

Before
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Pet. No. 19 of 2022

In the Matter of:

Revision in Miscellaneous Charges as approved vide UERC's Tariff Order dated 31.03.2022 for FY 2022-23.

And

In the Matter of:

Managing Director,
Uttarakhand Power Corporation Ltd. (UPCL),
VCV Gabar Singh Urja Bhawan,
Kanwali Road, Dehradun

...Petitioner

Coram

Shri D.P. Gairola Member (Law) /Chairman (I/c)
Shri M.K. Jain Member (Technical)

Date of Order: September 27, 2022

ORDER

This Order relates to the Petition filed by Uttarakhand Power Corporation Limited (hereinafter referred to as "UPCL" or "the Petitioner" or "the licensee") seeking approval of the Commission for 'Revision in miscellaneous charges as approved vide the Commission's Order dated 31.03.2022 for FY 2022-23'.

Background

2. The Petitioner vide its letter No. 213/UPCL/RM/B-25 dated 23.06.2022 submitted a Petition for 'Revision in miscellaneous charges under Section 64(1) of the Electricity Act, 2003'.
3. The Petitioner in its Petition has submitted that during the course of the tariff determination proceedings for FY 2020-21, they had submitted a proposal to the Commission seeking revision in miscellaneous charges but the Commission did not consider their proposal and advised them to file a separate petition for seeking revision in miscellaneous charges.
4. The Petitioner in its Petition has submitted that the Commission at para 5.1.3.11 of the Tariff Order dated 18.04.2020 had directed the Petitioner that:

“... revision in miscellaneous charges pertaining to testing and installation of meters, the Commission would like to point out that the proposals were made after the public hearings were over and views of the stakeholders could not be sought on the proposals of UPCL. Hence, the Commission has not considered the same. However, the Petitioner is advised to file a separate Petition for seeking revision in miscellaneous charges and the Commission after seeking responses of all the stakeholders would take appropriate views on the same.”

5. Further, the Petitioner in its Petition has submitted that the Commission in the meeting dated 28.04.2022 had suggested it to examine/analyse the misc. charges mentioned in the Tariff Order for various services and may approach the Commission for revision of charges against the services.
6. The Petitioner in its Petition has also submitted that the miscellaneous charges as approved by the Commission for FY 2022-23 are same as that of miscellaneous charges approved by the Commission for FY 2013-14 vide its Tariff Order dated 06-05-2013. The miscellaneous charges as approved by the Commission for FY 2013-14 and FY 2022-23 are as follows:

“

S. No.	Nature of Charges	Unit	Approved for FY 2013-14 (Rs.)	Approved for FY 2022-23 (Rs.)
1	Checking and Testing of Meters			
	a. Single Phase Meters	Per Meter	50.00	50.00
	b. Three Phase Meters	Per Meter	75.00	75.00
	c. Recording Type Watt-hour Meters	Per Meter	170.00	170.00
	d. Maximum Demand Indicator/LT CT operated Meters	Per Meter	350.00	350.00
	e. Tri-vector Meters/HT Meters with CT/PT	Per Meter	1000.00	1000.00
	f. Ammeters and Volt Meters	Per Meter	65.00	65.00
	g. Special Meters	Per Meter	335.00	335.00
	h. Initial Testing of Meters	Per Meter	NIL	NIL
2	Subsequent testing and installation other than initial testing	Per Meter	80.00	80.00
3	Disconnection and Reconnection of supply on consumers request or non-payment of bill (for any disconnection or reconnection the charge will be 50%)			
	a. Consumer having load above 100 BHP/75 kW	Per Job	600.00	600.00
	b. Industrial and Non Domestic consumers upto 100 BHP/75 kW	Per Job	400.00	400.00
	c. All other categories of consumers	Per Job	200.00	200.00
4	Replacement of Meters			
	a. Installation of Meter and its subsequent removal in case of Temporary Connections	Per Job	75.00	75.00
	b. Changing of position of Meter Board at the consumer's request	Per Job	100.00	100.00
5	Checking of Capacitors (other than initial checking) on consumer's request:			
	a. At 400 V/230 V	Per Job	150.00	150.00
	b. At 11 kV and above	Per Job	300.00	300.00

