

**BEFORE**

**THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION**

**LUCKNOW**

**In the matter of:**

Application for determination of ARR/Tariff for the FY 07-08 and FY 08-09 by M/s NPCL submitted under Regulation 135 of UPERC (Conduct of Business) Regulations 2004.

**And**

**In the matter of:**

Noida Power Company Limited, Noida.

**ORDER**

M/s Noida Power Company Limited, had filed a petition for determination of its Annual Revenue Requirement (ARR) and Tariffs for the FY 07-08 under Regulation 135 of UPERC (Conduct of Business) Regulations, 2004, read with Section 64 of the Electricity Act, 2003 and Section 24(4) of the UP Electricity Reforms Act, 1999 and the Provisions of UPERC (Terms and Conditions for Determination of Distribution Tariff) Regulations 2006 before the Commission on 30<sup>th</sup> March 2007.

In this context it is to highlight that para 8.4(2) of the Tariff Policy notified by the Central Government provides that-

*“The National Electricity Policy states that existing PPAs with the generating companies would need to be suitably assigned to the successor distribution companies. The State Government may make such assignments taking care of different load profiles of the distribution companies so that retail tariffs are uniform in the State for different category of consumers. Thereafter the retail tariffs would reflect the relative efficiency of the distribution companies in*

*procuring power at competitive cost, controlling theft and other distribution losses.”*

Therefore, in absence of allocation of PPAs to the respective discoms by the State Government, for maintaining uniform retail tariffs across State in accordance with the provisions of the Tariff Policy, the normal practice adopted by the Commission is to process all the petitions filed by different distribution companies in the State simultaneously. As no ARR/Tariff petitions for the FY 2007-08, by the State Government owned Distribution Companies, were before the Commission, the above petition filed by M/s NPCL, could not be processed. The ARR/Tariff petitions for the FY 2007-08, were finally filed by the State Government owned distribution companies and UP Power Transmission Corporation Limited as late as on 4<sup>th</sup> Oct. 2007.

In view of such delayed submissions of ARR/Tariff petitions for the FY 2007-08 by the Government owned distribution companies and UP Power Transmission Corporation Limited, the Commission thought it proper to process the ARR/Tariff petitions for the FY 2007-08 and 2008-09 together for all the distribution licensees with in the State simultaneously. The Commission, however, based on ARR/Tariff petitions submitted by Government owned distribution companies for the FY 2007-08, vide its order dated 19<sup>th</sup> October, 2007, allowed them a uniform provisional hike of Rs. 10/kW/month in fixed/demand charges, across all category of consumers (except domestic consumers under LMV-1 and PTW consumers under LMV-5). The same provisional hike in fixed/demand charges was also made applicable in the area of operation of M/s NPCL.

Subsequently, ARR/Tariff petition for the FY 2008-09 was filed by M/s NPCL on 29<sup>th</sup> November 2007. Preliminary examination petitions for the FY 2007-08 & 2008-09 by the Commission revealed certain information/data gaps, based on which a deficiency note was served on M/s NPCL and M/s NPCL was directed to submit the above information/data latest by 15<sup>th</sup> February 2008. M/s NPCL supplied most of the critical data as required by the Commission for the acceptance/admission of the petition vide its letter dated 14<sup>th</sup> February 2008.

The Commission finds the information/data submitted by M/s NPCL vide letter dated 14<sup>th</sup> Feb. 2008, to be generally in order and accordingly admits the petitions submitted by M/s NPCL for further processing. The Commission further directs M/s NPCL to publish a public notice detailing the salient information and facts of the ARR petitions for FY 07-08 and FY 08-09 in at least two daily newspapers (one Hindi and one English) widely circulated in the area of its

operation for comments by all stakeholders and public at large. **The Commission also directs M/s NPCL to furnish a copy of the above petition (including additional information) to UPPCL, UPPTCL and the State Government.**

The Commission however reserves the right to any further information/clarifications as deemed necessary during the processing of petitions for the FY 2007-08 and 2008-09.

(R.D. Gupta)  
Member

(P.N. Pathak)  
Member

(Vijoy Kumar)  
Chairman

Place: Lucknow

Dated: 5<sup>th</sup> March 2008