दूरभाष: 0121 2665734
फैक्स: 0121 2666062

कार्यालय
प्रबन्ध निदेशक
OFFICE OF THE
MANAGING DIRECTOR
पश्चिमांचल विद्युत वितरण निगम लि०
PASCHIMANCHAL VIDYUT VITRAN NIGAM LTD.
विक्टोरिया पार्क, मेरठ

CIN-U31200UP2003SGC027458

No.---2140----- MD/PVVNL/MRT/COM/ARR **Dated:- 13 JUN 2022**

To,

The Secretary,
Uttar Pradesh Electricity Regulatory Commission
Vibhuti Khand, Gomtinagar
Lucknow- 226010

Subject:- Response to the query raised by various Stakeholders in the Petition No. 1833 of 2022 dated 8 March, 2022 of True-Up (FY 2020-21), Annual Performance Review (FY 2021-22), Aggregate Revenue Requirement (FY 2022-23).

Ref: UPERC letter no. UPERC/ Secy / D(T)/2022-213 dated 18th May 2022

UPERC letter no. UPERC/ Secy /D(T)/2022-248 dated 25th May 2022

Dear Sir,

This is with reference to your above-mentioned letters directing submission of replies to Response to the query raised by various Stakeholders in the Petition No. 1833 of 2022 dated 8 March, 2021 of True-Up (FY 2020-21), Annual Performance Review (FY 2021-22) and Aggregate Revenue Requirement (FY 2022-23).

The Petitioner hereby submits the point-wise replies to the queries/information required by the Hon'ble Commission alongwith the Annexure-1.

Enclosure as above. [06 (1+ 5 copies)]

Yours Sincerely

(I.P. Singh)
Director (Commercial)
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Cc:- 1- Managing Director, Paschimanchal Vidyut Vitran Nigam Limited, Meerut.
2- Chief Engineer (RAU), Uttar Pradesh Power Corporation Ltd., Lucknow

Letter/ All Letter 01.02.2019 Autosaved

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Subject – Response to the query raised by various Stakeholders

The Hon'ble Commission vide letter no. UPERC/Secy/D(T)/2022-248 dated 25th May 2022 has forwarded comments/objections /suggestions of various stakeholders to UPPCL/Discoms for its comments. The stakeholders' details have been captured in the table below: -

Sr. No.	Parties Name & Details	Date
1	उत्तर प्रदेश कांग्रेस कमेटी नेहरू भवन, 10 माल एवेन्यू, लखनऊ	30.07.2021
2	परमात्मा शरण शर्मा, धौलाना, हापुड़	25.09.2021
3	National Capital Region Transport Corporation GatiShakti Bhwan, INA, New Delhi	12.10.2021
4	Avadhesh Kumar Verma U.P. Rajya Vidyut Uphokta Parishad	11.11.2021
5	Avadhesh Kumar Verma U.P. Rajya Vidyut Uphokta Parishad	24.11.2021
6	National Chamber of Industries & Commerce, U.P. New Market, Jeoni Mandi, Agra	12.01.2022
7	Avadhesh Kumar Verma U.P. Rajya Vidyut Uphokta Parishad	05.04.2022
8	Avadhesh Kumar Verma U.P. Rajya Vidyut Uphokta Parishad	11.04.2022
9	उत्तर प्रदेश कांग्रेस कमेटी नेहरू भवन, 10 माल एवेन्यू, लखनऊ	04.05.2022
10	IEX (Indian Energy Exchange) Plot No.- C-001/A/1, 9th Floor, Max Towers, Sector 16B, Noida, U.P.	06.05.2022
11	Shri Akhil Katiyar (By Mail)	24.05.2022

12. **Letter No. 113/05/2022 sent by the Hon'ble Commission vide Letter no: UPERC/../Secetory/ 22-213 dated: 18.05.2022.**

