



UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

Petition No.: 368, 369, 370, 371 & 372 of 2006

Filed by:

U. P. Power Corporation Limited
Pachimanchal Vidyut Vitran Nigam Limited
Dakshinanchal Vidyut Vitran Nigam Limited
Madhyanchal Vidyut Vitran Nigam Limited
Poorvanchal Vidyut Vitran Nigam Limited

VOLUME-I

IN THE MATTER OF:

APPLICATION FOR AGGREGATE REVENUE
REQUIREMENT IN FY2006-07

ORDER UNDER SECTION 64 OF
THE ELECTRICITY ACT 2003

Lucknow

10th May 2007

Notwithstanding, the discrepancies in the petition, deficiencies in the response of the licensees and the fact that the structure of UP Power Sector is still not in line with the spirit of Electricity Act, 2003, the Commission, in the larger interest of consumers as well as licensees and as a mark of respect to its own commitments to abide by the statutory obligation of tariff determination, admitted the ARR/tariff petitions filed by UP Power Corporation Limited and four Discoms on 1st December, 2006. In accordance with section 64(3), the Commission was expected to issue tariff order on above petition by 30th March, 2007. However, on the same day the Commission received an advisory letter from Chief Electoral Officer U.P. stating that the Election Commission through its letter no. 437/ up-la/2007 dated 30th March, 2007 has desired that UP Electricity Regulatory Commission may be advised not to do any thing that can disturb the level playing field and confer advantage to anyone party as between the different party in poll fray. Accordingly, the Commission held back its tariff order, which was duly complete on 30th March, 2007 for issue, and the same is being issued today i.e. On 10th May, 2007 as the voting process is complete in the state of Uttar Pradesh and therefore, the issuance of this order can in no way confer advantage to any political party or disturb the level playing field in the process of election.

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For the convenience of stakeholders, this Tariff Order is structured in two volumes, i.e. Volume-1 and Volume-2. The Volume-1 includes the main order of the Commission including analysis of the petitioners' ARR applications and Commission's views on stakeholder's objections/suggestions/comments. Volume-2 contains chapters on Tariff Design, Directions to Discoms and Transco, a chapter on Regulators Dilemma and the Rate schedule for different categories of consumers.