



# Uttar Pradesh Electricity Regulatory Commission

Vidyut Niyamak Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423  
E-mail [secretary@uperc.org](mailto:secretary@uperc.org)

**Sumeet Kumar Agarwal**

Secretary

Ref: UPERC/Secy/D(Tariff)/2025- 285

Dated: June 02, 2025

To,

- 1- **Managing Director**, U.P. Power Corporation Ltd. (UPPCL), 7<sup>th</sup> Floor, Shakti Bhawan, 14, Ashok Marg, Lucknow- 226001. (mduppcl12@gmail.com)
- 2- **Managing Director**, Madhyanchal Vidyut Vitran Nigam Ltd. (MVVNL), 4-A, Gokhale Marg, Lucknow - 226001. (md.mvvnl2010@gmail.com)
- 3- **Managing Director**, Dakshinanchal Vidyut Vitran Nigam Ltd. (DVVNL), Urja Bhawan, 220KV Sub-Station Mathura bypass Road, Agra - 282007.
- 4- **Managing Director**, Paschimanchal Vidyut Vitran Nigam Ltd. (PVVNL), Victoria Park, Meerut - 250001. (md@pvvnl.org)
- 5- **Managing Director**, Poorvanchal Vidyut Vitran Nigam Ltd. (PuVVNL), Bhikharipur, 132KV Sub-Station, Poorvanchal Vidyut Bhawan, P.O. Diesel Locomotive Works, Varanasi - 221004. (mdpurvanchalvvn@gmail.com)
- 6- **Managing Director**, Kanpur Electricity Supply Company Ltd. (KESCO), KESA House, 14/71, Civil Lines, Kanpur - 208001. (mdkesco@gmail.com)
- 7- **Chief Engineer**, Regulatory Affairs Unit (RAU), U.P. Power Corporation Ltd. Shakti Bhawan, 14- Ashok Marg, Lucknow-226001. (arrtariffuppcl@gmail.com)

**Sub: - Request for Revised Submissions of True-up, APR and ARR data as per MYT Regulation.**

**Ref:** Letter no. 334/M. D/DVVNL/CE(COM)/C-317 (RAU) dated 17.05.2025

Letter no. 1497 Dir (Commercial)/MVVNL/UPERC/Revised ARR FY 2025-26 dated 19.05.2025

Letter no. 1155/PVVNL/Commercial/FY 2025-26/Revised\_ARR\_FY2025 dated 17.05.2025

Letter no. 3994/PuVVNL/Commercial/FY 2025-26/Revised\_ARR\_FY2025-26 dated 17.05.2025

Letter no. 1013/DIR(COMM)/2025 dated 17.05.2025

Letter no. 179/RAU/ARR 2025-26 dated 14.05.2025

Sir,

This is in reference to UPPCL letter no. 179/RAU/ARR 2025-26 dated 14.05.2025 vide which it was requested to allow revised submissions of True-up Petition for FY 2023-24, APR Petition for FY 2024-25 and correspondingly updated ARR for FY 2025-26, incorporating the actual data for collection efficiency and distribution losses.

Subsequently, revised submissions were made by DVVNL, PVVNL, PuVVNL and KESCO vide letters dated 17.05.2025 and by MVVNL vide letter dated 19.05.2025. Deficiencies have been found in these submissions which have been enclosed as **Annexure-1**. The Petitioners/Distribution Licensees are directed to reply to the deficiencies raised by the Commission **within 7 days** from the issuance of this letter.



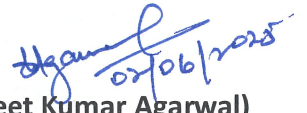
# Uttar Pradesh Electricity Regulatory Commission

Vidyut Niyamak Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423  
E-mail [secretary@uperc.org](mailto:secretary@uperc.org)

In letter dated 14.05.2025 UPPCL had requested to grant an extension for the publication of salient features of ARR petition in the newspapers, as directed by the Commission in Admittance Order dated 09.05.2025. Accordingly, the petitioners are directed to publish data for True-up as submitted in the petition dated 29.11.2024, APR & ARR data submitted on 29.04.2025 and revised submission on 17.05.2025/19.05.2025 along with all information mentioned in the Admittance Order, **within 3 days**, duly complying with the clause no. 5.5 of the Uttar Pradesh Electricity Regulatory Commission (Multi Year Tariff for Distribution) Regulations, 2025.

