UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

PETITION NO. 1058/2015

DETERMINATION OF ANNUAL REVENUE REQUIREMENT (ARR) AND TARIFF FOR FY 2016-17

AND

TRUE UP OF ARR AND REVENUE FOR FY 2013-14

FOR

UTTAR PRADESH POWER TRANSMISSION CORPORATION LIMITED

ORDER UNDER SECTION 64 OF

THE ELECTRICITY ACT, 2003

August 1, 2016

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UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

Petition No. 1058/2015

IN THE MATTER OF:

DETERMINATION OF ANNUAL REVENUE REQUIREMENT (ARR) AND TARIFF FOR FY 2016-17 ALONG WITH TRUE UP FOR FY 2013-14

And

IN THE MATTER OF:

Uttar Pradesh Power Transmission Corporation Limited, Lucknow (UPPTCL)

ORDER

The Commission, having deliberated upon the above Petition and also the subsequent filings by the Petitioner, and the Petition thereafter being admitted on March 29, 2016, and having considered the views / comments / suggestions / objections / representations received from the stakeholders during the course of the above proceedings and also in the Public Hearings held, in exercise of powers vested under Sections 61, 62, 64 and 86 of the Electricity Act, 2003 (hereinafter referred to as 'the Act'), hereby passes this Order signed, dated and issued on August 1, 2016. The Petitioner, in accordance with Regulation 139 of the Uttar Pradesh Electricity Regulatory Commission (Conduct of Business) Regulations, 2004, shall publish the approved Tariff within three days from the date of this Order. The Tariff so published shall become the notified Tariff and shall come into force after seven days from the date of such publication of the Tariff, and unless amended or revoked, shall continue to be in force till the issuance of the next Tariff Order.

1. BACKGROUND AND PROCEDURAL HISTORY

1.1 BACKGROUND

1.1.1 The Uttar Pradesh Electricity Regulatory Commission (hereinafter referred to as the 'UPERC' or 'the Commission') was formed under U.P. Electricity Reform Act, 1999 by the Government of Uttar Pradesh (GoUP) in one of the first steps of reforms and restructuring process of the power sector in the State. Thereafter, 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 first reforms Transfer Scheme 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.

1.1.2 Through another Transfer Scheme dated January 15, 2000, assets, liabilities and personnel of Kanpur Electricity Supply Authority (KESA) under UPSEB were transferred to Kanpur Electricity Supply Company Limited (KESCO), a company registered under the Companies Act, 1956.

1.1.3 After the enactment of the Electricity Act, 2003 (EA 2003), the need was felt for further unbundling of UPPCL (responsible for both Transmission and Distribution functions) along functional lines. Therefore, the following four new distribution companies (hereinafter collectively referred to as 'Discoms') were created vide Uttar Pradesh Transfer of Distribution Undertaking Scheme, 2003 dated August 12, 2003, to undertake distribution and supply of electricity in the areas under their respective zones specified in the scheme:

- Dakshinanchal Vidyut Vitran Nigam Limited (Agra Discom or DVVNL)
- Madhyanchal Vidyut Vitran Nigam Limited (LucknowDiscom or MVVNL)
- Pashchimanchal Vidyut Vitran Nigam Limited (Meerut Discom or PVVNL)
- Purvanchal Vidyut Vitran Nigam Limited (Varanasi Discom or PuVVNL)

1.1.4 Under this scheme, the role of UPPCL was specified as “Bulk Supply Licensee” as per the license granted by the Commission and as “State Transmission Utility” under sub-section (1) of Section 27-B of the Indian Electricity Act, 1910.

1.1.5 Subsequently, the Uttar Pradesh Power Transmission Corporation Limited (UPPTCL), a Transmission Company (TRANSCO), was incorporated under the Companies Act, 1956 by an amendment in the ‘Object and Name’ clause of the Uttar Pradesh Vidyut Vyapar Nigam Limited. The TRANSCO started functioning with effect from July 26, 2006 and is entrusted with the business of transmission of electrical energy to various utilities within the State of Uttar Pradesh. This function was earlier vested with UPPCL. Further, 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 Uttar Pradesh Power Transmission Corporation Limited as the “State Transmission Utility” of Uttar Pradesh. Subsequently, on December 23, 2010, the Government of Uttar Pradesh 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 1, 2007.

1.1.6 Thereafter, on January 21, 2010, as the successor distribution companies of UPPCL (a deemed licensee), the Discoms which were created through the notification of the UP Power Sector Reforms (Transfer of Distribution Undertakings) Scheme, 2003 were issued fresh distribution licenses, which replaced the UP Power Corporation Ltd (UPPCL) Distribution, Retail & Bulk Supply License, 2000.

1.1.7 UPPTCL is entrusted with the responsibilities of planning and development of an efficient and economic intra-State transmission system, providing connectivity and allowing open access for use of the intra-State transmission system in coordination, among others, licensees and generating companies. In doing so, it is guided by the provisions of the UP Electricity Grid Code, 2007, UPERC (Terms and Conditions for Open Access) Regulations, 2004, and UPERC (Grant of Connectivity to intra-State Transmission System) Regulations, 2010 as amended from time to time.

1.1.8 The Government of Uttar Pradesh (GoUP), in exercise of the powers vested under Section 31 of the Electricity Act, 2003, 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 under Part V of the Electricity Act, 2003. SLDC is operating as a part of the Uttar Pradesh Power Transmission Corporation Ltd., in its capacity as the State Transmission Utility. SLDC is the apex body to ensure integrated operation of the power system in the State

1.2 TRANSMISSION TARIFF REGULATIONS

1.2.1 The Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2006 (hereinafter referred to as the "Transmission Tariff Regulations, 2006") were notified by the Commission on October 6, 2006. These Regulations are applicable for the purposes of ARR filing and Tariff determination of the Transmission Licensees within the State of Uttar Pradesh from FY 2007-08 onwards.

1.2.2 Further the Uttar Pradesh Electricity Regulatory Commission (Multi Year Transmission Tariff) Regulations, 2014 have been notified on May 12, 2014. These Regulations shall be applicable for determination of Tariff in all cases covered under these Regulations from April 1, 2015 to March 31, 2020, unless extended by an Order of the Commission. Embarking upon the MYT framework, the Commission has divided the period of five years (i.e. April 1, 2015 to March 31, 2020) into two periods namely –

a) Transition period (April 1, 2015 to March 31, 2017)
b) Control period (April 1, 2017 to March 31, 2020)

1.2.3 The transition period being of two years and the first control period being of three years, the Commission shall continue with the existing Annual Tariff Framework for determination of ARR / Tariff of the Transmission Licensee (i.e. as per Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2006) during the transition period. Hence the tariff for FY 2016-17 in this Order has been determined in accordance with the provisions the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2006).

2. PROCEDURAL HISTORY

2.1 TARIFF ORDER FOR FY 2015-16

2.1.1 The Commission, vide its Order dated June18, 2015, approved the Annual Revenue Requirement and Transmission Tariff for UPPTCL for FY 2015-16. In the said Order, the Commission also approved the true up for FY 2012-13.

2.2 ARR & TARIFF PETITION FILING BY UPPTCL

2.2.1 In accordance with Regulation 2.1.1 of the Transmission Tariff Regulations, 2006, the Transmission Licensees' are required to file their ARR / Tariff Petitions before the Commission latest by November 30, each year so that the Tariff can be determined and be made applicable for the subsequent financial year.

2.2.2 The ARR / Tariff Petition for FY 2016-17was filed by UPPTCL under Section 64 of the Electricity Act, 2003 on November 30, 2015 (Petition No. 1058/2015).

2.3 PRELIMINARY SCRUTINY OF THE PETITIONS

2.3.1 A preliminary analysis of the ARR & Tariff Petition was conducted by the Commission, wherein it was observed that UPPTCL has submitted the provisional accounts for FY 2014-15and audited accounts for FY 2013-14along with the supplementary audit report of the Comptroller and Auditor General of India (CAG). The need for submission of audited accounts was also reaffirmed in the Judgment of Hon'ble Appellate Tribunal for Electricity (Hon'ble ATE) dated October 21, 2011 in Appeal No. 121 of 2010 in the Petitioner's case.

2.3.2 A deficiency note was issued by the Commission on January 29, 2016, seeking clarifications on issues in regard to the Petition filed by the Petitioner. The Petitioner replied to the queries raised in the deficiency note on February 22, 2016.

2.4 ADMITTANCE OF THE PETITIONS

2.4.1 The Commission, vide its Admittance Order dated March 29, 2016, directed the Petitioner to publish, within 3 days from the date of issue of that Order, the Public Notice detailing the salient information and facts of the Petitions in at least two daily newspapers (one English and one Hindi) for inviting views/objections by all stakeholders and public at large. The Commission also directed the Petitioner to upload the response to the deficiency note on its website.

2.5 PUBLICITY OF THE PETITIONS

2.5.1 The Public Notice detailing the salient features of the Petitions were published by the Petitioner in daily newspapers as detailed below, inviting objections from the public at large and all stakeholders:

- DainikJagran (Hindi) : April 1, 2016
- Hindustan Times (English) : April 1, 2016
- Amar Ujaala (Hindi) : April 2, 2016
- The Times of India (English) : April 2, 2016

2.6 PUBLIC HEARING PROCESS IN RESPECT OF ARR / TARIFF DETERMINATION

2.6.1 The Commission also held common public hearings on the Petitions filed by UPPTCL and other Distribution Licensees on ARR and Tariff Petitions for FY 2016-17 to encourage active participation of the stakeholders and obtain their views and suggestions.

Table 2-1: Public Hearings

Sl.No.	Date	Place of Hearing	Hearings in the matter of
1	May11, 2016	Greater Noida	PuVVNL, PVVNL, MVVNL, DVVNL, KESCo, NPCL & UPPTCL
2	May13, 2016	Lucknow	
3	May20, 2016	Aligarh	

3. PUBLIC HEARING PROCESS

3.1 OBJECTIVE

3.1.1 The Commission, in order to achieve the twin objectives, i.e., to observe transparency in its proceedings and functions and to protect interest of consumers, has always attached importance to the views/comments/ suggestions/objections/representations of the public on the true up and ARR / Tariff determination process. The process gains significant importance in a "cost plus regime", wherein the entire cost allowed to the Petitioner gets transferred to the consumer.

3.1.2 The comments of the consumers play an important role in the determination of Tariff. Factors such as quality of electricity supply and the service levels need to be considered while determining the Tariff.

3.1.3 The Commission, by holding Public Hearing in accordance with Regulation 55 of the Uttar Pradesh Electricity Regulatory Commission (Conduct of Business) Regulations, 2004, has provided the various stakeholders as well as the public at large, a platform where they would be able to share their views/comments/ suggestions/objections/representations on the determination of Transmission Tariff for FY 2016-17and truing up for FY 2013-14. This process also enables the Commission to adopt a transparent and participative approach in the process of its proceedings.

3.2 VIEWS / COMMENTS / SUGGESTIONS/ OBJECTIONS / REPRESENTATIONS ON THE DETERMINATION OF TRANSMISSION TARIFF FOR FY 2016-17 AND TRUING UP FOR FY 2013-14

3.2.1 The Commission has received specific view / comment / suggestion / objection / representation from one stakeholder on the Petition filed by UPPTCL for determination of ARR and Tariff for FY 2016-17 and truing up for FY 2013-14. The list of consumers, who attended the Public Hearings, is appended at **Annexure I**.

3.2.2 The issue raised therein, the replies given by the Licensee and the views of the Commission have been summarised as detailed below:

TRANSMISSION CHARGES

A) Comment/Suggestion of the Public

3.2.3 Stakeholder submitted that the long term open access consumers have distinct advantages and priority over short term open access consumer hence transmission charges for short term open access may be retained at 25% of long term open access consumers as before.

B) Licensee's Response:

3.2.4 The Licensee has submitted that the state transmission network is planned to build on the basis of demand projections of the distribution licensee and contracted capacity of the long term customers (other than distribution licensee). Hence long term customer (including distribution licensees) having long term open access are paying the transmission charges for the state transmission network as per the tariff approved by the Commission.

3.2.5 Further, in case of non-utilization of the transmission capacity by the long term customers the un-utilized capacity may be utilized by short term open access customers as approved by the Uttar Pradesh State Load Dispatch Centre based on real time power flow. Hence for such capacity the short term open access customers are paying charges as approved by the Commission.

3.2.6 The Licensee further submitted that in case the short term charges are lower than the long term open access charges, then the long term customers will tend to non-utilize their allotted capacity and utilize the same on short term basis by applying short term open access.

3.2.7 Thus to avoid such gaming and creating level playing field for all customers it is necessary that the short term open access and long term open access charges are fixed at same level.

C) The Commission's Views:

3.2.8 The Commission has agreed with the reply of petitioner. The Commission has given the detailed reasoning in its Tariff Order dated October 1, 2014 and October 30, 2015/ November 11, 2015 in this regard. It is further stated that there is no merit in the submission of the stakeholder to keep the open access transmission charges for short term and long term at different levels.

4. ESCALATION INDEX / INFLATION RATE

4.1 PROVISIONS OF TRANSMISSION TARIFF REGULATIONS, 2006

4.1.1 Regulation 4.2 of the Transmission Tariff Regulations, 2006specifies the methodology for consideration of the O&M expenses, wherein such expenses are linked to the inflation index determined under these Regulations. The relevant provisions of the Transmission Tariff Regulations are reproduced below:

"***4.2 Operation and Maintenance Expenses***

1. *The O&M expenses for the base year shall be calculated on the basis of historical/audited costs and past trend during the preceding five years. However, any abnormal variation during the preceding five years shall be excluded. O & M expenses so calculated for the base year shall then be escalated on the basis of prevailing rates of inflation for the year as notified by the Central Government and shall be considered as a weighted average of Wholesale Price Index and Consumer Price Index in the ratio of 60:40. Base year, for these regulations means, the first year of tariff determination under these regulations.*
2. *Where such data for the preceding five years is not available the Commission may fix O&M expenses for the base year as certain percentage of the capital cost.*
3. *Incremental O&M expenses for the ensuing financial year shall be 2.5% of capital addition during the current year. O&M charges for the ensuing financial year shall be sum of incremental O&M expenses so worked out and O&M charges of current year escalated on the basis of predetermined indices as indicated in regulation 4.2.1 above.*
4. *However, the Commission may direct the utilities to bring down the O & M expenses to an efficient level i.e., by fixing norms based on the circuit kilometers of transmission lines, transformation capacity at the sub-stations, number of bays in substation etc. of similarly*

placed efficient utilities, within such span of time, as may be determined by the Commission.

5. *The Commission shall examine and if satisfied shall allow inclusion in revenue requirement in the next period additional O&M expenses on account of war, insurgency, and change in laws or like eventualities for a specified period."*

4.1.2 The Commission has determined the O&M expenses for the base year, i.e., FY 2007-08 in the Order dated May 21, 2013 in Petition No. 809/2012. The Commission has approved the truing up in respect of FY 2008-09, FY 2009-10 and FY 2010-11 in the Order dated May 31, 2013 in Suo –Moto Case No. 01 of 2013, Petition No. 849/2012 and Petition No. 883/2013. The Commission has approved the truing up in respect of FY 2011-12 in the Order dated October 1, 2014 in Petition No. 916/2013. The Commission has also approved the truing up in respect of FY 2012-13in the Order dated June 18, 2015 in Petition No. 993/2014. In this Order, the Commission has approved the truing up in respect of FY 2013-14. The trued up O&M expenses for FY 2013-14have been extrapolated up to FY 2016-17at the yearly escalation index as specified under the Transmission Tariff Regulations, 2006.