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25% of Discom Debt Taken over as per UDAY	**-**
Net RA / (Surplus) Left after UDAY	**31,382.08**
Carrying Cost @ 13.75% for FY 2017-18	4,315.04
Regulatory Assets/(Surplus) in True Up with carrying cost for FY 2017-18	(991.72)
carrying cost @ 13.75% for FY 2017-18	(68.18)
Total Net RA / (Surplus) till trued up for FY 2017-18	**34,637.22**
Carrying cost @ 14.05% for FY 2018-19	4,866.53
Net Revenue gap / (surplus) after True up of FY 2018-19	62.65
Carrying cost @ 14.05% for FY 2018-19	4.40
Total Net RA / (Surplus) trued up till FY 2018-19	**39,570.80**
Carrying cost @ 13.80% for FY 2019-20	5,460.76
Total Net RA / (Surplus) trued up till FY 2019-20	**45,031.55**
Carrying cost @ 10.65% for FY 2020-21	4,795.86
Total Net RA / (Surplus) trued up till FY 2020-21	**49,827.41**

It is clear from above that no surplus is available as has been stated by stakeholders .The net regulatory assets as computed above is till FY 2020-21. The same shall be further updated based on the decision of Hon'ble APTEL in the matter. It is submitted that above calculation is based on the methodology adopted by Hon'ble Commission. Therefore Hon'ble Commission is requested to approve above regulatory asset.

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2. Parmatma Sharan Sharma

The stakeholder has raised the following key points: -

i. The objector has raised the issue of increasing revenue gap of Licensee.
ii. Less recovery against the revenue assessment.
iii. Frequent OTS schemes.
iv. Minimum billing due to faulty meters.

The point wise replies are as under: -

i. The objector has raised the issue of increasing revenue gap of Licensee.

It is hereby submitted that due to the strict regulatory framework Discoms are not able to recover the actual cost incurred for supply of Power. The Hon'ble Commission has restricted the O&M, sharing of gains and loss etc in the MYT Regulations 2019. Thus, Discoms are facing challenges to recover the actual cost against the supply. Further, due to the addition of substantial number of domestic consumers under Saubhagya and other schemes, the line losses of Discoms has been adversely affected. Hon'ble Commission is requested to consider licensees submission in ARR for revision of distribution loss trajectory as submitted to ministry of Power under RDSS scheme.

ii. Less recovery against the revenue assessment.

It is submitted that the less recovery does not directly impact the ARR of Licensees, the Hon'ble Commission while approving the ARR of Licensees considers 100% Collection efficiency. However, licensees are taking all the measures to recover all the bill amount.

iii. Frequent OTS schemes.

OTS scheme is a policy decision under which the consumers with long pending arrears are facilitated with one-time settlement of arrears so that the consumer can be brought under the category of regular paying consumers, thus, increasing the revenue recovery.

iv. Minimum billing due to faulty meters.

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The minimum billing to the consumers having faulty meters is being raised as per the procedure set under the Electricity Supply Code by the Hon'ble Commission.

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3. Regional Rapid Transit System

The stakeholder has requested the Hon'ble Commission to treat NCRTC as a special category consumer with the tariff as per the cost of supply.

Submission: In this regards, it is submitted that the Hon'ble Commission while determining the tariff as per Section 62 of Electricity Act 2003 considers various factors such as consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required.

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4. Avadhesh Kumar Verma

Strict regulations against losses due to corruption.

Submissions: The matter does not pertain to current proceedings of ARR.

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5. Avadhesh Kumar Verma

In the matter of Second amendment of MYT Regulations 2019 point wise comment are as under: -

i. **Reduction of ROE**

It is submitted that under UPERC (Fees & Fines) Regulations, 2010 there is already a provision for penalizing the Discoms for delayed filing of ARR. Again, with the reduction of return on equity by 0.5% per month or part thereof without prejudice to any other fine or penalty, will cause double penalty on the Discoms. Further, it is submitted that Licensee makes all out efforts for timely submission of ARR, as it is necessary requirement for rating improvement, but sometimes due to the practical difficulties such as – timely completion of Statutory audits is not carried out, which results in delayed preparation of ARR data as Hon'ble Commission has provided same formats for ARR and True-up. This sometimes causes delayed in submission of ARR. It may be noted that it is beyond the control of the licensee.

Further it is submitted that the Hon'ble Commission disallowed various expanses on the basis of Regulatory Accounting which is different from the accounting based on the Companies Act. These regulatory disallowances are being internally funded through the return of equity allowed by the Hon'ble Commission.

