

MOM	Minutes of the Meeting	Date	18-04-2022

Particular	Technical Validation Session (TVS)	Place of Meeting	Commission's Office
Participating Companies	DVVNL, MVVNL, PVVNL, PUVVNL, KESCO and UPPCL Officials	Date of Meeting & time	18-04-2022 @ 11.00 AM

Background

The Commission vide its Letter No. UPERC/Secy/D(T)/2022- 52 dated 11 April, 2022 directed the State Distribution Licensees to attend Technical Validation session on 18 April, 2022 at 11:00 AM. The Commission sought certain queries on reconciliation of power purchase cost claimed in the Petition vis-à-vis submitted in the Formats, re-submit details of GFA, detailed breakup of subsidy, detailed computation of revenue and Tariff Proposal along with various other deficiencies were communicated vide letters dated April 01, 2022.

The Commission directed the State-owned Distribution Licensees to submit the CAG Audit Report for FY 2019-20 and FY 2020-21, category-wise, sub-category-wise, slab-wise Tariff Proposal at existing Tariff and at proposed category / sub-category / slab wise Tariff rationalisation for FY 2022-23 along with the Excel sheet, details of voltage-wise (132 kV, 33kV, 11kV & LT) distribution losses essentially required for computing CSS, compliance report on metering status of consumers, category & sub-category wise billing determinants & Revenue for Torrent Power Agra DF, Fixed Asset Registers (FAR), Asset-wise capitalisation and details of 132 kV and above assets (in Excel) for FY 2020-21. The Commission further directed the State-owned Distribution Licensees that the Tariff Proposal should be full cost (without subsidy) and must be designed to achieve +/- 20% Cross Subsidisation and zero gap.

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The Commission also directed the State-owned Distribution Licensees to provide detailed breakup of subsidy along with supporting documents of GoUP in respect to the subsidy claimed to be availed. The State-owned Distribution Licensees submitted their responses to the deficiencies in respect to the above.


In the TVS, the Discoms made short presentations. The presentations should also include slides with graphs on the power purchase mix from various sources like central-thermal, central-hydro, state-thermal, state-hydro, IPPs, Re, Exchange etc., RE compliances tables, interest paid on security deposit, share of single point connections in LMV-1 etc.

Also Further, the Commission sought the following additional queries during the TVS.

1. Petitioners to submit the details of station-wise Transmission Charges (Inter-State and Intra-State) & Losses (Inter-State and Intra-State) for FY 2022-23 as submitted in the Format F13 along with requirement of fortnightly sales and power purchase. This would be required for making MOD as per the UPERC MOD Regulations, 2021 & implementation of IC.
2. Petitioners to provide 10 sample bills each for FY 2020-21 and FY 2021-22 of Central and State Generating Plants to vet the details of Tx related charges etc.
3. Petitioners to submit the details of RRAS (Reserves Regulation Ancillary Services) claimed for FY 2020-21 in the Power Purchase along with a detailed note on the mechanism of RRAS.
4. Petitioners to submit the Compliance status of RPOs for FY 2020-21 to FY 2021-22 along with the MUs purchased from each power source viz., solar, non-solar and hydro.
5. Petitioners to submit the Compliance projections for RPOs for FY 2022-23 along with the proposed MUs to be purchased from each power source viz., solar, non-solar and hydro.

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6. Petitioners have submitted the GoUP subsidy for FY 2022-23 as Rs. 14500 Crore. The Petitioners to provide the supporting documents of GoUP.
7. Petitioners to submit the justification as to why there is such a huge gap (actual vs. approved) in power purchase cost and MUs in FY 2020-21 even after the provision of Incremental Cost provided for in the UPERC Tariff Regulations, 2019. Do this analysis on a monthly basis.
8. Petitioner to submit all the approvals for FY 2020-21 for Capex in compliance of Regulation No. 44.2 of UPERC MYT Distribution and Transmission Tariff Regulations, 2019.
9. Petitioners to provide justification for the claim of Rs. 3353.87 Crore against Late Payment Surcharge (LPS) for FY 2020-21 against the power purchase cost of Rs. 60449.16 Crore (Rs. 57095.29 Crore excluding LPS), which comes out to ~5.87% of the total power purchase cost.
10. Petitioners to submit the Comptroller and Auditor General of India (CAG) Reports for FY 2019-20 & FY 2020-21 for Discoms and UPPCL.
11. Tariff is the prerogative of the Commission, however as per the scheme of the things, the petitioners still submit the Tariff Proposal. Similarly, the approval of the roadmap for reduction of Cross-subsidies are also a prerogative of the Commission but the Petitioner should submit the proposal for Roadmap for reduction of Cross-subsidies as per the Tariff Policy for approval by the Commission as its their consumers and they are more in grip with the realities on the ground.
12. It is observed that the Petitioners have submitted 2 Consumers as "Extra State Consumers" in the revenue sheets (1 consumer of MVVNL and 1 consumer of PUVVNL). Petitioners to submit the details of such consumers and provide the Tariff approvals by the Commission for such consumers.
13. Petitioners have submitted the Billing Determinants of Torrent- Distribution Franchisee for FY 2020-21 to FY 2022-23 in response to the Commission's queries. However, it is observed that the values of Contracted Load and Sales as submitted in the response does not match with the

