1,920.74)	(4,181.88)	(9,140.49)
Carrying Cost for FY 2021-22	9.50%	(91.28)	-	-
Carrying Cost for FY 2022-23	9.50%	(182.55)	(198.71)	-
Carrying Cost for FY 2023-24	9.50%	(91.28)	(198.71)	(434.24)
Cumulative Revenue (Gap)/Surplus for Year		(2285.68)	(4579.16)	(9574.67)

- 1.8 Provide revenue for all consumer's categories, sub categories and slab-wise for the True up Years (actual) for APR Year (Provision) and ARR Year (a) at existing tariff (b) at proposed tariff.

Response:

The balance sheet of Discoms does not capture the slab wise revenue, therefore, the same cannot be provided for True-up year. The same for APR and ARR is provided in the Revenue Model already submitted to the Commission in soft copy (excel).

- 1.9 - Petitioners (MVVNL & PuVVNL) have shown 'Extra State Consumers' in Billing Determinants (1 in each Discom), revenue details and tariff approval for such consumers shall be provided. Also, Petitioners shall clarify, where such amount has been booked in the

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी



audited accounts of the Discoms. Submit copies of all MoUs etc. in respect to such connections.

Response:

The Petitioner hereby submits that, agreement for supply of Electrical Energy Executed between Electric Distribution Division -II, Ballia, PurvanchalVidyutVitrans Nigam Limited (PuVVNL) and Electrical Supply Division, Buxar, South Bihar Power Distribution Company Limited (SBPDCL) at Buxar on 21.02.2015 is attached herewith as **Annexure -E** for PuVVNL for kind consideration of Hon'ble Commission.

Section 2: True Up for FY 2021-22

2.1 General

2.1.1 Petitioners to provide the Comptroller and Auditor General of India (CAG) Report for audited accounts of FY 2021-22 for all State Discoms and UPPCL. The same is required to club for prudence check of the True-Up.

Response:

It is humbly submitted that the Final Report is pending from Comptroller and Auditor General of India (CAG) for FY 2021-22.

2.1.2 The Formats S1, S2 and S3 (Profit & Loss, Balance Sheet and Cash-flow respectively), do not capture the special / additional items in the Balance Sheet, also the schedules are not captured. Hence, it is required that the full Balance Sheet may be submitted in Excel format for the Discoms and UPPCL. Also submit the PDF of complete Audited Balance Sheet of UPPCL. Further, PuVVNL should also submit the legible copy of Note-2&3 of audited accounts for FY 2021-22, even its website does not have a legible copy of the same.

Response:

Excel Copy of Balance sheet & UPPCL balance sheet in PDF format is attached at **Annexure-F**.

2.2 Billing Determinants

2.2.1 Petitioners to provide Billing Determinants and Revenue on month-wise, category-wise and slab-wise basis for the concerned year. Month-wise data is required for analysing the variation due to seasons and events on various categories and sub categories of the consumers.


Response:

The Billing Determinants are hereby attached marked as **Annexure-G** for kind consideration of the Commission.

2.2.2 Petitioners to provide justification for the followings:

(a) **LMV-1: Domestic Light, Fan & Power:** DVVNL to provide justification why energy sales have decreased despite significant increase in number of consumers and connected load. PuVVNL to provide justification why a passive increase in energy sales have realised despite significant increase in number of consumers and connected load.

Response:


निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

It is observed that during FY 2020-21 due to the COVID pandemic and change in working policies of many Government/ private institution, most of the employees adopted for working from home. The situation in FY 2021-22 has eased up and normalcy has returned which has impacted the PUVVNL sales.

(b) **LMV-3: Public Lamp:** Petitioner (except DVVNL) Petitioner to provide justification why there is an inconsistency in growth rate of billing parameters.

Response:

The Petitioner has taken various initiatives for the sanitization of street lighting connections under LMV-3 along with local urban bodies. Street light connection points are re-verified and updated in the database. Further, the increase in LMV-3 consumers is being recorded in some discoms due to electrification of new/rural areas.

(c) **LMV-5: Private Tube Wells/ Pumping Sets:** DVVNL to provide justification why energy sales have decreased despite no increase in number of consumers and connected load.

Response:

Does not pertain to PUVVNL.

(d) **HV-3: Railway Traction:** PuVVNL to provide justification why energy sales have decreased despite no increase in number of consumers and connected load.

Response:

The sales in PuVVNL HV-3 category has decreased as most of the Railways requirement is now being fulfilled by Open Access due to Deemed Licensee status.

(e) **HV-4: Lift Irrigation & P. Canals above 100 BHP (75 kW):** For DVVNL, the number of consumer and connected Load has increased however the sales has decreased. The Petitioner to provide the justification for the same.

Response:

Does not pertain to PUVVNL.

(f) **Excess Sales Booked in un-metered categories:** It is observed that excess sales have been booked by DVVNL in LMV-5 & LMV-8 categories, MVVNL in LMV-1, LMV-2, LMV-5 & LMV-8 categories and PUVVNL & PuVVNL in LMV-5 & LMV-8 categories. Petitioners to provide justification for booking excess sales in abovementioned categories. Also, DVVNL to provide justification why there is a drastic reduction in number consumers whereas the similar trend is not evident in energy consumption.

Response:

It is submitted that the Petitioner has increased supply hours and accordingly booked energy per kW. The booked per kW consumption is on lower side as against the normative per kW energy approved by the Hon'ble Commission for supply duration of 18 hours vide order dated 9th Dec 2016 in the matter of suo moto proceeding.

2.2.3 Revenue booked under **LMV-10: Departmental Employees** is not provided in the Audited Accounts, separately. The Petitioners to provide the details of number of consumers, connected load, sale and revenue billed for departmental employees in the format provided below along with 10 sample bills and specify in which category the same

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

is reflected in the Audited Accounts.

Particulars	FY2021-22 (Actual)	FY2022-23 (Provisional)	FY2023-24 (Proposed)
LMV - 10: Number of Consumers			
LMV - 10: Connected Load			
LMV - 10: Sales			
LMV - 10: Revenue			

Response:

The details are tabulated as under: -

Particulars	FY 2021-22 (Actual)	FY 2022-23 (Provisional)	FY 2023-24 (Proposed)	Particulars
PuVVNL	LMV - 10: Number of Consumers	26800	27336	27883
	LMV - 10: Connected Load	88989	90769	92584
	LMV - 10: Sales	106.61	121.25	123.67
	LMV - 10: Revenue	43.58	61.02	62.74

2.2.4 For HV-3 (Railway Traction) category of consumer, no billing determinants have been submitted by the Petitioners. Justification for the same shall be provided. Corrected Billing Determinants to be provided along with calculation details of Cross Subsidy Surcharge for this category.

Response:

The billing determinants for HV-3 (Railway Traction) has been submitted under Revenue Model of respective Discoms wherein these consumers exist. Discoms have observed due to deemed licensee status most of the consumers of these category have left the consumer status of Discoms. The Petitioner hereby submits that it has not collected any open access charges from HV-3 consumers. As it is not an Open Access Consumer and a Deemed Licensee.

2.2.5 Minimum of 1 kW of load or in multiples of 1 can be applied for a new connection but Petitioner has submitted load in fractions in the Excel Formats. The Petitioners to provide explanation and the same need to be rectified.

Response:

It is submitted that the consumer data are in whole integer figures for FY 2021-22, considering the same are on the basis of actuals. Further for FY 2022-23 and FY 2023-24, it is humbly submitted to the Hon'ble Commission that the projections are based on certain growth percentages based on the historical data. However, the consumer data shown in the petition are the nearest integer number without any fraction. The representation of numbers of consumers in excel model is also shown as integer number. The Hon'ble Commission may kindly consider the limitation of formulated working.

2.3 Power Purchase

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि
वाराणसी

2.3.1 Petitioners to provide plant wise details of the power purchase shown in below mentioned categories along with justification and classification of the same in intra and intra state categories:

- a. UPRVUNL consolidated;
- b. UPJVNL consolidated;
- c. NTPC consolidated;
- d. NHPC consolidated;
- e. RRAS (Reserve Regulation Ancillary Services)

Also, the units booked under the consolidated category is not having any fixed cost, for example, in case of UPRVUNL under Consolidated UPRVUNL category 6,893 MU with variable charges of Rs. 1.06 per unit have been booked but fixed charges are nil. Such cost may not be on account of additional cost adjustment, as actual variable cost per unit for the plants in this category is higher. Detailed justification for this additional cost needs to be provided.

Response:

The details are annexure as **Annexure- H**

2.3.2 Petitioners to provide justification, why the inter-state transmission losses 5.34% claimed in the Petition should not be replaced with 2.94% approved in the Tariff Order for FY 2021-22 dated July 29, 2021. Also, the UPPCL standalone audited accounts in Note 30 under Point No 15 is showing total losses of 5.28%, reasoning for such deviation shall be provided. Additionally, the weekly and annual average interstate losses of Power Grid to be provided for FY 2021-22.

Response:

The Hon'ble Commission in its previous Tariff Order has directed the Petitioner to follow the formats given under Energy Balance table no. 4-17 of Tariff Order. The same has been complied by the Petitioner. In its Computation the Petitioner has considered the Intra State Transmission losses as approved by the Hon'ble Commission for respective years which may vary as per actuals booked by transmission company.

In the tabulated format, the Inter State Transmission losses has been auto computed. The same has been mentioned by the Hon'ble Commission in its note under the table 4-17: -

Note- The Inter-State Transmission loss of 7.63% is a computed figure when the actual inter-state unit loss on actual inter-state energy units wheeled are taken into consideration.

It is respectfully submitted that the Petitioner has complied the direction of the Commission.

2.3.3 Petitioner to provided justification for accounting transmission charges of Power Grid under two different heads i.e. "PGCIL Charges" and "Power Grid Transmission". Also, in Table No. 2.6 the annual charges for PGCIL, WUPPTCL, SUUPTCL, Power-Grid Transmission Charges, Ghatampur Transmission, Obra, Badaun Transmission is provided but units are not mentioned in the Format. Units and Tariff for each component of Transmission mention above along with the treatment (intra or inter) needs to be provided and reconcile the same with the Financial Statement.

Response:

Power Grid Transmission charges as mentioned in the Power Purchase details of FY 2021-22 indicates the ISTS charges paid against the long term PPAs. Further, the

निदेशक (वाणिज्य)
पर्याचल विद्युत वितरण निगम



charges captured under PGCIL charges is charges paid for short term transactions through ISTS network. In regard to units of these charges, it is submitted that the above classified transmission charges are not based on the units wheeled but are being paid on Rs per MW basis against tied up LTA.

- 2.3.4 Petitioners (MVVNL, PVVNL & PUVVNL) to reconcile the energy input at Discoms periphery submitted in Tables 2.4 & 2.5 of the Petition and re-submit the corrected information along with linked format in MS-Excel.

Response:

It is respectfully submitted that the minor difference in Energy at Distribution periphery under table 2.4 and 2.5 of the Petition of respective Discoms is due to the rounding off of Distribution loss upto 2 digit under Energy Balance whereas the Distribution loss under Voltage wise losses is computed figure. The Hon'ble Commission may kindly consider energy at Discom periphery as per the Balance Sheet.

- 2.3.5 Petitioners to provide the element wise details of 'Annual Other Cost' submitted in Table 2.6 of the Petition.

Response:

The petitioner hereby submits that the following statutory charges are being claimed under "Annual Other Cost":

- Transmission Charges
- Wage Revision Charges
- Ash Transportation Charges
- Water Usages Charges
- Advance Tax
- Differed Tax
- Foreign Exchange Rate Variation
- Recovery of Short Fall
- Supplementary Energy Bill
- Gain Sharing
- Impact of PAF
- Provision
- Bills other than above mentioned

It is further submitted that the charges which are not qualified under Fixed/Energy Charges are being claimed in the under above mentioned heads.

- 2.3.6 In Table 2.6 of the Petition there are a few sources where total cost is shown in negative (for example - Bajaj Hindustan, Paliya Kalan and Khambakhera), justification for the same shall be provided.

Response:

It is submitted that the negative charges indicate the adjustment of excess provision made under these categories. The same has been reversed based on the actual bills verification.

- 2.3.7 In Table 2.7, details of power purchase cost of concerned Discom is only provided. However, a detailed Table is required to be submitted wherein the total units and the total cost Tabulated in Table No. 2.6 (Power purchased by UPPCL) have to be segregated to various Discoms (5-State Discoms). Further, provide the details of DBST computation

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम



for the various Discoms.

