

**Uttar Pradesh Electricity Regulatory Commission
Lucknow**

Petition No. 1980 of 2023

Petition No. 2045 of 2023

&

Petition No. 2046 of 2023



Order under Section 62 and 64 of the Electricity Act, 2003

on

True Up for FY 2022-23,

Annual Performance Review for FY 2023-24,

&

Aggregate Revenue Requirement and SLDC Charges for FY 2024-25

for

Uttar Pradesh State Load Despatch Centre

October 10, 2024



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BEFORE

UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

Petition No.: 1980 of 2023

Petition No. 2045 of 2023

&

Petition No. 2046 of 2023

In the matter of:

Determination of Annual Revenue Requirement (ARR) for the FY 2024-25, Annual Performance Review (APR) for FY 2023-24 and True-up for the FY 2022-23 (Petition No. 1980 of 2023 & Petition No. 2046 of 2023) and approval of Business Plan for FY 2023-24 & FY 2024-25 (Petition No. 2045 of 2023) of Uttar Pradesh State Load Despatch Centre (UPSLDC).

And

In the matter of:

Uttar Pradesh State Load Despatch Centre, Lucknow (UPSLDC)

Order

The Commission, having deliberated upon the above Petition and the subsequent filings by the Petitioner, admitted the Petition on June 10, 2024. Further, having considered the views/comments/suggestions/objections/representations received from the stakeholders during the course of the above proceedings, including the Public Hearing held on July 10, 2024, & State Advisory Committee (SAC) meeting held on August 5, 2024, the Commission hereby passes this Order in exercise of the powers vested to it under Sections 61, 62, 64 and 86 of the Electricity Act, 2003 (hereinafter referred to as 'the Act').

The Petitioner, in accordance with 5.8 of the UPERC (Fees & Charges of State Load Despatch Centre and other related matters) Regulations, 2020, shall publish the Tariff approved by the Commission in at least two (2) English and two (2) Hindi daily newspapers having wide circulation in the area of supply and shall put up the approved Tariff on its website as well.



The Tariff so published shall be in force after seven days from the date of such publication of the Tariffs and unless amended or revoked, shall continue to be in force till issuance of the next Tariff Order. The Commission may issue clarification / corrigendum / addendum to this Order as it deems fit from time to time with the reasons to be recorded in writing.



1. INTRODUCTION AND HISTORICAL BACKGROUND

1.1. INTRODUCTION

1.1.1. This Order has been issued on the Petition filed by Uttar Pradesh State Load Despatch Centre (hereinafter referred to as 'UPSLDC' or the 'Petitioner') - Petition No. 2045 of 2023 for approval of Business Plan for the Control Period of FY 2023-24 & 2024-25, Petition No. 1980 of 2023 for approval of ARR and determination of SLDC Charges for FY 2023-24 and Petition No. 2046 of 2023 for True Up of FY 2022-23, Annual Performance Review of FY 2023-24, approval of ARR & determination of SLDC Charges for FY 2024-25.

1.2. HISTORICAL BACKGROUND

1.2.1. **Uttar Pradesh Electricity Regulatory Commission:** The Uttar Pradesh Electricity Regulatory Commission (hereinafter referred to as the 'UPERC' or 'the Commission') was constituted under Section 17 of the Electricity Regulatory Commission's Act, 1998 and came into being on September 10, 1998, vide Government of Uttar Pradesh (GoUP) Notification No. 2813-P-1/98-24. It was later deemed to have been appointed under Section 3 of Uttar Pradesh Electricity Reforms Act, 1999 and continues to be the State Commission under the first proviso of Section 82 Electricity Act, 2003 (hereinafter referred to as 'the Act' or 'EA, 2003').

1.2.2. **Historical Background of Reforms & Uttar Pradesh State Load Despatch Centre:** In pursuance of the reforms and restructuring process, the erstwhile Uttar Pradesh State Electricity Board (UPSEB) was unbundled into the following three separate entities through the Uttar Pradesh Electricity Reforms Transfer Scheme, 2000 dated January 14, 2000:

- Uttar Pradesh Power Corporation Limited (UPPCL): vested with the function of Transmission and Distribution within the State
- Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL): vested with the function of Thermal Generation within the State
- Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL): vested with the function of Hydro Generation within the State



- 1.2.3. Subsequently, the Uttar Pradesh Power Transmission Corporation Limited (UPPTCL), a Transmission Company (Transco), came into existence when in compliance to GoUP Letter No. 293 dated 16.05.2006, the name and object clause of the Memorandum of Association of the erstwhile Uttar Pradesh Vidyut Vyapar Nigam Limited (incorporated on 31.05.2004) was changed on 13.07.2006.
- 1.2.4. Further, the Government of Uttar Pradesh (GoUP), in exercise of powers vested under Section 30 of the Electricity Act, 2003, vide Notification No. 122/U.N.N.P/24-07 dated July 18, 2007, notified UPPTCL as the “State Transmission Utility” (STU) of Uttar Pradesh. Subsequently, on December 23, 2010, the GoUP notified the Uttar Pradesh Electricity Reforms (Transfer of Transmission and Related Activities Including the Assets, Liabilities and Related Proceedings) Scheme, 2010, which provided for the transfer of assets and liabilities from UPPCL to UPPTCL with effect from April 01, 2007.
- 1.2.5. The GoUP, in exercise of the powers vested under Section 31 of the Act, vide Notification No. 78/24-U.N.N.P-11-525/08 dated January 24, 2011, notified the “Power System Unit” as the “State Load Despatch Centre” of Uttar Pradesh for the purpose of exercising the powers and discharging the functions provided under Part V of the Electricity Act, 2003.
- 1.2.6. The Commission, from time to time, directed UPPTCL to establish UPSLDC as an independent body separate from UPPTCL so that ring-fencing and functional autonomy of UPSLDC is ensured. Up to August 22, 2022, UPSLDC was operating as a part of the UPPTCL in its capacity as the STU of the State. UPSLDC was finally incorporated as a limited company on August 22, 2022, under the Companies Act, 2013.
- 1.2.7. Vide Notification No. 30/XXIV-U.N.N.P-23-525-2008 dated May 24, 2023, the GoUP notified UP Electricity Reform (Transfer of SLDC and Related Activities including the Assets, Liabilities, Personnel, and Related Proceedings) Scheme, 2023 providing for transfer from UPPTCL to UPSLDC.



1.3. SLDC TARIFF REGULATIONS

- 1.3.1. UPERC (Fees & Charges of State Load Despatch Centre and other related matters) Regulations, 2020 (hereinafter referred to as “UPERC SLDC Regulations, 2020”) has been notified on May 14, 2020, and is applicable for the period from April 1, 2021, to March 31, 2025, unless reviewed earlier or extended by the Commission.
- 1.3.2. These Regulations became applicable for the determination of fees and charges to be collected by the State Load Despatch Centre from its users.



2. FILING OF PETITIONS

2.1. ARR FOR FY 2024-25, APR FOR FY 2023-24, & TRUE-UP FOR FY 2022-23 AND BUSINESS PLAN FOR FY 2023-24 & FY 2024-25

- 2.1.1. The Petitioner had submitted its ARR Petition for FY 2023-24 (Petition No. 1980 of 2023) on May 12, 2023. Subsequently, the Petitioner also submitted its Business Plan Petition (Petition No. 2045 of 2023) for FY 2023-24 & FY 2024-25 and its ARR Petition for FY 2024-25 (Petition No. 2046 of 2023) on November 30, 2023.
- 2.1.2. The Commission observed that the Petitioner did not submit the True Up for FY 2022-23 (i.e. for the period from 23.8.2022 to 31.3.2023) and APR for FY 2023-24. Therefore, the Petitioner vide the 2nd Data deficiency Letter dated April 30, 2024, was directed to submit the data for True Up for FY 2022-23 (i.e. from 23.8.2022 to 31.3.2023) and APR for FY 2023-24.
- 2.1.3. In response, the Petitioner, vide additional submission dated June 27, 2024, furnished details for True Up for FY 2022-23 and APR for FY 2023-24.
- 2.1.4. The Commission further observed that the Petitioner was required to file the Business Plan for FY 2021-22 to FY 2024-25 by October 15, 2020. The Petitioner had earlier submitted the Business Plan for FY 2020-21 to FY 2024-25 on December 15, 2020. However, the Commission in its Order dated March 21, 2021, had directed the Petitioner to file the Business Plan after the segregation of UPSLDC from UPPTCL. Accordingly, the Business Plan Petition has been filed by the Petitioner on November 30, 2023, which covered the submissions for FY 2023-24 & FY 2024-25.

2.2. KEY HIGHLIGHTS OF THE BUSINESS PLAN PETITION

- 2.2.1. The Business Plan Petition filed on November 30, 2023, covered the submissions for FY 2023-24 & FY 2024-25 consisting of two major components, namely Capacity Building Plan and Capital Investment Plan, which have been summarized in the subsequent paras.

Capacity Building Plan

- 2.2.2. The Petitioner has submitted that the certification courses (such as Power System Operations, Power Markets, Power System Reliability, Regulatory Framework of

Power Sector, Renewable Energy Sources and Grid Integration, Power System Logistics, Cyber Security and Behavioral & Soft Skills Development) have been arranged periodically at accredited institutes viz. National Power Training Institute (NPTI), Faridabad and Power Systems Training Institute, Bengaluru. This is also in consonance with the Gireesh B Pradhan Committee's report for Ring Fencing of Load Despatch Centres. These certification courses are designed for three levels viz Power System Operator, Specialist and Management levels with validity for a period of three years, subject to clearing an all India Level examination. Further, the Employees also are imparted with the trainings pertaining to development/ incorporation of any new system as per their requirement.

Capital Investment Plan

2.2.3. The Petitioner has planned capital expenditure majorly towards the upgradation of IT infrastructure (upgradation of SCADA & various existing application software modules, development of forecasting tools, etc. along with necessary hardware required for the purpose) and development of Renewable Energy Management Centres (REMC) in view of large-scale integration of renewable energy-based generation. The overall capital expenditure for FY 2023-24 & FY 2024-25, as submitted by the Petitioner, is mentioned below:

TABLE 2-1: SUMMARY OF CAPITAL EXPENDITURE PLAN SUBMITTED BY THE PETITIONER IN THE BUSINESS PLAN PETITION (RS. CRORE)

S.No.	Particulars	Estimated Capital Expenditure		
		FY 2023-24	FY 2024-25	Total
1	SCADA & IT upgradation (ULDC Phase III)	33.02	49.52	82.54
2	REMC development	1.43	2.14	3.57
3	Data Centre Extension Civil & Infrastructure works	0.94	1.42	2.36
4	Cyber Security Operation Centre (C-SOC) including Hardware, Software & Infrastructure	4.96	7.44	12.40
5	Various Application Software & IT Related Expenditure			
a	EASS Software towards various software modules	0.58	0.87	1.45



S.No.	Particulars	Estimated Capital Expenditure		
		FY 2023-24	FY 2024-25	Total
b	EASS Server Hardware Plus Oracle Database Add on	10.00	15.00	25.00
c	IT MISC (API Server, Fiber Cable, etc.) and other Contingency Purchase	0.80	1.20	2.00
	Sub-Total	11.38	17.07	28.45
	Grand Total	51.73	77.59	129.32

2.2.4. The Commission has observed that the Petitioner has not submitted scheme-wise sources of funding envisaged for the proposed capital investment plan. The Commission has further observed that as FY 2024-25 is the last financial year of the current Control Period (FY 2021-22 to FY 2024-25) under the UPERC SLDC Regulations, 2020, all the Business Plan related data (up to FY 2024-25) is more accurately and realistically captured under APR for FY 2023-24 and ARR of FY 2024-25. This data for APR and ARR years have been filed after the completion of FY 2023-24 on March 31, 2024, i.e. much after November 2023 when the revised Business Plan was submitted. Therefore, Business Plan data has been considered by the Commission, wherever required, within the ambit of this Order.

2.3. PRELIMINARY SCRUTINY OF THE PETITIONS

2.3.1. A preliminary analysis was conducted of the Petitions (i.e., Petition No. 1980/2023 and Petition No. 2046/2023), wherein various deficiencies were observed. These deficiencies were communicated to the Petitioner vide 1st data deficiency dated February 5, 2024, 2nd data deficiency dated April 30, 2024, 3rd data deficiency dated May 15, 2024, 4th data deficiency dated May 29, 2024, and Minutes of Meeting (MOM) dated June 7, 2024 issued in pursuance of Technical Validation Session (TVS) held on May 30, 2024.

2.3.2. The Petitioner has submitted its response to the 1st data deficiency vide reply dated March 7, 2024, 2nd data deficiency vide reply dated May 27, 2024, and 3rd & 4th data deficiencies vide reply dated July 22, 2024, respectively. The TVS covering all the Petitions was conducted on May 30, 2024, and the same was attended by senior officials of UPSLDC and the Commission. During the TVS, the Petitioner explained



various issues raised in the deficiencies. The Petitioner submitted the reply to the TVS MoM vide Letter dated July 05, 2024. All above submissions of the Petitioner have been scrutinized and considered by the Commission while preparing this Order.

- 2.3.3. The Commission has observed that though the Petitioner has mentioned all the figures in Rupees Crore, however, due to lower denomination of various expenses and revenue heads, it would be difficult to completely capture the respective values if the same are shown in Rupees Crore. Accordingly, the Commission has decided to work out and mention all the approved expenses and revenue figures in Rupees Lakh in this Order.

2.4. ADMITTANCE OF THE PETITIONS

- 2.4.1. The Commission admitted the Petition No. 1980 of 2023 and Petition No. 2046 of 2023 vide its Order dated June 10, 2024 (**Annexed as : Annexure-I**) and directed the Petitioner to publish a Public Notice consisting of summary and highlights of ARR & determination of SLDC charges for UPSLDC in at least two (2) English and two (2) Hindi daily newspapers having wide circulation in the State, inviting suggestions and objections from the stakeholders and public at large, within 15 days from the date of publication of the Public Notice. The Petitioner was also directed to upload the Public Notice, Petitions filed before the Commission, regulatory filings, information, particulars, and related documents on its website.

2.5. PUBLICITY OF THE PETITIONS

- 2.5.1. The Petitioner has uploaded the abovementioned Petitions on UPSLDC's official website (<https://www.upsldc.org>). In addition to the above, the Public Notices were subsequently issued by the Petitioner in various newspapers and a period of fifteen days (15) days was given to all the stakeholders and the general public for submitting their comments/suggestions.



TABLE 2-2: LIST OF NEWSPAPERS AND DATES OF PUBLICATION OF PUBLIC NOTICES BY THE PETITIONER

Newspaper	Date of Publication
Amar Ujala (Hindi) All editions of U.P.	June 13, 2024
The Times of India (English) All editions of U.P.	June 13, 2024
Hindustan (Hindi) All editions of U.P.	June 13, 2024
Hindustan Times (English) All editions of U.P.	June 13, 2024

3. PUBLIC HEARING PROCESS

3.1. PUBLIC HEARING

- 3.1.1. The Commission, in order to achieve the twin objectives of observing transparency in its proceedings and protecting the interest of consumers, attaches importance to the views / comments / suggestions / objections / representations of the public on the True Up and ARR / SLDC Charges determination process. The process gains significant importance in a “cost-plus regime” wherein the entire cost allowed to the Petitioner gets transferred to the beneficiaries.
- 3.1.2. The Commission, in order to have participation and views / comments / suggestions / objections from the public at large and all stakeholders, uploaded the Notice of Public Hearing dated June 21, 2024, on its website (www.uperc.org) and published the same in the following daily newspapers of following days:

Newspaper	Date of Publication
Amar Ujala (Hindi) UP Edition	June 25, 2024
The Times of India (English) Lucknow Edition	June 25, 2024
Dainik Jagran (Hindi) UP Edition	June 25, 2024
Hindustan Times (English) Delhi Edition	June 25, 2024

- 3.1.3. The Commission held the “Public Hearing” for the Petitioner on July 10, 2024, after informing all the stakeholders and the public at large through advertisements in newspapers dated June 25, 2024 and on the Commission’s website (**Annexed as: Annexure-II**). In the Public Hearing, various stakeholders as well as the general public were provided a platform where they were able to share their views/ comments/ suggestions/ objections/ representations on the proceedings on the True Up of FY 2022-23, APR for FY 2023-24, and ARR for FY 2024-25 and determination of SLDC Charges.
- 3.1.4. Meeting of the State Advisory Committee (SAC) was conducted by the Commission on August 05, 2024. The views/ comments/ suggestions given by the members of the SAC have also been taken into consideration while finalizing this Tariff Order.

3.2. VIEWS / COMMENTS / SUGGESTIONS / OBJECTIONS / REPRESENTATIONS ON TRUE-UP OF FY 2022-23, APR FOR FY 2023-24, AND ARR FOR FY 2024-25 AND DETERMINATION OF SLDC CHARGES

3.2.1. The Commission has considered the submissions made during the Public Hearing and written comments/ suggestions offered by various stakeholders and the public at large on the Petitions filed by the Petitioner on True Up for FY 2022-23, APR for FY 2023-24, and ARR for FY 2024-25 and determination of SLDC Charges, including the response of the Petitioner thereon on such comments. The comments/ suggestions of various stakeholders, the replies/response by the Petitioner, and the views of the Commission thereon are summarized below:

AVAILABILITY OF PUBLIC DOMAIN DATA

Comment/Suggestion of the stakeholders

3.2.2. Shri Avadhesh Kumar Verma, Chairman, UP Rajya Vidyut Upbhokta Parishad (UPRVUP), submitted that the Petitioner has recently removed the daily reports available to the general public from its website. After resistance from UPRVUP, daily reports were made online again. He questioned the independence of UPSLDC in this regard.

Petitioner's Response

3.2.3. The Petitioner submitted that all the public domain data including daily reports is available at its website. Due to time-to-time optimization of the website, the section/tabs on the website are sometimes changed. Hence, Data may not be visible earlier on the website.

Commission's View

3.2.4. The Commission is of the view that the Petitioner needs to maintain the data on its website as per prevailing norms/ Policies. The data of importance, which is required to be referred often/ regularly by the Stakeholders, needs to be maintained permanently on the website.

TRAINING OF TECHNICAL STAFF

Comment/Suggestion of the stakeholders

3.2.5. Shri Avadhesh Kumar Verma, Chairman UPRVUP, submitted that as per Gol and CEA guidelines, all the technical Engineers are required to have mandatory certifications. However, 60% Engineers of the Petitioner don't have such certifications. Engineers who don't acquire these certifications in due time should be transferred back to UPPCL.

Petitioner's Response

3.2.6. The Petitioner submitted that at present it is making all efforts to train all its officers and staff.

Commission's View

3.2.7. The Commission has considered the objections / suggestions made by the stakeholder and the reply of the Petitioner. The Commission has already directed the Petitioner vide Order dated 17.02.2023 in Suo-moto Proceeding(s) No. 59SM/2022, 60SM/2022 and 61SM/2022 to ensure that personnel deployed in UPSLDC shall be trained as per the MoP letter dated 23.03 2022. Accordingly, the Petitioner has to ensure the compliance of the Commission's directions. Further, this issue is also dealt in the Directives Chapter of this Order.

O&M EXPENSES

Comment/Suggestion of the stakeholders

3.2.8. Shri Avadhesh Kumar Verma, Chairman UPRVUP, submitted that 7 Generating Units of the State were shut down till July 15, 2024. This may lead to grid instability and in case of sudden over-drawl, there may be a risk of Grid failure.

Petitioner's Response

3.2.9. The Petitioner submitted that the decision for reserve shutdown is taken by PMC unit of UPPCL on the basis of UPERC (Merit Order Despatch and Optimisation of Power Purchase) Regulations, 2021. The Petitioner takes necessary action on a day-to-day basis including the decision for reserve shutdown of the generating plants.



Commission's View

3.2.10. The Commission has considered the objections / suggestions made by the stakeholder and the reply of the Petitioner. The Commission is of the view that the Petitioner and Discom need to abide by UPERC (Merit Order Despatch and Optimisation of Power Purchase) Regulations, 2021 and it is to be ensured that reserve shutdown of the generating units is taken in accordance with the prevailing rules, regulations, and Orders.



4. TRUING UP OF AGGREGATE REVENUE REQUIREMENT FOR FY 2022-23:

4.1. INTRODUCTION

4.1.1. Regulation 9 of the UPERC SLDC Regulations, 2020 provides as follows:

Quote

9. True-Up–

9.1 The SLDC shall file timely Petition for True-Up: 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, as per the Guidelines and Formats prescribed or directions given by the Commission.

9.2 The Commission shall carry out Truing-Up exercise of expenses and revenue based on audited annual accounts of the corresponding year subject to prudence check of the Commission.”

Unquote

4.1.2. The Petitioner has submitted the Petition for Truing Up of FY 2022-23 based on the expenses/revenue certified by the practising Chartered Accountant for the period of 01.04.2022 to 22.08.2022 and the Audited Accounts of UPSLDC for the balance period of FY 2022-23 (23.08.2022 to 31.03.2023) for the True Up. The Petitioner has sought True Up for the entire FY 2022-23. The Petitioner was operating as a part of UPPTCL before incorporation on 22.08.2022 as a separate entity. Thus, the expenses/ revenue of the Petitioner for the period from 01.04.2022 to 22.08.2022 (till its incorporation) are part of the Audited Accounts of UPPTCL, which are being considered in the True Up of UPPTCL for FY 2022-23.

