दूरभाष / Ph. : 0121-2665734
फैक्स / Fax : 0121-2666062

कार्यालय
Office of the
प्रबन्ध निदेशक
MANAGING DIRECTOR
पश्चिमांचल विद्युत वितरण निगम लि.,
Paschimanchal Vidyut Vitran Nigam Ltd.
विक्टोरिया पार्क, मेरठ
Victoria Park, MEERUT-250001
CIN- U31200UP2003SGC027458

ई–मेल

No. 2251 **/PVVNL/MRT/COM/UPERC/** **Dated :** 12 JUL 2025

Subject:- Response to the replies of 2nd information Requirement/Discrepancies/Data Gaps in the Petition No. 2162 of 2024 dated 29th November, 2024 of True-Up (FY 2023-24), Annual Performance Review (FY 2024-25), Aggregate Revenue Requirement (FY 2025-26) of PVVNL.

The Secretary
Uttar Pradesh Electricity Regulatory Commission
Vibhuti Khand, Gomti Nagar
Lucknow-226010.

This is with reference to your above-mentioned letter directing submission of replies to 2nd Information Requirement/Discrepancies/Data Gaps in the Petition No. 2162 of 2024 dated 29th November, 2024 of True-Up (FY 2023-24), Annual Performance Review (FY 2024-25), Aggregate Revenue Requirement (FY 2025-26) of PVVNL..

The Licensee hereby submits the point-wise replies to the queries/information required by the Hon'ble Commission along with all the Annexures, wherever required. Some Annexures are very heavy and required huge quantum of papers for print outs. As such the same are up-loaded in soft copies.

Enclosure as above 06 (1+5 copies) + 1-CD (soft copies)

(Sanjay Jain)
Director (Commercial)

Dir (Comm)
PVVNL, Meerut

No. **/PVVNL/MRT/COM/UPERC/** **Dated :**

Copy forwarded for information & necessary action :-

1. Managing Director, PVVNL, Meerut.
2. Director (Commercial), UPPCL, Lucknow.
3. Chief Engineer (RAU), UPPCL, Lucknow.

(Sanjay Jain)
Director (Commercial)

Reply to 2nd Data Requirements/Deficiencies/Discrepancies in the Petition No. 2162 of 2024

Dated:- 29th November , 2024

of

True-Up (FY 2023-24), Annual Performance Review (FY 2024-25), Aggregate Revenue Requirement (FY 2025-26) of PVVNL

1. Deficiency in Submission made for Distribution Loss and AT&C Loss

The Petitioners have submitted Distribution Loss trajectory and AT&C Loss trajectory as below:

Table 1: Distribution Loss trajectory (%) of State Discoms

Distribution Loss trajectory (%) of State Discoms						
DISCOM	**FY 25 (Prov)**	**FY 26 (Proj)**	**FY 27 (Proj)**	**FY 28 (Proj)**	**FY 29 (Proj)**	**FY 30 (Proj)**
DVVNL	15.53%	15.53%	15.22%	14.91%	14.62%	14.32%
MVVNL	13.59%	13.59%	13.32%	13.05%	12.79%	12.53%
PVVNL	11.18%	11.18%	10.95%	10.73%	10.52%	10.31%
PuVVNL	16.23%	16.23%	15.90%	15.58%	15.27%	14.97%
KESCO	7.68%	7.68%	7.53%	7.38%	7.23%	7.09%
UPPCL	**13.78%**	**13.78%**	**13.50%**	**13.23%**	**12.97%**	**12.71%**

Table 2: AT&C Loss trajectory (%) of State Discoms

AT&C Loss trajectory (%) of State Discoms						
DISCOM	**FY 25 (Prov)**	**FY 26 (Proj)**	**FY 27 (Proj)**	**FY 28 (Proj)**	**FY 29 (Proj)**	**FY 30 (Proj)**
DVVNL	28.48%	28.48%	26.06%	23.57%	21.00%	18.35%
MVVNL	21.93%	21.93%	19.92%	17.87%	15.77%	13.62%
PVVNL	13.35%	13.35%	12.70%	12.05%	11.39%	10.74%
PuVVNL	36.08%	36.08%	33.27%	30.34%	27.28%	24.10%
KESCO	10.37%	10.37%	9.77%	9.17%	8.57%	7.97%
UPPCL	**23.44%**	**23.44%**	**22.27%**	**20.34%**	**18.34%**	**16.29%**

Dir(Comm)
PVVNL, Meerut

Commission's Directions:

a) The Petitioners are required to submit the detailed computation for AT&C loss trajectory as per the methodology prescribed by CEA for FY 25 (as per actuals) and for future periods as per projections.

Response: It is submitted that Regulation 31 of MYT Regulations 2025 does not mandates to provide the AT&C loss trajectory as per the CEA-prescribed methodology. However, as per the direction of the Hon'ble Commission, the AT&C losses for FY 2024–25, along with the corresponding trajectory, were submitted on 19th May 2025 as part of the revised filing under the new MYT Regulations, 2025. These submissions were based on the provisional data for FY 2024-25, available with the DISCOMs at that time. Subsequently, the balance sheets for FY 2024-25 have been audited and accordingly the correct AT&C losses for FY 2024-25 as per the audited balance sheet are provided in the table below:

AT&C Losses for FY 2024-25

S.No.	Particulars	DVVNL	MVVNL	PuVVNL	PVVNL	KESCO	UPPCL
A	Input Energy (MU)	32,143.49	31,721.93	36,302.00	42,913.41	4,569.22	1,47,650.06
B	Transmission Losses (MU)	—	—	—	—	—	
C	Net Input Energy (MU)	32,143.49	31,721.93	36,302.00	42,913.41	4,569.22	1,47,650.06
D	Energy Sold (MU)	27,151.77	27,411.19	30,507.00	38,116.07	4,218.15	1,27,404.18
E	Revenue from Sale of Energy (Rs. Cr.)	18,165.99	18,753.17	21,355.06	28,879.97	3,325.82	90,480.01
F	Adjusted Revenue from Sale of Energy on Subsidy Received Basis (Rs. Cr.)	18,165.99	18,753.17	21,355.06	28,879.97	3,325.82	90,480.01
G	Opening Debtors for Sale of Energy (Rs. Cr.)	21,189.47	25,546.32	33,718.38	12,655.94	3,577.38	96,687.49
H	Closing Debtors for Sale of Energy (Rs. Cr.)	22,084.43	26,437.14	37,219.34	12,892.67	3,815.30	1,02,448.88
I	Adjusted Closing Debtors for Sale of Energy (Rs. Cr.)	22,084.43	26,437.14	37,219.34	12,892.67	3,815.30	1,02,448.88
J	Collection Efficiency (%)	95.07%	95.25%	83.61%	99.18%	92.85%	93.63%
K	Units Realized (MU)	25,814.12	26,109.09	25,505.67	37,803.63	3,916.39	1,19,291.61
L	Units Unrealized (MU)	6,329.37	5,612.84	10,796.33	5,109.78	652.83	28,358.45
M	AT&C Losses (%)	19.69%	17.69%	29.74%	11.91%	14.29%	19.21%

b) The Petitioners are required to provide collection efficiency corresponding to above trajectory for each year of the Control Period.

Dir (Comm)
PVVNL, Meerut

Response: Based on the audited balance sheet figures for FY 2024–25, the collection efficiency for all DISCOMs has been revised. The updated DISCOM-wise collection efficiency (as per CEA methodology), corresponding to the submitted trajectory for each year of the Control Period, is as under:

Collection efficiency trajectory (%) of State Discoms						
DISCOM	**FY 25 (as per Balance Sheet)**	**FY 26 (Proj)**	**FY 27 (Proj)**	**FY 28 (Proj)**	**FY 29 (Proj)**	**FY 30 (Proj)**
DVVNL	95.07%	95.07%	95.97%	96.87%	97.79%	98.71%
MVVNL	95.25%	95.25%	96.15%	97.06%	97.97%	98.90%
PVVNL	99.18%	99.18%	99.27%	99.37%	99.46%	99.55%
PuVVNL	83.61%	83.61%	85.58%	87.60%	89.67%	91.78%
KESCO	92.85%	92.85%	93.29%	93.73%	94.17%	94.61%
UPPCL	**93.63%**	**93.63%**	**94.51%**	**95.40%**	**96.31%**	**97.23%**

Based on the above collection efficiency trajectory, the updated AT&C trajectory is as under: -

AT&C Loss trajectory (%) of State Discoms						
DISCOM	**FY 25 (as per Balance Sheet)**	**FY 26 (Proj)**	**FY 27 (Proj)**	**FY 28 (Proj)**	**FY 29 (Proj)**	**FY 30 (Proj)**
DVVNL	19.69%	19.69%	18.64%	17.57%	16.51%	15.43%
MVVNL	17.69%	17.69%	16.66%	15.61%	14.56%	13.50%
PVVNL	11.91%	11.91%	11.60%	11.29%	11.00%	10.71%
PuVVNL	29.74%	29.74%	28.03%	26.05%	24.03%	21.96%
KESCO	14.28%	14.28%	13.74%	13.19%	12.64%	12.09%
UPPCL	**19.21%**	**19.21%**	**18.25%**	**17.22%**	**16.18%**	**15.13%**

The following is the distribution loss trajectory: -

Distribution Loss trajectory (%) of State Discoms						
DISCOM	**FY 25 (as per Balance sheet)**	**FY 26 (Proj)**	**FY 27 (Proj)**	**FY 28 (Proj)**	**FY 29 (Proj)**	**FY 30 (Proj)**
DVVNL	15.53%	15.53%	15.22%	14.91%	14.62%	14.32%
MVVNL	13.59%	13.59%	13.32%	13.05%	12.79%	12.53%
PVVNL	11.18%	11.18%	10.95%	10.73%	10.52%	10.31%

Dir (Comm)
PVVNL, Meerut

Distribution Loss trajectory (%) of State Discoms						
DISCOM	**FY 25 (as per Balance sheet)**	**FY 26 (Proj)**	**FY 27 (Proj)**	**FY 28 (Proj)**	**FY 29 (Proj)**	**FY 30 (Proj)**
PuVVNL	15.96%	15.96%	15.90%	15.58%	15.27%	14.97%
KESCO	7.68%	7.68%	7.53%	7.38%	7.23%	7.09%
UPPCL	**13.71%**	**13.71%**	**13.50%**	**13.23%**	**12.97%**	**12.71%**

c) The Petitioners to provide consumer category-wise collection efficiency for FY 2023-24 and FY 2024-25.

Response: The Petitioners submit that furnishing consumer category-wise collection efficiency poses significant structural and institutional challenges under the prevailing revenue realization and accounting framework in the State of Uttar Pradesh. This difficulty primarily arises due to the mechanism adopted by the State Government for the collection and reconciliation of electricity dues from Government departments and subsidized consumer categories, which substantially deviates from a conventional, consumer-level billing and collection process.

In the current structure, a large portion of revenue, particularly relating to tariff subsidies and Government departmental consumption, is not realized directly at the DISCOM level. Instead, these payments are made to Uttar Pradesh Power Corporation Limited (UPPCL) through a centralized payment mechanism. The tariff subsidy component, as approved in the State Budget, is directly released to UPPCL and subsequently allocated to the respective DISCOMs. These allocations are recorded in the audited financial statements of the DISCOMs under the head 'Other Income'. Likewise, payments related to electricity consumption of numerous Government departments, such as Jal Nigam, Irrigation, Medical Services, Education, Police, Prisons, and Agriculture, are made directly by the departments to UPPCL, rather than being paid through the Revenue Management System (RMS) at the DISCOM level. In addition to the above, the subsidy provided by the State Government to targeted consumer categories such as Private Tube Well (PTW) and Bunkar (weaver) consumers are also disbursed centrally to UPPCL and similarly accounted for by the DISCOMs.

Due to the above institutional structure, these substantial receipts do not pass through the RMS, which functions as the primary billing and collection system for DISCOMs and captures only consumer-level payments. As such, the RMS does not

Dir (Comm)
PVVNL, Meerut

reflect payments received centrally, nor does it contain the consumer category-wise break-up of such collections. Consequently, any attempt to generate category-wise collection efficiency purely based on RMS data would result in a distorted picture that significantly under-reports actual realization, especially for consumer categories associated with Government entities or eligible for direct subsidy reimbursements. This RMS-based data, if reported as-is, would not reconcile with the figures submitted in reply to point (b), which are based on audited and complete financial records.