Response:

It is submitted that DISCOM wise power purchase and cost is already recorded under the balance sheets of respective DISCOMs. It is further submitted that the cost allocation of the Balance Sheet has been done based on the DBST Methodology approved by the Hon'ble Commission and the same is submitted before the Commission for kind consideration. The details are attached at **Annexure-I**

2.3.8 Petitioners to provide justification why the total sum of power purchase cost given in audited accounts of DVVNL –Note2, MVVNL – Note18, PVVNL – Note19, PuVVNL– Note18 & KESCO – Note 21 is not consistent with amount given in Note 20 & 22 of standalone audited accounts of UPPCL.

Response:

The reconciliation statement is as under: -

RECONCILIATION OF POWER PURCHASE OF DISCOMS AND UPPCL							
							Rs. In Lakh
	PARTICULARS	DVVNL	MVVNL	PVVNL	PuVVNL	KESCO	TOTAL
A	Purchase as per DISCOM's Balance Sheet as on 31.03.2022	10,20,834.22	13,12,242.16	19,17,115.41	11,27,372.50	2,44,028.51	56,21,592.80
							-
B	Sale as per UPPCL's Balance Sheet as on 31.03.2022	10,01,906.56	12,87,911.40	18,81,569.48	11,06,469.48	2,39,503.89	55,17,360.81
C	Adjustments as per UPPCL's Balance Sheet as on 31.03.2022						-2,147.98
D	Net Sale as per UPPCL's Balance Sheet as on 31.03.2022 (B+D)	10,01,906.56	12,87,911.40	18,81,569.48	11,06,469.48	2,39,503.89	55,15,212.83
E	Difference between Discom's Purchase and UPPCL's Sale (A-D)	18,927.66	24,330.76	35,545.93	20,903.02	4,524.62	1,06,379.97
F	Adjustments in the books of UPPCL						
1)	Prior Period Power Purchase (AG 83.1 Net)	6,786.78	8,724.14	12,745.50	7,495.08	1,622.37	37,373.87
2)	Prior Period (HQ Entries)	96.45	123.98	181.12	106.52	23.06	531.13
3)	Un-billed Power Sale of 2020-21 (HQ Entries) (AG 23.42)	12,044.43	15,482.64	22,619.30	13,301.43	2,879.20	66,326.99
4)	Difference between HQ & Audited (Un-billed)	-	-	-	-	-	2,147.98
	Total Adjustments in the books of UPPCL (1+2+3+4)	18,927.66	24,330.76	35,545.93	20,903.02	4,524.62	1,06,379.97
G	Net Sale in the books of UPPCL after adjustments (E+F)	10,20,834.22	13,12,242.16	19,17,115.41	11,27,372.50	2,44,028.51	56,21,592.80
H	Difference between Power Purchase of DISCOMS and UPPCL (A-G)	0.00	0.00	0.00	-0.00	-0.00	-0.00

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि
राजगंजी

- 2.3.9 Petitioners to separately provide the plant wise details of gross Late Payment Surcharges paid and Incentive received in FY 2021-22. Also, provide justification of 'Late payment Surcharge' as claimed by Petitioner for each source. Further, the Late Payment Surcharge has a few negative values, are they representing the timely Payment Discounts. May please clarify and provide separate totals for both.

Response:

It is submitted that the negative values are indicative of reversal of excess provision made against the initial late payment surcharge bills submitted by the generators. The details of the same is attached at **Annexure- J**

- 2.3.10 Petitioners to provide the details of trading margin paid and booked for each source.

Response:

Details are submitted under **Annexure-K** for kind consideration of Hon'ble Commission.

- 2.3.11 Petitioner to provide detailed justification with reasons for buying costly power from the various sources in FY 2021-22. A few examples are as follows:

Source of Power	Power Purchased (MU)	Power Purchased (Rs. Crs)	Energy Charges (Rs/KWh)	Power Purchased (Rs./kWh)
ANTA GPS	16.38	57.24	6.71	34.93
DADRI GPS	296.69	387.48	9.01	13.06
FGUTPS-III	200.03	129.33	3.42	6.47

Response:

As per the direction of Hon'ble Commission in the matter of Petition No. 1406 of 2019, UPPCL has procured power from above plants under take and pay agreement with Gas Stations of NTPC. The station wise reasons are provided as under:

Sr. No.	Source of Power	Reasons
1.	Auriya GPS	Lower scheduling of Power plant due to high variable cost of Rs 6.71/kWh, has resulted in higher fixed charges of Rs 28.61/kWh, thereby resulting in overall rate of Rs 34.93/kWh.
2.	DADRI GPS	High Variable cost and no scheduling/ less scheduling in some months has resulted in overall rate of Rs 13.06/kWh
3.	FGUTPS-III	Lower scheduling of Power plant due to high variable cost of Rs 3.42/kWh, has resulted in higher fixed charges of Rs 2.62/kWh, thereby resulting in overall rate of Rs 6.47/kWh.

- 2.3.12 Petitioners to provide justifications for why the rate of power procurement from power exchange, which is 1295.14 MUs for Rs. 929.59 Crores at Rs. 7.18/kWh, is higher than rate of power sold in power exchange, which is 7,271.72 MUs for Rs. 2,749.45 Crores at Rs. 3.78/kWh. Also, month-wise details of the energy purchase and sold to power exchange (MU, cost in Rs. Crores, source-name, price, period, etc.) to be provided. Additionally, Petitioners shall furnish daily energy sold along with Average rate of that day by UPPCL on exchange for FY 2021-22.

Response:

निदेशक (वाणिज्य)
सुवाधिल विद्युत वितरण निगम लि०
वाराणसी

The details are tabulated as under: -

IEX MONTHWISE PURCHASE/SALE DETAILS FOR FY 2021-2022						
Month	ENERGY (in MUs)	PURCHASE COST (In Rs. Crore)	COST PER UNIT (Rs/kWh)	ENERGY (in MUs)	SALE COST (In Rs. Crore)	COST PER UNIT (Rs/kWh)
Apr-21	109.93	50.95	4.63	1,272.29	406.99	3.20
May-21	31.69	12.28	3.88	628.06	163.55	2.60
Jun-21	106.61	54.06	5.07	424.71	110.13	2.59
Jul-21	307.09	127.97	4.17	216.22	54.11	2.50
Aug-21	103.08	56.45	5.48	624.12	234.72	3.76
Sep-21	143.11	69.84	4.88	896.59	333.58	3.72
Oct-21	180.70	236.30	13.08	105.66	64.20	6.08
Nov-21	22.92	17.98	7.84	25.09	8.62	3.44
Dec-21	35.89	27.85	7.76	483.42	191.15	3.95
Jan-22	45.40	27.42	6.04	711.05	278.40	3.92
Feb-22	25.22	18.01	7.14	947.02	404.73	4.27
Mar-22	183.51	230.47	12.56	937.47	499.26	5.33
TOTAL	1,295.14	929.58	7.18	7,271.72	2,749.45	3.78

Further, it is clarified that the power is being purchased from the Exchange only in peak hours when there is shortage and it is being sold on exchange in off peak hours, when there is a surplus capacity available. As the rates are high during peak hours and low during off peak hours, hence, the power purchase cost is high and sales is low.

- 2.3.13 Petitioner has submitted 'Purchase from Open Access (OA)' of 830.15 MUs at Rs366.09 Crores (Rs. 4.41/kWh), details of such power (open access/short term) shall be provided. Also, tender details of such power procurement and along with supporting documents shall be provided. Besides, Petitioner shall provide the reason, when they are power surplus, then why power has been purchased from open market.

Response:

The details of power purchased under open access is as under: -

Open Access For FY 2021-22			
S.No.	Trader Sources	Energy (MUs)	Energy Charges (Rs. Crores)
1.	TATA / MPL / PSPCL/ GTL	611.86	270.59
2.	PTC	218.29	95.51
	TOTAL	830.15	366.09

The above details are as per the details submitted under the Format "F13 21-22_TrueUp". Further, it is humbly submitted that UPPCL purchase power from Open

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०

Market, through short term/ bilateral route meets the power requirement during peak hours through DEEP Portal of Gol. **Annexure-M**

- 2.3.14 Petitioners to provide details of monthly transactions of Banking with forward and reverse Banking. Also provide the basis for considering of total Cost for Banking. Further, provide the copies of the approvals of the Commission in this regard, if not provided, the same cannot be allowed.

Response:

The details are attached under **Annexure-N** for kind consideration of the Commission.

- 2.3.15 Provide details of Net metering, Net Feed-in& Gross metering including units and commercial details.

Response:

It is humbly submitted that the new Revenue Management system has been deployed by the Petitioner and the consumer billing data is under transition from the old billing system to new billing system. Further, the Petitioner has incorporated the provision for tagging the consumers under net metering and gross metering. **Annexure-O**

- 2.3.16 The Petitioners to re-submit hard and soft copy of Annexure-7 (in searchable version) having index and page numbers listing all enclosed documents.

Response:

It is submitted that information available in Annexure-7 has been compiled from various departments and it is available in pdf scanned version only. Same is again attached at **Annexure-AB** for kind consideration of Hon'ble Commission. The Hon'ble Commission is requested to kindly provide relaxation in this regard.

- 2.3.17 Compilation of power purchase cost submitted by Petitioners in Table 2-7 of their Petition is not matching with total power purchase cost given in the Table 2-6 of the Petitions. Also, power purchase cost in Audited Accounts of the State Discoms and UPPCL is not matching with each other. Petitioners to submit reconciliation of the same.

Sr. No	Particulars	Amount (Rs. Crore)
1.	Table 2-6 of the	55,152.13
2.	Table 2-7 of Petitions (sum of 5 State Discoms)	*56, 224.32
3.	Audited Accounts of State Discoms (sum of 5 State Discoms)	56, 224.32
4.	Audited Accounts of UPPCL	55,152.13

Response:

It is submitted that the amount represented in table 2.7 of the Petition is inclusive of Direct Power Purchase of Rs 7.9506 Cr & Rs 0.4425 Cr by PUVVNL and PVVNL respectively. Further, the reconciliation of Power purchase in UPPCL Balance Sheet and Discoms Balance sheet is provided under response to point number 2.3.8 above.

2.4 Interest on Consumer Security Deposit

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

- 2.4.1 Petitioners to submit the details of Interest on Consumer Security Deposit paid in actual to the consumers and also submit an undertaking for the same.

Response:

The latest information submitted by the Petitioner in the above matter is hereby attached for kind consideration of the Hon'ble Commission attached under **Annexure-Q**

2.5 O&M Expenses

- 2.5.1 The O&M expenses for any relevant year in the MYT Control Period (consisting of FY 2020-21 to FY 2024-25) shall be calculated as per the Regulation 45 of MYT Regulations, 2019. The Base Year O&M expenses have to be calculated by considering the average of trued-up values of O&M expenses of 5 Years (i.e. from FY 2015-16 to FY 2019-20) and is considered as O&M expenses for the Mid-Year (i.e. FY 2017-18) and then escalated on Year-on-Year with the increase in inflation factor till FY 2019-20. The increase in inflation factor has been computed by considering the CPI & WPI inflations in 60:40 ratios. Once the base value for FY 2019-20 has been arrived then to arrive at the normative value of FY 2020-21 the base value is escalated by the inflation factor. Subsequently, for finding the normative value of FY 2021-22, the normative value of FY 2020-21 is escalated by the inflation factor. Petitioners to provide justification as to why the above methodology has not been followed.

Response:

It is hereby submitted that Petitioner has submitted the detailed justification in the petition from point number 2.6.11 to 2.6.14. However, the same is reproduced below for the reference of Hon'ble Commission.

Petitioner submits that since the Hon'ble Commission has already trued up the O&M expenses for FY 2019-20, the same shall be considered as the base value rather than deriving the base value for FY 2019-20 as stipulated in Regulation 45 of MYT Regulations, 2019. In this context, it is submitted that, the Hon'ble Commission while truing-up for FY 2019-20 has Trued-up O&M expenses and computations done by the Hon'ble Commission on the O&M expenses in the Tariff Order dated 29.07.2021 for the base year value (FY 2019-20) is as under:

TRUED UP AND BASE YEAR O&M EXPENSES FOR FY 2019-20 (RS.CRORE)

Particulars	MVVNL	MVVNL	PVVNL	PUVVNL	KESCO	Total (in Crs.)
Trued-up O&M expenses	1193.06	1433.57	1360.66	1804.31	246.43	6038.03
Computed O&M expenses	1038.11	1256.36	1117.22	1528.79	239.36	5179.84

However, Hon'ble Commission while computing the O&M expenses in the Tariff Order dated 29.07.2021 has computed the base year value (FY 2019-20) which is less than the approved O&M Expenses and the same is shown in the table above.

It can be perceived from the above data that the Hon'ble Commission has itself estimated two different O&M Expenses for the same year. Thus, the Petitioner has considered the Trued up value for FY 2019-20 as a base value for the escalation of normative O&M Expenses for FY 2020-21 and subsequently for FY 2021-22 as per the MYT Regulations, 2019.

