

Reply to 2ND Information Requirement / Discrepancies/ Data Gaps in the Petition No.

2048 of - 2023

Dated: - 30th November , 2023

Of

True-up (FY 2022-23), Annual Performance Review (FY 2023-24), Aggregate Revenue

Requirement (FY 2024-25) of KESCO

KESCO

True-up of FY 2022-23:

General:

1. Commission vide its letter No. UPERC/Secy/D(T)/2024-1755 dated 5.2.2024 has shared 1st Information Requirement / Discrepancies / Data Gaps to the petitioner. Reply on same was submitted by the petitioner on 27.03.2024. On examination of petitioner's reply, following discrepancies were observed.

Sr.	Discrepancies sought	Petitioner's Reply	Remarks
2	The Petitioner to submit the Billing Determinants on month wise, category-wise and slab-wise basis.	Slab wise details not submitted.	The Petitioner is again directed to submit the requisite details.
15	The Petitioner to submit the calculation of BST and DBST in Excel along with the duly filled and linked corresponding formats as per the status of formats as detailed in Annexure -1. Further, it is to reconcile Audited Financial Statements with DBST computed values.	Petitioner has not submitted F13 & F13H of MYT Format.	Petitioner is again directed to submit the missing MYT Format.
18	In regard 'annual other cost' the Petitioner is required to adjust all values given in this column under the heads of annual fix charges, annual energy charges with explanation. Submit the revised Table with links.	Petitioner has not provided detailed break-up of station-wise and head-wise cost.	Petitioner, is again directed to submit requisite detail.
20	The Petitioner to insert a column of plant wise PLF in the Table 2-6 & resubmit the same.	Petitioner submitted partial details and PLF of certain stations (e.g. Anapara -D, Parichha ext., Tanda, etc) are missing.	The Petitioner to insert a column of plant wise PLF in the Table 2-6 & resubmit the same.
27	The Petitioner to provide consumer category/ sub-category wise details of energy received under net metering/ net feed-in arrangement and reconcile the same with the	Petitioner has not provided details.	Petitioner is directed again to provide the same.

Sr.	Discrepancies sought	Petitioner's Reply	Remarks
	Audited Financial Statements.		
55	The Petitioner to provide the total amount under following heads: (a) 2% discount given on prepaid connections; (b) 1% rebate given for early payments; (c) Interest paid on advance payment of electricity bill; (d) Any other rebate. (e) Amount paid as compensation or others in SOP Regulations.	Data not submitted.	Petitioner is again directed to submit requisite details.

Response:

Petitioners' submission in above points of Hon'ble Commission is as follows:

A. It is humbly submitted that as regards, submission of Billing Determinants on month wise, category-wise is already submitted to the Hon'ble Commission in response to first Data gap. Further, the slab-wise data is part of the already submitted revenue model, it is requested that the same may be considered by the Hon'ble Commission.

B. In regard to Commissions query:

The Petitioner to submit the calculation of BST and DBST in Excel along with the duly filled and linked corresponding formats as per the status of formats as detailed in Annexure -1. Further, it is to reconcile Audited Financial Statements with DBST computed values.

It is submitted that allocation of power purchase among Discom is being done based on previous years sales due to non-finalization of sales for current quarter. The Hon'ble Commission is respectfully submitted may kindly consider the power purchase cost as per the balance sheet of respective Discom. Further, in the Petition the cost allocation is being considered based on the audited balance sheet of respective Discom which is cumulative consideration of quarterly balance sheets of discoms which has already been finalized and audited by CAG. It is respectfully submitted that for FY 23-24 and FY 2024-25 power purchase allocation is being done as per the methodology adopted by the commission in its tariff order and the same is already submitted in MYT formats submitted along with Petition.

C. In regard to Commissions query:

In regard 'annual other cost' the Petitioner is required to adjust all values given in this column under the heads of annual fix charges, annual energy charges with explanation. Submit the revised Table with links.

It is submitted that the detailed breakup (Bill Headwise) of LPS is attached as **Annexure-A**.

D. In regard to Commissions query:

The Petitioner to insert a column of plant wise PLF in the Table 2-6 & resubmit the same.

The details are attached under **Annexure-B**.

E. In regard to Commissions query:

The Petitioner to provide consumer category/ sub-category wise details of energy received under net metering/ net feed-in arrangement and reconcile the same with the Audited Financial Statements.

It is submitted that the preparation of details is under progress and the same will be submitted to the Commission in due course.

F. In regard to Commissions query:

The Petitioner to provide the total amount under following heads: (a) 2% discount given on prepaid connections; (b) 1% rebate given for early payments; (c) Interest paid on advance payment of electricity bill; (d) Any other rebate. (e) Amount paid as compensation or others in SOP Regulations.