The Petitioners/Distribution Licensees are further directed to upload the reply to the Deficiencies raised in Annexure-1 and all deficiencies that may be raised in future, on their website once the reply is submitted to the Commission.

Yours sincerely

  
(Sumeet Kumar Agarwal)  
Secretary

Encl: As stated above.

Data Requirements/Deficiencies/Discrepancies

Petition No. - 2162 of 2024

Petition No. - 2163 of 2024

Petition No. - 2164 of 2024

Petition No. - 2165 of 2024

Petition No. - 2176 of 2024

of

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

Note:

1. All the submissions to be verified by an affidavit (the replies in soft copy as well as hard copy).
2. All the letters/ correspondence/ Annexures should be submitted in scanned PDF copy and all the workings should be submitted in MS Excel with all linkages also.
3. In case any submission which has already been submitted to the Commission and if the same is being referred in the above filing, the same should be re-submitted to make it part of the present proceedings.

## **Deficiency Note-2**

### **1. Deficiency in Submission made for Distribution Loss and AT&C Loss**

The Petitioners have submitted Distribution Loss trajectory and AT&C Loss trajectory as below:

**Table 1: Distribution Loss trajectory (%) of State Discoms**

<b>DISCOM</b>	<b>FY25 (Prov)</b>	<b>FY 26 (Proj)</b>	<b>FY 27 (Proj)</b>	<b>FY 28 (Proj)</b>	<b>FY 29 (Proj)</b>	<b>FY 30 (Proj)</b>
DVVNL	15.53%	15.53%	15.22%	14.91%	14.62%	14.32%
MVVNL	13.59%	13.59%	13.32%	13.05%	12.79%	12.53%
PVVNL	11.18%	11.18%	10.95%	10.73%	10.52%	10.31%
PuVVNL	16.23%	16.23%	15.90%	15.58%	15.27%	14.97%
KESCO	7.68%	7.68%	7.53%	7.38%	7.23%	7.09%
<b>Consolidated</b>	<b>13.78%</b>	<b>13.78%</b>	<b>13.50%</b>	<b>13.23%</b>	<b>12.97%</b>	<b>12.71%</b>

**Table 2: AT&C Loss trajectory (%) of State Discoms**

<b>DISCOM</b>	<b>FY 25 (Prov)</b>	<b>FY 26 (Proj)</b>	<b>FY 27 (Proj)</b>	<b>FY 28 (Proj)</b>	<b>FY 29 (Proj)</b>	<b>FY 30 (Proj)</b>
DVVNL	28.48%	28.48%	26.06%	23.57%	21.00%	18.35%
MVVNL	21.93%	21.93%	19.92%	17.87%	15.77%	13.62%
PVVNL	13.35%	13.35%	12.70%	12.05%	11.39%	10.74%
PuVVNL	36.08%	36.08%	33.27%	30.34%	27.28%	24.10%
KESCO	10.37%	10.37%	9.77%	9.17%	8.57%	7.97%
<b>Consolidated</b>	<b>23.44%</b>	<b>23.44%</b>	<b>22.27%</b>	<b>20.34%</b>	<b>18.34%</b>	<b>16.29%</b>

### **Commission's Directions:**

- a) The Petitioners are required to submit the detailed computation for AT&C loss trajectory as per the methodology prescribed by CEA for FY 25 (as per actuals) and for future periods as per projections.

