



**U.P. Electricity Regulatory Commission**  
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Lucknow - 226010

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Ref: UPERC/D(Tariff)/2021-22/1047

Dated: November 09, 2021

**Public Notice**

**Proposed Amendment to Regulations 6 and 22 and Addendum of Regulation 58 to Uttar Pradesh Electricity Regulatory Commission (Multi Year Tariff for Distribution and Transmission) Regulations, 2019**

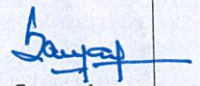
The Commission is proposing to amend Regulations 6 and 22 and put an addendum of Regulation 58 to Uttar Pradesh Electricity Regulatory Commission (Multi Year Tariff for Distribution and Transmission) Regulations, 2019 in regard to disincentivise delayed filing of MYT/True-up Petition & Power to Relax. In this regard, an Explanatory Note and Draft of the proposed amendments/addendum to the Uttar Pradesh Electricity Regulatory Commission (Multi Year Tariff for Distribution and Transmission) Regulations, 2019 are available for download at the Commission's website, i.e. [www.uperc.org](http://www.uperc.org).

Notice is hereby given inviting comments / suggestions / objections on the proposed amendment/ addendum from the stakeholders and public at large who may send the same to the undersigned by November 22, 2021. **The Public Hearing in the matter will be conducted on November 24, 2021 at 11:00 hours through VC.**

In the wake of prevailing pandemic of COVID-19 (the Corona Virus), and subsequent requirement of social distancing, the "Public Hearing" will be conducted through Video Conferencing (VC) as per below details:

All stakeholders who wish to participate in the Public Hearing shall send an e-mail on [office@uperc.org](mailto:office@uperc.org) latest by November 22, 2021 providing their name, organization, designation, mobile number, address to register themselves and shall follow the "Instructions For Public Hearings in UPERC through Video Conferencing" available on UPERC website ([www.uperc.org](http://www.uperc.org)). The participants will be heard by the Commission in a sequence and the same will be available on UPERC website.

Desirous stakeholders and registered participants shall positively submit their written submissions in the hard copies (one original + 5 sets of copies) along with verified affidavit (as prescribed), if possible, to the Secretary, UPERC by November 22, 2021. The submission should also be sent in PDF and Word/Excel format on the email id: [office@uperc.org](mailto:office@uperc.org).

  
Secretary

**Explanatory Note on the Second Amendment/ Addendum to Uttar Pradesh Electricity Regulatory Commission (Multi Year Tariff for Distribution And Transmission) Regulations, 2019**

**1. Amendment:** In ROE & True UP related Regulation.

**Background:**

The State of Uttar Pradesh has 6 Distribution & 1 Transmission Licensees & viz.,

- Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL)
- Madhyanchal Vidyut Vitran Nigam Limited (MVVNL)
- Pashchimanchal Vidyut Vitran Nigam Limited (PVVNL)
- Purvanchal Vidyut Vitran Nigam Limited (PuVVNL)
- Kanpur Electric Supply Company (KESCo) and
- Noida Power Company Limited (NPCL)

And one Transmission Licensee viz., Uttar Pradesh Power Transmission Corporation Limited (UPPTCL). Of the 7 Licensees, except NPCL, all the remaining Licensees are owned by the State Government of Uttar Pradesh. The Summary of details of the no. of consumers, contracted load and consumption for the 6 Distribution Licensees for FY 2021-22 is as below:

**Table 1: Licensee-wise summary of no. of consumers, contracted demand and consumption for FY 2021-22**

Sl No.	Licensee	No. of Consumers	Contracted Demand (kW)	Consumption (MU)
1.	DVVNL (Including DF of Agra)	5934661	12095202	19879
2.	MVVNL	8298250	14267113	18894
3.	PVVNL	7151868	21345233	29695
4.	PuVVNL	8980809	15930879	23539
5.	KESCo	670356	2185639	3413
6.	UP State Discoms Consolidated	31035946	65824066	95420
7.	NPCL	157547	1381800	2474
8.	<b>Total State</b>	<b>31193491</b>	<b>67205866</b>	<b>97894</b>

From the above table, it is clear that more than 97% of the sales within the State of UP is handled by the State-owned Distribution Licensees viz., DVVNL, MVVNL, PVVNL, PuVVNL and KESCo.