निदेशक (वाणिज्य)
बिचल विद्युत वितरण निगम लि
वाराणसी

The Petitioner request the Hon'ble Commission to allow the O&M Expenses in line with the methodology proposed in the instant petition which is based on the Trued up O&M Expenses for FY 2019-20 and considering the applicable CPI escalation factors (for Employee Expenses) and WPI escalation factors (R&M Expenses and A&G Expenses) for FY 2021-22, FY 2022-23 and FY 2023-24.

- 2.5.2 Petitioners to provide details of performance parameters (such as, Restoration of supply, Breakdowns, Transformer failure rate, scheduled outage, Reconnection of supply, shifting of meters/service lines, Temporary supply of power, Disconnection of supply, Faulty meters, Billing mistakes etc.) as per the UPERC SOP Regulations, 2019. Also, provide justification for under achievement, if any. Also, the Petitioners are required to submit the details of expenses actually incurred in this regard and specify the Note where the same is booked in the Audited Accounts.

Response:

It is submitted that Performance parameters available are captured in P Formats. Further, for providing performance parameters report quarterly as per SOP Regulations 2019, a separate portal is developed for all discom of UPPCL and it is final testing phase. After testing petitioner will provide all the performance parameters in prescribed formats. Therefore, the Hon'ble Commission may kindly allow relaxation on this point during this development phase. These expenditures fall in various heads under O&M Expenses. The Commission is requested to allow the R&M expenses as mentioned under True-up Section.

2.6 Capex & Capitalization

- 2.6.1 Petitioners should submit the capital expenditure of each project and confirm that prior approval of the Commission for project above Rs. 10 Crores has been taken as per Regulation 44 of MYT Regulations, 2019. The details of these projects were also required to be provided as in the additional formats provided by the Commission vide letter no. UPERC/Secy/D(T)/21-1019 dated 2nd November, 2021.

Response:

Details are furnished as under:

PUVVNL for 2021-22			
Schemes	Approved in TO 29.07.2021	Claimed	Purpose
	Investments / Capex (Rs. Cr)	Investments / Capex (Rs. Cr)	
Other Schemes		1682.37	Network expansion /Network Growth
RGVY 11th Plan 2th Plan			Network expansion / Network Growth
DUGJY		176.22	Network expansion / Network Growth
IPDS		137.93	Network expansion /Network Growth
SAUBHAGYA YOJNA		177.01	Network expansion / Network Growth
Total excluding Interest and employee capitalization (A)	3040.44	2173.53	

निदेशक (वाणिज्य)
पूर्वाञ्चल विद्युत वितरण निगम लि०
नारायणसी

PUVVNL for 2021-22			
Schemes	Approved in TO 29.07.2021	Claimed	Purpose
	Investments / Capex (Rs. Cr)	Investments / Capex (Rs. Cr)	
Add: Employee Capitalization (B)	460.33	233.89	
Add: Interest Capitalization (C)	225.36	67.86	
Total (D= A+B+C)	3726.13	2475.28	

2.6.2⁺ FAR (Fixed Assets Register) has not been provided in MS- Excel format except KESCO & DVVNL. The Petitioners to provide the same. Also, search items and submit lists (i) of all 132 kV and above and (ii) assets of value more than Rs. 10 Crore.

Response:

Information is not available since separate details are not being maintained in books of Accounts. However, FAR has been provided under **Appendix-3** for kind consideration of Hon'ble Commission.

2.6.3 No contribution from Grants is claimed in Format F18. Petitionersto provide Scheme-wise break-up and fund flow of Grants for RGGVY 11th Plan, DDUGJY, ADB, RAPDRP, IPDS, SAUBHAGYA YOJNA, etc. Give a snapshot of each of the Schemes with total amount, grant, equity, loans, etc.

Response:

The Petitioner, for true-up year, has submitted that that scheme wise capitalisation is under Format-21A, which has been claimed net of Grants, the same is again reproduced for kind consideration of Hon'ble Commission.

Particulars	FY 2021-22
Scheme wise	Capitalisation
RT DAS	0
Capacitor Bank Installation Bank PSDF Scheme	0
Business Plan	0
Other Schemes	1687.37
RGGVY 11th Plan	0
DDUGJY	242.94
ADB	0
RAPDRP	4.17
IPDS	149.80
SAUBHAGYA YOJNA	339.64
Revamp Scheme	0.00
Less: Employee Capitalisation (B)	233.89
Less: Interest Capitalization (C)	67.86
Total excluding Interest and Employee Cost capitalised (A)	2423.92
Employee Cost Capitalised (B)	233.89
Interest Expenses Capitalised (C)	67.86
Total (D= A + B + C)	2725.67
Asset not belonging to Discoms (E)	0.00

निदेशक (वाणिज्य)
पूर्यांचल विद्युत वितरण निगम लि
वाराणसी

Total (F= D-E)	2725.67
----------------	---------

2.6.4 Petitioners to provide following details related to retirement of assets during the year:

- The useful life of the Asset.
- Whether it has simultaneously reduced the depreciation for such assets.
- Whether the asset was in warranty / guarantee period.
- Whether the assets were insured, details of insurance cost recovered to be provided.
- The depreciation charged till date.
- Date of put to use & its cost.

Response:

In the present accounting system, no such information is captured in desired format.

2.6.5 Assets addition during the year (Capitalization) for MVVNL is Rs. 4,212.00 Crores against Rs. 4,509.00 Crores given in Audited Account. Petitioner to provide justification for the same. Also, reconciliation of assets capitalisation in format F21 and F21A to be provided by Petitioner.

Response:

Does not pertain to PUVVNL.

2.6.6 Assets addition during the year (Capitalization) for PUVVNL is Rs. 1,953.81 Crore (in format F21 & F21A) against Rs. 1,883.06 Crore given in Audited Account. Petitioner to provide justification and reconciliation for the same.

Response:

Does not pertain to PUVVNL

2.6.7 Petitioners to provide the details of capex for Smart Meters booked in FAR.

Response:

Bifurcated Details of Capex for Smart Meters booked in FAR is not available.

2.6.8 Petitioners to provide details of assets (quantity & cost) pertaining to above 33 kV voltage level (i.e. 132 kV, 220 kV etc), owned & operated by Petitioner and part of FAR. Petitioner is required to provide FAR (Fixed Asset Register), Asset-wise capitalisation and details of 132 kV and above assets (in Excel) (FY 2021-22) for PuVVNL and MVVNL.

Response:

Information is not available since separate details are not being maintained in books of Accounts.

2.6.9 Petitioners should provide the break-up of capex claimed v/s approved in following heads:

- Capex required for expansion / new connection / network growth;
- Capex required for Loss reduction;
- Capex required for any other work with details.

Response:

Details are as under:

निदेशक (वाणिज्य)
सर्वोच्च विद्युत वितरण निगम लि.
वाराणसी



PUVVNL			
Schemes	Approved in TO 29.07.2021	Claimed	Purpose
	Investments / Capex (Rs. Cr)	Investments / Capex (Rs. Cr)	
Other Schemes		1682.37	Network expansion / Network Growth
RGGVY 11th Plan 2th Plan			Network expansion / Network Growth
DUGJY		176.22	Network expansion / Network Growth
IPDS		137.93	Network expansion / Network Growth
SAUBHAGYA YOJNA		177.01	Network expansion / Network Growth
Total excluding Interest and employee capitalization (A)	3040.44	2173.53	
Add: Employee Capitalization (B)	460.33	233.89	
Add: Interest Capitalization (C)	225.36	67.86	
Total (D= A+B+C)	3726.13	2475.28	

2.6.10 The Petitioners have claimed smart meter Opex in the Tariff Petitions for FY 2022-23. In this regard, the Petitioners are required to submit Discom wise details of smart meter installed / to be installed year on year basis under Opex model and other model / scheme from inception of the model/ scheme along with rate (Rs. / meter / month, including GST) and cost (Rs. Crore) in following formats.

Smart Meters Installed under Opex Model:

Financial Year	Number of Meters Installed / to be Installed					Rate (Rs. / meter/ month) including GST@18 %	Opex (Rs. Crore)	Remar ks (if any)
	Pre-paid Meter	Cost (Rs. Crore)	Post- paid Meter	Cost (Rs. Crore)	Total Cost (Rs. Crore)			
FY 2018-19								
FY 2019-20								
FY 2020-21								
FY 2021-22								
FY 2022-23								
FY 2023-24								

Smart Meters installed not under Opex Model:

निदेशक (वाणिज्य)
पूरबील विद्युत वितरण निगम लि०
वाराणसी

Financial Year	Number of Meters Installed / to be Installed					Rate (Rs. / meter/ month) including GST@18 %	Opex (Rs. Crore)	Remarks (if any)
	Pre-paid Meter	Cost (Rs. Crore)	Post-paid Meter	Cost (Rs. Crore)	Total Cost (Rs. Crore)			
FY 2018-19								
FY 2019-20								
FY 2020-21								
FY 2021-22								
FY 2022-23								
FY 2023-24								

Also, submit a detailed note on the types of meters being installed, presently.

Response

Smart Meters installed under Opex Model:

S.No.	Financial Year	Number of Meters Installed/to be installed					Rate (Rs./meter/ month) including GST@18%	Opex (Rs cr.)
		Pre-Paid Meter	Cost (Rs. Cr)	Post paid Meter	Cost (Rs. Cr)	Total Cost (Rs. Cr) raised by EESL		
1	2	3.00	4.00	5.00	6.00	7.00	9	10
2	FY 2018-19	5.00	-	34,601.00	1.24	1.24	Rs 85.95/meter/month+GST@18%	1.24
3	FY 2019-20	435.00	0.03	2,53,460.00	17.21	17.24		17.24
4	FY 2020-21	657.00	0.13	32,275.00	36.69	36.69		36.82
5	FY 2021-22	-	0.13	-	38.87	38.87		39.00
6	FY 2022-23	*Under Preparation						
7	FY 2023-24							
Total		4,67,375.00	0.29	3,20,336.00	94.01	94.04		244.61

*Details for FY 2022-23 and 2023-24 are under compilation

Smart Meters installed not under Opex Model:

Not Applicable

2.7 Depreciation

2.7.1 Petitioner to provide the detailed breakup of the Assets made out of the, Grants Subsidy and Consumer Contribution for FY 2021-22. Also submit the Gross Block and Depreciation on Assets made out of Consumer Contribution, Grants separately, as in the Additional Formats provided by the Commission vide letter no. UPERC/Secy/D(T)/21-

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

1019 dated 2nd November, 2021.

Response:

Information is not available since separate details are not being maintained in books of Accounts. As such asset creation out of Grant, subsidy and Consumer contribution is not available.

- 2.7.2 The Petitioners to provide justification for booking lower amount of deduction/adjustment of asset in True Up Petition as compared to the last financial year (i.e. FY 2020-21).

Response:

Booking under the head of deduction/adjustment of assets comes from the trial balances of all divisions, however divisions enter the actual transaction under this head, hence the question about booking of lower amount in comparison with previous year is not relevant.

- 2.7.3 In Format 30, asset class wise opening GFA is not matching with closing GFA of FY 2020-21 approved in Tariff Order for FY 2022-23 dated July 2022-23. Petitioners to provide justification for the same.

Response:

The Petitioner has considered the overall closing GFA as approved by the Hon'ble Commission for FY 2020-21 and the same has been considered as opening GFA for FY 2021-22.

2.8 Interest on Working capital

- 2.8.1 Petitioner has considered the Govt. Subsidy along with one-and-a-half-month revenue plus Govt. Subsidy Received/Declared for deriving Interest on Working Capital, which is not as per MYT Regulations, 2019. Provide the justification for the same.

Response:


The Petitioner submits that as per clause 54.1 of MYT Regulations, 2019, subsidy to any consumer or class of consumers in the Tariff determined by the Commission, the same shall be provided as per Section 65 of the Act.

Further, extract of Section-65 of EA 2003 is reproduced below:

Section 65. (Provision of subsidy by State Government):

"If the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission under section 62, the State Government shall, notwithstanding any direction which may be given under section 108, pay, in advance and in such manner as may be specified, the amount to compensate the person affected by the grant of subsidy in the manner the State Commission may direct, as a condition for the licence or any other person concerned to implement the subsidy provided for by the State Government:

Provided that no such direction of the State Government shall be operative if the payment is not made in accordance with the provisions contained in this section and the tariff fixed by State Commission shall be applicable from the date of issue of orders by the Commission in this regard."

 निदेशक (वाणिज्य)
पूर्वांचल विद्युत विमरण निगम लि
वाराणसी

Combined reading of clause 54.1 of MYT Regulations, 2019 and Section 65 of EA, 2003 itself clarifies that subsidy is the part of Tariff which State Government provides on behalf of poor consumers who can't pay their bills. Further, it is pertinent to highlight that the Commission has considered revenue at Full Cost while estimating ARR for the year. Accordingly, the Petitioner has considered the subsidy as a part of revenue for computing IOWC. The Hon'ble Commission is requested may kindly consider the same.