4.1.3. Further, revenue/ expenses for the period from 23.08.2022 to 31.03.2023 (from the date of incorporation) are available under the Audited Accounts of UPSLDC. Therefore, the same have been considered by the Commission for the True Up. The data which is available as consolidated figure for the entire FY 2022-23 and is not available for the period from 23.08.2022 to 31.03.2023 has been computed on a pro-rata basis based on the various submissions made by the Petitioner.

4.1.4. The Commission, based on the provisions of the UPERC SLDC Regulations, 2020, has now carried out the True Up for FY 2022-23 for the Petitioner, taking into account



the following information:

- a. Annual Audited Accounts for FY 2022-23 in the manner indicated above;
- b. UPERC SLDC Regulations, 2020;
- c. Materials placed before the Commission;
- d. Methodology adopted in any relevant Regulations/Orders issued from time to time by the Commission.

4.1.5. As per Regulation 5.10 of UPERC SLDC Regulations, 2020, the annual LDC charges shall consist of the following components:

- (a) Operation & Maintenance Expenses;
 - (b) Depreciation;
 - (c) Interest on Loan Capital;
 - (d) Interest on Working Capital;
 - (e) Return on Equity Capital;
 - (f) Income Tax;
- Minus;
- (g) Income from Open Access charges;
 - (h) Non-Tariff Income.

4.1.6. The component-wise description of the Petitioner's submission and the Commission's analysis on the same is detailed in the subsequent sections.

4.2. OPERATION AND MAINTENANCE (O&M) EXPENSES

Petitioner's Submission

4.2.1. The Petitioner has submitted that Regulation 11 of the UPERC SLDC Regulations, 2020 provides that the Operation and Maintenance (O&M) Expenses shall comprise of the following elements:

- (a) Employee Expenses,
- (b) Repair and Maintenance (R&M) Expenses,
- (c) Administrative and General (A&G) Expenses

4.2.2. The Petitioner has submitted the details of O&M expenses under the above heads

based on the Annual Audited Accounts for consideration & approval of the Commission.

- 4.2.3. **Employee Expenses:** The Petitioner has submitted that the Employee expenses comprise of costs towards salaries, dearness allowances, medical expense reimbursement, pension & gratuity, and other allowances. The actual Employee expenses of the Petitioner for FY 2022-23 are shown in the below Table:

TABLE 4-1: EMPLOYEE EXPENSES OF FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Employee Expenses	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Actual Claimed for FY 2022-23
1	Salaries & Allowances	5.24	8.1	13.34
2	Dearness Allowance	1.83	3.17	5.00
3	Other Allowances	0.53	0.79	1.32
4	Pension & Gratuity	0.56	0.41	0.97
5	Medical Expenses (Re-imburement)	0.15	0.14	0.29
6	Earned Leave Encashment	0.57	0.29	0.86
7	Contribution to provident & Other Funds	0.6	0.75	1.35
8	Grand Total	9.48	13.66	23.14

- 4.2.4. **Repairs and Maintenance (R&M) Expenses:** The Petitioner has submitted that R&M Expenses are expenses on repair and maintenance of Plant and Machinery, Software, and Office Equipment. It is important for UPSLDC to incur the R&M expenses in order to perform its duties as defined in the Electricity Act, 2003 and other governing Regulations thereof. The actual R&M expenses for FY 2022-23 are tabulated below:

TABLE 4-2: R&M EXPENSES OF FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S.N.	Particular	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Actual claimed for FY 2022-23
1	Plant & Machinery	2.29	3.72	6.01
2	Software	0.48	0.04	0.52
3	Office Equipment	0.02	0.05	0.07
4	Total R&M Expenses	2.79	3.81	6.60

4.2.5. **Administrative and General (A&G) Expenses:** The Petitioner has submitted that A&G Expenses comprise of expenses towards Communication Charges, Conveyance and Travelling expenses, Electricity Charges, Miscellaneous Expenses, Legal Charges, and Printing & Stationery expenses. The following Table shows actual A&G expenses claimed by the Petitioner for FY 2022-23 based on the certificate received from a practising Chartered Accountant and Annual Audited Accounts:

TABLE 4-3: A&G EXPENSES OF FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S.N.	Particular	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Actual expense as incurred by UPSLDC in FY 2022-23
1	Auditors Remuneration	-	0.003	0.003
2	Advertisement Expenses	0.0003	0.0019	0.0022
3	Communication Charges	0.3232	0.2251	0.5483
4	Consultancy Charges	0.0272	0.0437	0.0709
5	Electricity Expenses	0.2466	0.2095	0.4561
6	Legal Charges	0.0817	0.2663	0.348
7	Outsourced Manpower for Administrative	-	0.0264	0.0264
8	Miscellaneous Expenses	0.0135	0.0402	0.0537
9	Printing & Stationery	0.0047	0.0294	0.0341
10	Technical Fees & Professional Charges	0.0476	0.0975	0.1451
11	Travelling & Conveyance	0.0852	0.1196	0.2048
12	Other Expenses & Losses	0.0106	0.1339	0.1445
13	Total A&G Expenses	0.8406	1.1965	2.0371

4.2.6. **Summary of Operation & Maintenance (O&M) Expenses:** Thus, the actual O&M expenses based on the certificate received from the practising Chartered Accountant and Annual Audited Accounts of FY 2022-23 are summarized below:

TABLE 4-4: O&M EXPENSES OF FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Actual expense as incurred by UPSLDC in FY 2022-23
1	Employee Expenses	9.48	13.66	23.14
2	R&M Expenses	2.79	3.81	6.60



S. N.	Particulars	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Actual expense as incurred by UPSLDC in FY 2022-23
3	A&G Expenses	0.84	1.20	2.04
4	Total	13.11	18.67	31.78

4.2.7. The Petitioner has requested the Commission to consider and allow the actual O&M Expenses based on the Annual Audited Accounts for Truing-Up of FY 2022-23

Commission's Analysis

4.2.8. Regulation 9.2 of UPERC SLDC Regulations, 2020 provides for carrying out the Truing-Up exercise of expenses and revenue based on audited annual accounts of the corresponding year subject to the prudence check of the Commission. Further, Regulation 11.2 of the UPERC SLDC Regulations, 2020 provides that the Commission may consider normalizing of O&M Expenses based on the data of other States' SLDCs. Furthermore, regulations provide that O&M Expenses shall be normalised by excluding abnormal O&M variations/spikes. The Commission on comparing the O&M expenditure with SLDCs of other states of Bihar, Gujarat, Odisha and Rajasthan has prima facie observed that the Audited O&M Expenses of the Petitioner are on higher side. Further, in order to ascertain if there is any abnormality in the O&M Expenses as it is the first Tariff Order of UPSLDC, the Commission has carried out prudence check of each component and has also benchmarked it with the normative values, that are computed subsequently.

4.2.9. The Commission has computed the normative O&M expenses as provided under Regulation 11 of UPERC SLDC Regulations, 2020. Accordingly, the O&M Expenses for the Base Year (FY 2020-21) is first computed considering the WPI and CPI inflation rate notified by Labour Bureau, Government of India (GoI) (http://labourbureau.gov.in/LBO_indexes.htm) and Economic Advisor, GoI (<https://eaindustry.nic.in/>) respectively for different years as shown in the Table below:



TABLE 4-5: WPI INDICIES INFLATION RATES CONSIDERED BY THE COMMISSION

Month	Wholesale Price Index					
	FY18	FY19	FY20	FY21	FY22	FY23
April	113.20	117.30	121.10	119.20	132.00	152.30
May	112.90	118.30	121.60	117.50	132.90	155.00
June	112.70	119.10	121.50	119.30	133.70	155.40
July	113.90	119.90	121.30	121.00	135.00	154.00
August	114.80	120.10	121.50	122.00	136.20	153.20
September	114.90	120.90	121.30	122.90	137.40	151.90
October	115.60	122.00	122.00	123.60	140.70	152.90
November	116.40	121.60	122.30	125.10	143.70	152.50
December	115.70	119.70	123.00	125.40	143.30	150.50
January	116.00	119.20	123.40	126.50	143.80	150.70
February	116.10	119.50	122.20	128.10	145.30	150.90
March	116.30	119.90	120.40	129.90	148.90	151.00
Average	114.88	119.79	121.80	123.38	139.41	152.53
Inflation Rate	-	-	-	1.29%	13.00%	9.41%

TABLE 4-6: CPI INDICIES INFLATION RATES CONSIDERED BY THE COMMISSION

Month	Consumer Price Index					
	FY18	FY19	FY20	FY21	FY22	FY23
April	277.00	288.00	312.00	329.00	345.89	367.78
May	278.00	289.00	314.00	330.00	347.33	371.52
June	280.00	291.00	316.00	332.00	350.50	372.10
July	285.00	301.00	319.00	336.00	353.66	374.11
August	285.00	301.00	320.00	338.00	354.24	374.98
September	285.00	301.00	322.00	340.13	355.10	378.14
October	287.00	302.00	325.00	344.16	359.71	381.60
November	288.00	302.00	328.00	345.31	362.02	381.60
December	286.00	301.00	330.00	342.14	361.15	381.02
January	288.00	307.00	330.00	340.42	360.29	382.46
February	287.00	307.00	328.00	342.72	360.00	382.18
March	287.00	309.00	326.00	344.45	362.88	383.90
Average	284.42	299.92	322.50	338.69	356.06	377.62
Inflation Rate	-	-	-	5.02%	5.13%	6.05%

4.2.10. Further, as per the said Regulations, the normative O&M Expenses are to be derived by considering the average of the last five (5) financial years (without efficiency gain/loss) ending March 31, 2020 subject to prudence check by the Commission.



Further, the average of such O&M expenses is to be considered as O&M Expenses for the mid-year and shall be escalated year on year with the escalation factor considering CPI and WPI of respective years in the ratio of 60:40, for subsequent years up to FY 2020-21. In order to arrive at the value of the base year, the escalation factor for FY 2018-19, FY 2019-20, and FY 2020-21 is computed in the Table below:

TABLE 4-7: ESCALATION FACTOR FOR FY 2018-19, FY 2019-20 & FY 2020-21 AS COMPUTED BY THE COMMISSION (%)

FY	INDEX		INFLATION RATE	Escalation Factor
	WPI	CPI		
	(A)	(B)	(C)=40%*(A)+60%*(B)	(D)=Current Year/Previous Year
FY 2017-18	114.88	284.42	216.60	-
FY 2018-19	119.79	299.92	227.87	5.20% = $\{(227.87/216.60)-1\}$ %
FY 2019-20	121.8	322.50	242.22	6.30% = $\{(242.22/227.87)-1\}$ %
FY 2020-21	123.38	338.69	252.57	4.27% = $\{(252.57/242.22)-1\}$ %

4.2.11. Further, the value of mid-year (FY 2017-18) is computed by taking the average of each component of O&M Expenses during 5 years period i.e. from FY 2015-16 to FY 2019-20. The actual O&M Expenses of these years are considered as per Trial Balance jointly certified by UPPTCL & UPSLDC. Thereafter, the escalation factor derived in the above Table is applied on respective years for computing values of the base year. The computation is shown in Table below:-

TABLE 4-8: O&M EXPENSES FOR BASE YEAR (FY 2020-21) CONSIDERED BY THE COMMISSION (RS. LAKH)

Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Normative Expenses (up to Base Year)			
						FY 2017-18 (Mid-Year)	FY 2018-19	FY 2019-20	FY 2020-21 (Base-Year)
Employee Expenses	1564.68	1617.62	1916.27	2142.26	2371.66	1,922.50	2,022.50	2,149.90	2,241.73
R & M Expenses	75.40	146.19	214.75	314.49	311.55	212.47	223.53	237.61	247.75
A&G Expenses	174.61	261.90	215.14	224.44	322.75	239.77	252.24	268.13	279.58
O&M Expenses	1,814.69	2,025.71	2,346.16	2,681.19	3,005.96	2,374.74	2,498.27	2,655.63	2,769.07
Weighted Average	-	-	-	-	-	-	5.20%	6.30%	4.27%



Particulars	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Normative Expenses (up to Base Year)			
						FY 2017-18 (Mid- Year)	FY 2018-19	FY 2019-20	FY 2020-21 (Base- Year)
Inflation Index (40%*WPI+60%* CPI)									

4.2.12. Once the value of the base year is derived, the norms for each component of O&M expenses are derived as per Regulations 11.7, 11.8, and 11.9 of the UPERC SLDC Regulations, 2020 which are explained below.

4.2.13. **Employee Expenses:** The normative Employee Expenses for FY 2021-22 are computed by escalating the normative Employee Expenses for FY 2020-21 with an applicable inflation factor of 5.13% i.e., inflation factor (CPI) for FY 2021-22 as per Regulation 11.7 of UPERC SLDC Regulations, 2020. Further, the normative Employee Expenses for FY 2022-23 are computed by escalating the normative Employee Expenses of FY 2021-22 with applicable inflation factor of 6.05% i.e., inflation factor (CPI) for FY 2022-23 as per the aforementioned Regulations.

4.2.14. **R&M Expenses:** The Commission has computed the normative R&M Expenses for FY 2021-22 by escalating the normative R&M Expenses for FY 2020-21 with applicable inflation factor of 13.00% i.e. Wholesale Price Index (WPI) for FY 2021-22 as per Regulation 11.8 of UPERC SLDC Regulations, 2020. Further, the Commission has computed the normative R&M Expenses for FY 2022-23 by escalating the normative R&M Expenses for FY 2021-22 with applicable inflation factor of 9.41% i.e. inflation factor (WPI) for FY 2022-23 as per the aforementioned Regulations.

4.2.15. **A&G Expenses:** The Commission has computed the normative A&G Expenses for FY 2021-22 by escalating the normative A&G Expenses for FY 2020-21 with applicable inflation factor of 13.00% i.e. WPI for FY 2021-22 as per Regulation 11.9 of UPERC SLDC Regulations, 2020. Further, the Commission has computed the normative A&G Expenses for FY 2022-23 by escalating the normative A&G Expenses for FY 2021-22



with applicable inflation factor of 9.41% i.e. WPI for FY 2022-23 as per the aforementioned Regulations.

4.2.16. **O&M Expenses:** Accordingly, the Commission has computed the normative O&M Expenses as shown in the Table below:

TABLE 4-9: NORMATIVE O&M EXPENSES COMPUTED BY THE COMMISSION FOR FY 2022-23 (RS. LAKH)

Particulars	Derivation	FY	Actual CPI and WPI of FY 2021-22		FY	Actual CPI and WPI of FY 2022-23		FY
		2020-21	WPI	CPI	2021-22	WPI	CPI	2022-23
		Normative (Computed)			Normative (Computed)			Normative (Computed)
		(A) (Table 4-8)	(B) (Table 4-5)	(C) (Table 4-6)	(D) =(A)*(1+C) or (D) =(A)*(1+B)	(E) (Table 4-5)	(F) (Table 4-6)	(G) =(D)*(1+F) or (G) =(D)*(1+E)
Employee Expenses	A	2,241.73		5.13%	2,356.70		6.05%	2,499.35
Less: Employee Expenses Capitalised	B	-	-	-	-	-	-	-
Net Employee Expenses	C=A-B	2,241.73			2,356.70			2,499.35
Net R&M Expenses	D	247.75	13.00%		279.95	9.41%		306.29
Net: A&G Expenses	E	279.58	13.00%		315.91	9.41%		345.64
O&M Expenses	F=C+D+E	2,769.07			2,952.56			3,151.28

4.2.17. Considering the fact that the Petitioner commenced its operations from 23.08.2023, the normative O&M expenses of the Petitioner from 23.08.2022 to 31.03.2023 are computed on prorata basis i.e., for 221 days out of 365 days. Accordingly, the computation of Normative O&M Expenses is summarised in the Table below:

TABLE 4-10: NORMATIVE O&M EXPENSES FOR FY 2022-23 COMPUTED BY THE COMMISSION (FROM 23.08.2023 TO 31.03.2023) (RS. LAKH)

Particulars	Normative (Computed for full FY 2022-23) (A) (Table 4-9)	Normative for True Up (From 23.08.2022 to 31.03.2023) (B)=(A)*(221/365)
Employee Expenses	2,499.35	1,513.30
Repair & Maintenance Expenses	306.29	185.45
Administrative & General Expenses	345.64	209.28



Particulars	Normative (Computed for full FY 2022-23) (A) (Table 4-9)	Normative for True Up (From 23.08.2022 to 31.03.2023) (B)=(A)*(221/365)
Gross O&M Expenses	3,151.28	1,908.03
Less: Employee Expenses capitalized	-	-
Net O&M Expenses	3,151.28	1,908.03

4.2.18. Further, as per prudence check, it is observed that R&M Expenses w.r.t Plant and Machinery claimed by the Petitioner are even higher than the net fixed assets value (GFA less accumulated depreciation) of the Petitioner during the year. Thus, it seems that there is abnormality in R&M Expenses, therefore, as per Regulation 9.2, the Commission as part of the prudence check has benchmarked each component of O&M Expenses as per normative values computed above. The same has been compared with the actual/ audited figures, such that these do not exceed the normative values. Accordingly, the Commission has approved the net O&M Expenses for FY 2022-23 based on lower of the actual (audited accounts) and normative value of each component of O&M Expenses.

4.2.19. It is observed that Employee Expense capitalisation for the period is Nil and the same has been considered for the purpose True Up. Accordingly, the Commission approves the O&M Expenses of UPSLDC for FY 2022-23 as shown in the Table below:

TABLE 4-11: O&M EXPENSES APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	Derivation	True Up (FY 2022-23) (from 23.08.2022 to 31.03.2023)			
		Petition True Up	Audited Accounts	Computed (Normative)	Approved (True Up)
		(A) (Table 4-4*)	(B) (Table 4-4*)	(C) (Table 4-10)	(D) = Lower of (B) & (C)
Employee Expenses	A	1,365.81	1,365.81	1,513.30	1,365.81
Less: Employee Expenses Capitalised	B	-	-	-	-
Net Employee Expenses	C=A-B	1,365.81	1,365.81	1,513.30	1,365.81
Net R&M Expenses	D	381.30	381.30	185.45	185.45
Net A&G Expenses	E	119.65	119.65	209.28	119.65
Total O&M Expenses	F=C+D+E	1,866.76	1,866.76	1,908.03	1,670.91

*The Petitioner has provided figures in Rs. Crore, while in this Table, the figures are mentioned in Rs. Lakh.

4.3. CAPITAL WORK IN PROGRESS (CWIP) & GROSS FIXED ASSET (GFA)

Petitioner's Submission

4.3.1. The Petitioner has submitted that it has considered the Capex and Capitalisation based on the Certificate received from its practicing Chartered Accountant and Annual Audited Accounts for FY 2022-23. The summary of Capex and Capitalisation during FY 2022-23 is as follows:

TABLE 4-12: CAPEX AND CAPITALISATION OF FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Actual expense in FY 2022-23
1	CWIP Opening Balance	0.00	0.00	0.00
2	Capital Investment	0.39	0.92	1.31
3	Less: Investment Capitalized	0.39	0.92	1.31
4	CWIP Closing Balance	0.00	0.00	0.00

4.3.2. The Petitioner has submitted that the Commission had not approved any GFA base for UPSLDC. Therefore, the Petitioner has considered the GFA balance as reflected in the Certificate received from the practicing Chartered Accountant and Annual Audited Accounts of FY 2022-23. Addition to GFA during the year has been considered based on the capitalisation of assets as discussed above. Following Table shows the GFA claimed by the Petitioner for FY 2022-23:

TABLE 4-13: GROSS FIXED ASSETS OF FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Actual in FY 2022-23
1	Opening GFA	8.88	9.27	8.88
2	Addition during the year	0.39	0.92	1.31
3	Total GFA at the end	9.27	10.19	10.19

Commission's Analysis

4.3.3. The Commission observes that the Petitioner has submitted the Capital Investment details of FY 2022-23. However, the Petitioner has claimed 'Nil' opening and closing CWIP for FY 2022-23.

