



Uttar Pradesh Electricity Regulatory Commission

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PUBLIC NOTICE

The Commission has framed draft UPERC (Modalities of Tariff Determination) Regulations 2022, which is available on the Commission's website www.uperc.org. The Commission hereby invites written suggestions and /or objection from all stakeholder/ public on draft UPERC (Modalities of Tariff Determination) Regulations 2022, which may be sent to the Secretary Uttar Pradesh Electricity Regulatory Commission formally by post or through e-mail at secretary@uperc.org on or before 25.01.2023.

The Commission proposes to hold "Public Hearing" through video conferencing on 25.01.2023 at 11:00 Hrs. All stakeholder who wish to participate in the Public Hearing shall send an email on office@uperc.org providing their name, email id(Gmail), mobile number organization to register themselves and shall follow the "instructions for Public Hearing in UPERC through Video Conferencing" available on UPERC website (www.uperc.org). The link for video conferencing will be sent to their respective Gmail ID.


Secretary

**UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

**No. UPERC/Secy/Regulation/
Lucknow: Dated, , 2022**

Notification

In exercise of the powers conferred under Section 181 read with Section 61, Section 62, Section 63 and Section 86 of the Electricity Act 2003 and all other powers enabling it in this behalf, and after previous publication, the Uttar Pradesh Electricity Regulatory Commission hereby makes the following regulations, namely:

1. Short Title and Commencement: -

- 1.1 These regulations may be called the Uttar Pradesh Electricity Regulatory Commission (Modalities of Tariff Determination) Regulations, 2022.
- 1.2 These regulations shall come into force from the date of their publication in the Official Gazette.
- 1.3 These regulations shall extend to the whole of the State of Uttar Pradesh.

2. Definitions: -

2.1 In these regulations, unless the context otherwise requires:

- (1) "Act" means the Electricity Act, 2003;
- (2) "Commission" means the Uttar Pradesh Electricity Regulatory Commission;
- (3) "Existing Project" means a project which has achieved commercial operation;
- (4) "Intra-State Transmission System" or "InSTS" in respect of the State shall have the same meaning as defined in the Act;
- (5) "Ongoing Project" means a project which has been under implementation but has not achieved commercial operation;
- (6) "Regulated Tariff Mechanism" or "RTM" means determination of tariff by the Commission in accordance with the regulations specified by the Commission under Section 62 of the Act;
- (7) "State Transmission Utility" or "STU" shall have the same meaning as defined in the Act;
- (8) "STU Transmission Plan" means an updated five-year rolling Intra-State Transmission System Plan for the State as prepared and issued every year by STU;
- (9) "Tariff Based Competitive Bidding" or "TBCB" means determination of tariff through transparent process of bidding in accordance with the guidelines issued by the Central Government under Section 63 of the Act;

(10) 'Year' means a financial year from 1st April to 31st March.

Save as aforesaid and unless repugnant to the context or if the subject matter otherwise requires, words and expressions used in these regulations and not defined here, but defined in the Act or any other regulations of this Commission shall have the meaning assigned to them under the Act, or any other regulations of this Commission. Similarly, words and expressions used in these regulations and not defined here, but defined in the guidelines issued by the Central Government under Section 63 of the Act shall have the meaning as assigned to these in the guidelines.

- 2.3 Reference to any Acts, Rules and Regulations shall include amendments or consolidation or re-enactment thereof.

PART A: MODALITY FOR POWER PURCHASE APPROVAL FOR THE DISTRIBUTION LICENSEE IN THE STATE

3. Power Procurement under Section 62 of the Act:-

- 3.1 All existing power generating projects for which tariff is currently being determined in accordance with Regulated Tariff Mechanism (RTM) under Section 62 of the Act shall be grandfathered and accordingly these projects will continue to be covered under RTM framework and their tariffs will be determined under Section 62 for the remainder of the PPA period or life of the plant, whichever is earlier.
- 3.2 Expansion of existing state owned and controlled power generating projects will be allowed under Section 62 and their tariffs shall be determined based on norms specified in the UPERC (Terms and Conditions of Generation Tariff) Regulations, as amended from time to time.
- Provided that in case of expansion of generating capacity by private developers, the tariffs for the incremental generating capacity would be determined in accordance with RTM framework under section 62. However, such expansion under RTM framework would be restricted up to the quantum of power approved under their existing PPA with the distribution licensee(s) in the state
- 3.3 Power produced from all Waste-to-Energy plants set up as per approved PPA with the distribution licensee in the State.
- 3.4 Tariff of all Hydro Power Plants, for which PPA has been approved by the Commission, shall be determined in accordance with RTM framework under Section 62.

4. Power Procurement under Section 63 of the Act:-

Tariff for all power procurement not covered in Regulation 3 shall be discovered through competitive bidding route with prior approval of the Commission for the requirement of such capacity to be bid in pursuance to Section 86 (1)(b) of the Act. Further, any deviation from TBCB guidelines shall require prior approval of the Commission.

PART B: TRANSMISSION

5. STU Transmission Plan: -

- 5.1 The STU shall prepare an updated five-year Transmission System Plan for the State (identifying specific transmission projects which are required to be taken up along with others (a) Brief Scope of Work; (b) Estimated Cost; (c) Estimated COD/ implementation timelines) for approval of the Commission by 28th February on rolling basis every year (or as stipulated in the State Grid Code) in accordance with the State Grid Code read with Indian Electricity Grid Code and other guidelines/ regulations of Central Electricity Authority.
- 5.2 All intra-State transmission projects shall be consistent with the STU Transmission Plan. **No intra-State transmission project shall be considered for implementation, unless the project is a part of the STU Transmission Plan and has been duly approved by the Commission.**

6. Tariff Determination for InSTS Projects under Section 63 of the Act: -

- 6.1 All new greenfield intra-State transmission projects of 220 kV & above voltage level, being part of STU Transmission Plan, shall be implemented through Tariff Based Competitive Bidding (TBCB) in accordance with the guidelines issued under Section 63 of the Act and any deviation from the guidelines should have prior approval of the Commission. The tariff of such intra-State transmission projects shall be discovered under Section 63 of the Act.

7. Tariff Determination for InSTS Projects under Section 62 of the Act: -

- 7.1 Tariff for all other intra-State transmission projects not covered under Regulation 6.1, being part of the STU Transmission Plan, shall be determined in accordance with RTM framework under Section 62 of the Act.
- 7.2 Implementation of augmentation/ strengthening works (excluding O&M works) at the intra-State transmission substation and/or line, being part of the STU Transmission Plan, shall be carried out by the respective developer in accordance with the provisions under Section 62 of the Act read with UPERC (Multi Year Tariff for Distribution and Transmission) Regulations 2019, as amended from time to time, for which the STU shall obtain prior approval of the Commission on case-to-case basis.

PART C: DISTRIBUTION

8. Retail Tariff of the consumers shall be determined in accordance with Section 62 of Electricity Act 2003 along with UPERC (Multi Year Tariff for Distribution and Transmission) Regulations 2019, as amended from time to time.

PART D: MISCELLANEOUS

9. Power to Relax: -

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected, may relax any of the provisions of these regulations on its own motion or on an application made before it by the affected party.

10. Power to Remove Difficulties: -

If any difficulty arises in giving effect to these regulations, the Commission may on its own motion or on an application filed by any affected party, issue such practice directions as may be considered necessary in furtherance of the objective of these regulations.

By the Order of the Commission