2.9 Interest on Long Term Loans

- 2.9.1 Petitioners (DVVNL, MVVNL, PVVNL and KESCO) to provide justification why nil amount is booked for interest capitalisation during the year in Audited Account. Also, KESCO to provide justification on what basis interest capitalisation is claimed for the year.

Response:

Date of capitalisation of all projects were before the financial year 2021-22 hence no project was under capitalisation during financial year 2021-22. Therefore, interest capitalisation for financial year 2021-22 is Nil.

2.10 Revenue

- 2.10.1 Petitioner to provide OTS Scheme details such as consumer Category-wise/ Sub Category-wise in which surcharge waived-off, rebate in revenue and revenue collected for the year. Further, reconcile the same with the Balance Sheet. All waivers done in OTS Scheme to be considered as deemed revenue.

Response:

It is submitted that OTS scheme is not governed under the provision of UPERC MYT Regulations 2019. Discoms has not separately claimed any OTS related relaxation in its Petition. All the OTS scheme is introduced by UPPCL to boost up its revenue collections. The revenue collected through the scheme and other regular activities is recorded as a revenue from consumers.

- 2.10.2 Petitioner in the Note 17 of the Audited Accounts has mentioned 'Miscellaneous charges from consumer' under the revenue from Operation. Petitioner should clarify what are these charges and why such charges were not categorised as Non-Tariff Income and provide the breakup of the same.

Response:

The Petitioner humbly submits to the Hon'ble Commission that other than EC & ED, somehow given parameters are part of the Tariff which is charged from consumers on their bills as mentioned in Note 16 of the balance sheet.

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी



Revenue from Operations -Other Miscellaneous Charges Note 16

AG Code	Description	Amount
61.401	Meter Rent	4,00,028.00
61.502	Reconnection Fee/Disconnection Fee	4,72,83,972.65
61.507	Other Recoveries, if any, from Consumers	6,47,48,69,985.42
61.508	Regulatory Surcharge	13,77,566.00
61.710	Revenue from Wheeling of Power	20,68,14,707.53
Total		6,73,07,46,259.60

- 2.10.3 Petitionersto provide Billing Determinants and revenue details under prepaid metering. Also, revenue collected from consumers having pre-paid meter, in percentage to the total revenue collected from sale of power shall be provided.

Response:

The details w.r.t. the above query is under compilation.

- 2.10.4 In case of PUVVNL, the revenue from sale of power claimed in Para 2.13 of Petition and amount booked in Note No. 17 of Audited accounts is not matching. Petitioner to provide justification for the same.

Response:

Does not pertain to PUVVNL

- 2.10.5 The Petitioners to provide the total amount under the following heads:

- 2% Discount on Prepaid connections
- 1% Rebate for early payment
- Interest paid on advance payment of electricity bills as per rate of interest paid on security deposit.
- Any other rebate

The Petitioner is also required to clarify whether above Rebates/Discounts are included in the revenue. If no, how the treatment has been done.

Response:

The details are under compilation.

- 2.10.6 Provide the list of consumers along with connected load and consumption for the following categories:

- HV2 Urban Schedule: Supply above 66 kV & upto 132 kV
- HV2 Urban Schedule: Supply above 132 kV


Response:

Details are furnished under Additional Formats as per Annexure-B.

2.11 Non-Tariff Income

- 2.11.1 Petitioner is required to submit month wise detailed explanation for calculation of cost of borrowing of DPS with illustration, justifying the claim. Also submit whether it has actually incurred any cost towards borrowing of DPS and reconcile the same with the Balance Sheet.

Response:


निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी



It is submitted that Principal amount on which the DPS was charged to consumers was substantially high and cannot be managed by working capital. Hence financing of DPS was required to carry out the smooth working of Discom. The Discom has procured the short term loan at 9.50% toward the financing of DPS for smooth operation.

- 2.11.2 In case of MVVNL, the total amount of Other Income in Note 17 of Audited Accounts is not marching with the audited figures given in Format F1 of Petition, justification for the same to be provided.

Response:

Does not pertain to PUVVNL

2.12 Subsidy

- 2.12.1 Petitioners to provide detailed break-up of subsidy provided for the consumer category and reconcile the same in respect to the actual subsidy reimbursed and the actual consumption of the various subsidized consumer categories. Also, provide documentary evidence such as the Govt. Order for the same. Besides, details of any other subsidy / rebate / relaxation provided by the Government, especially announced by Govt. during COVID pandemic for relief of consumers. Further, treatment of such relief in ARR, revenue. In addition, calculation of revenue subsidy in MS-Excel shall be provided.

Response:

It is submitted that the Hon'ble Commission has not approved per unit subsidy for FY 2021-22, therefore, detailed break-up of subsidy provided for the consumer category and its reconciliation in respect to the actual subsidy reimbursed and the actual consumption of the various subsidized consumer categories cannot be estimated.

- 2.12.2 Provide details of RE subsidy received from the Govt of India/Govt of UP/UPNEDA etc.

Response:

The subsidy received on account of NEDA and IREDA is tabulated as under:

Subsidy Received NEDA (AG code 63.140) (NET)	165.39 Cr
Subsidy Received IREDA (AG code 63.150) (NET)	8.21 Cr

2.13 Supply: Number of hours

- 2.13.1 Petitioners to provide information of the supply hours (designated and actual) for the various license areas. Also, Petitioners should specify the areas where supply hours were less than 18 hours with evidence from SLDC.

Response:

Information sought is annexed as **Annexure-U** as per UPSLDC that is also available at its portal.

2.14 Standards of Performance

- 2.14.1 As per the Regulations 41.1 of MYT Regulations, 2019- penalties and compensation payable by the licensee for failure to meet standards of performance shall not be allowed to be recovered. The licensee to provide details of such penalties and compensation that

निदेशक (वाणिज्य) 22
पूर्वांचल विद्युत वितरण निगम लि०



have been accounted for in the year and also its treatment in the audited accounts.

Response:

It is submitted that Discom has not received any application for compensation.

2.15 Bad and Doubtful Debt

2.15.1 KESCO to provide justification why Bad and Doubtful debts against sale of electricity Rs. 54.89 Crores has been claimed in Petition despite Rs -99.26 Crores in Note 27 of the Audited Account.

Response:

Does not pertain to PUVVNL.

2.15.2 Petitioners to provide portion of electricity duty in the Bad & Doubtful debt claimed in the Petition.

Response:

Provision for bad and doubtful debts made against ED receivable as on 31.03.2022 is Rs. 518.69 crore.

2.15.3 List of all consumers accounts deleted with details being covered under bad and doubtful debts.

Response:

Provision for doubtful debts is made on a certain proportion of total trade receivables instead of consumer wise. As such not such detail is available

Section 3: APR for FY 2022-23

3.1 Billing Determinants

3.1.1 Petitioners to provide Billing Determinants and Revenue on month-wise, category-wise and slab-wise basis for till last billing month of the last quarter (in MS-Excel format).

Response:

Details attached at **Annexure-G**

3.1.2 The Petitioners to provide Billing Determinates submitted in Petition in rationalised format enclosed as Annexure -2.

Response:

It is respectfully submitted that the Annexure-3 is not appropriate for providing the billing determinant data. The details have already provided on dated 24.01.2023 vide email -. The same is again attached at **Annexure-A** along with this document.

3.2 Power Purchase

3.2.1 Petitioners to provide month wise and element wise (Mus, energy charges, fixed charges, breakup of other charges, rebatereceived, delayed payment surcharge, etc.) details of power purchase till last month of the last quarter.

Response:

It is submitted that month wise and element wise (Mus, energy charges, fixed charges, breakup of other charges, rebate received, delayed payment surcharge, etc. from April

निदेशक (वाणिज्य)
पुनर्गठित विद्युत वितरण निगम लि०
वाराणसी



2022 to September 2022 has already been provided to the Commission in Power Purchase model . Further, the MIS for the month of the last quarter is attached as per **Annexure-V** for kind consideration of Hon'ble Commission.

- 3.2.2 Petitioners to provide details of monthly as well as fortnightly transactions of Banking with forward and reverse Banking along with the approval of the Commission.

Response:

Details attached at **Annexure- N** for kind consideration of Hon'ble Commission.

- 3.2.3 Petitioners to provide justification for proposing 6.59% of interstate transmission losses in the Petition. Also, detail calculation of transmission charges i.e., projected energy wheeled, transmission tariff for each Transmission Petitioner i.e., PGCIL, WUPPTCL and SEUPPTCL to be provided.

Response:

The Hon'ble Commission in its previous Tariff Order has directed the Petitioner to follow the formats given under Energy Balance at table no. 4-17 of Tariff Order. The Petitioner in its computation has considered interstate losses as 3.47% . However, as per the direction of Hon'ble Commission the interstate losses is to be applied only on energy schedule through ISTS network. It is submitted that in MOD the energy schedule through ISTS is lower therefore, the loss as indicated in energy balance is shown higher. In the tabulated format, the Inter State Transmission losses has been auto computed. The same has been mentioned by the Hon'ble Commission in its note under the table 4-17: -

Note- The Inter-State Transmission loss of 7.63% is a computed figure when the actual inter-state unit loss on actual inter-state energy units wheeled are taken into consideration.

It is respectfully submitted that the Petitioner has complied the direction of the Commission.

Transmission charges for PGCIL, WUPPTCL and SEUPPTCL has been estimated based on the actual transmission charges paid under these heads in FY 2021-22 i.e. true up year with nominal escalation for APR and ARR year.

- 3.2.4 Provide plant wise details of power purchase from 'Slop based power project' along with the approval of the Commission.

Response:

Details of Power purchase of slop-based plants are the part of Power Purchase model as submitted to the Hon'ble Commissions. Further, the details are attached at **Annexure-W** for kind consideration of Hon'ble Commission.

- 3.2.5 Petitioners should provide details of new plants / capacities that are expected to come up in FY 2023-24 along with PPAs and approvals.

Response:

Details attached at **Annexure- X** for kind consideration of Hon'ble Commission.

3.3 Capex & Capitalization

- 3.3.1 Petitioners should submit the capital expenditure of each project and confirm that prior

निदेशक (वाणिज्य)
पूँजी मूल विद्युत् वितरण निगम लि०



approval of the Commission for project above Rs. 10 Crores has been taken as per Regulation 44 of MYT Regulations, 2019. The details of these projects were also required to be provided as in the additional formats provided by the Commission vide letter no. UPERC/Secy/D(T)/21-1019 dated 2nd November, 2021.

Response:

It is submitted that the CAPEX proposed under RDSS scheme for FY 2022-23 onwards is submitted before the Commission as PUVVNL Petition No. 1886 of 2022 for approval.

- 3.3.2 The Petitioner has claimed Capex and Capitalization under RDSS Scheme which includes Grants/Subsidy from State Government. However, the Petitioner has not submitted the details of Grants/Subsidy for such schemes. Petitioner to submit the details of Grant/Subsidies along with funding structure of the same.

Response:

It is submitted that Petition for approval of scheme under RDSS is submitted before the Commission as PUVVNL **Petition No. 1886 of 2022** for approval, as on date 13.10.2022. Further, for FY 2022-23 the petitioner has considered CAPEX under RDSS net off grant. As per the approval of action plan of Discoms for the State of Uttar Pradesh under RDSS, the funding pattern is as under: -

2. Funding Pattern:

- a. The funding Pattern for the State of Uttar Pradesh is a given below:

Item Description	GBS % (Max)
Prepaid Smart metering solution including at consumer, DT, and feeder level including integration of existing infrastructure	15% of the approved cost of metering including the operational cost, provided that it is not more than Rs. 900 per meter for consumer metering only
Distribution Infrastructure works	60% the approved cost of Distribution infrastructure works
PMA Charges for Metering and Infrastructure works	60% of the approved cost of PMA

- b. The project cost approved by the Monitoring Committee or actual cost incurred whichever is less, shall be the eligible cost for determining the grant under the scheme for Infrastructure works and PMA Components. Any cost overrun after approval of the project (by Monitoring Committee) due to any reason whatsoever shall not be eligible for any grant and shall be borne by the DISCOM/respective State Government.
- c. The release of GBS by Government of India will be subject to prescribed scheme guidelines and would be contingent to award of prepaid smart metering works & its satisfactory progress.

3.4 Depreciation

- 3.4.1 Petitioner to provide the detailed breakup of the Assets made out of the, Grants Subsidy and Consumer Contribution for FY 2022-23. Also submit the Gross Block and Depreciation on Assets made out of Consumer Contribution, Grants separately, as in the Additional Formats provided by the Commission vide letter no. UPERC/Secy/D(T)/21-1019 dated 2nd November, 2021.