4.3.4. The Commission observes that the value of assets of Rs. 417.03 lakh shown under the Transfer scheme comes out after deducting total depreciation and addition of inventory from the total GFA. The same is shown in the Table below for reference:

TABLE 4-14: RECONCILIATION OF ASSEST TRANSFERRED TO UPSLDC UNDER TRANSFER SCHEME (RS. LAKH)

Particulars	Amount	Remark
Property, Plant and Equipment	630.12	Note-2 of Audited Accounts
Other Intangible Assets	296.68	Note-3 of Audited Accounts
Total GFA (A)	926.8	
Depreciation - Property, Plant and Equipment	412.76	Note-2 of Audited Accounts
Depreciation - Other Intangible Assets	260.01	Note-3 of Audited Accounts
Total Depreciation (B)	672.77	
Net Fixed Assets (C)=(A)-(B)	254.03	
Inventories (Stores & Spares) (D)	163.00	Note-1 of Audited Accounts
Total Assets Transferred from UPPTCL to UPSLDC (E)=(C)+(D)	417.03	Audited Accounts & Transfer Scheme

4.3.5. The Commission has considered the opening GFA, addition and decapitalization for the period from 23.08.2022 to 31.03.2023 as per the Audited Accounts of the Petitioner. The same is shown in the Table below:

TABLE 4-15: GFA FOR FY 2022-23 (FROM 23.08.2022 TO 31.03.2023) APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	Derivation	True Up (FY 2022-23) (from 23.08.2022 to 31.03.2023)	
		True Up Petition	GFA Computed
Opening GFA as on 23.08.2022	A	926.80	926.80
GFA Addition from 23.08.2022 to 31.03.2023	B	91.95	91.95
Decapitalisation / Deduction from 23.08.2022 to 31.03.2023	C	0.00	0.00
Closing GFA as on 31.03.2023	D=A+B-C	1018.75	1018.75

4.4. CONSUMER CONTRIBUTION, CAPITAL GRANTS AND SUBSIDIES

Petitioner's Submission

4.4.1. The Petitioner has not submitted any details of consumer contribution/ capital grants or subsidies.

Commission's Analysis

4.4.2. The Commission observes that there are no Consumer Contributions, Capital Subsidies, and Grants towards cost of capital assets in FY 2022-23 as per the Audited Accounts. Accordingly, the Commission has also not approved any Consumer Contribution, Capital Grants, and Subsidies for FY 2022-23.

4.5. DEBT-EQUITY RATIO OF CAPITALIZATION

Petitioner's Submission

4.5.1. The Petitioner submitted that it has considered the actual asset base as per the certificate received from the practicing Chartered Accountant and the Debt-Equity ratio of 70:30 in accordance with the Regulation 10.2 of UPERC SLDC Regulations, 2020 for computation of normative Opening Equity and Loan balance. The summary of Opening Balance for Normative Loan and Equity considered for Truing-Up of FY 2022-23 is as follows:

TABLE 4-16: OPENING BALANCE FOR NORMATIVE DEBT AND EQUITY FOR FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Actual claimed in FY 2022-23
1	Opening GFA	8.88
2	Opening Debt (%)	70%
3	Opening Debt (in Rs. Cr.)	6.22
4	Opening Equity (%)	30%
5	Opening Equity (in Rs. Cr.)	2.66

4.5.2. Further, the Petitioner has considered the actual GFA addition during FY 2022-23 and the Debt-Equity ratio of 70:30 for computation of Loan and Equity addition during the year. The computation of Normative Debt and Equity addition during FY 2022-23 is as follows:

TABLE 4-17: NORMATIVE DEBT AND EQUITY ADDITION FOR FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	FY 2022-23
1	GFA addition During the Year	1.31
2	Debt addition (%)	70%



S. N.	Particulars	FY 2022-23
3	Debt addition (in Rs. Cr.)	0.92
4	Equity addition (%)	30%
5	Equity addition (in Rs. Cr.)	0.39

Commission's Analysis

4.5.3. Regulation 10.2 of the UPERC SLDC Regulations, 2020 provides that the Debt-Equity ratio shall be 70:30 for determination of charges. Where Equity employed is more than 30%, the amount of Equity for determination of charges shall be limited to 30% and the balance shall be considered as the normative loan. In case where actual Equity employed is less than 30%, the actual Debt and Equity shall be considered for determination of charges.

4.5.4. The Commission observes that as per the Annual Audited Accounts, the Equity Share Capital as on August 23, 2022 was Rs 1.00 Lakh only. Further, the Commission has also observed that there is no opening balance of Consumer Contributions, Capital Subsidies, and Grants mentioned in the Annual Audited Accounts as on August 23, 2022. The Equity employed by the Petitioner is less than 30% therefore, the Commission has considered actual Equity employed (as on August 23, 2022) as per the Annual Audited Accounts.

4.5.5. Further, in line with the provisions of Regulation 10.1 of the UPERC SLDC Regulations, 2020, the balance portion of GFA (net of accumulated depreciation, which is considered towards payment of normative Debt) is considered as the Debt as on August 23, 2022. The same is shown in the Table below:

**TABLE 4-18: DEBT & EQUITY AS ON AUGUST 23, 2022, APPROVED BY THE COMMISSION
(RS. LAKH)**

Particulars	Derivation / Remarks	Approved (As on 23.08.2022)
GFA as on 23.08.2022	A (Table 4-15)	926.80
Consumer Contribution, Capital Subsidies, Grants as on 23.08.2022	B (As per Audited Accounts)	0.00
GFA net of Consumer Contribution, Capital Subsidies, Grants	C = A – B	926.80
Equity as on 23.08.2022	D (As per Audited Accounts)	1.00



Particulars	Derivation / Remarks	Approved (As on 23.08.2022)
Normative Gross Debt (computed)	E = C – D	925.80
Accumulated Depreciation till 22.08.2022 considered towards normative repayment in previous financial years	F (As per Audited Accounts)	672.77
Normative Debt as on 23.08.2022	G = E – F	253.03

4.6. DEBT & EQUITY ADDITION DURING THE YEAR

4.6.1. The opening Equity and Debt as on 23.08.2022 are derived in above Table. As the Equity Share Capital of the Petitioner (as on March 31, 2023) was Rs 1.00 Lakh only and the net addition to GFA from 23.08.2022 to 31.03.2023 was Rs 91.95 Lakh and the Petitioner has also not claimed any Consumer Contributions, Capital Subsidies, and Grants towards cost of capital assets. The Petitioner was given multiple opportunities to provide details regarding means of finance/funding of assets and the required information on CC/Grants/Subsidies along with any Equity funding, but no submission was provided against the same. Therefore, the Commission has considered entire net addition to GFA for True Up of FY 2022-23 to be funded by Debt only. Further, the Commission has also observed that the Petitioner has not claimed any Decapitalisation / Deduction during FY 2022-23, which is as per Audited Accounts submitted by UPSLDC.

4.6.2. Accordingly, the Commission has considered the Debt-Equity Ratio for FY 2022-23 (from 23.08.2022 to 31.03.2023) as per the below Table:

**TABLE 4-19: DEBT: EQUITY RATIO FOR FY 2022-23 (FROM 23.08.2022 TO 31.03.2023)
APPROVED BY THE COMMISSION (RS. LAKH)**

Particulars	Derivation	FY 2022-23
		Approved (True Up)
Capitalisation during FY 2022-23	A (Table 4-15)	91.95
Less: Decapitalisation / Deduction during FY 2022-23	B	0.00
Less: Consumer Contribution, Grants, & Capital Subsidies during FY 2022-23	C	0.00
Net Capitalisation to be funded by Debt & Equity	D=A-B-C	91.95
Debt addition during FY 2022-23 (as there is no Equity addition)	E=D	91.95

4.7. DEPRECIATION

Petitioner's Submission

- 4.7.1. The Petitioner has submitted that it has considered the Depreciation as per Regulation 12 of the UPERC SLDC Regulations, 2020.
- 4.7.2. The Petitioner has submitted that the Commission has not approved any GFA base & depreciation for FY 2022-23. The Petitioner has considered the Depreciation as per the certificate received from the practising Chartered Accountant and audited annual accounts of FY 2022-23. The summary of the Depreciation booked in the Audited Annual Accounts of FY 2022-23 is as follows:

TABLE 4-20: DEPRECIATION FOR FY 2022-23 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Actual Expense in FY 2022-23
1	Plant & Machinery	0.02	0.04	0.06
2	Furniture & Fixtures	0.00	0.01	0.01
3	Software	0.11	0.35	0.46
4	Office Equipment	0.06	0.20	0.26
5	Other Assets	0.19	0.33	0.52
6	Depreciation during the year	0.39	0.92	1.32

Commission's Analysis

- 4.7.3. The Commission has computed the depreciation as per Regulation 12 of the UPERC SLDC Regulations, 2020.
- 4.7.4. The Commission has considered the Depreciation (from 23.08.2022 to 31.03.2023) for True Up of FY 2022-23 as per the Audited Accounts of FY 2022-23. The same is shown in the following Table:



TABLE 4-21: GROSS DEPRECIATION FOR ASSETS CONSIDERED BY THE COMMISSION FROM 23.08.2022 TO 31.03.2023 (RS. LAKH)

Particular	FY 2022-23- True Up (23.08.2022 to 31.03.2023)						
	Opening Gross Fixed Asset as on 23.08.2022	Addition to GFA	Deduction/ Adjustment	Gross Fixed Asset as on 31.03.2023	Average GFA	Depreciation Rate	Depreciation from 23.08.2022 to 31.03.2023
	A (Audited Accounts)	B (Audited Accounts)	C (Audited Accounts)	D = A+B-C	E = (A+D)/2	F	G = E*F
Plant & Machinery	102.54	79.07	0.00	181.61	142.08	5.28%	4.54
Furniture and Fixtures	19.55	0.00	0.00	19.55	19.55	6.33%	0.75
Office Equipment	180.06	0.31	0.00	180.37	180.22	6.33%	6.91
Other assets	327.97	0.00	0.00	327.97	327.97	5.28%	10.48
Software (Intangible)	296.68	12.57	0.00	309.25	302.97	15.00%	27.52
Total	926.80	91.95	0.00	1,018.75	972.78	5.16%	50.20

4.7.5. Regulations 12.2 of the UPERC SLDC Regulations, 2020 provides that the salvage value of the asset shall be considered as 10% of the allowable capital cost and depreciation shall be allowed up to maximum of 90% of the allowable capital cost of the asset. Although, these Regulations do not specify for salvage value of software, it is pertinent to mention that these assets do not have any salvage value, which is also evident from principles specified by CERC in its CERC (Terms and Conditions of Tariff) Regulations 2019, wherein it is provided that the salvage value for IT equipment and software shall be considered as 'NIL' and 100% value of the assets shall be considered depreciable. Therefore, the Commission has considered the salvage value of software as 'Nil' and has allowed the cumulative depreciation of more than 90% of the corresponding GFA for the same.

4.7.6. Further, Regulation 12.5 of the UPERC SLDC Regulations, 2020 provides that Depreciation shall be calculated annually based on the Straight Line Method and at rates specified in Appendix-II of the said Regulations for the assets of the SLDC. The Commission has computed the cumulative depreciation for the purpose of restricting the depreciation to 90% of the GFA (for all assets except software) in

accordance with the applicable provisions of Regulation 12 of the UPERC SLDC Regulations, 2020. Accordingly, the computation of cumulative depreciation is shown for reference purposes in the following Table:

TABLE 4-22: CUMULATIVE DEPRECIATION FOR ASSETS COMPUTED BY THE COMMISSION FROM 23.08.2022 TO 31.03.2023 (Rs. LAKH)

Particular	FY 2022-23- True Up (23.08.2022 to 31.03.2023)				
	*Cumulative Depreciation as on 22.08.2022	Depreciation from 23.08.2022 to 31.03.2023	Cumulative Depreciation as on 31.03.2023	Closing GFA as on 31.03.2023	Cumulative Depreciation as a % of closing GFA
	A (As per Audited Accounts)	B (Table 4-21)	C = A + B	D	E=C/D
Plant & Machinery	12.33	4.54	16.87	181.61	9.3%
Furniture and Fixtures	5.24	0.75	5.99	19.55	30.6%
Office Equipment	121.97	6.91	128.88	180.37	71.5%
Other assets	273.22	10.48	283.7	327.97	86.5%
Software (Intangible)	260.01	27.52	287.53	309.25	93.0%
Total	672.77	50.20	722.97	1018.75	71.0%

*Cumulative depreciation as on 22.08.2022 considered as per Note-2 & Note-3 of the Audited Accounts of UPSLDC.

4.7.7. The following Table summarizes the Depreciation as claimed by the Petitioner and as approved by the Commission for FY 2022-23 (from 23.08.2022 to 31.03.2023):

TABLE 4-23: NET DEPRECIATION APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	FY 2022-23 (From 23.08.2022 to 31.03.2023)	
	Petition (True Up)	Approved (True Up)
Net Depreciation of Assets (From 22.08.2022 to 31.03.2023)	92.34	50.20

4.8. INTEREST ON LONG TERM LOANS:

Petitioner's Submission

4.8.1. The Petitioner has submitted that it has considered the opening and addition of Normative Loan as per Regulation 13.3 of the UPERC SLDC Regulations, 2020.

4.8.2. The Petitioner has considered SBI one-year Marginal Cost of Funds-based Lending Rate (MCLR) applicable on April 01, 2022, for computing the interest rate on



Normative Loan. The calculation of Normative Interest on Loan is summarised below:

TABLE 4-24: INTEREST AND FINANCE CHARGES FOR FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Normative Interest Claimed for FY 2022-23
1	Gross Opening Loan	6.22
2	Addition during the year	0.92
3	Normative Repayment (Equal to Depreciation)	1.32
4	Closing Loan	5.82
5	Average Loan	6.02
6	Interest Rate (%)	7.00%
7	Interest on Loan	0.42
8	Other Finance Charges	-
9	Interest and Finance Charges	0.42

Commission's Analysis

4.8.3. The Commission observes that UPSLDC does not have any loan from financial institutions. Therefore, in this regard Regulation 13.3 of UPERC SLDC Regulations, 2020 provides that if SLDC does not have actual long-term loan portfolio because of which actual Weighted Average Rate of Interest (WAROI) is not available, then the rate of interest for the purpose of allowing the interest on the normative long-term loan will be the SBI MCLR prevailing on 1st April of the corresponding financial year of filing of the Petition. Thus, the Commission has considered SBI MCLR of 7.00% prevailing as on 01.04.2022 as WAROI for FY 2022-23. The deemed repayment is considered equal to the net depreciation approved during the financial year as per UPERC SLDC Regulations, 2020. Accordingly, the Commission has considered the Interest on Loan (from 23.08.2023 to 31.03.2023) for True Up of FY 2022-23 on pro-rate basis as per the Table below:

TABLE 4-25: INTEREST ON LOAN APPROVED BY THE COMMISSION (RS. LAKH)

Particular	Derivation / Remarks	FY 2022-23 (From 23.08.2022 to 31.03.2023)
		Approved (True Up)
Opening Loan	A (Table 4-18)	253.03
Loan Addition	B (Table 4-19)	91.95
Loan Repayment (considered equivalent to	C (Table 4-23)	50.20



Particular	Derivation / Remarks	FY 2022-23 (From 23.08.2022 to 31.03.2023)
		Approved (True Up)
Depreciation)		
Closing Loan	D=A+B-C	294.78
Average Loan	E= Average (A, D)	273.91
Interest Rate	F (Table 4-24)	7.00%
Interest on Loan*	G=(F)*E*(221/365)	11.61
Less: Interest Expense Capitalised	H	0.00
Interest on Loan	I=G-H	11.61

*Interest on loan is computed on pro-rate basis for period from 23.08.2022 to 31.03.2023. (i.e., 221days/ 365 days)

4.9. INTEREST ON WORKING CAPITAL:

Petitioner's Submission

4.9.1. The Petitioner has claimed Interest on Working Capital (IoWC) as per Regulation 14 of the UPERC SLDC Regulations, 2020. Further, the Petitioner has considered the Rate of IoWC equal to the weighted average SBI MCLR (1 Year) applicable during FY 2022-23. The computation of the weighted average rate of interest applicable for the working capital requirement has been given as follows:

TABLE 4-26: WEIGHTED AVERAGE RATE OF SBI MCLR ONE YEAR TENURE SUBMITTED BY THE PETITIONER

From Date	To Date	No. of Days	Base Rate (%)
01-04-2022	14-04-2022	14	7.00%
15-04-2022	14-05-2022	30	7.10%
15-05-2022	14-06-2022	31	7.20%
15-06-2022	14-07-2022	30	7.40%
15-07-2022	14-08-2022	31	7.50%
15-08-2022	14-09-2022	31	7.70%
15-09-2022	14-10-2022	30	7.70%
15-10-2022	14-11-2022	31	7.95%
15-11-2022	14-12-2022	30	8.05%
15-12-2022	14-01-2023	31	8.30%
15-01-2023	14-02-2023	31	8.40%
15-02-2023	14-03-2023	28	8.50%
15-03-2023	31-03-2023	17	8.50%
Weighted Average Rate of Interest (%)			7.80%
Add: 250 basis Point (%)			2.50%
Applicable Rate of Interest on Working Capital (%)			10.30%

4.9.2. The Petitioner has computed the IoWC for FY 2022-23 as mentioned in the above Table:



TABLE 4-27: INTEREST ON WORKING CAPITAL FOR FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Claimed for FY 2022-23
1	O&M Expenses for one month	2.65
2	Receivables equivalent to 45 days	3.97
3	Total working capital	6.62
4	Rate of interest	10.30%
5	Interest on Working Capital	0.68

Commission's Analysis

4.9.3. Regulation 14 of the UPERC SLDC Regulation, 2020 provides that for the purposes of Truing Up for any year, the IoWC shall cover the O&M expenses for one month and receivables equivalent to 45 days of annual LDC charges as approved by the Commission in the Truing Up. The Commission has considered values of these components accordingly.

4.9.4. As regards the computation of the Rate of IoWC as submitted by the Petitioner, the Commission finds that it is in accordance with provision of Regulation 14.2 and hence can be taken for the computation of IoWC as follows:

TABLE 4-28: INTEREST RATE ON WORKING CAPITAL FOR FY 2022-23 APPROVED BY THE COMMISSION (%)

From Date	To Date	Derivation	FY 2022-23 (True Up)	
			SBI 1 Year MCLR*	No. of Days
01.04.2022	31.03.2023	A	7.80%	365
Interest Rate on Working Capital Requirement		B = A + 2.50%	10.30%	-

* Source: SBI MCLR (1 Year) prevailing during the year (FY 2022-23).

Link: <https://sbi.co.in/web/interest-rates/interest-rates/mclr-historical-data>

4.9.5. The Commission observes that the Petitioner has not computed the IoWC separately for the True Up period. Therefore, the Commission has considered the IoWC for the True Up period (from 23.08.2023 to 31.03.2023) as shown in the Table below:



TABLE 4-29: INTEREST ON WORKING CAPITAL APPROVED BY THE COMMISSION (RS. LAKH)

Particular	Derivation	True Up (FY 2022-23)
		(23.08.2022 to 31.03.2023)
O&M Expenses from 23.08.2022 to 31.03.2023)	A (Table 4-11)	1,670.91
Receivables (Net ARR)	B (Table 4-38)	1,769.20
O&M Expenses for one month	C = A*30/221	226.82
Receivables equivalent to 45 days of Annual LDC Charges	D = B*45/221	360.24
Working Capital Requirement	E = C+D	587.06
Interest Rate	F (Table 4-28)	10.30%
Interest on Working Capital	G=E*F*221/365	36.61

4.10. INCOME TAX

Petitioner's Submission

4.10.1. The Petitioner has submitted that it has not incurred any expenses towards Income Tax during FY 2022-23. Therefore, it has not considered any Income Tax for True-Up of FY 2022-23.

Commission's Analysis

4.10.2. Regulation 16 of UPERC SLDC Regulations, 2020 specifies the treatment of Income Tax. The Commission observes that the Petitioner has not claimed any expenses towards Income Tax for FY 2022-23. Accordingly, the Commission has not approved any expenses towards Income Tax for True Up of FY 2022-23.

4.11. RETURN ON EQUITY

Petitioner's Submission

4.11.1. The Petitioner has computed the Return on Equity (RoE) as per Regulation 15.1 of the UPERC SLDC Regulations, 2020. The rate of RoE is considered as 12.50% per annum.

4.11.2. The Petitioner has claimed the RoE for FY 2022-23 as per following Table:

TABLE 4-30: RETURN ON EQUITY (ROE) FOR FY 2022-23 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Claimed for FY 2022-23
1	Opening Equity	2.66



S. N.	Particulars	Claimed for FY 2022-23
2	Equity addition during the year	0.39
3	Closing Equity	3.06
4	Average Equity	2.86
5	Rate of Return on Equity %	12.50%
6	Tax Rate %	0.00
7	Effective Rate of Return on Equity (%)	12.50%
8	Return on Equity	0.36

Commission's Analysis

4.11.3. Regulation 15 of UPERC SLDC Regulations, 2020 provides for computation of RoE. It is observed that as per the Audited Accounts of the Petitioner, the Equity was Rs. 1 Lakh as on August 23, 2022 and also as on March 31, 2023. Hence, the Commission has considered the same as the Equity base of the Petitioner.

4.11.4. The Commission observes that the Petitioner has not computed the RoE separately for the True Up period. Therefore, the Commission has considered the RoE for True-Up period (from 23.08.2022 to 31.03.2023) on prorata basis as per the Table below:

**TABLE 4-31: RETURN ON EQUITY FOR FY 2022-23 (FROM 23.08.2022 TO 31.03.2023)
APPROVED BY THE COMMISSION (RS. LAKH)**

Particulars	Derivation/Remarks	Approved (True Up) FY 2022-23 (From 23.08.2022 to 31.03.2023)
Opening Normative Equity	A (Table 4-18)	1.00
Equity addition during the year	B	0.00
Closing Normative Equity	C=A+B	1.00
Average Normative Equity	D=(A+C)/2	1.00
Rate of Return on Equity (%)	E	12.50%
Return on Equity	F=D*E*(221/365)	0.08

4.12. NON-TARIFF INCOME

Petitioner's Submission

4.12.1. The Petitioner has considered the Non-Tariff Income in Truing-Up of FY 2022-23 as per the certificate received from the practicing Chartered Accountant and the Annual Audited Accounts of FY 2022-23.