4.1.3 The Commission, in accordance with the Transmission Tariff Regulations, 2006, has calculated the inflation index for the relevant year (n^{th} year) based on the weighted average index of Wholesale Price Index (WPI) and Consumer Price Index (CPI) of the corresponding year. The Commission has considered the WPI indices as available on the website of the Office of the Economic Advisor to the Government of India, Ministry of Commerce and Industry (www.eaindustry.nic.in/) and CPI indices as available on the website of the Labour Bureau Government of India (www.labourbureau.gov.in).

4.1.4 The computation of inflation index is given in the Table below:

Table 4-1: Calculation of Escalation / Inflation Index

Month	Wholesale Price Index				Consumer Price Index				Consolidated Index			
	FY 13	FY 14	FY 15	FY 16	FY 13	FY 14	FY 15	FY 16	FY 13	FY 14	FY 15	FY 16
April	164	171	181	176	205	226	242	256	180	193	205	208
May	164	171	182	178	206	228	244	258	181	194	207	210
June	165	173	183	179	208	231	246	261	182	196	208	212
July	166	176	185	178	212	235	252	263	184	199	212	212

Month	Wholesale Price Index				Consumer Price Index				Consolidated Index			
	FY 13	FY 14	FY 15	FY 16	FY 13	FY 14	FY 15	FY 16	FY 13	FY 14	FY 15	FY 16
August	167	179	186	177	214	237	253	264	186	202	213	212
September	169	181	185	177	215	238	253	266	187	204	212	212
October	169	181	184	177	217	241	253	269	188	205	211	214
November	169	182	181	178	218	243	253	270	188	206	210	215
December	169	180	179	177	219	239	253	269	189	203	208	214
January	170	179	177	175	221	237	254	269	191	202	208	213
February	171	180	176	174	223	238	253	267	192	203	207	211
March	170	180	176	175	224	239	254	268	192	204	207	212
Average	168	178	181	177	215	236	251	265	187	201	209	212
									Calculation of Inflation Index (CPI-40%, WPI-60%)			
Weighted Average of Inflation										**7.69%**	**4.02%**	**1.39%**

As depicted in the Table above, the Commission has considered an escalation / inflation index of 7.69% for FY 2013-14, 4.02% for FY 2014-15, 1.39% for FY 2015-16 and FY 2016-17.

5. TRUING UP OF AGGREGATE REVENUE REQUIREMENT FOR FY 2013-14

The Commission, in its Order dated May 31, 2013 in Suo-Moto Case No. 01 of 2013 & Petition No's 849/2012 & 883/2013, approved the ARR and Tariff for FY 2013-14 for UPPTCL. The Petitioner has sought the final truing up of expenditure and revenue for FY 2013-14based on actual expenditure and revenue as per the Audited Accounts. In this section, the Commission has analysed all the elements of actual revenue and expenses for FY 2013-14, and has undertaken the truing up of expenses and revenue after prudence check of the data made available by the Petitioner. The Commission has allowed the true up for FY 2013-14considering the principles laid down in the Transmission Tariff Regulations, 2006.

5.1 O&M EXPENSES

The Petitioner's Submissions

5.1.1 Operation and Maintenance (O&M) expenses comprises of employee expenses, administrative and general (A&G) expenses, and repair and maintenance (R&M) expenses.

5.1.2 The Petitioner submitted that the actual gross employee expenses were Rs. 395.28 Crore as against Rs. 439.64 Crore approved by the Commission in the Tariff Order for FY 2013-14. The employee expenses capitalised as per Audited Accounts are to the tune of Rs. 82.26Crore as against Rs. 95.40Crore approved in the Tariff Order. Thus, the net employee expenses as per Audited Accounts are Rs. 313.01 Crore as against Rs. 344.23Crore approved in the Tariff Order.

5.1.3 The Petitioner submitted that the actual gross A&G expenses were Rs. 29.03 Crore as against Rs. 25.79Crore approved by the Commission in the Tariff Order for FY 2013-14. The A&G expenses capitalised as per Audited Accounts are to the tune of Rs. 5.56Crore against Rs. 4.90Crore approved in the Tariff Order. Thus, the net A&G expenses as per Audited Accounts are Rs. 23.46Crore as against Rs. 20.89Crore approved in the Tariff Order.

5.1.4 The actual repair and maintenance expenses for FY 2013-14were Rs. 162.70 Crore as against Rs. 149.99 Crore approved by the Commission in the Tariff Order for FY 2013-14.

5.1.5 The Petitioner submitted that it had been able to control the employee expenses and A&G expenses within the limit prescribed in the Tariff Order. The overall O&M expenses are also within the limit approved in the Tariff Order.

5.1.6 The Petitioner submitted that the normative O&M expenses for FY 2013-14 have been computed by escalating the component wise O&M expenses approved in true up for FY 2012-13 by the escalation index of 7.69%, which is the escalation index for FY 2013-14. In addition to the O&M expenses based on inflationary indices based on escalation, the Petitioner has claimed the incremental O&M expenses on asset addition during the year in accordance with Transmission Tariff Regulations, 2006. The Petitioner requested the Commission to allow the normative O&M expenses in true up for FY 2013-14 in accordance with the Transmission Tariff Regulations, 2006.

5.1.7 The Petitioner has claimed Rs. 491.78 Crore towards net O&M expenses for FY 2013-14 as against Rs. 515.12Crore approved by the Commission in the Tariff Order and the actual O&M expenses of Rs. 499.18 Crore as per the Audited Accounts.

The Commission's Ruling:

5.1.8 The Commission asked the Petitioner to submit the reasons for increase in actual R&M expenses for FY 2013-14in comparison to that approved in the Tariff Order. The Petitioner submitted that the appropriate base for comparing the actual R&M expenses for FY 2013-14is the trued up R&M expenses for FY 2012-13and not the R&M expenses approved in the Tariff Order for FY 2013-14. The actual R&M expenses of Rs. 162.70 Crore for FY 2013-14is 28.03% higher in comparison to the trued up R&M expenses of Rs. 127.08 Crore for FY 2012-13and this increase is inclusive of increase in R&M expenses due to asset addition. The Petitioner submitted that it had inherited aged and complex network, which is congested at multiple locations. The Petitioner submitted that it has been endeavouring to remove congestions by increasing the capacity of existing sub-stations and building new sub-stations and lines.

5.1.9 Regulation 4.2.1 of the Transmission Tariff Regulations issued by the Commission stipulates:

"

1. *The O&M expenses for the base year shall be calculated on the basis of historical/audited costs and past trend during the preceding five years. However, any abnormal variation during the preceding five years shall be excluded. O & M expenses so calculated for the base year shall then be escalated on the basis of prevailing rates of inflation for the year as notified by the Central Government and shall be considered as a weighted average of Wholesale Price Index and Consumer Price Index in the ratio of 60:40. Base year, for these regulations means, the first year of tariff determination under these regulations."*

5.1.10 The Commission has trued up the O&M expenses for FY 2013-14in accordance with the Transmission Tariff Regulations, 2006.

5.1.11 The Commission has determined the trued up O&M expenses for the preceding year, FY 2012-13in its Order dated June18, 2015in Petition No. 993/2014as Rs. 442.87 Crore.

5.1.12 The allowable O&M expenses for FY 2013-14have been approved by escalating the component wise O&M expenses for FY 2012-13by using the escalation index of 7.69% as computed in Section 4 above.

5.1.13 Further, in addition to the O&M cost based on inflationary indices based on escalation, the Transmission Tariff Regulations, 2006 provide for incremental O&M expenses on addition to assets during the year. Regulation 4.2.3 of the Transmission Tariff Regulations issued by the Commission stipulates:

> "*3. Incremental O&M expenses for the ensuing financial year shall be 2.5% of capital addition during the current year. O&M charges for the ensuing financial year shall be sum of incremental O&M expenses so worked out and O&M charges of current year escalated on the basis of predetermined indices as indicated in regulation 4.2.1 above.*"

5.1.14 In accordance with the Transmission Tariff Regulations, 2006 the Commission has approved the incremental O&M expenses for FY 2013-14as shown in the Table given below:

Table 5-1: Approved Incremental O&M Expenses for FY 2013-14 (Rs. Crore)

Particulars	Derivation	True up Petition	Approved upon truing up
Net Addition to GFA during preceding year, FY 2012-13	A	459.09	459.09
Incremental O&M expenses for preceding year, FY 2012-13	B	108.82	108.83
Incremental O&M expenses @ 2.50% of Net GFA addition of preceding year, FY 2012-13	C=2.50% of A	11.48	11.48
Inflation Index	D	7.69%	7.69%
Incremental O&M expenses for preceding year, FY 2012-13, escalated with the Inflation Index	E =Bx(1+D)	117.20	117.20
Incremental O&M expenses	F= C+E	128.67	128.67
Employee expenses		*87.24*	*87.83*
A&G expenses		*4.99*	*4.81*
R&M expenses		*36.44*	*36.03*

5.1.15 The same are allocated across the individual elements of the O&M expenses on the basis of the contribution of each element in the gross O&M expenses as approved in the subsequent paragraphs.

5.1.16 The O&M expenses approved for FY 2013-14are as shown in the Table given below:

Table 5-2: Approved O&M expenses for FY 2013-14 (Rs. Crore)

Particulars	Tariff Order	True-up Petition	Approved upon truing up
Employee expenses			
Gross employee expenses and provisions	334.48	327.59	327.58
Incremental employee expenses @ 2.50% of GFA additions of preceding year	105.15	87.24	87.83
Total employee expenses	439.64	414.83	415.42
Employee expenses capitalised	95.40	82.26	82.26
Net employee expenses	344.23	332.57	333.16
A&G expenses			
Gross A&G expenses	19.65	19.25	19.25

Particulars	Tariff Order	True-up Petition	Approved upon truing up
Incremental A&G expenses @ 2.50% of GFA addition of preceding year	6.14	4.99	4.81
Total A&G expenses	25.79	24.24	24.06
A&G expenses capitalised	4.90	5.56	5.56
Net A&G expenses	20.89	18.68	18.50
R&M expenses			
R&M expenses	106.29	104.10	104.10
Incremental R&M expenses @ 2.50% of GFA addition of preceding year	43.70	36.44	36.03
Total R&M expenses	149.99	140.54	140.12
Total O&M expenses allowable as per Regulations	**515.12**	**491.78**	**491.78**

5.1.17 The summary of O&M expenses submitted by the Petitioner and as approved by the Commission is as shown in the Table given below:

Table 5-3: Actual Vs. approved O&M expenses for FY 2013-14 (Rs. Crore)

Particulars	Tariff Order	Actual as per Audited Accounts	Trueup Petition	Approved upon truing up
Employee expenses	439.64	395.28	414.83	415.42
Administrative & General expenses	25.79	29.03	24.24	24.06
Repair & Maintenance expenses	149.99	162.70	140.54	140.12
Gross Operation & Maintenance expenses	**615.42**	**587.00**	**579.61**	**579.60**
Less: Expenses capitalised				
Employee expenses capitalised	95.40	82.26	82.26	82.26
A&G expenses capitalised	4.90	5.56	5.56	5.56
Total expenses capitalised	100.30	87.82	87.82	87.82
Net Operation & Maintenance expenses	**515.12**	**499.18**	**491.78**	**491.78**

5.2 INTEREST AND FINANCE CHARGES

5.2.1 Interest on Long Term Loans

The Petitioner's Submissions

5.2.1.1 The Petitioner has claimed gross interest expenses of Rs. 742.82 Crore and net interest expenses of Rs 415.10 Crore as against net interest expense of Rs. 459.63 Crore approved in the Tariff Order for FY 2013-14.

5.2.1.2 The Petitioner submitted that interest cost is an uncontrollable cost as the interest regime is determined by various factors and the actual loans taken are consequential to the actual capital expenditure.

5.2.1.3 The Petitioner submitted that it had derived the actual capital investments in FY 2013-14considering the CWIP and GFA balances as per the Audited Accounts. The Petitioner submitted that the total capital expenditure after deduction of the capital expenditure financed through consumer contributions, capital subsidies and grants is considered to be financed through debt and equity in the ratio of 70:30.

The Commission's Ruling

5.2.1.4 The Commission has considered the same approach for the true-up of interest and finance charges for FY 2013-14 as followed in true-up of FY 2012-13.

5.2.1.5 The Commission has derived the actual capital investments undertaken by the Petitioner in FY 2013-14 by considering the CWIP and GFA balances as per Audited Accounts. The details are provided in the Table below:

Table 5-4: Approved Capital Investments in FY 2013-14 (Rs. Crore)

Particulars	Derivation	Tariff Order	True up Petition	Approved upon truing up
Opening WIP as on 1st April	A	4714.18	5292.58	5292.58
Investments	B	2100.00	1567.92	1567.93
Employee expenses capitalisation	C	95.40	82.26	82.26
A&G expenses capitalisation	D	4.90	5.56	5.56
Interest capitalisation in Interest on long term loans	E	339.26	327.72	327.72
Total Investments	F=A+B+C+D+E	7253.74	7276.04	7276.05

Particulars	Derivation	Tariff Order	True up Petition	Approved upon truing up
Transferred to GFA (total capitalisation)	G	1813.44	1317.89	1317.89
Closing WIP	H=F-G	5440.31	5958.16	5958.16

5.2.1.6 The Commission has considered a normative approach with debt: equity ratio of 70:30. Considering this approach, 70% of the capital expenditure undertaken in the year has been considered to be financed through loan and balance 30% has been considered to be financed through equity contributions. The portion of capital expenditure financed through consumer contributions, capital subsidies and grants has been separated as the depreciation and interest thereon would not be charged to the consumers. The Audited Accounts of the Petitioner reveal the amounts received as consumer contributions, capital subsidies and grants, as summarised in the Table below:

Table 5-5: Approved Consumer Contributions, Capital grants and Subsidies in FY 2013-14 (Rs. Crore)

Particulars	True up Petition	Approved
Opening balance of Consumer Contributions, Grants and Subsidies towards cost of Capital Assets	349.57	349.58
Addition during the year	98.22	98.22
Less: Amortisation	17.67	17.67
Closing Balance	430.13	430.14

5.2.1.7 The approved financing of the Capital Investment is as shown in the Table given below:

Table 5-6: Financing of Capital Investments in FY 2013-14 (Rs. Crore)

Particulars	Derivation	True up Petition	Approved upon truing up
Investment	A	1567.92	1567.93
Less:			
Consumer Contribution	B	98.22	98.22
Investment funded by debt and equity	C=A-B	1469.70	1469.70

Particulars	Derivation	True up Petition	Approved upon truing up
Debt funded	70%	1028.79	1028.79
Equity funded	30%	440.91	440.91

5.2.1.8 Thus, from the above Tables, it could be observed that UPPTCL has made investment of Rs. 1567.93 Crore in FY 2013-14. The consumer contributions, capital subsidies and grants received during the corresponding period is Rs. 98.22Crore. Thus, balance Rs. 1469.70 Crore has been funded through debt and equity. Considering a debt equity ratio of 70:30, Rs. 1028.79Crore or 70% of the capital investment is approved to be funded through debt and balance 30% equivalent to Rs. 440.91 Crore through equity. Allowable depreciation for the year has been considered as normative loan repayment. The actual weighted average interest rate of 12.74% has been considered for computing the interest. The opening balance of long term loan has been considered from the loan balance approved in the True up for FY 2012-13in the Order dated June18, 2015.