It is further submitted that in the entire power supply value chain, the distribution company possesses the highest risk. It is a known fact that distribution licensees suffer from financial risks on account of bad debts and delayed collections. The distribution network is vulnerable to instances of power theft and vandalism resulting in increased repair and maintenance. It may also be noted that while generation and transmission companies serve a limited set of consumers, distribution licensee is required to manage lakhs of consumers thereby getting exposed to collection risks. Further, the distribution licensees have to serve both rural and urban population thereby getting exposed to risks associated with political populism as well as consumers not having the financial capability to pay the bills on time. Also, in view of the fact that the cost of capital to set up the infrastructure in power distribution business is very high and

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the companies need high margins as risk premium on investment to protect themselves any volatility in demand or supply.

Distribution business carries the highest risk, being in B2C (Business to Consumers) space. A Distribution licensee deals with the millions of consumers spread over the vast geographical license areas. There are various risk factors involved in Distribution Business including the risk of theft, nonpayment of dues etc.; The financial health of the Distribution Licensees directly affects not only the entire Power Sector i.e. generation, transmission but also the whole economy. Therefore, it is essential to approve reasonable return to distribution licensee commensurate with the varied risks it faces.

In view of the points highlighted above, it is submitted that penalizing the Discoms by reducing the rate of return on equity by 0.5% per month or part thereof without prejudice to any other fine or penalty, will cause huge financial loss to the already overburdened Discoms. It is requested that the old provision of the Regulations may be retained.

ii. **Carrying Cost on True-Up**

It is submitted that the Licensee has already made its submission before the Hon'ble Commission. Further, the Hon'ble Commission has also issued the amendment in this regards.

iii. **Request for amendment in Regulations to not impose legal cost in case of judgement against the licensee.**

It is submitted that matter of amendment of Regulations does not pertain to current proceeding of ARR.

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6. National Chamber of Industries and Commerce.

The point wise response to the query raised are as under: -

i. **There should be uniform tariff and Supply code throughout India so that there is no migration of industry to other States.**

Response:

Tariff is determined under section 62 of the Electricity Act 2003 by various State Commissions and the Commissions has been empowered to determine the tariff for the State. Moreover, it is pertinent to mention here that every State has different Power procurement portfolio, Consumers mixed along with topographical conditions, socio economic conditions etc.; and the Commission determine the tariff considering all the factors. Thus, the determination of tariff is the prerogative of respective SERC under section 94 and 95 of Electricity Act.

ii. **There should be no Fixed Charges for any category. Consumer should only pay for Electricity consumed.**

Response: -

Distribution licensee incurs fixed cost in Power Purchase, Transmission cost as well as in laying Distribution infrastructure such as Power transformers, lines etc. Ideally the recovery of fixed charges would be the same against the fixed cost burden of Licensee. As per the current structure, the expenditure against the fixed charges are more than 60%. However, the recovery of fixed charges through tariff is only 21%.

iii. **Tariff should be common for all, and the same should be expenses plus small margin. There should be no unmetered or free electricity to any class of consumers.**

Response: -

In this regards it is submitted that the cost of service depends on the voltage level. Transmission and Distribution losses increases while stepping down the voltage level from 132kV to 440V, therefore the cost of distribution is more for small connections. Moreover, these small connections consist up of low economic strata of consumers

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that are required to be cross subsidized by the Heavy Load Consumers in order to make the electricity affordable to them.

It may further be noted that under section 62 (3) of Electricity Act 2003 the Commission is empowered to determine the tariff and can differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required. Relevant extract is reproduced as under: -

> *"(3) The Appropriate Commission shall not, while determining the tariff under this Act, show undue preference to any consumer of electricity but may differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required."*

Further in reference to no unmetered supply to any category of consumers, it is submitted that no new unmetered connections are being provided to any Category consumers and meters are being installed at unmetered connection in planned manner. It is further submitted that the electricity consumptions of unmetered categories are being booked as per the normative consumption defined by the Hon'ble Commission in its Order dated 9th December 2016. These consumers are being charges as per the Tariff Order of respective years. It is also important to note here that the Commission allowed Power Procurement based on normative losses therefore any additional burden of unmetered categories is not pass through consumer tariff and thus it is not socialized.

iv. **Different line loss trajectory for rural and urban areas. Unrecovered Losses against the rural consumers should be recovered from the urban and SMEs**

Response: -

Discom has requested Hon'ble Commission to reinstate the Distribution loss trajectory based on the recent development like addition of substantial number of rural consumers under Saubhagya Scheme and expansion of LT networks. Further, as far