TABLE 4-32: NON-TARIFF INCOME OF FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023	Total Claimed for FY 2022-23
1	Miscellaneous Receipts	2.27	0.0021	2.28
2	Total	2.27	0.0021	2.28

Commission's Analysis:

4.12.2. Regulation 17 of UPERC SLDC Regulations, 2020 provides for Non-Tariff Income. The Commission has scrutinized the Audited Accounts of the Petitioner and observes that the claim of the Petitioner is in line with the Regulation 17 of the UPERC SLDC Regulations, 2020. Thus, the Commission has approved the Non-Tariff Income on account of miscellaneous receipt for True Up of FY 2022-23 (for the period from 23.08.2022 to 31.03.2023) as per the Annual Audited Accounts of the Petitioner. The same is shown in the Table below:

TABLE 4-33: NON-TARIFF INCOME FOR FY 2022-23 (FROM 23.08.2022 TO 31.03.2023) APPROVED BY THE COMMISSION (RS. LAKH)

Particular	FY 2022-23 (True Up) (23.08.2022 to 31.03.2023)	
	Petition	Approved
Non-Tariff Income	0.21	0.21

4.13. REVENUE FROM OPERATION

Petitioner's Submission

- 4.13.1. The Petitioner has submitted that it has booked the Revenue towards Annual Charges and Application fee/ Concurrence fee/ SLDC Charges as per the certificate received from its practicing Chartered Accountant for the period 01.04.2022 to 22.08.2022 and as per the Annual Audited Accounts for the balance period of FY 2022-23 i.e. 23.08.2022 to 31.03.2023.
- 4.13.2. The Petitioner has submitted the summary of the Revenue received during FY 2022-23 as follows:

TABLE 4-34: REVENUE FROM OPERATION DURING FY 2022-23 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Actuals from 01.04.2022 to 22.08.2022	Actuals from 23.08.2022 to 31.03.2023 as per Audited Accounts	Total Claimed for FY 2022-23
1	Annual Charges	1.83	0.68	2.51
2	Application fee/ Concurrence fee/ SLDC Charges	3.37	4.72	8.08
3	Total Revenue from Operation	5.20	5.40	10.59

Commission's Analysis:

4.13.3. The Commission observes that the Petitioner has submitted Revenue as certified by the practising Chartered Accountant for the period 01.04.2022 to 22.08.2022 and the Annual Audited Accounts of UPSLDC for the balance period of FY 2022-23 i.e. 23.08.2022 to 31.03.2023.

4.13.4. The Commission has approved the Revenue for True Up of FY 2022-23 (from 23.08.2022 to 31.03.2023) on the basis of Annual Audited Accounts of the Petitioner as shown in the Table below:

TABLE 4-35: REVENUE FROM OPERATIONS DURING FY 2022-23 (FROM 23.08.2022 TO 31.03.2023) AS APPROVED BY THE COMMISSION (RS. LAKH)

Particular	FY 2022-23 (True Up) (FROM 23.08.2022 TO 31.03.2023)	
	Petition (True Up)	Approved (True Up)
Annual Charges	68.00	68.00
Application fee/ Concurrence fee/ SLDC Charges	471.65	471.65
Total Revenue from Operation	539.65	539.65

4.14. SUMMARY OF ANNUAL REVENUE REQUIREMENT AND GAP/(SURPLUS) FOR TRUE UP OF FY 2022-23 (from 23.08.2022 TO 31.03.2023)

Petitioner's Submission

4.14.1. The Petitioner has claimed Aggregate Revenue Requirement for FY 2022-23 as shown in the Table below:



TABLE 4-36: AGGREGATE REVENUE REQUIREMENT FOR FY 2022-23 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Claimed for FY 2022-23
1	Employee Expenses	23.14
2	Repair & Maintenance Expenses	6.6
3	A&G Expenses	2.04
4	Total Depreciation	1.32
5	Interest & Finance Charges	0.42
6	Interest on Working capital	0.68
7	Return on Equity / ROE	0.36
8	Total Cost	34.56
9	Less: Non-Tariff income	2.2769
10	Net Aggregate Revenue Requirement	32.28

4.14.2. **Revenue Gap/ (Surplus) for FY 2022-23:** Based on the submissions made in the Petition, the Petitioner has computed the Revenue Gap for FY 2022-23 as per the Table below:

TABLE 4-37: REVENUE GAP/ (SURPLUS) FOR FY 2022-23 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Claimed for FY 2022-23
1	Net ARR for Truing-Up	32.28
2	Revenue from Operation	10.60
3	Revenue Gap	21.69

4.14.3. The Petitioner has submitted the ARR with a Revenue Gap during the True Up of FY 2022-23 for approval of the Commission.

Commission's Analysis

4.14.4. The Commission based on the above deliberation and analysis of various components of ARR has approved the ARR and Gap/(Surplus) for the True Up of FY 2022-23 (from 23.08.2022 to 31.03.2023) as shown in Table below:



**TABLE 4-38: SUMMARY OF THE TRUE UP OF FY 2022-23 (FROM 23.08.2022 TO 31.03.2023)
APPROVED BY THE COMMISSION (RS. LAKH)**

Particulars	FY 2022-23 (True Up) (FROM 23.08.2022 TO 31.03.2023)		Reference
	Petition (True Up)	Approved (True Up)	
<i>Employee Expenses</i>	1,365.81	1,365.81	Table 4-11
<i>R&M Expense</i>	381.30	185.45	
<i>A&G Expense</i>	119.65	119.65	
Total O&M expenses	1,866.76	1,670.91	
Depreciation	92.34	50.20	Table 4-23
Interest on Loan	44.43	11.61	Table 4-25
Interest on Working Capital	68.15	36.61	Table 4-29
Return on Equity	36.48	0.08	Table 4-31
Total Aggregate Revenue Requirement	2,108.16	1,769.41	
Less: Non-Tariff Income	0.21	0.21	Table 4-33
Net Aggregate Revenue Requirement	2,107.95	1,769.20	
<i>Annual Charges</i>	68.00	68.00	Table 4-35
<i>Application fee/ Concurrence fee/ SLDC Charges</i>	471.65	471.65	
Revenue from Operations	539.65	539.65	
Net Gap/(Surplus) in FY 2022-23	-*	1,229.55	

*Petitioner has not claimed any gap for the True Up period.

4.14.5. The Commission approves the Net Gap as Rs. 1,229.55 Lakh in accordance with the above Table. The Commission has considered and adjusted the Net Gap of FY 2022-23 while determining the SLDC charges for FY 2024-25 in the ARR Chapter of this Tariff Order.



5. ANNUAL PERFORMANCE REVIEW for FY 2023-24

5.1. INTRODUCTION

- 5.1.1. Regulation 8 of UPERC SLDC Regulations 2020 specifies that the Petitioner shall file the Petition for Annual Performance Review (APR).
- 5.1.2. The Petitioner, vide Petition No. 1980 of 2023, had incidentally submitted the Petition for determination of ARR and SLDC charges of FY 2023-24. However, the Petition got admitted only on 10.06.2024 after deficiencies were cured by the Petitioner. Thereafter, Petitioner was directed to either amend the Petition or file a fresh APR Petition and submit the actual data for FY 2023-24 along with Audited Accounts of FY 2023-24 (if available) as FY 2023-24 had already passed.
- 5.1.3. Further, the Petitioner submitted the provisional data which is not audited therefore, the Commission has proceeded with the provisional data submitted by the Petitioner and has provisionally computed the values wherever required for purposes of APR and opening values of ARR of FY 2024-25. Accordingly, components of APR are discussed in the following sections.

5.2. OPERATION AND MAINTENANCE (O&M) EXPENSES

Petitioner's Submission

- 5.2.1. The Petitioner has submitted that it has computed the O&M Expenses as per the norms specified in Regulation 11.1 to Regulation 11.9 of the UPERC SLDC Regulations, 2020. The Petitioner also submitted that while the FY 2023-24 is already over, the actual expenses incurred during the financial year, pending completion of the audit have been considered while submitting O&M expenses in the APR Petition of FY 2023-24. The Petitioner's submission regarding O&M expenses is mentioned below:
- 5.2.2. **Employee Expenses:** The Petitioner has submitted that the Employee Expenses comprise of costs towards salaries, medical expense reimbursement, pension & gratuity and other allowances. Details of Employee Expenses for FY 2023-24 submitted by the Petitioner are as shown in the Table below:

TABLE 5-1: EMPLOYEE EXPENSES OF FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Salaries & Allowances	12.21
2	Dearness Allowances	5.74
3	Other Allowances	1.25
4	Pension & Gratuity	0.88
5	Medical Expenses (Re-imburement)	0.21
6	Earned Leave Encashment	2.47
7	Contribution to Provident & Other Funds	1.30
8	Bonus/ Ex-gratia	0.00
9	Superannuation Gratuity (Employees under CPF Scheme)	0.78
10	Grand Total	24.84

5.2.3. **R&M Expenses:** The Petitioner has submitted that R&M Expenses include expenses on repair and maintenance of plant, machinery, office equipment etc. The Petitioner added that it is important to incur the R&M expenses in order to maintain the system to perform its duties as defined in the Electricity Act, 2003 and other governing Regulations thereof. The Petitioner has considered the expenditure towards contractual manpower under R&M Expenses for FY 2023-24. The R&M Expenses claimed by the Petitioner for FY 2023-24 is tabulated below:

TABLE 5-2: R&M EXPENSES OF FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Office Buildings	0.48
2	Plant & Machinery	0.93
3	Expenditure on Contractual Manpower	3.62
4	Software	1.89
5	Office Equipment	0.06
6	Total R&M Expenses	6.97

5.2.4. **Administrative and General (A&G) Expenses:** The Petitioner has submitted that A&G Expenses primarily comprise of expense incurred towards Communication Charges, Conveyance and Travelling, Electricity Charges, Miscellaneous Expenses, Legal Charges, and Printing and Stationery expenses. Following Table shows A&G Expenses claimed by the Petitioner for the APR of FY 2023-24:

TABLE 5-3: A&G EXPENSES OF FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S.N.	Particulars	APR Petition (FY 2023-24)
1	Audit Fee	0.00
2	Advertisement Expenses	0.00
3	Communication Charges	0.50
4	Consultancy Charges	0.24
5	Electricity Expenses	1.55
6	Legal Charges	0.28
7	Outsourced Manpower for Administrative	0.00
8	Miscellaneous Expenses	0.06
9	Printing & Stationery	0.06
10	Technical Fees & Professional Charges	0.41
11	Travelling & Conveyance	0.21
12	Vehicles-Expenditure	0.47
13	Other Expenses & losses	0.05
14	Total A&G Expenses	3.85

5.2.5. **Summary of O&M Expenses:** Based on the component-wise O&M Expenses provided above, the Petitioner has summarised the O&M Expenses for FY 2023-24 as shown below:

TABLE 5-4: SUMMARY OF O&M EXPENSES OF FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Employee Expenses	24.84
2	R&M Expenses	6.97
3	A&G Expenses	3.85
4	Total O&M Expenses	35.66

Commission's Analysis

5.2.6. The Commission has considered the same methodology of computing O&M expenses as provided under Regulation 11 of UPERC SLDC Regulations, 2020. It is observed that the Petitioner has wrongly computed the normative O&M expenses for FY 2023-24, as it has not considered the WPI and CPI inflation rates as per notification of Labour Bureau, Govt. of India (GoI) and Economic Advisor Govt. of India.

5.2.7. The Commission has considered the CPI and WPI inflation rates as notified by Labour Bureau, Gol (<https://labourbureau.gov.in/all-india-general-index-1>) and Economic Advisor, Gol (https://eaindustry.nic.in/download_data_1112.asp) respectively for different years. The same is shown in the Table below:

TABLE 5-5: INFLATION INDEX CONSIDERED BY THE COMMISSION (%)

FY	INDEX		INFLATION RATE		Average of Last 3 Years	
	WPI	CPI	WPI	CPI	WPI	CPI
FY 2020-21	123.38	338.69	1.29%	5.02%		
FY 2021-22	139.41	356.06	13.00%	5.13%		
FY 2022-23	152.53	377.62	9.41%	6.05%		
FY 2023-24	151.40	397.73	-0.71%	5.33%	7.90% = average of (1.29%, 13.00% & 9.41%)	5.40% = average of (5.02%, 5.13% & 6.05%)

5.2.8. The Commission has provisionally computed the normative value of each component of O&M Expenses for FY 2023-24 by escalating the normative value of FY 2022-23 with the inflation factor. The same is subjected to Truing-Up as per UPERC SLDC Regulations, 2020. The Normative O&M Expenses computed for FY 2023-24 is shown in the Table below:

TABLE 5-6: NORMATIVE O&M EXPENSES COMPUTED BY THE COMMISSION FOR FY 2023-24 (RS. LAKH)

Particulars	Derivation	FY	Average of previous 3 years CPI and WPI		FY
		2022-23 (True Up)	Average of previous 3 years CPI and WPI		2023-24 (APR)
		Normative (Computed)	WPI	CPI	Provisionally Computed (APR)
		P (Table 4-9)	Q (Table 5-5)	R (Table 5-5)	S = P*(1+Q) OR P*(1+R)
Employee Expenses	A	2,499.35		5.40%	2,634.33
Less: Employee Expenses Capitalised	B	0.00			0.00
Net Employee Expenses	C=A-B	2,499.35			2,634.33
Net A&G Expenses	D	345.64	7.90%		372.94
Net R&M Expenses	E	306.29	7.90%		330.49
Net O&M Expenses	F=C+D+E	3,151.28			3,337.76

5.3. CAPITAL WORK IN PROGRESS & GROSS FIXED ASSET

Petitioner's Submission

5.3.1. The Petitioner has submitted that it has considered the closing CWIP of FY 2022-23 as opening balance of CWIP for FY 2023-24. The Petitioner has further added that the actual Capex and Capitalisation have been considered for computation of closing CWIP balance for FY 2023-24. The summary of the Capex and Capitalisation for FY 2023-24 is as follows:

TABLE 5-7: CAPEX AND CAPITALISATION OF FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S.N.	Particulars	APR Petition (FY 2023-24)
1	Opening CWIP	0.00
2	Capital Expenditure during the year	0.56
3	Less: Capitalisation	0.56
4	Closing CWIP	0.00

5.3.2. The Petitioner has considered the closing balance of GFA of FY 2022-23 as the opening balance of GFA for FY 2023-24. Further, addition to GFA during FY 2023-24 (as discussed above) has been considered to arrive at the closing GFA of the year. Following Table shows the GFA claimed by the Petitioner for FY 2023-24:

TABLE 5-8: GROSS FIXED ASSETS (GFA) FOR FY 2023-24 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Opening GFA	10.19
2	Additions during the year	0.56
3	Closing GFA (1+2)	10.76

Commission's Analysis

5.3.3. The Commission observed that the Petitioner has not taken the closing GFA of FY 2022-23 as Opening for FY 2023-24. The Commission has considered closing GFA for FY 2022-23 as the opening GFA for FY 2023-24. The investment and GFA addition as claimed by the Petitioner for FY 2023-24 has been provisionally considered to arrive

at the closing GFA for FY 2023-24. The same is shown in the Table below:

TABLE 5-9: GFA FOR FY 2023-24 COMPUTED PROVISIONALLY BY THE COMMISSION (RS. LAKH)

Particulars	APR (FY 2023-24)	
	Petition (APR)	Provisionally Computed (APR)
Opening GFA	1019.11	1018.75*
Addition during the year	56.45	56.45
Closing GFA	1075.56	1075.20

*Refer Table 4-15

5.3.4. The same is subject to prudence check at the time of truing-up based on the audited accounts and applicable Regulations.

5.4. CONSUMER CONTRIBUTION, CAPITAL GRANTS AND GRANTS

Commission's Analysis

5.4.1. The Commission observes that the Petitioner has not claimed any Consumer Contributions, Capital Subsidies, and Grants towards the cost of capital assets received during FY 2023-24. Accordingly, the Commission has also not approved any Consumer Contribution, Capital Grants, and Subsidies for FY 2023-24.

5.5. DEBT-EQUITY RATIO

Petitioner's Submission

5.5.1. The Petitioner has submitted that the entire capital expenditure for FY 2023-24 is funded through Internal Resources. Therefore, the Petitioner has considered the normative Debt Equity ratio of 70:30 as specified in Regulation 10.2 of UPERC SLDC Regulations, 2020 to compute the Equity and Loan addition during FY 2023-24. The details of computation of Loan and Equity addition during the year is provided below:

TABLE 5-10: DEBT-EQUITY FOR FY 2023-24 SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	APR Petition (FY 2023-24)
1	GFA addition During the Year	0.56
2	Debt addition (%)	70%



S. N.	Particulars	APR Petition (FY 2023-24)
3	Debt addition (in Rs. Cr.)	0.39
4	Equity addition (%)	30%
5	Equity addition (in Rs. Cr.)	0.17

Commission's Analysis

5.5.2. As discussed above, Regulation 10.2 of the UPERC SLDC Regulations, 2020 provides that the Debt-Equity ratio shall be 70:30 for the determination of charges. Where Equity employed is more than 30%, the amount of Equity for determination of charges shall be limited to 30% and the balance shall be considered as the normative loan. In the case where actual Equity employed is less than 30%, the actual Debt and Equity shall be considered for the determination of charges.

5.5.3. The Commission has considered closing Debt: Equity for FY 2022-23 as the opening for FY 2023-24. Further, the Commission has considered the normative approach with Debt-Equity ratio of 70:30, i.e., 70% of estimated Capitalisation during the FY 2023-24 is to be financed through term loan and balance 30% through Equity. GFA addition during the year as submitted by the Petitioner for FY 2023-24 has been considered to arrive at the closing Debt: Equity for FY 2023-24. The same is further subject to prudence check at the time of truing up based on audited accounts and applicable Regulations.

TABLE 5-11: DEBT-EQUITY FOR FY 2023-24 PROVISIONALLY CONSIDERED BY THE COMMISSION (RS. LAKH)

S. N.	Particulars	Provisionally Computed (FY 2023-24)
1	GFA addition During the Year	56.45
2	Debt addition (%)	70%
3	Debt addition (in Rs. Cr.)	39.52
4	Equity addition (%)	30%
5	Equity addition (in Rs. Cr.)	16.94

5.6. DEPRECIATION

Petitioner's Submission

5.6.1. The Petitioner has submitted that it has computed depreciation for FY 2023-24 in line with Regulation 12 of the UPERC SLDC Regulations, 2020. The Petitioner has considered the Depreciation for FY 2023-24 as per the following Table:

TABLE 5-12: DEPRECIATION FOR FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

Particular	Gross Block			Depreciation Block		
	Opening GFA	Addition during the Year	Closing GFA	Accumulated Depreciation	Depreciation during the year	Closing Depreciation
Plant & Machinery	1.82	0.52	2.33	0.19	0.14	0.34
Furniture & Fixtures	0.2	0.01	0.2	0.06	0.01	0.07
Software	3.09	-	3.09	2.95	0.05	2.99
Office Equipment	1.8	0.04	1.84	1.42	0.09	1.51
Other Assets	3.28	-	3.28	3.03	0.25	3.28
Total	10.19	0.56	10.75	7.65	0.54	8.19

Commission's Analysis

5.6.2. The Commission has provisionally computed the closing GFA for APR of FY 2023-24 for the purpose of estimating the opening balance for FY 2024-25 as per the methodology specified in Regulation 12 of UPERC SLDC Regulations, 2020. The closing Block of Fixed Assets of FY 2022-23 has been considered as the Opening Block of Fixed Assets for FY 2023-24. Computation of GFA for FY 2023-24 provisionally considered by the Commission is shown in the Table below:

TABLE 5-13: COMPUTATION OF GFA FOR FY 2023-24 PROVISIONALLY CONSIDERED BY THE COMMISSION (RS. LAKH)

Particular	Gross Fixed Asset as on 01.04.2023	Addition to GFA	Deduction/ Adjustment	Gross Fixed Asset as on 31.03.2024
Plant & Machinery	181.61	51.87	0.00	233.48
Furniture and Fixtures	19.55	0.94	0.00	20.49
Office Equipment	180.37	0.00	0.00	180.37
Other assets	327.97	3.64	0.00	331.61
Software (Intangible)	309.25	0.00	0.00	309.25
Total	1018.75	56.45	0.00	1075.20

5.6.3. The Commission will carry out the detailed prudence check of depreciation of each asset while carrying out the truing up for FY 2023-24.