5.2.1.9 Considering the above, the gross interest on long term loan is Rs. 742.62 Crore. The interest capitalisation has been considered at the same rate as per the Audited Accounts. The interest on long term loan approved for FY 2013-14is as shown in the Table given below:

Table 5-7: Approved Interest on Long Term Loans for FY 2013-14 (Rs. Crore)

Particulars	Tariff Order	True up Petition	Approved upon truing up
Opening Loan balance	5636.15	5549.36	5549.37
Loan Addition (70% of Investments)	1347.50	1028.79	1028.79
Less: Repayments (Depreciation allowable for the year)	537.69	469.55	469.55
Closing Loan balance	6445.96	6108.60	6108.61
Weighted average rate of interest	9.88%	12.74%	12.74%
Interest on Long Term Loans	596.92	742.82	742.61
Interest Capitalisation Rate	23.00%	44.12%	44.12%
Less: Interest Capitalised	137.29	327.72	327.64
Net Interest Charged	**459.63**	**415.10**	**414.97**

5.2.2 **Finance charges**

The Petitioner's Submissions

5.2.2.1 The Petitioner has claimed Rs. 2.87 Crore towards finance charges for FY 2013-14. Items claimed under this head are towards items such as bank charges and finance charges.

The Commission's Ruling

5.2.2.2 The Commission approves the bank charges and finance charges as per the Audited Accounts to the extent of Rs. 2.87 Crore for FY 2013-14.

5.2.3 **Interest on Working Capital**

The Petitioner's Submissions

5.2.3.1 The Petitioner has claimed Interest on Working Capital of Rs. 43.61 Crore for FY 2013-14as as against Rs. 38.68 Crore approved by the Commission in the Tariff Order for FY 2013-14. The Petitioner submitted that it has computed Interest on Working Capital in accordance with the Transmission Tariff Regulations, 2006.

The Commission's Ruling

5.2.3.2 In the Tariff Order for FY 2013-14, the Commission had allowed Rs. 38.68 Crore towards Interest on Working Capital. The Transmission Tariff Regulations, 2006 provide for normative interest on working capital based on the methodology outlined in the Regulations. Accordingly, the Commission has approved Interest on Working Capital for FY 2013-14 as shown in the Table below:

Table 5-8: Approved Interest on Working Capital for FY 2013-14(Rs. Crore)

Particulars	Tariff Order	True up Petition	Approved upon truing up
One month's O&M expenses	42.93	40.98	40.98
One-twelfth of the sum of the book value of materials in stores at the end of each month	17.36	61.32	61.32

Particulars	Tariff Order	True up Petition	Approved upon truing up
Receivables equivalent to 60 days average billing on consumers	247.44	246.57	228.41
Total Working Capital	**307.72**	**348.87**	**330.71**
Rate of Interest on Working Capital	12.50%	12.50%	12.50%
Interest on Working Capital	**38.68**	**43.61**	**41.34**

5.2.3.3 The following table summarises the interest and finance charges submitted by the Petitioner and approved by the Commission for FY 2013-14:

Table 5-9: Approved Interest and Finance Charges for FY 2013-14 (Rs. Crore)

Particulars	Tariff Order	Actual as per Audited Accounts	True up Petition	Approved upon truing up
A. Interest on Long Term Loans				
Gross Interest on Long Term Loan	596.92	829.27	742.82	742.61
Less: Interest Capitalisation	137.29	327.72	327.72	327.64
Net Interest on Long Term Loans	459.63	501.55	415.10	414.97
B. Finance and Other Charges				
Guarantee Charges	2.92	0.03	0.03	0.03
Bank Charges	0.04	2.85	2.85	2.85
Total Finance Charges	2.91	2.87	2.87	2.87
C. Interest on Working Capital	38.68	0.00	43.61	41.34
Total (A+B+C)	**501.22**	**504.42**	**461.58**	**459.18**

5.3 DEPRECIATION

The Petitioner's Submissions

5.3.1 The actual depreciation expense charged in the Audited Accounts is Rs. 403.40 Crore. However, the same has been accounted for considering the depreciation rates prescribed by the Companies Act, 1956.

5.3.2 The Petitioner submitted that it had computed the gross allowable depreciation for FY 2013-14considering the depreciable GFA base as per the Audited Accounts and the rate of depreciation approved by the Commission for FY 2013-14in the Tariff Order. The Petitioner submitted that the depreciation on assets created out of consumer contributions, capital grants and subsidies has been deducted from the gross depreciation and accordingly the net depreciation for FY 2013-14is Rs. 469.55 Crore.

The Commission's Ruling

5.3.3 The Commission has computed the allowable depreciation expense on the GFA base as per the Audited Accounts for FY 2013-14and at the rates approved by the Commission in the Tariff Order for FY 2013-14. The Commission has computed the depreciation only on the depreciable asset base and have excluded the non-depreciable assets such as land, land rights, etc.

5.3.4 Considering this philosophy, the gross entitlement towards depreciation is as shown in the Table below:

Table 5-10: Gross Allowable Depreciation for FY 2013-14(Rs. Crore)

Sl. No.	Particulars	Opening GFA	Addition to GFA	Deduction to GFA	Closing GFA	Depreciation Rate	Allowable Gross Depreciation
1	Land & Land Rights						
	(i) Unclassified	31.77	0.44	0.00	32.21		
	(ii) Freehold Land	0.05	0.00	0.00	0.05		
2	Buildings	303.62	123.28	0.00	426.89		
3	Other Civil Works	44.29	3.80	0.00	48.09		
4	Plant & Machinery	4693.29	625.90	97.60	5221.59		
5	Lines, Cables, Network etc.	3490.65	563.14	3.68	4050.12		
6	Vehicles	3.49	0.00	0.02	3.48		
7	Furniture & Fixtures	1.55	1.02	0.00	2.57		
8	Office Equipments	5.22	0.31	0.01	5.52		
9	Other assets	70.35	0.01	0.00	70.36		
10	**Total Fixed Assets**	**8644.29**	**1317.89**	**101.30**	**9860.88**		
11	Non depreciable assets (Land &	31.82	0.44	0.00	32.26		

Sl. No.	Particulars	Opening GFA	Addition to GFA	Deduction to GFA	Closing GFA	Depreciation Rate	Allowable Gross Depreciation
	Land Rights)						
12	**Depreciable assets**	**8612.46**	**1317.45**	**101.30**	**9828.61**	**5.28%**	**486.84**

5.3.5 The Commission has scrutinised the Audited Accounts submitted by the Petitioner and obtained the figures in respect of depreciation charged on the assets created out of consumer contributions, capital grants and subsidies. This equivalent depreciation amounting to Rs. 17.30 Crore has been reduced from the allowable depreciation for FY 2013-14.

5.3.6 The Commission observed that even after repeated direction of the Commission UPPTCL has not submitted the detailed fixed asset register. Therefore, the Commission has disallowed 20% of the allowable depreciation for FY 2013-14 as directed in Tariff Order for FY 2013-14 dated May 31, 2013.

5.3.7 Thus, the approved depreciation for FY 2013-14is as shown in the Table given below:

Table 5-11: Net Approved Depreciation for FY 2013-14 (Rs. Crore)

Sl. No.	Particulars	Tariff Order	Actual as per Audited Accounts	True up Petition	Approved upon truing up
1	Gross allowable Depreciation	554.25	420.70	486.85	486.84
2	Less: Equivalent amount of depreciation on assets acquired out of the Consumer Contribution	16.56	17.30	17.30	17.30
3	Net allowable Depreciation	537.69	403.40	469.55	469.55
4	Less: Depreciation withheld due to non-maintenance of Fixed Asset Registers	107.54			93.91
5	Depreciation allowable for recovery in FY 2013-14	430.15			375.64

5.4 PRIOR PERIOD EXPENSES

The Petitioner's Submissions

5.4.1 The Petitioner has submitted that it has identified and accounted for certain prior period incomes and expenses in the Audited Accounts for FY 2013-14. In the financial statements for FY 2013-14, there has been recognition of net prior period expense of Rs. 33.21 Crore.

The Commission's Ruling

5.4.2 Prior period expenses and incomes are the outcomes of omissions / errors in recording the transactions in the accounting statements. The items booked under the prior period expenses are essentially ARR items like O&M expenses, interest and finance charges, etc. Each item of ARR has a distinct methodology of treatment in the ARR and true up determination.

5.4.3 The Commission in its Order dated October 1, 2014 on approval of Transmission Tariff for FY 2014-15 directed as under:

> "6.4.6 *Thus, the Petitioner is directed to file a separate Petition for approval of prior period expenses / incomes. The Petition should clearly indicate the head wise and year wise bifurcation of prior period expenses / incomes clearly indicating the impact of such expenses / incomes on various ARR components and such impact should not exceed the normative expenses for any particular year. Further, based on the data submitted by the Petitioner, the Commission after scrutiny and prudence check shall consider the expenses under the above head as it deems fit.*"

5.4.4 Thus, in line with the approach adopted by the Commission in its earlier True up Orders, the Petitioner is directed to file a separate Petition for approval of prior period expenses / incomes. The Petition should clearly indicate the head-wise year-wise bifurcation of prior period expenses / incomes clearly indicating the impact of such expenses / incomes on various ARR components, and such impact should not exceed the normative expenses for any particular year. Based on the data submitted by the Petitioner, the Commission after scrutiny and prudence check shall consider the expenses under the above head as it deems fit.

5.4.5 The Commission has not approved the prior period expenses in true up for FY 2013-14 as claimed by the Petitioner.

5.5 RETURN ON EQUITY

The Petitioner's Submissions

5.5.1 The Petitioner has claimed Return on Equity of Rs. 67.61 Crore for FY 2013-14 as against Rs. 74.36 Crore approved by the Commission in the Tariff Order for FY 2013-14.

5.5.2 The Petitioner submitted that the Return on Equity for FY 2013-14 has been arrived by considering the following:

- Opening equity as on 1st April, 2007 based on the equity balance, which devolved upon the Petitioner in the Transmission Transfer Scheme.
- Equity additions in FY 2007-08, to FY 2013-14 equivalent to normative 30% of the capitalised assets.
- A rate of 2% has been considered for computing return on eligible equity.

The Commission's Ruling

5.5.3 Under the provisions of Transmission Tariff Regulations, the Petitioner is allowed a return @ 14% on equity base; for equity base calculation, debt equity ratio shall be 70:30. Where equity involved is more than 30%, the amount of equity for the purpose of tariff shall be limited to 30%. Equity amounting to more than 30% shall be considered as loan. In case of actual equity employed being less than 30%, actual debt and equity shall be considered for determination of tariff.

5.5.4 In view of the huge gap in the recovery of cost of supply at the Discom level, the Petitioner was of the view that return on equity would only result in accumulation of receivables.

5.5.5 As such, the Petitioner has been claiming return on equity @ 2% since FY 2009-10 onwards. Return on equity has been computed on the normative equity portion (30%) of capitalised assets.

5.5.6 The Commission, while truing up the Return on Equity, has considered:

- Closing equity approved by the Commission for FY 2012-13has been considered as the opening equity for FY 2013-14.
- Return on equity has been computed at the rate of 2% in line with the approach adopted by the Commission in the earlier Orders.

5.5.7 The approved Return on Equity for FY 2013-14is as shown in the Table given below:

Table 5-12: Approved Return on Equity for FY 2013-14(Rs. Crore)

Particulars	Tariff Order	True up Petition	Approved upon truing up
Equity at the beginning of the year	3445.90	3182.60	3182.61
Assets Capitalised	1813.44	1317.89	1317.89
Addition to Equity	544.03	395.37	395.37
Closing Equity	3989.93	3577.97	3577.98
Average Equity	3717.92	3380.28	3380.29
Rate of Return	2.00%	2.00%	2.00%
Return on Equity	74.36	67.61	67.61

5.6 REVENUE SIDE TRUING UP

The Petitioner's Submissions

5.6.1 **Non-Tariff Income**

5.6.1.1 The Petitioner has submitted that the actual non-tariff income for FY 2013-14is Rs. 23.75 Crore as against Rs. 36.23 Crore approved in the Tariff Order.

The Commission's Ruling

5.6.1.2 The Commission observes that the submissions of the Petitioner are in order and accordingly approved the non-tariff income as submitted by the Petitioner for FY 2013-14.

5.6.2 **Revenue from Transmission of Power**

The Petitioner's Submissions

5.6.2.1 The Petitioner submitted that the transmission charges recovered in FY 2013-14 are to the tune of Rs. 1630.55 Crore as per the Audited Accounts. As part of separate function of SLDC, it has recovered Rs. 2.54 Crore as SLDC charges in FY 2013-14. The open access charges billed in FY 2013-14 are to the tune of Rs. 22.39 Crore. Further, it submitted that the transmission charges booked in the audited accounts for FY 2013-14 includes the trued-up revenue gaps for FY 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 amounting to Rs. 604.39 Crore. Thus, the total revenue receipts of the Petitioner are to the tune of Rs. 1051.48 Crore in FY 2013-14.

The Commission's Ruling

5.6.2.2 The Commission observes that the submissions of the Petitioner are in order and accordingly approves the Revenue from Transmission of Power as submitted by the Petitioner for FY 2013-14.

5.7 ANNUAL REVENUE REQUIREMENT FOR FY 2013-14AFTER TRUING UP

5.7.1 The Annual Revenue Requirement for FY 2013-14 after final truing up is summarised in the table below:

Table 5-13: ARR for FY 2013-14 after final truing up (Rs. Crore)

Particulars	Tariff Order	Actual as per Audited Accounts	True up Petition	Approved upon truing up
Employee expenses	439.64	395.28	414.83	415.42
A&G expenses	25.79	29.03	24.24	24.06
R&M expenses	149.99	162.70	140.54	140.12
Interest on Loan Capital	596.92	829.27	742.82	742.61
Interest on Working Capital	38.68	0.00	43.61	41.34
Finance Charges	2.91	2.87	2.87	2.87
Depreciation	430.15	403.40	469.55	375.64
Gross expenditure	1684.08	1822.54	1838.46	1742.06
Less: Employee expenses capitalised	95.40	82.26	82.26	82.26
Less: A&G expenses capitalised	4.90	5.56	5.56	5.56
Less: Interest expenses capitalised	137.29	327.72	327.72	327.64
Net expenditure	1446.49	1407.00	1422.91	1326.60
Bad Debts & Provisions	0.00	-81.98	0.00	0.00
Prior Period expenses	0.00	33.21	33.21	0.00
Net expenditure with provisions	**1446.49**	**1358.23**	**1456.12**	**1326.60**
Add: Return on Equity	74.36	0.00	67.61	67.61
Less: Non-Tariff Income	36.23	23.75	23.75	23.75
Annual Revenue Requirement	**1484.62**	**1334.48**	**1499.98**	**1370.45**
Impact of true up of FY 2007-08 to FY 2010-11 (Gap/(Surplus))	(402.98)			(402.98)
Net ARR	1081.64	1334.48	1499.98	967.47
Revenue from Operations		1655.87	1051.48	1051.48
Net Gap/(Surplus)		**(321.39)**	**448.50**	**(84.01)**

5.7.2 Thus, the net revenue surplus for FY 2013-14approved by the Commission is Rs. 84.01 Crore. The Commission allows UPPTCL to refund the net surplus allowed on true up for FY 2013-14in 1monthly instalment from the date of this Order in the proportion of amount billed to the Distribution Licensees and other entities in FY 2013-14. The Commission shall consider the same while carrying out the true up for FY 2016-17.