7. Further, the Petitioner submitted that even after significant increase in inflation during the said period of 9 years, the miscellaneous charges have not been increased. Though there has been a minimal increase in the power purchase cost of the petitioner as compared to other Discoms, the power purchase cost including transmission charges of the petitioner increased from Rs. 2.83 p.u. (Rs. 3,174.33 Cr./11216.31 MU) [as per Audited Annual Accounts] to Rs. 4.41 p.u. (Rs. 6682.20 Cr./15142.06 MU) [as approved by UERC for FY 2022-23] during the said period of 9 years and there has been approximately 56% increase in power purchase cost over a period of 9 years.
8. The Petitioner has submitted that the existing actual cost of various activities/services is much more than the charges approved by the Commission for FY 2022-23 and the under recovery of this cost from the consumers who avail such services puts the additional financial burden on the consumers who do not avail these services, hence, there is need to determine these charges equivalent to cost of concerned service.
9. The miscellaneous charges as proposed by the Petitioner in its Petition are as follows:

“Proposed Schedule of Miscellaneous Charges

Sl. No	Nature of Charges	Unit	Miscellaneous Charges (Rs.)
1	<i>Testing of Meters on the request of consumer in case the consumer disputes the accuracy of the meter</i>		
	<i>a. Single Phase Meters</i>	<i>Per Meter</i>	<i>400.00</i>
	<i>b. Three Phase Meters</i>	<i>Per Meter</i>	<i>500.00</i>
	<i>c. LT Tri-vector Meters</i>	<i>Per Meter</i>	<i>2000.00</i>
	<i>d. 11 kV Tri-vector Meters</i>	<i>Per Meter</i>	<i>3000.00</i>
2	<i>Initial testing of Bidirectional/Net Meters</i>		
	<i>a. Single Phase Meters</i>	<i>Per Meter</i>	<i>400.00</i>
	<i>b. Three Phase Meters</i>	<i>Per Meter</i>	<i>600.00</i>
	<i>c. LT Tri-vector Meters</i>	<i>Per Meter</i>	<i>1000.00</i>
	<i>d. 11 kV Tri-vector Meters</i>	<i>Per Meter</i>	<i>1500.00</i>
3	<i>Disconnection and Reconnection of supply on consumers request or non-payment of bill (for any disconnection or reconnection the charge will be 50%)</i>		
	<i>a. Consumer having load above 100 BHP/75 kW</i>	<i>Per Job</i>	<i>1200.00</i>
	<i>b. Industrial and Non Domestic consumers upto 100 BHP/75 kW</i>	<i>Per Job</i>	<i>800.00</i>
	<i>c. All other categories of consumers</i>	<i>Per Job</i>	<i>400.00</i>

SL No	Nature of Charges	Unit	Miscellaneous Charges (Rs.)
	Replacement of Meters		
4	a. Installation of Meter and its subsequent removal in case of Temporary Connections	Per Job	150.00
	b. Changing of position of Meter Board at the consumer's request	Per Job	200.00
5	Checking of Capacitors (other than initial checking) on consumer's request:		
	a. At 400 V/230 V	Per Job	300.00
	b. At 11 kV and above	Per Job	600.00
Note: In addition to the above charges, the taxes shall be payable as applicable.			

10. On preliminary examination of the Petition, certain deficiencies/requirement of additional information were observed and the same were sent to UPCL for furnishing their reply vide Commission's letter dated 29.06.2022. The deficiencies/requirement of additional information are detailed as under: -

"

- 1) Basis of computation of each item.
- 2) Whether charges for CT/PT included in the charges for testing/replacement of meters against each line item.

Besides above, you are also required to include charges for following services in accordance with UERC (Electricity Supply Code, Release of Connections and Related Matters) Regulations, 2020: -

- a. Charges for Real Time Display Unit/Home Display Unit at the consumer premise on the request of consumer as per Regulation 5.1.1(3).
- b. Charges for Special reading of the consumer meter as per Regulation 5.1.2(9)."