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values provided in the Petition. Hence, the Petitioners to submit the justification for the same along with its reconciliation.

14. It is observed that the Bad and doubtful debts of PUVVNL for FY 2020-21 as per its Audited Accounts in Rs. 93.34 Crore, whereas the Petitioners have claimed an amount of Rs. 175.26 Crore in the Petition. Petitioners to provide detailed justification for the same along with the reconciliation with the Audited Accounts for FY 2020-21.

15. Petitioners have submitted the details for Rs. 128.60 Crore against Open Access Charges recovered for FY 2020-21 in response to the Commission's queries. However, the same is submitted as Rs. 23.15 Crore in the Petition. Petitioners to provide detailed justification for the same along with the reconciliation with the Audited Accounts for FY 2020-21.

16. The Commission had directed the Petitioners in the Order for FY 2020-21 dated 11.11.2020 as below:

"6.10.8. Further, the State owned Discoms are directed to maintain a separate individual asset wise FAR for assets capitalized after 1.4.2020 and the Gross Block and Depreciation may be computed separately from the Gross Block before 1.4.2020. Accordingly, from FY 2020-21 onwards the State Owned Discoms to maintain two separate Gross Blocks (one for assets upto 31.3.2020 (Part-A) and second for assets after 1.4.2020 (Part B) and two separate FAR's depicting addition of Assets details from 01.04.2020 onwards for the purpose of depreciation computation for Regulatory Accounts."

Petitioners to submit the compliance for the same.

17. The Petitioners to submit the details of Net metering & Gross metering including units and commercial details for FY 2020-21 and FY 2021-22.

18. The Petitioners to submit the month-wise as well as fortnightly details of Power purchase for FY 2022-23 as in the Additional Formats provided by the Commission vide letter no. UPERC/Secy/D(T)/21-1019 dated 2nd November, 2021 for determination of MOD and

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Incremental Cost as per the UPERC MOD Regulations, 2021 and UPERC Tariff Regulations, 2019 respectively.

19. It is observed that the Petitioners have sold short term power in the exchange for FY 2020-21. Petitioners to provide details of the monthly sales and purchase from the exchange along with the justification regarding sudden variation in the demand for purchase/sale of such power in the exchange. Undertake that no power was purchased on short term at time slots when power was sold on exchange.

20. Petitioners have made bilateral contracts with certain generators. The Petitioners to submit the monthly details of the power procured from such bilateral contracts for FY 2020-21.

21. Petitioners have not claimed any addition in Grants for FY 2020-21. The Petitioners should submit the scheme-wise break-up and fund flow of Grants for RGGVY 11th Plan, DDUGJY, ADB, RAPDRP, IPDS, SAUBHAGYA YOJNA, etc. justifying that there was no addition in Grants for FY 2020-21.

22. It is observed that the revised Power Purchase Expenses of Rs. 60,449.16 Crore submitted in the response to the Commission's queries does not match with the value as submitted in the Tariff Petition (Rs. 59,982.99 Crore) and value of Rs. 59,631.18 Crore as per the Audited Accounts of the State Discoms for FY 2020-21. The Petitioner to submit the details of the same as per the Audited Accounts of the State Discoms for FY 2020-21 along with the reconciliation.

23. Petitioners should provide details of any OTS scheme implemented during FY 2018-19, FY 2019-20, FY 2020-21 along with the details of consumer Category-wise/ Subcategory-wise surcharge waived-off, rebate in revenue and revenue collected.

24. It is observed that the Interest on Consumer Security Deposit as per the Audited Accounts is provisional. Petitioners to submit the details of the Interest on Consumer Security Deposit actually disbursed to the consumers for FY 2020-21.

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25. Petitioners to submit the details of penalties and compensation paid by the licensee for failure to meet standards of performance per the Regulations 41.1 of the UPERC SOP Regulations, 2019 for FY 2020-21. Submit the details of the efforts being taken to educate the consumes in this regard.