5.8 DERIVATION OF TRANSMISSION TARIFF FOR FY 2013-14

5.8.1 The stand alone trued up ARR for FY 2013-14is Rs. 1370.46 Crore as against Rs. 1499.98Crore claimed by the Petitioner.

5.8.2 In the Tariff Order for FY 2013-14, the Commission had carried out the expenses side true up for FY 2007-08 to FY 2010-11 and had determined the surplus of Rs. 402.98 Crore. The same had been adjusted in the ARR computed for FY 2013-14.

5.8.3 In the Tariff Order for FY 2014-15 issued on 1 October, 2014, the Commission had carried out the revenue side true up for FY 2008-09 to FY 2010-11 and had determined the net gap of Rs. 507.03 Crore which was allowed to be recovered in 6 equal monthly instalments. The Commission also ruled that the same shall be considered while carrying out the true up for FY 2014-15.

5.8.4 The Petitioner while claiming the expenses side true up for FY 2013-14 has not adjusted the surplus of Rs. 402.98 Crore approved by the Commission in the Tariff Order for FY 2013-14.

5.8.5 As net surplus of Rs. 402.98 Crore approved by the Commission in the Tariff Order for FY 2013-14 has been considered on the expenses side true up.

5.8.6 The net ARR for FY 2013-14 has been computed after adjusting net surplus of Rs. 402.98 Crore in line with the approach adopted in the Tariff Orderfor FY 2013-14.

5.8.7 Considering the actual energy handled, the Transmission Tariff for FY 2013-14is computed as shown in the Table given below:

Table 5-14: Trued up Transmission Tariff for FY 2013-14

Particulars	Legend	Tariff Order	Actual as per Audited Accounts	True up Petition	Approved upon truing up
True up of FY 2007-08 to FY 2010-11 (Gap/(Surplus))	A	(402.98)	-	-	(402.98)
Standalone ARR for FY 2013-14	B	1484.62	1334.48	1499.98	1370.46
Net ARR for FY 2013-14 (Rs.	C=A+B	1081.64	1334.48	1499.98	967.48

Particulars	Legend	Tariff Order	Actual as per Audited Accounts	True up Petition	Approved upon truing up
Crore)					
Energy Handled (MU)	D	80810.59	77586.12	77586.12	77586.12
Transmission Tariff (Rs./kWh)	**E=C*10/D**	**0.135**	**0.172**	**0.193**	**0.125**

6. ANNUAL REVENUE REQUIREMENT FOR FY 2016-17

6.1 TRANSMISSION LOSSES

6.1.1 In the Tariff Order for FY 2015-16dated June 18, 2015, the Commission had approved intra-State transmission losses of 3.59% and Inter-State transmission losses upto State's Transmission periphery as 1.65%.

6.1.2 The Transmission Tariff Regulations, 2006 clearly state that the base line for losses will have to be based on proper loss estimation studies. In this regard, the Commission had directed the Petitioner to conduct proper loss estimate studies so as to set the base line losses in accordance with Transmission Tariff Regulations, 2006. However, the Petitioner has not submitted the same.

6.1.3 The actual intra-State transmission loss submitted by the Petitioner is as shown in the Table given below:

Table 6-1: Actual intra-State Transmission Loss as submitted by the Petitioner

Particulars\Year	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Intra-State Transmission Loss (%)	4.11%	3.98%	3.56%	3.63%	4.08%	4.10%	3.67%

6.1.4 The Petitioner has started functioning independently with effect from July 26, 2006. The Commission has time and again directed the Petitioner to conduct a proper loss estimate study so as to set the base line losses in accordance with the Transmission Tariff Regulations, 2006. The Petitioner has not complied with this directive till date. The Commission directs the Petitioner to comply with the earlier directive of the Commission in this regard and submit the compliance report within the stipulated time frame. The Commission cautions the Petitioner that the failure to comply with the Commission's directive might attract punitive action as deemed appropriate by the Commission.

6.1.5 In the absence of proper loss estimates, the Commission approves intra-State transmission losses of 3.59%, as submitted by the State Discoms and inter-State transmission losses upto Transmission periphery as 1.65% for FY 2016-17.

6.2 COMPONENTS OF ARR AND ANALYSIS OF EACH COMPONENT

6.2.1 The Commission has analysed all the components of the Annual Revenue Requirement (ARR) to provide suitable values for each component. The ARR for the Petitioner includes the following components:

a) Operation & Maintenance expenses
   - Employee expenses
   - Administration & General expenses
   - Repair and Maintenance expenses

b) Interest expenses
   - Interest on Loan Capital
   - Interest on Working Capital

c) Depreciation expenses

d) Other Income (Non-tariff income)

e) Special Appropriations

f) Return on Equity

g) Tax on Income

h) Any other relevant expenditure

6.2.2 In accordance with the Transmission Tariff Regulations, 2006, the Commission has analysed each component of the ARR and accordingly approved each of the components along with the justification for the same.

6.3 OPERATION & MAINTENANCE EXPENSES

The Petitioner's Submissions

6.3.1 The Petitioner submitted that the O&M expenses for FY 2016-17have been computed by escalating the component wise O&M expenses for FY 2013-14by using the yearly inflation indices upto FY 2015-16, in accordance with Transmission Tariff Regulations, 2006.

6.3.2 The Petitioner submitted that in addition to employee expenses, A&G expenses and R&M expenses, the incremental O&M expenses on addition to

Gross Fixed Assets have been claimed for FY 2016-17in accordance with the Transmission Tariff Regulations, 2006.

6.3.3 The Petitioner submitted that the increase in dearness pay may be higher than the escalation index determined as per the Transmission Tariff Regulations, 2006 and requested the Commission to allow the increase in employee expenses due to increase in dearness pay in true up. Further, the Petitioner submitted that the draft report of the 7th Pay Commission has been tabled before the Central Government. The Pay Commission recommendations with some modifications are adopted at the State level. The Petitioner being a government company would have to pass on such pay revision which is due with effect from 1.1.2016. Further, the Petitioner requested the Commission for revision of the O&M expenses upon finalisation of the pay revision of the employees, if approached by it.

6.3.4 The Petitioner has proposed the O&M expenses of Rs. 625.53 Crore for FY 2016-17.

The Commission's Ruling

6.3.5 Regulation 4.2.1 of the Transmission Tariff Regulations, 2006specifies:

> *"1. The O&M expenses for the base year shall be calculated on the basis of historical/audited costs and past trend during the preceding five years. However, any abnormal variation during the preceding five years shall be excluded. O & M expenses so calculated for the base year shall then be escalated on the basis of prevailing rates of inflation for the year as notified by the Central Government and shall be considered as a weighted average of Wholesale Price Index and Consumer Price Index in the ratio of 60:40. Base year, for these regulations means, the first year of tariff determination under these regulations."*

6.3.6 The Commission has trued up each component of O&M expenses for FY 2013-14in the preceding section.

6.3.7 The allowable O&M expenses for FY 2016-17have been approved by escalating the component wise O&M expenses for FY 2013-14by using the yearly inflation indices computed in Section 4 above.

6.3.8 Further, in addition to the O&M cost based on inflationary indices based on escalation, the Transmission Tariff Regulations, 2006 provide for incremental

O&M expenses on addition to assets during the year. Regulation 4.2.3 of the Transmission Tariff Regulations, 2006 issued by the Commission stipulates:

> *"3. Incremental O&M expenses for the ensuing financial year shall be 2.5% of capital addition during the current year. O&M charges for the ensuing financial year shall be sum of incremental O&M expenses so worked out and O&M charges of current year escalated on the basis of predetermined indices as indicated in regulation 4.2.1 above."*

6.3.9 Based on the above, the Commission has computed the incremental O&M expenses for FY 2016-17in accordance with Transmission Tariff Regulations, 2006as shown in the Table given below:

Table 6-2: Incremental O&M Expenses for FY 2016-17in accordance with Transmission Tariff Regulations, 2006 (Rs. Crore)

Particulars	Derivation	FY 2014-15	FY 2015-16	FY 2016-17
Net Addition to GFA during preceding year	A	1216.59	705.78	2712.29
Incremental O&M expenses for preceding year	B	128.67	164.26	184.18
Incremental O&M expenses @ 2.50% of Net GFA addition of preceding year	C=2.50% of A	30.41	17.64	67.81
Inflation Index	D	4.02%	1.39%	1.39%
Incremental O&M expenses for preceding year, escalated with the Inflation Index	E =B x (1+D)	133.84	166.54	186.75
Incremental O&M expenses	F= C+E	164.26	184.18	254.55
Employee expenses		*111.97*	*125.46*	*172.52*
A&G expenses		*6.05*	*6.73*	*9.45*
R&M expenses		*46.24*	*51.99*	*72.58*

6.3.10 The same are allocated across the individual elements of the O&M expenses on the basis of the contribution of each element in the gross O&M expenses.

6.3.11 Thus, the normative O&M expenses computed for FY 2016-17in accordance with the Transmission Tariff Regulations, 2006are depicted in the Table below:

Table 6-3: Normative O&M expenses for FY 2014-15 to FY 2016-17 (Rs. Crore)

Particulars	FY 2014-15	FY 2015-16	FY 2016-17

	Tariff Order	Revised Proposed	Normative	Tariff Order	Revised Proposed	Normative	Petition	Normative
Employee expenses								
Gross employee expenses and provisions	352.77	340.74	340.74	354.43	343.87	345.48	347.04	350.28
Incremental employee expenses @ 2.50% of GFA additions of preceding year	126.98	108.52	111.97	149.56	121.24	125.46	172.99	172.52
Total employee expenses	479.75	449.26	452.71	503.99	465.11	470.94	520.03	522.80
Employee expenses capitalised	104.11	89.50	89.50	95.32	96.80	93.10	108.22	103.35
Net employee expenses	375.64	359.76	363.22	408.67	368.32	377.84	411.80	419.45
A&G expenses								
Gross A&G expenses	20.73	20.02	20.02	20.82	20.20	20.30	20.39	20.58
Incremental A&G expenses @ 2.50% of GFA addition of preceding year	7.25	6.76	6.05	7.76	7.54	6.73	10.70	9.45
Total A&G expenses	27.98	26.78	26.07	28.59	27.74	27.03	31.09	30.03
A&G expenses capitalised	5.32	7.71	7.71	9.07	5.32	7.99	5.96	5.75
Net A&G expenses	22.66	19.07	18.36	19.52	22.43	19.04	25.13	24.27

Particulars	FY 2014-15			FY 2015-16			FY 2016-17	
	Tariff Order	Revised Proposed	Normative	Tariff Order	Revised Proposed	Normative	Petition	Normative
R&M expenses								
R&M expenses	112.10	108.28	108.28	112.63	109.27	109.79	110.28	111.31
Incremental R&M expenses @ 2.50% of GFA addition of preceding year	53.05	48.96	46.24	62.10	54.62	51.99	78.31	72.58
Total R&M expenses	165.15	157.23	154.52	174.73	163.90	161.78	188.59	183.90
Total O&M expenses allowable as per Regulations	**563.46**	**536.07**	**536.10**	**602.92**	**554.64**	**558.66**	**625.53**	**627.62**

6.3.12 The Petitioner has requested the Commission to allow it to claim dearness allowance on actual expenditure basis in case the increase in rate of dearness allowance announced by the GoUP exceeds the escalation index for the relevant year and to treat such increase as uncontrollable cost. The Petitioner requested the Commission to allow any variation on this account based on Audited Accounts during true up.

The specific prayer of the Petitioner pertains to truing up exercise and hence, the Commission shall take an appropriate view during truing up, based on the merits of the specific submissions of the Petitioner in this regard. The O&M expenses approved above would be subject to truing up upon finalisation of Audited Accounts.

6.4 GFA BALANCES AND CAPITAL FORMATION ASSUMPTIONS

The Petitioner's Submissions

6.4.1 The Petitioner submitted that the Gross Fixed Assets (GFA) and Capital Work in Progress (CWIP) for FY 2016-17have been arrived at based on the following assumptions:

- The opening GFA and CWIP for FY 2015-16have been taken as per the closing balances for FY 2014-15as per the Provisional accounts for FY 2014-15.
- 25% of the opening CWIP and 25% of the investment made during the year, expenses capitalised and interest capitalised, has been assumed to be capitalised during FY 2015-16and FY 2016-17.
- Investment through deposit works have been taken for capital formation and depreciation thereon has not been charged in the ARR.
- The capital investment for FY 2015-16has been considered as Rs. 4800Crore out of which works through deposit works have been considered as Rs. 100 Crore.
- The capital investment for FY 2016-17has been estimated to be Rs. 6100 Crore out of which works through deposit works have been estimated to be of Rs. 100 Crore. Due to restricted demand scenario of the State, the GoUP has envisaged a vision of 24x7 electricity supply by October 2016. The Petitioner submitted that the substantial increase in the estimated capital investment for FY 2016-17 in comparison to the previous years is to achieve the GoUP's vision of 24x7 electricity supply by October 2016..

The Commission's Ruling

6.4.2 Regulation 3.6 of the Transmission Tariff Regulations, 2006 specifies as under:

*"**3.6 Capital Investment Plan***

1. The licensee shall identify projects for the ensuing year and subsequent four years and submit detailed capital investment plan along with a financing plan for undertaking the identified projects in order to meet the requirement of load growth, refurbishment and replacement of equipment, reduction in transmission losses, improvement of voltage profile, improvement in quality of supply, system reliability, metering, communication and computerization, etc.

....

3. Licensee's ARR filing shall separately show ongoing projects that will spill into the year under review, and new projects that will commence but may be completed within or beyond the tariff period. For the new projects, the filing must provide the justification as stipulated under investment guidelines of the Commission.

4. The Licensee shall demonstrate that his financing plan matches his investment requirement plan.

....

6. In presenting the justification for new projects, the licensee shall detail the specific nature of the works, and outcome sought to be achieved. The detail must be shown in the form of physical parameters, e.g., addition of new capacities in terms of sub-stations, lines, VAR compensating devices, tele-metering equipments& communication systems etc, so that it is amenable for physical verification......... In case of any significant shortfall in physical implementation, the Commission shall require the licensee to explain the reasons, and may proportionately reduce the provision, including the interest, and the return component, made towards revenue requirement, in the next period.

...........”

6.4.3 As stated above, the Transmission Tariff Regulations, 2006 clearly specify the procedure for approval of the Capital Investment Plan. The Petitioner has not proposed the Capital Investment Plan for FY 2016-17in accordance with the Transmission Tariff Regulations, 2006.

6.4.4 The Commission asked the Petitioner to submit the preparedness to execute the proposed capital investment in FY 2016-17in terms of funds tie up and orders placed. The Commission also asked the Petitioner to submit the detailed plan to evacuate power from all the upcoming generating stations in the State in FY 2016-17.

6.4.5 The Petitioner submitted that the proposed capital expenditure for FY 2016-17would be funded through a mix of debt and equity. The equity would be provided by the GoUP through budgetary allocation and the debt would be tied up with financial institutions such as PFC and REC. The Petitioner submitted that the work orders would be placed in FY 2016-17. The Petitioner also submitted the details of planned evacuation network for upcoming generating stations.