It is submitted that the preparation of details is under progress and the same will be submitted to the Commission in due course.

2. Petitioner to provide the details of designation wise, Billing determinants (i.e. Number of Consumers, Load (kW), Sales (MUs), Revenue (Rs. Cr.)) for the Employees/ Pensioner of petitioners inside LMV-1 Category.

Response:

It is submitted that the details of designation wise, Billing determinants (i.e. Number of Consumers, Load (kW), Sales (MUs), Revenue (Rs. Cr.)) for the Employees/ Pensioner of petitioners , as in the process of ledgerisation under LMV-1 Category, are detailed in **Annexure-C**.

3. In response to the directive related to metering of LMV-10, petitioner in its petition has requested to allow additional time to complete the metering of LMV-10. Accordingly, petitioner is directed to provide the current status for metering of LMV-10 consumers till date. Future, petitioner is also directed to provide time-based plan for completion of metering.

Response:

It is submitted that the Hon'ble Commission in its tariff order For FY 2023-24 has abolished the LMV-10 Tariff category. Further the Hon'ble Commission has also abolished unmetered category under LMV-1. The migration of LMV-10 is under progress and substantial improvement is recorded same can be ascertained from the decreasing LMV-10 consumer of Petitioner.

4. As per Regulation 11.3 of UPERC MYT Regulations, 2019 petitioner is required to submit the status of compliance of directives issued by the Commission in previous three Tariff Orders. Further, it has been observed that the petitioner in its petition has only submitted the compliance status of directives in Tariff Order dated 24.05.2023 for FY 2023-24. In this regard the petitioner is required to submit the compliance status of directives issued by the Commission in Tariff Order for FY 2022-23 dated 20.07.2022 & Tariff Order for FY 2021-22 dated 29.07.2021.

Response:

It is submitted that the status of compliance of directives issued by the Commission in Tariff Order for FY 2022-23 dated 20.07.2022 & Tariff Order for FY 2021-22 dated 29.07.2021 are detailed in **Annexure-D**.

5. Considering the APTEL judgment dated 15.02.2024, it was clarified that the railways are not deemed licensees and are liable to pay Additional/Cross-Subsidy Surcharge. In this regard, the Petitioner should clarify the initiatives taken by it to raise the demand/collection w.r.t. open access charges including CSS from Indian Railways. In case, any demand/collection is made, the petitioner is directed to provide details of the same, if not, the petitioner to provide reasons for the same.

Response:

It is submitted that as per the order of Hon'ble Supreme Court for hearing dated 06-05-2024, the Railways shall not be required to pay either the cross-subsidy surcharge or, as the case may be the additional surcharges to the distribution licensees. As such the Petitioner is obligated to follow the same. The Supreme Court order is attached as **Annexure-E**.

6. Petitioner to provide the quarterly summary of Fuel Surcharge claimed during FY 2022-23 & FY 2023-24.

Response:

It is submitted that the Petitioner has submitted the details vide letter no. XX dated XX, the same has been attached **Annexure-F**.

7. Petitioner to provide the average hour of supply per day for Tariff category/Sub-category and to each Tariff slab within such Tariff category/Sub-category in FY 2022-23 & FY 2023-24.

Response:

It is submitted that the details sought by the Hon'ble Commission are attached under **Annexure-G**.

8. Petitioner to provide the consumer category-wise details as per following format:

Particular	Last available month of FY 2023-24	
	Number of Consumer	Sanctioned Load (kW)
Consumer Category 1		
<i>0-1 kW-sanctioned load</i>		
<i>1-5 kW-sanctioned load</i>		
<i>5-10 kW-sanctioned load</i>		
<i>10-25 kW-sanctioned load</i>		
<i>25-50 kW-sanctioned load</i>		
<i>Above 50 kW-sanctioned load</i>		
Consumer Category 2		
<i>0-1 kW-sanctioned load</i>		
<i>1-5 kW-sanctioned load</i>		
<i>5-10 kW-sanctioned load</i>		
<i>10-25 kW-sanctioned load</i>		
<i>25-50 kW-sanctioned load</i>		

<i>load</i>		
<i>Above 50 kW-sanctioned load</i>		

Response:

It is submitted that the preparation of details is under progress and the same will be submitted to the Commission in due course.

9. Petitioner to provide average hourly peak load (in MW) for FY 2020-21, FY 2021-22 and FY 2022-23 as per below format:

Time	FY											
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
00-01												
01-02												
02-03												
03-04												
04-05												
05-06												
06-07												
07-08												
08-09												
09-10												
10-11												
11-12												
12-13												
13-14												
14-15												
15-16												
16-17												
17-18												
18-19												
19-20												
20-21												
21-22												
22-23												
23-24												

Response:

It is submitted that the details sought by the Hon'ble Commission are attached under **Annexure-G**.