The centralized payment mechanism is not an administrative deviation but a policy-mandated framework that has been formally established through a series of Government Orders issued by the Government of Uttar Pradesh. The foundational order, Government Order No. 1/2022/ई-10-162757 dated 05.05.2022 (Annexure-I), mandates the centralized payment of electricity dues by Government departments directly to UPPCL through the e-Kuber system. It specifies the relevant budget head under which payments must be made and outlines the quarterly payment schedule, requiring 50 percent payment in the April–September period, 25 percent in October–December, and 25 percent in January–March. The order also prescribes reconciliation mechanisms and prohibits decentralized payments from field offices or diversion of allocations. Further, Government Order No. 1/2023 dated 30.03.2023 (Annexure-II), provides operational flexibility for departments that lack budget provisioning or drawing authority under the prescribed head. In such cases, the pre-centralization practice of direct payments to DISCOMs by the department offices is allowed.

This centralized arrangement includes as many as 75 Government departments spanning critical sectors such as law and order, healthcare, education (primary to higher), rural and urban development, water and sanitation, social welfare, finance, agriculture, environment, and more. The scope, scale, and administrative spread of these departments underline the institutional complexity involved in tracing such collections to the consumer-category level through RMS. The detailed list of various government departments is mentioned as under: -

S. No.	Department Name
1	Excise Department
2	Housing Department
3	Industries Department (Small Industries & Export Promotion)
4	Industries Department (Mines and Minerals)
5	Industries Department (Handloom Industries)

Dir (Com.)
PVVNL, M...rut

S. No.	Department Name
6	Industries Department (Printing and Stationery)
7	Energy Department
8	Agriculture and Allied Departments (Horticulture & Sericulture Development)
9	Agriculture and Allied Departments (Agriculture)
10	Agriculture and Allied Departments (Land Development & Water Resources)
11	Agriculture and Allied Departments (Rural Development)
12	Agriculture and Allied Departments (Panchayati Raj)
13	Agriculture and Allied Departments (Animal Husbandry)
14	Agriculture and Allied Departments (Dairy Development)
15	Agriculture and Allied Departments (Fisheries)
16	Agriculture and Allied Departments (Cooperatives)
17	Personnel Department (Public Service Commission)
18	Food and Civil Supplies Department
19	Sports Department
20	Sugarcane Development Department (Sugarcane)
21	Sugarcane Development Department (Sugar Industry)
22	Home Department (Prisons)
23	Home Department (Police)
24	Home Department (Civil Defence)
25	Home Department (Political Pensions and Other Expenditures)
26	Confidential Department (Revenue Intelligence Directorate and Other Expenditures)
27	Medical Department (Medical Education and Training)
28	Medical Department (Allopathic Medical Services)
29	Medical Department (Ayurvedic and Unani Medical Services)
30	Medical Department (Homeopathic Medical Services)
31	Medical Department (Family Welfare)
32	Medical Department (Public Health)
33	Urban Development Department
34	Civil Aviation Department
35	Planning Department
36	Election Department
37	Justice Department
38	Transport Department
39	Tourism Department

S. No.	Department Name
40	Environment Department
41	Administrative Reforms Department
42	Technical Education Department
43	Muslim Waqf Department
44	Women and Child Welfare Department
45	Revenue Department (District Administration)
46	Revenue Department (Board of Revenue and Other Expenditures)
47	Public Works Department (Establishment)
48	Public Works Department (Buildings)
49	Public Works Department (State Property Directorate)
50	Forest Department
51	Finance Department (Treasury and Accounts Administration)
52	Finance Department (Audit, Small Savings, etc.)
53	Finance Department (Group Insurance)
54	Vocational Education Department
55	Education Department (Primary Education)
56	Education Department (Secondary Education)
57	Education Department (Higher Education)
58	Home Department (Home Guards)
59	Education Department (State Educational Research & Training Council)
60	Labour Department (Labour Welfare)
61	Labour Department (Employment)
62	Secretariat Administration Department
63	Social Welfare Department (Welfare of Disabled and Backward Classes)
64	Social Welfare Department (Social Welfare & Scheduled Caste Welfare)
65	Social Welfare Department (Tribal Welfare)
66	Vigilance Department
67	Social Welfare Department (Special Component Plan for Scheduled Castes)
68	Information Department
69	Sainik Welfare Department
70	Institutional Finance Department (Trade Tax)
71	Institutional Finance Department (Stamp & Registration)
72	Culture Department
73	Namami Gange and Rural Drinking Water Supply Department
74	Irrigation Department (Construction Works)
75	Irrigation Department (Establishment)

Dir (Comm)
PVVNL, Meerut

Despite these systemic limitations, the Petitioners have undertaken a detailed exercise to compile the consumer category-wise collection efficiency data for FY 2024-25 to the best extent possible. The base data has been extracted from the RMS system, which provides consumer-level information for payments directly received by the DISCOMs. However, in order to present a more accurate and holistic picture, realization figures pertaining to consumer categories for which payments were received centrally through UPPCL have been appropriately identified, apportioned, and added to the respective categories within the RMS data.

Accordingly, the collection efficiency data submitted herewith represents a realistic and reconciled estimate of the revenue realization position across consumer categories. While the RMS system does not natively support the segregation of such data, every possible effort has been made to ensure that the information presented reflects both system-based collections and centrally received payments in a consistent and transparent manner.

The DISCOM-wise and consumer category-wise collection efficiency data for FY 2024-25 is provided in the tables below :-

The Collection efficiency for FY 2024-25 is as under: -

PVVNL			
CATEGORY	**Revenue Assessment (Cr.)**	**Realization (Cr)**	**% Collection**
(1)	**(2)**	**(3)**	**(4)=(3)/(2)**
LMV-1: DOMESTIC LIGHT, FAN & POWER:	9032.93	9003.63	99.68%
LMV-2: NON-DOMESTIC LIGHT, FAN & POWER:	2505.72	2511.28	100.22%
LMV-3: PUBLIC LAMPS:	282.65	279.82	99.00%
LMV-4: LIGHT, FAN & POWER FOR PUBLIC & PRIVATE INSTITUTION:	359.98	338.38	94.00%
LMV-5: SMALL POWER FOR PRIVATE TUBE WELL/ PUMPING SETS FOR IRRIGATION PURPOSES:	475.21	456.20	96.00%
LMV-6: SMALL AND MEDIUM POWER:	1294.94	1302.08	100.55%
LMV-7 & 8: PUBLIC WATER WORKS & STW:	565.66	618.28	109.30%
LMV-9: TEMPORARY SUPPLY:	228.61	199.41	87.22%
LMV-11: ELECTRIC VEHICLE CHARGING:	27.63	32.59	117.96%
HV-1: NON-INDUSTRIAL BULK LOAD:	2767.16	2515.93	90.92%
HV-2: LARGE AND HEAVY POWER:	5485.98	5539.06	100.97%
HV-3: RAILWAY TRACTION & METRO RAIL:	111.23	105.03	94.42%

Dir (Comm)
PVVNL, Meerut

PVVNL			
CATEGORY	**Revenue Assessment (Cr.)**	**Realization (Cr)**	**% Collection**
HV-4: LIFT IRRIGATION WORKS:	0.21	0.21	100.00%
Others	113.24	113.24	100.00%
Torrent Power			
Total	**23251.16**	**23015.14**	**98.98%**
Subsidy	5451.36	5451.36	
Total (including Subsidy)	**28702.52**	**28466.50**	**99.18%**

d) The Petitioners are also required to submit the detailed computation for collection efficiency for FY 2023-24 and FY 2024-25 as per below format:

	Considering collection against current dues only	Considering collection against current dues and arrears
Considering tariff payable by consumer		
Considering tariff payable by consumer + Govt. subsidy		

Response: The collection efficiency details for FY 2023-24 and FY 2024-25 with or without government subsidy is provided as under: -

Collection Efficiency FY 2023-24					
	Considering collection against current dues and arrears				
	DVVNL	MVVNL	PVVNL	PUVVNL	KESCO
Considering tariff payable by consumer	97.48%	98.30%	97.89%	105.22%	107.49%
Considering tariff payable by consumer + Govt. subsidy	98.09%	98.64%	98.23%	104.03%	107.49%

Dir (Comm)
PVVNL, Meerut

Collection Efficiency FY 2024-25					
	Considering collection against current dues and arrears				
	DVVNL	MVVNL	PVVNL	PUVVNL	KESCO
Considering tariff payable by consumer	93.36%	93.81%	98.98%	78.15%	92.85%
Considering tariff payable by consumer + Govt. subsidy	95.07%	95.25%	99.18%	83.61%	92.85%

Further, it is submitted that collection against current dues and arrears is separately not available in the system. Therefore, collection efficiency shown above reflects with respect to the total amount collected.

e) The Petitioners to provide break-up of DL into Technical and Billing Losses (Non-Technical Losses) for the Control Period by making reasonable estimate if required. Basis for such estimation may also be provided.

Response: The Petitioner submits that under the current operational conditions, it is not feasible to provide an exact break-up of the Distribution Losses (DL) into Technical and Billing (Non-Technical) Losses for the entire Control Period. This is primarily due to limitations in system visibility and metering infrastructure, which are gradually being addressed through the ongoing deployment of smart metering solutions across the distribution network.

At present, the Licensees are actively engaged in the implementation of a large-scale smart metering program covering both consumer-end meters and Distribution Transformer (DT) level meters. As on date, approximately 26.47 lakh consumer smart meters and around 1.04 lakh DT meters have been successfully installed across the various DISCOMs. However, this coverage still represents only a portion of the total consumer base and transformer population, and therefore, does not provide full visibility of energy flows across all segments of the low-tension distribution network.

Given this current stage of deployment, it is submitted that actual measurement-based quantification of technical losses which would require accurate and simultaneous energy accounting at substation, feeder, DT, and consumer levels is not yet practically feasible. Only upon achieving near to complete coverage of smart meters at all critical nodes in the distribution network, the Licensees will be in a

Dir (Comm)
PVVNL, Meerut

position to measure and report technical losses with reliability and precision across voltage levels and geographical areas.

f) The Petitioners must also explain why FY 26 projections are same as FY 25 (prov) i.e. no loss reduction either in Distribution Loss or AT&C loss in first year of the Control Period.

Response: The Petitioners submit that the projections for Distribution Loss and AT&C Loss for FY 2025–26, the first year of the Control Period, have been retained at the same level as for FY 2024–25. This assumption has been taken considering assessment of ground realities, institutional developments, and the implementation trajectory of ongoing reform programs.

At present, the DISCOMs are undergoing an important phase of organizational transition due to the ongoing privatization process in two Discoms, which has significantly impacted the stability and continuity of field-level operations. The transition has led to uncertainty across operational and administrative units, with several locations witnessing protests, demonstrations (dharnas), and resistance from workforce unions, thereby disrupting the normal functioning of enforcement, billing, and recovery activities. These disruptions have constrained the execution of planned loss reduction measures during FY 2024–25, and similar constraints are expected to continue at least through the FY 2025–26.

Regarding RDSS it is to submit that as of now, over 90% of physical work under RDSS has already been completed, and no new major interventions specifically aimed at aggressive loss reduction beyond what is already planned under the existing RDSS scope are currently being undertaken during FY 2025–26. Accordingly, the trajectory projected is realistic and reflects a calibrated estimation based on available visibility into system performance and implementation timelines, rather than speculative or non-evidenced assumptions of immediate improvement.

While the Revamped Distribution Sector Scheme (RDSS) remains under implementation and is currently scheduled to continue up to 31.03.2026, it is submitted that the scheme is presently focused on the execution and rollout of infrastructure components, particularly smart metering, system strengthening, feeder separation, and IT-OT integration. Although these interventions are expected to yield positive outcomes over the medium term, their tangible impact on actual Distribution and AT&C losses may only begin to materialize gradually i.e beyond FY 2025–26, depending on the pace of completion, commissioning, and stabilization of the new infrastructure.