5.7. INTEREST ON LONG TERMS LOANS

Petitioner's Submission

- 5.7.1. The Petitioner has submitted that it has computed the Interest on Long term loan as per Regulation 13 of the UPERC SLDC Regulations, 2020. The Petitioner has considered the closing balance of normative loan for FY 2022-23 as the opening balance of normative loan for FY 2023-24 and the addition during the year has been considered as per the means of finance for FY 2023-24.
- 5.7.2. The Petitioner has submitted that the SBI one-year Marginal Cost of Funds-based Lending Rate (MCLR) applicable on 1st April 2023 is considered for computing the interest rate on Normative Loan. The Petitioner submitted the calculation of normative interest on loan as follows:

TABLE 5-14: INTEREST AND FINANCE CHARGES OF FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Gross Opening Loan	5.82
2	Addition during the year	0.40
3	Normative Repayment (Equal to Depreciation)	0.54
4	Closing Loan	5.67
5	Average Loan	5.74
6	Interest Rate (%)	8.5%
7	Interest on Loan	0.49
8	Other Finance Charges	-
9	Interest and Finance Charges	0.49

Commission's Analysis

- 5.7.3. The Commission has observed that the opening loan base of FY 2023-24 claimed by the Petitioner is different from the value provisionally computed by the Commission because the Petitioner has claimed the opening loan based on the closing loan balance of FY 2022-23 as submitted in the True Up Petition, whereas the same had not reconciled with the Annual Audit Accounts of the Petitioner. The Commission has provisionally considered closing normative loan for FY 2022-23 as the opening for FY 2023-24, while the addition of loan during the year as claimed by the



Petitioner for FY 2023-24 has been considered to arrive at the closing base of loan for FY 2023-24. The same is shown in the Table below:

TABLE 5-15: LONG TERM LOANS PROVISIONALLY COMPUTED BY COMMISSION FOR FY 2023-24 (RS. LAKH)

Particulars	Derivation/ Remarks	Petition (APR)	Provisional Computed (APR)
Opening Normative Loan as on 01.04.2023	A(Table 4-25)	581.56	294.78
Loan Additions during the Year	B	39.52	39.52
Less: Repayments (Depreciation for the year)	C	53.83	38.39
Closing Loan Balance as on 31.03.2024	D=A+B-C	567.24	295.91

5.7.4. The same is further subject to prudence check at the time of truing up based on the audited accounts.

5.8. INTEREST ON WORKING CAPITAL

Petitioner's Submission

5.8.1. The Petitioner has submitted that the rate equal to the weighted average SBI MCLR (1 Year) applicable during FY 2023-24 has been considered as per Regulation 14 of the UPERC SLDC Regulations, 2020 for calculation of IoWC requirement. The WAROI as computed by the Petitioner is shown in the Table below:

TABLE 5-16: WEIGHTED AVERAGE RATE OF SBI MCLR ONE YEAR TENURE AS SUBMITTED BY THE PETITIONER

From Date	To Date	No. of Days	Base Rate
01/04/2023	14/04/2023	14	8.50%
15/04/2023	14/05/2023	30	8.50%
15/05/2023	14/06/2023	31	8.50%
15/06/2023	14/07/2023	30	8.50%
15/07/2023	14/08/2023	31	8.55%
15/08/2023	14/09/2023	31	8.55%
15/09/2023	14/10/2023	30	8.55%
15/10/2023	14/11/2023	31	8.55%
15/11/2023	14/12/2023	30	8.55%
15/12/2023	14/01/2024	31	8.65%
15/01/2024	14/02/2024	31	8.65%
15/02/2024	14/03/2024	29	8.65%
15/03/2024	31/03/2024	17	8.65%



From Date	To Date	No. of Days	Base Rate
Weighted Average Rate of Interest			8.57%
Add: 250 Basis Point			2.50%
Applicable Rate of Interest on Working Capital			11.07%

5.8.2. The IoWC for the FY 2023-24 as claimed by the Petitioner is shown in the Table below:

TABLE 5-17: INTEREST ON WORKING CAPITAL FOR FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S.N.	Particulars	APR Petition (FY 2023-24)
1	O&M Expenses of one month	2.97
2	Receivables equivalent to 45 days	4.65
3	Working Capital Requirement	7.63
4	Rate of interest	11.07%
5	Interest on Working Capital	0.84

Commission's Analysis

5.8.3. The Commission has noted the submission made by the Petitioner. The detailed analysis and prudence check will be carried out at the time of truing up.

5.9. RETURN ON EQUITY AND INCOME TAX:

Petitioner's Submission

5.9.1. The Petitioner has submitted that the closing Equity of FY 2022-23 has been considered as the opening Equity for FY 2023-24. The Petitioner has considered the rate of RoE as 12.50% in line with Regulation 15.1 of the UPERC SLDC Regulations, 2020. The Petitioner has further submitted that no Income Tax for APR of FY 2023-24 has been considered. However, any variations in this respect shall be claimed during truing up exercise. Based on above, the Petitioner summarised the RoE claimed for FY 2023-24 as follows:

TABLE 5-18: RETURN ON EQUITY FOR FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)



S.N.	Particulars	APR Petition (FY 2023-24)
1	Opening Equity	3.06
2	Equity addition during the year	0.17
3	Closing Equity	3.23
4	Average Equity	3.14
5	Rate of Return on Equity	12.50%
6	Effective Rate of Return on Equity	12.50%
7	Return on Equity	0.39

Commission's Analysis

- 5.9.2. The Commission observes that there is a variation in the opening Equity base considered by the Petitioner because it has not appropriately considered the Annual Audited Accounts of FY 2022-23 while claiming the opening Equity base.
- 5.9.3. The Commission has considered the closing Equity of FY 2022-23 as the opening Equity for FY 2023-24. Further, Equity addition during the year has been considered as 30% of the net Capitalisation considered for FY 2023-24 to arrive at the closing Equity for FY 2023-24 as shown in the Table below:

TABLE 5-19: EQUITY PROVISIONALLY COMPUTED BY COMMISSION FOR FY 2023-24 (RS. LAKH)

Particulars	Derivation	FY 2023-24 (APR)	
		Petitioner	Provisionally Computed
Opening Equity as on 01.04.2023	A	305.73	1.00
Addition during the year (Table 5-11: Debt-Equity for FY 2023-24 provisionally considered by the commission (Rs. lakh)	B	16.94	16.94
Closing Equity as on 31.03.2024	C=A+B	322.67	17.94
Average Equity	D=(A+C)/2	314.20	9.47

- 5.9.4. The same is further subject to prudence check at the time of truing up based on the audited accounts. Since, the Petitioner has not considered any income tax for FY 2023-24, the Commission has also not considered any income tax for FY 2023-24.

5.10. NON-TARIFF INCOME

Petitioner's Submission

5.10.1. The Non-Tariff Income for FY 2023-24 as claimed by the Petitioner is presented in the Table below:

TABLE 5-20: NON-TARIFF INCOME (NTI) OF FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Bank Interest Income	0.0756
2	Sale of Tender	0.0024
3	Total	0.0780

Commission’s Analysis

5.10.2. The Commission has noted the submission made by the Petitioner. The detailed analysis and prudence check will be carried out at the time of truing up.

5.11. REVENUE FROM OPERATION

Petitioner’s Submission

5.11.1. The Revenue from Annual Charges and Application fee/ Concurrence fee/ SLDC Charges as submitted by the Petitioner for FY 2023-24 is as follows:

TABLE 5-21: REVENUE FROM OPERATION DURING FY 2023-24- AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Annual Operating Charges	0.97
2	Application fees	8.67
3	Operating Charges (Short Term open Access)	1.50
4	Registration Fee	4.48
5	Total Revenue from Operation	15.61

Commission’s Analysis

5.11.2. The Commission has provisionally considered the Revenue from Operation as claimed by the Petitioner for FY 2023-24. However, the same is subject to prudence check at the time of truing up based on audited accounts.

5.12. SUMMARY OF AGGREGATE REVENUE REQUIRMENT FOR FY 2023-24

Petitioner’s Submission

5.12.1. The Petitioner has submitted the summary of APR for FY 2023-24 as follows:

TABLE 5-22: ANNUAL PERFORMANCE REVIEW (APR) OF FY 2023-24 (RS. LAKH)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Employee Expense	2,484.20
2	R&M Expense	697.36
3	A&G Expense	384.58
4	Depreciation	53.83
5	Interest on Loans	48.82
6	Interest on working capital	84.37
7	Add: Return on Equity / RoE	39.27
8	Total Aggregate Revenue Requirement	3792.44
9	Less: Non-Tariff income	7.80
10	Net Aggregate Revenue Requirement	3,784.64

5.12.2. **Revenue Gap/ (Surplus) for FY 2023-24:** The Petitioner has computed the Revenue Gap for FY 2023-24 as summarised below:

TABLE 5-23: REVENUE GAP/ (SURPLUS) FOR FY 2023-24 AS SUBMITTED BY THE PETITIONER (RS. LAKH)

S. N.	Particulars	APR Petition (FY 2023-24)
1	Net ARR for Annual Performance Review	3,784.64
2	Revenue from Operation	1,561.35
3	Revenue Gap	2,223.29

5.12.3. The Petitioner has submitted the Revenue Gap of FY 2023-24 for approval of the Commission to allow the recovery of the same.

Commission's Analysis

5.12.4. The Commission observes that the Petitioner has estimated an ARR of Rs. 37.85 Crore and Revenue Gap of Rs. 22.23 Crore for FY 2023-24. However, the Commission shall determine the Revenue Gap / (Surplus) for FY 2023-24 during the truing up exercise.



6. ANNUAL REVENUE REQUIREMENT (ARR) FOR FY 2024-25

6.1. INTRODUCTION

- 6.1.1. The Petitioner vide Petition No. 2046 of 2023 has sought approval for the Annual Revenue Requirement (ARR) for FY 2024-25.
- 6.1.2. The Commission has analysed the Tariff Petition submitted for approval of ARR and determination of SLDC charges for FY 2024-25 as per the provisions of UPERC SLDC Regulations, 2020. In this context, it is to underline that Regulation 7 of UPERC SLDC Regulations, 2020 governs the submission of the Business Plan and ARR as well as the determination of SLDC charges. The detailed deliberation and each element-wise analysis above is presented in the subsequent sections of this chapter.

6.2. OPERATION AND MAINTENANCE (O&M) EXPENSES

Petitioner's Submission

- 6.2.1. The Petitioner has submitted that it has computed the O&M Expenses as per the norms specified in Regulation 11 of the UPERC SLDC Regulations, 2020 especially the sub-regulations 11.1 to 11.9. The Petitioner has claimed the average of the actual Employee Expenses, R&M Expenses, and A&G Expenses for last five financial years ending March 31, 2020, in accordance with Regulation 11.2 of the UPERC SLDC Regulations, 2020. The details of computation of each component of O&M expenses for the last five financial years ending 31st March, 2020 is as shown in the Table below:

TABLE 6-1: AVERAGE O&M EXPENSE FOR THE LAST FIVE FINANCIAL YEARS ENDING MARCH 31, 2020 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

Financial Year	Employee Cost	A&G Expenses	R&M Expenses
FY 2015-16	15.65	1.75	0.75
FY 2016-17	16.18	2.62	1.46
FY 2017-18	19.16	2.15	2.15
FY 2018-19	21.42	2.24	3.14
FY 2019-20	23.72	3.23	3.12
Total	96.13	11.99	10.62
Average	19.23	2.40	2.12

- 6.2.2. The Petitioner has further submitted that in line with the provision of Regulation

11.3 of the UPERC SLDC Regulations, 2020, the average Employee Expenses, R&M Expenses, and A&G Expenses have been considered as base expenses for FY 2017-18. The same have been escalated year on year with the escalation factor considering CPI and WPI of respective years in the ratio of 60:40, to arrive at corresponding yearly O&M cost for subsequent years (up to FY 2020-21). The same is shown in the Table below:

TABLE 6-2: O&M EXPENSE BASED ON ESCALATION FACTOR FOR SUBSEQUENT YEARS UP TO FY 2020-21 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

Financial Year	Employee Cost	A&G Expenses	R&M Expenses
Average Expenses (considered as expenses for the FY 2017-18)	19.23	2.40	2.12
FY 2018-19	20.18	2.52	2.23
FY 2019-20	21.23	2.65	2.35
FY 2020-21	21.98	2.74	2.43

6.2.3. The normative Employee Expenses proposed by the Petitioner are detailed in the Table below:

TABLE 6-3: EMPLOYEE EXPENSES FOR FY 2024-25 PROPOSED BY THE PETITIONER (RS. CRORE)

S.N.	Financial Year	CPI Index	Employee Cost
1	Escalated Employee Expenses - FY 2020-21		21.98
2	FY 2021-22	6.00%	23.30
3	FY 2022-23	5.89%	24.67
4	FY 2023-24	5.40%	26.00
5	FY 2024-25	5.40%	27.41
6	Additional Employee cost over Normative cost		4.09
7	Claimed for the FY 2024-25		31.50

6.2.4. The normative R&M Expenses proposed by the Petitioner are detailed in the Table below:

TABLE 6-4: : R&M EXPENSES FOR FY 2024-25 SUBMITTED BY PETITIONER (RS. CRORE)

S. N.	Financial Year	WPI Index	R&M Expenses
1	Escalated R&M Expenses - FY 2020-21		2.43
2	FY 2021-22	2.42%	2.49



S. N.	Financial Year	WPI Index	R&M Expenses
3	FY 2022-23	5.32%	2.62
4	FY 2023-24	7.90%	2.83
5	FY 2024-25	7.90%	3.05
6	Additional R&M Expenses over Normative Expenses calculated above		3.30
7	Claimed for the FY 2024-25		6.35

6.2.5. The normative A&G Expenses proposed by the Petitioner are detailed in the Table below:

TABLE 6-5: A&G EXPENSES FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Financial Year	WPI Index	A&G Expenses
1	Escalated A&G expenses - FY 2020-21		2.74
2	FY 2021-22	2.42%	2.81
3	FY 2022-23	5.32%	2.96
4	FY 2023-24	7.90%	3.19
5	FY 2024-25	7.90%	3.44
6	Claimed for the FY 2024-25		3.44

6.2.6. The summary of O&M Expenses submitted by the Petitioner for FY 2024-25 is tabulated below:

TABLE 6-6: O&M EXPENSES FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

Particulars	FY 2024-25
	Petition (ARR)
Employee Expenses	31.50
R&M Expenses	6.35
A&G Expenses	3.44
Total	41.29

Commission's Analysis

6.2.7. The Commission has computed the normative O&M expenses as per Regulation 11 of UPERC SLDC Regulations, 2020. The Commission has observed that the inflation indices considered by the Petitioner are not in line with the WPI and CPI (Inflation indices) issued by the Government of India.



6.2.8. The inflation indices as considered by the Commission for the purpose of escalation are shown in the Table below:

TABLE 6-7: INFLATION INDICES CONSIDERED BY THE COMMISSION

Particulars	Wholesale Price Index					Consumer Price Index				
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
April	121.10	119.20	132.00	152.30	151.10	312.00	329.00	345.89	367.78	386.50
May	121.60	117.50	132.90	155.00	149.40	314.00	330.00	347.33	371.52	387.94
June	121.50	119.30	133.70	155.40	148.90	316.00	332.00	350.50	372.10	392.83
July	121.30	121.00	135.00	154.00	152.10	319.00	336.00	353.66	374.11	402.34
August	121.50	122.00	136.20	153.20	152.50	320.00	338.00	354.24	374.98	402.34
September	121.30	122.90	137.40	151.90	151.80	322.00	340.13	355.10	378.14	400.90
October	122.00	123.60	140.70	152.90	152.50	325.00	344.16	359.71	381.60	398.59
November	122.30	125.10	143.70	152.50	153.10	328.00	345.31	362.02	381.60	400.61
December	123.00	125.40	143.30	150.50	151.80	330.00	342.14	361.15	381.02	399.74
January	123.40	126.50	143.80	150.70	151.10	330.00	340.42	360.29	382.46	400.03
February	122.20	128.10	145.30	150.90	151.20	328.00	342.72	360.00	382.18	400.90
March	120.40	129.90	148.90	151.00	151.80	326.00	344.45	362.88	383.90	400.03
Average	121.80	123.38	139.41	152.53	151.44	322.50	338.69	356.06	377.62	397.73
Calculation of Inflation	-	1.29%	13.00%	9.41%	-0.71%	-	5.02%	5.13%	6.05%	5.33%

6.2.9. The Commission, vide Table 4-8 has computed the mid-year value (pertaining to FY 2017-18) to derive the Base year value of O&M Expenses for FY 2020-21. Further, the Commission has considered the CPI and WPI inflation rates as notified by Labour Bureau, GoI (<https://labourbureau.gov.in/all-india-general-index-1>) and Economic Advisor, GoI (https://eaindustry.nic.in/download_data_1112.asp) respectively for different years. The same is as shown in the Table below:

TABLE 6-8: INFLATION INDEX CONSIDERED BY THE COMMISSION (%)

FY	INDEX		INFLATION RATE		Average of Last 3 Years	
	WPI	CPI	WPI	CPI	WPI	CPI
FY 2021-22	139.41	356.06	13.00%	5.13%		
FY 2022-23	152.53	377.62	9.41%	6.05%		



FY	INDEX		INFLATION RATE		Average of Last 3 Years	
	WPI	CPI	WPI	CPI	WPI	CPI
FY 2023-24	151.40	397.73	-0.71%	5.33%	7.90% = average of (1.29%, 13.00% & 9.41%)	5.40% = average of (5.02%, 5.13% & 6.05%)
FY 2024-25					7.23% = average of (13.00% & 9.41%, -0.71%)	5.50% = average of (5.13%, 6.05%, 5.33%)

6.2.10. **Employee Expenses:** The normative Employee Expenses for FY 2024-25 have been computed by escalating the normative Employee Expenses of FY 2023-24 (as computed in the APR section) with an applicable escalation factor of 5.50% i.e. average of CPI for immediately preceding three Financial Years (i.e. FY 2021-22 to FY 2023-24) in accordance with Regulation 11.7 of UPERC SLDC Regulations, 2020. Since, the Petitioner has not claimed any Employee expense capitalisation during FY 2024-25, the Commission has also not approved any Employee expense capitalisation for FY 2024-25.

6.2.11. **R&M Expenses:** The normative R&M Expenses for FY 2024-25 have been computed by escalating the normative R&M Expenses for FY 2023-24 (as computed in the APR section) with an applicable escalation factor of 7.23% i.e., average of WPI for the immediately preceding three Financial Years (i.e. FY 2021-22 to FY 2023-24) in accordance with Regulation 11.8 of UPERC SLDC Regulations, 2020.

6.2.12. **A&G Expenses:** The normative A&G Expenses for FY 2024-25 are computed by escalating the normative A&G Expenses for FY 2023-24 (as computed in the APR section) with applicable inflation factor of 7.23% i.e., average of WPI for the immediately preceding three Financial Years (i.e. FY 2021-22 to FY 2023-24) in accordance with Regulation 11.9 of UPERC SLDC Regulations, 2020.

6.2.13. The Commission further observes that the Petitioner has also claimed the additional Employee Expenses and R&M Expenses over and above the normative expenses. In this regard, Regulation 11 provides that additional O&M expenses, if any, due to enlargement of scope/activities of SLDC may be considered by the Commission based on separate submissions made by SLDC to the satisfaction of the Commission.



Further, additional O&M Expenses, on account of Opex schemes for system automation, new technology and IT implementation etc., over and above the normative expenses may be allowed by the Commission subject to detailed justification of such schemes and their respective cost benefit analysis vis-à-vis capex schemes submitted by the Petitioner at appropriate time.

6.2.14. The Commission observes that the Petitioner has not submitted any details nor has submitted the justification for additional Employee Expenses and R&M Expenses over and above the normative expenses. Moreover, if any such additional expenditure, which, as per the Petitioner, is essential then the Petitioner may approach the Commission separately along with justifications and cost-benefit analysis before the Commission. Thus, the Commission has not considered the additional O&M Expenditure over and above the normative figures and may consider the same at the time of True Up.

6.2.15. Accordingly, the O&M expenses approved by the Commission in terms of Regulation 11 of UPERC SLDC Regulations, 2020 are shown in the Tables below:

TABLE 6-9: NORMATIVE O&M EXPENSES COMPUTED BY THE COMMISSION (RS. LAKH)

Particulars	Derivation	FY 2022-23 (True Up)	Average of previous 3 years CPI and WPI		FY 2023-24 (APR)	Average of previous 3 years CPI and WPI		FY 2024-25 (ARR)
		Normative (Computed)	WPI	CPI	Provisionally Computed (APR)	WPI	CPI	Approved (ARR)
		P (Table 4-11)	Q (Table 6-8)	R (Table 6-8)	S = P*(1+Q) OR P*(1+R)	T (Table 6-8)	U (Table 6-8)	V = S*(1+T) OR S*(1+U)
Employee Expenses	A	2,499.35		5.40%	2,634.33		5.50%	2,779.29
Less: Employee Expenses Capitalised	B	0.00			0.00			0.00
Net Employee Expenses	C=A-B	2,499.35			2,634.33			2,779.29
Net R&M Expenses	D	306.29	7.90%		330.49	7.23%		354.39
Net A&G Expenses	E	345.64	7.90%		372.94	7.23%		399.91
Net O&M Expenses	F=C+D+E	3,151.28			3,337.76			3,533.58



TABLE 6-10: O&M EXPENSES FOR FY 2024-25 APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	Derivation	FY 2024-25 (ARR)		
		Petition	Normative	Approved
Employee Expenses	A	3,150.00	2,779.29	2,779.29
Less: Employee Expenses Capitalised	B	0.00	0.00	0.00
Net Employee Expenses	C=A-B	3,150.00	2,779.29	2,779.29
Net R&M Expenses	E	635.00	354.39	354.39
Net A&G Expenses	D	344.23	399.91	399.91
Net O&M Expenses	F=C+D+E	4,129.30	3,533.58	3,533.58

6.3. GROSS FIXED ASSET & ASSET CAPITALISATION

Petitioner's Submission

6.3.1. The Petitioner has considered the closing GFA for FY 2023-24 as opening GFA for FY 2024-25 as per Table below:

TABLE 6-11: GFA PROJECTED FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

Particulars	FY 2024-25 Petition (ARR)
Opening GFA	10.19
Addition during the year	30.57
Closing GFA	40.76

6.3.2. Thus, the Petitioner has claimed GFA addition of Rs. 30.57 Crore during FY 2024-25.

Commission's Analysis

6.3.3. Regulation 7 of UPERC SLDC Regulations, 2020 specifies the conditions for submission and assessment of Capital Investment Plan.