Billing Determinants:

10. From Table-7 & 8 of audited accounts for FY 2022-23, it is observed that the categories shown in the said tables are not as per the categories provided in the rate schedule approved by the Commission (for eg. Miscellaneous sale of 10.12 MUs in FY 2022-23 as shown in Table 7 of Audited Accounts). Accordingly, it is directed to reconcile the Category-wise Sales & Revenue of FY 2022-23 as submitted by the petitioner, with the Sales & Revenue as shown in Table 7 & 8 of Audited Accounts.

Response:

It is submitted that the Petitioner has considered restated sales figure after the finalization of the audited balance sheet. It is requested to the Hon'ble Commission to Kindly Consider the same.

11. Petitioner to provide the details for consumer category-wise energy sales (MUs) and revenue earned through the Green Energy Tariff in FY 2022-23. Petitioner to further, reconcile the revenue earned through the Green Energy Tariff in FY 2022-23, with the audited accounts.

Response:

It is submitted that the details sought by the Hon'ble Commission are attached under **Annexure-M**.

12. Petitioner to provide the billing determinants for Fisheries consumers in their licensee area.

Response:

It is submitted that Petitioner is obligated to maintain the data in the Commissions approved categories as per the rate Schedule. As such billing determinants data pertaining to 'Fisheries' category is not available with Petitioner.

13. The Petitioner to provide consumer category-wise/ Sub-category wise Prepaid metering and their month wise actual billing determinants and revenue for FY 2022-23 and FY 2023-24 (up to latest available month).

Response:

It is submitted that the preparation of details is under progress and the same will be submitted to the Commission in due course.

Power Purchase:

14. Petitioners vide letter No. UPERC/Secy/D(T)/2024-1612 dated 9.1.2024 was asked to provide reconciled power purchase cost, inter-state transmission & intra state transmission cost in Audited Financial Statements with the submissions that has been made. In reply, petitioner has not provided the reconciliation sought in query. Based on the submission of the petitioner, in regard to power purchase following were further observed:

Reference Document	Power Purchase Claimed (in Rs. Crore)
F13 of MYT Format	68311.07
Note 22 of Audited Accounts of UPPCL	68653.93
Audited Account of State DISCOMs	71,591.42 (DVVNL- 15,210.53, MVVNL- 16370.06, PVVNL- 21,514.20, PuVVNL- 16,030.96, KESCO- 2465.67)

Due to such variation in Power Purchase, Petitioner is again directed to reconcile each component of power purchase claimed in the Petition with the audited accounts of Petitioner and UPPCL.

Response:

It is submitted that the Commission had directed the Petitioner to reconcile power purchase as per audited accounts of discom Vis-à-vis Note 22 of Audited accounts of UPPCL. In this regard it is submitted that the Commission has considered Transmission charges under power purchase from UPPCL, for instance the breakup of Transmission charge and Power purchase from UPPCL is provided under Note-21 of Audited balance sheet of DVVNL.

In light of above the reconciliation of each power component of power purchase claimed in the Petition with the audited accounts of Petitioner and UPPCL is as follows:

Table-1

RECONCILIATION OF POWER PURCHASE OF DISCOMS AND UPPCL							
Rs. In Crores							
Sl.No	PARTICULARS	DVVNL	MVVNL	PVVNL	PuVVNL	KSECO	TOTAL

RECONCILIATION OF POWER PURCHASE OF DISCOMS AND UPPCL							
Rs. In Crores							
Sl.No	PARTICULARS	DVVNL	MVVNL	PVVNL	PuVVNL	KSECO	TOTAL
A	Purchase as per DISCOM's Balance Sheet as on 31.03.2023	14,492.63	15,677.33	20,525.14	15,235.90	2,358.59	68,289.59
B	Sale as per UPPCL's Balance Sheet as on 31.03.2023	14,572.40	15,763.64	20,638.13	15,319.77	2,371.58	68,665.52
C	Adjustments as per UPPCL's Balance Sheet as on 31.03.2023 (Start-up sale to M/s Neyveli Uttar Pradesh Power Ltd.)						-11.59
D	Net Sale as per UPPCL's Balance Sheet as on 31.03.2023 (B+C)	14,572.40	15,763.64	20,638.13	15,319.77	2,371.58	68,653.93
E	Difference between Discom's Purchase and UPPCL's Sale (A-D)	-79.77	-86.31	-112.99	-83.87	-12.99	-364.34
F	Adjustments in the books of UPPCL						
1)	Prior Period Expenses (AG 83.1 Net)	-					-355.06
2)	Start-up sale to M/s Neyveli Uttar Pradesh Power Ltd.						11.59
3)	Un-billed Power Sale of 2022-23 (AG 23.42)						-21.48
4)	Other Income related to Prior period (Subsidy Receivable IREDA (AG code 65.9))						0.61
	Total Adjustments in the books of UPPCL (1+2+3+4)	-	-	-	-	-	-364.34
G	Net Sale in the books of UPPCL after adjustments (E+F)						68,289.59