Dir (Comm)
PVVNL, Meerut

The Petitioners would like to emphasize that the consideration of similar loss level does not reflect a dilution in commitment to loss reduction. Rather, it ensures that projections remain credible, evidence-based, and aligned with the actual implementation timeline of reforms. As the RDSS interventions mature, and as the DISCOMs stabilize post-privatization, it is expected that the benefits in terms of improved billing efficiency, energy accounting, and theft control will translate into measurable loss reduction during the subsequent years of the Control Period.

Furthermore, any variation from the projected trajectory, whether positive or negative, will be duly addressed during the true-up process. The Petitioners remain fully committed to improving operational efficiency, reducing losses, and passing on the benefits of such improvements to consumers in accordance with regulatory principles.

g) The Petitioners to submit the impact of implementation of Distributed Renewable Energy Initiatives (As directed in 2a of this deficiency note) and Smart Metering & loss reduction works (As directed in 3d and 3e of this deficiency note) on Distribution Loss and Collection Efficiency separately for the trajectory that has been submitted.

Response: The details of the installation of distributed renewable energy initiatives has been provided as under: -

I. Impact of distributed renewable energy initiatives

PM Surya Ghar: Muft Bijli Yojana (RTS Installations)

The PM Surya Ghar: Muft Bijli Yojana (PMSG-MBY) was launched to accelerate rooftop solar installations, especially among residential consumers. The scheme offers central financial assistance for installation of grid-connected solar PV systems and aims to promote self-sufficiency in electricity consumption.

As on 31st May 2025, the cumulative capacity installed under PMSG-MBY is over 452 MW, covering around 1,26,620 consumers. The DISCOM wise details are provided below:

Dir (Comm)
PVVNL, Meerut

Installation in FY 2024-25			
S.No.	**Discom Name**	**Total no. of consumers**	**Total capacity in kW of RTS installed**
1	MVVNL	38,972	1,43,682.21
2	PuVVNL	22,181	79,161.68
3	PVVNL	12,064	44,365.00
4	KESCO	5,781	21,383.70
5	DVVNL	11,500	38,318.00
	Total	**90,498**	**3,26,911**

Installation in FY 2025-26 (upto May'25)			
S.No.	**Discom Name**	**Total no. of consumers**	**Total capacity in kW of RTS installed**
1	MVVNL	16,599	57,057.52
2	PuVVNL	7,652	25,942.79
3	PVVNL	4,464	15,557.00
4	KESCO	1,472	5,297.59
5	DVVNL	5,935	21,468.00
	Total	**36,122**	**1,25,323**

Impact Assessment of PMSGY

The development pertaining to the scheme reflects consumer interest and DISCOM facilitation, but the scale of installations should be viewed in relation to the state's overall power scenario. The total rooftop capacity of ~452 MW constitutes less than 0.60% of the state's total contracted power capacity of ~75,217 MW (FY 2023–24).

Assuming a Capacity Utilization Factor (CUF) of 19%, the total annual generation from these installations is estimated at approximately 752 MU, which accounts for less than 0.5% of the total input energy of the state DISCOMs (~1,47,650 MU in FY 2024–25). Given this small share and the distributed nature of these installations (mostly <3 kW), their technical contribution to reducing feeder or DT-level losses remains marginal at this stage.

Dir (Comm)
PVVNL, Meerut

Operational Challenges

While the scheme is being actively promoted, several ground-level challenges continue to impact its pace and overall effectiveness. These include consumer-side constraints like limited rooftop space and lack of awareness, especially in semi-urban and rural areas.

Moreover, the dispersed and low-capacity nature of the rooftop systems results in minimal grid impact, as these systems are not sufficient to influence loss levels or transformer loading in a meaningful way. In many cases, localized grid issues such as voltage fluctuations, reverse power flow complications, and limited back-end integration also limit the effectiveness of RTS generation.

The Petitioner continuing to support the rollout of the PMSG-MBY through awareness drives, simplification of application procedures, and coordination with implementing agencies. However, given the current scale of implementation and the characteristics of the installed systems, the impact on distribution loss reduction and operational performance is expected to remain limited in the short term.

KUSUM Scheme (Component A, C1 & C2)

The KUSUM Scheme, launched by the Ministry of New and Renewable Energy (MNRE), is being implemented across the State through its various components, namely Component A (ground-mounted solar plants up to 2 MW), Component C1 (individual pump solarization), and Component C2 (Feeder Level Solarization). While the objectives of the scheme are aligned with the promotion of renewable energy and enhancing agricultural power reliability, its impact at the DISCOM level on distribution loss reduction and financial savings remains limited at the current stage.

Under the KUSUM Scheme, progress under Component C1 (Individual Pump Solarization) includes the installation of 3,493 solar pumps with an aggregate capacity of approximately 29 MW across the State. However, these installations are small in size and widely scattered geographically, thereby having a negligible impact on overall demand reduction or technical loss mitigation. In respect of Component C2 (Feeder Level Solarization), a cumulative capacity of 1,260.9 MW has been sanctioned under Phases I and II. This capacity is envisaged to cater to agricultural loads through dedicated daytime solar generation, thereby reducing dependency on grid power for such feeders. The majority of the capacity is still under various stages

Dir (Comm)
PVVNL, Meerut

of implementation. As a result, the benefits in terms of improved distribution efficiency are not yet being realized.

Summary of KUSUM Progress

DISCOM	Target as per EOI (MW)	PPA Signed as on date (no.of project)	Total Capacity (MW)	Capacity Commissioned as on date (MW)
Phase I	98	1	1	1

Component C-1 (Individual Pump Solarization)

DISCOM	Target (PTW)	Total no. of PTW on which RTS is installed	Total Capacity (MW)
Phase I	2000	2000	16179.90
Phase II	10000	1493	12737

Component C-2 (Feeder Level Solarization)

DISCOM	Target(MW)	PPAs Signed as on date (no. of project)	Total Capacity (MW)	Capacity commissioned as on date
Phase I	150	22	34.80	-
Phase II	2553.50	406	1226.10	-

	Phase-I	Phase-II
Discom Name	**Capacity (MW)**	**Capacity (MW)**
PUVVNL	11.80	120.20
PVVNL	12.20	510.00
DVVNL	8.80	442.40
MVVNL	2.00	153.50
Total	34.80	1226.10

Further, it is also pertinent to note that agricultural consumers in the state are provided 100% subsidized electricity, and the corresponding billed amounts are paid directly by the State Government to the DISCOMs. Since these consumers do not contribute to direct revenue realization from collection activities, any reduction in energy supplied to them through solar generation does not translate into improved collection efficiency or reduction in revenue gaps for the DISCOMs.

Dir (Comm)
PVVNL, Meerut

A key concern is that Uttar Pradesh DISCOMs are typically power-surplus during daytime hours—precisely when solar generation under the KUSUM scheme is injected into the grid. As a result, this additional solar power often leads to backing down of thermal generating stations that are tied to long-term Power Purchase Agreements (PPAs). Despite reduced energy offtake, the DISCOMs remain obligated to pay the fixed charges associated with these PPAs, resulting in sunk costs that are not offset by the marginal savings from solar procurement.

II. Impact of Smart Metering & Loss Reduction Works

The Petitioners submit that the impact of smart metering on AT&C loss reduction in Uttar Pradesh must be understood in the context of the policy and implementation framework that has evolved over time. Initially, smart meters were deployed under a centrally-driven initiative through Energy Efficiency Services Limited (EESL) on an OPEX model, under which approximately 12 lakh smart meters were installed across the state. It was only with the subsequent introduction of the Revamped Distribution Sector Scheme (RDSS) by the Ministry of Power, Government of India, that smart metering was formally positioned as a key intervention under a comprehensive, performance-linked reform strategy aimed at reducing AT&C losses.

Further, it is to submit that the RDSS includes AT&C loss trajectory targets for DISCOMs .However, the Petitioners have already managed to achieve optimal levels of T&D loss reduction relative to the AT&C loss levels, and further gains are now contingent on improvements in billing efficiency and collection, which are being pursued under the ongoing smart metering initiative.

Achieved T&D losses for the period FY 2021-25 across DISCOMs is provided below:

DISCOM	2021-22	2022-23	2023-24	2024-25
DVVNL	25.64%	21.59%	18.44%	15.53%
MVVNL	17.36%	15.06%	14.96%	13.59%
PVVNL	17.98%	14.36%	12.72%	11.18%
PuVVNL	20.15%	17.41%	17.33%	15.96%
KESCO	9.61%	9.29%	9.60%	7.68%

Specifically, the implementation of smart metering and other loss reduction initiatives under various schemes, including RDSS, has contributed significantly to improving billing efficiency across DISCOMs. Since FY 2021–22, there has been a consistent upward trend in billing efficiency, reflecting enhanced meter reading accuracy and improved billing processes.

Dir (Comm)
PVVNL, Meerut

The improvement in billing efficiency across DISCOMs is shown below:

DISCOM	2021-22	2022-23	2023-24	2024-25
DVVNL	74.36%	78.41%	81.56%	84.47%
MVVNL	82.64%	84.94%	85.04%	86.41%
PVVNL	82.02%	85.64%	87.28%	88.82%
PuVVNL	79.85%	82.59%	82.67%	84.04%
KESCO	90.39%	90.71%	90.40%	92.32%

Moreover, it is pertinent to mention here that the initial phase of smart metering implementation was primarily targeted at government buildings, followed by a phased rollout prioritizing urban areas, then semi-urban areas, and finally rural regions down to the block level. Since urban areas already had relatively high levels of billing and collection efficiency, the impact on overall collection efficiency in the early stages of implementation has remained limited. Further, it is submitted that Ministry of Power, Govt of India vide its notification no F.No. 14/02(01)/2022-UR&SI-II-(E-259236) dated 19th May 2025 (attached at Annexure-III) provided advisory for smooth roll out of smart meters wherein it was advised to take up smart metering in a phased manner i.e. prioritizing the Government establishment including offices/institutions/local bodies as well as residential colonies /buildings followed by industrial & commercial consumers and all other high load consumer with sanctioned load above 10kW. The relevant para is as under:

"Please refer to this Ministry's letter of even no dated 10.12.2024 (copy enclosed) on the subject cited above, wherein a comprehensive advisory for smooth roll out of smart Meters was issued for States/Discoms.

2. It was advised to take up smart metering implementation in a phased manner i.e. prioritizing Government establishments including offices/institutions/Local Bodies as well as Government residential colonies/buildings followed by all industrial & commercial consumers and all other high load consumer with sanctioned load >10kW.

3. In this regard, it is requested that the installation of prepaid Smart Meters may be completed by the State/ DISCOMs in adherence to the following timeline:

(i) All Government establishments including offices/institutions/Local Bodies as well as Government residential colonies/buildings – by Aug, 2025

(ii) All industrial & commercial consumers and all other high load consumer with sanctioned load >10kW - by Nov, 2025"

Dir (Comm)
PVVNL, Meerut

In the above advisory, the Ministry of Power has not mandated the installation of smart meters for all consumer categories. It is submitted that the deployment of smart meters for other low-load consumers, particularly in rural areas, will be undertaken in a phased manner. Accordingly, improvements in billing efficiency and reductions in AT&C losses are expected to materialize progressively during the subsequent years of the Control Period.

In addition to improved billing, a consistent reduction in AT&C losses has been observed across most DISCOMs since FY 2021–22. This trend reflects the positive impact of various initiatives, including system strengthening measures, enhanced consumer indexing, infrastructure upgrades, and the phased deployment of smart metering systems.The year-wise AT&C loss targets and actual achievements are summarized below:

DISCOM	FY 2021–22 Target	Achieved	FY 2022–23 Target	Achieved	FY 2023–24 Target	Achieved	FY 2024–25 Target	Achieved (as per Balance Sheet)
PuVVNL	32.32%	40.33%	27.84%	27.27%	22.75%	17.33%	18.49%	29.74%
MVVNL	31.76%	34.88%	26.60%	24.20%	21.08%	16.16%	17.97%	17.69%
DVVNL	38.24%	28.62%	31.06%	24.00%	25.26%	20.00%	18.97%	19.69%
PVVNL	21.10%	22.29%	17.41%	17.02%	15.06%	14.24%	12.69%	11.76%
KESCO	15.94%	15.54%	13.49%	11.33%	10.65%	9.60%	8.07%	14.29%

While most DISCOMs have shown consistent improvements in reducing AT&C losses, a reversal in trend has been observed in certain areas during FY 2024–25. This can be largely attributed to operational disruptions arising from the ongoing privatization process, which has led to field-level resistance, reduced enforcement, and administrative uncertainties. It is expected that these issues will stabilize with time, and the benefits of smart metering will be more prominently visible as the rollout reaches rural and loss-prone pockets.

h) As the RDSS loss trajectory was stipulated up to 2024-25 only, the Petitioners to submit the Distribution Loss and AT&C loss reduction trajectory, if any, submitted to Government of India.

