

U.P. POWER CORPORATION LIMITED

उत्तर प्रदेश पावर कारपोरेशन लिमिटेड

(উ০র্ম০ सरकार का उपक्रम) (Govt. of Uttar Pradesh Undertaking) CIN: U32201UP1999SGC024928

Regulatory Affairs Unit 15th Floor, Shakti Bhawan Extension, 14-Ashok Marg, Lucknow 226001.

Phone: (0522) 2286519 Email: ce.rau@uppcl.org रेगुलेटरी अफेयर्स इकाई 15वॉ तल, शक्तिमवन विस्तार, 14—अशोक मार्ग, लखनऊ 226001 दुरमाष: (0522) 2286519

Email: ce.rau@uppcl.org

Dated: 05 July, 2025

No. 258 /RAU/ARR 2025-26

The Secretary, U.P. Electricity Regulatory Commission, Vidyut Niyamak Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow.

Subject: Submission of Proposed Rate Schedule for FY 2025-26 (Deficiency Note-3).

Sir,

This is in reference to UPERC's letter No UPERC/Secy/D(Tariff)/2025-354 dated 17.06.2025 vide which Hon'ble Commission directed to submit reply of 3rd Deficiency Note related to proposed rate schedule for FY 2025-26.

Kindly find enclosed herewith reply of Deficiency Note-3 for the consideration of the Hon'ble Commission.

Thanking you.

Encls: As above.

Yours faithfully,

(D C Verma)

Chief Engineer (RAU)

Copy to the following for information and necessary action:-

- 1. Managing Director, MVVNL/DVVNL/PuVVNL/PVVNL/KESCO.
- 2. Director (Commercial), UPPCL.
- 3. Director (Commercial), MVVNL/DVVNL/PuVVNL/PVVNL/KESCO.

Reply to $3^{\rm rd}$ Data Requirements/Deficiencies/Discrepancies in the Petition No. $\frac{2162/2163/2164/2165/2176}{2024}$ Dated:- $29^{\rm th}$ November, 2024

of

True-Up (FY 2023-24), Annual Performance Review (FY 2024-25), Aggregate Revenue Requirement (FY 2025-26)

1. Justification for the changes proposed in the existing Tariff Schedule vis-à-vis Proposed Tariff Schedule:

In the proposed Tariff Schedule, the petitioners have merged slabs in certain categories (For Example, in LMV 1 category the consumption slabs of 101–150 kWh/month and 151–300 kWh/month for the Rural Schedule and Other subcategories have been merged), created new categories (For Example, 'Small Commercial' consumers in LMV-2 category) and changes in TOD slots. Apart from this, there has been an increase in fixed and energy charges in almost all categories.

The Petitioners are directed to submit the detailed justification for all the changes that have been made to the rate schedule. The petitioners are also directed to submit the basis on which the increase in fixed and energy charges has been proposed.

Response:

The Licensee respectfully submits that the proposed modifications in the tariff schedule have been undertaken with the objective of aligning the tariff design with the principles of cost reflectivity, revenue neutrality, and financial sustainability, as envisaged under the National Tariff Policy. Furthermore, the changes are also consistent with the guiding principles outlined in approach papers and MoP discussions on "Designing Simple Electricity Tariffs in India," which emphasize simplification, purpose-based classification, and clarity for consumers.

The merging of slabs in certain categories—for instance, the 101–150 kWh and 151–300 kWh slabs under LMV-1 for Rural and Other subcategories—has been carried out to rationalize the structure, simplify billing, and for case of understanding of the consumers. The lifeline slab (0–100 units/month) remains unaltered to continue providing protection to economically weaker consumers. Similarly, the introduction of a new 'Small Commercial' category under LMV-2 for consumers with connected load up to 1 kW has been proposed to address the long-standing concern of tariff burden on micro and small shops particularly in rural areas, which were previously subjected to uniform commercial tariffs irrespective of load. This reclassification is intended to improve affordability for genuine small commercial users and support revenue growth through better compliance and accurate categorization.