- b) The Petitioner are required to provide collection efficiency corresponding to above trajectory for each year of the Control Period.
- c) The Petitioners to provide consumer category wise collection efficiency for FY 2023-24 and FY 2024-25.
- d) The Petitioners are also required to submit the detailed computation for collection efficiency for FY 2023-24 and FY 2024-25 as per below format:

	Considering collection against current dues only	Considering collection against current dues and arrears
Considering tariff payable by consumer		
Considering tariff payable by consumer + Govt. subsidy		

- e) The Petitioners to provide break-up of DL into Technical and Billing Losses (Non-Technical Losses) for the Control Period by making reasonable estimate if required. Basis for such estimation may also be provided.
- f) The petitioner must also explain why FY 26 projections are same as FY 25 (prov) i.e. no loss reduction either in Distribution Loss or AT&C loss in first year of the Control Period.
- g) The Petitioners to submit the impact of implementation of Distributed Renewable Energy Initiatives (As directed in 2a of this deficiency note) and Smart Metering & loss reduction works (As directed in 3d and 3e of this deficiency note) on Distribution Loss and Collection Efficiency separately for the trajectory that has been submitted.

- h) As the RDSS loss trajectory was stipulated up to 2024-25 only, the Petitioners to submit the Distribution Loss and AT&C loss reduction trajectory, if any, submitted to Government of India.
- i) In Tariff Order dated 10.10.2024, the Commission had approved the distribution loss trajectory as claimed by the petitioners for FY 2024-25 in line with the trajectory under RDSS. As per the submission for true up for FY 2023-24, distribution losses are higher for 3 out of the 5 discoms (DVVNL, PuVVNL and KESCO) than that approved by the Commission in Tariff Order dated 10.10.2024. Further, it has been observed that for the control period from FY 2025-26 to FY 2029-30, the Distribution loss trajectory has been proposed to reduce from 13.78% in FY 2024-25 to 12.71% in FY 2029-30. Also, the AT&C losses notified under the RDSS scheme for FY 2024-25 is as below:

Distribution Licensee	AT&C loss notified by GoI
DVVNL	18.97%
MVVNL	17.97%
PVVNL	12.69%
PuVVNL	18.49%
KESCO	8.07%
Consolidated	16.43%

As per the submission, these targets have not been achieved as the AT&C loss for FY 2024-25 are considerably higher than AT&C loss notified by GoI i.e. AT&C loss has increase from 16.43% to 23.44% and will only be achieved in the last year of control period. In case of PuVVNL even in the last year of control period the AT&C loss are higher than notified by GoI for FY 2024-25.

The Petitioners to submit why the loss reduction targets have not been achieved and why losses are expected to be higher despite making investments in loss reduction, smart metering and other capex schemes.

## 2. Distributed Renewable Energy Initiatives and their Impact

There are various initiatives that have been recognized by the Commission for which approval has been granted over the last few years. These include PM Suryaghar Scheme and under different components of PM Kusum Scheme.

Apart from meeting energy demand at lower cost as energy is available at distribution network rather than being transmitted from generators connected at Intra/ Inter State network, above initiatives are useful in mitigating grid inefficiencies. The locally situated/ co-located and load matched distributed resource reduces pressure on the grid by bringing down congestion.

### **Commission's Directions**

- a) UPPCL to provide current status of these schemes and targets for each year of current control period. Further the Petitioners to provide estimated impact of these schemes on Distribution Loss Trajectory for each year of the control period along with basis for such estimation / projection.

### **3. Smart Metering and loss reduction initiatives**

The RDSS comprises of two component i.e. Smart Metering work and Loss Reduction. For loss reduction works, the Commission vide order dated 13.08.2024 had approved the CAPEX under RDSS as shown below:

<b>S. No.</b>	<b>DISCOMs</b>	<b>Loss Reduction works</b>	
		<b>Sanctioned (Rs. Cr.)</b>	<b>Awarded (Rs. Cr.)</b>
1	DVVNL	3,767.87	3,798.86
2	MVVNL	4,132.03	3,808.39
3	PVVNL	3,408.89	3,390.37
4	PuVVNL	4,587.94	4,519.25
5	KESCO	601.95	595.86
	<b>Total</b>	<b>16,498.68</b>	<b>16,112.73</b>