Response: It is submitted that no such plan has been submitted to Government of India.

Dir (Comm)
PVVNL, Meerut

i) In Tariff Order dated 10.10.2024, the Commission had approved the distribution loss trajectory as claimed by the petitioners for FY 2024-25 in line with the trajectory under RDSS. As per the submission for true up for FY 2023-24, distribution losses are higher for 3 out of the 5 discoms (DVVNL, PuVVNL and KESCO) than that approved by the Commission in Tariff Order dated 10.10.2024. Further, it has been observed that for the control period from FY 2025-26 to FY 2029-30, the Distribution loss trajectory has been proposed to reduce from 13.78% in FY 2024-25 to 12.71% in FY 2029-30. Also, the AT&C losses notified under the RDSS scheme for FY 2024-25 is as below:

Distribution Licensee	AT&C loss notified by GoI
DVVNL	18.97%
MVVNL	17.97%
PVVNL	12.69%
PuVVNL	18.49%
KESCO	8.07%
Consolidated	**16.43%**

As per the submission, these targets have not been achieved as the AT&C loss for FY 2024-25 are considerably higher than AT&C loss notified by GoI i.e. AT&C loss has increased from 16.43% to 23.44% and will only be achieved in the last year of control period. In case of PuVVNL even in the last year of control period the AT&C loss are higher than notified by GoI for FY 2024-25.

The Petitioners to submit why the loss reduction targets have not been achieved and why losses are expected to be higher despite making investments in loss reduction, smart metering and other capex schemes.

Response:

The Petitioner submits that the AT&C loss figures earlier submitted were based on provisional data. Subsequently, with the finalization of audited financials, the revised AT&C loss figures for FY 2024–25 have been furnished in replies to other queries of this data gap.

It is further submitted that the actual AT&C losses for FY 2024–25 are higher than the targets notified under the RDSS scheme due to several operational and external challenges, which significantly impacted the implementation of loss reduction measures. Key reasons are as follows:

Dir (Comm)
PVVNL, Meerut

a. During the election period, critical field-level enforcement operations—including theft detection drives, meter inspections; disconnection activities, and revenue recovery campaigns—were severely constrained. Additionally, the mandate to maintain 24x7 uninterrupted power supply during the election phase restricted the DISCOMs' operational flexibility to undertake load regulation or corrective supply-side actions in high-loss areas. This combination of factors adversely affected both billing and collection efficiency during the period, thereby increasing AT&C losses.

b. The Petitioners respectfully submit that the delay in timely regulatory actions, particularly with respect to the issuance of the Tariff Order and implementation of the Fuel and Power Purchase Adjustment Surcharge (FPPAS) mechanism, has had a material adverse impact on the DISCOMs' financial health and operational capacity during FY 2024–25.

Despite repeated directions from the Ministry of Power, Government of India, including its notification dated 29th December 2022, advising all SERCs to operationalize a monthly FPPAS framework, the mechanism was notified in Uttar Pradesh only on 8th January 2025—with a significant delay of over a year. This prolonged inaction led to the accumulation of substantial unrecovered variable power purchase costs during a period of volatile energy prices.

Further, the Tariff Order for FY 2024–25 was issued after considerable delay, affecting revenue realization, planning of cash flows, and the timely execution of capital and operational works. As a result, DISCOMs were severely constrained in mobilizing resources for field activities such as network maintenance, loss reduction projects, enforcement drives, and revenue recovery initiatives—all of which are essential for sustained AT&C loss reduction.

It is important to underscore that while the Petitioners are expected to meet ambitious loss reduction targets, the lack of timely regulatory support has significantly undermined their ability to do so. A consistent and responsive regulatory environment particularly with respect to cost recovery mechanisms and tariff finalization is indispensable for achieving the objectives laid out under the RDSS and other reform programs.

c. While the deployment of smart meters is a key pillar under the RDSS scheme, the Petitioners submit that the implementation is currently in the early-to-mid stages, with a significant portion of installations concentrated in urban areas. These urban areas already exhibit relatively high billing and

Dir (Comm)
PVVNL, Meerut

collection efficiencies (typically exceeding 90%), thereby limiting the incremental benefit of smart metering in those regions. The most meaningful impact on AT&C losses is anticipated to occur in rural and semi-urban areas, where manual billing practices, unauthorized consumption, and poor payment discipline are widespread. However, these rural and agricultural areas are expected to be covered in the later phases of the implementation timeline, and the full impact is expected to materialize progressively over a period of 3 to 4 years. In addition to logistical and geographic hurdles, implementation in these areas is further constrained by practical challenges such as consumer-side resistance driven largely by lack of awareness and persistent misconceptions about smart meters.

Therefore, while smart metering remains critical in the AT&C loss reduction strategy, the present impact on distribution losses is modest due to the evolving implementation landscape, consumer readiness concerns, and the phased rollout strategy under RDSS. Substantial benefits are expected to accrue during the latter half of the Control Period as smart meters are installed across high-loss segments, supported by backend integration, consumer sensitization, and stabilization of post-installation workflows.

Given the operational, financial, regulatory, and field-level challenges outlined above, the Petitioners have proposed a phased and realistic AT&C loss trajectory for the Control Period from FY 2025–26 to FY 2029–30. The trajectory reflects ground realities and takes into account the expected progressive impact of ongoing and planned investments under RDSS, smart metering, and system strengthening schemes.

2. Distributed Renewable Energy Initiatives and their Impact

There are various initiatives that have been recognized by the Commission for which approval has been granted over the last few years. These include PM Suryaghar Scheme and under different components of PM Kusum Scheme.

Apart from meeting energy demand at lower cost as energy is available at distribution network rather than being transmitted from generators connected at Intra/ Inter State network, above initiatives are useful in mitigating grid inefficiencies. The locally situated/ co-located and load matched distributed resource reduces pressure on the grid by bringing down congestion.

Dir (Comm)
PVVNL, Meerut

Commission's Directions

a) UPPCL to provide current status of these schemes and targets for each year of current control period. Further the Petitioners to provide estimated impact of these schemes on Distribution Loss Trajectory for each year of the control period along with basis for such estimation / projection.

Response: The impact analysis and response to query has already been provided under response to query 1(g).

3. Smart Metering and loss reduction initiatives

The RDSS comprises of two components i.e. Smart Metering work and Loss Reduction. For loss reduction works, the Commission vide order dated 13.08.2024 had approved the CAPEX under RDSS as shown below:

S.No.	DISCOMs	Loss Reduction Works	
		Sanctioned (Rs. Cr.)	Awarded (Rs. Cr.)
1	DVVNL	3,767.87	3,798.86
2	MVVNL	4,132.03	3,808.39
3	PVVNL	3,408.89	3,390.37
4	PuVVNL	4,587.94	4,519.25
5	KESCO	601.95	595.86
	Consolidated	**16,498.68**	**16,112.73**

The CAPEX and Capitalization under the RDSS as submitted for true up of FY 2023-24 and APR of FY 2024-25 is as below:

S.No.	DISCOMs	FY 2023-24 A		FY 2024-25 B		Total C=A+B	
		CAPEX	Capitalization	CAPEX	Capitalization	CAPEX	Capitalization
1	DVVNL	685.54	299.97	2,920.42	1,168.17	3,605.97	1,468.14
2	MVVNL	861.59	-	428.52	171.41	1,290.11	171.41
3	PVVNL	707.73	31.72	2,414.62	965.85	3,122.35	997.57
4	PuVVNL	1,962.33	-	2,330.96	932.38	4,293.29	932.38
5	KESCO	-	-	382.00	152.80	382.00	152.80
	Consolidated	**4,217.19**	**331.69**	**8,476.52**	**3,390.61**	**12,693.72**	**3,722.30**

For the smart metering works to be undertaken on Totex mode, following details have been submitted:

Dir (Comm)
PVVNL, Meerut

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	KESCO	Total
	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.
Sanctioned Amount	3,663.09	5,009.35	4,946.90	4,937.73	325.40	18,885.47
Awarded Amount	4,947.95	7,701.48	6,958.79	7,151.86	582.73	27,342.81

The Commission vide letter dated 03.09.2024 had directed to submit detailed status report providing information including smart meters installed under RDSS, percentage of smart meters being remotely read and billed, frequency of meter reading, cases of theft detected, improvement in billing etc.

As per the submission made vide letter dated 09.10.2024, in more than 97% cases the bills are being generated through smart meters. Further, the progress made in smart meter installation as submitted by the Petitioners in Tariff Petition is as follows:

S.No.	DISCOMs	FY 2023-24 (True Up Year)		FY 2024-25 (APR Year)		FY 2025-26 (ARR Year)	
		No. of Consumers	No. of Smart Meters	No. of Consumers	No. of Smart Meters	No. of Consumers	No. of Smart Meters
1	DVVNL	62,04,725	1,47,991	64,62,885	30,92,729	68,25,134	73,75,984
2	MVVNL	96,88,610	3,80,731	1,01,58,045	5,31,670	1,05,89,607	65,54,659
3	PVVNL	75,47,052	1,98,726	78,22,138	8,13,293	83,54,910	57,27,901
4	PuVVNL	1,04,27,241	3,21,433	1,09,31,347	6,87,955	1,12,57,536	65,50,345
5	KESCO	7,23,232	1,55,168	7,54,612	1,86,418	8,00,335	6,86,418
	Consolidated	3,45,90,860	12,04,049	3,61,29,027	53,12,065	3,78,27,523	2,68,95,307

It is evident from the above that in FY 2023-24 only 3.48% smart meters were installed. Further in FY 2024-25 the share of smart meters will increase to 14.70% and in FY 2025-26 it is proposed that share of smart meters will increase to 71%.

Commission's Directions

Considering the above, the licensees are required to submit the following:

a) The Petitioners to explain why the investments required to be made under RDSS by FY 2024-25 have not been done and the period in which such investment is expected to be achieved.

Response: It is submitted that there have been delays in the planned investments under RDSS for FY 2024–25 due to a combination of interrelated factors. A key reason was the initial delay in commencement of the project in Uttar Pradesh.

Although RDSS was launched in 2021, modifications to the scheme guidelines issued by the Ministry of Power in 2022 required re-tendering of several work packages. As a result, the implementation activities effectively began in 2023, compressing the available investment window within the financial year.

As per the Minutes of the Monitoring Committee meeting dated 7th June 2024, all five DISCOMs—DVVNL, MVVNL, PVVNL, PuVVNL, and KESCo—had met the Pre-Qualification (PQ) requirements and scored well in the REF evaluation for FY 2022–23. The State had also reported 40% completion of Loss Reduction works and full utilization of the Government of India's grant (GBS) along with more than 100% of the State share. However, the Committee approved release of only 50% of the 30% tranche of funds, with the remaining release made contingent upon the issuance of the FPPCA and Tariff Orders for FY 2024–25. This restriction on fund release adversely affected the pace of ongoing investments.

In addition, further conditionalities introduced by the Ministry of Power for release of Phase-III Tranche-II—such as 100% installation and NFMS integration of feeder meters, and at least 10% installation of sanctioned DT and consumer meters—resulted in additional compliance requirements, contributing to delays in fund disbursement and corresponding investment activities. Delays were also observed in administrative approvals and procedural fund release during FY 2024–25, despite compliance and readiness at the DISCOM level.

It is respectfully submitted that these delays are largely attributable to policy-level changes in the scheme, evolving guidelines issued by the Ministry of Power, and dependency on the timely issuance of regulatory orders. Such factors have had a cascading impact on the implementation schedule, shifting the balance of investments to FY 2025–26.