11. In response to the Commission's letter dated 29.06.2022, the Petitioner vide its letter dated 14.07.2022 submitted its compliance as follows:

- (1) With regard to the basis of computation of 'Testing of Meters on the request of consumer in case the consumer disputes the accuracy of the meter each line item', the Petitioner submitted that keeping in view the increase in inflation and increase in power purchase cost during previous 9 years and the efforts involved in these activities, these charges have been proposed on estimation basis. Further, it is to submit that testing of LT Tri Vector Meter (TVM), 11 kV Tri Vector Meter & 33kV Tri Vector Meter (TVM) testing also includes handling of peripherals such as Current Transformers (CT), Potential Transformers (PT) or both in few cases. Furthermore, for service

connections having contracted load more than 500 kVA released on 11 kV or 33 kV voltage, officials of the rank of Executive Engineer & above are entrusted to visit the consumer premises multiple times during installation and finalization of the check meter while for the rest of 11 kV & LT TVM installed meters or connections, Assistant Engineer has been entrusted to carry out the job. For remaining smaller connections Junior Engineer and Junior Meter Technician (JMT) have been assigned to perform the testing. Further, the Petitioner submitted that testing charges should not be deterrent for the consumers and at the same time it is also important that these charges should be reasonable enough for the Petitioner as it calls for substantial efforts. Moreover, the Petitioner submitted that testing charges should be such that only genuine complaints and flooding of such requests can be avoided.

- (2) With regard to 'Initial testing of Bidirectional / Net Meters', the Petitioner has submitted that since consumers shall carry the meter to the testing facility, these charges are considered lesser or equivalent to the check meter charges. Moreover, as single phase meters are quite large in number, it is expected that at one time several meters will be available for testing and they can be checked and tested in one instance. But for other meters such as LT TVM, 11kV TVM & 33kV TVM, various other tests such as T.O.D testing, additional events & tampers etc. need to be performed and only 1-2 meter will be available at one time on the complete bench for testing which requires significant time and resource personnel of the Petitioner. Therefore, the charges for TVM meters are considered on higher side in comparison to single phase and three phase meters.
- (3) With regard to 'Disconnection and Reconnection of supply on consumers request or non-payment of bill (for any disconnection or reconnection the charge will be 50%)', the Petitioner has submitted that this activity would either be required on special request of the consumer occasionally or by the petitioner on default by the consumer towards non-payment of dues. Therefore, considering the increase in inflation during previous 9 years, these charges have been made double of the existing charges.

- (4) With regard to 'Replacement of Meters', the Petitioner submitted that these activities would be required on a special request of consumer occasionally. Therefore, these charges have been proposed on the basis of efforts to be made the Petitioner's staff for fulfilling the special request of the Consumers.
 - (5) With regard to 'Checking of Capacitors', the Petitioner submitted that considering the increase in inflation and increase in power purchase cost during previous 9 years, these charges have been made double of the existing charges.
 - (6) With regard to confirmation 'whether charges for CT/PT are included in the charges for testing / replacement of meters against each line item', the Petitioner has confirmed that the charges of CT/PT are included.
 - (7) With regard to 'Charges for Real Time Display Unit/Home Display Unit at the consumer premise on the request of the consumer as per Regulation 5.1.1 (3)', the Petitioner submitted that a separate communication cable would be required to be taken/laid at the consumer premises for this purpose. Moreover, under RDSS (Revamped Distribution Sector Scheme) of MoP, GoI most of the post-paid meters would be replaced by Smart Meters. Further, the Petitioner, requested to exempt it from installation of Real Time Display Unit/Home Display Unit at the consumer premise and not include the Charges for such display unit in the schedule of miscellaneous charges.
 - (8) With regard to 'Charges for Special reading of the consumer meter as per Regulation 5.1.2(9)', the Petitioner submitted that if the consumer desires to have special reading taken, the same shall be arranged by the Petitioner on payment of proposed charges of Rs. 100.
12. Thereafter, the Commission vide its letter dated 20.07.2022 directed the Petitioner to publish a public notice within 03 days detailing the salient information and facts of the proposal in at least two daily newspapers (one Hindi and one English) widely circulated in the area of its operation both in Hindi and English languages for comments by all the stakeholders and public at large latest by **19.08.2022**. Further, the Petitioner was directed to place the proposal on its website and headquarter/other offices for inspection or making relevant extracts available to the public. The Commission added the proposed charges for special reading of

consumer meter in the aforesaid Public Notice so that the comments of Stakeholders are also received on the same along with other proposed miscellaneous charges.