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as recovery of losses of certain class of consumers with particular class of consumers, is not permitted as per the applicable Regulatory Framework.

v. **The Discom is only a Deemed Owner of equipment installed in the premises of Consumer as per sec.4.28 of Supply Code and therefore it cannot take away the same without agreed compensation to Consumer at the time of Surrender of connection.**

Response: -

The relevant clause 4.28 (a) is reproduced as under: -

"(a) The consumer shall provide space of requisite dimensions and at convenient location as mutually agreed between the consumer and the Licensee, free of charge, for erection / installation of that part of service line that falls within his premises, transformers, switch gear, meter and all other apparatus up to the point of commencement of supply. The whole of service line and other apparatus shall be deemed to be the property of the Licensee and shall remain under his control."

The above guidelines are as per General Provisions Regarding Service Line and Apparatus mentioned in the supply code wherein it has been mentioned in context where consumer shall provide suitable space to the utility for installation of electrical equipment's. The Licensee maintains the assets/electrical equipment installed in consumer premises on regular basis and provides support whenever required.

vi. **Consumers should be empowered to take compensation from Discom for their asset.**

Response: -

It is submitted that the matter is governed under the provision of Electricity Supply Code and provision of Regulatory framework set by the Commission.

vii. **There is no justification to charge Electricity Duty after levy of GST in India. Please replace Electricity Duty by GST so that Input credit may be obtained.**

Response: -

It is submitted that ED/GST & taxes are statutory provisions and govern by policy of Government. Licensee has no control over it.

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viii. **The Electricity Consumer Forma should be strengthen to hear even such cases which are booked as Theft just to harass the Consumer and to grant immediate Justice to Consumer.**

Response: -

The rules and power of CGRF are governed by Regulation notified by Hon'ble Commissions. If consumer is not satisfied with the decision of CGRF , he may appeal to Ombudsman.

ix. **Excess Demand Charges are very excessive. In case any consumer found using excess demand the same may be regularized based on one month notice.**

Response: -

It is submitted that Licensee adhere regulations and order approved by Hon'ble Commission and Excess Demand Charges are levied in line with tariff order approved by Commission.

x. **Comparison of cost of power produced through UP Power plant viz a viz Private power plants.**

Response: -

The detail of Power Procurement from various generators along with the cost is part of submission of ARR for FY 2022-23. Same may be referred.

xi. **Open Access may be allowed for consumer with sanctioned load of 100kW and above.**

Response:

As per section 42 of Electricity Act 2003, the distribution licensee is obligated to provide non-discriminatory open access to the eligible consumers. Hon'ble Commission has notified Open access regulation. In the Regulation Hon'ble Commission has allowed open access to consumers for contracted capacity 1 MW and above.

xii. **Issue of Electrification charge.**

xiii. **Electrification charge for connections in small area.**

Response to xii & xiii : -

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All the charges for release of new connection/installation of Transformer is being levied as per the provisions of UPERC Supply Code and its amendment from time to time.

xiv. **No increase in tariff of Industrial consumers due to COVID.**

Response: -

Please refer to response of point no. i & iii.

xv. **Cost of Power purchase**

Response: -

The Petitioner has submitted detail of power purchase from various sources along with power exchange as a part of Petition.

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7. **Avadhesh Kumar Verma**

8. **Avadhesh Kumar Verma and,**

12. Letter No. 113/05/2022 sent by the Hon'ble Commission vide Letter no: UPERC/../Secetory/ 22-213 dated: 18.05.2022.

Response to 7. & 8 and 12.: -

The stakeholder has raised similar issues his letter dated No. 117/09/2021 dated 17.09.2021 which was sent to this office vide UPERC letter No: UPERC/D (Tariff)/Secy./21-755 dated 17.09.2021 for submission of comments. The reply of same was submitted vide letter No: 178/RAU/ARR 2022-23 dated10.05.2022.

In this representation stakeholder has raised same issue and has mentioned that the said surplus is to be recovered from the Licensees and benefit of the same may be passed to the Consumers of the State. It is submitted that the stakeholders may be referring Hon'ble UPERC tariff order dated 03.09.2019 vide which Hon'ble UPERC had adjusted UDAY grant against the regulatory assets approved by the Commission in the previous tariff orders and accordingly determined a revenue surplus of Rs. 13,337.17 Crore till FY 2017-18. Licensees have filed an appeal against this methodology in Hon'ble APTEL.