While financial closure of many packages has been achieved other factors than above such as on-ground execution, site readiness, logistics, and local coordination, which impact timelines. Significant progress is expected in the coming months, and the impact of these investments on loss reduction and service improvement will begin to reflect progressively over the Control Period.

b) The Petitioner to submit collection efficiencies achieved only with regard to smart meter consumers against the billing of such consumers for FY 2022-23, FY 2023-24 & FY 2024-25.

Response: It is submitted that Collection Efficiencies of DISCOMs for Smart Meter Consumers (for FY 2022-23 to FY 2024-25) is as under:

Dir (Comm)
PVVNL, Meerut

DISCOM	2022-23	2023-24	2024-25
PuVVNL	84.59%	93.51%	85.23%
MVVNL	94.12%	96.31%	91.44%
DVVNL	95.34%	96.77%	95.55%
PVVNL	92.98%	94.43%	89.06%

c) The Petitioners to submit why DL trajectory is projected to remain flat in five years despite huge investment in Loss Reduction and smart metering works under RDSS and other Capex Schemes.

Response: The licensee has proposed a reduction in the overall Distribution Loss (DL) trajectory from 13.78% in FY 2024–25 to 12.71% in FY 2029–30 over the Control Period. While the reduction may appear moderate at the consolidated level, it reflects a realistic and phased approach, taking into account ground-level challenges.

It is important to highlight that the projected trajectory is not entirely flat—DISCOM-wise trends indicate a gradual decline in losses across the Control Period. The projections have been made cautiously, considering the ongoing privatization process, which has led to operational disruptions and organizational unrest, thereby affecting the pace of loss reduction initiatives.

Despite significant investments being undertaken under RDSS and other capex schemes, the full impact of these measures—especially smart metering—will be visible progressively, as implementation expands to high-loss rural areas and stabilizes post-privatization.

d) With 100% consumers to have Smart Meters within the next 2-3 years, Billing Efficiency should improve. This is highlighted in submission dated 09.10.2024 made by the Chief Engineer, RUA, UPPCL. Petitioners to explain in detail how this is reflected in distribution loss trajectory that has been submitted by them by bifurcating distribution losses as Technical and losses related to billing.

Response: While the rollout of smart meters under RDSS is a critical step towards improving billing and collection efficiency, its impact on the distribution loss trajectory will be gradual and more visible in the medium to long term. The improvement in billing efficiency across DISCOMs in since 2021-22 is shown below:

Dir (Comm)
PVVNL, Meerut

DISCOM	2021-22	2022-23	2023-24	2024-25
DVVNL	74.36%	78.41%	81.56%	84.47%
MVVNL	82.64%	84.94%	85.04%	86.41%
PVVNL	82.02%	85.64%	87.28%	88.82%
PuVVNL	79.85%	82.59%	82.67%	84.04%
KESCO	90.39%	90.71%	90.40%	92.32%

Currently, the smart meter implementation is primarily focused in urban areas, where collection efficiency is already high. As a result, the immediate impact on billing-related losses in these areas is limited. Significant improvements in billing efficiency and loss reduction are expected once smart meters are fully rolled out in rural and high-loss areas and the operational environment stabilizes.

e) The Petitioners to further submit the impact of smart meter implementation on collection efficiency during each year of control period.

Response: Pre-paid smart metering is currently being carried out under RDSS. RDSS mandates to install smart meters against all consumers. As on date more than 26.47 lakh smart meters have been installed under the scheme. Although these meters are currently operating in post-paid mode, but we have already started converting these meters into prepaid.

In the initial phase, installation is primarily focused in urban areas where the collection efficiency is already high, and consumers have historically been regular in bill payments. Therefore, a significant improvement in collection efficiency is not immediately visible in these divisions. Further, it may also be noted that the Ministry of Power, Govt of India vide its notification no F.No. 14/02(01)/2022-UR&SI-II-(E-259236) dated 19th May 2025 (attached at Annexure-III) provided advisory for smooth roll out of smart meters wherein it was advised to take up smart metering in a phased manner i.e. prioritizing the Government establishment including offices/institutions/local bodies as well as residential colonies /buildings followed by industrial & commercial consumers and all other high load consumer with sanctioned load above 10kW. The advisory does not prioritize the installation of smart meters for other low-load consumers, particularly in rural areas; such deployment is expected to be carried out in a phased manner. Improvements in collection efficiency are anticipated once smart meters are implemented in these segments, especially in rural and semi-urban areas where current collection levels are relatively low.

Dir (Comm)
PVVNL, Meerut

ANNEXURE-I

संख्या-1/2022/ई-10-162757/दस-2022-10-10099/22/2022

प्रेषक,

एस0 राधा चौहान,
अपर मुख्य सचिव, वित्त विभाग,
उत्तर प्रदेश शासन।

सेवा में,

(1) प्रमुख सचिव, ऊर्जा विभाग, उत्तर प्रदेश शासन।
(2) समस्त अपर मुख्य सचिव/प्रमुख सचिव/ सचिव, उत्तर प्रदेश शासन।
(3) समस्त विभागाध्यक्ष/कार्यालयाध्यक्ष, उत्तर प्रदेश।

वित्त (व्यय-नियंत्रण) अनुभाग-10 लखनऊ: दिनांक 05 मई, 2022

विषयः- विभागों द्वारा उ0प्र0 पावर कॉर्पोरेशन लिमिटेड को विद्युत देयों का केन्द्रीयकृत भुगतान।

महोदय,

ऊर्जा विभाग द्वारा अवगत कराया गया है कि विभिन्न सरकारी कार्यालयों द्वारा बिजली के बिलों का प्रायः समय से भुगतान नहीं किया जाता है, जिसके कारण विद्युत वितरण कम्पनियों का राजस्व संग्रह प्रभावित होता है, जिससे उ0प्र0 पॉवर कॉर्पोरेशन/विद्युत वितरण कपनियों द्वारा विद्युत उत्पादकों से क्रय की गयी बिजली के मूल्य की ससमय अदायगी में कठिनाई होती है। राज्य सरकार की नीतियों के अंतर्गत अनवरत विद्युत आपूर्ति के लिये क्रय की जाने वाली बिजली के मूल्य का भुगतान विद्युत वितरण कंपनियों/उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड द्वारा आपूर्तिकर्ताओं को निर्धारित समय के अन्दर करना होता है ताकि प्रदेश में बिजली की आपूर्ति निर्बाध बनी रहे।

2- उपरोक्त स्थिति के दृष्टिगत ऊर्जा विभाग द्वारा यह प्रस्ताव किया गया है कि विभिन्न विभागो द्वारा विद्युत देयों का भुगतान केन्द्रीयकृत रूप में उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड को किये जाने हेतु आवश्यक व्यवस्था करायी जाये।

..2/-

1- यह शासनादेश इलेक्ट्रानिकली जारी किया गया है, अतः इस पर हस्ताक्षर की आवश्यकता नही है ।
2- इस शासनादेश की प्रमाणिकता वेब साइट http://shasanadesh.up.gov.in से सत्यापित की जा सकती है ।

Dir (Comm)
PVVNL, Meerut

3- प्रशासकीय विभाग के प्रस्ताव पर सम्यक् विचारोपरान्त, निम्नानुसार प्रक्रिया निर्धारित की जाती है: -

(1) वित्तीय वर्ष 2022-23 के बजट में विभिन्न विभागीय अनुदानों के अन्तर्गत मानक मद "09-विद्युत देय" में प्रावधानित धनराशि के 50 प्रतिशत का भुगतान अप्रैल-सितम्बर माह की अवधि हेतु विभागाध्यक्षों द्वारा विलम्बतम् दिनाक 15 मई, 2022 तक सीधे उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड को किया जायेगा।

(2) विभागाध्यक्षों द्वारा अपने अधीनस्थ कार्यालयों को उक्त मानक मद में प्राविधानित धनराशि के सापेक्ष आवंटन नहीं किया जायेगा। यदि कोई धनराशि आवंटित कर दी गयी हो तथा उसका व्यय न हुआ हो तो उसे पुनर्विनियोग द्वारा विभागाध्यक्ष के अधिष्ठान व्यय के अन्तर्गत सुसंगत मानक मद में अन्तरित करा लिया जायेगा।

(3) विभागाध्यक्षों द्वारा संबंधित कोषागार में उपरोक्तानुसार धनराशि के आहरण हेतु बिल प्रस्तुत किया जायेगा।

(4) विभागाध्यक्षों द्वारा उक्त भुगतान ई-कुबेर प्रणाली के माध्यम से, उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड के आई0सी0आई0सी0आई0 बैंक (IFS Code : ICIC0006281) में खुले खाता संख्या-628105501316 में किया जायेगा।

(5) उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड द्वारा प्राप्त धनराशि के सम्बन्ध में प्रमाण-पत्र सम्बन्धित विभागाध्यक्षों को तथा ऊर्जा विभाग को उपलब्ध कराया जायेगा।

(6) उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड द्वारा अप्रैल-जून अवधि के विभागवार सत्यापित विद्युत बिल ऊर्जा विभाग एवं विभागाध्यक्ष को उपलब्ध कराये जायेंगे।

(7) अप्रैल-जून तक के सत्यापित बिलों की राशि अथवा बजट में व्यवस्थित धनराशि का एक चौथाई अंश, दोनों मे से जो कम हो, के बराबर धनराशि अक्टूबर-दिसम्बर की अवधि हेतु माह अक्टूबर में विभागाध्यक्षों द्वारा प्रस्तर (3) एवं (4) के अनुसार आहरित कर उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड को उपलब्ध कराई जायेगी।

(8) इसी क्रम में, जुलाई-सितम्बर तक की अवधि के सत्यापित बिल प्रस्तुत कर दिये जाने पर उपर्युक्त प्रस्तर (7) के अनुसार जनवरी-मार्च की अवधि के लिये धनराशि माह जनवरी में विभागाध्यक्षों द्वारा आहरित कर उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड को उपलब्ध कराई जायेगी।

..3/-

Dir (Comm)
PVVNL, Meerut

1- यह शासनादेश इलेक्ट्रानिकली जारी किया गया है, अतः इस पर हस्ताक्षर की आवश्यकता नही है ।

2- इस शासनादेश की प्रमाणिकता वेब साइट http://shasanadesh.up.gov.in से सत्यापित की जा सकती है ।

(9) माह मार्च में अक्टूबर-दिसम्बर तक की अवधि के बिल प्रस्तुत कर दिये जाने पर आगामी वित्तीय वर्ष के बजट मे विभागीय अनुदान में मानक मद "09-विद्युत देय" में प्रावधानित धनराशि के 25 प्रतिशत का भुगतान आगामी वित्त वर्ष के माह अप्रैल-जून की अवधि हेतु विभागाध्यक्षों द्वारा विलम्बतम् दिनाक 15 अप्रैल तक सीधे उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड को किया जायेगा।

(10) आगामी वित्तीय वर्ष के माह जुलाई में गत वित्तीय वर्ष के माह जनवरी-मार्च की अवधि के बिल प्रस्तुत कर दिये जाने पर जुलाई-सितम्बर तक की अवधि हेतु मानक मद "09-विद्युत देय" में प्रावधानित धनराशि के 25 प्रतिशत का भुगतान हेतु विभागाध्यक्षों द्वारा उपर्युक्त प्रकिया अनुसार उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड को किया जायेगा।

(11) इसी क्रमानुसार आगे की अवधि हेतु विभागाध्यक्षों द्वारा उक्त मद में धनराशि का भुगतान उ0प्र0 पावर कारपोरेशन लिमिटेड को किया जाता रहेगा।

(12) वित्तीय वर्ष समाप्त होने पर, उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड द्वारा, इस आदेश के साथ संलग्न प्रारूप-1 तथा प्रारूप-2 पर विवरण, ऊर्जा विभाग के माध्यम से वित्त विभाग को उपलब्ध कराया जायेगा।

(13) उपरोक्त प्रस्तर (1) से (12) तक के अनुसार कार्यवाही अगले अन्यथा आदेशों तक जारी रखी जायेगी।