13. In response to the Commission's letter dated 20.07.2022, the Petitioner vide its letter dated 04.08.2022 furnished its compliance w.r.t. publishing of the public notice for seeking comments of stakeholders on the miscellaneous charges proposed by the Petitioner.
14. As per schedule, a public hearing in the matter was held on 24.08.2022 in which Petitioner and Stakeholders were present and furnished their responses before the Commission. The Commission vide its Order dated 24.08.2022 directed the Petitioner to furnish detailed analysis and rationale along with computation for the proposed miscellaneous charges within 15 days of the Order.
15. In compliance to the Commission's Order dated 24.08.2022, the Petitioner vide its letter dated 08.09.2022 furnished the desired information stating that existing miscellaneous charges are causing under recovery of cost from the consumers who avail such services and put additional financial burden on the consumers who do not avail these services. Further, the Petitioner has attempted in substantiating the computation for charges for the respective miscellaneous charge proposed by it in its Petition. The Petitioner attempted to substantiate the charges on account of expenses incurred on proportionate hourly salary of Engineers/Skilled/un-skilled employees, TA/DA, vehicle hire charges, cost of meter test benches, AMC of meter test benches etc. Further, the Petitioner has provided a table of summary of the Miscellaneous Charges computation as mentioned below: -

S. No.	Nature of Charges	Unit	Team Size required for the Service	Average total hours required (Hours)	Hourly manpower Charges of the team (In Rs.)	Total manpower Charges of the team for the service (In Rs.)	Other incidental Charges i.e. conveyance, TA/DA, labour, equipment cost etc. (In Rs.)	Total Computed Charges for the service (In Rs.)	Proposed Miscellaneous Charges for the service (In Rs.)
a	b	c	d	e	f	$g = e \times f$	h	$i = g + h$	j
1.	Testing of the Meter on the request of consumer in case the consumer disputes the accuracy of the meter								
	Single Phase Meter	Per Meter	1 JMT	4 Hours	150.00	600.00	400.00	1000.00	400.00
	Three Phase Meter	Per Meter	1 JMT	5 Hours	150.00	750.00	450.00	1200.00	500.00
	LT Tri-vector Meter	Per Meter	1 JMT, 1 Skilled Coolie	8 Hours	258.00	2064.00	2000.00	4064.00 rounded as 4000.00	2000.00
	11 kV Tri-vector Meter	Per Meter	1 JE, 1 JMT, 1	14 Hours	662.00	9268.00	9000.00	18268.00	3000.00

S. No.	Nature of Charges	Unit	Team Size required for the Service	Average total hours required (Hours)	Hourly manpower Charges of the team (In Rs.)	Total manpower Charges of the team for the service (In Rs.)	Other incidental Charges i.e. conveyance, TA/DA, labour, equipment cost etc. (In Rs.)	Total Computed Charges for the service (In Rs.)	Proposed Miscellaneous Charges for the service (In Rs.)
a	b	c	d	e	f	$g = e \times f$	h	$i = g + h$	j
			Cable Jointer, 1 Skilled Coolie					rounded as 18000.00	
	33 kV Tri-vector Meter	Per Meter	1 EE, 1 JE, 1 JMT, 1 Cable Jointer, 1 Skilled Coolie	14 Hours	1041.00	14574.00	11000.00	25574.00 rounded as 25000.00	5000.00
Initial Testing of Bidirectional/ Net Meters									
2.	Single Phase Meter	Per Meter	1 JE (M), 1 JMT	1.25 Hours	202.00	253.00	2500.00	2753.00	400.00
	Three Phase Meter	Per Meter	1 JE (M), 1 JMT	2 Hours	202.00	404.00	2500.00	2904.00	600.00
	LT Tri-vector Meter	Per Meter	1 JE (M), 1 JMT	3 Hours	202.00	606.00	2500.00	3106.00	1000.00
	11 kV Tri-vector Meter	Per Meter	1 JE (M), 1 JMT	3 Hours	202.00	606.00	2500.00	3106.00	1500.00
	33 kV Tri-vector Meter	Per Meter	1 JE (M), 1 JMT	3 Hours	202.00	606.00	2500.00	3106.00	2000.00
Disconnection and Reconnection of supply on consumers request or non - payment of bill (for any disconnection or reconnection the charge will be 50%)									
3.	Consumers having load above 100 BHP/ 75 kW	Per Job	1 AE, 1 JE, 1 Lineman	4 Hours	721.00	2884.00	2200.00	5084.00 rounded as 5000.00	1200.00
	Industrial and Non Domestic consumers up to 100 BHP/ 75 kW	Per Job	1 JE, 1 Lineman	4 Hours	404.00	1616.00	1400.00	3016.00 rounded as 3000.00	800.00
	All other Categories of consumers	Per Job	1 Lineman, 1 Skilled Coolie	4 Hours	258.00	1032.00	500.00	1532.00 rounded as 1500.00	400.00
Replacement of Meters									
4.	Installation of meter and its subsequent removal in case of Temporary Connection	Per Job	1 JMT/1 Lineman	4 Hours	150.00	600.00	400.00	1000.00	150.00
	Changing of position of meter board at the	Per Job	1 Lineman	2.5 Hours	150.00	375.00	200.00	575.00	200.00