6.4.6 The Commission in order to approve the realistic levels of gross fixed asset balance and consequent tariff components such as depreciation, interest on loan and return on equity, has considered the opening balance of FY 2014-15in line with the closing balance as per the Audited Accounts for FY 2013-14.

6.4.7 The Commission has considered the capital additions, capital deletions, capital work in progress balances, etc. from the Provisional Accounts for FY 2014-15submitted by the Petitioner along with its Petition.

6.4.8 The Commission has observed that the capital investment proposed by the Petitioner is not in strict accordance with the Transmission Tariff Regulations, 2006. In order to reprimand the Petitioner, the Commission disallows 30% of the capital investment proposed in the Petition and allows only 70% of the proposed capital investment for FY 2015-16 and FY 2016-17.**The Commission directs the Petitioner to claim the capital investment plan henceforth, strictly in accordance with applicable Tariff Regulations for the Transmission Licensee**.

6.4.9 The expenses capitalisation has been considered as approved in Section 6.3 of this Order.

6.4.10 25% of the total investments including opening capital work in progress, expenses and interest capitalisation during the year have been projected to be capitalised in FY 2016-17.

6.4.11 Accordingly, the details of approved Capitalisation and capital work in progress for FY 2014-15to FY 2016-17are provided in the table below:

Table 6-4: Capitalisation and WIP upto FY 2016-17(Rs. Crore)

Particulars	Derivation	FY 2014-15			FY 2015-16			FY 2016-17	
		Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Opening WIP as on 1st April	A	5855.78	5958.16	5958.16	5978.78	6970.47	6970.47	9229.13	8136.88
Investments	B	1960.00	1282.46	1277.86	3360.00	4800.00	3360.00	6100.00	4270.00

Particulars	Derivation	FY 2014-15			FY 2015-16			FY 2016-17	
		Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Employee expenses capitalisation	C	95.79	89.50	89.50	95.32	96.80	93.10	108.22	103.35
A&G expenses capitalisation	D	3.57	7.71	7.71	9.07	5.32	7.99	5.96	5.75
Interest capitalisation in Interest on long term loans	E	302.71	438.28	442.88	434.79	432.91	417.62	602.56	536.57
Total Investments	F=A+B+C+D +E	8217.85	7776.10	7776.10	9877.96	12305.50	10849.18	16045.87	13052.56
Transferred to GFA (total capitalisation)	G	2054.46	805.63	805.63	2469.49	3076.37	2712.29	4011.47	3263.14
Closing WIP	H=F-G	6163.39	6970.47	6970.47	7408.47	9229.13	8136.88	12034.40	9789.42

6.5 FINANCING OF THE CAPITAL INVESTMENT

The Petitioner's Submissions

6.5.1 The Petitioner submitted that for FY 2014-15, the amounts received as consumer contributions, capital subsidies and grants have been considered as per the Provisional Accounts for FY 2014-15. The Petitioner submitted that the consumer contributions, capital subsidies and grants for FY 2015-16and FY 2016-17have been considered to be in the same ratio to the total investments in FY 2014-15.

6.5.2 The Petitioner submitted that out of the proposed capital investment of Rs. 6100 Crore for FY 2016-17, the capital investment through deposit works is estimated to be Rs. 100 Crore and the remaining capital investment of Rs. 6000 Crore is estimated to be funded through debt and equity in the ratio of 70:30.

The Commission's Ruling

6.5.3 The Commission has considered a normative approach with a debt: equity ratio of 70:30. Considering this approach, 70% of the capital expenditure undertaken in the year has been considered to be financed through loan and balance 30% has been considered to be financed through equity contributions. The portion of capital expenditure financed through consumer contribution, capital subsidies and grants have been separated as the depreciation and interest thereon would not be charged to the consumers.

6.5.4 The provisional accounts for FY 2014-15reveal the amounts received as consumer contributions, capital subsidies and grants. Further, the consumer contributions, capital subsidies and grants for FY 2015-16and FY 2016-17have been considered to be in the same ratio to the total investments, as proposed by the Petitioner for FY 2015-16and FY 2016-17, respectively.

6.5.5 The Table below summarises the amounts considered towards consumer contributions, capital grants and subsidies from FY 2014-15to FY 2016-17:

Table 6-5: Consumer contributions, capital grants and subsidies considered upto FY 2016-17(Rs. Crore)

Particulars	FY 2014-15			FY 2015-16			FY 2016-17	
	Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Opening balance of Consumer Contributions, Grants and Subsidies towards cost of Capital Assets	510.67	430.13	430.14	502.97	496.35	496.36	571.26	541.96
Addition during the year	157.50	72.20	72.20	70.00	100.00	70.00	100.00	70.00
Less: Amortisation	25.28	5.98	5.98	24.10	25.09	24.40	28.87	26.81
Closing Balance	642.89	496.35	496.36	548.87	571.26	541.96	642.39	585.15

6.5.6 Thus, the approved financing of the capital investment is depicted in the table below:

Table 6-6: Financing of the capital investments upto FY 2016-17(Rs. Crore)

Particulars	Derivation	FY 2014-15			FY 2015-16			FY 2016-17	
		Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Investment	A	1960.00	1282.46	1277.86	3360.00	4800.00	3360.00	6100.00	4270.00

Particulars	Derivation	FY 2014-15			FY 2015-16			FY 2016-17	
		Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Less:									
Consumer Contribution	B	157.50	72.20	72.20	70.00	100.00	70.00	100.00	70.00
Investment funded by debt and equity	C=A-B	1802.50	1210.26	1205.66	3290.00	4700.00	3290.00	6000.00	4200.00
Debt funded	70%	1261.75	847.18	843.96	2303.00	3290.00	2303.00	4200.00	2940.00
Equity funded	30%	540.75	363.08	361.70	987.00	1410.00	987.00	1800.00	1260.00

6.5.7 The Commission approves consumer contributions, capital subsidies and grants to the tune of Rs. 70.00 Crore for FY 2016-17. Thus, the balance amount of Rs. 4200.00 Crore has been considered to be funded through debt and equity considering a debt equity ratio of 70:30.

6.6 DEPRECIATION

The Petitioner's Submissions

6.6.1 The Petitioner submitted that it has considered the GFA base for FY 2013-14as per the Audited Accounts and has subsequently added the yearly capitalisation for FY 2014-15, FY 2015-16and FY 2016-17. The Petitioner submitted that it has considered the depreciation rate of 5.28% as specified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

6.6.2 The Petitioner submitted that the depreciation has been computed only on the depreciable asset base and the depreciation on assets created out of consumer contributions, capital grants and subsidies, has been deducted from the gross allowable depreciation.

6.6.3 The Petitioner has proposed the depreciation of Rs. 793.28 Crore for FY 2016-17.

The Commission's Ruling

6.6.4 For the purpose of computing depreciation, the Commission has considered the GFA base as per the Audited Accounts for FY 2013-14and has added the yearly capitalisation for FY 2014-15, FY 2015-16and FY 2016-17considered in the preceding Section.

6.6.5 For FY 2014-15 and FY 2015-16, the Commission has considered the rate of depreciation approved in the Tariff Orders for the respective years. The Transmission Tariff Regulations, 2006 specify that the depreciation shall be calculated on straight line method at the rates specified by the Central Electricity Regulatory Commission in the Tariff Regulations. Considering this, for FY 2016-17, the Commission has considered a depreciation rate of 5.28%.

6.6.6 The Commission has computed the depreciation only on the depreciable asset base and have excluded the non-depreciable assets such as land, land rights, etc.

6.6.7 Considering this philosophy, the gross entitlement towards depreciation for FY 2016-17is as shown in the Table given below:

Table 6-7: Gross allowable depreciation for FY 2016-17(Rs. Crore)

S. No.	Particulars	Opening GFA	Addition to GFA	Deduction to GFA	Closing GFA	Depreciation Rate	Allowable Gross Depreciation
1	Land & Land Rights						
	(i) Unclassified	49.28	12.11	0.00	61.40		
	(ii) Freehold Land	0.07	0.02	0.00	0.08		
2	Buildings	592.55	145.61	0.00	738.16		
3	Other Civil Works	71.01	17.45	0.00	88.46		
4	Plant & Machinery	7079.07	1739.60	0.00	8818.67		
5	Lines, Cables, Network etc.	5387.19	1323.84	0.00	6711.03		
6	Vehicles	4.29	1.06	0.00	5.35		
7	Furniture & Fixtures	3.88	0.95	0.00	4.83		
8	Office Equipments	8.17	2.01	0.00	10.18		
9	Other assets	83.43	20.50	0.00	103.93		
10	Total Fixed Assets	13278.95	3263.14	0.00	16542.09		
11	Non depreciable assets (Land & Land Rights)	49.35	12.13	0.00	61.48		
12	Depreciable assets	13229.60	3251.01	0.00	16480.61	5.28%	784.35

6.6.8 The Commission has projected the depreciation on assets created out of consumer contributions, capital grants and subsidies for FY 2016-17 in the same ratio as per the provisional accounts for FY 2014-15. The Commission has reduced the depreciation on assets created out of consumer contributions, capital grants and subsidies from the gross allowable depreciation for FY 2016-17.

6.6.9 The Commission has been, time and again, directing the Petitioner to prepare and furnish the Fixed Asset Register. Maintenance of Fixed Asset Register ensures that the costs incurred on each asset, date of commissioning, location of asset, and other technical details are properly and adequately recorded.

6.6.10 As a first step towards reprimanding the Petitioner over the issue of non-preparation of Fixed Asset Register, the Commission had withheld 20% of the allowable depreciation for FY 2013-14 till the submission of the Fixed Asset Register up to FY 2012-13, in the Tariff Order for FY 2013-14. As a second step towards reprimanding the Petitioner over the issue of non-preparation of Fixed Asset Register, the Commission had withheld 25% of the allowable depreciation for FY 2014-15, in the Tariff Order for FY 2014-15.As a third step towards reprimanding the Petitioner over the issue of non-preparation of Fixed Asset Register, the Commission had withheld 30% of the allowable depreciation for FY 2015-16, in the Tariff Order for FY 2015-16.

6.6.11 Thus as evident from the above, the Commission in its earlier Tariff Order has withheld 20% of the allowable depreciation for FY 2013-14, 25% of the allowable depreciation for FY 2014-15 and 30% of the allowable depreciation for FY 2015-16; however, even after several directions, no submission in this regard has been made by the Petitioner so far. The Commission has already expressed its displeasure on the non-availability of Fixed Asset Register of the Petitioner and further, reiterates its direction to the Petitioner to ensure proper maintenance of detailed Fixed Assets Register, as specified in the Transmission Tariff Regulations, 2006. Thus, in line with the approach adopted by the Commission in its earlier Order over the issue of non-maintenance of Fixed Asset Register, the Commission has withheld 30% of the allowable depreciation for this year, i.e., FY 2016-17and the Petitioner is directed to timely submit the complete details pertaining to Fixed Asset Register for FY 2016-17along with the ARR Petition for FY 2017-18, otherwise the withheld amount would be disallowed permanently.

6.6.12 The depreciation approved by the Commission for FY 2016-17is as shown in the Table given below:

Table 6-8: Approved Depreciation for FY 2016-17(Rs. Crore)

Particulars	FY 2014-15			FY 2015-16			FY 2016-17	
	Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Gross allowable Depreciation	611.60	537.40	537.40	686.83	636.76	627.18	822.15	784.35
Less: Equivalent amount of depreciation on assets acquired out of the Consumer Contribution	27.05	5.98	5.98	24.44	25.09	6.98	28.87	8.73
Net allowable Depreciation	584.55	531.42	531.42	662.39	611.67	620.21	793.28	775.62
Less: Depreciation withheld due to non-maintenance of Fixed Asset Registers	146.14	0.00	132.85	198.72	0.00	186.06	0.00	232.69
Depreciation approved	**438.41**	**531.42**	**398.56**	**463.67**	**611.67**	**434.14**	**793.28**	**542.94**

6.7 INTEREST AND FINANCE CHARGES

6.7.1 Interest on Long Term Loans

The Petitioner's Submissions

6.7.1.1 The Petitioner submitted that 70% of the capital expenditure is considered to be funded through debt. The allowable depreciation for the year has been considered as normative loan repayment for the year. The weighted average interest rate of overall long-term loan portfolio for FY 2014-15has been considered for computing the interest expenses for FY 2016-17. The interest capitalisation rate of 44.12% has been considered for FY 2016-17 which is the actual capitalisation rate for FY 2013-14 as per the Audited Accounts.

6.7.1.2 The Petitioner has proposed interest expenses of Rs. 763.23 Crore for FY 2016-17.

The Commission's Ruling

6.7.1.3 It is reiterated that the Commission has considered a normative approach with a gearing of 70:30. In this approach, 70% of the capital expenditure undertaken in the year has been considered to be financed through loan and balance 30% has been considered to be funded through equity contributions. The portion of capital expenditure financed through consumer contributions and grants has been separated as the depreciation thereon would not be charged to the consumers.

6.7.1.4 Allowable depreciation for the year has been considered as normative loan repayment.

6.7.1.5 The weighted average interest rate of 12.64% as per the provisional accounts for FY 2014-15is considered for computing the interest expenses for FY 2016-17.The capitalisation of interest expenses has been considered at the rate of 44.12% as proposed by the Petitioner.

6.7.1.6 The interest on long term loansapproved by the Commission for FY 2016-17is as shown in the Table given below:

Table 6-9: Approved Interest on Long Term Loans for FY 2016-17 (Rs. Crore)

Particulars	FY 2014-15			FY 2015-16			FY 2016-17	
	Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Opening Loan balance	6455.22	6108.60	6108.66	6694.99	6424.36	6554.06	9102.69	8422.92
Loan Addition (70% of Investments)	1261.75	847.18	843.96	2303.00	3290.00	2303.00	4200.00	2940.00
Less: Repayments (Depreciation allowable for the year)	438.41	531.42	398.56	463.67	611.67	434.14	793.28	542.94
Closing Loan balance	7278.56	6424.36	6554.06	8534.32	9102.69	8422.92	12509.41	10819.98

Particulars	FY 2014-15			FY 2015-16			FY 2016-17	
	Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Weighted average rate of interest	12.59%	12.64%	12.64%	12.64%	12.64%	12.64%	12.64%	12.64%
Interest on Long Term Loans	864.87	792.03	800.28	962.66	981.25	946.55	1365.80	1216.15
Interest Capitalisation Rate	0.35	0.55	0.55	0.45	0.44	0.44	0.44	0.44
Less: Interest Capitalised	302.70	438.28	442.88	434.79	432.91	417.62	602.56	536.57
Net Interest Charged	562.17	353.75	357.41	527.88	548.34	528.93	763.23	679.59

6.7.2 **Finance charges**

The Petitioner's Submissions

6.7.2.1 The Petitioner submitted that the finance charges for FY 2016-17have been projected by extrapolating the finance charges for FY 2014-15as per the Provisional Accounts by the yearly escalation indices. The Petitioner has proposed finance charges of Rs. 1.78 Crore for FY 2016-17.

The Commission's Ruling

6.7.2.2 The Commission has allowed finance charges to the tune of Rs. 1.78 Crore for FY 2016-17. The same have been computed by extrapolating the finance charges incurred in FY 2014-15as per the Provisional Accounts and using the inflation indices approved for the respective years.

6.7.3 **Interest on Working Capital**

The Petitioner's Submissions

6.7.3.1 The Petitioner submitted that the interest on working capital has been computed in accordance with the Transmission Tariff Regulations, 2006. The Petitioner submitted that the rate of interest on working capital has been considered as12.50%. The Petitioner has proposed Interest on Working Capital of Rs. 65.10 Crore for FY 2016-17.