(14) यदि सम्बन्धित प्रशासकीय विभाग तथा ऊर्जा विभाग को यह समाधान हो जाता है कि किसी वित्तीय वर्ष के बजट में विभागीय अनुदान की मानक मद "09-विद्युत देय" में करायी गई व्यवस्था उस विभाग के कार्यालयों द्वारा उपभोग की गयी बिजली के मूल्य के सापेक्ष कम है, तो यथास्थिति सम्बन्धित वित्तीय वर्ष की अनुपूरक माँगों अथवा आगामी वित्तीय वर्ष के आय-व्ययक प्रस्तावों के माध्यम से समुचित धनराशि की व्यवस्था करायी जायेगी।

4- इन आदेशों के अनुसार तत्काल कार्यवाही सुनिश्चित की जाए।

संलग्नक: प्रारूप-1 एवं प्रारूप-2

भवदीया,

(एस0 राधा चौहान)
अपर मुख्य सचिव।

..4/-

1- यह शासनादेश इलेक्ट्रानिकली जारी किया गया है, अतः इस पर हस्ताक्षर की आवश्यकता नही है।
2- इस शासनादेश की प्रमाणिकता वेब साइट http://shasanadesh.up.gov.in से सत्यापित की जा सकती है।

पृष्ठांकन संख्या-1/2022/ई-10-162757/दस-2022-तद्दिनांक

प्रतिलिपिः-

(1) अध्यक्ष, उ0प्र0 पॉवर कॉर्पोरेशन लिमिटेड, शक्ति भवन, लखनऊ।
(2) प्रबन्ध निदेशक, पूर्वांचल/ पश्चिमांचल/ मध्यांचल/ दक्षिणांचल विद्युत वितरण निगम लिमिटेड/ केस्को, कानपुर।
(3) वित्त विभाग, उत्तर प्रदेश शासन के समस्त विशेष सचिव।
(4) मुख्य कोषाधिकारी, जवाहर भवन, लखनऊ।
(5) मुख्य कोषाधिकारी, कलेक्ट्रेट, लखनऊ।
(6) मुख्य कोषाधिकारी, कलेक्ट्रेट, प्रयागराज।
(7) मुख्य कोषाधिकारी, सिविल लाइन्स, प्रयागराज।
(8) मुख्य कोषाधिकारी, कानपुर नगर।
(9) वित्त विभाग के समस्त व्यय-नियन्त्रण अनुभाग।
(10) गार्ड फाइल।

Dir (Comm)
PVVNL, Meerut

आज्ञा से,

(नील रतन कुमार)
विशेष सचिव।

शासनादेश संख्या-1/2022/ई-10-162757 /दस-2022-10-10099/22/2022, दिनांक 05 मई, 2022

का संलग्नक

(प्रारूप-1)

उत्तर प्रदेश पॉवर कॉर्पोरेशन लिमिटेड द्वारा सरकारी विभागों से विद्युत देयों के सापेक्ष तथा विद्युत वितरण निगमों को भुगतानित धनराशि का विवरण

(धनराशि लाख रुपये में)

क्र. सं.	विवरण	अप्रैल	मई	जून	जुलाई	अगस्त	सितम्बर	अक्टूबर	नवम्बर	दिसम्बर	जनवरी	फरवरी	मार्च
1	यू0पी0 पी0सी0 एल0												
2	डिस्कॉमवार शासकीय विभागों के विद्युत देयों के सापेक्ष समायोजन का दिनांक												
(1)	मध्यांचल वि0वि0 निगम												
(2)	पूर्वांचल वि0वि0 निगम												
(3)	पश्चिमांचल वि0वि0 निगम												
(4)	दक्षिणांचल वि0वि0 निगम												
	योग (1) से (4)												

Dir (Comm)
PVVNL, Meerut

हस्ताक्षर

1- यह शासनादेश इलेक्ट्रानिकली जारी किया गया है, अतः इस पर हस्ताक्षर की आवश्यकता नही है ।

2- इस शासनादेश की प्रमाणिकता वेब साइट http://shasanadesh.up.gov.in से सत्यापित की जा सकती है ।

शासनादेश संख्या-1/2022/ई-10-162757/दस-2022-10-10099/22/2022, दिनांक 05 मई, 2022

का संलग्नक

(प्रारूप-2)

विभागवार निर्गत बिलों के सापेक्ष भुगतान का विवरण

वित्तीय वर्ष .....

(धनराशि लाख रुपये में)

क्र.सं.	विभाग	निर्गत बिलों की राशि	सत्यापित राशि	विभाग द्वारा किया गया भुगतान
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
	योग			

Dir (Comm)
PVVNL, Meerut

हस्ताक्षर

1- यह शासनादेश इलेक्ट्रानिकली जारी किया गया है, अतः इस पर हस्ताक्षर की आवश्यकता नही है ।

2- इस शासनादेश की प्रमाणिकता वेब साइट http://shasanadesh.up.gov.in से सत्यापित की जा सकती है ।

Annexure-II

संख्या-1/2023/ ई-10- I/296220 /दस-2023-10-10099/22/2022

प्रेषक,

नील रतन कुमार,

विशेष सचिव,

उत्तर प्रदेश शासन।

सेवा में,

(1) अपर मुख्य सचिव ऊर्जा विभाग, उ0प्र0 शासन।

(2) समस्त अपर मुख्य सचिव/ प्रमुख सचिव/ सचिव उ0प्र0 शासन।

(3) समस्त विभागाध्यक्ष/ कार्यालयाध्यक्ष उ0प्र0, लखनऊ

वित्त (व्यय-नियंत्रण) अनुभाग-10 लखनऊ: दिनांक: 30 मार्च, 2023

विषय:- विभागों द्वारा उ0प्र0 पावर कारपोरेशन लिमिटेड को विद्युत देयों का केन्द्रीयकृत भुगतान।

महोदय,

उपर्युक्त विषयक वित्त (व्यय-नियंत्रण) अनुभाग-10 के शासनादेश संख्या- 1/2022/ई-10-162757/दस-2022-10-10099/22/2022, दिनांक 05 मई, 2022 एवं ई-10-I/197718/2022, दिनांक 03-08-2022 के क्रम में कतिपय प्रशासकीय विभागों द्वारा यह अवगत कराया गया है कि उनसे संबधित कतिपय अनुदान संख्या के अधीन मुख्यालय अधिष्ठान की व्यवस्था नहीं होने के कारण उक्त शासनादेश की व्यवस्थानुसार उ0प्र0 पावर कारपोरेशन को मानक मद –"09-विद्युत देय" की मद में व्यवस्थित धनराशि का केन्द्रीयकृत भुगतान संभव नहीं हो पा रहा है। इसी प्रकार कुछ विभागों में कतिपय अधिष्ठानों के लिये बजट व्यवस्था अनुदान संख्या-83 समाज कल्याण विभाग (अनुसूचित जातियों के लिये विशेष घटक योजना) के अन्तर्गत करायी गयी है जिसके आहरण का अधिकार मुख्यालय के आहरण एवं वितरण अधिकारियों को नही है। इन प्रकरणों में केन्द्रीयकृत भुगतान की व्यवस्था के अन्तर्गत कार्यवाही संभव नहीं हो पा रही है।

2- अत: उपर्युक्त के संबंध में मुझे यह कहने का निदेश हुआ है कि प्रस्तर-1 में उल्लिखित प्रकरणों में केन्द्रीयकृत भुगतान की व्यवस्था लागू होने के पूर्व प्रचलित व्यवस्था के अनुसार विभिन्न कार्यालयों द्वारा विद्युत बिलों का भुगतान मानक मद- "09 विद्युत देय" में आंवटित धनराशि से संबंधित विद्युत वितरण निगम की संबंधित इकाई को किया जायेगा।

3- उक्त के अतिरिक्त कतिपय विभागों के कार्यालय किराये के भवनों में चल रहे है, जिनमें विद्युत संयोजन भवन स्वामी के नाम है। ऐसे मामलों में संबंधित कार्यालय द्वारा विद्युत बिल का भुगतान भवन स्वामी को किया जायेगा।

4- कृपया उपरोक्तानुसार कार्यवाही सुनिश्चित कराने का कष्ट करें।

भवदीय,

(नील रतन कुमार)

विशेष सचिव।

संख्या ई-10- /दस-2023-दिनांक तदैव

Dir (Comm)
PVVNL, Meerut

1- यह शासनादेश इलेक्ट्रानिकली जारी किया गया है, अत: इस पर हस्ताक्षर की आवश्यकता नही है।

2- इस शासनादेश की प्रमाणिकता वेब साइट http://shasanadesh.up.gov.in से सत्यापित की जा सकती है।

प्रतिलिपि निम्नलिखित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित:-

(1) अध्यक्ष, राजस्व परिषद, उ0प्र0 लखनऊ।

(2) अध्यक्ष, उ0प्र0 पॉवर कारपोरेशन लिमिटेड, शक्ति भवन, लखनऊ।

(3) महानिदेशक, चिकित्सा शिक्षा एवं प्रशिक्षण, उ0प्र0 लखनऊ।

(4) प्रबन्ध निदेशक, पूर्वांचल/ पश्चिमांचल/मध्यांचल/ दक्षिणांचल विद्युत वितरण निगम लिमिटेड/केस्को, कानपुर।

(5) निदेशक, कोषागार, उ0प्र0, जवाहर भवन, लखनऊ।

(6) समस्त वित्त नियंत्रक, उ0प्र0।

(7) समस्त आहरण एवं वितरण अधिकारी, उ0प्र0।

(8) समस्त मुख्य / वरिष्ठ कोषाधिकारी, उ0प्र0।

(9) वित्त विभाग, उ0प्र0 शासन के समस्त विशेष सचिव।

(10) वित्त विभाग के समस्त व्यय नियंत्रण अनुभाग।

(11) गार्ड फाइल।

Dir (Comm)
PVVNL, Meerut

आज्ञा से,

(नील रतन कुमार)
विशेष सचिव।

Annexure-III

F. No.14/02(01)/2022-UR&SI-II-(E-259236)
Government of India
Ministry of Power
*****

Shram Shakti Bhawan, Rafi Marg
New Delhi, Dated: 19th May, 2025

To

Additional Chief Secretary/ Principal Secretary/ Secretary (Energy/ Power) for all States and UTs.

Subject: Smart Meter Installation under RDSS - reg.

Sir/ Madam,

Please refer to this Ministry's letter of even no dated 10.12.2024 **(copy enclosed)** on the subject cited above, wherein a comprehensive advisory for smooth roll out of smart Meters was issued for States/Discoms.

2. It was advised to take up smart metering implementation in a phased manner i.e. prioritizing Government establishments including offices/institutions/Local Bodies as well as Government residential colonies/buildings followed by all industrial & commercial consumers and all other high load consumer with sanctioned load >10kW.

3. In this regard, it is requested that the installation of prepaid Smart Meters may be completed by the State/ DISCOMs in adherence to the following timeline:

(i) All Government establishments including offices/institutions/Local Bodies as well as Government residential colonies/buildings – **by Aug, 2025**

(ii) All industrial & commercial consumers and all other high load consumer with sanctioned load >10kW – **by Nov, 2025**

4. This issues with the approval of competent authority.

Encl. as above

P Tayal

(Pranav Tayal)
Director (UR&SI)
Tel: 011-23353320
Email ID: pranav.tayal@ips.gov.in
ursi2desk-mop@gov.in

Dir (Comm)
PVVNL, Meerut

Copy to:

1. CMD/MD of DISCOMs of all States/ UTs- for compliance
2. CMD, REC Ltd.
3. CMD, PFC Ltd.

Also copy to: PPS to Secretary (Power)/ PSO to Joint Secretary (Distribution)

F. No.14/02(01)/2022-UR&SI-II-(E-259236)
Government of India
Ministry of Power
*****

Shram Shakti Bhawan, Rafi Marg
New Delhi, Dated: 10th December, 2024

To
Additional Chief Secretary/ Principal Secretary/ Secretary (Energy/ Power) for all States and UTs.

Subject: Smart Meter Installation under RDSS.