Table-2

RECONCILIATION OF POWER PURCHASE AS PER UPPCL BALANCE SHEET AND MIS FOR THE FY 2022-23				
S. No.	PARTICULARS	AS PER B/S	AS PER MIS	DIFFERENCE
		(Rs. Crores)	(Rs. Crores)	(Rs. Crores)
1	Power Purchase from Generators & Traders	61,805.10	61,744.46	60.64
2	Surcharge (LPS)	583.47	583.47	0.00
3	Unscheduled Inter Charges	-77.01	-77.01	-
4	Reactive Charges	9.12	9.12	-
5	Transmission Charges	6,846.55	6,907.19	-60.64
	Gross Power Purchase (A)	69,167.23	69,167.23	0.00
8	Rebate & Other Credits	237.87	237.87	-
9	Subsidy Receivable (IREDA & NEDA) (AG Code 63.140 & 63.150)	275.42	275.42	-
10	U.I. Charges Receivable (AG Code 62.803)			-
11	Reactive Charges Receivable (AG Code 62.804)			-
12	LPS Receivable (AG Code 62.805)			-
13	Subsidy Receivable (IREDA) (AG Code 65) - Prior Period			-
	Total Rebate & Other Credits (C)	513.29	513.29	-
	Net Power Purchase (A + B - C)	68,653.94	68,653.94	0.00

Further, it is submitted that the Net Power Purchase after adjustments of prior period balance i.e Rs (355.06) crore , Start-up sale to M/s Neyveli Uttar Pradesh Power Ltd i.e Rs. 11.59 crore and Subsidy Receivable (IREDA) (AG Code 65) - Prior Period i.e Rs. (0.61) crore, amount to Rs. 68,311.08 crore.

15. Petitioner in F13 of MYT Format has claimed Rs.(-) 1014.64 Crore under head of 'any other charges' as part of power purchase in FY 2022-23, accordingly petitioner is required to provide station wise break-up for the claimed other charges. Further, the petitioner is required to provide the station wise justification/reasoning for the claimed other charges.

Response:

It is submitted that breakup for the claimed other charges is as under :

S.No.	Particulars	Claimed (Rs. Crores.)
A.	Prior Period Expenses (AG Code 83.1)	-355.06
	Less :	
(1)	U.I. Charges Receivable (AG code 62.803)	143.68
(2)	Reactive Charges Receivable (AG code 62.804)	3.09
(3)	LPS Receivable (AG code 62.805)	0.15
(4)	Subsidy Receivable NEDA (AG code 63.140) (NET)	265.14
(5)	Subsidy Receivable IREDA (AG code 63.150) (NET)	10.28
(6)	Rebate/other credit (AG Head 70 Credit)	-0.61
(7)	Prior Period Incomes (AG Code 65.9)	237.87
B= Sum(1 to 7)	Total Receivable / Other Credit	659.58
A-B	Total Other Charges	(1014.64)

16. Petitioner in Table 2-6 of Petition has claimed Reactive charges of Rs. 12.21 Crore as part of power purchase in FY 2022-23. Petitioner is required to provide justification/details for claimed reactive charges, along with documentary evidence for the payment of reactive charges. Further, petitioner is required to provide the reactive charges incurred by the petitioner in last 3 financial year.

Response:

It is submitted that the details sought by the Commission is attached as **Annexure-H**.

17. From Note 22 of UPPCL Audited Accounts, it is observed that in FY 2022-23 state discoms has paid Reactive charges & UI charges of Rs.(-) 67.89 Crore. However, Petitioner in F-13 has claimed UI of Rs.(+) 66.67 Crore and Reactive Charges of Rs.(+) 12.21 Crore, total of which is Rs.(+) 78.88 Crore. Petitioner is required to provide justification and reconciliation of same with the Audited Accounts.

Response:

It is submitted that the details sought by the Commission is attached as **Annexure-I**.

18. Petitioner to provide detailed breakup of Based Deviation Charges and Additional Charges for deviation in DSM (Deviation Settlement Mechanism) for FY 2022-23 & same needs to be reconciled from the REA statement. Petitioner shall also provide all DSM bills for FY 2022-23.