The Commission's Ruling

6.7.3.2 The Transmission Tariff Regulations, 2006 provides for normative interest on working capital based on the methodology specified in the Regulations. The Petitioner is eligible for interest on working capital worked out in accordance with the methodology specified in the Regulations.

6.7.3.3 In accordance with the Transmission Tariff Regulations, 2006, the interest on the working capital requirement would be the Bank Rate as specified by the Reserve Bank of India as on 1st April of every year plus a margin as decided by the Commission. Accordingly, the Commission for this Order has considered the interest rate on working capital requirement at 12.50% including margin.

6.7.3.4 The Commission in accordance with the Transmission Tariff Regulations, 2006, considered the interest on working capital as shown in the Table given below:

Table 0-10: Approved Interest on Working Capital for FY 2016-17(Rs. Crore)

Particulars	Petition	Approved
One month's O&M expenses	52.13	52.30
One-twelfth of the sum of the book value of materials in stores at the end of each month	84.72	84.72
Receivables equivalent to 60 days average billing on consumers	383.99	326.75
Total Working Capital	520.84	463.77
Rate of Interest on Working Capital	12.50%	12.50%
Interest on Working Capital	**65.11**	**57.97**

6.8 OTHER INCOME

The Petitioner's Submissions

6.8.1 The Petitioner submitted that the other income for FY 2016-17 has been projected by escalating the actual non-tariff income for FY 2014-15 by the yearly escalation indices. The Petitioner has proposed the non-tariff income of Rs. 51.87 Crore for FY 2016-17.

The Commission's Ruling

6.8.2 Other income includes non-tariff income, which comprises of items such as interest on loans and advances to employees, income from fixed rate investment deposits and interest on loans and advance to staff.

6.8.3 The Commission has approved the non-tariff income of Rs. 51.87 Crore for FY 2016-17as proposed by the Petitioner.

6.9 RETURN ON EQUITY

The Petitioner's Submissions

6.9.1 The Petitioner submitted that the eligible return on equity has been computed considering the closing level of normative equity for FY 2013-14and the yearly normative equity additions for FY 2014-15, FY 2015-16and FY 2016-17. The Petitioner submitted that the return on equity has been computed considering the rate of return of 2%. The Petitioner has proposed the return on equity of Rs. 106.89 Crore for FY 2016-17.

The Commission's Ruling

6.9.2 Under provisions of Transmission Tariff Regulations, 2006 the Petitioner is allowed a return of 14% on the equity base; for equity base calculation, debt equity ratio shall be 70:30. Where equity involved is more than 30%, the amount of equity for the purpose of tariff shall be limited to 30%. Equity amounting to more than 30% shall be considered as loan. In case of actual equity employed being less than 30%, actual debt and equity employed being less than 30%, actual debt and equity shall be considered for determination of tariff.

6.9.3 In view of the huge gap in the recovery of cost of supply at the Discom level, the Petitioner was of the view that the return on equity would only result in accumulation of receivables.

6.9.4 As such, the Petitioner has been claiming return on equity @ 2% from FY 2009-10 onwards. Return on equity has been computed on the normative equity portion (30%) of capitalised assets.

6.9.5 The Commission while undertaking analysis for allowance of return on equity has considered opening level of equity for FY 2014-15based on the closing regulatory equity approved in the section dealing with the true up for FY 2013-14. Subsequently, it has considered the yearly normative equity based on the capital additions for FY 2014-15, FY 2015-16and FY 2016-17.

6.9.6 The Return on Equity approved by the Commission for FY 2016-17is as shown in the Table given below:

Table 0-11: Approved Return on Equity for FY 2016-17(Rs. Crore)

Particulars	FY 2014-15			FY 2015-16			FY 2016-17	
	Tariff Order	Revised Proposed	Revised Approved	Tariff Order	Revised Proposed	Revised Approved	Petition	Approved
Equity at the beginning of the year	3767.49	3577.97	3577.98	4161.39	3819.65	3819.67	4742.57	4633.35
Assets Capitalised	2054.46	805.63	805.63	2469.49	3076.37	2712.29	4011.47	3263.14
Addition to Equity	616.34	241.69	241.69	740.85	922.91	813.69	1203.44	978.94
Closing Equity	4383.83	3819.65	3819.67	4902.24	4742.57	4633.35	5946.01	5612.30
Average Equity	4075.66	3698.81	3698.82	4531.81	4281.11	4226.51	5344.29	5122.82
Rate of Return	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Return on Equity	81.51	73.98	73.98	90.64	85.62	84.53	106.89	102.46

6.10 SERVICE TAX

The Petitioner's Submissions

6.10.1 The Petitioner submitted that service tax liability is imposed on the service provider and is chargeable on actual energy transmitted during a financial year at the rates notified by the Government. The Petitioner submitted that such liability may be imposed on UPPTCL, retrospectively, as it was done in the case of PGCIL. The Petitioner submitted that in such an event, it would approach the Commission for allowance of such liability in the ARR in accordance with the provisions of Regulation 4.9 of the Transmission Tariff Regulations, 2006.

The Commission's Ruling

6.10.2 Regulation 4.9 of the Transmission Tariff Regulations, 2006 specify as under:

"***4.9 Cess/Duty/Royalty/Tax imposed by State Government***

Any cess or duty or royalty or tax imposed by the State Government shall be allowed as pass through to be recovered from the distribution licensees / long term open access consumers in proportion of their allotted capacity or quantity of energy delivered, as the case may be."

6.10.3 The Petitioner has not proposed any expenses on this account in the ARR for FY 2016-17. The Commission shall take an appropriate view based on the merits of the specific submissions of the Petitioner in this regard.

6.11 SUMMARY OF AGGREGATE REVENUE REQUIREMENT FOR FY 2016-17

6.11.1 The summary of the expenses under different heads as approved by the Commission for FY 2016-17is as shown in the Table given below:

Table 0-12: Approved ARR for FY 2016-17(Rs. Crore)

Particulars	Petition	Approved
Employee expenses	520.03	522.80
A&G expenses	31.09	30.03
R&M expenses	188.59	183.90
Interest on Loan Capital	1365.80	1216.15
Interest on Working Capital	65.11	57.97
Finance Charges	1.78	1.78
Depreciation	793.28	542.94
Gross expenditure	**2965.67**	**2555.57**
Less: Employee expenses capitalised	108.22	103.35
Less: A&G expenses capitalised	5.96	5.75
Less: Interest expenses capitalised	602.56	536.57
Net expenditure	**2248.93**	**1909.89**
Add: Return on Equity	106.89	102.46
Less: Non-Tariff Income	51.87	51.87
Annual Revenue Requirement	**2303.95**	**1960.48**

6.11.2 Thus, the approved ARR for FY 2016-17is Rs. 1960.48Crore as against Rs 2303.95 Crore proposed by the Petitioner.

6.12 SLDC CHARGES

6.12.1 Load Despatch Centres have been termed as the apex bodies in the electricity industry. They need true independence not only in financial terms but also in decision making. The Ministry of Power, Government of India had also constituted a Committee on "Manpower Certification and Incentives for System Operation and Ring Fencing Load Despatch Centres" to ensure functional autonomy for Load Despatch Centres. The Committee in its report dated 11th August, 2008 observed that functional autonomy would mean taking decisions without being adversely influenced by extraneous issues originating from the Company Management or any of the market players, which can be ensured through:

- Independent governance structure;
- Separate accounting;
- Adequate number of skilled manpower having ethical standards and driven by altruistic values;
- Adequate logistics / infrastructure.

6.12.2 For implementation of the above recommendations, the Commission shall approve the SLDC charges, which shall be payable by the Petitioner and which will be recovered through transmission tariff as per the Clause 8 (2) of the SLDC Regulations.

6.12.3 The Commission in its Tariff Orders had emphasised on the importance of segregation of accounts of SLDC and had directed the Petitioner towards its submission. However, the Petitioner has failed to provide segregated accounts for SLDC function.

6.12.4 The Petitioner submitted that the full-fledged accounting function of SLDC is yet to commence and hence, it has considered capturing the expenses and income separately. The process of accounting professionals in SLDC as per the manpower sanction received from GoUP is underway. Thereafter, separate accounting group code would be created to manage entire SLDC functions separately.

6.12.5 The independent governance structure and manpower has been approved for SLDC. The existing IT systems are updated on dynamic web-based solutions to comprehensively manage SLDC functions. The required infrastructure for making

SLDC fully functional is under development. Separate SLDC building is also reaching completion in Lucknow. Further, as mandated in the U.P. Electricity Grid Code, 2007, "State Power Committee" has been constituted under the chairmanship of Chief Engineer (SLDC).

6.12.6 The Petitioner submitted that SLDC would achieve the envisaged operational, financial and administrative independency in a phased manner. The Petitioner submitted that the activities being performed by the SLDC have been categorised in three parts as depicted below:

1. Operations and Control
    a. Control Room round the clock operations in 3 shifts
    b. Scheduling and outage Planning
    c. Data Management
    d. System Studies
2. SCADA and Communication
    a. SCADA and EMS
    b. IT
3. Energy Accounting and settlement
    a. Energy Accounting & Commercial
    b. Balancing and Settlement System
    c. Open Access (Short term)
4. Finance and HR functions
    a. Financial Accounting and Audit, Annual Budget
    b. HR including Training

6.12.7 The Petitioner submitted that the SLDC charges for FY 2016-17 are embedded in the ARR for Transmission business and would be around 2.01% of the ARR of UPPTCL. The SLDC Budget proposed by the Petitioner for FY 2016-17is as shown in the Table given below:

Table 0-13: SLDC Budget for FY 2016-17proposed by the Petitioner (Rs. Crore)

Particulars	FY 2016-17
Operating Budget	
Employee expenses	17.91
A&G expenses	3.20
R&M expenses	3.15
Interest on Working Capital	0.00
RLDC Fee and NRPC Charges	0.00
Total operating cost	**29.78**
Capital Charge Budget	
Dynamic website development	1.15
SLDC Bldg/Capex works	21.85
Depreciation	0.00
Interest & Finance Charges	0.00
Return on Equity	0.00
Total capital cost budget	**23.00**
Less: SLDC Income	6.40
Total SLDC Budget	**46.38**

6.12.8 The Commission has taken note of the submissions of the Petitioner. In the absence of segregated accounts for SLDC, the estimated costs of running UPPTCL central load despatch centre in Lucknow and four regional load despatch centres at Panki, Sahupuri, Modipuram and Moradabad, which are owned and operated by UPPTCL are embedded in the ARR approved for UPPTCL for FY 2016-17.

6.13 TRANSMISSION TARIFF

6.13.1 The Transmission Tariff Regulations, 2006 provide for capacity (MW) based transmission charges. However, there are still numerous issues in the determination of MW based Transmission Tariff, like allocation of transmission capacity to the existing long-term transmission system users, allocation of existing PPAs, etc.

6.13.2 Presently, the State Discoms have not been allotted transmission capacity as such; hence the Transmission Tariff has been calculated by the Commission on the basis of the number of units wheeled by the Transmission Licensee for the Distribution Licensees.

6.13.3 The Petitioner requested the Commission to allow it to pass an internal adjustment with the distribution companies so that it recovers only its cost and no unjust enrichment is allowed on account of postage stamp tariff method based billing till such time contracted capacities are finalised.

6.13.4 The Petitioner further submitted that billing in respect of intra-State transmission charges is being done on postage stamp tariff method till such time the allotted transmission capacity of long-term transmission system customers (the Distribution Licensees and Bulk consumers) is not finalised. Suitable steps in this regard have been initiated at the Petitioner's end to finalise the allotted transmission capacities and after the finalisation of the same, the intra-State transmission charges would be claimed based on the contracted transmission capacity. The Petitioner submitted that the postage stamp tariff based billing poses the risk of unjust enrichment to the Petitioner as it is possible for it to recover fixed costs in excess of that approved by the Commission. The Petitioner prayed the Commission to allow it to raise an internal adjustment bill with the Discoms at the year end.

6.13.5 The Commission has computed the Transmission Tariff applicable for FY 2016-17based on postage stamp method since the allocation of transmission capacity to the long-term transmission system users is not currently available.

6.13.6 As regards the prayer of the Petitioner for allowing it to raise an internal adjustment bill, the Commission is of the view that it is not required as the actual annual expenses and revenue of the Petitioner are subject to true up based on the Audited Accounts for the relevant year and the net revenue gap/surplus shall be approved by the Commission after prudence check.

6.13.7 The Commission has approved the Transmission Tariff for FY 2016-17considering the approved ARR for FY 2016-17.

6.13.8 As regards the quantum to be considered for arriving at the Transmission Tariff in Rs./kWh terms, the Petitioner submitted that currently NPCL is procuring power only through short-term route and the energy quantum corresponding to NPCL should not be considered in deriving the Transmission Tariff for FY 2016-17. The Petitioner submitted that although NPCL had signed the BPTA, it had not executed any PPA so far and the entire energy requirement of NPCL is drawn through short-term open access route through bilateral transactions from FY 2014-15. The payments for short-term OA are paid through Northern Regional Load Despatch Centre and no separate billing is done for energy accounting.

6.13.9 In the postage stamp method, the Transmission Tariff for the Petitioner is arrived at by dividing the approved ARR by the energy quantum approved for the Discoms of the State to be handled by the Petitioner. Till FY 2014-15, the Commission has been considering the energy quantum of NPCL in the energy approved to be handled by the Petitioner for deriving the Transmission Tariff. The Commission is aware that NPCL has not yet executed any long term PPA so far for power procurement. The Commission is also aware that NPCL in its Tariff Petition for FY 2016-17 has proposed to execute a long term PPA in FY 2016-17. Hence, in light of the present situation, the Commission has not considered the NPCL energy quantum in deriving the Transmission Tariff for FY 2016-17. The Commission has only considered the energy quantum approved for PVVNL, DVVNL, MVVNL, PuVVNL and KESCO to be handled by the Petitioner. If the efforts of NPCL to execute a long term PPA in FY 2016-17 becomes fruitful and power flow commences through the Petitioner's network in FY 2016-17, appropriate adjustment to transmission tariff and its treatment for FY 2016-17shall be done in the true up exercise.

6.13.10 The Transmission Tariff approved by the Commission for FY 2016-17 is as shown in the Table given below:

Table 0-14: Approved Transmission Tariff for FY 2016-17

Particulars	Units	FY 2016-17	
		Petition	Approved
ARR for FY 2016-17	Rs. Crore	2303.95	1960.48
Energy delivered to Discoms	MU	119020.00	120813.12
Transmission Tariff	**Rs./kWh**	**0.1936**	**0.1623**

6.13.11 The Commission thus approves the Transmission Tariff of Rs. 0.1623/ kWh for FY 2016-17.

6.13.12 The Transmission Tariff as determined by the Commission above are payable by the State Distribution Licensees.

6.14 OPEN ACCESS: TRANSMISSION TARIFF

The Petitioner's Submissions

6.14.1 The Transmission Tariff proposed by the Petitioner for Open Access for FY 2016-17is as shown in the Table below:

Table 0-15: Transmission Tariff of Open Access proposed by the Petitioner for FY 2016-17

Particulars	Unit	Long Term	Short Term
Connected at 132 kV Voltage Level	Rs./kWh	0.1936	0.1936
Connected above 132 kV Voltage Level	Rs./kWh	0.1936	0.1936

6.14.2 The Petitioner has proposed the uniform Transmission Tariff for customers connected at 132 kV Voltage level and customers connected above 132 kV Voltage level. The Petitioner submitted that the energy handled by the Petitioner is not voltage dependant. The Petitioner submitted that the same is consistent with the existing practices adopted by CERC in which uniform rate for all voltage levels is adopted.