Sir/ Madam

Government of India launched the scheme of Revamped Distribution Sector Scheme (RDSS) in July 2021 to improve the operational efficiencies and financial sustainability of distribution sector so as to provide quality and reliable supply of power. One of the key initiatives under the scheme is consumer prepaid smart Metering.

2. In this regard, a comprehensive advisory is, hereby prescribed which the States/DISCOMs are advised to follow in order to ensure smooth roll-out of the smart meters:

i. Phasing of Smart Meter: The installation of prepaid smart meters may be prioritized in Government establishments including offices/ institutions/ Local Bodies as well as Government residential colonies/ buildings.
Subsequently, the prepaid smart meters may be installed for **all Commercial & Industrial consumers** and all **other high load consumer** with sanctioned load >10kW. States/ DISCOMs may consider providing **suitable rebate** to these category of consumers post installation of prepaid smart meter.
Based on feedback and successful demonstration for above categories, DISCOM may scale up installation activities for remaining consumer categories. This will help in building trust among consumers through showcasing of benefits of smart meters.

ii. All Government consumers to be brought on prepaid smart meter by March 2025. For the purpose of recharge, the States may put in place a mechanism of centralized payment of the expected Government Department dues in advance from the State Budget.

iii. Incentivising small consumers for installation of prepaid Smart Meters: To encourage consumers adopting prepaid smart metering and to share the benefits of improved efficiencies with them, States/ DISCOMs may consider providing rebate of up to 5% to the consumer on prepaid smart meter.

Dir (Comm)
PVVNL, Meerut

contd...

The rebate may be tapered-off for all category of consumers over a period of time.

iv. Levy of penalty on discovery of higher connected load: No penalty should be imposed on Consumer based on maximum demand recorded by Smart meter for the period before installation date. In case maximum demand recorded by the smart meter exceeds the sanctioned load in a month, the bill, for that billing cycle, shall be calculated as per provisions of the Electricity (Rights of Consumers) Amendment Rules, 2023.

v. Deduction of arrears: If post conversion to prepaid, an appropriate system for recovery of arrears is not put in place, chances may arise that the Smart prepaid meters switch off even with the consumers regularly recharging their prepaid meters as the arrears may be higher than the recharge amount. For this purpose, the following is advised:

a. The monthly recovery schedule for the arrears should be so devised such that it is within 25% of the average monthly billing based on the consumption of the last three months.

b. The monthly payment for arrears may be deducted in equal daily installments.

c. Consumers may be routinely advised on the amount recovered as arrears through notification/SMS.

d. Consumers could also be provided an option to opt in for a one-time recovery, or part payment of the recovery.

vi. Installation of Check meters: In order to reinforce the accuracy of smart prepaid meters being deployed, check meters should be deployed by the implementing agencies as following:

a. The check meters shall be installed by AMISP/DISCOMs/ Power Departments for a minimum of 5% of the total smart meters deployed, under any of the on-going schemes.

b. Where complaints are received from consumers related to excess reading/ billing, check meters may be compulsorily installed.

c. The check meters shall be installed for a continuous period of not less than three months and the reading, so registered should be reviewed for every billing cycle against the reading for the smart meter for the same period. Corrective action if required be ensured without delay.

d. Cost for installation of check meters shall not be passed on to the consumers.

vii. Consumer Engagement Plan: An effective consumer engagement plan involving onboarding of local representatives, RWA members, and eminent personalities along with demonstration of benefits of Smart Metering for consumers may be formulated well in advance by AMISP in consultation with DISCOM. DISCOMs to be the face of the program to strengthen consumer confidence in the initiative and hence DISCOM field employees may be sufficiently trained to handle issues and grievances related to smart

Dir (Comm)
PVVNL, Meerut

contd....

meters. Consumer Grievance Redressal Mechanism to be in place to attend to Smart Metering related issues. Post installation consumer feedback to be ensured at regular intervals of 15 days, 1 month and 3 months.

viii. Readiness/ Installation of Mobile App: The DISCOM/ AMISP to ensure readiness of Mobile App in all respects. DISCOM to ensure that Mobile App is installed in consumer's mobile and demonstrated to the consumer at the time of Smart Meter Installation.

ix. Standard Operating Procedure (SoP): In order to provide convenience to consumers with prepaid smart meter installation, SoP has been issued with respect to by this Ministry vide letter dated 14.02.2024. The same may be complied by the DISCOMs. **(Copy enclosed)**

3. The above advisory may be implemented immediately in the State/ DISCOMs while rolling out Smart Meters. Consumers need to be educated well in advance about the rollout programs.

4. This issues with the approval of competent authority.

Encl.: As above

10/12/2024

(Jamiruddin Ansari)
Deputy Secretary to the Govt. of India
Tel: 011-23352913

Dir (Comm)
PVVNL, Meerut

Copy to:

1. **CMD/ MD of DISCOMs of all States/ UTs- for compliance**
2. **CMD, REC Ltd.**
3. **CMD, PFC Ltd.**

Also copy to:
PPS to Secretary (Power)/ PPS to Joint Secretary (Distribution)

F. No. 14/02(01)/2022-UR&SI-II-(E-259236)
Government of India
Ministry of Power
*****

Shram Shakti Bhawan, Rafi Marg
New Delhi, Date: 14th February 2024

To
ACS/ Principal Secretary/ Secretary (Energy/ Power) for all States / UTs

Subject: Standard Operating Procedure for Prepaid Consumer Meter Rollout under RDSS

Sir,

Prepaid consumer metering has been envisaged as an important reform measure under the Revamped Distribution Sector Scheme (RDSS). So far, DPRs for metering works involving installation of 19.79 crore prepaid consumer meters, 52.19 Lakh DT meters and 1.88 Lakh feeder meters have been sanctioned under the scheme.

2. As per available information, prepaid metering works for almost 9 crore consumers across the country have been awarded. It is envisaged that consumer perception and confidence is vital for successful implementation of prepaid metering works.

3. In order to ensure a smoother and faster rollout of prepaid consumer meters, a Standard Operating Procedure (SOP) for State/ DISCOMs/ AMISPs is issued to achieve a seamless and consumer friendly operation.

4. It may please be noted that implementation of this SOP and compliance thereof would be essential for release of funds, including GOI grants and counterpart funding loans to the DISCOMs under RDSS and any other scheme of Government of India.

5. The SOP is enclosed for further necessary action and compliance.

6. This SOP is issued with the approval of Hon'ble Minister of Power & NRE.

Encl.: As above.

Dir (Comm)
PVVNL, Meerut

(Jamiruddin Ansari)
Deputy Secretary to the Govt. of India
Tel: 011-23352913

Copy to:

1. CMD/MD of DISCOMS of all States/ UTs
2. CMD REC Ltd.
3. CMD PFC Ltd.

Also copy to:
PS to Hon'ble Minister of Power/ PPS to Secretary (Power)/ PSO to Joint Secretary (Distribution)

Standard Operating Procedure for Prepaid Consumer Meter Rollout under RDSS

With a progressive increase in number of prepaid consumer meters across the country, the experience gained suggests that the same is being received well by consumers. In order to ensure a smoother and faster rollout of prepaid consumer meters, a **Standard Operating Procedure (SOP)** for State/ DISCOMs/ AMISPs is issued to achieve a seamless and consumer friendly operation. States/ DISCOMs are required to make changes their policies and procedures to align with this SOP.

2. **Standard Operating Procedure (SOP)**

i. Installation: AMISP to ensure the installation of the meters as per extant Regulations.

ii. DISCOMs to ensure that all consumer meters (as per relevant IS standards) are working in **pre-payment mode** after installation.

iii. After installation of meter, AMISP and DISCOMs to ensure having a dedicated mobile app/ portal for the pre-paid meters which could give all meter related updates relevant to consumers viz. consumption, balance, alerts, recharge, load, etc.

iv. An emergency credit (**upto Rs.300/-**) to be provided to consumers before disconnection. Only after exhaustion of this emergency credit, consumer shall be disconnected.

v. Minimum 3 advance intimations/ alerts to be given to consumers before disconnection. First when the balance reaches **Rs 50**, second when the balance goes to **zero** and final alert when the emergency balance reaches say **–Rs 200**.

vi. Complete process of recharging, post successful transaction by consumer, to be completed and recharge amount to be reflected in the consumer's account within **15 minutes**. In case of recharge done after disconnection, meter to automatically reconnect within **15 minutes** after successful transaction.

vii. DISCOMs/ AMISPs to provide multiple recharge options, including online portals, mobile apps, local retailers, and self-service kiosks.

viii DISCOMs/ AMISPs to undertake **consumer engagement campaign/ IEC activities** for information to consumers about benefits of prepaid Meters and details of post installation support available to consumers.

ix DISCOMs to abide by Rules/ advisories issued from Ministry of Power to address consumer concerns regarding levy of penalty on discovery of higher than sanctioned load, recovery of arrears, installation of check meters and setting up of effective &efficient consumer grievance redressal mechanism.

3. Apart for above, following general guidelines are to be followed:

i. **Complaint Resolution:**
DISCOMs to establish a user friendly and systematic process for consumers to file complaints and track their resolution status. Maximum time to be set for

Dir (Comm)
PVVNL, Meerut

resolution for each category of complaints. Complaints regarding reconnection/ disconnection to be resolved within maximum 1 hour. Prompt resolution of consumer issues shall be made to enhance consumer satisfaction and mutual trust.

ii. **Consumer Feedback Mechanism**:
DISCOMs to implement a suitable feedback mechanism to collect inputs from consumers with respect to their experience with prepaid metering, which shall be utilised to identify areas for improvement.

Dir (Comm)
PVVNL, Meerut

Uttar Pradesh Electricity Regulatory Commission

Vidyut Niyamak Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423
E-mail secretary@uperc.org

Sumeet Kumar Agarwal
Secretary

Ref: UPERC/Secy/D(Tariff)/2025- 285
Dated: June 02, 2025

To,

1- **Managing Director,** U.P. Power Corporation Ltd. (UPPCL), 7th Floor, Shakti Bhawan, 14, Ashok Marg, Lucknow- 226001. (mduppcl12@gmail.com)
2- **Managing Director,** Madhyanchal Vidyut Vitran Nigam Ltd. (MVVNL), 4-A, Gokhale Marg, Lucknow - 226001. (md.mvvnl2010@gmail.com)
3- **Managing Director,** Dakshinanchal Vidyut Vitran Nigam Ltd. (DVVNL), Urja Bhawan, 220KV Sub-Station Mathura bypass Road, Agra - 282007.
4- **Managing Director,** Paschimanchal Vidyut Vitran Nigam Ltd. (PVVNL), Victoria Park, Meerut - 250001. (md@pvvnl.org)
5- **Managing Director,** Poorvanchal Vidyut Vitran Nigam Ltd. (PuVVNL), Bhikharipur, 132KV Sub-Station, Poorvanchal Vidyut Bhawan, P.O. Diesel Locomotive Works, Varanasi - 221004. (mdpurvanchalvvnl@gmail.com)
6- **Managing Director,** Kanpur Electricity Supply Company Ltd. (KESCO), KESA House, 14/71, Civil Lines, Kanpur - 208001. (mdkesco@gmail.com)
7- **Chief Engineer,** Regulatory Affairs Unit (RAU), U.P. Power Corporation Ltd. Shakti Bhawan, 14- Ashok Marg, Lucknow-226001. (arrtariffuppcl@gmail.com)

Sub: - Request for Revised Submissions of True-up, APR and ARR data as per MYT Regulation.

Ref: Letter no. 334/M. D/DVVNL/CE(COM)/C-317 (RAU) dated 17.05.2025
Letter no. 1497 Dir (Commercial)/MVVNL/UPERC/Revised ARR FY 2025-26 dated 19.05.2025
Letter no. 1155/PVVNL/Commercial/FY 2025-26/Revised_ARR_FY2025 dated 17.05.2025
Letter no. 3994/PuVVNL/Commercial/FY 2025-26/Revised_ARR_FY2025-26 dated 17.05.2025
Letter no. 1013/DIR(COMM)/2025 dated 17.05.2025
Letter no. 179/RAU/ARR 2025-26 dated 14.05.2025

Sir,

This is in reference to UPPCL letter no. 179/RAU/ARR 2025-26 dated 14.05.2025 vide which it was requested to allow revised submissions of True-up Petition for FY 2023-24, APR Petition for FY 2024-25 and correspondingly updated ARR for FY 2025-26, incorporating the actual data for collection efficiency and distribution losses.

