

The HP State Electricity Board Limited.

Petition No. 14 of 2024

23.01.2024

Present: Sh. Anup Ram, Chief Engineer (Comm.) for the
Petitioner.

INTERIM ORDER

The Petitioner has filed an application submitting that due to holiday on 22.01.2024 declared by the Govt. of HP, the publication may not be done on 23.01.2024, with availability of sufficient number of copies with designated office and has requested for seven working days for publication of the same.

Since the Govt. of HP has declared 22.01.2024 as holiday on account of Ram Lalla Pran Pratishta at Ayodhya vide notification No. GAD-A(F) 10-9/2022 dated 21st January, 2024, the time as allowed was not sufficient. Hence, the prayer is considered and allowed.

In view of the above, the Petitioner is directed to take action as per Section 64 (2) & 64 (3) of the Electricity Act, 2003 read with Sub-regulation (5) of Regulation 16 of the HPERC (Conduct of Business) Regulations, 2005, as amended from time to time to publish the Petition in the abridged form and manner, as follows:-

1. The salient features of the Petition alongwith **Annexure-1** be published in two leading newspapers, one in English language and one in Hindi language; having wide circulation in the State of Himachal Pradesh on two different dates in two publications on or before **30.01.2024** under intimation to this Commission.

2. The publication should be given the heading “Disclosure in the Petition for True up of Uncontrollable Parameters for FY2022-23 and ARR & Determination of Tariff for FY2024-25” filed before the Himachal Pradesh Electricity Regulatory Commission.
3. The salient features to be published should include the following:-
 - (i) the Aggregate Revenue Requirement (ARR) including cost of power purchase, employee expenses, repairs and maintenance expenses, administration and general expenses, depreciation, interest and financing charges, repayment of loans and average cost of energy etc. showing approved figures for FY22-23 & FY23-24, actuals for FY22-23, revised estimates for FY23-24 and projections for the 5th Control Period;
 - (ii) the energy balance with approved T&D losses vis-à-vis actual for FY22-23, revised estimates for FY23-24 and projected for the FY24-25;
 - (iii) Source wise power purchase quantum and cost for FY22-23, estimates for FY23-24 and projections for FY24-25;
 - (iv) Consumer category-wise energy sales for FY22-23, estimates for FY23-24 and FY24-25;
 - (v) The salient features and reasons of the True-up of Uncontrollable Parameters of FY22-23;
 - (vi) Waivers expressly requested by the HPSEBL;
 - (vii) Other salient features of the proposed Petition.
4. The complete Tariff Petition along with formats etc. be hosted on the HPSEBL website by **30.01.2024**.
5. Sufficient copies of Petition be made available in the Offices of the Chief Engineer (Commercial), Chief Engineer (Operation) and All Superintending Engineer (Operation) HPSEBL, for sale to interested parties on payment of Rs. 1500/- w.e.f **31.01.2024**.

6. Arrangements also be made for the interested parties to see, examine and inspect the above Petition in the abovementioned offices during the office hours on any working day.
7. The Petition be given wide publicity amongst all the stakeholders in general and in particular the copies of the petition be supplied to the following: -
 - (a) The Govt. of HP through Principal Secretaries ((MPP & Power, I&PH, Health, Industry, Agriculture, Education, Horticulture and Tourism);
 - (b) The H.P. Power Corporation Ltd., H.P. Power Transmission Corporation Ltd., and Directorate of Energy;
 - (c) The Industry Associations and Chambers;
 - (d) The Hotel and Restaurant Associations;
 - (e) The NGOs associated with power sector;
 - (f) The Consumer Representative;
 - (g) The Members of the State Advisory Committee of HPERC.

The Tariff Division is further authorized to seek any relevant clarification for the disposal of the Petition from the Petitioner.

The matter be listed further before the Commission in such a manner that the Petition is disposed off as per the provisions of the Electricity Act, 2003.

-Sd-
(Shashi Kant Joshi)
Member

-Sd-
(Yashwant Singh Chogal)
Member(Law)

ABRIDGED FORM OF DISCLOSURE OF PETITION FOR APPROVAL OF RETAIL AND WHEELING TARIFF FOR THE YEAR 2024-25, MULTI YEAR ANNUAL REVENUE REQUIREMENT FOR THE 5TH MYT CONTROL PERIOD (FY25 TO FY29), TRUE UP OF UNCONTROLLABLE PARAMETERS FOR FY2022-23 AND ARR & DETERMINATION OF TARIFF FOR FY2024-25” FILED BY THE HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED (HPSEBL) BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION.