Response:

Information is not available since separate details are not being maintained in books of Accounts.

निदेशक (वाणिज्य)
पूवाचल विद्युत वितरण निगम लि
वाराणसी

- 3.4.2 In Format 30, asset class wise opening GFA is not matching with closing GFA of FY 2021-22, Petitioners to provide justification for the same.

Response:

The Petitioner has considered the overall closing GFA as approved by the Hon'ble Commission for FY 2020-21 and the same has been considered as opening GFA for FY 2021-22.

3.5 Standards of Performance

- 3.5.1 Petitioners to provide the status of performance parameters (SAIFI, SAIDI and MAIFI) till last billing month of the last quarter. details of penalties and compensation that have been accounted for in the year and also its treatment in the audited accounts. As per the Regulations 41.1 of MYT Regulations, 2019 – penalties and compensation payable by the licensee for failure to meet standards of performance shall not be allowed to be recovered.

Response:

It is humbly submitted that regarding performance parameters report on quarterly basis as per SOP Regulations 2019, a separate portal is developed for all discom of UPPCL and it is under final testing phase. After testing petitioner will provide all the performance parameters in prescribed formats. Therefore, the Hon'ble Commission may kindly allow relaxation on this point during this development phase.

Section 4: ARR for FY 2023-24

4.1 Billing Determinants

- 4.1.1 Data in MYT Formats is not consistent. Energy sales for FY 2023-24 such as in Format 4A of DVVNL is 1.23 MU against the 19130.63 MU for FY 2021-22. Petitioner to reconcile and resubmit the MYT Formats 4A, 5A& 9.

Response:

Due to excel linking issue, it was not reflecting in the formats and the same has been rectified for consideration of the Hon'ble Commission under updated MYT Formats with respect to DISCOM. **Annexure – Sattached.**

- 4.1.2 There is an exorbitant increase in number of consumers, connected load and sales by 206.26%, 280.36% and 371.73%, respectively in LMV -VII rural schedule from FY 2022-23 to FY 2023-24. Petitioners to provide justification for the same.

Response:

It is submitted that in the Tariff Order for FY 2022-23, the Hon'ble Commission has merged the tariff category of LMV-8 (State Tubewell) with LMV-7 (PWW) consumers due to which such increase has been observed.

- 4.1.3 Minimum of 1 kW of load or in multiples of 1 can be applied for a new connection. Also, the number of consumers can not be in fractions. Petitioners have submitted both load and number of consumers in fractions. The Petitioners to provide explanation for the same and rectify the errors.

Response:

It is submitted that the consumer data are in whole integer figures for FY 2021-22, considering the same are on the basis of actuals. Further for FY 2022-23 and FY 2023-24, it is humbly submitted to the Hon'ble Commission that the projections are based on

निदेश (वाणिज्य)
वितरण निगम लि
चल



certain growth percentages based on the historical data. However, the consumer data shown in the petition are the nearest integer number without any fraction. The representation of numbers of consumers in excel model is also shown as integer number. The Hon'ble Commission may kindly consider the limitation of formulated working.

- 4.1.4 For HV-3 (Railway Traction) category, no Billing Determinants have been submitted by the Petitioners. Justification for the same shall be provided. Corrected Billing Determinants to be provided along with the detailed calculation of Cross Subsidy Surcharge for this category.

Response:

The billing determinants for HV-3 (Railway Traction) has been submitted under Revenue Model of respective Discoms wherein these consumers exist. Discoms have observed due to deemed licensee status most of the consumers of these category have left the consumer status of Discoms. The Petitioner hereby submits that it has not collected any open access charges from HV-3 consumers. As it is not an Open Access Consumer and a Deemed Licensee.

4.2 Power Purchase

- 4.2.1 Petitioners to provide details of monthly as well as fortnightly transactions of Banking with forward and reverse Banking along with the approval of the Commission.

Response:

The details are attached under **Annexure-N** for kind consideration of the Hon'ble Commission.

- 4.2.2 Petitioners to provide justification for proposing 3.70% of interstate transmission losses in the Petition. Also, detail calculation of transmission charges i.e., projected energy wheeled, transmission tariff for each Transmission Petitioner i.e., PGCIL, WUPPTCL and SEUPPTCL to be provided.


Response:

The Hon'ble Commission in its previous Tariff Order has directed the Petitioner to follow the formats given under Energy Balance at table no. 4-17 of Tariff Order. The Petitioner in its computation has considered interstate losses as 3.47% . However, as per the direction of Hon'ble Commission the interstate losses is to be applied only on energy schedule through ISTS network. It is submitted that in MOD the energy schedule through ISTS is lower therefore, the loss as indicated in energy balance is shown higher. In the tabulated format, the Inter State Transmission losses has been auto computed. The same has been mentioned by the Hon'ble Commission in its note under the table 4-17: -

Note- The Inter-State Transmission loss of 7.63% is a computed figure when the actual inter-state unit loss on actual inter-state energy units wheeled are taken into consideration.

It is respectfully submitted that the Petitioner has complied the direction of the Commission.

Transmission charges for PGCIL, WUPPTCL and SEUPPTCL has been estimated based on the actual transmission charges paid under these heads in FY 2021-22 i.e. true up year with nominal escalation for APR and ARR year.


निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी



- 4.2.3 Provide the basis and justification for considering 5% escalation for energy charges and for fixed charges for Thermal Power Plant and 2% escalation for energy charges and 5% escalation for fixed charges for Hydro Power Plant for FY 2023-24. Also, in NPCIL, the escalation on fixed charges is not provided. For MSW, Petitioners have taken a tariff of Rs. 7.61 /Unit instead of approved rate of Rs. 7.16 / Unit. The Petitioners are required to justify the same.

Response:

In recent past it has been observed that there has been increase in coal prices due to various advisory of Government which may result in significant changes in energy charges payable to the generators. Therefore, for UPRVUNL & NTPC, the fixed charges have been computed based on the fixed charges actually incurred by the respective plants in True up of FY 2021-22 with escalation factor of 5% per year. The energy charges have been computed based on actual average energy charge for FY 2021-22 with escalation factor of 5%. For Hydro power plants, a nominal escalation of 5% of Fixed charges has been considered to meet the annual inflation in various cost components. Further, the variable charge has been escalated by 2% which is nominal as per the market conditions. In regard to fixed charges escalation of NPCIL it is submitted that there are no fixed charges pertaining to the NPCIL plants. The Hon'ble Commission is requested to consider the charges captured under NPCIL as a variable charge only. With regard to MSW, it is submitted that the Hon'ble Commission is requested to consider the tariff for MSW plant as per CRE Regulations.

- 4.2.4 Petitioner is required to confirm if any other charges with respect to each source as claimed in True up period (FY 2021-22) have also been considered for FY 2023-24. If yes, in which cost head it has been allocated.

Response:

It is submitted that Petitioner has not estimated any other charges for ARR year.

- 4.2.5 Petitioner is required to provide documentary evidence that all the power sources projected for FY 2023-24 is already approved by the Commission.

Response:

The Commission approved PPA has already been provided to the Hon'ble Commission along with the Petition. Soft copy of the same is again submitted for reference under **Appendix-6**.

- 4.2.6 Provide plant wise details of power purchase from 'Slop based power project' along with the approval of the Commission.

Response:

The details are attached under **Annexure-W** for kind consideration of the Commission.

- 4.2.7 Petitioner to provide justification for why total amount of Rs. 1694.89 Crore is claimed for Dadri GPS, Tanda TPS, FGUTPS (Unit-I, II, III, IV), KHTPS-I, Solapur TPS, Khargone STPS, Khurja STPP and various plant of BEPL, when no energy is procured for the same.

Response:

It is submitted that due to higher variable charges for above mentioned plan, the plant is not getting scheduled in the MOD whereas in actual run it is expected that these plants may get scheduled.

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०



4.2.8 Petitioner should provide details of new plants / capacities that are expected to come up in FY 2023-24 along with PPAs and approvals.

Response:

The list of upcoming plants is attached at **Annexure X**.

4.3 Capex& Capitalisation

4.3.1 Petitioners should provide the break-up of capex claimed v/s approved in following heads:

- Capex required for expansion / new connection / network growth;
- Capex required for Loss reduction;
- Capex required for any other work with details

Response:

Details are as under:

Particulars	FY 2023-24
Scheme wise	Investment
RT DAS	0.55
Revamp Scheme	619.57
Less: Employee Capitalisation (B)	309.25
Less: Interest Capitalization (C)	111.18
Total excluding Interest and Employee Cost capitalised (A)	620.12
Employee Cost Capitalised (B)	309.25
Interest Expenses Capitalised (C)	111.18
Total (D= A + B + C)	1,040.56

4.3.2 In reference to the capital expenditure submitted by Petitioner for FY 2023-24 and prior approval of projects above Rs 10 Crores as per Regulations 44 of the MYT Regulations, 2019, Petitioners should submit the capital expenditure cost of each project likewise (as explained above) and take prior approval of the Commission for projects with cost above Rs. 10Crores. Petitioner should submit the CAPEX accordingly and provide DPRs for approval of the projects in line with Regulation 44MYT Regulations, 2019, failing which the same may be disallowed.

Response:

It is submitted that the CAPEX proposed under RDSS scheme for FY 2023-24 onwards is submitted before the Commission as PUVVNL Petition No. 1886 of 2022 for approval. The Petition was submitted as on date 13.10.2022

4.3.3 The Petitioner has claimed Capex and Capitalization under RDSS Scheme which includes Grants/Subsidy from State Government. However, the Petitioner has not submitted the details of Grants/Subsidy for such schemes. Petitioner to submit the details of Grant/Subsidies along with funding structure of the same.

Response:

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

It is submitted that Petition for approval of scheme under RDSS is submitted before the Commission as PUVVNL Petition No. 1886 of 2022 for approval, on date 20.10.2022. Further, for FY 2023-24 the petitioner has considered CAPEX under RDSS net off grant. As per the approval of action plan of Discoms for the State of Uttar Pradesh under RDSS, the funding pattern is as under: -

2. Funding Pattern:

a. The funding Pattern for the State of Uttar Pradesh is a given below:

Item Description	GBS % (Max)
Prepaid Smart metering solution including at consumer, DT, and feeder level including integration of existing infrastructure	15% of the approved cost of metering including the operational cost, provided that it is not more than Rs. 900 per meter for consumer metering only
Distribution Infrastructure works	60% the approved cost of Distribution infrastructure works
PMA Charges for Metering and Infrastructure works	60% of the approved cost of PMA

- b. The project cost approved by the Monitoring Committee or actual cost incurred whichever is less, shall be the eligible cost for determining the grant under the scheme for Infrastructure works and PMA Components. Any cost overrun after approval of the project (by Monitoring Committee) due to any reason whatsoever shall not be eligible for any grant and shall be borne by the DISCOM/respective State Government.
- c. The release of GBS by Government of India will be subject to prescribed scheme guidelines and would be contingent to award of prepaid smart metering works & its satisfactory progress.

4.3.4 It is observed that no contribution from Grants is claimed in F18 format. Petitionersto provide scheme-wise break-up and fund flow of Grants for RGGVY 11th Plan, DDUGJY, ADB, RAPDRP, IPDS, SAUBHAGYA YOJNA, etc.

Response:

It is submitted that the scheme wise capitalisation is already submitted under Format-21A, which has been claimed net of Grants, the same is again reproduced for kind consideration of Hon'ble Commission.

Particulars	FY 2023-24
Scheme wise	Capitalisation
Other Schemes	748.71
RGGVY 11th Plan	0.00
DDUGJY	0.00
ADB	0.00
RAPDRP	0.00
IPDS	0.00
SAUBHAGYA YOJNA	0.00
Revamp Scheme	247.83
Less: Employee Capitalisation (B)	309.25
Less: Interest Capitalization (C)	111.18

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

Particulars	FY 2023-24
Scheme wise	Capitalisation
Total excluding Interest and Employee Cost capitalised (A)	996.54
Employee Cost Capitalised (B)	309.25
Interest Expenses Capitalised (C)	111.18
Total (D= A + B + C)	1416.98

- 4.3.5 In Format-30 (except KESCO), Opening GFA is not matching with closing GFA of FY 2021-22 and the opening GFA for FY 2023-24 is not matching with closing GFA of FY 2022-23. The Petitioner is required to reconcile the data submitted in Format-30.

Response:

Due to excel linking issue, it was not reflecting in the formats and the same has been rectified for consideration of the Hon'ble Commission under updated MYT Formats with respect to DISCOM.

Annexure-Sattached.

4.4 Operation and Maintenance

- 4.4.1 In Table 4-17, indexation rate for WPI is not computed correctly. Petitioners to re-submit revised calculation for R&M expenses accordingly.