The Commission's Ruling

6.14.3 The Commission has computed the Transmission Tariff for FY 2016-17 in the preceding Section for use of the UPPTCL network for transmission of electricity.

6.14.4 The Commission in its previous Tariff Orders had impressed upon the Petitioner to submit the details in support of the voltage-wise losses claimed. However, the Petitioner had not submitted any supporting study to justify the voltage-wise losses. The ARR/Tariff Petition of the Petitioner for FY 2016-17is also devoid of any supporting information/study with regard to the voltage-wise losses considered.

6.14.5 The Commission in its previous Order has considered the interim allocation of cost at various voltage levels and approved the transmission charges payable by the Open Access consumers. In the absence of any study and details of voltage wise losses, the Commission is constrained to adopt a normative approach for the determination of Open Access charges at different voltage levels.

6.14.6 In the absence of voltage level wise break-up of expenses and asset details, the Commission has, for the purpose of the present Order, considered an interim allocation of costs at various voltage levels and approved the following transmission charges payable by all Open Access customers based on the voltage level at which they are connected with the grid.

6.14.7 The Transmission charges for open access consumers connected at voltage levels above 132 kV are assumed to be at 75% of the charges specified for consumers connected at 132 kV voltage level.

6.14.8 The transmission open access charges approved by the Commission are as shown in the Table given below:

Table 0-16: Approved Voltage wise Transmission Open Access charges for FY 2016-17

Particulars	Unit	Long Term	Short Term
Connected at 132 kV Voltage Level	Rs./kWh	0.1623	0.1623
Connected above 132 kV Voltage Level	Rs./kWh	0.1217	0.1217

6.14.9 In addition to the above charges, the open access consumer would also be liable to bear the transmission losses in kind. In the absence of authenticated voltage level loss data, the Commission has ruled that the transmission losses for FY 2016-17would be 3.59% irrespective of the voltage levels at which the consumers are connected with the grid.

6.14.10 The open access charges and losses to be borne by the open access consumers shall be reviewed by the Commission on the submission of the relevant information by the Petitioner.

7. DIRECTIVES

7.1 COMPLIANCE TO DIRECTIVES ISSUED IN THE ORDER DATED JUNE18, 2015

7.1.1 The Commission had issued certain directives to the Petitioner in the Order dated June18, 2015. The status of compliance submitted by the Petitioner to the same is as shown in the Table given below:

Table 7-1: Status of compliance to the directives issued by the Commission in the Order dated June 18, 2015

S. No.	Directive	Compliance status submitted by the Petitioner	Commission's Observations and Fresh directive	Time period for compliance from the date of issue of this Order
1	The Petitioner is directed to file a separate Petition for approval of prior period expenses / incomes. The Petition should clearly indicate the head wise and year wise bifurcation of prior period expenses / incomes clearly indicating the impact of such expenses / incomes on various ARR components and such impact should not exceed the normative expenses for any particular year.	The Petitioner submitted that the head wise details of the prior period expenses / incomes are clearly indicated in the schedules to accounts enclosed along with the financial statements of FY 2013-14 and 2014-15. The Petitioner is not contemplating to file a separate petition for approval of prior period expenses or incomes. The balance sheet is prepared based on the statutory audited accounts and the company is in process of streamlining the finance and account activities with an aim to minimize the prior period expenses or incomes. The Petitioner further submitted that in the current process it is not considered imperative to provide year wise breakup. Therefore, the Petitioner requested the Commission to take a lenient view in the matter of	The Petitioner in its Tariff Petition for FY 2015-16 on this issue submitted that information has to be collected from the field units which would then be compiled at the zonal level and then the zonal accounts would be compiled at the corporate level.However,in the current Petition, the Petitioner submitted that is it not considered imperative to provide year-wise break-up. The Commission re-iterates its direction and directs the Petitioner to file a separate Petition for approval of prior period expenses / incomes. The Petition should clearly indicate the head wise and year wise bifurcation	Immediate

S. No.	Directive	Compliance status submitted by the Petitioner	Commission's Observations and Fresh directive	Time period for compliance from the date of issue of this Order
		prior period expenses / incomes involved in the truing up of FY 2013-14. The Petitioner further submitted that the impact of the prior period expenses / incomes for FY 2013-14 on the overall transmission tariff for FY 2013-14 is to the tune of Rs. 0.0043/kWh which is negligible hence the same may be allowed.	of prior period expenses / incomes clearly indicating the impact of such expenses / incomes on various ARR components and such impact should not exceed the normative expenses for any particular year.	
2	The Petitioner is directed to provide the details pertaining to the accumulated regulatory depreciation claimed on each class of asset reconciling the same with the accumulated depreciation as per the Fixed Asset Register.	The Petitioner submitted that the Commission has itself adopted a weighted average rate of depreciation for each year beginning from FY 2007-08 onwards. In the truing up exercise, the Petitioner has duly applied the weighted average rate approved by the Commission. Furthermore, the Transmission Tariff Regulations, 2006 do not prescribe asset wise depreciation rates. In view of the same, it is requested that the consistent approach of weighted average rate of depreciation may not be dispensed with. In conclusion, it is imperative to mention that applying asset class wise rates of depreciation with a retrospective effect would be contrary to the principles of res-judicata as past tariff and true-up orders have attained finality.	The Petitioner submitted that the Transmission Tariff Regulations, 2006 do not prescribe asset wise depreciation rates. The Commission clarifies here that as per 4.3.1.c clause of Transmission Tariff Regulations, 2006, rates specified by CERC in its terms and conditions of Tariff Regulations, 2004 as amended from time to time are applicable for the calculation of depreciation. Further, the Clause 4.3.1.c of Transmission Tariff Regulations, 2006 is reproduced below: *"c. Depreciation shall be calculated annually on straight-line method at the rates specified by the Central Electricity Regulatory Commission in*	Within 3 Months

S. No.	Directive	Compliance status submitted by the Petitioner	Commission's Observations and Fresh directive	Time period for compliance from the date of issue of this Order
			its Terms and Conditions of TariffRegulations, 2004 as amended from time to time." The Petitioner is directed to provide the details pertaining to the accumulated regulatory depreciation claimed on each class of asset reconciling the same with the accumulated depreciation as per the Fixed Asset Register.	
3	The Commission directs UPPTCL to submit the Fresh Actuarial Valuation Study Report in respect to employee expenses.	The Petitioner submitted that the provision for pension and gratuity contribution is being done based on the last actuarial valuation report dated 09.11.2000 and was adopted by the Board of Directors. The same had stipulated a provision of 16.70% towards pension and 2.38% towards gratuity contribution on the amount of basic pay and D.A. portion of the employee cost. Suitable disclosure in this regard has been made in the Notes to accounts enclosed along with the financial statements. It is also pertinent to mention that common cadre is maintained with UPPCL and the Petitioner would be able to undertake an appropriate valuation exercise only after cadre is segregated for the Petitioner company.	The Commission directs UPPTCL to submit the Fresh Actuarial Valuation Study Report in respect to employee expenses.	Along with ARR and Tariff Petition for FY 2017-18

S. No.	Directive	Compliance status submitted by the Petitioner	Commission's Observations and Fresh directive	Time period for compliance from the date of issue of this Order
4	The Commission reiterates its direction to UPPTCL to ensure proper maintenance of detailed Fixed Assets Register as specified in the Transmission Tariff Regulations. In order to ensure that Fixed Asset Register is timely and regularly prepared going forward, the Commission directs UPPTCL to prepare the Fixed Asset Register duly accounting for the yearly capitalisations from FY 2012-13 onwards. The capitalisation for the period before that may be shown on gross level basis. This dispensation is merely to ensure that the proper asset registers capturing all necessary details of the asset, including the costs incurred, date of commissioning, location of asset, and all other technical details are maintained for the ensuing years. However, the Petitioner would also be required to clear the backlog in a time bound manner. Upon finalisation of the Transfer Scheme and clearing of backlog, the Petitioner may update the Fixed Asset Register appropriately by passing	The Petitioner submitted that division wise Fixed Assets Register is being maintained at its 163 divisions with the required details where the assets are available at division level. The duly audited balances of the all zones are consolidated at head quarter for preparation of the final corporate balance sheet which includes block-wise fixed asset details along with the depreciation. (as indicated in the Note-7 of the Audited Accounts of FY 2013-14).	Considering the submissions of the Petitioner, the Commission directs the Petitioner to submit the copy of consolidated Fixed Asset Register updated till FY 2014-15. .	Immediate

S. No.	Directive	Compliance status submitted by the Petitioner	Commission's Observations and Fresh directive	Time period for compliance from the date of issue of this Order
	necessary adjustments.			
5	The Commission redirects UPPTCL / SLDC that the ARR / budget for SLDC should be submitted separately along with the ARR submission of TRANSCO. The costs have to be separately identified and not embedded in the TRANSCO ARR.	The Petitioner has estimated the SLDC budget for FY 2016-17 at Rs. 46.38 Crore. The same is estimated based on the annual operating cost of SLDC, capital expenditure, all SLDC base transactions and income generation of previous year. This budget is included in the overall ARR of the UPPTCL for FY 2016-17. However having established separate accounting unit of SLDC w.e.f FY 2014-15 and acquiring experience of transaction base SLDC account for FY 2015-16. ARR/Budget for SLDC will be submitted separately from FY 2017-18.	The Commission redirects UPPTCL / SLDC that the ARR / budget for SLDC should be submitted separately along with the ARR submission of TRANSCO. The costs have to be separately identified and not embedded in the TRANSCO ARR.	Along with ARR and Tariff Petition for FY 2017-18
6	The Commission directs UPPTCL to formalise the capacity of transmission system in use by long term open access customers (Distribution Licensees or generating companies) in accordance with the principle laid down under Tariff Regulations and based on existing PPAs / MoU's signed by them for purchase or sale of electricity.	It is submitted that the matter of allocation of PPAs is pending with GoUP.	The Commission directs UPPTCL to formalise the capacity of transmission system in use by long term open access customers (Distribution Licensees or generating companies) in accordance with the principle laid down under Tariff Regulations and based on existing PPAs / MoU's signed by them for purchase or sale of electricity.	Immediate

S. No.	Directive	Compliance status submitted by the Petitioner	Commission's Observations and Fresh directive	Time period for compliance from the date of issue of this Order
7	The Commission directs UPPTCL to initiate the process of signing of BPTA with Distribution Licensees who are the existing long-term customers and submit the status on execution of BPTA of the same.	The total transmission capacity in use by long term open access customers (Distribution Licensees or generating companies) is formalized. BPTA with NPCL and customers other than the State DISCOMs has been finalized. Further BPTA with the State DISCOMs will be finalized on the allocation of capacity by GoUP.	The Commission directs UPPTCL to initiate the process of signing of BPTA with Distribution Licensees who are the existing long-term customers and submit the status on execution of BPTA of the same.	Within 3 Months
8	The Commission directs the Petitioner to claim the capital investment plan henceforth, strictly in accordance with applicable Tariff Regulations for the Petitioner.	The Petitioner submitted that the capital investment plan for FY 2016-17 has been submitted in accordance with the Tariff Regulations.	The Commission directs the Petitioner to claim the capital investment plan henceforth, strictly in accordance with applicable Tariff Regulations for the Petitioner.	-
9	The Commission directs UPPTCL to conduct benchmarking studies to determine the desired performance standards and submit the report to the Commission.	The Petitioner submitted that the scope of the benchmark study is yet to be finalized. In this matter UPPTCL has approached UPERC though a formal letter for finalization of the scope for the benchmark studies. The Petitioner has also submitted its views on conducting the benchmarking studies. The benchmarking study to determine the desired performance standards will be conducted as per further directions of the Commission.	The Commission directs UPPTCL to conduct benchmarking studies to determine the desired performance standards and submit the report to the Commission.	Within 3 Months
10	The Commission directs UPPTCL to conduct proper loss estimate studies under its supervision and submit the report to the	Presently total Losses in the Transmission system are being calculated through interface meters based on the following: Net injection in periphery of the	The Commission directs UPPTCL to conduct proper loss estimate studies under its supervision and submit	Within 3 Months

S. No.	Directive	Compliance status submitted by the Petitioner	Commission's Observations and Fresh directive	Time period for compliance from the date of issue of this Order
	Commission	state transmission system at G-T point for intra-state injection & at CTU-STU point for inter-state injection at various voltage levels and; ii. Net intra-state drawl from the periphery of the state transmission system at T-D point of distribution licensee (including drawl of open access consumer). To calculate the voltage wise losses, audit meters will be required at various voltage levels at all points other than interface meters. Drawl of energy by long term customers from the grid is based on the displacement of power, therefore losses for particular long term customer cannot be ascertained on the basis of energy meter reading. Hence uniform overall transmission losses are being calculated.	the report to the Commission	
11	The Commission directs UPPTCL to submit completion report in respect of all capital projects which have achieved the Commercial Operation Date during for each year in accordance with Tariff Regulations.	The Petitioner has already submitted the completion report in respect of energised projects with commercial operation date(DOCO) during FY 2012-13, 2013-14 and 2014-15 on 16.10.2015 through its letter no. 377/Dir/(Comm)/UPPTCL/2015. A copy of the same is enclosed and marked as Annexure-5.	The Commission has taken note of Petitioners submissions and directs UPPTCL to comply with the direction every year.	-

S. No.	Directive	Compliance status submitted by the Petitioner	Commission's Observations and Fresh directive	Time period for compliance from the date of issue of this Order
12	The Commission directs UPPTCL to exclude the transmission charges approved by CERC towards transmission lines connecting two States from the overall transmission charges claimed in the next ARR filing for UPPTCL.	UPPTCL submitted that it is receiving transmission charges approved by CERC towards use of inter-state transmission lines with Narora Atomic Power Station (NAPS) and Unchahar TPS and same is accounted for arriving at ARR. For other ISTS lines as per CERC inter-state transmission charges is under approval stage with NRPC/CERC. Status of ISTS lines are attached as Annexure-6.	The Commission directs UPPTCL to exclude the transmission charges approved by CERC towards transmission lines connecting two States from the overall transmission charges claimed in the next ARR filing for UPPTCL.	Along with ARR and Tariff Petition for FY 2017-18
13	The Commission directs the Petitioner to urgently pursue with the GoUP for finalisation of the Transfer Scheme and submit a copy of the same.	The Petitioner submitted that the same is pending at the end of the GoUP.	The Commission directs the Petitioner to urgently pursue with the GoUP for finalisation of the Transfer Scheme and submit a copy of the same.	Along with ARR and Tariff Petition for FY 2017-18
14	The Commission directs the UPPTCL to submit load flow studies along with the assessment of various options with regards to transmission pricing, their relative advantages and disadvantages and suitability for adoption in Uttar Pradesh	The Petitioner submitted that Hon'ble CERC had initiated studies in respect of PoC mechanism and subsequently approved the PoC Regulations. The Petitioner submitted that it would be appropriate that the Commission initiate such studies and approve a framework for transmission pricing in the State.	The Commission directs the UPPTCL to submit load flow studies along with the assessment of various options with regards to transmission pricing, their relative advantages and disadvantages and suitability for adoption in Uttar Pradesh	Within 3 Months

7.1.2 The Commission directs the Petitioner to follow the directions scrupulously and submit the periodical reports by 30th of every month about the compliance of directions to the Commission on regular basis.