Response:

It is submitted that the month wise and Discom wise details along with sample bills are attached as **Annexure-J**.

19. From Note 22 of UPPCL Audited Accounts, it is observed that in FY 2022-23 state discoms has received rebate of Rs. 237.88 Crore. In this regard the petitioner to confirm that the same has been considered while claiming power purchase for FY 2022-23.

Response:

It is submitted that the Petitioner in its claim of power purchase for FY 2022-23 has considered received rebate of Rs. 237.88 crore. The same has been detailed in below table :

Table-1

RECONCILIATION OF POWER PURCHASE AS PER UPPCL BALANCE SHEET AND MIS FOR THE FY 2022-23

S. No.	PARTICULARS	AS PER B/S	AS PER MIS	DIFFERENCE
		(Rs. Crores)	(Rs. Crores)	(Rs. Crores)
1	Power Purchase from Generators & Traders	61,805.10	61,744.46	60.64
2	Surcharge (LPS)	583.47	583.47	0.00
3	Unscheduled Inter Charges	-77.01	-77.01	-
4	Reactive Charges	9.12	9.12	-
5	Transmission Charges	6,846.55	6,907.19	-60.64
	Gross Power Purchase (A)	69,167.23	69,167.23	0.00
8	Rebate & Other Credits	237.87	237.87	-
9	Subsidy Receivable (IREDA & NEDA) (AG Code 63.140 & 63.150)	275.42	275.42	-
10	U.I. Charges Receivable (AG Code 62.803)			-
11	Reactive Charges Receivable (AG Code 62.804)			-
12	LPS Receivable (AG Code 62.805)			-
13	Subsidy Receivable (IREDA) (AG Code 65) - Prior Period			-
	Total Rebate & Other Credits (C)	513.29	513.29	-
	Net Power Purchase (A + B - C)	68,653.94	68,653.94	0.00

20. Petitioner to provide details of arrear payment/prior period items claimed in power purchase of FY 2022-23 along with reasoning/justification for the same.

Response:

It is submitted that the details sought by the Commission is attached as **Annexure-K**.

Capital Expenditure/ Capitalisation:

21. It is observed that the petitioner has claimed capitalization of Rs. 47.04 Crore for FY 2022-23, against the approved Capitalisation of Rs. 91.93 Crore vide Tariff Order dated 20.07.2022 for FY 2022-23. In this regard the petitioner is required to submit the justification as per Regulation 17.5(c) of UPERC MYT Regulations, 2019.

Response:

It is submitted that the Commission in its order dated 20.07.2022 has approved the capitalization on projection basis, however the Petitioners has claimed the Capitalization as on actual basis. Further the Commission in the said order has not provided schemes wise approved CAPEX for FY 2022-23, as such justification for variation in Actual Capital Expenditure vis-à-vis the approved CAPEX plan could not be provided.

22. Petitioner in Table 2-24 of Petition has submitted that out of total claimed capitalization of Rs. 47.04 Crore in FY 2022-23, Rs. 24.88 Crore is funded through Consumer Contribution & Grants. Petitioner to provide reconciliation of same with the Audited Accounts.

Response:

It is submitted that the Petitioner has claimed Rs. 24.88 crore against fund through Consumer Contribution & Grants, the same is available in the audited accounts under 'Other Equity AS AT 31.03.2023' under 'Statement of Changes in Equity'.

23. It is observed that in Table 2-22 of Petition, the Petitioner has not considered de-capitalization of Rs. 895.03 Crore (as per Note 2 of Audited Accounts). Petitioner to provide justification for same and resubmit the format considering the impact of same.

Response:

It is submitted that the Petitioner has considered decapitalization of Rs. 895.03 crore for the purpose of arriving at 'Investment funded by debt and equity' to further calculate interest on loan

and Return on equity. However, due to linking error the same could not be captured in Table 2-22, as such the revised Table 2-22 is produced as under:

Particulars	Derivation	Approved in T.O. dtd. 20.07.2022	Claimed
Total Investment during the year (Asset Put to use)	A	91.93	47.04
Less:		-	-
Consumer Contribution, Grants and De-capitalizations	B	-	24.88
Investment funded by debt and equity	C=A-B	91.93	22.16
Debt Funded	70% of C	64.35	15.51
Equity Funded	30% of C	27.58	6.65

24. Petitioner to provide scheme wise funding detail of Capital investment & Capitalisation in FY 2022-23.

Response:

It is submitted that the Petitioner has furnished the details under MYT Formats in format F19B, F19C & F21A.