Further in the previous tariff proceeding (FY2021-22), it has already been submitted that GoUP vide letter dated 05.03.2021 has adjusted the grant provided under UDAY with the additional subsidy approved by the Hon'ble Commission vide its various orders, accordingly licensees had submitted the calculation of regulatory assets on the basis of methodology adopted by Hon'ble Commission in its Order dated 03.09.2019 and had submitted the following regulatory assets for approval:

Description	Total
True Up of 2000-01 to 2007-08 and its Regulatory Assets / (Surplus) as on 31.03.16	3,190.38
True Up of 2008-09 to 2011-12 and its Regulatory Assets / (Surplus) as on 31.03.16	16,359.99
True Up of 2012-13 and its Regulatory Assets / (Surplus) as on 31.03.16	9,097.63
True Up of 2013-14 and its Regulatory Assets / (Surplus) as on 31.03.16	6,452.82
True Up of 2014-15 and its Regulatory Assets / (Surplus) as on 31.03.16	(1,394.36)

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True Up of 2015-16 and its Regulatory Assets / (Surplus) as on 31.03.16	(2,379.84)
Total Regulatory Assets till Trued-UP FY 2015-16	**31,326.62**
50% of DISCOM debt taken over as per UDAY	**-**
Net RA / (Surplus) Left after UDAY	**31,326.62**
Carrying Cost @ 12.50% for FY 2016-17	3915.82
Regulatory Assets/(Surplus) of FY 2016-17 in True Up	(3860.36)
Total Regulatory Assets Trued-Up till FY 2016-17	**31,382.08**
25% of Discom Debt Taken over as per UDAY	**-**
Net RA / (Surplus) Left after UDAY	**31,382.08**
Carrying Cost @ 13.75% for FY 2017-18	4,315.04
Regulatory Assets/(Surplus) in True Up with carrying cost for FY 2017-18	(991.72)
carrying cost @ 13.75% for FY 2017-18	(68.18)
Total Net RA / (Surplus) till trued up for FY 2017-18	**34,637.22**
Carrying cost @ 14.05% for FY 2018-19	4,866.53
Net Revenue gap / (surplus) after True up of FY 2018-19	62.65
Carrying cost @ 14.05% for FY 2018-19	4.40
Total Net RA / (Surplus) trued up till FY 2018-19	**39,570.80**
Carrying cost @ 13.80% for FY 2019-20	5,460.76
Total Net RA / (Surplus) trued up till FY 2019-20	**45,031.55**
Carrying cost @ 10.65% for FY 2020-21	4,795.86
Total Net RA / (Surplus) trued up till FY 2020-21	**49,827.41**

It is important to note that after the GoUP letter dated 05.03.2021 it is established that there is no surplus in account of UPPCL/Discoms. Further, the Hon'ble Commission in its tariff Order for FY 2021-22 has also acknowledged its impact. The relevant section of the Tariff Order is as under:

> *7.1.8. The Commission has gone through the letter dated 5.3.2021 received from GOUP and the submissions of the Licensees. At the outset, it is pertinent to mention that the UDAY agreement (MOU) was a tri-partite agreement between GoUP, Central Govt (GOI) and Discoms, wherein GOI facilitated GoUP to take over 75% of the outstanding debt of the Discoms, and facilitated Banks/FIs not to levy any prepayment charges on the Discom debt and waived off any unpaid overdue interest and penal interest on Discom debt. The same was done by the GoUP and Banks/FIs. However, the above letter changes the provisions of the tri-partite UDAY agreement and now the GoUP is unilaterally backing out from its obligations from a retrospective date and changing its share to 'debt' instead of 'taking over the debt'.*

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7.1.9. Since, the Commission had also approved the UDAY MoU, the Commission is of the view that giving effect to such arrangement in the manner as provided in the letter by the GOUP will have retrospective implication and will affect all the Tariff Orders (which have already been Trued-up) in which the treatment of UDAY has already been done. Also, such treatment of the funds would affect the interest of public at large and will lead to huge 'tariff-shock'. The same was also discussed in the State Advisory Committee (SAC). The Commission has taken note of the strong opposition by the SAC member, stakeholder and public at large against the revision in computation of Regulatory Assets approved by the Commission as proposed by the Discoms

7.1.10. The Commission cannot decide the matter unilaterally under these ARR proceedings and without taking in consideration the outcome of the legal matter pending before Hon`ble APTEL in this respect.