Response:

The Petitioner submits that the WPI Index is considered from the website of office of Economic Advisor of Government of India and its link is as under:
https://eaindustry.nic.in/download_data_1112.asp

4.5 Interest on Working capital

- 4.5.1 Petitionersto clarify why Govt. Subsidy is considered for computation of Interest on Working Capital.It is observed that similar approach was followed in the previous year Petition as well. Petitioners to resubmit the revised calculation of working capital as per the methodology given in Tariff Order July 20, 2022.


Response:

The Petitioner submits that as per clause 54.1 of MYT Regulations, 2019, subsidy to any consumer or class of consumers in the Tariff determined by the Commission, the same shall be provided as per Section 65 of the Act.

Further, extract of Section-65 of EA 2003 is reproduced below:

Section 65. (Provision of subsidy by State Government):

"If the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission under section 62, the State Government shall, notwithstanding any direction which may be given under section 108, pay, in advance and in such manner as may be specified, the amount to compensate the person affected by the grant of subsidy in the manner the State Commission may direct, as a condition for the licence or any other person concerned to implement the subsidy provided for by the State Government:

 निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि
वाराणसी

Provided that no such direction of the State Government shall be operative if the payment is not made in accordance with the provisions contained in this section and the tariff fixed by State Commission shall be applicable from the date of issue of orders by the Commission in this regard."

Combined reading of clause 54.1 of MYT Regulations, 2019 and Section 65 of EA, 2003 itself clarifies that subsidy is the part of Tariff which State Government provides on behalf of poor consumers who can't pay their bills. Further, it is pertinent to highlight that the Commission has considered revenue at Full Cost while estimating ARR for the year. Accordingly, the Petitioner has considered the subsidy as a part of revenue for computing IOWC. The Hon'ble Commission is requested may kindly consider the same.

4.6 Bad and Doubtful Debt

- 4.6.1 Petitioners has not calculated Bad and Doubtful Debts as per the methodology adopted in Tariff Order for July 20, 2022. Petitioners to resubmit the Bad and Doubtful Debts calculation inconsistency to the Tariff Order.

Response:

The Petitioner submits that in line it has claimed bad and doubtful debts in line with regulation 46.1 of the MYT Regulations, 2019. The is reproduced below for the reference of Hon'ble Commission

"46.1 For any Year, the Commission may allow a provision for write off of bad and doubtful debts upto 2% of the amount shown as Revenue Receivables from sale of electricity in the audited accounts of the Distribution Licensee for that Year or the actual write off of bad debts, whichever is less:"

4.7 Subsidy

- 4.7.1 With regard to GoUP Subsidy for FY 2023-24, Petitioner to provide detailed break-up of subsidy for each consumer category. Also, provide documentary evidence (Govt. Order) for the same. Besides, provide details of any other subsidy / rebate / relaxation provided by the Government. Further, treatment of such relief in ARR, revenue.

Response:

The Govt. subsidy for FY 2023-24 yet to be approved in state budget for FY 2023-24. As such this is not available at present. Therefore, the Petitioner has taken provisional value as budgeted for FY 2022-23 by GoUP. It is further submitted that the State Government directly informs the Hon'ble Commission on the Tariff Subsidy to be provided to the respective category of consumes.

- 4.7.2 Petitioners to provide details of RE subsidy committed by the Govt of UP/UPNEDA etc

Response:

As mentioned above in response to point no. 4.7.1., The Govt. subsidy for FY 2023-24 yet to be approved in state budget for FY 2023-24. As such this is not available at present. It is further submitted that the State Government directly informs the Hon'ble Commission on the Tariff Subsidy to be provided to the respective category of consumers.

4.8 Supply: Number of hours

- 4.8.1 Provide the SAIDI & SAIFI for FY 2021-22, FY 2022-23 & FY 2023-24.

Response:

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
गोरखपुरी



It is humbly submitted that regarding performance parameters report on quarterly basis as per SOP Regulations 2019, a separate portal is developed for all discom of UPPCL and it is under final testing phase. After testing petitioner will provide all the performance parameters in prescribed formats. Therefore, the Hon'ble Commission may kindly allow relaxation on this point during this development phase.

- 4.8.2 Submit the Transformer, Line Length and capacitor bank details for FY 2023-24 as per format P7.

Response:

Details are under compilation.

- 4.8.3 Submit the maximum Peak Demand (Restricted and Unrestricted), Peak Availability Assessed, Shortfall in meeting Peak Demands per Form P7 of MYT Distribution Tariff Regulations, 2019.

Response:

Details are submitted under MYT Formats under **Annexure-S** for kind consideration of the Commission.

4.9 Metering

- 4.9.1 Provide the status of Metering, designation wise of the employees of Petitioner.

Response:

It is submitted that Section 23 (7) of Electricity Reforms Act, 1999 provides that "terms and condition of service of the personnel shall not be less favourable to the terms and condition which were applicable to them before the transfer". The same spirit has been echoed under first proviso of section 133 (2) of the Electricity Act, 2003. The benefits for employees / pensioners as provided in section 12 (b) (ii) of the Uttar Pradesh Reform Transfer Scheme, 2000 include "concessional rate of electricity", which means concession in rate of electricity to the extent it is not inferior to what was existing before 14th January, 2000. Accordingly, efforts are being made to comply with the Hon'ble Commission directions. However, problem is being faced in maintaining industrial relations with employee unions due to discontinuation of Tariff of LMV-10.

4.10 Revenue/Tariff Proposal/Rate Schedule

- 4.10.1 Petitioner is directed to submit monthly as well as fortnightly, the category and sub-category-wise and slab-wise actual Revenue. The Petitioner is required to submit the desired representation of full cost Tariff, subsidy provided by the GoUP and the effective Tariff to be paid by the subsidized consumers to be incorporated in the Rate Schedule for FY 2023-24.

Response:

It is submitted that the rate schedule along with Full Cost Tariff and payable tariff is already submitted to the Hon'ble Commission in excel format. The same is attached again at **Annexure-Z**. It is submitted that the subsidy in the revenue computation is considered based on the current subsidy+ cross subsidy approved by the Hon'ble Commission for applicable consumer category.

- 4.10.2 Petitioner to submit the Category-wise, sub-category-wise, slab-wise Tariff Proposal for FY 2023-24 along with the Excel Sheet with all linkages and Formula driven. The same should be full cost (without subsidy) and must be designed to achieve +/- 20% Cross Subsidization and Zero gap. Accordingly, the revised Rate Schedule applicable for FY

निदेशक (वाणिज्य)
वाचल विद्युत वितरण निगम लि०



2023-24 may be submitted.

Response:

It is submitted that the Category-wise, sub-category-wise, slab-wise Tariff Proposal for FY 2023-24 along with the Excel Sheet with all linkages and Formula has already been shared with the Hon'ble Commission. The same has been captured for full cost (without subsidy) with Zero gap. It is further submitted that the Roadmap of reduction of cross subsidy is yet to be defined by the Hon'ble Commission as per the provisions of National Tariff Policy 2016. Therefore, the Petitioner is not able to design the tariff proposal to achieve $\pm 20\%$ Cross subsidization.

- 4.10.3 Further, the Petitioner is required to submit the Proposed Roadmap for reduction of Cross-subsidies as per the Tariff Policy for consideration of the Commission.

Response:

It is respectfully submitted that as per the Tariff Policy 2016, the roadmap for the reduction of Cross-subsidy for achieving the objective that the tariff progressively reflects the cost of supply, the respective Commission would notify a roadmap for reduction of subsidy. The tariff policy does not obligate licensees to propose any roadmap for reduction of Subsidy. The relevant extract of the tariff policy is as under:

"2. For achieving the objective that the tariff progressively reflects the cost of supply of electricity, the Appropriate Commission would notify a roadmap such that tariffs are brought within $\pm 20\%$ of the average cost of supply. The road map would also have intermediate milestones, based on the approach of a gradual reduction in cross subsidy."

In this context, it is respectfully submitted that the Hon'ble Commission may kindly consider the petitioner's submission.

- 4.10.4 Petitioner to provide category wise, sub-category wise and slab wise estimated revenue at the proposed tariff.

Response:

It is submitted that the category wise, sub-category wise and slab wise estimated revenue at the proposed tariff is already submitted to the Hon'ble Commission in excel format. The same is attached again at **Annexure- Z**.


- 4.10.5 DVVNL has computed the Fixed Charges of Torrent (Distribution Franchisee) by considering the sales of FY 2023-24 instead of connected/contracted load. Petitioner to provide justification for the same.

Response:

This query does not pertain to PUVVNL

- 4.10.6 For LMV-10, Petitioners have computed Fixed Charge considering sales FY 2023-24. Petitioners to provide the justification for the same.

Response:


निदेशक (वाणिज्य)
पूर्वांचल विद्युत् वितरण निगम लि०
राजी



It is submitted that the Petitioner has computed revenue against LMV-10 consumers considering projected sales and ABR of LMV-1 tariff category which has not bifurcated under fixed and energy charges separately. For the computation purpose, same has been captured in revenue model as a fixed nature component.

- 4.10.7 Petitioners to submit the detailed working with sub-table as given in the Section 10.4 of Tariff Order dated July 20, 2022 for the Cross Subsidy Surcharge (CSS) computation. Also, all steps shall be explained properly through tables & theory. Besides, all MS-Excel formats shall be with unit. In addition, Petitioners to submit CSS computation at exiting tariff as well as at proposed tariff as it does for other revenue item.

Response:

It is respectfully submitted that petitioner had submitted the excel working of CSS along with the other Models to the Hon'ble Commission. The same is again attached at **Annexure -AA**

Step wise computation is as under: -

For the Computation of Distribution charges, the Licensee has segregated ARR into Retail and wheeling supply as per the methodology adopted by the Commission in previous Tariff Orders. The Computation of Distribution charges based on the retail charges is as under: -

1. Computation of Distribution Charges are as under: -

Distribution Charges For FY 2023-24			
S. No	Particulars	Units	FY 2023-24
1	Retail ARR	Rs. Crores	4469.55
2	Retail sales (PVVNL, DVVNL, MVVNL, PuVVNL, KESCO)	MU	114673.95
3	Average Retail/Distribution charge	Rs./kWh	0.39

The Intra State Transmission charges has been computed by grossing up total energy to be wheeled and the projected transmission charges to be paid.

2. Intra State Transmission Charges

Intra State Transmission Charges			
S. No	Particulars	Units	FY 2023-24
1	Transmission and Load Dispatch Charges	Rs. Crores	3,321.62
2	Power Purchase or Energy Available at Discom Periphery	MU	1,34,751
3	Intra State Transmission Charges	Rs./kWh	0.2465

The Interstate transmission charges has been computed based on energy procured through interstate network and projected cost to be incurred in this regard.

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
राजगढ़

3. Inter State Transmission Charges

Inter State Transmission Charges			
S. No	Particulars	Units	FY 2023-24
1	Inter State Transmission Charges	Rs. Crores	3535.18
2	Total Power Required at Discom Periphery	MU	1,34,751
3	Inter State Transmission Charges	Rs./kWh	0.262348

For the Computation of Wheeling charges, the Licensee has segregated ARR into Retail and wheeling supply as per the methodology adopted by the Commission in previous Tariff Orders. The Computation of wheeling charges are as under: -

4. Wheeling Charges

Wheeling Charges For FY 2023-24			
S. No	Particulars	Units	FY 2023-24
1	Wheeling ARR	Rs. Crores	11883.45
2	Retail sales (PVVNL, DVVNL, MVVNL, PuVVNL, KESCO)	MU	114673.95
3	Average Wheeling charge	Rs./kWh	1.04

5. Voltage wise wheeling charges

Voltage-Wise Wheeling Charges For FY 2023-24				
S. No.	Particulars	Units	% of Avg. wheeling charge	FY 2023-24 (ARR Claimed)
1	Connected at 11 kV			
i	Long Term	Rs./kWh	80%	0.829
ii	Medium Term	Rs./kWh	80%	0.829
iii	Short Term	Rs./kWh	80%	0.829
2	Connected above 11 kV			
i	Long Term	Rs./kWh	50%	0.518
ii	Medium Term	Rs./kWh	50%	0.518
iii	Short Term	Rs./kWh	50%	0.518

6. System Loss (% to the relevant voltage level)

Discom	Sales at 220 kV	Loss (at 220 kV)	Sales at 132 kV	Loss (at 132 kV)	Sales at 33 Kv	Loss at 33kV	Sales at 11 kV & LT	Loss (at 11 kV & LT)
DVVNL	422.73	0.00%	95.44	0.09%	1049.03	0.03%	21151.98	18.11%
MVVNL	14.64	0.00%	100.44	0.05%	661.88	3.64%	23556.45	12.39%
PVVNL	186.57	0.12%	765.46	0.03%	3113.63	0.03%	31599.06	14.91%
PuVVNL	0.00	0.00%	118.34	0.00%	1199.90	2.10%	26449.60	14.34%
KESCO	0.89	0.00%	444.37	0.00%	239.62	0.98%	3493.90	8.52%