6.3.4. The Commission observes that the Opening GFA of FY 2024-25 as submitted by the Petitioner does not reconcile with the closing GFA of FY 2023-24 (Rs. 1,075 Lakh, refer Table 5-8) as submitted by the Petitioner in the Petition. However, the Commission has considered closing GFA of FY 2023-24 (as considered provisionally in the APR section, refer Table 5-9) as the opening GFA for FY 2024-25.

6.3.5. The Commission further observes that the Petitioner, in its Business Plan Petition for the Control period for FY 2023-24 to FY 2024-25 (Petition No. 2045/2023), had

submitted the following capital investment:

TABLE 6-11: SUMMARY OF THE CAPITAL EXPENDITURE PLAN FOR THE CONTROL PERIOD AS SUBMITTED BY PETITIONER IN ITS BUSINESS PLAN PETITION (RS. CRORE)

S.N.	Particulars	Estimated Capital Expenditure		
		FY 2023-24	FY 2024-25	Total up to March 2025
1	SCADA & IT upgradation (ULDC Phase III)	33.02	49.52	82.54
2	REMC development	1.43	2.14	3.57
3	Data Centre Extension Civil & Infrastructure works	0.94	1.42	2.36
4	Cyber Security Operation Centre (C-SOC) including H/W, S/W & Infrastructure	4.96	7.44	12.40
5	Various Application Software & IT Related Expenditure			
a	EASS Software towards various software modules	0.58	0.87	1.45
b	EASS Server Hardware Plus Oracle Database Add on	10.00	15.00	25.00
c	IT MISC (API Server, Fiber Cable, etc.) and other Contingency Purchase	0.80	1.20	2.00
	Sub-Total of 5	11.38	17.07	28.45
	Total	51.73	77.59	129.32

6.3.6. However, the Petitioner in the instant Petition has revised its capital investment for FY 2024-25 of Rs. 77.59 Crore as submitted in Business Plan to Rs. 30.57 Crore in the instant ARR Petition. As the ARR Petition has been submitted subsequent to the Business Plan, the capital investment as submitted in the ARR Petition has been considered by the Commission. Further, in response to the Commission's data deficiency w.r.t the list of schemes to be capitalised during FY 2024-25 along with its cost and source of funding, the Petitioner has submitted the following details:

TABLE 6-12: DETAILS OF CAPITALISATION FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER VIDE REPLY TO THE DATA DEFICIENCY (RS. CRORE)

S. N.	Particulars	Capitalisation for FY 2024-25	Source of Funding/ Means of Finance
1	REMC development	3.57	Internal Source
2	EASS Server Hardware plus Oracle Database add on	25.00	State PSDF



S. N.	Particulars	Capitalisation for FY 2024-25	Source of Funding/ Means of Finance
3	IT MISC (API Server, Fiber Cable, etc.) and other Contingency Purchase	2.00	Internal Source
4	Total Capitalisation of FY 2024-25	30.57	

- 6.3.7. In the context, the Commission observes that the capitalization of Rs. 2,500.00 Lakh claimed towards EASS Server Hardware and Oracle Database is proposed to be funded through grant from the State Power System Development Fund (PSDF). Therefore, as per Regulation 10, any Capital Subsidy or grant obtained for the execution of the project shall not be considered as a part of the capital structure for the purpose of the Debt-Equity ratio. Accordingly, the capitalisation against the same has been deducted while allowing the net capitalisation for FY 2024-25.
- 6.3.8. Further, the Commission observes that the Petitioner has proposed CAPEX Scheme of development of Renewable Energy Management Centre (REMC) for Rs. 3.57 Crore through internal resources. In this regard, the Commission is of the view that the Petitioner shall approach the Commission with scope of work, DPR, cost benefit analysis with technical and cost related details, source of funding, proposed implementation plan, rationale/ purpose of the investment etc., and take prior approval of the Commission. The Commission has provisionally considered the scheme in ARR of FY 2024-25, however, the same shall be allowed if considered deemed fit after detailed examination when the Petitioner approaches the Commission, as discussed above.
- 6.3.9. Further, the scheme proposed under state PSDF shall be considered and examined when the Petition is filed for approval of scheme under PSDF fund.
- 6.3.10. Further, it is observed that the Petitioner has not claimed any decapitalisation / deduction in the assets during FY 2024-25. Accordingly, the Commission has also not considered any decapitalisation during FY 2024-25 in line with the submission of the Petitioner.
- 6.3.11. In view of above, the capital investment approved for FY 2024-25 is as follows:

TABLE 6-13: GFA FOR FY 2024-25 APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	ARR (FY 2024-25)	
	Petition (ARR)	Approved (ARR)
Opening GFA	1,018.75*	1,075.20
Addition during the year	3,057.00	3,057.00
Closing GFA	4,075.75	4,132.20

*Petitioner has considered incorrect figure in its Petition

6.4. CONSUMER CONTRIBUTION, CAPITAL GRANTS AND SUBSIDIES

Commission's Analysis

6.4.1. The Commission observes that the Petitioner has claimed capitalization of Rs. 2,500 Lakh towards EASS Server Hardware and Oracle Database which is to be funded through grant from State Power System Development Fund (PSDF). Accordingly, the Commission has approved the same as claimed by the Petitioner for FY 2024-25.

6.5. DEBT-EQUITY RATIO OF CAPITALIZATION

Petitioner's Submission

6.5.1. The Petitioner has submitted that Regulation 10.2 of the UPERC SLDC Regulations, 2020 provides and governs the Debt-Equity Ratio to be considered during ARR determination. The Petitioner has submitted that it has not taken any loans and the entire capital expenditure is funded through internal resources. Accordingly, as per the above Regulation, the Petitioner has considered normative Debt-Equity Ratio of 70:30 to arrive at the normative Debt & Equity quantum. The Petitioner has considered the net addition of Rs. 30.57 crore to GFA during FY 2024-25. Accordingly, the Petitioner has considered Rs. 21.40 Crore to be from Loan and Rs. 9.17 Crore to be from Equity.

Commission's Analysis

6.5.2. As also discussed in APR section, the Commission has considered the normative approach of considering a Debt-Equity ratio of 70:30 as per Regulation 10.2 of UPERC SLDC Regulations, 2020 i.e., 70% of estimated Capitalisation during the FY 2024-25 is to be financed through term loan and balance 30% through Equity. The



GFA, as determined in section 6.3 after deducting Consumer Contributions, Capital Subsidies, and Grants (Nil for FY 2024-25), has been considered for the purpose of computation of Debt: Equity structure for FY 2024-25.

6.5.3. The Commission has approved the Debt-Equity ratio and financing of capitalization for FY 2024-25 as shown in the following Table:

**TABLE 6-14: DEBT-EQUITY RATIO AND FINANCING OF CAPITALISATION FOR FY 2024-25
APPROVED BY THE COMMISSION (RS. LAKH)**

Particulars	Derivation	FY 2024-25	
		Petition (ARR)	Approved (ARR)
Capitalisation during FY 2024-25	A	3,057.00	3,057.00
Less: Decapitalisation/ Deduction during FY 2024-25	B	0.00	0.00
Less: Consumer Contribution, Grants & Capital Subsidies during FY 2024-25	C	0.00	2,500.00
Net Capitalisation to be funded by Debt & Equity	D=A-B-C	3,057.00	557.00
Equity (%)	E	30%	30%
Debt (%)	F	70%	70%
Equity addition during FY 2024-25	G=D*E	917.10	167.10
Debt addition during FY 2024-25	H=D*F	2,139.90	389.90

6.6. DEPRECIATION

Petitioner's Submission

6.6.1. The Petitioner has submitted that, the Depreciation is computed as per Regulation 12 of the UPERC SLDC Regulations, 2020. The Petitioner has submitted that the depreciation computed in accordance with the above Regulations as shown in the Table below.

TABLE 6-15: DEPRECIATION FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

PARTICULARS	FY 2024-25 Petition (ARR)
Opening GFA	10.19
Addition during the year	30.57
Closing GFA	40.76
Average GFA	25.47
Rate of Depreciation	5.93%
Depreciation	2.42



Commission's Analysis

6.6.2. The Commission has calculated the depreciation in line with the methodology specified in Regulation 12 of UPERC SLDC Regulations, 2020. The closing Gross Block of Fixed Assets of FY 2023-24 has been considered as the Opening Gross Block of Fixed Assets for FY 2024-25. The addition during the year has been considered as per GFA approved by the Commission in section 6.3

6.6.3. The Commission has considered the salvage value of the asset as 10% of the allowable capital cost as the depreciation is allowed up to maximum of 90% of the allowable capital cost of the asset as per the UPERC SLDC Regulations, 2020.

6.6.4. The depreciation approved by the Commission for FY 2024-25 is as follows:

TABLE 6-16: GROSS DEPRECIATION FOR FY 2024-25 APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	GFA as on 01.04.2024	Addition to GFA*	Deduction/ Adjustment	GFA as on 31.03.202 5	Average GFA	Depreciati on Rate	Depreciati on for FY 2024-25
	A (Table 5-13)	B	C	D=A+B-C	E= Average (A,D)	F	G=E*F
Plant & Machinery	233.48	663.83	0.00	897.31	565.39	5.28%	29.85
Furniture and Fixtures	20.49	58.26	0.00	78.75	49.62	6.33%	3.14
Office Equipment	180.37	512.83	0.00	693.20	436.78	6.33%	27.65
Other assets	331.61	942.83	0.00	1,274.44	803.03	5.28%	42.40
Software (Intangible)	309.25	879.26	0.00	1,188.51	748.88	15.00%	112.33
Total	1,075.20	3,057.00	0.00	4,132.20	2,603.70	8.27%	215.37

*The Petitioner has not submitted asset head wise GFA addition for FY 2024-25, but a consolidated figure of Rs. 3,057.00 Lakh in Table No. 6-13. The same has been segregated between the fixed assets headings in the ratio of opening GFA balance.

6.6.5. Further, the Commission has observed that the Petitioner has claimed Rs. 2,500 Lakh towards EASS Server Hardware and Oracle Database is funded through grant from State Power System Development Fund (PSDF). Therefore, the Commission has computed the net depreciation by reducing the depreciation on assets created from Consumer Contribution, Capital Grants and Capital Subsidies as shown in Table below:



TABLE 6-17: DEPRECIATION ON ASSETS CREATED FROM CONSUMER CONTRIBUTION, CAPITAL GRANTS AND CAPITAL SUBSIDIES FOR FY 2024-25 APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	Asset as on 01.04.2024	Addition to GFA	Gross Fixed Asset as on 31.03.2025	Average GFA	Depreciation Rate	Depreciation for FY 2024-25
Assets created from consumer contribution, capital grants and capital subsidies	0.00	2,500.00	2,500.00	1,250.00	8.27%	103.40

*Depreciation rate for Assets created from consumer contribution, capital grants and capital subsidies considered as per Table 6-16.

6.6.6. Accordingly, the Commission has approved the net depreciation for FY 2024-25 as follows:

TABLE 6-18: NET DEPRECIATION APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	Derivation	FY 2024-25 (ARR)	
		Petition (ARR)	Approved (ARR)
Depreciation of Assets	A	241.76	215.37
Less: Depreciation of assets created from Consumer Contribution, Capital Grants and Capital Subsidies	B	0.00	103.40
Net Depreciation	D=A-B	241.76	111.98

6.7. INTEREST ON LOAN CAPITAL

Petitioner's Submission

6.7.1. The Petitioner has submitted that Interest on Loan Capital is computed as per Regulation 13 of the UPERC SLDC Regulations, 2020. The Petitioner has considered the depreciation estimated for FY 2024-25 as normative loan repayment during the year.

6.7.2. Further, the Petitioner has submitted that it does not have actual long-term loan portfolio, hence, the SBI MCLR prevailing on 1st April of the FY 2023-24 as per Regulation 13.3 of the UPERC SLDC Regulations, 2020 has been considered as the rate of interest for estimating interest on loan.

6.7.3. The Petitioner has also submitted that SBI MCLR was 8.50% as on 01.04.2023 and the same has been considered.

TABLE 6-19: INTEREST ON LONG TERM LOANS FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	FY 2024-25 Petition (ARR)
1	Gross Opening Loan	7.13
2	Repayment claimed- previous years	2.47
3	Net Opening Loan	4.66
4	Addition during the year	21.40
5	Normative Repayment (Equal to Depreciation)	2.42
6	Closing Loan	23.64
7	Average Loan	14.15
8	Interest Rate (%)	8.50%
9	Interest on Loan	1.20
10	Other Finance Charges	0.00
11	Interest and Finance Charges	1.20

Commission's Analysis

- 6.7.4. Regulation 13 of UPERC SLDC Regulations, 2020 specifies and governs the estimation of Interest on Loan Capital.
- 6.7.5. The closing normative loan for FY 2023-24 has been considered as the opening normative loan for FY 2024-25. Further, the normative loan addition during the year has been considered as computed by the Commission in section 6.5. The deemed repayment for loan is considered equal to the depreciation as approved for the FY 2024-25.
- 6.7.6. As the Petitioner does not have any actual long-term loan portfolio, the Commission, as per UPERC SLDC Regulations, 2020, has considered 1-Year SBI MCLR on April 1, 2023, as the interest rate on the normative long-term loan.
- 6.7.7. Accordingly the Commission has approved the interest in long-term loan as shown in the Table below:

TABLE 6-20: INTEREST ON LONG-TERM LOAN CAPITAL APPROVED BY THE COMMISSION FOR FY 2024-25 (RS. LAKH)

Particulars	Derivation / Remarks	FY 2024-25 (ARR)	
		Petition (ARR)	Approved (ARR)
Opening Normative Loan as on 01.04.2024	A (Table 5-15)	466.12*	295.91
Loan Additions during the Year	B (Table 6-14)	2,139.90	389.90



Particulars	Derivation / Remarks	FY 2024-25 (ARR)	
		Petition (ARR)	Approved (ARR)
Less: Repayments (Depreciation allowable for Year)	C (Table 6-18)	241.76	111.98
Closing Loan Balance as on 31.03.2025	D=A+B-C	2,364.27	573.83
Interest Rate (%)	E	8.50%	8.50%
Net Interest Charged	F=(A+D)/2*E	120.29	36.96

*Petitioner has considered incorrect figure in its Petition as it is not matching with the closing of previous FY.

6.8. INTEREST ON WORKING CAPITAL

Petitioner's Submission

6.8.1. The Petitioner has submitted that SBI MCLR as on 01.10.2023 was 8.55%. Accordingly, the Petitioner has considered 11.05% (8.55%+2.50%) as the rate of IoWC as per sub-regulation 14.2 of UPERC SLDC Regulations, 2020 as shown in the Table below:

TABLE 6-21: INTEREST ON WORKING CAPITAL FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

Particulars	Derivation	FY 2024-25 (ARR) Petition
O&M Expenses for one Month	A=O&M/12	3.44
Receivables equivalent to 45 days	B=Net ARR/365*45	4.53
Total Working Capital	C=A+B	7.97
Rate of Interest on Working Capital (%)	D	11.05%
Interest on Working Capital	E=C*D	0.88

Commission's Analysis

6.8.2. As per Regulation 14.1 of UPERC SLDC Regulations 2020, the Commission has considered one month O&M expenses and Receivables equivalent to 45 days for computation of total Working Capital.

6.8.3. Further, as per Regulation 14.2 of UPERC SLDC Regulations, 2020, the rate of IoWC shall be simple interest and shall be equal to the SBI MCLR (1 Year) as on October 01 of the relevant financial year plus 250 basis points. The SBI 1 Year MCLR as on October 01, 2023, is 8.55% (Source: SBI MCLR (1 Year; Link:

<https://sbi.co.in/web/interest-rates/interest-rates/mclr-historical-data>). Thus, the interest rate on working capital requirement for FY 2024-25 comes out to be 11.05% (SBI 1 Year MCLR plus 250 basis point). The same will be revisited at the time of True Up.

6.8.4. Accordingly, the Commission has approved IoWC as per the Table below:

TABLE 6-22: INTEREST ON WORKING CAPITAL FOR FY 2024-25 APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	Derivation	FY 2024-25 (ARR)	
		Petition (ARR)	Approved (ARR)
O&M Expenses for one Month (Table 6-10)	A=O&M/12	344.10	294.47
Receivables equivalent to 45 days (Table 6-29)	B=Net ARR/365*45	453.00	465.87
Total Working Capital	C=A+B	797.11	760.33
Rate of Interest on Working Capital (%)	D	11.05%	11.05%
Interest on Working Capital	E=C*D	88.08	84.02

6.9. RETURN ON EQUITY

Petitioner's Submission

6.9.1. The Petitioner has submitted that the entire capital expenditure is funded through Internal Resources. However, the Petitioner has considered the normative Debt-Equity Ratio of 70:30 for arriving at the normative Equity as per UPERC SLDC Regulations, 2020.

6.9.2. The Petitioner has computed the RoE at the rate of 12.50% on the Normative Equity. The proposed RoE for FY 2024-25 is tabulated below:

TABLE 6-23: RETURN ON EQUITY FOR FY 2024-25 SUBMITTED BY THE PETITIONER (RS. CRORE)

Particulars	FY 2024-25
	Petition (ARR)
Opening Equity	3.06
Equity addition during FY 2024-25	9.17
Closing Equity	12.23
Average Equity	7.64
Rate of Return (%)	12.50%
Tax Rate %	0.00%



Particulars	FY 2024-25
	Petition (ARR)
Effective Rate of Return on Equity	12.50%
Return on Equity	0.96

Commission's Analysis

6.9.3. Regulation 15 of UPERC SLDC Regulations, 2020 specifies the rate of RoE as 12.50% post-tax per annum for the SLDC. The Commission has considered the closing Equity of FY 2023-24 as the opening Equity for FY 2024-25. Further, the Equity addition during the year has been considered as computed by the Commission in section 6.5 of this Order. Accordingly, the RoE allowed for FY 2024-25 is as follows:

TABLE 6-24: RETURN ON EQUITY APPROVED BY THE COMMISSION FOR FY 2024-25 (RS. LAKH)

Particulars	Derivation / Remarks	FY 2024-25 (ARR)	
		Petitioner (ARR)	Approved (ARR)
Opening Equity as on 01.04.2024	A (Table 5-19)	305.62*	17.94
Addition during the year	B (Table 6-14)	917.10	167.10
Closing Equity as on 31.03.2025	C=A+B	1,222.72	185.04
Average Equity	D=(A+C)/2	764.17	101.49
Rate of Return (%)	E	12.50%	12.50%
Return on Equity	F=D*E	95.52	12.69

*Petitioner has considered incorrect figure in its Petition

6.10. INCOME TAX

Petitioner's Submission

6.10.1. The Petitioner has not claimed any Income Tax in ARR of FY 2024-25 in line with Regulation 16 of the UPERC SLDC Regulations, 2020. However, the Petitioner has stated that it will claim the same based on the actual tax liability certified by the Statutory Auditors at the time of the True Up.

Commission's Analysis

6.10.2. Regulation 16 of UPERC SLDC Regulations 2020 specifies the treatment of Income Tax. The Commission observes that the Petitioner has not projected any Income Tax for FY 2024-25. Accordingly, the Commission has also not considered any Income



Tax for FY 2024-25.

6.11. NON-TARIFF INCOME

Petitioner's Submission

6.11.1. The Petitioner has proposed the Non-Tariff Income as per Regulation 17 of the UPERC SLDC Regulations, 2020. It was observed that the details submitted by the Petitioner were incorrect. Accordingly, on clarification sought by the Commission, the Petitioner revised its submission of Non-Tariff Income as shown in the Table below:

TABLE 6-25: NON-TARIFF INCOME FOR FY 2024-25 SUBMITTED BY THE PETITIONER (RS. CRORE)

Particulars	FY 2024-25
	Petition (ARR)
Sale of Tender Form	0.0020
Receipt for Transportation Facility	0.0027
Other Misc. Receipts	0.0004
Total Non-Tariff Income	0.0051

Commission's Analysis

6.11.2. Regulation 17 of UPERC SLDC Regulations 2020 specifies the treatment of Non-Tariff Income. Accordingly, the Commission has approved the Non-Tariff Income for FY 2024-25 as shown below, subject to prudence check at the time of Truing-Up.