Further, it is observed that State Licensees have never submitted the Petition for Determination of Tariff as per the timelines stipulated in the respective MYT Regulations, which leads to non-compliance of the directions by Hon'ble APTEL's Judgment in OP No. 1 of 2011 and such delays also leads to additional tariff burden on the Consumers. The details of the date of filing of Petition as per the MYT Regulations and actual filing made by the Distribution Licensees are summarised below:

*[Handwritten Signature]*

**Table 2: Comparison of Date of Filing as per MYT Regulations and Actual Date of Filing**

Sl No.	Discom	ARR for FY	Date of Filing as per MYT Regulations	Actual Date of Filing
1.	DVVNL, MVVNL, PVVNL, PuVVNL and KESCo	2017-18	01.11.2016	21.06.2017
2.	NPCL	2017-18	01.11.2016	27.10.2016
3.	UPPTCL	2017-18	01.11.2016	13.02.2017
4.	DVVNL, MVVNL, PVVNL, PuVVNL and KESCo	2018-19	01.11.2017	Suo Moto
5.	NPCL	2018-19	01.11.2017	20.07.2018
6.	UPPTCL	2018-19	01.11.2017	Suo Moto
7.	DVVNL, MVVNL, PVVNL, PuVVNL and KESCo	2019-20	01.11.2018	11.03.2019
8.	NPCL	2019-20	01.11.2018	29.10.2018
9.	UPPTCL	2019-20	01.11.2018	25.04.2019
10.	DVVNL, MVVNL, PVVNL, PuVVNL and KESCo	2020-21	30.11.2019	30.06.2020
11.	NPCL	2020-21	30.11.2019	27.12.2019
12.	UPPTCL	2020-21	30.11.2019	12.03.2020
13.	DVVNL, MVVNL, PVVNL, PuVVNL and KESCo	2021-22	30.11.2020	22.02.2021
14.	NPCL	2021-22	30.11.2020	01.02.2021
15.	UPPTCL	2021-22	30.11.2020	03.12.2020

**Provision of Fees and Fines Regulations:**

The Commission vide First Amendment to UPERC (Fees and Fines) Regulations, 2010, dated 11.12.2018 had introduced a fine of Rs. 5000/day for the first 30 days and Rs. 1 Lakh + Rs. 10000/day till submission of the Petition. The provision as added in 'Schedule of Pre-specified Fines/Penalties' is as below:

**Quote**

<b>PART- C Information Related to Tariff</b>		
1	<i>Delay in submission of MYT Petition/ APR Petition/ True Up petition beyond the specified date.</i>	<i>A fine shall be levied at the rate of Rs. 5000/day in the first 30 days beyond the specified date. After 30 days, a fine of Rs. 1 lakh shall be imposed in addition to a fine at the rate of Rs. 10,000/day till the submission of petition.</i>

**Unquote**

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From the above, it is observed that this penalty is levied on the conduct of the Licensee for delay in filing of the MYT Petition and has no bearing on the ARR/ Consumer Tariffs. Hence, it is proposed that penalties may be introduced in the ARR of the Licensees to promote timely filing of MYT Petition and to allow passing on of such benefits to the Consumers.

**Proposal for Amendment of MYT Regulations:**

**A. The existing Regulation 22 "Return on Equity" shall be replaced by following:-**

It is proposed that the following clause may be included to reduce the rate of RoE by 0.5% per month delay in filing of the MYT Petition by the Licensees. The amendment proposed in UPERC (Multi Year Tariff for Distribution and Transmission) Regulations, 2019 is as below:

Existing Regulation	Amended Regulation
<p>22.1 Return on equity shall be computed in Rs. terms on equity base at the rate of 14.5% post-tax per annum for the Transmission Licensee and at the rate of 15% post-tax per annum for Distribution Licensee respectively as determined in accordance with Regulation 20:</p> <p>Provided that assets funded by Consumer Contribution / Deposit works, Capital Subsidies / Grants and corresponding Depreciation shall not form part of the Capital Cost. Actual Equity infused by the Licensee as per book value shall be considered and shall be used for computation in these Regulations.</p>	<p>22.1 Return on equity shall be computed in Rs. terms on equity base at the rate of 14.5% post-tax per annum for the Transmission Licensee and at the rate of 15% post-tax per annum for Distribution Licensee respectively as determined in accordance with Regulation 20:</p> <p>Provided that assets funded by Consumer Contribution / Deposit works, Capital Subsidies/ Grants and corresponding Depreciation shall not form part of the Capital Cost. Actual Equity infused by the Licensee as per book value shall be considered and shall be used for computation in these Regulations;</p> <p>Provided that if the Licensee files the MYT Petition beyond the due date as specified in these Regulations, then the rate of return on equity shall be reduced by 0.5% per month or part thereof without prejudice to any other fine or penalty to which it may be liable under Electricity Act, 2003 and other Regulations of the Commission including but not limited to UPERC (Fees &amp; Fines) Regulations, 2010 as amended from time to time.</p>