25. Commission vide Tariff Order dated 20.07.2022 has approved CAPEX of Rs. 33.36 Crore for FY 2022-23, against which Petitioner has claimed CAPEX of Rs. 85.29 Crore. In this regard the petitioner is required to provide following details:

- a. Scheme-wise justification for variation in Actual Capital Expenditure vis-à-vis the approved CAPEX plan of Rs. 33.36 Crore, as per Regulation 17.5 (c) of UPERC MYT Regulations, 2019.
- b. Petitioner to provide scheme wise details of variation in capital expenditure plan on account of cost over run of project (if any), along with the justification.
- c. Petitioner to provide scheme wise details of variation in capital expenditure plan on account of change in scope of project (if any), along with the justification.
- d. Petitioner to provide scheme wise details of variation in capital expenditure plan on account of spill-over/time over-run of project (if any), along with the justification as per Regulation 17.5 (d) of UPERC MYT Regulations, 2019.
- e. Petitioner to provide scheme-wise justification for CAPEX incurred in FY 2022-23 against un-approved scheme (if any).

Response:

In response to the directives given in **sub-point a**, the petitioner submits that the Commission in its order dated 20.07.2022 has not provided schemes wise approved CAPEX for FY 2022-23, as such justification for variation in Actual Capital Expenditure vis-à-vis the approved CAPEX plan could not be provided.

In response to the directives given in **sub-points b, c, d** the petitioner submits that the Petitioner has a universal supply obligation and are required to supply power as and when required by the consumers in its area of supply. The schemes and funds at large are rolled out by State Government, Government of India and MoP as such factors like spill-over/time over-run of project and change in scope of project could not fall under direct monitoring of the Petitioner.

In response to the directives given in **sub-point e** the petitioner submits that the schemes are approved or under the approval of the Hon'ble Commission.

- 26.** Petitioner vide submission dated 28.03.2024, has submitted the details of CWIP for FY 2022-23 as shown in table below:

Particulars	Derivation	Approved in T.O. 20.07.2022	Claimed
Opening WIP as on 1st April	A	56.36	123.21
Investments	B	33.36	85.29
Employee Expenses capitalisation	C	6.94	-3.90
A&G Expenses Capitalisation	D	-	-
Interest Capitalisation on Interest on long term loans	E	-	-
Total Investments	F= A+B+C+D+E	96.66	204.60
Transferred to GFA (Total Capitalisation)	G	91.93	47.04
Closing WIP	H=F-G	4.73	157.56

Above submitted Capital investment details are not matching with Note-3 of audited accounts. Petitioner is required to reconcile the above submitted details with audited accounts. In case of revision in CAPEX investment, petitioner is required to provide scheme wise details.

Response:

It is submitted that the Petitioner has claimed Opening WIP as on 1st April, as per Closing WIP approved by the Hon'ble Commission for FY 2021-22 vide its order dated 24.5.2023. Further, as regards investments it is submitted that it has been calculated as per addition in CWIP (Note 3 - Rs. 81.39 Crore) after deductions of Advance to Contractors (Note 3 - Rs. 0.69 Crore) and adding additions under intangible assets under development (Note 5B - Rs. 5.32 Crore).

Interest and Finance Cost:

- 27.** Petitioners vide F31 of MYT Formats has submitted existing actual long-term Loans for FY 2022-23. Same has been compared with the audited accounts of petitioner as shown in table below:

Particular	Claimed by the Petitioner	As per audited accounts
Opening Balance of Loan (Rs. Cr)	2410.07	2446.31
Closing Balance of Loan (Rs. Cr)	2366.26	2315.93
Total Interest Amount Paid (Rs. Cr)	224.57	260.09

Accordingly, petitioner is required to reconcile source-wise loan amount with audited accounts. Further, Petitioner shall also submit the source wise interest expense along with the computation of weighted average interest rate.

Response:

It is submitted that the Petitioner has considered Opening and Closing balance of Loan as per audited accounts of FY 2021-22 and FY 2022-23 respectively. The Opening balance is as per Balance sheet Note 15 and Note 13 and the source wise loan amount is as per balance sheet Annexure to Note 15. Further, the Closing balance is as per Balance sheet of FY 2021-22 Note 15 and Note 13 and the source wise loan amount is as per balance sheet Annexure to Note 15 after deduction of interest accrued but not due on borrowings i.e Rs.2.02 crore.

28. Petitioner for FY 2022-23 has claimed Bank/Finance Charges of Rs. 7.03 Crore. In this regard the petitioner is required to provide reconciliation of same with the Audited Accounts and component wise justification for claimed such expense under Bank/Finance Charges.

Response:

It is submitted that The Petitioner has incurred bank and finance charges as per the audited accounts for FY 2022-23. The details of same are available at Note 23 of audited balance sheet for FY 2022-23.