S. No.	Nature of Charges	Unit	Team Size required for the Service	Average total hours required (Hours)	Hourly manpower Charges of the team (In Rs.)	Total manpower Charges of the team for the service (In Rs.)	Other incidental Charges i.e. conveyance, TA/DA, labour, equipment cost etc. (In Rs.)	Total Computed Charges for the service (In Rs.)	Proposed Miscellaneous Charges for the service (In Rs.)
a	b	c	d	e	f	$g = e \times f$	h	$i = g + h$	j
	consumer request								
5.	Checking of Capacitors (other than initial checking) on consumer request								
	At 400 V/ 230 V	Per Job	1 JE	2.5 Hours	254.00	635.00	400.00	1000.00 rounded	300
	At 11 kV & above	Per Job	1 AE	4 Hours	317.00	1268.00	800.00	2000.00 rounded	600
6.	Charges for the special reading of the consumer meter	Per job	1 JMT	1.5	150.00	225.00	200.00	425.00	100.00

16. Further, the Petitioner in its submission dated 08.09.2022 has furnished that “... the above-mentioned manpower charges have been computed taking into consideration the starting gross salary of each officer/official involved in the delivery of the aforementioned services. The miscellaneous charges proposed by UPCL are far less in comparison to actual cost involved for providing the various miscellaneous services as computed above. Balance gap in the cost will be proposed by the petitioner in future ARRs in phased manner in order to avoid extreme increase in miscellaneous charges for the consumers or, if Hon’ble commission deems fit, may like to approve the miscellaneous charges as computed above at column i of the table illustrated at para 3 above.”

Commission’s Observations, Views & Directions:-

17. On examination of the Petition and subsequent submissions made by the Petitioner, following has been observed that:-

- (1) The miscellaneous charges have not been revised since FY 2013-14 i.e. for last 10 years.
- (2) The Petitioner has more or less attempted to substantiate the proposed miscellaneous charges for the services based on the proportionate hourly salary of Engineers/Skilled/un-skilled employees involved for a particular service, TA/DA expenses, vehicle hire charges, cost of meter test benches, AMC of meter test benches etc. meaning thereby the Petitioner has attempted to portray a picture of expenses which is broadly focused on manpower

expenses and do not specifically illustrate on other expenses expected to be incurred while rendering the said services.

- (3) With regard to computation of miscellaneous charges, no scientific computation based on CPI/WPI has been furnished for substantiating the proposed charges. Further, the Commission has observed that the Petitioner has not attempted in identifying the expenses of consumable nature which would be incurred while rendering the said miscellaneous services. Ideally the charges of consumable nature only should be taken as miscellaneous charges from the consumers and other expenses incurred on rendering such services should be socialized through the Tariff mechanism on all the consumers.