### Analysis of ARR:

Summary of the Licensee-wise ARR approved by the Commission and the respective Return on Equity approved against the same for FY 2021-22 is provided in the table below:

**Table 3: Comparison of Return on Equity against the ARR approved by the Commission for FY 2021-22**

Sl No.	Discom/Transco	RoE (Rs. Crore)	ARR (Rs. Crore)	% of ARR
1.	DVVNL (@ 15%)	539.65	14,435.24	3.74%
2.	MVVNL (@ 15%)	494.38	14,678.49	3.37%
3.	PVVNL (@ 15%)	578.83	22,004.36	2.63%
4.	PuVVNL (@ 15%)	552.20	18,093.76	3.05%
5.	KESCo (@ 15%)	55.35	2,752.05	2.01%
6.	<b>UP State Discoms Consolidated</b>	<b>2,220.41</b>	<b>71,963.90</b>	<b>3.09%</b>
7.	NPCL (@ 15%)	56.57	1,508.46	3.75%
8.	<b>Total Discoms (@ 15%)</b>	<b>2,276.98</b>	<b>73,472.36</b>	<b>3.10%</b>
9.	UPPTCL (@2%)*	173.44	2,720.50	6.38%

\* UPPTCL is claiming RoE at 2% against 14.5% as per the MYT Regulations.

**B. The existing Regulation 6.1 shall be replaced by following:-**

It is proposed that the following clause may be included if the true up petition is not submitted within 6 months from the finalisation of audited accounts of the corresponding year. The amendment proposed in UPERC (Multi Year Tariff for Distribution and Transmission) Regulations, 2019 is as below:

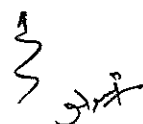
**Regulation 6. True-UP**

Existing Regulation	Amended Regulation
<p>6.1 The Licensee shall file Petition for True-Up as provided in Regulation 4.1 of these Regulations:</p> <p>Provided that the Petition shall include information in such form as may be stipulated by the Commission, together with the Accounting Statements, extracts of books of account and such other details, etc., as per the Guidelines and Formats as may be prescribed by the Commission.</p>	<p>6.1 The Licensee shall file Petition for True-Up as provided in Regulation 4.1 of these Regulations:</p> <p>Provided that the Petition shall include information in such form as may be stipulated by the Commission, together with the Accounting Statements, extracts of books of account and such other details, etc., as per the Guidelines and Formats as may be prescribed by the Commission.</p> <p>Provided that if the true-up petition is not submitted within 6 months from the finalization of audited account of the corresponding year notwithstanding the time line given in the Regulation 4.1 of filing such true-up petition; no interest shall be provided for the delay beyond the period of 6 months from the finalization of audited accounts of the Licensee.</p>

**Addendum:**

**2. Proposal for Addendum to MYT Regulations:** As this Regulation is not available in the existing Regulations, it is proposed to add the same.

**Regulation 58. Power to Relax**  
The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected by grant of relaxation, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.



**DRAFT**

**SECOND AMENDMENT/ ADDENDUM TO UTTAR PRADESH ELECTRICITY REGULATORY  
COMMISSION (MULTY YEAR TARIFF FOR DISTRIBUTION AND TRANSMISSION) REGULATION, 2019**

No. UPERC/Secy./Regulation/2021-

Lucknow: dated, October \_\_, 2021

**NOTIFICATION**

In exercise of powers conferred under section 181 of the Electricity Act, 2003 (No. 36 of 2003) and all other powers enabling in this behalf, and after previous publication, the Uttar Pradesh Electricity Regulatory Commission, hereby makes the following Regulations to amend the Uttar Pradesh Electricity Regulatory Commission (Multi Year Tariff for Distribution and Transmission) Regulations, 2019, vide Notification No. UPERC/Secy./ (MYT for Distribution and Transmission) Regulations, 2019/408 dated September 23, 2019, namely: -

**Short Title and Commencement**

1.1 These Regulations may be called the Uttar Pradesh Electricity Regulatory Commission (Multi Year Tariff for Distribution and Transmission) (Second Amendment) Regulations, 2021.