Subsidy form UP government/ Other Income:

29. It is observed that the Petitioner in its petition has not considered Additional loss subsidy received from GoUP (Note -19 of Audited Accounts) during FY 2022-23. In this regard the petitioner to provide justification for not considering above mentioned subsidy amount during True-up of ARR for FY 2022-23.

Response:

It is submitted that in Commissions MYT format there are no such Provisions/heads to incorporate Subsidy from Operational Loss and Subsidy Against Loan/Interest. Further, Interest on Loan is dealt by the Commission as per regulatory norms and operational loss is approved by the Commission on normative basis.

30. It is observed that, the petitioner in Table 2-38 of its petition has shown 'Revenue from Open Access Customers' as NIL. However, in repose of first Data Gap vide letter No. UPERC/Secy/D(T)/2024-1755 dated 5.2.2024, petitioner submitted consumer wise Open Access details along with revenue earned in Annexure-L. Hence, the petitioner to provide the proper justification of this contradictory position of Open Access with documentary evidence and reconciliation of Audited accounts.

Response:

It is submitted that the preparation of details is under progress and the same will be submitted to the Commission in due course.

31. Petitioner in Table 2-33 of Tariff Petition has submitted that in FY 2022-23, it has realized revenue of Rs. 2.34 Crore on account Renting of Pole/5G Activities. In this regard the petitioner is required to submit following details:

- a. As per Regulation 3.1 of UPERC (Facilitation of Telecommunication Network) Regulations, 2022, petitioner is required to submit the auditor certificate for the revenue generated from the renting and related services of distribution assets along with the Tariff Petition for true-up.
- b. Further, petitioner to provide the details of Income from Other Business, as per form F35 of MYT Formats.

Response:

- a. It is submitted that the auditor certificate for the revenue generated from the renting and related services of distribution assets is under compilation.
- b. It is submitted that the details of Income from Other Business is attached as **Annexure-L**.

32. It is observed that, in FY 2022-23 Petitioner has earned Rs. 1.58 Crore on account of 'Miscellaneous Income/Receipts' (as per Note 20). Petitioner to provide detailed break-up of the same.

Response:

It is submitted that the preparation of details is under progress and the same will be submitted to the Commission in due course.

APR of FY 2023-24:

33. Petitioner to provide scheme wise funding detail of Capital investment projected in FY 2023-24.

Response:

It is submitted that the Petitioner has submitted the details scheme wise funding detail of Capital investment projected in FY 2023-24 in F19, F19A, F19B F19C F21A formats.

34. It is observed that the petitioner has submitted slab-wise billing determinants but has not provided the rationale behind the allocation of category-wise billing determinants into slab-wise billing determinants for FY 2023-24. The Petitioner is directed to submit the rationale behind the allocation of category-wise billing determinants into slab-wise billing determinants for FY 2023-24.

Response:

The Petitioner in its revenue model has provided the allocation of billing determinants the Hon'ble Commission may kindly consider the same. Further it is submitted that the same proportion has been considered for the projection of APR and ARR years.

35. Petitioner to provide the actual revenue earned during FY 2023-24 from renting of distribution assets to telecommunication companies.

Response:

It is submitted that the UPERC Facilitation of Telecommunication Regulations, 2022 clause 3(d) states as under :

"The Distribution licensee shall submit certificate from the auditor for the revenue generated from the renting and related services of distribution assets along with the Tariff Petition for true-up. against renting of its assets for telecommunication/5G."

In light of the above it is submitted that there is no provision for the Petitioner to claim such revenue for financial year other than True-Up year.

ARR of FY 2024-25:

36. Commission vide its letter No. UPERC/Secy/D(T)/2024-1755 dated 5.2.2024 has shared 1st Information Requirement / Discrepancies / Data Gaps to the petitioner. Reply on same was submitted by the petitioner on 27.03.2024. On examination of petitioner's reply, following discrepancies were observed.

Sr.	Discrepancies sought	Petitioner's Reply	Remark
93	The Petitioner to provide consumer category/ sub-category wise details of energy	Data not submitted.	Petitioner is directed again to submit requisite details .

Sr.	Discrepancies sought	Petitioner's Reply	Remark
	received under net metering/ net feed-in arrangement and captive.		
113	The Petitioner is required to provide the details of Appeals/ Cases pending in various Tribunals/ Courts against the Order of the Commission and financial impact claimed in those Appeals/ Cases.	Petitioner has not provided the disputed amount	Petitioner to provide the Appeals/Cases-wise & issue-wise disputed amount.

Response:

A. In regard to Commissions Query:

The Petitioner to provide consumer category/ sub-category wise details of energy received under net metering/ net feed-in arrangement and captive.

It is submitted that the sought details are under preparation and the petitioner will submit the details to the Commission in due course.