Further, the increase in fixed and energy charges across most categories has been proposed to gradually rebalance the revenue structure in line with the actual cost of supply. As per the approved ARR, around 57.61% of the cost is fixed in nature; however, only about

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Chief Engineer (R.A.U.) UPPCL Shakti Bhawan Ext. 14. Ashok Nagar, Lucknow

(Prateek Kushwaha) Executive Engineer (RAU) 17.73% of the current revenue is recovered through fixed charges. This under-recovery compromises the financial viability of the utilities and exposes them to revenue instability. It is also submitted that there has not been any major tariff revision in the past five tariff orders. The proposed increase is thus essential to meet the approved revenue requirement and ensure reliable service delivery.

Additionally, it is clarified that no changes have been proposed in the Time-of-Day (ToD) slots under the current petition.

2. Revised Billing determinants based on the proposed Tariff Schedule:

The petitioners are directed to provide the revised ESR model with billing determinants for all tariff categories/slabs including the newly and revised proposed tariff categories as per the proposed tariff schedule for FY 2025–26.

Response: It is humbly submitted that the Petitioner has enclosed the ESR model pertaining to proposed tariff schedule as **Annexure-A**.

3. Calculation of cross-subsidy surcharge, open access charge, gap and surplus.

The petitioners are directed to provide the detailed calculations for the cross-subsidy surcharge, open access charges, gap and surplus based on the proposed Tariff Schedule for FY 2025–26.

Response: It is humbly submitted that revised CSS has been calculated and detailed in this reply as Appendix-I.

 Recovery of cost of Distribution Wires Business & Power Purchase fixed charges comparison/offset from fixed charges as per the proposed Tariff Schedule for FY 2025-26.

The Petitioners are directed to provide details of the total fixed charges to be recovered from consumers under the proposed tariff schedule and provide details on the % recovery of cost of wires business and % recovery of sum of cost of wires business and fixed cost component of Power purchase cost.

Response: It is submitted that details of revenue requirement bifurcation from consumers in terms of fixed and variable charges is as under:

Particulars	%
Fixed Cost	57.61%
Variable Cost	42.39%

Further recovery of above revenue requirement from consumers in terms of fixed and variable charges is as under:

Particulars	%
Fixed Cost recovery	17.73%
Variable Cost recovery	82.27%

(Prateek Kushwaha) Executive Engineer (RAU) 2

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		語が記録	では、	CR	OSS SUB	SIDY SU	CROSS SUBSIDY SURCHARGE FOR FY 2025-26	OR FY 20	25-26			で表記され			· · · · · · · · · · · · · · · · · · ·
			Average	Wit Awa	Agg applical Transs Ch	Aggregate o pplicable to the Transmission Charge	Aggregate of Trasn., Dist. & Wh. Charges applicable to the relevant voltage level (Rs./I Transmission Aggreg Charge of Tr	t. & Wh. ()ltage leve	Wh. Charges level (Rs./kWh) Aggregate of Trasn.,	Syste the re	System Loss (% to the relevant voltage level)	(% to 70ltage	Carrying		
S. No. Categories	(IN RS. CR)	Sales (MU)	Billing Rate (T)* (Rs./kWh)	Billing Pur. Cost Rate (T)* (C)** [Rs./kWh] (Rs./kWh)	THE RESERVE OF THE PERSON OF T	Inter- Intra- State State Trns. Trns. Charges Charges	Distribution Wheeling Charge Charge	Wheeling Charge	Dist. Charg applic to releve	PGCIL	& Wh. ges :able the PGCIL UPPTCL ant	Dist. Loss	Regulatory Assets (Rs./kWh)	S=T-[C/(1- S*** L/100)+D+R] (Rs./kWh	S*** (Rs./kWh)
1 HV-1 (Supply at 11 kV)	3433.06	2803 66	12.24	4 06	0.770	0 222	0.605	0.000	level (D)	200					
2 HV-1 (Supply above 11 kV)	2671.31	2460.09	10.86	4.96	0.270	0.233	0.605	0.828	1.94	1 23%	3.18%	5.20%	0.00	4.84	1.66
3 HV-2 (Supply upto 11 kV)	8704.07	9024.00	9.65	4.96	0.270	0.233	0.605	0.828	1.94	1 23%	3 18%	5 20%	0.00	2 24	1.66
4 HV-2 (Supply above 11 kV & upto 66 kV)	3736.15	4002.45	9.33	4.96	0.270	0.233	0.605	0.517	1.63	1.23%	3.18%	0.95%	0.00	2.48	1.66
5 HV-2 (Supply above 66 kV & Upto132 kV)	1301.38	1481.81	8.78	4.96	0.270	0.233	0.605	0.517	1.63	1.23%	3.18%	0.17%	0.00	1.96	1.66
6 HV-2 (above 132 kV)	539.43	673.17	8.01	4.96	0.270	0.233	0.605	0.517	1.63	1.23%	3.18%	0.17%	0.00	1 20	1 20
HV-3 (Supply at below & 7 above 132 kV) (Railway Traction)	27.67	22.01	12.57	4.96	0.270	0.233	0.605	0.672	1.78	1.23%	3.18%	0.17%	0.00	5.60	1.66
HV-3 (Supply at below & above 132 kV) (Metro Traction)	156.05	143.29	10.89	4.96	0.270	0.233	0.605	0.672	1.78	1.23%	3.18%	0.17%	0.00	3.92	1.66
9 HV-4 (Supply at 11 kV)	287.45	238.25	12.06	4.96	0.270	0.233	0.605	0.828	1.94	1.23%	3.18%	5.20%	0.00	4 66	1 66
10 HV-4 (Supply above 11 kV upto 66kV)	320.81	282.68	11.35	4.96	0.270	0.233	0.605	0.517	1.63	1.23%	3.18%	0.95%	0.00	4.49	1.66
11 HV-4 (Supply above 66 kV upto 132kV)	0.84	0.69	12.22	4.96	0.270	0.233	0.605	0.517	1.63	1.23%	3.18%	0.17%	0.00	5.40	1.66
*Including reflecting the Renewable Purchase Obligation	vable Pur	chase Ob	ligation.										S		
Including meeting the Renewable Purchase Obligation. *CSS shall not exceed 20% of the ACos	able Pur	chase Ob	ligation.												
****CSS shall not exceed 20% of the ACoS.	f the ACo	S.													