1.2 These Regulations shall come into force from the date of their publication in the Official Gazette of the Uttar Pradesh Government.

**AMENDMENT**

A. The existing Regulation 22 "Return on Equity" shall be replaced by following:-

**Regulation 22. Return on Equity**

Existing Regulation	Amended Regulation
<p>22.1 Return on equity shall be computed in Rs. terms on equity base at the rate of 14.5% post-tax per annum for the Transmission Licensee and at the rate of 15% post-tax per annum for Distribution Licensee respectively as determined in accordance with Regulation 20:</p> <p>Provided that assets funded by Consumer Contribution / Deposit works, Capital Subsidies / Grants and corresponding Depreciation shall not form part of the Capital Cost. Actual Equity infused by the Licensee as per book value shall be considered and shall be used for computation in these Regulations.</p>	<p>22.1 Return on equity shall be computed in Rs. terms on equity base at the rate of 14.5% post-tax per annum for the Transmission Licensee and at the rate of 15% post-tax per annum for Distribution Licensee respectively as determined in accordance with Regulation 20:</p> <p>Provided that assets funded by Consumer Contribution / Deposit works, Capital Subsidies/ Grants and corresponding Depreciation shall not form part of the Capital Cost. Actual Equity infused by the Licensee as per book value shall be considered and shall be used for computation in these Regulations;</p> <p>Provided that if the Licensee files the MYT Petition beyond the due date as specified in these Regulations, then the rate of return on equity shall be reduced by 0.5% per month or part thereof without prejudice to any other</p>

	fine or penalty to which it may be liable under Electricity Act, 2003 and other Regulations of the Commission including but not limited to UPERC (Fees & Fines) Regulations, 2010 as amended from time to time.
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B. The existing Regulation 6.1 shall be replaced by following: -

**Regulation 6. True-UP**

Existing Regulation	Amended Regulation
<p>6.1 The Licensee shall file Petition for True-Up as provided in Regulation 4.1 of these Regulations:</p> <p>Provided that the Petition shall include information in such form as may be stipulated by the Commission, together with the Accounting Statements, extracts of books of account and such other details, etc., as per the Guidelines and Formats as may be prescribed by the Commission.</p>	<p>6.1 The Licensee shall file Petition for True-Up as provided in Regulation 4.1 of these Regulations:</p> <p>Provided that the Petition shall include information in such form as may be stipulated by the Commission, together with the Accounting Statements, extracts of books of account and such other details, etc., as per the Guidelines and Formats as may be prescribed by the Commission;</p> <p>Provided that if the true-up petition is not submitted within 6 months from the finalization of audited account of the corresponding year notwithstanding the time line given in the Regulation 4.1 of filing such true-up petition; no interest shall be provided for the delay beyond the period of 6 months from the finalization of audited accounts of the Licensee.</p>

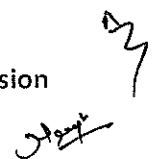
**ADDENDUM TO UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION (MULTY YEAR TARIFF FOR DISTRIBUTION AND TRANSMISSION) REGULATION, 2019**

**Regulation 58. Power to Relax**

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected by grant of relaxation, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.

By the order of the Commission

Dr. Sanjay Kumar Singh  
Secretary  
U. P. Electricity Regulatory Commission





**INSTRUCTIONS FOR PUBLIC HEARINGS IN UPERC  
THROUGH VIDEO CONFERENCING**

1. In view of the prevailing pandemic of Covid-19 (Corona Virus) and subsequent requirement of social distancing, UPERC has decided to conduct Public Hearings through Video Conferencing (VC). The Commission has prepared the following set of instructions for participating in the Public Hearing, which is required to be followed by the Stakeholders for the smooth conduct of the Hearing.