18. On the above submissions and observations, the Commission is of the view that: -

- (1) Computation of the Petitioner was purely tentative in nature. While proposing the miscellaneous charges before the Commission no attempt for computation of back-up calculation was done till the same was emphasized by the Commission.
- (2) Some of the charges proposed by the Petitioner appear to be justified from the inflation perspective considering the years elapsed since last revision. However, few charges appear to be exponentially higher particularly the services pertaining to meter testing, which appear disproportionately high in comparison to the meter cost itself.
- (3) The Commission is of the view that on one side, the burden of miscellaneous charges should not be unnecessarily passed on to the other consumers who are not availing the services and at the same time, the charges for the said miscellaneous services should not be exorbitantly high so that it creates a deterrence for the genuine consumers from availing the services. In-fact, the Commission understands that these services act as an feedback for the Discom for improving its services, quality standards, procedures, procurement processes, availability of power supply and revenue recovery.
- (4) With regard to the Petitioner's submission that Balance gap in the cost will be proposed by the Petitioner in future ARRs in phased manner, the Commission is of the view that the Petitioner need not to separately claim

the Balance gap, in-fact the mechanism for the same already exists in the Tariff process. In the cost plus regime, the Discom claims its expenses under the respective head of O&M expenses i.e. employee expense, A&G expense and R&M expense. Further, any earning from miscellaneous charges is treated as Non-Tariff income in ARR and it gets deducted from the overall ARR. Therefore, a part of the total expenses incurred on rendering miscellaneous services is recovered from the consumer availing the service and the balance expense is automatically recovered through ARR cost plus mechanism.

19. In light of the above: -

- (1) The Commission decides to approve the miscellaneous charges as per **Table-I ‘Schedule of Miscellaneous Charges’** below and hereby revise the miscellaneous charges approved vide Commission’s Tariff Order dated 31.03.2022. These charges shall be effective from **01.11.2022** till further revision by the Commission.

Table-I ‘Schedule of Miscellaneous Charges’

[Charges applicable from 01.11.2022 till further revision by the Commission]

Sl. No	Nature of Charges	Unit	Miscellaneous* Charges (Rs.)
1	Testing of Meters on the request of consumer in case the consumer disputes the accuracy of the meter		
	a. Single Phase Meters	Per Meter	100.00
	b. Three Phase Meters	Per Meter	150.00
	c. LT Tri-vector Meters	Per Meter	700.00
	d. 11 kV Tri-vector Meters	Per Meter	2000.00
	e. 33 kV Tri-vector Meters	Per Meter	2500.00
2	Initial testing of Bidirectional/Net Meters		
	a. Single Phase Meters	Per Meter	200.00
	b. Three Phase Meters	Per Meter	300.00
	c. LT Tri-vector Meters	Per Meter	1000.00
	d. 11 kV Tri-vector Meters	Per Meter	1500.00
	e. 33 kV Tri-vector Meters	Per Meter	2000.00
3	Replacement of Meters		
	a. Installation of Meter and its subsequent removal in case of Temporary Connections	Per Job	150.00
	b. Changing of position of Meter Board at the consumer’s request	Per Job	200.00
4	Checking of Capacitors (other than initial checking) on consumer’s request:		
	a. At 400 V/ 230 V	Per Job	300.00
	b. At 11 kV and above	Per Job	500.00
5	Charges for special reading of consumer meter	Per Job	100.00

Sl. No	Nature of Charges	Unit	Miscellaneous Charges* (Rs.) for Disconnection/Reconnection		
			Permanent Disconnection on consumer's request	For Non-payment of Dues	
				Disconnection	Reconnection
6	a. Consumer having load above 100 BHP/75 kW	Per Job	1000.00	500.00	500.00
	b. Industrial and Non Domestic consumers upto 100 BHP/75 kW	Per Job	600.00	300.00	300.00
	c. All other categories of consumers	Per Job	300.00	150.00	150.00

* Taxes & duties as applicable shall be extra.

- (2) The Petitioner is directed to publish the above approved Miscellaneous Charges in at least two daily newspapers (one Hindi and one English) widely circulated in the area of its operation both in Hindi and English languages within 03 days. Further, the Petitioner is directed to place the same on its website and headquarter/other offices for the information of the public.

Ordered accordingly.

(M.K. Jain)
Member (Technical)

(D.P. Gairola)
Member (Law)/Chairman (I/c)