8. APPLICABILITY OF THE ORDER

The Petitioner, in accordance with Section 139 of the UPERC (Conduct of Business) Regulations, 2004 shall publish the approved tariffs within three days from the date of this Order. The Petitioner shall ensure that the same is published in at least two daily newspapers (one English and one Hindi) having wide circulation in the area of supply. The tariffs so published shall become the notified tariffs applicable in the area of supply and shall be effective after seven days of such publication, 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.

(S. K. Agarwal)
Member

(Desh Deepak Verma)
Chairman

Place: Lucknow
Dated: August 1, 2016

9. ANNEXURE- I

ANNEXURE: LIST OF PERSONS WHO HAVE ATTENDED PUBLIC HEARING AT GREATER NOIDA, LUCKNOW and ALIGARGHIN RESPECT OF PROCEEDINGS FOR ARR & TARIFF DETERMINATION FOR UPPTCL FOR FY 2016-17

LIST OF PERSONS WHO HAVE ATTENDED PUBLIC HEARING AT GREATER NOIDA

List of Persons who attended Public Hearing at Greater Noida on May 11, 2016		
Sl. No.	**Name**	**Organization**
1	Shri R.P. Singh	PVVNL
2	Shri S.C. Gupta	Director(Commercial), MVVNL
3	Shri S.P. Sharma	Consumer
4	Dr. Amit Bhargava	Director (Tariff), UPERC
5	Shri Z. Rehmann	Consumer
6	Shri B.R. Bhati	Chairman, IIA
7	Shri V.K. Kaushik	Advisor, PVVNL
8	Shri Raghvendra	EE, EUDDI
9	Shri Sanjay Kumar Chaurasia	Executive Engineer, UPPTCL
10	Shri S.K. Singh	PVVNL
11	Shri S. Joshi	UPPCL
12	Shri A.K. Pathak	UPPCL
13	Shri Sudhir Goyal	Consumer
14	Shri Gaurav Nand	IERS
15	Shri R.D. Tyagi	Consumer
16	Shri A.K. Tyagi	SE, PVVNL
17	Shri Ravi Bansal	Consumer
18	Shri Rahul	Consumer
19	Shri Nikhil	Consumer
20	Shri Rakesh	Advocate
21	Shri Sagar K.	Consumer
22	Shri Siddharth Shah	Consumer
23	Shri LokeshGoswami	Tech news
24	Shri Ilam Singh Nagar	Consumer
25	Shri Atul Kumar Rai	PuVVNL
26	Shri Manoj Singh	PuVVNL
27	Shri R.R. Shah	Consumer
28	Shri Mohan Singh	Consumer

List of Persons who attended Public Hearing at Greater Noida on May 11, 2016		
Sl. No.	**Name**	**Organization**
29	Shri Harish Juneja	Consumer
30	Shri Akarsh Garg	Consumer
31	Shri Amit	Consumer
32	Shri Ram Gopal Sharma	Consumer
33	Shri Rajeev Gupta	UPPCL
34	Shri Atul	Consumer
35	Dr. A.K. Nagar	Consumer
36	Shri Ram Ashray	UPPTCL
37	Shri Sandeep Kumar	UPPTCL
38	Shri R.S. Yadav	MVVNL
39	Shri A.K. Gupta	PVVNL
40	Shri D.C. Verma	EE(RAU), UPPCL
41	Shri Avnish Kumar	UPPCL
42	Shri SurajChaudhary	UPPCL
43	Shri Mukesh	IIA
44	Shri Anil Kr.	IIA
45	Shri Rakesh Verma	PVVNL
46	Shri Jagdish Pal	Consumer
47	Shri Govind Singh	Consumer
48	Shri Rahul Bhati	Consumer
49	Shri Mool Chand	Consumer
50	Shri Satish K.	Consumer
51	Shri S.M. Garg	PVVNL
52	Shri Phool Chand	Consumer
53	Shri JitendraPareek	GNVM
54	Shri Gagan Tyagi	Dainik Jagran
55	Shri Neeraj Gupta	Consumer
56	Shri S. Kumar	Consumer
57	Shri Rakesh K.	PVVNL
58	Shri P.K. Tiwari	IIA
59	Shri Sushil Kumar	Consumer
60	Shri Manish	Consumer
61	Shri Rajeev	Consumer
62	Shri Naveen Jain	Consumer
63	Shri Parinay Shah	Advocate
64	Shri Saurabh	Consumer

List of Persons who attended Public Hearing at Greater Noida on May 11, 2016		
Sl. No.	**Name**	**Organization**
65	Shri Manoj Siradhna	IIA
66	Shri Saurabh	Consumer
67	Shri AlokNahar	Consumer
68	Shri Titu Sharma	Consumer
69	Shri Raj Sharma	Consumer
70	Shri Vikas Sharma	Consumer
71	Shri Sunil Pradhan	Consumer
72	Shri N.K. Upadhyay	Consumer
73	Shri Ramveer	Consumer
74	Shri Sunil Kumar	Consumer
75	Smt. Rupa Gupta	Consumer
76	Shri Harish Kumar	Consumer
77	Shri SonuRastogi	PVVNL
78	Shri SonikaHayaran	ABPS-Consultant, UPERC
79	Shri A.K. Agarwal	CGRF
80	Shri Atul Shrivastav	IERS
81	Shri SandeepBhati	Consumer
82	Shri Pradeep Agrawal	IIA
83	Shri R.K. Rastogi	Regulatory Commission
84	Shri PratapBhanu	CGRF
85	Shri Ram Gopal	Consumer
86	Shri K.L. Aggarwal	ASSOCHAM
87	Shri Subrat Kumar	ABPS-Consultant, UPERC
88	Shri Ajay Sharma	Consumer
89	Shri Sandeep	NEA
90	Shri J.S. Yadav	UPPCL
91	Shri HarenderBhati	Consumer
92	Shri Rahul Nagar	Consumer
93	Shri Atul Sharma	Consumer
94	Shri Surendra Sing	Consumer
95	Shri Devender	Consumer
96	Shri V.K. Sharma	Consumer
97	Shri Ashish Singh	Consumer
98	Shri P.K. Gupta	Consumer
99	Shri Birju	Consumer
100	Shri Salil Yadav	Consumer

List of Persons who attended Public Hearing at Greater Noida on May 11, 2016		
Sl. No.	**Name**	**Organization**
101	Shri Puneet Gupta	UPPTCL
102	Shri Naveen Bhati	Consumer
103	Shri Sanjay Agarwal	Consumer
104	Shri Alok Singh	Consumer
105	Shri Devendra Tiger	Consumer
106	Shri Deepak Bhati	Consumer
107	Shri Rajesh Gupta	Consumer

LIST OF PERSONS WHO HAVE ATTENDED PUBLIC HEARING AT LUCKNOW

List of Persons who attended Public Hearing at Lucknow on May 13, 2016		
Sl. No.	**Name**	**Organisation**
1	Shri Avadhesh Kumar Verma	Chairman, UPRVUP
2	Shri Rama ShankerAwasthi	Consumer
3	Shri Abhishek Gautam	Consumer
4	Shri SatenderVishwa Karma	Consumer
5	Shri Viswanath	Consumer
6	Shri RajuGautam	UPRVUP
7	Shri Janaav Khan	UPRVUP
8	Shri P.K. Maskara	Consumer
9	Shri M.P. Sharma	Consumer
10	Shri Ajay Agnihotri	Consumer
11	Shri Anand Singh	Consumer
12	Shri V.N. Gupta	Consumer
13	Shri A.K. Arora	NPCL
14	Shri B.N. Rai	CGRF
15	Dr. Amit Bhargava	Director (Tariff), UPERC
16	Shri Durga Prasad	Consumer
17	Shri Nitesh Tyagi	ABPS-Consultant, UPERC
18	Smt. Sonika Hayaran	ABPS-Consultant, UPERC
19	Shri Subrat Kumar Swain	ABPS-Consultant, UPERC
20	Shri Vaibhav Gupta	Consumer
21	Shri Omkar Mishra	Consumer
22	Shri P.C. Mishra	CGRF
23	Shri Naveen Gupta	Consumer
24	Shri Gaurav Srivastava	Consumer

List of Persons who attended Public Hearing at Lucknow on May 13, 2016		
Sl. No.	**Name**	**Organisation**
25	Shri R.S. Prasad	MVVNL
26	Shri Mohd. Tariq Warsi	MVVNL
27	Shri A.K. Pathak	CE, UPPCL
28	Shri Sehdev Singh Goel	UPPTCL
29	Shri Ram Swarath	Director(Comm),UPPTCL
30	Shri Sanjay Kr. Chaurasia	UPPTCL
31	Shri Ashok Das	CGRF
32	Shri M.L. Agarwal	CGRF
33	Shri A.K. Singh	KESCO
34	Shri Vivek Dikshit	UPPCL
35	Shri S. Joshi	UPPCL
36	Shri Sayed Abbas Rizvi	UPPCL
37	Shri S.K. Verma	LESA
38	Shri A.K. Kohli	MVVNL
39	Shri YogeshHajela	KESCO
40	Shri Kamlesh Chandra	CGRF
41	Shri S.C. Singh	CGRF
42	Shri Anil Kumar	CGRF
43	Shri Vijai Kumar	DVVNL
44	Shri Gaurav Nand	IERS
45	Ms.Priya Dwivedi	IERS
46	Ms.SurabhiSinha	IERS
47	Shri Hemant Yadav	Consumer

<u>LIST OF PERSONS WHO HAVE ATTENDED PUBLIC HEARING AT ALIGARH</u>

List of Persons who attended Public Hearing at Aligarh on May 20, 2016		
Sl. No.	**Name**	**Organisation**
1	Shri Raj Pal Singh	Consumer
2	Shri Nawab Singh	Consumer
3	Shri Jitendra Pal Singh	Consumer
4	Shri Raj Kumar	Consumer
5	Shri Mukesh Kumar Yadav	DVVNL
6	Dr. Amit Bhargava	Director (Tariff), UPERC
7	Shri R.B. Yadav	CGRF

List of Persons who attended Public Hearing at Aligarh on May 20, 2016		
Sl. No.	**Name**	**Organisation**
8	Shri B.S. Varshney	Consumer
9	Shri B.L. Jain	CGR
10	Shri Sachin Jain	Consumer
11	Shri Subhash Chand	Consumer
12	Shri Subrat Kumar Swain	ABPS-Consultant, UPERC
13	Shri Satish Chandra Sharma	Consumer
14	Shri Abhishek Upadhyay	Consumer
15	Shri Durvijay Singh	Consumer
16	Shri J.P. Sharma	Consumer
17	Shri Akarsh Garg	Consumer
18	Ms.Mansi J. Garg	Consumer
19	Shri Suresh Chawla	Consumer
20	Shri Harish Kumar	Consumer
21	Shri Devendra Kr. Saxena	Consumer
22	Shri Chandra Mohan Goyal	Consumer
23	Shri Haji Sulaiman	Consumer
24	Shri Gyan Chandra Varshney	Consumer
25	Shri Mahendra Singh	Consumer
26	Shri Vinod Varshney	Consumer
27	Shri Bimal Kumar Kheman	Consumer
28	Shri Vikram Singh	Consumer
29	Shri Chandrashekhar Sharma	Consumer
30	Shri Deepak Goyal	Consumer
31	Shri S.L. Mukherji	Consumer
32	Shri M.P. Singh	Consumer
33	Shri V.K. Mittal	Consumer
34	Shri O.P. Rathi	Consumer
35	Shri Y.M. Jha	Consumer
36	Shri R.S. Upadhyay	Consumer
37	Shri Sharad K.	Consumer
38	Shri Girraj	Consumer
39	Shri Pradeep Singhal	Consumer
40	Shri A.K. Shukla	UPPTCL
41	Shri Sandeep Kumar	UPPTCL
42	Shri S. Joshi	UPPCL
43	Shri D.C. Verma	UPPCL

List of Persons who attended Public Hearing at Aligarh on May 20, 2016		
Sl. No.	**Name**	**Organisation**
44	Shri N.K. Jain	Consumer
45	Shri M.L. Upadhyay	Consumer
46	Shri Girish Chand	UPPCL
47	Smt. AnguriSolanki	Consumer
48	Shri Shashi Singh	Consumer
49	Shri Deepak Sharma	Amar Ujala
50	Shri BhupendraVarshney	Consumer
51	Shri Sugam Srivastava	Hindustan
52	Shri SurjeetPundhir	Dainik Jagran
53	Shri Vivek Kumar	Hindustan
54	Shri B.M. Sharma	Consumer
55	Shri Nitin Agarwal	Consumer
56	Shri J.P. Verma	CGRF
57	Shri U.S. Paul	Consumer
58	Shri Yatendra YK	Consumer
59	Shri Rajesh Sorkoda	Consumer
60	Shri Mukesh K. Singh	Consumer
61	Shri Moin Khan	Consumer
62	Mohd. Shami	Consumer
63	Shri Sukhram	Consumer
64	Shri A.K. Singh	KESCO
65	Dr. G.R. Suman	Consumer
66	Shri Sharif Ahmad	Consumer
67	Shri Shailesh R. Desai	Torrent Power
68	Shri Subir Kr. Das	Torrent Power
69	Shri Rakesh	Torrent Power
70	Shri NareshBharti	DVVNL
71	Shri A.K. Saxena	DVVNL
72	Shri Vinod Kumar	CGRF
73	Shri Karan Singh	DVVNL
74	Shri AfzalHameed	Consumer
75	Shri G.P. Bhardwaj	Consumer
76	Shri M. Rihan	AMU
77	Shri A.K. Singh	MVVNL
78	Shri NirajKhandelwal	Consumer
79	Shri K.P. Singh	Consumer

List of Persons who attended Public Hearing at Aligarh on May 20, 2016		
Sl. No.	**Name**	**Organisation**
80	Shri Dulare Khan	Consumer
81	Shri Musharraf Husain	Consumer
82	Shri Ilias Ali	Consumer
83	Shri IqbalHussain	Consumer
84	Shri Mohd. Aslam	Consumer
85	Shri Prem Narayan	UPPCL
86	Shri Pradeep Ganga	Consumer
87	Shri Subodh Kumar	Consumer
88	Shri Atul Kr. Shrivastav	IERS
89	Shri Shariq K	Consumer
90	Shri. S K Gupta	Consumer
91	Shri Faizan	Consumer
92	Shri Rakesh	Consumer
93	Shri S.Zuber Khan	Consumer
94	Shri SukhdevVarshney	Consumer
95	Shri Sanjay Mishra	Consumer
96	Shri Deepak Agarwal	Consumer
97	Shri Shiv Dayal Sharma	Consumer
98	Dr. Kailash	Consumer
99	NawabArzoo	Consumer
100	Shri Naresh Kumar Sharma	Consumer
101	Shri GovindSharan Singh	Consumer
102	Shri Suraj	News
103	Shri Mahi Pal	Amar Ujala
104	Shri Dipendra	Consumer
105	Shri Prem Chandra	Consumer
106	Shri Har Narayan	Consumer
107	Shri Pramod	Zee News
108	Shri Manoj Kumar	Consumer
109	Shri Sugam	Hindustan
110	Shri Yash Krishna Singh	Consumer