All the Stakeholders who are participating in the Public Hearing through VC shall submit their written suggestions and objections in hard copies (one original + 5 sets of copies) along with verified affidavit (as prescribed) to the Secretary, UPERC within three (3) days of the Public Hearing. The submission should also be sent in PDF and Word/Excel format on the email id: [office@uperc.org](mailto:office@uperc.org). It should be ensured that the Licensee name for whom the submission pertains to, is written in the subject line, otherwise it may not be taken into consideration.

2. **The Stakeholder may participate in the hearing in following ways:**

**Mode (a)** The Stakeholders may address the Commission over a video-link from designated rooms in the UPERC office or from designated office(s) of the Licensee (The Licensee to put up the details of the designated office(s) on their website).

**OR**

**Mode (b)** The Stakeholders may participate through VC from their own place (office/residence etc.) over a video link sent on their email ids for attending hearing through VC Platform (Google Meet).

3. **Detailed procedure for Participating in Public Hearing for the Stakeholders:**

a) **Step 1:** All stakeholders who wish to participate in the Public Hearing shall send an e-mail on [office@uperc.org](mailto:office@uperc.org) by providing their name, organization, designation, consumer account no., mobile number, address to register themselves before the last date as provided in the Public Notice.

b) **Step 2:** An e-mail regarding link of VC (Google Meet) etc. of the Public Hearing will be sent on the registered e-mail id. The participants will be heard by the Commission in a sequence.

In case the e-mail is not received, the Registered participants are requested to check spam folders and if it is not found in the spam also, the stakeholders may contact at email id: - [office@uperc.org](mailto:office@uperc.org) or the IT Help Desk @8881444426

- c) **Step 3:** The Registered participants shall open/click the link for VC received on their registered e-mail id and the same will redirect them to the VC platform (Google Meet) for attending the Public Hearing. The Registered participants may follow the operating procedure as provided in Annexure-1 for further details regarding VC.

**4. DO's and Don'ts for participating in Public Hearing:**

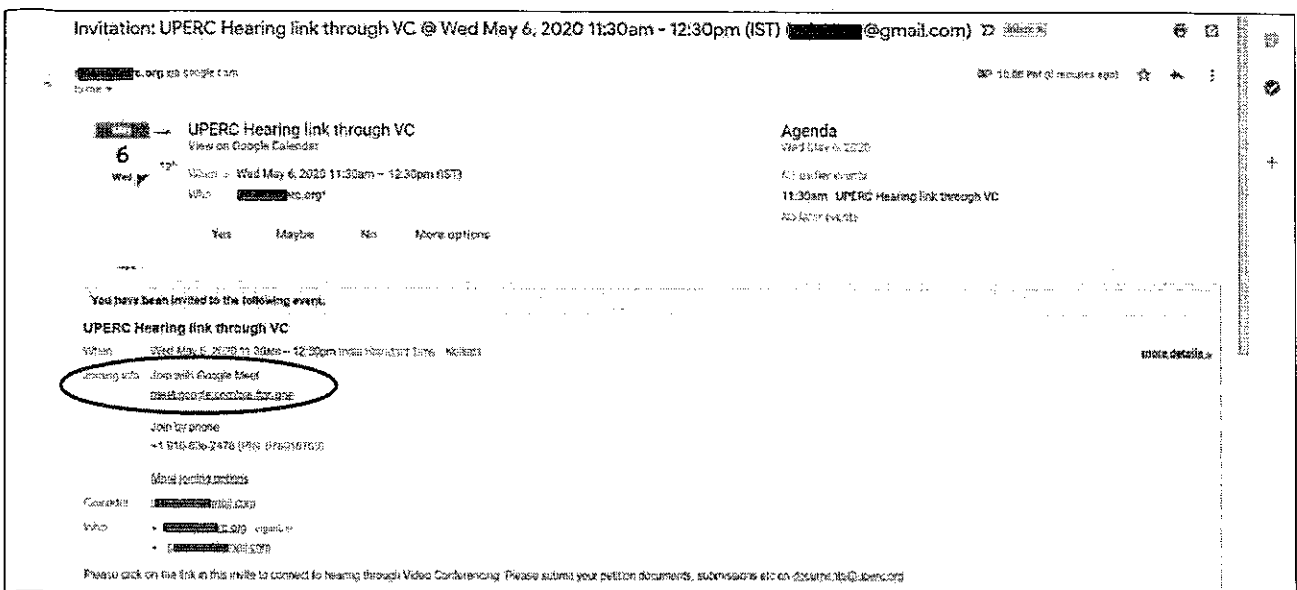
- a) Registered participants who wish to participate in the Public Hearing as per Mode (a), are required to report 30 minutes in advance from the scheduled time of hearing.
  - b) The links sent for VC should not be further shared. If more than one person from a group/organization/forum want to participate in the VC, they are required to register individually.
  - c) Participants should keep their respective microphones on mute at all-times and un-mute the same only when their names are called out to present.
  - d) Participants should be seated in proper ambient surroundings ensuring that there is no background noise or disturbance.
  - e) Participants are requested to familiarize themselves with Google Meet VC platform.
  - f) Stakeholders who do not wish to participate in VC but want to submit their written submissions may positively submit the same in the hard copies (one original + 5 sets of copies) along with verified affidavit (as prescribed) to the Secretary, UPERC within three (3) days of the Public Hearing. The submission should also be sent in PDF and Word/Excel format on the email id [office@uperc.org](mailto:office@uperc.org). It should be ensured that the Licensee name for whom the submission pertains to, is written in the subject line, otherwise it may not be taken into consideration.
5. All Stakeholders shall mandatorily follow the procedure / instructions listed out above subject to which the Commission may take necessary action as deemed fit.
  6. The Stakeholders should regularly check the Commission's website ([www.uperc.org](http://www.uperc.org)) & concerned Licensee's website for updates / information.

