

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR**



Summary of Case No. 2028/2021

**Petition for True Up of FY 2020-21 and
Determination of Aggregate Revenue Requirement
& Tariff of FY 2022-23**

**Under
GERC (Multi Year Tariff) Regulations, 2016 along with other Guidelines
and Directions issued by the GERC from time to time AND under Part VII
(Section 61 to Section 64) of the Electricity Act, 2003 read with the
relevant Guidelines**

Filed by:-

Uttar Gujarat Vij Company Limited

Corp. Office: Regd. & Corporate Office, Visnagar Road, MEHSANA - 384 001

“Save Energy for Benefit of Self and Nation”



1. INTRODUCTION:

Uttar Gujarat Vij Company Limited (UGVCL) is an unbundled entity of erstwhile Gujarat Electricity Board and one of the distribution companies engaged in distribution of electricity in the North area of Gujarat.

Uttar Gujarat Vij Company Ltd obtained its Certificate of Commencement of Business on the 15th October, 2003. However, the company had not commenced its commercial operations during the financial year ended 31st March, 2005. The Company has started commercial function w.e.f. 1st April 2005.

The Gujarat Electricity Regulatory Commission (hereinafter referred to as “GERC” or “the Hon’ble Commission”), an independent statutory body constituted under the provisions of the Electricity Regulatory Commissions (ERC) Act, 1998, is vested with the authority of regulating the power sector in the State inter alia including setting of tariff for electricity consumers. The Hon’ble Commission is now deemed to be the Commission established under Sub-Section (1) of Section-3 of the Gujarat Electricity Industries (Reorganization and Regulations) Act, 2003.

Pursuant to GERC (Multi Year Tariff) Regulations, 2016 along with other guidelines and directions issued by the GERC from time to time AND under Part VII (Section 61 to Section 64) of the Electricity Act, 2003 read with the relevant Guidelines, UGVCL has file petition for True Up for FY 2020-21 and Approval of ARR & determination of Tariff for FY 2022-23.

Case No. 2028/2021

Petition submitted to Hon’ble Commission is summarized as under.

2. TRUE -UP FOR FY 2020 - 21:

a) CATEGORY WISE SALES APPROVED AND ACTUAL FOR 2020-21

TABLE 1 : CATEGORY-WISE SALES

Sr. No.	Particulars	Sales(MUs)	
		FY 2020-21 (Approved)	FY 2020-21 (Actual)
A	LT Consumers		
1	RGP	2,593.69	2,658.04
2	GLP	54.05	84.94
3	Non-RGP & LTMD	2,169.80	1,908.50
4	Public Water Works	876.76	863.77
5	Agriculture - Metered	3,301.07	3,512.54
6	Agriculture - Unmetered	6,312.65	6,492.19
7	Street Light	58.34	-
	LT Total (A)	15,366.36	15,519.98
B	HT Consumers		
8	Industrial HT	9,217.62	7,301.78
9	Railway Traction	-	-
	HT Total (A)	9,217.62	7,301.78
	Grand Total (A + B)	24,583.98	22,821.76

b) DISTRIBUTION LOSSES

In FY 2020-21, the actual distribution losses were 6.76% as against the approved level of 9.60%. The table below highlights the comparison of actual distribution losses of UGVCL against that approved by the Hon’ble Commission vide its Tariff Order.



Table 2 : Distribution Losses

Sr. No.	Particulars	FY 2020-21 (Approved)	FY 2020-21 (Actual)
1	Distribution Losses	9.60%	6.76%