The CAPEX and Capitalization under the RDSS as submitted for true up of FY 2023-24 and APR of FY 2024-25 is as below:

DISCOM	FY 2023-24		FY 2024-25		Total	
	A		B		C=A+B	
	CAPEX	Capitalization	CAPEX	Capitalization	CAPEX	Capitalization
DVVNL	685.54	299.97	2,920.42	1,168.17	3,605.97	1,468.14
MVVNL	861.59	-	428.52	171.41	1,290.11	171.41
PVVNL	707.73	31.72	2,414.62	965.85	3,122.35	997.57
PuVVNL	1,962.33	-	2,330.96	932.38	4,293.29	932.38
KESCO	-	-	382.00	152.80	382.00	152.80
<b>Total</b>	<b>4,217.19</b>	<b>331.69</b>	<b>8,476.52</b>	<b>3,390.61</b>	<b>12,693.72</b>	<b>3,722.30</b>

For the smart metering works to be undertaken on Totex mode, following details have been submitted:

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	KESCO	Total
	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.
Sanctioned Amount	3,663.09	5,009.35	4,946.90	4,937.73	325.40	18,885.47
Awarded Amount	4,947.95	7,701.48	6,958.79	7,151.86	582.73	27,342.81

The Commission vide letter dated 03.09.2024 had directed to submit detailed status report providing information including smart meters installed under RDSS, percentage of smart meters being remotely read and billed, frequency of meter reading, cases of theft detected, improvement in billing etc.

As per the submission made vide letter dated 09.10.2024, in more than 97% cases the bills are being generated through smart meters. Further, the progress made in smart meter installation as submitted by the Petitioners in Tariff Petition is as follows:

DISCOMs	FY 2023-24 (True Up Year)		FY 2024-25 (APR Year)		FY 2025-26 (ARR Year)	
	No. of Consumers	No. of Smart Meters	No. of Consumers	No. of Smart Meters	No. of Consumers	No. of Smart Meters



DVVNL	62,04,725	1,47,991	64,62,885	30,92,729	68,25,134	73,75,984
MVVNL	96,88,610	3,80,731	1,01,58,045	5,31,670	1,05,89,607	65,54,659
PVVNL	75,47,052	1,98,726	78,22,138	8,13,293	83,54,910	57,27,901
PuVVNL	1,04,27,241	3,21,433	1,09,31,347	6,87,955	1,12,57,536	65,50,345
KESCO	7,23,232	1,55,168	7,54,612	1,86,418	8,00,335	6,86,418
<b>Total</b>	<b>3,45,90,860</b>	<b>12,04,049</b>	<b>3,61,29,027</b>	<b>53,12,065</b>	<b>3,78,27,523</b>	<b>2,68,95,307</b>

It is evident from the above that in FY 2023-24 only 3.48% smart meters were installed. Further in FY 2024-25 the share of smart meters will increase to 14.70% and in FY 2025-26 it is proposed that share of smart meters will increase to 71%.

### **Commission's Directions**

Considering the above, the licensees are required to submit the following

- a) The Petitioners to explain why the investments required to be made under RDSS by FY 2024-25 have not been done and the period in which such investment is expected to be achieved.
- b) The Petitioner to submit collection efficiencies achieved only with regard to smart meter consumers against the billing of such consumers for FY 2022-23, FY 2023-24 & FY 2024-25.
- c) The Petitioners to submit why DL trajectory is projected to remain flat in five years despite huge investment in Loss Reduction and smart metering works under RDSS and other Capex Schemes.
- d) With 100% consumers to have Smart Meters within the next 2-3 years, Billing Efficiency should improve. This is highlighted in submission dated 09.10.2024 made by the Chief Engineer, RUA, UPPCL. Petitioners to explain in detail how this is reflected in distribution loss trajectory that has been submitted by them by bifurcating distribution losses as Technical and losses related to billing.
- e) The Petitioners to further submit the impact of smart meter implementation on collection efficiency during each year of control period.