Secretary

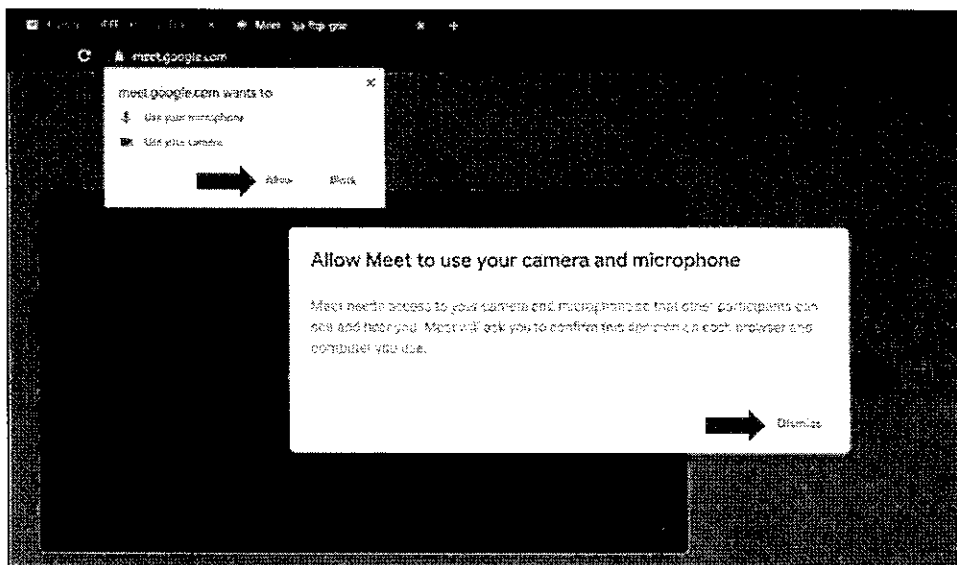
**Standard Operating Procedure for participating in hearing through video conferencing**