निदेशक (मणिज्य)
36 नवम्बर 2023

Discom	Sales at 220 kV	Loss (at 220 kV)	Sales at 132 kV	Loss (at 132 kV)	Sales at 33 Kv	Loss at 33kV	Sales at 11 kV & LT	Loss (at 11 kV & LT)
	Average Loss	0.02%	Average Loss	0.03%	Average Loss	1.35%	Average Loss	13.66%
	Wt. Average Loss	0.04%	Wt. Average Loss	0.02%	Wt. Average Loss	0.84%	Wt. Average Loss	14.64%

27

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

7. Cross Subsidy Surcharge

S. No.	Categories	Revenue (in Rs. Cr)	Sales (MU)	Average Billing Rate (Rs./kWh)	Wt. Avk. Pur. Cost (Cr) (Rs./kWh)	Aggregate of Transmission Charges applicable to the relevant voltage level			Aggregate of Train, Dist. & Wh. Charges applicable to the relevant voltage level (Rs./kWh)		System Losses (% to the relevant voltage level)		Carrying Cost of Regulatory Assets (Rs./kWh) (D)	S-T-C/(1- S-T-C/(1-1/100)*D+R) (Rs./kWh)
						Intra- State Trns. Charges	Inter- State Trns. Charges	Wh. Charges	Dist. & Trns. Charges	Distribution Charge	Wh. Charge	Aggregate of Train, Dist. & Wh. Charges		
1	HV-1 (Supply at 11 kV)	3636.13	3874.79	9.38	4.84	0.26	0.25	0.83	1.73	3.70%	3.22%	14.64%	0.00	1.58
2	HV-1 (Supply above 11 kV)	495.99	340.86	14.55	4.84	0.26	0.25	0.52	1.42	3.70%	3.22%	0.84%	0.00	7.90
3	HV-2 (Supply upto 11 kV)	8046.64	9997.89	8.05	4.84	0.26	0.25	0.83	1.73	3.70%	3.22%	14.64%	0.00	0.24
4	HV-2 (Supply above 11 kV upto 66 kV)	2108.75	2754.16	7.66	4.84	0.26	0.25	0.52	1.42	3.70%	3.22%	0.84%	0.00	1.01
5	HV-2 (Supply above 66 kV & above 132 kV)	442.54	600.46	7.37	4.84	0.26	0.25	0.52	1.42	3.70%	3.22%	0.02%	0.00	0.76
6	HV-2 (above 132 kV)	145.37	210.20	6.92	4.84	0.26	0.25	0.52	1.42	3.70%	3.22%	0.02%	0.00	0.31
7	HV-3 (For Metro Traction)	108.87	127.56	8.53	4.84	0.26	0.25	0.67	1.57	3.70%	3.22%	0.02%	0.00	1.71
8	HV-4 (Supply at 11 kV)	360.68	383.41	9.41	4.84	0.26	0.25	0.83	1.73	3.70%	3.22%	14.64%	0.00	1.60
9	HV-4 (Supply above 11 kV upto 66kV)	314.30	338.04	9.30	4.84	0.26	0.25	0.52	1.42	3.70%	3.22%	0.84%	0.00	1.86

*Including reflecting the Renewable Purchase Obligation.

**Including meeting the Renewable Purchase Obligation.

***CSS shall not exceed 20% of the Tariff Applicable to the category of the consumer seeking Open Access.

It is submitted that the Cross Subsidy is proposed at existing tariff.

A

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लिमिटेड
वाराणसी

8. The cross subsidy on proposed tariff is recomputed as under: -

S. No.	Categories	Revenue (Rs. Crore)	Sales (MU)	Average Billing Rate (T)* (Rs./kWh)	Wt. Avg. Pur. Cost (C)** (Rs./kWh)	Cross Subsidy Surcharge For FY 2023-24 (at Proposed Tariff)				System Loss (% to the relevant voltage level)		Carrying Cost of Regulatory Assets (Rs./kWh) (R)	S-T-C/(1-L/100)-D+P (Rs./kWh)	S*** (Rs./kWh)		
						Aggregate of Trans., Dist. & Wh. Charges applicable to the relevant voltage level (Rs./kWh)		Wheeling Charge	Distribution Charge	Intra-State Trns. Charges	Inter-State Trns. Charges				UPPTCL	Dist. Loss
						Transmission Charge	Aggregate of Trans., Dist. & Wh. Charges applicable to the relevant voltage level (D)									
1	HV-1 (Supply at 11 kV)	4147.04	3874.79	10.70	4.84	0.262	0.247	0.390	0.829	1.73	3.70%	3.22%	14.64%	0.00	2.90	2.14
2	HV-1 (Supply above 11 kV)	553.81	340.86	16.25	4.84	0.262	0.247	0.390	0.518	1.42	3.70%	3.22%	0.84%	0.00	9.60	3.25
3	HV-2 (Supply upto 11 kV)	9340.44	9997.89	9.34	4.84	0.262	0.247	0.390	0.829	1.73	3.70%	3.22%	14.64%	0.00	1.54	1.54
4	HV-2 (Supply above 11 kV & upto 66 kV)	2459.76	2754.16	8.93	4.84	0.262	0.247	0.390	0.518	1.42	3.70%	3.22%	0.84%	0.00	2.28	1.79
5	HV-2 (Supply above 66 kV & above 132 kV)	520.05	600.46	8.66	4.84	0.262	0.247	0.390	0.518	1.42	3.70%	3.22%	0.02%	0.00	2.05	1.73
6	HV-2 (above 132 kV)	172.13	210.20	8.19	4.84	0.262	0.247	0.390	0.518	1.42	3.70%	3.22%	0.02%	0.00	1.58	1.58
8	HV-3 (Supply at below & above 132 kV) (Metro Traction)	128.30	127.56	10.06	4.84	0.262	0.247	0.390	0.674	1.57	3.70%	3.22%	0.02%	0.00	3.30	2.01
9	HV-4 (Supply at 11 kV)	418.76	383.41	10.92	4.84	0.262	0.247	0.390	0.829	1.73	3.70%	3.22%	14.64%	0.00	3.12	2.18
10	HV-4 (Supply above 11 kV upto 66kV)	365.99	338.04	10.83	4.84	0.262	0.247	0.390	0.518	1.42	3.70%	3.22%	0.84%	0.00	4.18	2.17

4.11 Capital Expenditure:

4.11.1 Petitioners to provide addition in distribution capacity (MVA) and distribution network (Ckt. K.M.) in following formats.

Capacity Addition (MVA)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
-------------	------------	------------	------------	------------	------------

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Opening					
Addition during the year					
Closing					

Length of Distribution Network (in Ckt.K.M)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Opening					
Addition during the year					
Closing					

Response:

Details are under compilation

4.12 Miscellaneous:

4.12.1 It is observed that the Licensee has not complied with certain directives of the Commission as provided in the previous Tariff Orders on issue such as pre-paid/smart meters installation for new connections, 100% metering of all consumers, 100% feeder and DT metering etc. The Licensee is required to submit the status of compliance of all the directives and reason for non-compliance of the same. The summary of the same is attached as Annexure 1.



निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

Status of the compliances to the Directives issued in Tariff Order for FY 2022-23
dated July 20, 2022

Sr.N o.	Directive(s)	Compliance(s)
1	The Commission directs the Petitioners to submit the voltage wise (440V, 11kV, 33kV, 66kV, 132 kV) - Energy Sales and Losses. Also, it is mandatory energy audit report and the cost audit report (prepared in accordance with Companies (Cost Records and Audit) Rules 2014) shall also be submitted every year along with the ARR Petitions.	The Petitioner has submitted the voltage wise Energy Sales and Losses in the MYT Formats for ARR of FY 2023-24 that is also furnished under Clause No. 2.2.12 in the Petition. Further attached under P1 Format as Appendix-1.1 . Also, the Petitioner has also submitted the Energy Audit report for FY 2021-22 along with the Petition. The Cost Audit report for FY 2021-22 is also attached under Appendix-1.2 .
2	The Commission directs the Petitioners, not to book excess sales under the unmetered categories.	The Petitioner submitted that they are obligated to follow the Hon'ble Commission's Directive and complies the directions mentioned under Section 2.1.2 along with the Petition.
3	The Petitioners must submit the details of each investment scheme / project exceeding Rs. 10 Crore and obtain prior approval of the Commission as per Regulations for inclusion as regulatory expenditure in the ARR. Failure to do so will result in disallowance of such investment in the ARR in order to safeguard the consumers from unjust and unfair charges.	The Petitioner has submitted the Petition for Capex approval of RDSS Scheme along with the break-up of its components. Appendix-2 again re-submitted to the Hon'ble Commission.
4	The Commission directs the Petitioners to submit the detailed Fixed Asset Register (FAR) in excel with all the details of the assets opening, addition, deduction & closing values, as well as depreciation & cumulative depreciations, with the bifurcation of the assets owned by the Petitioners, assets created out of Grants and	The Petitioner submitted the FAR for FY 2021-22 (Excel format attached under Appendix-3)



निदेशक (वाणिज्य)
पूर्वागल विद्युत वितरण निगम लि
अराणसी

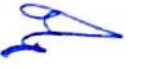
Sr.N o.	Directive(s)	Compliance(s)
5	<p>assets created out of consumer contribution.</p> <p>The details of category / sub-category wise billing determinants and revenue of consumers of Franchisee for DVVNL is to be properly submitted in similar manner as is done for own consumers i.e. rather than showing billing determinants of Torrent Power Ltd as bulk supply, category wise billing determinants are to be submitted from next filing otherwise the Torrent Power Ltd could be subsidize rest of the consumers which should not be the case. DVVNL also to get an audit done every year on the operational parameters, implementation of Tariff approved by the Commission, billing and collection, infrastructure and service delivery adequacy, status of defaults and dues etc of Torrent Power Ltd (franchisee of Agra) and submit the report to the Commission, along with the ARR / Tariff filing each year.</p>	<p>Does not pertain to PuVVNL</p>
6	<p>There is lack of clarity on the interest of security deposited that has been given to the consumers. Petitioners in its submission should clearly demonstrate how much interest on security deposit was required to be given and how much interest has been actually disbursed.</p>	<p>The Petitioner submitted that the Commission is requested to deal with this matter separately under Petition No. 780 of 2012.</p>
7	<p>The Petitioners are directed to ensure 100% feeder metering and DT metering.</p>	<p>The Petitioner submitted that the Feeder and DT metering details are furnished under Appendix-4 and the metering of balance DTs would be done under operationalisation of</p>


 निदेशक (वाणिज्य)
 पूर्वांचल विद्युत वितरण निगम लि०
 वाराणसी

Sr.No.	Directive(s)	Compliance(s)
8	The Petitioners are directed to submit year wise data regarding Surcharge Waiver in various One-Time Settlement (OTS) schemes from the year the same was abolished, to FY 2021-22, in the next filing.	RDSS. It is submitted that OTS scheme is not governed under the provision of UPERC MYT Regulations 2019. Discoms has not separately claimed any OTS related relaxation in its Petition. All the OTS scheme is introduced by UPPCL to boost up its revenue collections. The revenue collected through the scheme and other regular activities is recorded as a revenue from consumers.
9	All procurements made by the Petitioners should be through Competitive Bidding only.	The Petitioner submitted that all the power procurement is through Competitive Bidding and as per the directions provided by the Commission from time to time.
10	The Petitioners are directed to procure all power through tariff-based competitive bidding process or power exchange or DEEP Portal and obtain approval of the Commission. The Petitioners may procure short term power within approved ARR limits through power exchange without prior approval of the Commission.	It is submitted that as per requirement, this is submitted under ARR submissions for FY 2023-24.
11	The Commission directs the Petitioners to submit the MOD stack in accordance with MOD Regulation 2021.	The Petitioner submitted that as per clause 5(2) of UPERC Merit Order Despatch and Optimization of Power Purchase Regulations 2021, UPPCL on behalf of the DISCOM submits the details of variable charges (includes transmission charges and losses) at DISCOM periphery for all the Generating Stations/units to SLDC for preparation of the MOD Stack on fortnightly basis. Already submitted along with the Petition.