26. Petitioners to submit the maximum Peak Demand (Restricted and Unrestricted), Peak Availability Assessed, Shortfall in meeting Peak Demand as per Form P7 of MYT Distribution Tariff Regulations, 2019.

27. Provide a list of all the accounting heads in your accounting / financial system.

The State Distribution Licensees to provide the replies to the same within 10 days.

List of the attendees is annexed herein.

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Encl: As above.


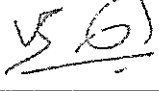
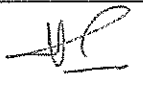
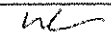


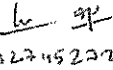

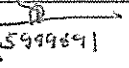
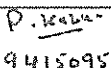
ATTENDANCE SHEET

DATE OF (TVS):- 18TH APRIL 2022

AT 11:00 HRS.

IN THE MATTER OF: "TRUE-UP PETITION FOR FY 2020-21, ANNUAL PERFORMANCE REVIEW FOR
FY 2021-22 & AGGREGATE REVENUE REQUIREMENT & TARIFF FOR FY 2022-23"

TECHNICAL VALIDATION SESSION (STATE DISCOMS).

Sl. NO.	NAME	DESIGNATION	APPEARING ON BEHALF OF	SIGNATURE & MOBILE NO.
01	VIKAS KUMAR SINHA	DISCOM MANAGER PUNJ	PUNJL	
02	Vishnu Singh dahiya	Dis Com manager	PUNJL	
03	Vijay Shankar	Executive Egr.	RAU.	
04	D C Verman	CE (RAU)	RAU UPPCL	 9415009369
05	Ravi Prakash Dubey	CE (Commercial)-II	PUNJL	 9450960892
06	Tariq Momen	CE (Genm)-I MVUNL	MVUNL	 8004113800
07	Ishwar Lal Singh	Dir (Com) PUNJ	PUNJL	 9412745222
08	S.K. Gupta	Director (Com)	DVUNL	 9412748005
09	A. K. Srivastava	CE (Com)/RAU	UPPCL	 9415999641
10	Pandeep Karkhan	DIR Com	MVUNL	 9415095205

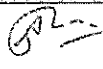
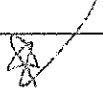
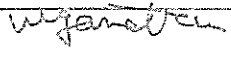

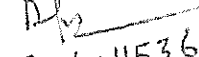


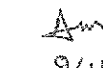


ATTENDANCE SHEET

DATE OF (TVS):- 18th APRIL 2022

AT 11:00 HRS.

IN THE MATTER OF: "TRUE-UP PETITION FOR FY 2020-21, ANNUAL PERFORMANCE REVIEW FOR
FY 2021-22 & AGGREGATE REVENUE REQUIREMENT & TARIFF FOR FY 2022-23"

TECHNICAL VALIDATION SESSION (STATE DISCOMS).

SL. NO.	NAME	DESIGNATION	APPEARING ON BEHALF OF	SIGNATURE & MOBILE NO.
11	Ankur Juyal	Sr. Manager. (Consultant)	UPPCL	
12	Saurabh Shrivastava.	Associate Director. (Consultant)	UPPCL	
13	VRUSHABH GANPATRA	Sr. ANALYST	MVVNL	 (8866757736)
14	PRATYUSHA KHANDLWAL	Manager	KESCO	 9819001335
15	Ashut Kumar	SE	MVVNL	 8004011536
16	J.S. MISHRA	EE	MVVNL	 9415901109
17	VIVEK ASTHANA	SE	DVVNL	 9415900351
18	Alok Mehrotra	SE	UPPCL	 1814142 9415099259
19	Deebal Rajede	CE	PPA, UPPCL	 1814142 9415005741
20	Love Bansal	Assistant Engineer	KESCO	 9415005741 731120233

ATTENDANCE SHEET

DATE OF (TVS):- 18TH APRIL 2022

AT 11:00 HRS.

IN THE MATTER OF: "TRUE-UP PETITION FOR FY 2020-21, ANNUAL PERFORMANCE REVIEW FOR
FY 2021-22 & AGGREGATE REVENUE REQUIREMENT & TARIFF FOR FY 2022-23"

TECHNICAL VALIDATION SESSION (STATE DISCOMS).

SL. NO.	NAME	DESIGNATION	APPEARING ON BEHALF OF	SIGNATURE & MOBILE NO.
21	Sanjay S. S. S. S.	DT, Kesco	Kesco	7054899777
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