**A. How to join hearing**

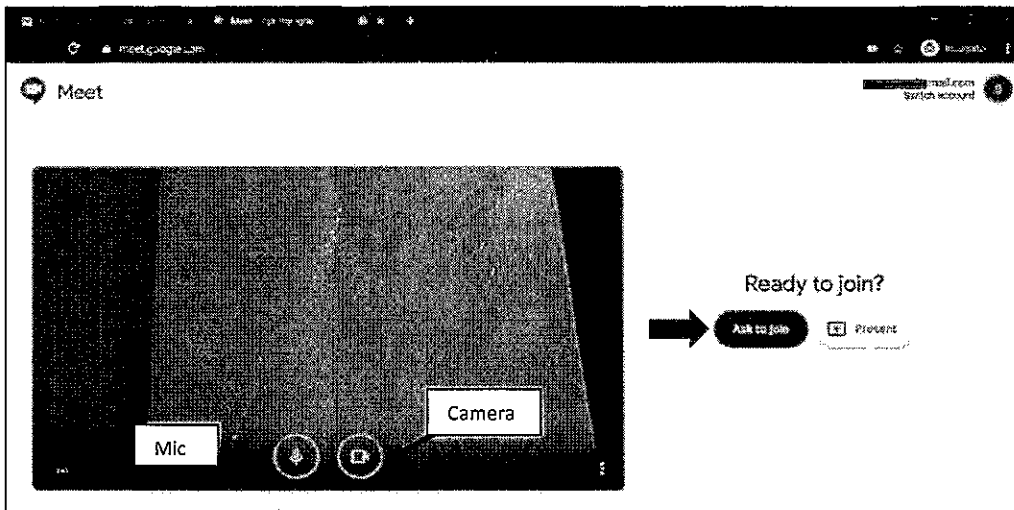
1. **Google Meet** shall be used for Video Conferencing.
2. Participants shall be sent a link mentioning time slot for their hearing on their registered email id. Clicking this link will connect them to video conferencing platform.
3. A typical email invite will look like this:



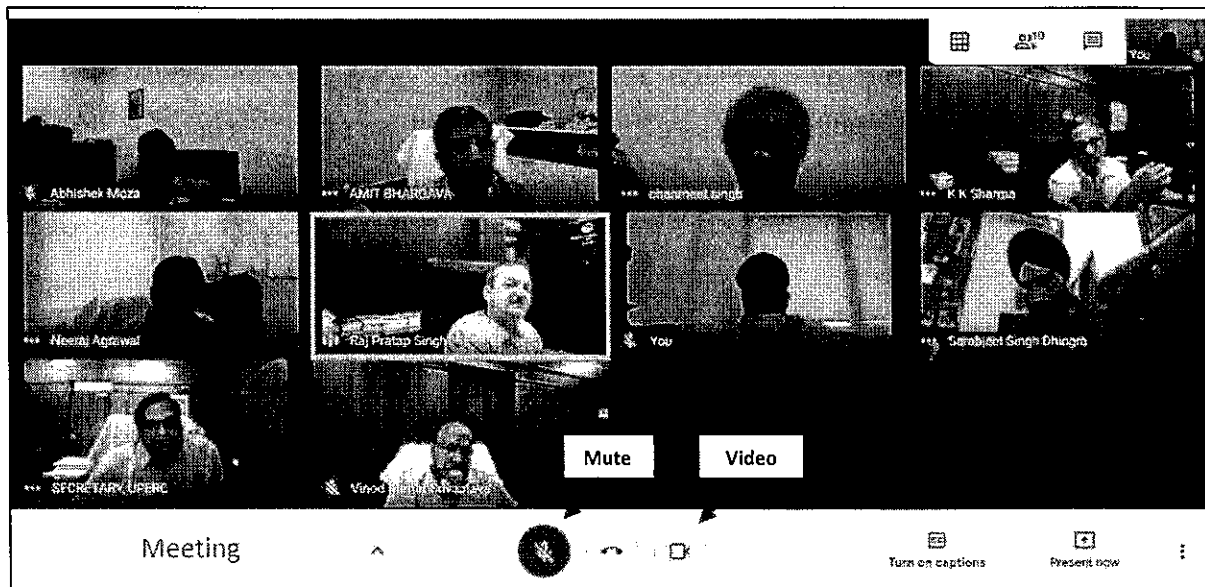
4. To join the hearing, click on the link as circled in the illustration above.
5. Upon clicking the link, internet browser of your system will open. The opened webpage will look like this:



6. Click on 'Allow' and 'Dismiss' as marked above. (Click on 'Allow' to allow access for both microphone and camera to be used by Google meet)
7. Click on Join/Ask to join the hearing:



8. Once you join, the Video Conferencing web page will look as illustrated below:



9. The participants may mute/un-mute their audio by clicking on the 'Mic' icon as shown above. Likewise, video feed may be stopped/started by clicking on the 'Camera' icon as shown above. To maintain decorum, it is advised to keep the mic on mute and switch it on only when they are asked to speak.

**Hardware/Software required:** PC/ Laptop with webcam (external/in-built), and audio microphone capability, speakers, Internet Browser (preferably Google Chrome)