B. In regard to Commissions Query:

The Petitioner is required to provide the details of Appeals/ Cases pending in various Tribunals/ Courts against the Order of the Commission and financial impact claimed in those Appeals/ Cases.

It is submitted that the sought details are under preparation and the petitioner will submit the details to the Commission in due course.

37. As per Regulation 11.3 of MYT Regulations, 2019, petitioner is required to submit Tariff Proposal along with the Tariff Petition. In current petition, it is observed that petitioner has not submitted any Tariff Proposal. Accordingly, petitioner is directed to submit tariff proposal depicting Revenue at existing as well as proposed rate schedule and the gap/surplus treatment. Further, based on the tariff proposal, the licensee to provide revised computation of Open Access charges i.e. wheeling charges, CSS.

Response:

The Hon'ble Commission is requested to take appropriate measures for bridging the gap.

38. Petitioner is required to submit month-wise PLF/ PAF of all generating stations for FY 2020-21, FY 2021-22, and FY 2022-23.

Response:

It is submitted that the Hon'ble Commission is requested to refer sheet 'PLF Computation' in power purchase model for plant wise PLF FY 2020-21, FY 2021-22 and FY 2022-23.

39. It is observed that the Petitioner while projecting power purchase for FY 2024-25, has projected month wise power purchase quantum. Petitioner to provide justification for same and along with all assumptions taken for month wise projections for each of the generating stations.

Response:

It is submitted that the power purchase projections from each generating station have been estimated based on the historical monthly Plant Load Factor (PLF) data from the past five years, considering the allocated state's share. Further, the overall energy requirement at the UPPTCL

periphery is estimated by projected sales after losses grossed up. This energy requirement is then distributed on a monthly basis, following the historical trends observed during FY 2022-23 and FY 2023-24 (up to September).

The month-wise Merit Order Dispatch (MOD) is executed based on the variable costs of each plant. Details of the assumptions in projection of energy charges is submitted in "TABLE 4 8 ASSUMPTIONS CONSIDERED FOR FY 2024-25" of the Petition.

- 40.** It is observed that the petitioner has submitted slab-wise billing determinants but has not provided the rationale behind the allocation of category-wise billing determinants into slab-wise billing determinants for FY 2024-25. The Petitioner is directed to submit the rationale behind the allocation of category-wise billing determinants into slab-wise billing determinants for FY 2024-25.

Response:

The Petitioner in its revenue model has provided the allocation of billing determinants the Hon'ble Commission may kindly consider the same. Further it is submitted that the same proportion has been considered for the projection of APR and ARR years.

- 41.** Scheme wise / Sub-scheme wise / Project wise details of Capital Expenditure plan, Capital Subsidy, Grants and Consumer Contribution proposed for FY 2024-25 to be provided by the Petitioner. Also, the details such as purpose of the scheme, funding pattern, benefits from the scheme, etc. shall also be provided.

Response:

It is humbly submitted that the Petitioner has provided Scheme wise CAPEX Plan, Funding Pattern under F19, F19A, F19B F19C F21A formats. Further it is submitted that there is no provision in Commissions MYT formats to capture sub-scheme wise and Project wise details. Furthermore, as regards purpose and benefits from the scheme, it is submitted that most of the benefits are intangible in nature due to universal supply obligation.

- 42.** It is observed that petitioner has not derived or estimated the Annual revenue income from renting of distribution assets to telecommunication company. Accordingly, petitioner is directed to provide the revenue projection for FY 2024-25 as per Regulation 3.1 of UPERC (Facilitation of Telecommunication Network) Regulations, 2022. Petitioner shall also provide rationale for its revenue projection from renting of distribution assets to telecommunication companies.

Response:

It is submitted that the UPERC Facilitation of Telecommunication Regulations, 2022 clause 3(d) states as under :

"The Distribution licensee shall submit certificate from the auditor for the revenue generated from the renting and related services of distribution assets along with the Tariff Petition for true-up. against renting of its assets for telecommunication/ 5G."

In light of the above it is submitted that there is no provision for the Petitioner to claim such revenue for financial year other than True-Up year.

- 43.** As per Regulation 42.1 of MYT Regulations, 2019, Distribution Licensee is required to submit a forecast of the expected sales along with number of hours of supply to each Tariff category / Sub-category and to each Tariff slab within such Tariff category / Sub-category. Accordingly, petitioner

is requested to provide number of hours of supply to each Tariff category / Sub-category considered for sales projection in FY 2024-25.

Response:

It is submitted that the Petitioner has projected the sales for FY 2024-25 based on the historical data available as provided in the Regulations. Further, data pertaining to the supply hour is attached under **Annexure-G**.