c) **ENERGY REQUIREMENT AND ENERGY BALANCE:**

The gross energy requirement of UGVCL is as under

TABLE 3 : ENERGY REQUIREMENT AND ENERGY BALANCE

Energy Balance				
S.No.	Particulars	Unit	FY 2020-21 Approved	FY 2020-21 Actual
1	Energy Sales	MUs	24,583.98	22,821.76
2	Distribution Losses	MUs	2,610.69	1,653.60
		%	9.60%	6.76%
3	Energy Requirement	MUs	27,194.67	24,475.36
4	Less: Local Power Purchase by Discom	MUs		106.37
5	Power Purchase at T<>D periphery from GUVNL	MUs	27,194.67	24,368.99
6	Transmission Losses	MUs	1,089.00	883.85
		%	3.85%	3.50%
7	Total Energy to be input to Transmission System	MUs	28,283.67	25,252.84
8	Pooled Losses in PGCIL System	MUs	396.26	460.05
9	Add: Local Power Purchase by Discom	MUs		106.37
10	Total Energy Requirement	MUs	28,679.93	25,819.26

d) **CAPITAL EXPENDITURE:**

The scheme-wise capital expenditure incurred in FY 2020-21 against approved by the Hon'ble Commission is as shown below:

Table 4 : Capital Expenditure



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Rs. in Crores

	Particulars	FY 2020-21 (Approved)	FY 2020-21 (Actual)	Deviation
A	Distribution Schemes			-
	Normal Development Scheme	180.00	279.35	(99.35)
	System Improvement Scheme	40.00	72.29	(32.29)
	HVDS in selected sub-division	4.50	5.74	(1.24)
	Under Ground Cables	100.00	-	100.00
	Plan Load Management Transformer	4.00	-	4.00
	Others (VDS)	0.65	1.58	(0.93)
	Total	329.15	358.96	(29.81)
B	Rural Electrification Schemes-Plan			
	TASP(Wells and Petapara)	20.00	27.03	(7.03)
	Schedule Caste Sub Plan (Wells)	3.00	1.96	1.04
	Schedule Caste Sub Plan (Lighting)	2.50	0.93	1.57
	Electrification of Hutments	4.00	3.22	0.78
	Kutir Jyoti Scheme	0.40	1.25	(0.85)
	Dark Zone	100.00	146.14	(46.14)
	Sagarkhedu	4.00	0.74	3.26
	Sardar Krushi Jyoti Scheme (SKJY)	-	19.62	(19.62)
	Solar Home Light	15.00	-	15.00
	KSK(kisan Suryoday Yojana)		1.19	(1.19)
	AG Well(Feeder Bifurcation)		3.78	(3.78)
	SKY (excluding panels)		1.45	(1.45)
	Total	148.90	207.30	(58.40)
C	Central Government Scheme Plan		-	
	Revamped Distribution Sector Scheme	-	-	-
	RAPDRP Part A	2.05	-	2.05
	Integrated Power Development Scheme	-	1.44	(1.44)
	SCADA Part A	0.21	-	0.21
	Smart Grid	2.00	-	2.00
	Total	4.26	1.44	2.82
D	Non Plan Schemes		-	
	RE Non Plan (Tatkal)	1.00	2.01	(1.01)
	AG Normal (SPA)	30.00	60.56	(30.56)
	Energy Conservation	0.10	-	0.10
	Total	31.10	62.57	(31.47)
E	Other New Schemes		-	
	Automation and Computerisation	4.35	1.10	3.25
	Civil Works and New Buildings	12.00	7.13	4.87
	GIS in cities	0.20	-	0.20
	Other Schemes (Earthing)	0.80	-	0.80
	Other Repairing Work/Civil Work	2.00	-	2.00
	New Furnitures and Fixtures	1.00	0.78	0.22
	Vehicles	0.50	0.09	0.41
	DSM	2.00	-	2.00
	DISS	-	11.92	(11.92)
	Solar Pump	5.00	-	5.00
	Total	27.85	21.03	6.82
F	Capital Expenditure Total	541.26	651.29	(110.03)

FUNDING OF CAPITALISATION

The funding of actual capitalisation is done through various sources categorised under four headings namely: Consumer Contribution, Grants, Equity and Debt. The detailed breakup of funding of capitalised asset during FY 2020-21 is mentioned in the table below.