29

Sr.N o.	Directive(s)	Compliance(s)
12	The Commission directs the Petitioners to ensure to file its ARR/ Tariff Petition on time strictly in accordance with the applicable MYT Regulations, 2019.	The State DISCOMS submitted that they are obligated to follow the Commission's Directive.
13	The Commission directs that metering of LMV-10 consumers should be completed immediately.	It is submitted that Section 23 (7) of Electricity Reforms Act, 1999 provides that "terms and condition of service of the personnel shall not be less favourable to the terms and condition which were applicable to them before the transfer". The same spirit has been echoed under first proviso of section 133 (2) of the Electricity Act, 2003. The benefits for employees / pensioners as provided in section 12 (b) (ii) of the Uttar Pradesh Reform Transfer Scheme, 2000 include "concessional rate of electricity", which means concession in rate of electricity to the extent it is not inferior to what was existing before 14th January, 2000. Accordingly, efforts are being made to comply with the Hon'ble Commission directions. However, problem is being faced in maintaining industrial relations with employee unions due to discontinuation of Tariff of LMV-10.
14	There are several upcoming opportunities for the Licensees to enhance their non-tariff income particularly from the broadband and 5G telecom companies for installation of their equipment on the electric poles and infrastructure of the licensees. The licensees are directed to develop a business plan in this regard and submit the same for the approval of the	The Petitioner submitted that various initiatives are being taken-up at its associated Stations/Sub-Stations at Discom Level. Further, UPERC (Facilitation of Telecommunication Network) Regulations, 2022 is under progress on it and submission is already given in this regard to the Hon'ble Commission from UPPCL vide letter no. 528 dated 18.10.2022.



निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी

Sr.N o.	Directive(s)	Compliance(s)
15	<p>Commission. The Commission may allow some part of this income as incentive to the licensee through revenue sharing based on implementation of the same.</p> <p>The Petitioners shall upload on its website the Petition filed before the Commission along with all regulatory filings, information, particulars and related documents, which shall be signed digitally and in searchable pdf formats along with all Excel files and as per any other provision of the Regulations and Orders of the Commission. The Petitioner shall also ensure that these files are broken into such size which can be easily downloaded and will not keep them in compressed form as the stakeholders find it difficult to extract the files.</p>	<p>Tariff Petitions are filed online as per the directions of the Commission and the Petitioner complies the same.</p>
16	<p>The Commission has noted that the Petitioners have successfully completed a pilot implementation of peer to peer (P2P) trading of electricity in rooftop solar energy using Blockchain technology and has undertaken a pilot study on Time of Use Metering structure. The Commission directs the Licensees to take the pilot forward to its next phase for integrating it with the existing billing system (ERP)/ financial settlement etc. so that P2P rooftop solar energy may become operational for the prosumers and consumers of the State.</p>	<p>The Petitioner submitted that UPPCL has appointed M/s ISGF for the same. The Pilot Project report on Block Chain Technology is submitted along with the Petition.</p>
17	<p>The Commission encourages the Petitioners to implement a few projects of battery storage. The</p>	<p>The Petitioner submitted that they have filed the Petition for seeking approval of long term battery energy storage</p>


 निदेशक (वाणिज्य)
 भारतीय विद्युत वितरण निगम लि०
 भारतीय

Sr.N o.	Directive(s)	Compliance(s)
	Licensees are directed to seek innovative solutions based on energy storage systems, other innovative technologies to reduce the system losses, provide better services to the consumers etc.	purchase agreement and bidding document for invitation of e-tender for installation of energy storage system in State of Uttar Pradesh under Petition no. 1868/2022. It is humbly submitted that directions from the Hon'ble Commission for implementation of Battery Storage would be complied along with Energy Storage Obligations (ESO) as per guidelines.
18	Provide the details of all the pending cases filed by Petitioners against the Commission in various forums along with the status of the same.	The Petitioner submitted the details along with the Petition.
19	The Petitioners are directed to submit DSM account details separately from the power purchase along with ARR/ Tariff filings.	The Petitioner humbly submits that State DISCOMS would comply the Suo-Moto proceedings no. 59SM/60SM/61SM of 2022. Accordingly, UPSLDC is providing the DSM account details to the Hon'ble Commission on monthly basis from 01.10.2022 as per the Commission's order dated 29.09.2022.
20	Provide the details of land capitalized during the year, along with the purpose of usage and status of usage of land, along with the lease deed for each land capitalized. Also, provide the list of un-utilized land capitalized.	Not applicable (No land has been capitalized during the year)
21	Provide the list of Open Access consumers (Long Term, Short Term, Medium Term) along with their consumption and consumer category, along with Petition.	The required details are provided under MYT Format F7A along with the Petition. Also, relevant data is submitted in Appendix-5 .
22	Wherever the opening values in the new audited	As per the audited Balance Sheet of FY 2021-22, if the

78

Sr.N o.	Directive(s)	Compliance(s)
	account the closing shown in the previous audited account, the reasons for the same to be provided as part of balance sheet.	opening value is not matching with the last year closing value, there are some prior period items which required a retrospective adjustment as per which the prior period items identified during the current year are re- stated in the previous relevant year.
23	Provide the detailed breakup of CWIP claimed for the year along with the Petition.	Reply submitted along with the ARR Petition and duly accepted by the Hon'ble Commission.
24	Provide the portion of electricity duty in the Bad Debts along with the Petition and reconcile the same with the balance sheet for the year.	The Petitioner submitted that they have claimed the provisions for bad debts as per the audited balance sheet. It is further submitted that the provisioning is being done on the basis of bad debts policy and the bifurcation of electricity duty is not possible from the same.
25	Submit the month-wise actual category / sub-category wise Billing Determinants (No. of Consumers, Connected Load & Sales) & actual Revenue for the year along with the Petition.	Complied and submitted along with ARR Petition and duly accepted by the Hon'ble Commission.
26	Submit the reconciliation of the actual O&M expenses (i.e. employee expenses, A&G expenses, R&M expenses) vis-à-vis the normative expenses for the year.	Reconciliation of the actual O&M expenses (i.e. employee expenses, A&G expenses, R&M expenses) vis-à-vis the normative expenses is submitted in the ARR Petition.
27	The Petitioners are directed to ensure that actual Power Purchased Cost with detailed break-up of each source, inter-state transmission charges, intra-state transmission charges are made part of the Audited Balance Sheet.	Audited Balance Sheet is prepared as per the provisions of Company's Act. Further, Petitioner submits that UPPCL is the sole power supplier for all State DISCOMS. The Petitioner receives the energy bill from UPPCL only.



निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०


Sr.No.	Directive(s)	Compliance(s)
28	Ensure that the actual category / sub-category wise Billing Determinants (No. of Consumers, Connected Load & Sales) & category wise actual Revenue are made part of the Audited Balance Sheet.	Audited Balance Sheet is prepared as per the provisions of Company's Act. Further, category-wise Revenue is already a part of the Balance Sheet. Making sub-category wise balance sheet is under discussion with Finance dept.
29	The Petitioners are directed to ensure that actual Power Purchased (MUs) & ex-bus & energy delivered at Discomperiphery (MUs), inter & intra power purchase (MUs) along with inter & intra state losses are made part of the Audited Balance Sheet.	Audited Balance Sheet is prepared as per the requirements of Company's Act.
30	Submit the PPA's, Commission's approval and bills of each source from which power is procured, along with the True-up / ARR Petition.	The required details are provided along with the Petition. Details are attached under Appendix-6 .
31	The Petitioners are directed to provide Discom wise details of all the expenses allocated by UPPCL, along with the True-up / ARR petition.	The details are captured in the ARR Formats/ Balance Sheet and the same is provided along with the Petition and duly accepted by the Hon'ble Commission.
32	Submit the details of actual Number of consumers, Connected Load, Sales and Revenue for LMV-10 category consumer, along with the True-up Petition.	Complied and submitted along with ARR Petition and duly accepted by the Hon'ble Commission.
33	Provide the daily load curves and monthly load curves for last year along with the corresponding N2 region demand curves of exchange.	Load curves are attached as Appendix-7. (Soft copy in CD)
34	The Commission observed that the Petitioners have not filled a few formats like P10, and in the few formats the data is incomplete. Also, it has been observed that the	The Petitioner submitted that the required details of Fatal / Non-Fatal accidents at HV/LV sides of Feeder/Substations of DISCOM is compiled from the Petitioner under P10

Handwritten signature

Sr.N o.	Directive(s)	Compliance(s)
	Excel files are not linked and formula driven which delay the proceedings. Therefore, the Petitioner is directed to ensure that all the Tariff and additional Formats are completely filled and are with formulas and links.	Format.
35	The Petitioners are directed to define a roadmap for cross-subsidy reduction and take steps to reduce such subsidy to +/- 20% of the Average Cost of Supply (ACos) in compliance with the provisions of the Tariff Policy, 2016.	Complied as per the provisions of the Tariff Policy, 2016. Roadmap for cross-subsidy reduction to be done as per directions/guidelines of the Commission.
36	The Petitioners are directed to provide consolidated data for all Discoms along with each Discoms in ARR / Tariff Petition.	The Petitioner submitted that they are obligated to follow the Commission's Directive.
37	The Petitioners are directed to show SOP and CGRF expenses separately in the Audited Balance Sheet.	The Petitioner submitted that they are obligated to follow the Commission's Directive.
38	The Petitioners are directed to provide the details of approval of power purchase sources in the annexed format (Annexure II).	The Petitioner submitted that the desired information is captured under MYT Format F13B for all three years i.e. True-up, APR and ARR. It is further submitted that details like Generator-wise Inter & Intra Losses and Charges is not been captured under the current practice. Therefore, same cannot be provided. It is requested that the Hon'ble Commission may kindly allow relaxation in this regard.
39	Apart from the above directions the Petitioners to comply to the directions provided at various places in this Tariff Order.	The Petitioner submitted that they are obligated to follow the Commission's Directive.

Sr.N o.	Directive(s)	Compliance(s)
40	The proceedings under Petition No. 780 of 2012 are going on in the matter of Security Deposit and the final Orders of the Commission will have a bearing on the Security Deposit treatments for the years that have been Trued Up and due to the above proceedings all approvals will be treated as provisional. The Petitioners are directed to make a detailed filing due to the impact of the final order in the above proceedings in the ARR / Tariff filings to be made after issuance of the final order.	The Petitioner complies the proceedings under Petition No. 780 of 2012.
41	As per the approved roll out plan for the Smart Meter opex of the Petitioners is approximately Rs. 101.42/Meter/Month. The monthly bill of the lifeline consumers will be around Rs. 350 as per the Rate Schedule, excluding other charges i.e., Electricity Duty etc. Therefore, cost benefit of providing Smart Meters to such consumers on opex model as for each bill the Licensee needs careful consideration. Accordingly, the Petitioners are directed to take decisions in prudent manner while taking forward the initiatives as per the Smart Meter Roll Out Plan approved by the Commission. The Petitioners are also directed to make detailed submission on the benefits that have been realised viz-a viz the benefits that were submitted for approval of the Smart Meter Roll Out Plan in the next ARR/ Tariff filing.	The Petitioner humbly submitted the details under Appendix-8.
42	The Petitioners are directed to enhance the quality of	The Petitioner submitted that various departmental

Sr.N o.	Directive(s)	Compliance(s)
	<p>distribution network by employing state-of-the-art technology and contemporary technological solutions which is essential to address the upcoming and new challenges in the sector. Further, the Licensees are directed to focus on institutional capacity building, especially for operations related smart metering, prepaid charging infrastructure, demand response, time of use (TOU), cyber security and privacy of data, usage of AI tools etc. As part of this, inhouse Training Centers/ Programs need to be developed to widen the knowledge-base and upgradation competencies of their employees in line with the trend in technology implementation in the sector which will assist them in bridging the capacity gaps and reduce the reliance on outsourcing of such essential and sensitive services. The Petitioners are required to conduct trainings on SOP and CGRF of the concern and responsible.</p>	<p>trainings to the new joiners as well as existing employees are being conducted time to time on various technical, commercial and IT related matters. Further, the Petitioner has prepared software for compliance of UPERC SOP Regulations, 2019 and making required arrangements. The initial training in this regard has been conducted by the implementing agency.</p>
43	<p>The Petitioners are directed to make submission at the time of True Up for the provisions for R&M expenses that were approved provisionally by the Commission for FY 2021-22 towards implementation of the SOP Regulations failing which disallowance may be done and action may be taken accordingly.</p>	<p>The Petitioner submitted that the provisions for Additional R&M expenses that were approved by the Commission for FY 2021-22 are already included under R&M expenses and part of it and the mechanism of SOP Regulations are complied. Further, the Petitioner has prepared software for compliance of UPERC SOP Regulations, 2019 and making required arrangements. These expenditures fall in various heads under O&M Expenses. The Commission is requested to allow the R&M expenses as mentioned under True-up Section</p>


 निदेशक (वाणिज्य)
 पूर्वांचल विद्युत वितरण निगम लि०
 वाराणसी

Sr.N o.	Directive(s)	Compliance(s)
44	The Commission directs that the direction of earlier Tariff Orders which have not been complied shall be complied immediately.	The Petitioner submitted that they are obligated to follow the Commission's Directive.

(Handwritten signature)

निदेशक (वाणिज्य)
पूर्वांचल विद्युत वितरण निगम लि०
वाराणसी