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Chief Engineer (R.A.U.) 3
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Revenue from Proposed Tariffs		the same to do not be seen		
		FY 2025	26 (ARR)	
Darkingling	Exist	ting		oosed
Particulars	Rate of Fixed Charges or Demand Charge (Rs/KVA or Rs./KW or Rs./BHP)	Rate of Energy Charge (Rs/KWh or Rs./KVAh)	Rate of Fixed Charges or Demand Charge (Rs/KVA or Rs/KW or Rs/BHP)	Rate of Energy Charge (Rs/KWh or Rs./KVAh
LMV-1: Domestic Light, Fan & Power			TOURING TO SERVICE	
Life Line Consumers (both Rural and Urban) (up to 100 kWh/month) Dom: Rural Schedule (metered) other than BPL	50.00	3.00	75.00	4.00
0-100 kWh/month	90.00	3.35	150.00	4.50
101-150 kWh/month	90.00	3.85	150.00	
151-300 kWh/month	90.00	5.00		7.00
Above 300 kWh/Month (starting from 301 unit)	90.00	5.50	150.00	8.00
Dom: Supply at Single Point for Bulk Load	110.00	7.00	190.00	9.00
Other Metered Domestic Consumers other than BPL				2100
0-100 kWh/month	110.00	5.50	190.00	6.50
101-150 kWh/month 151-300 kWh/month	110.00	5.50	190.00	8.00
Above 300 kWh/Month (starting from 301 unit)	110.00	6.00	190.00	9.00
	110.00	0.00	150.00	9,00
LMV-2:Non Domestic Light, Fan & Power				
Non Dom: Rural Schedule (metered) Non Dom: Other Metered Non-Domestic Supply	110,00	5.50	150.00	8.00
Up to 4 kW				
Upto 300 kWh / month	330.00	7.50		
Above 300 kWh/Month	330.00	8.40	450.00	9.50
Above 4 kW				
Upto 1000 kWh / month	450.00	7.50	545.00	10.00
Above 1000 kWh/Month Small Commercial (Rural)	450.00	8.75	110-0-0-0-0-0-0	
Small Commercial (Urban)		-	150.00 250.00	7.00 8.00
			230.00	8.00
LMV-3: Public Lamps				
Unmetered				
Unmetered - Gram Panchayat Unmetered - Nagar Palika & Nagar Panchayat	2,100.00 3,200.00		2,500.00	
Unmetered - Nagar Nigam	4,200.00	-	3,800.00 5,000.00	
Metered			0,000,00	
Metered - Gram Panchayat	200.00	7.50	300.00	9.60
Metered - Nagar Palika & Nagar Panchayat Metered - Nagar Nigam	250.00	8.00	350.00	10.20
market mgu mgun	250.00	8.50	360.00	10,50
LMV-4: Light, fan & Power for Institutions				
Inst: Public	300.00	8.25	450.00	10.00
Inst: Private	350.00	9.00	450.00	10.00
LMV-5: Private Tube Wells/ Pumping Sets				
Consumers getting supply as per "Rural Schedule"				
PTW: Rural Schedule (unmetered) (Total)				
PTW: Rural Schedule (unmetered) PTW: Rural Schedule (Energy Efficient Pumps) (Unmetered)	170.00	1.00	170.00	
PTW: Rural Schedule (metered) (Total)	70.00	1.65	70.00	1,65
PTW: Rural Schedule (metered)	70.00	2.00	70.00	2.00
PTW: Rural Schedule (Energy Efficient Pumps) (metered)	70.00	1.65	70.00	1.65
Consumers getting supply as per "Urban Schedule [Metered Supply]" PTW: Urban Schedule (metered)				
Fiw. Otban Schedule (metered)	130.00	6.00	130.00	6.00
LMV 6: Small and Medium Power upto 100 HP (75 kW)	-			
Consumers getting supply as per "Rural Schedule"				
Up to 20 kW Above 20 kW	268.25	6.75	268.25	7.40
Consumers getting supply other than "Rural Schedule"	268.25	6.75	268.25	7.40
6 6	290.00	7.30	290.00	8.00
LMV-7: Public Water Works				
Consumers getting supply as per "Rural Schedule"				
Rural Metered	346.88	7.86	450.00	9.75
Italian Marana				
Urban Metered	375.00	8.50	490.00	10.50
LMV-9: Temporary Supply				
Metered				
Metered TS: Individual residential consumers	200.00	8.00	200.00	8.00
Metered TS: Others	300.00	9.00	300.00	9.00
Unmetered				
Unmetered TS: Ceremonies Unmetered TS: Temp shops	4,750.00		4,750.00	-
- The state of the	560.00		560.00	-
LMV-11: Electrical Vehicles				
Multi Story Buildings				
LMV-1b	-	6.20	-	6.20
HV-1b	-	5.90		5.90
Public Charging Station LT				
HT		7.70	-	7.70
	-	7.30	-	7.30
HV-1: Non-Industrial Bulk Loads				

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Chief Engineer (R.A.U.)