Table 5 : Funding of Capitalisation

Rs. in Crores				
Sr. No.	Particulars	FY 2020-21 (Approved)	FY 2020-21 (Actual)	Deviation
1	Capitalization	541.26	678.35	(137.09)
2	Less : Consumer Contribution	73.20	177.82	(104.62)
3	Less: Grants	122.90	54.86	68.04
4	Balance Capitalization	345.16	445.68	(100.52)
5	Debt @ 70%	241.61	311.97	(70.36)
6	Equity @ 30%	103.55	133.70	(30.15)

e) AGGREGATE REVENUE REQUIREMENT FOR FY 2020-21

Aggregate Revenue Requirement for FY 2020-21 for UGVCL in comparison with values approved by the Hon'ble Commission is as under:

TABLE 6 : AGGREGATE REVENUE REQUIREMENT FOR FY 2020-21

Rs. in Crores				
Sr. No.	Particulars	FY 2020-21 (Approved)	FY 2020-21 (Actual)	Deviation
1	Cost of Power Purchase	11,843.65	10,949.27	894.38
2	Operation & Maintenance Expenses	751.74	690.00	61.73
2.1	Employee Cost	643.75	583.45	60.30
2.2	Repair & Maintenance	72.50	101.48	(28.98)
2.3	Administration & General Charges	117.24	92.60	24.64
2.4	Other Expenses Capitalised	(81.76)	(87.53)	5.77
3	Depreciation	273.65	367.01	(93.36)
4	Interest & Finance Charges	173.91	124.32	49.59
5	Interest on Working Capital	-	-	-
6	Provision for Bad Debts	0.31	0.04	0.27
7	Sub-Total [1 to 6]	13,043.26	12,130.65	912.60
8	Return on Equity	231.86	235.45	(3.59)
9	Provision for Tax / Tax Paid	14.38	21.07	(6.69)
10	Total Expenditure (7 to 9)	13,289.50	12,387.17	902.32
11	Less: Non-Tariff Income	138.68	(54.48)	193.16
12	Aggregate Revenue Requirement (10 - 11)	13,150.82	12,441.66	709.16

f) SHARING OF GAINS & LOSSES

The following Table summarizes net gain/(loss) to UGVCL during FY 2020-21 on account of controllable & uncontrollable factors.

TABLE 7 : NET GAIN/ (LOSS) FOR FY 2020-21



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Rs. in Crores

Sr. No.	Particulars	FY 2020-21 (Approved)	FY 2020-21 (Actual)	Gain/(Loss) due to Controllable Factors	Gain/(Loss) due to Uncontrollable Factors
1	Cost of Power Purchase	11,843.65	10,949.27	326.51	567.87
2	Operation & Maintenance Expenses	751.73	690.00	55.96	5.77
2.1	Employee Cost	643.75	583.45	60.30	-
2.2	Repair & Maintenance	72.50	101.48	(28.98)	-
2.3	Administration & General Charges	117.24	92.60	24.64	-
2.4	Other Expenses Capitalised	(81.76)	(87.53)	-	5.77
3	Depreciation	273.65	367.01	-	(93.36)
4	Interest & Finance Charges	173.91	124.32	-	49.59
5	Interest on Working Capital	-	-	-	-
6	Provision for Bad Debts	0.31	0.04	0.27	-
7	Return on Equity	231.86	235.45	-	(3.59)
8	Provision for Tax / Tax Paid	14.38	21.07	-	(6.69)
9	ARR (1 to 8)	13,289.50	12,387.17	382.74	519.58
10	Non - Tariff Income	138.68	(54.48)	-	193.16
11	Total ARR (9-10)	13,150.82	12,441.66	382.74	326.42

g) REVENUE FOR FY 2020-21

ACTUAL REVENUE OF UGVCL FOR FY 2020-21, IS AS UNDER:

TABLE 8 : REVENUE FOR FY 2020-21

Rs. in Crores

Sr. No.	Particulars	FY 2020-21 (Approved)	FY 2020-21 (Actual)
1	Revenue from Sale of Power	8,532.19	11,749.02
2	Revenue from FPPPA	3,908.85	
3	Other Income (Consumer related)	120.80	243.14
4	Total Revenue excluding subsidy (1 + 2 + 3)	12,561.84	11,992.16
5	Agriculture Subsidy	511.92	588.37
6	Total Revenue including subsidy (4 + 5)	13,073.76	12,580.53

h) REVENUE GAP/(SURPLUS) FOR FY 2020-21

Table 9: Revenue Gap/Surplus for FY 2020-21



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Rs. in Crores		
Sr. No.	Particulars	FY 2020-21 (Actual)
1	Aggregate Revenue Requirement originally approved for FY 2020-21	13,150.82
2	Less: (Gap) / Surplus of FY 2018-19	141.72
3	Less: Gain / (Loss) on account of Uncontrollable factor to be passed on to Consumer	326.42
4	Less: Gain / (Loss) on account of Controllable factor to be passed on to Consumer (1/3rd of Total Gain / Loss)	127.58
5	Revised ARR for FY 2020-21 (1 - 2 - 3 - 4)	12,555.11
6	Revenue from Sale of Power	11,749.02
7	Other Income (Consumer related)	243.14
8	Total Revenue excluding Subsidy (6 + 7)	11,992.16
9	Agriculture Subsidy	588.37
10	GUVNL Profit / (Loss) Allocation	25.34
11	Total Revenue including Subsidy (8 + 9 + 10)	12,605.88
12	Revenue (Gap)/ Surplus after treating gains/(losses) due to Controllable/ Uncontrollable factors (11 - 5)	50.77

3. ARR and Tariff Determination for FY 2022-23:

The Aggregate Revenue Requirement for FY 2022-23 as per GERC MYT Regulations, 2016 is projected as below:

Rs. in Crores		
Sr. No.	Particulars	FY 2022-23 (Projected)
1	Cost of Power Purchase	13,087.34
2	Operation & Maintenance Expenses	892.63
2.1	Employee Cost	726.01
2.2	Repair & Maintenance	97.05
2.3	Administration & General Charges	117.77
2.4	RDSS Metering Opex	64.32
2.5	Other Expenses Capitalised	(112.53)
3	Depreciation	429.63
4	Interest & Finance Charges	110.16
5	Interest on Working Capital	-
6	Provision for Bad Debts	0.04
7	Sub-Total [1 to 6]	14,519.80
8	Return on Equity	272.02
9	Provision for Tax / Tax Paid	21.07
10	Total Expenditure (7 to 9)	14,812.89
11	Less: Non-Tariff Income	153.50
12	Aggregate Revenue Requirement (10 - 11)	14,659.39



(a) Projection of Sales (MUs)

The estimated Sales are projected in the table below:

TABLE 1: PROJECTION OF SALES (MUs)

Sr. No.	Category	FY 2022-23
	Low Tension	
1	RGP	3,009
2	GLP	133
3	Non-RGP & LTMD	2,556
4	Public Water Works	1,027
5	Agriculture - Unmetered	6,492
6	Agriculture - Metered	4,065
7	Electric Vehicle Charging	-
	Sub Total	17,282
	High Tension	
1	Industrial HT	8,627
	Sub Total	8,627
	Total	25,909

(b) Revenue Projection:

Based on projected sales & existing retail tariff, revenue from sale of power works out to Rs. 8,997 Crore for FY 2022-23. The consumer category wise revenue for FY 2022-23 estimated by UGVCL is as given in the following table:

TABLE 2: REVENUE AT EXISTING TARIFF FOR FY 2022-23

S.No.	Particulars	Revenue excluding FPPPA (Rs. in Crores)
A	LT Consumers	
1	RGP	1,078
2	GLP	56
3	Non-RGP & LTMD	1,432
4	Public Water Works	374
5	Agriculture-Unmetered	922
6	Agriculture-Metered	360
7	Electric Vehicle Charging	
	LT Total (A)	4,221
B	HT Consumers	
8	Industrial HT	4,776
	HT Total (B)	4,776
	Grand Total (A + B)	8,997.37

The Revenue from FPPPA for FY 2022-23 has been projected considering the base rate of 180 paise per unit. The FPPPA projection for FY 2022-23 is as given in the table given below:

Sr. No.	Particulars	FY 2022-23 (Projected)
1	Projected Sales (MU)	25,909.01
2	FPPPA Rate (Rs./kWh)	1.80
3	Revenue from FPPPA (Rs. Crore)	4,663.62

Rs. in Crores



Based on the above projections, the total revenue of the company comprises of revenue from sale of power at existing tariff, FPPPA charges, other consumer related income and Agriculture Subsidy. Total revenue for FY 2022-23 is as shown below:

TABLE 3: TOTAL REVENUE FOR FY 2022-23

Rs. in Crores		
Sr. No.	Particulars	FY 2022-23 (Projected)
1	Revenue with Existing Tariff	8,997.37
2	FPPPA Charges @ Rs. 1.80/ unit	4,663.62
3	Other Income (Consumer related)	243.14
4	Agriculture Subsidy	547.98
5	Total Revenue including subsidy (1 to 4)	14,452.12

Based on the above, the estimated revenue gap/ (surplus) for FY 2022-23 at existing tariff is as outlined in the table below:

TABLE 4: ESTIMATED REVENUE GAP FOR FY 2022-23 AT EXISTING TARIFF

Rs. in Crores		
Sr. No.	Particulars	FY 2022-23 (Projected)
1	Aggregate Revenue Requirement	14,659.39
2	Less: Revenue (Gap)/ Surplus from True up of FY 2020-21	50.77
3	Total Aggregate Revenue Requirement	14,608.62
4	Revenue with Existing Tariff	8,997.37
5	FPPPA Charges @ Rs. 1.80/ unit	4,663.62
6	Other Income (Consumer related)	243.14
7	Agriculture Subsidy	547.98
8	Total Revenue including subsidy (4 to 7)	14,452.12
9	Revenue (Gap) / Surplus (8 - 3)	(156.50)

(a) Tariff Proposal:

Company has submitted Petition for True-up for FY 2020-21 and Approval of ARR & Determination of Tariff for FY 2022-23 under GERC (Multi Year Tariff) Regulations, 2016. There is No Increase in the tariff for FY 2022-23.

(I) Provisions for availing the copy of Submission:

Tariff petition together with supporting material will be available for inspection as well as for sale at Rs. 200/- to the interested persons at the office of The Chief Engineer, Regd. and Corporate Office, Uttar Gujarat Vij Company Ltd, Visnagar Road, Mehsana- 384001 and at the office of the Superintending Engineer of UGVCL, in Charge of O&M Circle. For obtaining the copy of the petition by post, postage fee @ Rs.50/- (Rupees Fifty) will be payable extra.

NOTE: -

The total amount in such event be sent by Money Order or Demand Draft payable in favour of Uttar Gujarat Vij Company Ltd.

The electronic copies of the above mentioned petition are available at website www.guvnl.com and www.ugvcl.com



(j) Guideline for submission of response:

Pursuant to GERC (Multiyear Tariff) Regulations, 2016 & GERC (Conduct of Business) Regulations 2004, it is hereby notified that the persons who are interested in filing their objections/suggestions to the above petition may file the same with the Secretary, Gujarat Electricity Regulatory Commission, 6th floor, GIFT One, Road 5c Zone 5, GIFT City, Gandhinagar along with the document on which they want to rely upon, in five sets, duly supported by an affidavit with the copy to the undersigned on or before 06.01.2022 and also indicate whether they intend to be heard in person.