TABLE 6-26: NON-TARIFF INCOME APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	FY 2024-25	
	Petition (ARR)	Approved (ARR)
Sale of Tender Form	0.20	0.20
Receipt for Transportation Facility	0.27	0.27
Other Misc. Receipts	0.04	0.04
Total Non-Tariff Income	0.51	0.51

6.12. CONTRACTED/ TIED UP COMMISSIONED CAPACITY HANDLED BY THE PETITIONER

Petitioner's Submission

6.12.1. The Petitioner, in the Petition, has submitted the details of beneficiary-wise tied-up

Capacity.

Commission’s Analysis:

6.12.2. On scrutiny, it was observed that the details submitted by the Petitioner were incomplete. Accordingly, on clarification sought by the Commission, the Petitioner revised its submission of the total Tied-Up/Commissioned Capacity expected during FY 2024-25 as summarised below:

TABLE 6-27: TIED UP/COMMISSIONED CAPACITY AS ON 23.08.2024 AS SUBMITTED BY THE PETITIONER (MW)

S. N.	Beneficiaries	Contracted Capacity (MW)
1	UPPCL	32,558.70
2	NPCL	426.00
3	Railway	333.76
4	Long Term Open Access Consumers (excluding Discoms)	564.61
	Subtotal A (1 to 4)	33,883.07
5	Generators	21,201.92
6	Open Access Generators (third Party Sales)	564.61
	Subtotal B (5 to 6)	21,766.53
	Total Contracted Capacity (A+B)	55,649.60

6.12.3. The Commission observes that the revised Tied Up/Commissioned Capacity submitted by the Petitioner is in line with UPERC SLDC Regulations, 2020, thus same has been considered for determination of LDC Charges.

6.13. SUMMARY OF AGGREGATE REVENUE REQUIRMENT FOR FY 2024-25

Petitioner’s Submission

6.13.1. The Petitioner has submitted the summary of ARR for FY 2024-25 as per the Table below:

TABLE 6-28: SUMMARY OF ARR SUBMITTED BY THE PETITIONER (RS. LAKH)

Particulars	FY 2024-25
	Petition (ARR)
O&M Expenses	4,129.23
<i>Employee Expenses</i>	<i>3,150.00</i>
<i>A&G Expenses</i>	<i>344.23</i>
<i>R&M Expenses</i>	<i>635.00</i>



Particulars	FY 2024-25
	Petition (ARR)
Depreciation	241.76
Interest on Loan Capital	120.29
Interest on Working Capital	88.08
Return on Equity	95.52
Total Aggregate Revenue Requirement	4,674.88
Less: Non-Tariff Income	0.51*
<i>Sale of Tender Form</i>	<i>0.20</i>
<i>Receipt for Transportation Facility</i>	<i>0.27</i>
<i>Other Misc. Receipts</i>	<i>0.04</i>
Net Aggregate Revenue Requirement	4,674.37*

*Considered as per revised Submissions of the Petitioner vide reply to the data deficiency, as the Petitioner considered 'Application fee' as Non-Tariff income in the Petition.

Commission's Analysis

6.13.2. The Commission has finalised the ARR based on the various components as approved by the Commission for FY 2024-25 as follows:

TABLE 6-29: SUMMARY OF ARR APPROVED BY THE COMMISSION (RS. LAKH)

Particular	FY 2024-25		
	Petition (ARR)	Approved (ARR)	Remarks
Total O&M expenses	4,129.23	3,533.58	(Table 6-10)
<i>Employee Expenses</i>	<i>3,150.00</i>	<i>2,779.29</i>	
<i>R&M Expense</i>	<i>635.00</i>	<i>354.39</i>	
<i>A&G Expense</i>	<i>344.23</i>	<i>399.91</i>	
Depreciation	241.76	111.98	(Table 6-18)
Interest on Loan	120.29	36.96	(Table 6-20)
Interest on Working Capital	88.08	84.02	(Table 6-22)
Return on Equity	95.52	12.69	(Table 6-24)
Total Aggregate Revenue Requirement	4,674.88	3,779.22	
Less: Non-Tariff Income	0.51*	0.51	(Table 6-26)
Net Aggregate Revenue Requirement	4,674.37*	3,778.71	
Revenue from Operations[#]	2,337.52	1,745.52	(Table 6-34)
Net Gap/(Surplus) for FY 2024-25	2,336.85	2,033.19	

*Considered as per revised Submissions of the Petitioner vide reply to the data deficiency, as the Petitioner considered 'Application fee' as Non-Tariff income in the Petition.

'Revenue from Operations' of the Petitioner for FY 2024-25 is considered as per revised submissions made vide reply to the data deficiency. 'Revenue from Operations' is explained in detail in the next section of LDC Charges.



6.14. LDC Charges

Petitioner's Submission

- 6.14.1. The Petitioner, in accordance with Regulation 19 of the UPERC SLDC Regulations, 2020, has proposed to recover the LDC charges from the users connected with the Intra-State Transmission Power System.
- 6.14.2. **Charges from the Transmission Licensees:** The Petitioner has submitted that at present, the following transmission licensees are operating in its Uttar Pradesh control area:
- (a) Uttar Pradesh Power Transmission Corporation Limited (UPPTCL)
 - (b) Western Uttar Pradesh Power Transmission Corporation Limited (WUPPTCL)
 - (c) South-Eastern Uttar Pradesh Power Transmission Corporation Limited (SE UPPTCL)
 - (d) POWERGRID Jawaharpur Firozabad Transmission Limited (PJFTL)
 - (e) Obra-C Badaun Transmission Limited (OCBTL)
 - (f) POWERGRID Rampur Sambhal Transmission Limited (PRSTL)
 - (g) POWERGRID Meerut Simbhavali Transmission Limited (PMSTL)
 - (h) POWERGRID Gomti Yamuna Transmission Limited (PGYTL)
 - (i) Ghatampur Transmission Limited (GTL)
- 6.14.3. The Petitioner has submitted that it provides 24X7 support to all the Intra-state transmission licensees to keep their network in service. Annual outage plan of intra-state transmission elements is prepared in co-ordination with the outage of generation system so that evacuation constraints are avoided. Approval of monthly planned outage along with real time shut down and energization of transmission elements are performed. In case of black out incidents, very prompt response is provided by SLDC to revive the network in minimum possible time. Analysis of each black out incident, multiple element tripping, and feedback to licensees is given on priority so that such incidents are avoided in the future. Availability calculation of all transmission elements of each transmission licensee are evaluated on monthly and annual basis.



6.14.4. The Petitioner, in view of the above, proposed to recover service charges of Rs. 5 Lakh per month from all intra-state transmission licensees listed above and any other transmission licensee availing the services of the Petitioner during FY 2024-25.

TABLE 6-30: PROPOSED CHARGES FROM THE TRANSMISSION LICENSEES AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S. N.	Particulars	Proposed Charges from Transmission Licensees
1	Charges per Licensee/Month	0.05
2	Number of Licensees (Nos.)	9
3	Total Charges for the year (1*2)*12 months	5.40

6.14.5. **Recovery of Annual Revenue Requirement:** The Petitioner has proposed to recover the Annual Revenue Requirement from the Intra-State Transmission Licensees & Transmission System Users as per the charges mentioned below:

TABLE 6-31: SLDC OPERATING CHARGES FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER (RS. CRORE)

S.N.	Particulars	Unit	SLDC Operating Charges Proposed
A.	Annual Revenue Requirement	Rs. Crore	46.74
B.	Proposed recovery fee to be Claimed		
	Proposed Recovery from Intra-State Transmission Licensees	Rs. Crore	5.40
	Recovery from Users* other than Intra-State Transmission Licensee	Rs. Crore	41.34
	Total		46.74

*Proposed recovery from intrastate transmission licensee at Rs. 0.05 Crore per Licensee per month as per Table 20.

*("User" means the Generating Companies, Distribution Licensees, Bulk Consumers (SEZ), Sellers and Intra-State Transmission Licensees, Demand Response Consumers, Qualified Co-ordinating Agency (QCA), or any other such entity who use the Intra-State Transmission Network or the associated facilities or distribution system of distribution licensee through services of State Load Despatch Centre)

TABLE 6-32: PROPOSED REVENUE FROM OPERATIONS FOR FY 2024-25 AS SUBMITTED BY THE PETITIONER VIDE REVISED SUBMISSIONS

S.N.	Particulars	Unit	LDC Charges Proposed
1	Recovery from Users* other than Intra-State Transmission Licensee.	Rs. Crore	41.34



S.N.	Particulars	Unit	LDC Charges Proposed
a	Annual fee	Rs. Crore	0.52
b	Application fee	Rs. Crore	2.17
c	Operating Charges (Short Term Open Access)	Rs. Crore	11.98
d	Registration Fee	Rs. Crore	3.30
2	Total Revenue from Operations (except LDC Charges)	Rs. Crore	17.98
3	Net Gap for computation of LDC charges	Rs. Crore	23.37
a	Contracted Capacity of Discoms	MW	33,883.07
b	Contracted Capacity of Generating Units	MW	21,766.53
4	Total Contracted Capacity	MW	55,649.60
5	LDC Charges	Rs./MW/Month	349.93*

*LDC charges proposed by the Petitioner are re-computed based on revised submissions made by the Petitioner

Commission's Analysis

6.14.6. Regulations 18 of UPERC SLDC Regulations, 2020 specifies the fees and charges payable by the Generating Companies, Distribution Licensees, Intra-State Transmission Licensees, Inter/Intra State Generating Companies to the SLDC. Furthermore, Regulation 19 of UPERC SLDC Regulations, 2020 specifies as follows:

“The Monthly LDC Charges in MW/Month upto two decimal places to be taken from the Users who are availing Medium/Long Term Open Access or who want to get the scheduling done, in proportion to the sum of their capacities as on the last day of the billing month.”

6.14.7. The Commission vide data deficiency letter directed the Petitioner to submit the detailed breakup of revenue streams received in last 5 years. In reply, the Petitioner submitted the revised Revenue Stream as follows:

TABLE 6-33: REVISED REVENUE STREAM SUBMITTED BY THE PETITIONER (RS.)

Year	Annual Fees	Application fees	Operating charges (Short Term Open Access)	Registration fees	Total
FY 2019-20	1,27,00,000	4,08,50,875	0	0	5,35,50,875
FY 2020-21	1,48,19,485	4,76,21,936	0	0	6,24,41,421
FY 2021-22	1,87,60,000	8,82,25,592	0	0	10,69,85,592
FY 2022-23	2,51,00,000	8,08,40,914	0	0	10,59,40,914
FY 2023-24	97,18,000	8,67,16,369	1,49,51,000	4,47,50,000	15,61,35,369
FY 2024-25 (Estimated)	52,00,000	2,17,28,000	11,98,24,000	3,30,00,000	17,97,52,000



- 6.14.8. The Commission observes that the Petitioner has proposed the Annual Fees as part of 'Revenue from Operations' for FY 2024-25. Regulation 5.1 of the UPERC SLDC Regulations, 2020 provides that on the date of issue of this Order, the rates provided in Annexure-1 (Collected in the name of Annual Operating Charges) of the Regulations shall be discontinued and the monthly LDC charges would become applicable. Therefore, the Commission has not considered revenue on this account. Further, if both Annual Operating Charges and Monthly LDC charges are allowed, then this would lead to double recovery of charges from entities.
- 6.14.9. The Commission directs the Petitioner to discontinue the levying of the Annual Operating charges given in Annexure-1 of the UPERC SLDC Regulations, 2020, with immediate effect. Further, the Petitioner shall adjust the Annual Operating charges collected, if any, in the monthly LDC Charges applicable to the entities.
- 6.14.10. The Commission further observed that the Petitioner has proposed new charges from the Transmission Licensees for round-the-clock support to all transmission licensees to keep their network in service. However, it is observed that there is no provision in the UPERC SLDC Regulations, 2020 for collection of any such charges from Intra-state transmission licensees. Accordingly, the same is not considered. However, the Petitioner may approach the Commission with detailed justification along with approach followed in other states, when the Commission is in process of framing draft Tariff/ SLDC charges Regulations for next control period.
- 6.14.11. Accordingly, the Commission has considered the submissions made by the Petitioner and approves the Revenue for ARR for FY 2024-25 as shown in the Table below:

TABLE 6-34: REVENUE FROM OPERATIONS FOR FY 2024-25 APPROVED BY THE COMMISSION (RS. LAKH)

Particulars	FY 2024-25	
	Petition (ARR)	Approved (ARR)
Annual Operating Charges	52.00*	0.00
Application fee	217.28*	217.28
Operating Charges (Short Term Open Access)	1,198.24*	1,198.24



Particulars	FY 2024-25	
	Petition (ARR)	Approved (ARR)
Registration Fee	330.30*	330.30
Recovery from Intra-State Transmission Licensees (Rs. 5 Lakh per month X 9 transmission Licensees)	540.00	0.00
Total Revenue from Operations	2,337.52*	1,745.52
Net Annual Revenue Requirement (Table 6-29)	4,674.37	3,778.71
Net Gap/(Surplus) for computation of LDC charges	2,336.85	2,033.19

*Revenue from Operations is considered as per revised submissions of the Petitioner.

6.14.12. **LDC Charges:** The Commission has approved a gap of Rs. 1,229.55 Lakh for the Petitioner during the True Up for FY 2022-23 in Chapter-4 of this Order. Considering the approved Gap of FY 2022-23 and the carrying cost up to FY 2024-25, the Commission approves the following Net ARR for FY 2024-25:

TABLE 6-35: NET ARR TO BE RECOVERED FROM LDC CHARGES APPROVED BY THE COMMISSION FOR FY 2024-25 (WITH ADJUSTMENT OF GAP OF FY 2022-23) (RS. LAKH)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
	True Up	APR	ARR
Net Gap/(Surplus) in FY			2,033.19
Opening Gap/(Surplus) (A)	0.00	1,267.88	1,397.20
Gap/(Surplus) addition during the year (B)	1,229.55	0.00	0.00
Rate of Interest on IWC (%) (C)	10.30%	10.20%	11.05%
Carrying Cost (D) = $\{(A * C) + ((B/2) * C)\} * (221/365)$	38.34	129.32	154.39
Closing Gap/(Surplus) (E) = (A)+(B)+(D)	1,267.88	1,397.20	1,551.60
NET Revenue Gap to be recovered from LDC Charges			3,584.79

6.14.13. To recover the Net Revenue Gap of the Petitioner, the Commission approves the following SLDC Charges to be recovered from the users except Intra-state Transmission Licensee.

TABLE 6-36: MONTHLY LDC CHARGES FOR FY 2024-25 APPROVED BY THE COMMISSION (RS./MW/ MONTH)

Particulars	FY 2024-25	
	Petition (ARR)	Approved (ARR)
NET Revenue Gap to be recovered from LDC Charges (considering carry forward True Up gap of FY 2022-23) (Rs. Lakh)	2,336.85*	3,584.79



Particulars	FY 2024-25	
	Petition (ARR)	Approved (ARR)
Tied Up Commissioned Capacity of Discoms (MW)	33,883.07	33,883.07
Tied Up Commissioned Capacity of Generating Units (MW)	21,776.53	21,776.53
Total Contracted Capacity (MW)	55,649.60	55,649.60
Monthly LDC Charges (Rs/MW/Month)	349.93**	536.81

*The Petitioner has not computed the Net ARR for FY 2024-25 in consideration of the True Up Gap of FY 2022-23.

**Monthly LDC Charges are recomputed as per revised projected Revenue and Contracted Capacity submitted by the Petitioner for FY 2024-25.

6.14.14. As mentioned above, the Commission approves the Monthly LDC Charges in Rs. /MW /Month to be collected by the Petitioner from the Users (except intra-state Transmission Licensee), who are availing Medium/Long Term Open Access or who want to get the scheduling done, in proportion to the sum of their capacities as on the last day of the billing month.

7. Additional Submissions

7.1. Recovery of LDC CHARGES FOR FY 2021-22 & FY 2022-23

Petitioner's Submission

- 7.1.1. The Petitioner has submitted that the Commission in Tariff Order dated June 29, 2021, in Petition No. 1656/2020, while approving the ARR of UPPTCL for FY 2021-22 had disallowed the ARR of UPSLDC to the tune of Rs. 36.71 Crore from the ARR of UPPTCL for FY 2021-22. The Petitioner further submitted that the Commission in Tariff Order dated July 20, 2022, in Petition No. 1839/2022, while approving the ARR of UPPTCL for FY 2022-23 had disallowed Rs. 50 Crore from the ARR of UPPTCL for FY 2022-23.
- 7.1.2. The Petitioner requested the Commission to allow it to recover the LDC Charges of Rs. 36.71 Crore for FY 2021-22 and Rs. 50 Crore for FY 2022-23 from the Users.

Commission's Analysis

- 7.1.3. The Commission in Tariff Order dated May 24, 2023, regarding UPSLDC ARR observed that:

Quote

6.15.5: *It is observed that the ARR of UPSLDC is deducted from ARR of UPPTCL from FY 2021-22 onwards. The Petitioner has claimed UPSLDC ARR as 36.71 Crore and Rs. 33.39 Crore for FY 2021-22 and FY 2022-23 respectively. The Commission in its respective financial year tariff Order has disallowed Rs. 36.71 Crore and Rs. 50.00 Crore for FY 2021-22 and FY 2022-23 respectively and deducted the same from ARR of UPPTCL.*

6.15.6: *UPPTCL in this petition has projected the ARR for UPSLDC as Rs. 46.41 Crore for FY 2023-24, however, it is observed that the even after several reminders and direction by the Commission, UPSLDC is yet to file its Tariff Petition. Thus, to project the ARR of UPSLDC for FY 2023-23, the Commission has assessed the increase in the ARR of UPPTCL for FY 2023-24 with respect to FY 2022-23. It is observed that approved ARR of UPPTCL has increased by 16.45% from Rs. 3097.17 Crore in FY 2022-23 to Rs.3606.58 Crore in FY 2023-24. Thus, the Commission has considered the approved ARR of UPSLDC for FY 2022-23 (Rs. 50.00 Crore) and increase the same by 16.45% while determination of ARR of*



UPSLDC for FY 2023-24. The ARR of UPSLDC for FY 2023-24 is computed as Rs. 58.22 Crore.

6.15.7: Further, the Commission is of the view that the expenses of UPSLDC shall not form part of UPPTCL expenses and hence the same is not considered and accordingly deducted from the ARR of UPPTCL as it is being added in its ARR by the Petitioner.

Unquote

- 7.1.4. The Commission, in the aforementioned observation of UPPTCL's Tariff Order dated May 24, 2023, directed the Petitioner to ensure the filing of a separate ARR Petition from FY 2021-22 onwards before the Commission for approval. However, the Petitioner has not filed the same yet. Therefore ARR of FY 2021-22 is not considered in this Order.
- 7.1.5. The Commission observes that the Petitioner has filed the True-Up Petition of FY 2022-23. The Commission is of the view that the Petitioner was operating as a part of UPPTCL before incorporation on 22.08.2022 as a separate entity. Thus, the expenses/ revenue of the Petitioner for the period up to its incorporation were part of the Audited Accounts of UPPTCL, which are being considered in the True-up of UPPTCL for FY 2022-23.
- 7.1.6. Further, the Commission observes that the Petitioner submitted the audited accounts that correspond to the period 23.08.2022 to 31.03.2023. The true-up has been considered by the Commission corresponding to the period in the audited accounts. Accordingly, the Revenue Gap of FY 2022-23 pertaining to the period from 23.08.2022 to 31.03.2023 has already been carried forward along with carrying cost in ARR of FY 2024-25 to be recovered through LDC Charges. Therefore, there is no need to consider the Petitioner's request to consider recovery of any other charges.

8. DIRECTIVES

8.1. COMPLIANCE OF DIRECTIVES ISSUED IN THE PAST TARIFF ORDERS OF UPPTCL (IN REGARD OF UPSLDC) AND THROUGH SUO MOTO PROCEEDINGS

8.1.1. The Commission has issued certain directives to the Petitioner in UPPTCL's past Tariff Orders and also in Orders issued in Suo-moto proceedings. The status of compliance submitted by the Petitioner on the same is as shown in the Table given below:

TABLE 8-1: STATUS OF COMPLIANCE/ PETITIONER'S REPLY TO COMMISSION'S DIRECTIVES IN ORDER DT. 17.02.2023 IN SUO-MOTO PROCEEDING NO. 59SM, 60SM & 61SM/2022,

S. N.	Directives	Status of Compliance/ Petitioner's Reply	Remarks
1.	UPSLDC shall give commercial effect to the weekly DSM accounts of UPPCL from 01.10.2022 onwards.	The Petitioner submitted that it has complied with the directive & has given commercial effect to the weekly DSM accounts of UPPCL from 01.10.2022 onwards.	The Petitioner has made the compliance.
2.	The existing practice of undertaking DSM related financial transactions by UPPCL, on behalf of the State with Central DSM Pool/intra-state entities, shall continue to be in practice 31.03.2023. UPPCL shall transfer to DSM Pool account of UPSLDC any surplus amount accumulated in between 01.10.2022 to 31.03.2023, as per para 6(b) above.	The Petitioner submitted that UPPCL has transferred the surplus amount accumulated from 01.10.2022 to 31.03.2023 to the DSM Pool account of UPSLDC as per the Commission's directive. The total of Rs. 26,696.01 lakh was transferred by UPPCL to the Petitioner on this account. The Petitioner submitted the details of the month-wise amount payable & bank statement reflecting the credit of the above transfers.	The Petitioner has made the compliance.
3.	Subsequently from 01.04.2023, all financial transactions related	The Petitioner submitted that it has complied with the directive &	The Petitioner has made the compliance.