It is clear from above that no surplus is available as has been stated by stakeholders .The net regulatory assets as computed above is till FY 2020-21. The same shall be further updated based on the decision of Hon'ble APTEL in the matter. It is submitted that above calculation is based on the methodology adopted by Hon'ble Commission. Therefore Hon'ble Commission is requested to approve above regulatory asset.

9. Issue of Imported Coal - UP Congress Committee

Response: -

It is hereby submitted that the matter of imported coal is not directly related to the current proceeding of ARR for FY 2022-23. UPPCL procure power based on their tied up capacity and additional requirement through various short term modes. Discoms are not procuring any coal therefore, no comment to offer on the matter raised by the stakeholder in this regards.

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10. Suggestion/view of IEX on the Petition filed by the Discoms.

Response: -

Point wise replies are as under: -

Response to Point no. 1,2,3, and 4: Matter of record, hence no comment to offer.

Response to Point no. 5: It is submitted that the inadvertent error was identified by the Petitioner and same was informed to the Hon'ble Commission under Data Gap.

Response to Point no. 6: The Licensee submitted that they have deployed best practices to ensure rationalization of power purchase cost. It is actively participating in Energy exchanges across all the available products to optimize its power purchase cost. Further, to reduce the power purchase cost UPPCL has been selling surplus power in Off-peak hours through exchanges.

As far as Short term power procurement beyond 11 days is concerned, it is submitted that UPPCL shall endeavor to optimize its power purchase mix depending on the prevailing market conditions.

As far as RPO (and HPO) is concerned, it is submitted that UPPCL has planned for long term Renewable Energy procurement based on the trajectory defined by the Hon'ble Commission under UPERC Promotion of Green Energy through RPO Regulations 2019 (First Amendment). Accordingly, UPPCL shall procure short term RE power/ RECs based on the actual generation through suitable market products.

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11.Queries of Tariff Petitions filed by KESCO for FY 2022-23

i. **Matter of Distribution loss**

Response: In this regards, it is submitted that the target set under the UDAY scheme were very stringent and were not related to the actual conditions. The situation of COVID in last few years has worsened the losses of the Discom. Further, Ministry of Power after considering the ground realities which have impacted UP Discom's efforts towards achieving the loss trajectory, agreed under the MoU by its letter No.06/01(01)/2020 NEF(U) dated 06.03.2020 & has sought for a revised action plan for reduction in distribution losses including AT&C loss trajectory from the Government of U.P. The revised loss trajectory has already been submitted in the Petition by the Petitioner. Hence, the Hon'ble Commission is humbly requested to approve the actual distribution loss as claimed by the Petitioner.

ii. **Power Purchase Quantum of 443MU for FY 2022-23 from Dadri GPS shall not be approved.**

Response: It is submitted that the projection has been done based on the historical availability of the Plant and Regulatory provisions set by the Hon'ble Commission. However, in future if any plant is deleted or relinquished as per the direction of the Commission. The impact of the same will be account for at the time of True up of the respective years.

iii. **Query related to Revamp Distribution Scheme**

It is submitted that the detail of scheme has already been provided under the ARR format submitted before the Hon'ble Commission. It is further submitted that all direct costs and project management costs associated with the development of project is being capitalized. Moreover, as per MYT Regulations 2019, O&M is a normative factor and the Hon'ble Commission allowed O&M based on certain parameters.

As far as the approval of smart meter implementation under RDSS scheme is concerned, it is submitted that it is an integral part of RDSS scheme to be implemented

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across the country including State of Uttar Pradesh. The scheme is being implemented in the State as per the guidelines set by the Central Agencies. Therefore, any expenses under the RDSS scheme needs be fully allowed under the ARR for the successful implementation and to fulfil key requirements of schemes so that the objective of the scheme like ACS ARR gap to be nil and also, the target of AT&C loss, is achieved.

Regarding Public Charging Infrastructure for Electric vehicle, it is submitted that KESCO has not considered any capital expenditure under RDSS for the said head.

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