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Commercial Loads / Private Institutions / Non-Domestic Bulk Power with contracted Load 75 kW & above and getting supply at single point on 11 kV &				
above voltage level.		_		
Supply at 11 kV	430.00	8.32	490.00	9.70
Supply above 11 kV	400.00	8.12	460.00	9.50
Public Institutions, Registered Societies, Residential Colonies / Townships,Residential Multi-Storied Buildings including Residential Multi- StoriedBuildings with contracted load 75 kW & above and getting supply at Single Point on 11 kV & above voltage levels				
Supply at 11 kV	380.00	7.70	490.00	9.25
Supply above 11 kV	360.00	7.50	460.00	9.00
HV-2: Large and Heavy Power above 100 BHP (75 kW)				
HV2 Urban Schedule: Supply at 11 kV	300.00	7.10	300.00	8.50
HV2 Urban Schedule: Supply above 11 kV & upto 66 kV	290.00	6.80	290.00	8,30
HV2 Urban Schedule: Supply above 66 kV & upto 132 kV	270.00	6.40	270.00	7.90
HV2 Urban Schedule: Supply above 132 kV	270.00	6.10	270.00	7,60
HV2 Rural Schedule: Supply at 11 kV	277.50	6.57	277.50	7.86
HV-3: Railway Traction				
HV3A Supply for all Voltage level (Railways)	400.00	8.50	450.00	10.50
HV3B For Metro traction	300.00	7.30	350.00	9.50
HV-4: Lift Irrigation & P. Canals above 100 BHP (75 kW)				
HV4 Supply at 11kV	350.00	8.50	410.00	10.50
HV4 Supply above 11kV & upto 66kV	340.00	8,40	400.00	10.00
HV4 Supply above 66 kV & upto 132kV	330.00	8.25	390.00	9.50

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PTW: Rural Schedule (unmetered) (Total)
PTW: Rural Schedule (unmetered)
PTW: Rural Schedule (Energy Efficient Pumps) (Unmetered)
PTW: Rural Schedule (metered) (Total)
PTW: Rural Schedule (metered) Consumers getting supply as per "Urban Schedule (Metered Supply)" PTW: Urban Schedule (metered)
Sub Total PTW: Rural Schedule (Energy Efficient Pumps) (meterad) LMV-5: Private Tube Wells/ Pumping Sets Consumers getting supply as per "Rural Schedule" Dom: Supply at Single Point for Bulk Load
Other Metered Domestic Consumers other than BPL Life Line Consumers (both Rural and Urban) (up to 100 kWn/month)
Dom: Rural Schedule (metered) other than BPL Slabwise (MU) 64,569,48 22,884 11,395 13,208 7,121 24,895 8,707 2,142 1,585 6,706 1,996 30,557 10,643 5,696 No. of consume 32,959,625,92 7,538,828.05 4,029,660.61 1,393,622.91 1,808,085,91 214,443,00 214,443,00 3,836,681.81 7,889.55 8,765,591.04 3,205,058.16 317,219.20 37,979.69 355,198.89 2,934,252.54 574,914.91 1,723,851,07 21,141.96 17,401.50 16,963.00 322.50 96.00 38,726.23 34,451.12 1,886.19 2,388.92 56,128 556,076.1 1,629,208 Contract Demand/ (KW /KVA /HP) 929,686.15 22,891,141.18 11,698,168.62 9,260,205.63 1,352,341.80 1,352,341.80 5,667,306.90 1,470,700.61 4,196,606.29 7,081,549 16,647,226,11 12,436,642,97 6,425,832,96 843,948.02 304,939.68 1,148,887.70 52,904,696.42 4,594,830,74 1,415,979,27 7,969,106.29 3,223,866,27 60,682.16 34,100.05 10,069.11 16,513.00 241,321.19 79,164.70 45,714.73 116,441.77 302,003 ,907,863,83 907,863,83 ,414,242.29 Charge (Rs/KVA or Rs./KW or Charges or Demand 450.00 2,500,00 3,800,00 350,00 450.00 545.00 190.00 FY 2025-26 (ARR) 70.00 150.00 70.00 190.00 150,00 150.00 190.00 Rate of Energy Charge (Rs/KWh or Rs./KVAh) 10.00 10.20 10.50 9.50 6.00 1.65 B.00 7.00 8.00 8.00 Total Energy Charges or Charge Rs. Crs. Demand Charge 2,090.66 8,651.31 2,473.22 6,178.09 10,741.97 3,843.64 1,796 82 23,519 73 6,917.95 43,984.30 10,566.36 2,142.15 7,344.79 4,556.44 2,848,46 15,819,28 3,918,05 3,843,64 1,281.31 6,035.42 1,694,05 448,10 ,281.31 324.04 225.72 731.55 24.07 24.07 1,370.25 1,346.18 554.71 554.71 3,667.92 791.46 157.52 600.05 8,888.58 1,756.43 1,505.82 2,125.38 1,099.85 370.94 153.45 68.87 148.62 83.62 21.80 16.57 45.25 (Rs Crs) 784.11 241.42 Total Billed Amount (Rs Crs) 28,564,84 9,496,31 2,340.29 12,069.60 3,240.31 4,354.27 17,944.66 5,017.90 14,409.89 52,872,88 12,322.79 5,368.58 4,635,10 4,635,10 2,136.58 605.62 2,742.20 242.29 776.80 1,735.87 5,189.8 554.7 554.7 6,745.7 1,364,93 345,84 8,829,29 4,797.87 8,128,90 370.94 153.45 68.87