S. N.	Directives	Status of Compliance/ Petitioner's Reply	Remarks
	with State DSM Pool shall be routed through UPSLDC. Accordingly, UPSLDC shall undertake financial transactions and make/ receive payment to/from Central DSM Pool and intra-State entities from 01.04.2023.	all the financial transactions related with State DSM Pool are routed through UPSLDC w.e.f. 01.04.2023.	

TABLE 8-2: STATUS OF COMPLIANCE/ PETITIONER'S REPLY TO COMMISSION'S DIRECTIVES IN ORDER DT. 17.02.2023 IN SUO-MOTO PROCEEDING NO. 67SM/2023

S. N.	Directives	Status of Compliance/ Petitioner's Reply	Remarks
1.	The Commission in view of aforesaid and looking at the prevailing facts and circumstances directs UPSLDC to prepare and issue weekly statements for VAr charges of all beneficiaries (distribution licensees, N. Railway-UP and other beneficiaries) in accordance with UPEGC and operationalize Reactive Energy Pool Account w.e.f. 01.01.2024 and submit the compliance report before the Commission	The Petitioner submitted that above directive has been complied w.e.f. 01.02.2024.	The Petitioner has made the compliance.

8.2. DIRECTIVES ISSUED IN THIS ORDER

8.2.1. The MYT Tariff Regulations specify provision for Transmission/Distribution Licensees



for obtaining prior approval of the Commission before implementing capex schemes costing above a certain threshold limit, whereas UPERC SLDC Regulations, 2020 do not specify any such provision to obtain prior approval from the Commission for implementing capex schemes. Further, UPSLDC has been incorporated as an independent entity separate from UPPTCL, thus the Commission finds it necessary that all capital expenditure schemes/projects having value exceeding Rs. 1 crore shall have prior approval of the Commission on a quarterly basis and will be subject to prudence check. Therefore, the Petitioner is directed to submit detailed capital investment plans/schemes/projects of value exceeding Rs. One Crore (or such other threshold value as may be determined by the Commission from time to time) for prior approval failing which the Commission may consider not to allow the same in the ARR and Tariff proceedings. Such investment approval Petitions should be accompanied with detailed techno-economic analysis including technical and cost related details, sources of funding, cost-benefit analysis, proposed implementation plan, rationale/ purpose of the investment including grid operations, safety compliance, etc. It may be noted that the Petitioner is not required to take prior approval of those schemes, which are fully funded through grants/subsidies etc.

8.2.2. The Petitioner entity has been recently incorporated in FY 2022-23 after segregation from UPPTCL. While the Petitioner is required to prepare and maintain Fixed Asset Register (FAR) to comply with the requirements of various applicable statutes and accounting standards, the same should also maintain additional information fields in the FAR for regulatory compliance perspective. Accordingly, the Commission directs the Petitioner to maintain a separate individual asset-wise FAR for all its fixed assets w.e.f. its date of incorporation. The FAR should be maintained in soft copy in Excel format and the same should be provided to the Commission along with each Tariff filing.

8.2.3. The Commission observes that as per Clause 2.14 of the Electricity Grid Code, 2007, a State Power Committee (SPC) was to be constituted under the Chairmanship of the head of UPSLDC. The Commission vide various letters has directed the Petitioner to submit the status of the operationalization of SPC along with minutes of meetings



of latest meetings. However, it was observed that while the SPC has been constituted, meetings of SPC were not conducted regularly and details of the same were not in the public domain therefore, the Petitioner is directed to conduct meetings of the SPC regularly as mentioned in SPC-U.P. (Conduct of Business) Rules and ensure that a separate link of UP-SPC is created on the homepage of UPSLDC's website where among others the notification(s) for constitution of the SPC, the minutes of meetings of SPC-U.P. along with relevant data/documents are uploaded.

8.2.4. The Commission has notified UPERC (Power System Development Fund) Regulations, 2023 on 20.06.2023 for procedure related to sanction and utilization of Power System Development Fund (PSDF). Further, it is observed that substantial amount is currently available in the account which can be utilized for the projects in line with the PSDF Regulations. Therefore, the SLDC being the nodal agency for PSDF in the State is directed to promptly and in timely manner process the proposal(s) received from the project entity under PSDF and submit the same before the Commission for approval in accordance with UPERC (Power System Development Fund) Regulations, 2023.

8.2.5. While it is desirable in the interest of grid security that adequate reserves are maintained locally at the State level for each state control area as per CERC (ancillary services) Regulations 2022 read with the Grid Code, these regulations aim to provide mechanisms for procurement, through administered as well as market-based mechanisms, deployment and payment of Ancillary Services at the regional and national level for maintaining the grid frequency close to 50 Hz, and restoring the grid frequency within the allowable band as specified in the Grid Code and for relieving congestion in the transmission network, to ensure smooth operation of the power system, and safety and security of the grid. Till the Commission frames any regulation in this regard, UPSLDC is required to work with an objective to create and maintain adequate reserves locally at the State level for each state control area and submit the details to the Commission for framing of the Regulations for improving and enhancing reliability of the power system.

8.2.6. The Ministry of Power in consultation with the Central Electricity Authority issued



the Guidelines for Resource Adequacy Planning framework for India in exercise of powers conferred under the Rule 16 of Electricity (Amendments) Rules, 2022 on June 28, 2023. As per these Guidelines, State Commissions are required to frame regulations on resource adequacy. Accordingly, the Commission has published draft UPERC (Framework for Resource Adequacy) Regulations, 2024. In order to ensure timely and effective implementation of these Regulations, after its notification, the Petitioner needs to take all necessary steps in advance for taking up its roles and responsibilities as envisaged in the said framework.

- 8.2.7. The Commission, in view of the advisory issued by Ministry of Power (MoP) for mandatory certification of personnels posted in the load dispatch centres, had directed the Petitioner vide Order dated 17.02.2023 in Suo-moto Proceeding(s) No. 59SM/2022, 60SM/2022 and 61SM/2022 to ensure that personnels deployed in UPSLDC shall be trained as per the MoP letter dated 23.03.2022 and trained executives/personnels must be retained by UPSLDC and not be transferred out of UPSLDC without prior approval of the Commission. Accordingly, the Petitioner is directed to adhere to the directions issued by the Commission and submit the status of compliance for the same within 30 days from the issuance of this Order.
- 8.2.8. The Commission has observed that the Petitioner has submitted that upgradation/ replacement of existing Supervisory Control and Data Acquisition (SCADA) / Energy Management System (EMS) system (ULDC Phase III) would be implemented by POWERGRID in regulated tariff mode and the cost of the same will be borne by POWERGRID. In this regard, the Petitioner is directed to coordinate and take all necessary steps on priority for its timely implementation in accordance with directions issued by the competent authority. The Petitioner is further directed to submit the status of the same in its directive compliance report and also in the next tariff submission.
- 8.2.9. The Commission has observed that the Petitioner had proposed Rs 12.40 Crore for FY 2023-24 and FY 2024-25 towards cyber security in the Business Plan Petition. Subsequently, it has been informed that Cyber Security Operation Centre (C-SOC) is being pursued at central PSDF level, however, the same is yet to be finalised. In this



regard, the Petitioner is directed to coordinate and take all necessary steps on priority for its early implementation. The Petitioner is further directed to submit the status of the same in its directive compliance report and also in the next tariff submission.



9. APPLICABILITY OF THE ORDER

- 9.1.1. The Petitioner in accordance with Regulation 5.8 of the UPERC (Fees & Charges of State Load Despatch Centre and other related matters) Regulations, 2020, shall publish the Tariff approved by the Commission in at least two (2) English and two (2) Hindi daily newspapers having wide circulation in Petitioner's area of control and shall upload the approved Tariff on its internet website. The Petitioner is also required to submit the copies of the newspapers and screenshots of the website within seven (7) days of the publication.
- 9.1.2. The Tariff so published shall be in force after seven days from the date of such publication of the Tariffs and unless amended or revoked, shall continue to be in force till issuance of the next Tariff Order. The Commission may issue clarification / corrigendum / addendum to this Order as it deems fit from time to time with the reasons to be recorded in writing.

(Sanjay Kumar Singh)
Member

(Arvind Kumar)
Chairman

Place: Lucknow

Date: October 10, 2024

10.ANNEXURE I: ADMITTANCE ORDER



BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION,
LUCKNOW

Petition No. 1980/2023, 2046/2023

(Date of Order: - 16-06-2024)

IN THE MATTER OF:

Approval of Aggregate Revenue Requirement (ARR) and determination of SLDC Charges for FY 2023-24 in Petition No. 1980/2023 and for FY 2024-25 in Petition No. 2046/2023.

ORDER

BACKGROUND:

As per provision of Section 64 of the Electricity Act, 2003, it is incumbent upon the Licensee to make an application to the State Electricity Regulatory Commission for determination of Tariff in such manner as may be specified by the Commission as per the applicable Regulations.

The Uttar Pradesh Electricity Regulatory Commission (Fees & Charges of State Load Despatch Centre and other related matters) Regulations, 2020 (herein after referred as UPERC SLDC Regulations, 2020) were notified on May 14, 2020, and these Regulations shall be applicable for determination of fees and charges to be collected by State Load Despatch Centre from its users for the period from April 1, 2021 to March 31, 2025, unless reviewed earlier or extended by the Commission.

As per the provisions stipulated in the Regulation 6 of UPERC SLDC Regulations, 2020, the Petition for determination of True-Up, Annual Performance Review (APR) and Aggregate Revenue Requirement (ARR)/Tariff, complete in all respect must be filed by the UPSLDC for each year of the Control Period (FY 2020-21 to FY 2024-25) before the Commission on or before November 30th of concerned year.

The Commission observed that as per Regulation 6.1 of UPERC SLDC Regulations, 2020, the Petitioner was required to file the True Up Petition for FY 2022-23 by 30.11.2023. Although the Petitioner has submitted the audited accounts for FY 2022-23 but has not submitted the True-up. Therefore, petitioner was directed to submit the True-up Petition for FY 2022-23.

It was also observed that the Petitioner had submitted the ARR of FY 2023-24. Since FY 2023-24 has already ended therefore, it may be futile exercise to carry out the ARR when actual data are available upon completion of the FY 2023-24. Therefore, the Petitioner was directed to submit the actual data for FY 2023-24 such that APR will be carried out.

Uttar Pradesh State Load Despatch Centre (UPSLDC) (herein after referred to as 'Petitioner'), filed the Petition for Aggregate Revenue Requirement (ARR) of FY 2023-24 (Petition No.1980/2023) and FY 2024-25 (Petition No. 2046/2023) on May 12, 2023 & November 30, 2023 respectively.

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PRELIMINARY OBSERVATION:

A preliminary analysis of the ARR, Petition No. 1980/2023, FY 2023-24 was conducted, wherein the Commission directed the Petitioner to file the Business Plan as per Regulation 6.1 of UPERC (Fees & Charges of State Load Despatch Centre and other related matters) Regulations, 2020 (SLDC Regulations, 2020), documentary evidence of opening GFA, Depreciation for the period from FY 2016-17 to FY 2022-23, basis & regulations under which service charges of Rs 5 Lakhs per month has claimed from each transmission licensee with monthly LDCs., which were communicated along with various other deficiencies on August 16, 2023 vide letter No. UPERC/D(T&S)/JD(T)/084-746.

Reminder letter for the first deficiency of Petition No. 1980/2023, FY 2023-24 communicated to Petitioner by Commission on Mar 27, 2024.

LICENSEE RESPONSE:

The Petitioner submitted its response to the 1st deficiency in respect to the Petition No. 1980/2023, FY 2023-24 on April 12, 2024.

Further, preliminary analysis for ARR, Petition No. 2046/2023, FY 2024-25 was conducted, wherein the Commission asked the Petitioner to submit the balance sheet / audited accounts / details of assets duly certified by auditors for the period from FY 2016-17 to FY 2023-24 along with revenue details, list of schemes to be capitalised during FY 2024-25, documentary evidence for average O&M expenses for the period from FY 2015-16 to FY 2019-20, along with various other deficiencies observed, which were communicated on February 05, 2024 vide letter No. UPERC/D(Tariff)/JD(T)/125/1754.

The Petitioner submitted its response to the deficiency of ARR, Petition No. 2046/2023, FY 2024-25 on March 07, 2024.

Thereafter, 2nd deficiency was raised for both ARR of FY 2023-24 (Petition No. 1980/2023) & FY 2024-25 (Petition No. 2046/2023) filed by Petitioner, wherein the Commission directed the Petitioner to file the True-Up Petition for FY 2022-23 at the earliest, which as per Regulation 6.1 of UPERC (Fees & Charges of State Load Despatch Centre and other related matters) Regulations, 2020, the Petitioner was required to file by 30.11.2023. The Commission also directed the Petitioner in 2nd deficiency to either amend the Petition or file a fresh APR Petition as per clause 6.1 of UPERC (Fees & Charges of State Load Despatch Centre and other related matters) Regulations, 2020 and submit the actual data for FY 2023-24 along with audited accounts of FY 2023-24 (if available). Along with these various other deficiencies were observed, which were communicated on April 30, 2024, vide letter No. UPERC/D(Tariff)/JD(T)/151.

Subsequently, the Commission have sought 3rd and 4th Deficiency from petitioner related to opening GFA, Depreciation, balance sheet / audited accounts / details of assets duly certified by auditors for the period from FY 2016-17 to FY 2023-24 along with revenue details,

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documentary evidence for average O&M expenses for the period from FY 2015-16 to FY 2019-20, along with various other deficiencies.

The Technical Validation Session (TVS) was conducted on May 30, 2024 which was attended by senior officials of the Commission and UPSLDC. During the TVS, UPSLDC explained various issues raised in the data Deficiency Notes on other issues/matters. Subsequently, minutes of meeting (M.O.M) comprising of pending data / information was issued.

COMMISSION'S DIRECTION:

The Commission shall be undertaking the True-Up of FY 2022-23 based on audited accounts and submissions made, APR on provisional / actual data and ARR /Tariff for FY 2024-25 based on the submissions made. Since the determination of ARR / Tariffs has already been delayed, the Commission admits the Petition for further processing. The Commission directs the Petitioner to submit the pending responses immediately and also furnish further information /clarifications, if any, as deemed necessary by the Commission during the processing of the Petition and provide the same to the satisfaction of the Commission within the time frame as stipulated by the Commission. Any failure, in compliance of such directions, will compel the Commission to dispose off the concerned matter as found deemed fit by it based on the available information.

Regulation 5.5 of UPERC SLDC Regulations, 2020 specifies as under:

Quote

5.5 The SLDC shall within three working days of issue of the Admittance Order, publish a Public Notice in at least two English and two Hindi daily newspapers having wide circulation, outlining the ARR, proposed Tariff, True-Up and such other matters as may be directed by the Commission, and invite suggestions and objections from the stake holders and public at large:

Provided that the SLDC shall also upload on its website the Petition filed before the Commission along with all regulatory filings, information, particulars and documents in the manner stipulated by the Commission. The SLDC should ensure that there is no requirement of providing personal information for downloading the same.

Unquote

Accordingly, the Petitioner shall publish a Public Notice within three working days of issue of the Admittance Order, publish a Public Notice in at least two English and two Hindi daily newspapers having wide circulation, outlining the ARR, proposed charges, APR, True-Up etc., and invite suggestions and objections within 15 days from the date of publication of the Public Notice(s) from the stakeholders and public at large.

The Public Notice should indicate that the stakeholders should regularly check the websites of the Petitioner for further submissions made in respect to these proceedings

Provided that the Petitioner shall also upload on its website the Petition filed before the Commission along with all regulatory filings, information, particulars and documents in the

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manner stipulated by the Commission. The Petitioner should ensure that there is no requirement of providing personal information for downloading the same. The Petitioner shall not provide or put up any such information, particulars, or documents, which are confidential in nature, without the prior approval of the Commission.

The Petitioner shall inform the Commission, about the details of publication of the Public Notice in the newspapers and uploading on the website along with the links. The Petitioner is also required to submit the copies of the newspapers and screen shots of the website within 7 days of publication of the Public Notice.

The Commission proposes to hold the Public Hearings in the month of July, 2024, the details of which will be provided subsequently on the Commission's website www.uperc.org.

The Petitioner shall take all necessary steps to ensure the necessary arrangements for smooth conduct of the same in accordance with the guidelines/instructions issued in this regard by the Commission from time to time.

The Commission reserves the right to seek any further information / clarifications as deemed necessary during the processing of this Petition.


(Sanjay Kumar Singh)
Member


(V.K. Srivastava)
Member (Law)


(Arvind Kumar)
Chairman

Place: Lucknow
Date: 10 June, 2024



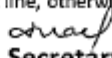


11.ANNEXURE II: PUBLIC NOTICE ISSUED BY THE COMMISSION FOR PUBLIC HEARING

Licensees Covered	Date & Time of Public Hearing	Place of Public Hearing
KESCO	July 08, 2024 @ 11.00 AM (Monday)	Kanpur - The Sportz Hub, F8HG+PCW, Palika Stadium Ln, Khalasi Line, Arya Nagar, Kanpur, Uttar Pradesh - 208002
UPPTCL and SLDC	July 10, 2024 @ 11.00 AM (UPPTCL) and 3:00 PM (SLDC) (Wednesday)	Lucknow - Auditorium (3rd Floor) of Uttar Pradesh Electricity Regulatory Commission, Vidyut Niyamak Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow - 226010
MVVNL	July 11, 2024 @ 11:00 AM (Thursday)	Lucknow - Auditorium (3rd Floor) of Uttar Pradesh Electricity Regulatory Commission, Vidyut Niyamak Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow - 226010
PuVVNL	July 16, 2024 @ 11:00 AM (Tuesday)	Varanasi - Commissioner Office Auditorium, Opposite Vikas Bhavan, Hamraulia, Varanasi - 221002
DVVNL	July 18, 2024 @ 11:00 AM (Thursday)	Agra - Rao Kishan Pal Singh Auditorium Campus R.B.S. College, Raja Balwant Singh Degree College, Madiya Katra Railway Crossing, Kandhari, Agra - 282002
NPCL	July 19, 2024 @ 11.00 AM (Friday)	Greater Noida - Auditorium 1, Gautam Budh University, Opposite Yamuna Expressway, Greater Noida, Uttar Pradesh - 201312
PVVNL	July 20, 2024 @ 11:00 AM (Saturday)	Meerut - Atal Sabhagar, Chaudhary Charan Singh University, Ramgarhi, Meerut, Uttar Pradesh 250001

The licensee has already published the summary of the Petitions in newspapers, inviting suggestions and objections. The stakeholders & Public at large should regularly check the websites of Commission i.e. www.uperc.org & concerned Licensee for updates / information and details in regard to the venues of the 'Public Hearings'. All stakeholders and public at large are invited to attend the 'Public Hearings'.

All the Stakeholders who are participating in the Public Hearing shall also 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. 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.


Secretary



12. ANNEXURE III: LIST OF PERSONS WHO ATTENDED PUBLIC HEARING

ATTENDANCE SHEET					
Petition No. 2046 of 2023 for ARR & LDC Charges for FY 2024-25, Annual Performance Review of FY 2023-24 & Truing up of FY 2022-23 (U P SLDC LIMITED)					
Date : 10-07-2024 (03:00 PM)					
Sl.No.	Name	Designation	Appearing on Behalf of	Mobile Number	Signature
1	अक्षय कुमार वर्मा	अध्यक्ष उपग्रह राज्य विद्युत आयोगा पारबस		9415516357	AK
2	Suresh Chandra	P.E.	उप. SLDC	914991651	S
3	Anil Narain	S.E.	UPSLDC	8004921110	A
4	Deepanshu Kumar	Account-officer	UPSLDC	7838761435	D
5	Shaman Babbas	DGM	UPSLDC	9958510590	S
6	Prabhat Gupta	DY CAO	UPSLDC	8287756644	P
7	Rajkumar	CE UPPTEL	UPPTCL	8787046574	R
8	A-K Shukla	SE UPPTEL	UPPTCL	8005440018	A
9	Rajkumar	SE (UPPTCL)	UPPTCL	9560041404	R
10	Ram Sharan Singh	EE UPSLDC	UPSLDC	8004921998	R
11	Bande Prasad	EE UPSLDC	UPSLDC	8004960928	B