The HPSEBL has filed the Petition for approval of the 5th MYT Control Period (FY25 to FY29), True up of Uncontrollable Parameters for FY2022-23 and ARR & Determination of Tariff for FY2024-25 for Distribution Business under sections 62, 64 and 86 of the Electricity Act, 2003.

Summary of the submissions is as under:

1. ARR proposed by HPSEBL for FY24-25(without true up) - Rs. 10706 crores.
2. ARR proposed by HPSEBL for FY24-25(with true up) - Rs. 10724 crores
3. Total ARR approved by the Commission for FY23-24(without true up) - Rs. 6860.41 crores.
4. Total ARR approved by the Commission for FY23-24 (with true up) - Rs. 6595.47 crores.
5. Increase in ARR proposed by HPSEBL over FY23-24 (without true up) - Rs. 3845.59 crores(+56.05%)
6. Increase in ARR proposed by HPSEBL over FY23-24 (with true up) - Rs. 4128.53 crores (+62.59%)
7. Average Billing Rate (ABR) proposed by HPSEBL for FY24-25- Rs. 8.92 per unit.
8. Average Billing Rate estimated by HPERC for FY23-24- Rs. 5.82 per unit
9. Increase in ABR proposed by HPSEBL over FY23-24 - Rs. 3.10 per unit (+53.4 %).

The salient features of the Petition submitted by the HPSEBL are as follows:

(i) Total Energy required, T&D losses, Energy available and Surplus power for inter-state sales approved for FY24, Revised Estimates for FY24 and Projections for FY25

Energy Balance (MUs) & T&D Losses	FY24	FY24	FY25
	Approved	Revised Estimates	Projected
Net Power required for supply within the State (MUs)			
Intra-state T&D Loss in %			
Total power, grossed up with losses, required for supply within the State (MUs)			
Total Power available from assured sources (MUs)			
Surplus power for inter-state sale (MUs)			

(ii) Approved ARR (Rs crore) along with Revised Estimates for FY24 and Projected ARR for the 5th MYT Control Period.

Annual Revenue Requirement	FY24		FY25	FY26	FY27	FY28	FY29
	Approved	Revised Estimates	Projected	Projected	Projected	Projected	Projected
Costs							
Power Purchase Cost including Transmission Charges							
Employee Cost							
Repairs & Maintenance Cost							
Administrative & General Expenses							
Interest Cost							

Depreciation							
Other							
Total Costs							
Add: Return of Equity							
Add: Recovery of Prior Period Gap							
Less: Non-Tariff Income							
Add: True up (Gap)							
Annual Revenue Requirement							
% variation in ARR w.r.t. ARR approved for previous year							
Revenue from sale in State							
Revenue from Sale Outside State							
Total Revenue							
Revenue Gap/Surplus							

(iii) **Approved ARR (Rs crore) vis-à-vis Actual for FY23.**

Annual Revenue Requirement (Rs crore)	FY 22-23		
	Approved.	Actual	Deviation
Costs			
Power Purchase cost			
Employee Cost			
R&M Cost			
A&G Cost			
Interest Cost			
Depreciation			
Total Costs			
Add: Return on Equity			
Less: Non Tariff Income			
Annual Revenue Requirement			
Covered By			
Revenue @ Approved Tariff			
Revenue from sale outside State			
Previous Year (Gap)/Surplus carry forward			
Revenue @ Approved Tariff + GoHP Subsidy			
Revenue (Gap)/Surplus			

(iv) **Tariff Proposal to recover the estimated ARR gap/ surplus**

Apart from above, following information can be directly viewed at the official website of the HPSEBL i.e. www.hpseb.in

1. The complete petition along with formats.
2. The relevant detail of station wise own generation, station wise power purchase quantum & cost, year-wise CAPEX approved & its utilization, employee cost, depreciation, interest & finance charges, working capital requirement, balance sheet with profit & loss statement for FY23, aggregate receivables & payables by GoHP, subsidy agreed & paid by GoHP in FY23 and FY24, CAPEX projected for the 5th Control Period and status of compliance of directions.

The hard copies of the above Petitions can be obtained from the offices of Chief Engineer (Commercial), Chief Engineer (Operations) and all Superintending Engineers of Operation Circles on payment of Rs. 1500/- each w.e.f. 31st January, 2024.