Subsequently, revised submissions were made by DVVNL, PVVNL, PuVVNL and KESCO vide letters dated 17.05.2025 and by MVVNL vide letter dated 19.05.2025. Deficiencies have been found in these submissions which have been enclosed as **Annexure-1**. The Petitioners/Distribution Licensees are directed to reply to the deficiencies raised by the Commission **within 7 days** from the issuance of this letter.

Uttar Pradesh Electricity Regulatory Commission

Vidyut Niyamak Bhawan, Vibhuti Khand, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423
E-mail secretary@uperc.org

In letter dated 14.05.2025 UPPCL had requested to grant an extension for the publication of salient features of ARR petition in the newspapers, as directed by the Commission in Admittance Order dated 09.05.2025. Accordingly, the petitioners are directed to publish data for True-up as submitted in the petition dated 29.11.2024, APR & ARR data submitted on 29.04.2025 and revised submission on 17.05.2025/19.05.2025 along with all information mentioned in the Admittance Order, **within 3 days**, duly complying with the clause no. 5.5 of the Uttar Pradesh Electricity Regulatory Commission (Multi Year Tariff for Distribution) Regulations,2025.

The Petitioners/Distribution Licensees are further directed to upload the reply to the Deficiencies raised in Annexure-1 and all deficiencies that may be raised in future, on their website once the reply is submitted to the Commission.

Yours sincerely

07/06/2025

(Sumeet Kumar Agarwal)
Secretary

Encl: As stated above.

Data Requirements/Deficiencies/Discrepancies

Petition No. - 2162 of 2024

Petition No. - 2163 of 2024

Petition No. - 2164 of 2024

Petition No. - 2165 of 2024

Petition No. - 2176 of 2024

of

True-Up (FY 2023-24), Annual Performance Review (FY 2024-25) &

Aggregate Revenue Requirement/ Tariff (FY 2025-26)

Note:

1. All the submissions to be verified by an affidavit (the replies in soft copy as well as hard copy).

2. All the letters/ correspondence/ Annexures should be submitted in scanned PDF copy and all the workings should be submitted in MS Excel with all linkages also.

3. In case any submission which has already been submitted to the Commission and if the same is being referred in the above filing, the same should be re-submitted to make it part of the present proceedings.

Deficiency Note-2

1. *Deficiency in Submission made for Distribution Loss and AT&C Loss*

The Petitioners have submitted Distribution Loss trajectory and AT&C Loss trajectory as below:

Table 1: Distribution Loss trajectory (%) of State Discoms

DISCOM	FY25 (Prov)	FY 26 (Proj)	FY 27 (Proj)	FY 28 (Proj)	FY 29 (Proj)	FY 30 (Proj)
DVVNL	15.53%	15.53%	15.22%	14.91%	14.62%	14.32%
MVVNL	13.59%	13.59%	13.32%	13.05%	12.79%	12.53%
PVVNL	11.18%	11.18%	10.95%	10.73%	10.52%	10.31%
PuVVNL	16.23%	16.23%	15.90%	15.58%	15.27%	14.97%
KESCO	7.68%	7.68%	7.53%	7.38%	7.23%	7.09%
Consolidated	**13.78%**	**13.78%**	**13.50%**	**13.23%**	**12.97%**	**12.71%**

Table 2: AT&C Loss trajectory (%) of State Discoms

DISCOM	FY 25 (Prov)	FY 26 (Proj)	FY 27 (Proj)	FY 28 (Proj)	FY 29 (Proj)	FY 30 (Proj)
DVVNL	28.48%	28.48%	26.06%	23.57%	21.00%	18.35%
MVVNL	21.93%	21.93%	19.92%	17.87%	15.77%	13.62%
PVVNL	13.35%	13.35%	12.70%	12.05%	11.39%	10.74%
PuVVNL	36.08%	36.08%	33.27%	30.34%	27.28%	24.10%
KESCO	10.37%	10.37%	9.77%	9.17%	8.57%	7.97%
Consolidated	**23.44%**	**23.44%**	**22.27%**	**20.34%**	**18.34%**	**16.29%**

Commission's Directions:

a) The Petitioners are required to submit the detailed computation for AT&C loss trajectory as per the methodology prescribed by CEA for FY 25 (as per actuals) and for future periods as per projections.

b) The Petitioner are required to provide collection efficiency corresponding to above trajectory for each year of the Control Period.

c) The Petitioners to provide consumer category wise collection efficiency for FY 2023-24 and FY 2024-25.

d) The Petitioners are also required to submit the detailed computation for collection efficiency for FY 2023-24 and FY 2024-25 as per below format:

	Considering collection against current dues only	Considering collection against current dues and arrears
Considering tariff payable by consumer		
Considering tariff payable by consumer + Govt. subsidy		

e) The Petitioners to provide break-up of DL into Technical and Billing Losses (Non-Technical Losses) for the Control Period by making reasonable estimate if required. Basis for such estimation may also be provided.

f) The petitioner must also explain why FY 26 projections are same as FY 25 (prov) i.e. no loss reduction either in Distribution Loss or AT&C loss in first year of the Control Period.

g) The Petitioners to submit the impact of implementation of Distributed Renewable Energy Initiatives (As directed in 2a of this deficiency note) and Smart Metering & loss reduction works (As directed in 3d and 3e of this deficiency note) on Distribution Loss and Collection Efficiency separately for the trajectory that has been submitted.

h) As the RDSS loss trajectory was stipulated up to 2024-25 only, the Petitioners to submit the Distribution Loss and AT&C loss reduction trajectory, if any, submitted to Government of India.

i) In Tariff Order dated 10.10.2024, the Commission had approved the distribution loss trajectory as claimed by the petitioners for FY 2024-25 in line with the trajectory under RDSS. As per the submission for true up for FY 2023-24, distribution losses are higher for 3 out of the 5 discoms (DVVNL, PuVVNL and KESCO) than that approved by the Commission in Tariff Order dated 10.10.2024. Further, it has been observed that for the control period from FY 2025-26 to FY 2029-30, the Distribution loss trajectory has been proposed to reduce from 13.78% in FY 2024-25 to 12.71% in FY 2029-30. Also, the AT&C losses notified under the RDSS scheme for FY 2024-25 is as below:

Distribution Licensee	AT&C loss notified by GoI
DVVNL	18.97%
MVVNL	17.97%
PVVNL	12.69%
PuVVNL	18.49%
KESCO	8.07%
Consolidated	16.43%

As per the submission, these targets have not been achieved as the AT&C loss for FY 2024-25 are considerably higher than AT&C loss notified by GoI i.e. AT&C loss has increase from 16.43% to 23.44% and will only be achieved in the last year of control period. In case of PuVVNL even in the last year of control period the AT&C loss are higher than notified by GoI for FY 2024-25.

The Petitioners to submit why the loss reduction targets have not been achieved and why losses are expected to be higher despite making investments in loss reduction, smart metering and other capex schemes.

2. *Distributed Renewable Energy Initiatives and their Impact*

There are various initiatives that have been recognized by the Commission for which approval has been granted over the last few years. These include PM Suryaghar Scheme and under different components of PM Kusum Scheme.

Apart from meeting energy demand at lower cost as energy is available at distribution network rather than being transmitted from generators connected at Intra/ Inter State network, above initiatives are useful in mitigating grid inefficiencies. The locally situated/ co-located and load matched distributed resource reduces pressure on the grid by bringing down congestion.

Commission's Directions

a) UPPCL to provide current status of these schemes and targets for each year of current control period. Further the Petitioners to provide estimated impact of these schemes on Distribution Loss Trajectory for each year of the control period along with basis for such estimation / projection.

3. *Smart Metering and loss reduction initiatives*

The RDSS comprises of two component i.e. Smart Metering work and Loss Reduction. For loss reduction works, the Commission vide order dated 13.08.2024 had approved the CAPEX under RDSS as shown below:

S. No.	DISCOMs	Loss Reduction works	
		Sanctioned (Rs. Cr.)	Awarded (Rs. Cr.)
1	DVVNL	3,767.87	3,798.86
2	MVVNL	4,132.03	3,808.39
3	PVVNL	3,408.89	3,390.37
4	PuVVNL	4,587.94	4,519.25
5	KESCO	601.95	595.86
	Total	**16,498.68**	**16,112.73**

The CAPEX and Capitalization under the RDSS as submitted for true up of FY 2023-24 and APR of FY 2024-25 is as below:

DISCOM	FY 2023-24 A		FY 2024-25 B		Total C=A+B	
	CAPEX	Capitalization	CAPEX	Capitalization	CAPEX	Capitalization
DVVNL	685.54	299.97	2,920.42	1,168.17	3,605.97	1,468.14
MVVNL	861.59	-	428.52	171.41	1,290.11	171.41
PVVNL	707.73	31.72	2,414.62	965.85	3,122.35	997.57
PuVVNL	1,962.33	-	2,330.96	932.38	4,293.29	932.38
KESCO	-	-	382.00	152.80	382.00	152.80
Total	**4,217.19**	**331.69**	**8,476.52**	**3,390.61**	**12,693.72**	**3,722.30**

For the smart metering works to be undertaken on Totex mode, following details have been submitted:

Particulars	DVVNL	MVVNL	PVVNL	PuVVNL	KESCo	Total
	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.	Rs. Cr.
Sanctioned Amount	3,663.09	5,009.35	4,946.90	4,937.73	325.40	18,885.47
Awarded Amount	4,947.95	7,701.48	6,958.79	7,151.86	582.73	27,342.81

The Commission vide letter dated 03.09.2024 had directed to submit detailed status report providing information including smart meters installed under RDSS, percentage of smart meters being remotely read and billed, frequency of meter reading, cases of theft detected, improvement in billing etc.

As per the submission made vide letter dated 09.10.2024, in more than 97% cases the bills are being generated through smart meters. Further, the progress made in smart meter installation as submitted by the Petitioners in Tariff Petition is as follows:

DISCOMs	FY 2023-24 (True Up Year)		FY 2024-25 (APR Year)		FY 2025-26 (ARR Year)	
	No. of Consumers	No. of Smart Meters	No. of Consumers	No. of Smart Meters	No. of Consumers	No. of Smart Meters

DVVNL	62,04,725	1,47,991	64,62,885	30,92,729	68,25,134	73,75,984
MVVNL	96,88,610	3,80,731	1,01,58,045	5,31,670	1,05,89,607	65,54,659
PVVNL	75,47,052	1,98,726	78,22,138	8,13,293	83,54,910	57,27,901
PuVVNL	1,04,27,241	3,21,433	1,09,31,347	6,87,955	1,12,57,536	65,50,345
KESCO	7,23,232	1,55,168	7,54,612	1,86,418	8,00,335	6,86,418
Total	**3,45,90,860**	**12,04,049**	**3,61,29,027**	**53,12,065**	**3,78,27,523**	**2,68,95,307**

It is evident from the above that in FY 2023-24 only 3.48% smart meters were installed. Further in FY 2024-25 the share of smart meters will increase to 14.70% and in FY 2025-26 it is proposed that share of smart meters will increase to 71%.

Commission's Directions

Considering the above, the licensees are required to submit the following

a) The Petitioners to explain why the investments required to be made under RDSS by FY 2024-25 have not been done and the period in which such investment is expected to be achieved.
b) The Petitioner to submit collection efficiencies achieved only with regard to smart meter consumers against the billing of such consumers for FY 2022-23, FY 2023-24 & FY 2024-25.
c) The Petitioners to submit why DL trajectory is projected to remain flat in five years despite huge investment in Loss Reduction and smart metering works under RDSS and other Capex Schemes.
d) With 100% consumers to have Smart Meters within the next 2-3 years, Billing Efficiency should improve. This is highlighted in submission dated 09.10.2024 made by the Chief Engineer, RUA, UPPCL. Petitioners to explain in detail how this is reflected in distribution loss trajectory that has been submitted by them by bifurcating distribution losses as Technical and losses related to billing.
e) The Petitioners to further submit the impact of smart meter implementation on collection efficiency during each year of control period.