Up to 4 kW Above 4 kW Sub Total

LMV-2:Non Domestic Light, Fan & Power Non Dom: Rural Schedule (metered) Non Dom: Other Metered Non-Domestic Supply

0-100 kWh/month

Above 300 kWh/Month (starting from 301 unit)

101-300 kWh/month 0-100 kWh/menth LMV-1: Domestic Light, Fan & Power

101-300 kWh/month

Above 300 kWrvMonth (starting from 301 unit)

Unmetered - Gram Panchayat Unmetered - Nagar Palika & Nagar Panchayat Unmetered - Nagar Nigam

Unmetered LMV-3: Public Lamps

Executive Engineer (RAU) (Prateek Kushwaha) Inst Private Sub Total

LMV-4: Light, fan & Power for Institutions

Sub Total

Metered - Nagar Nigam

Metered - Nagar Palika & Nagar Panchayat

Metered - Gram Panchayat

Metered

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Annexure-A.

Total Energy Charges or Charge Rs. Crs. Demand Charge or (Rs Crs) 203.14 88.59 2,605.51 549.20 2,975.75 549.20 2,975.75 549.20 2,747.23 493.22 2,747.24 493.24 11.12 1.12 1.12 1.12 1.12 1.12 1.12
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				FY 2025-26 (ARR)	6 (ARR)			
Particulars	Consumption- Slabwise (MU)	No. of consumers	Contract Demand/ Connected Load (KW /KVA /HP)	Rate of Fixed Charges or Demand Charge (Rs/KVA or Rs/JKWO)	Rate of Energy Charge (Rs/KWh or Rs./KVAh)	Total Energy Charges or Charge Rs. Crs. Demand Charge (Rs Crs)		Total Billed Amount (Rs Crs)
HV-3: Railway Traction							A A A SA S	
HV3A Supply for all Voltage level (Railways)	22	2.00	11,250.00	450.00	10.50	23.11	4.56	27.67
HV38 FOR METO traction	143	9.30	63,651.00	350.00	9.50	136.13	19.92	156.05
SCD OTTA	165	11.30	74,901.00			159.24	24.48	183.72
HV-4: Lift Irrigation & P. Canals above 100 BHP (75 kW)								
HV4 Supply at 11kV	238	30,08	101,904.17	410.00	10.50	250.16	37.28	287.45
HV4 Supply above 11kV & upto 66kV	263	50,39	107,347.98	400.00	10.00	282.68	38.13	320,81
FIVE CUPPLY apove to KV & upto 132KV		2.00	531.15	390.00	9.50	0.65	0.19	0.84
our ideal	522	132.39	209,783.29			533.50	75.60	609.10
Extra State Consumer	83	3.00	85,200.00		7.53	62.47		62,47
Bulk Supply Cansumer	2,482	1.00	1,332,604.00		4.41	1,094.42		1,094.42
Grand Total	135,722	37,827,522.60	86,116,485.86			90,098.53	19,419.84	109,518.37

(Prateek Kushwaha) Executive Engineer (RAU)

Chief Engineer (R.A.U.)
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