

- **UPERC determines the Intra State Transmission Tariff for FY 2025-26 based on Petition filed by STU /UPPTCL**
- **Monthly Intra State Transmission Tariff is determined on Base Transmission capacity (Rs./MW) instead of per unit energy transmission (Rs./kWh)**
- **Intra State Transmission Tariff for State Discoms & India Railways to be charged @ Rs.2,13,284.55/ MW/ Month**
- **Other open Access Customers to continue to pay on per unit energy transmitted basis instead of per MW @ Rs. 0.2674/kWh**
- **Rebate as per Uttar Pradesh Solar Energy Policy, 2022 and the Data Centre Policy, 2021 shall be applicable**
- **UPPCL/State Owned Distribution Licensee consumers to benefit from revised methodology as the same will reduce burden on State Owned Distribution Licensees**

1. Uttar Pradesh Power Transmission Company Ltd. (UPPTCL) as Transmission licensee under Section 62 of the Electricity Act 2003 had filed Petition No.2166 of 2024 for True Up of FY 2023-24, Annual Performance Review (APR) for FY 2024-25 & Aggregate Revenue Requirement (ARR) for FY 2025-26, and for determination of Intra State Transmission Tariff for FY 2025-26 in the capacity of State Transmission Utility (STU). The Commission vide Order dated July 25, 2025, had admitted the said Petition.

Subsequently, the Commission after due process of Public consultation and after conducting Public hearing on August 20, 2025 to consider the suggestions / objections of the stakeholders and the public at large, thereby giving ample opportunity to all to express their views on the matter, has determined the Intra State Transmission Tariff under Tariff Order for FY 2025-26, which is being issued on September 08, 2025. The key highlights of Tariff Order for FY 2025-26 are listed subsequently.

New Tariff determination Methodology

2. The Commission in the present Tariff Order for FY 2025-26 has changed the philosophy and methodology of determination of Transmission Tariff in line with UPERC (Multi Year Tariff for Transmission) Regulations, 2025 dated June 06, 2025. The Commission took major reform this year as during past years, only the cost of transmission licensee whose tariff is determined under Regulated Tariff Mechanism i.e UPPTCL was recovered through Tariff/ARR. However, the cost/ Annual Transmission Service Charges (ATSC) of Tariff Based Competitive Bidding (TBCB) Transmission Licensee, whose tariff is discovered through competitive bidding and adopted by the Commission was paid and borne by UPPCL/State Owned Distribution licensees only.
3. In present approach, the transmission costs of all Transmission Licensees are to be spread across all Distribution Licensees and other Transmission Service Users (TSUs) by pooling the ARR and ATSCs of all Transmission Licensees. Considering this approach, the Commission has moved to capacity-based tariff (in Rs./MW) from the Per unit (in Rs. /kWh) approach followed in previous regime for distribution licensees and Indian Railways. To ensure a smooth transition, the Rs/MW/month methodology was made applicable, in the first phase, only to Distribution Licensees and Indian Railways, while Open Access Customers other than these entities are continued under the earlier methodology of (Rs/kWh) i.e. energy consumed. The Tariff determination methodology is as follows:
 - a. For determination of capacity based Intra State Transmission Tariff (in per MW/month), the Commission has approved the base Transmission Capacity Rights based on share of Distribution Licensees and Indian Railways towards yearly average of daily maximum intra state transmission system drawal and yearly maximum intra state transmission system drawal, with equal weightage ratio (50:50).
 - b. Further Total of the yearly Aggregate Revenue Requirements for all Transmission licensees, as approved by the Commission, shall form the "Pooled Cost" (termed as "Total Transmission System Cost

– TTSC) of the Intra-State transmission system, to be recovered from the Transmission System Users (TSUs) for the year.

- c. Intra State Transmission Tariff for the year is derived as 'TTSC' of intra- State transmission system divided by 'Base Transmission Capacity Rights' and denominated in terms of "Rs/MW/month" (for Distribution Licensees & Indian Railway) and TTSC divided by Energy projected to be handled is denominated as "Rs/kWh" (for Open Access Customers other than Distribution Licensees).

Approved Intra State Transmission Tariff

4. The details of the Transmission Tariff approved by the Commission for FY 2025-26 are shown in the Table below:

APPROVED TRANSMISSION TARIFF FOR FY 2025-26

Particulars	FY 2025-26	
	Claimed by the Petitioner	Approved by the Commission
Net ARR (Rs. Crore) (under Sec 62 of the Act) (A)	6,279.11	5,442.82
Total TCB Annual Transmission Service Charges (ATSC) approved (Rs. Crore) (under Sec 63 of the Act) (B)	2,294.39	2,294.39
Total Transmission System Cost (Rs. Crore) (A+B=X)	8,573.50	7,737.21
Total Transmission Charges exempted For FY 2025-26 under Solar & Data Centre Policy (Rs. Crore) (C)	196.09	161.56
Adjusted Total Transmission System Cost (Rs. Crore) (X+C=Y)	8,769.59	7,898.77
Base Transmission Capacity Rights (MW) (D)	30,864.24	30,861.62
Intra State Transmission Tariff (Rs. /MW/Month) [X*10^{^7}/(D*12)]	2,31,484.15	2,08,922.10
Intra State Transmission Tariff to be billed to distribution licensee and Indian Railways after Adjusted TTSC (Rs. /MW/Month) [(Y*10^{^7})/(D*12)]	2,36,778.67	2,13,284.55
Total Energy at State Periphery (E)	1,70,224.76	1,70,224.76
Intra State Transmission Tariff for Open Access Customers other than Distribution licensees and Indian railways (Rs./kWh) [(X*10)/E]	0.5037	0.4545
Intra State Transmission Tariff applicable for Open Access Customers other than Distribution licensees and Indian railways (Rs.kWh) after 15% capping	-	0.2674

5. The Commission has approved the Intra State Transmission Tariff of Rs. 2,08,922.10 (MW/Month) for FY 2025-26 against Rs 2,31,484 (MW/Month) as claimed by the Petitioner.
6. The Commission has approved 30,861.62 MW as Base Transmission Capacity Rights of the Distribution Licensees and Indian Railways to be handled by UPPTCL and TCB Licensees for FY 2025-26.
7. The Distribution Licensees and Indian Railways shall be billed monthly in the ratio of approved Base TCR after taking into account Adjusted TTSC, which will be billed @ Rs.2,13,284.55 /MW/Month as shown in below table:

Distribution Licensee	Claimed			Approved			
	Base TCR (MW)	% Share	ATC Allocation from Adjusted TTSC (Rs. Cr.)	Base TCR (MW)	% Share	ATC Allocation from Adjusted TTSC (Rs. Cr.)	MTC= ATC/12 (Rs. Cr.)
DVVNL	6,480.00	21.00%	1841.19	6,479.50	21.00%	1,658.37	138.20
MVVNL	6,925.00	22.44%	1967.63	6,924.50	22.44%	1,772.27	147.69
PuVVNL	6,897.00	22.35%	1959.67	6,896.50	22.35%	1,765.10	147.09
PVVNL	8,504.00	27.55%	2416.28	8,503.50	27.55%	2,176.40	181.37
KESCO	862.00	2.79%	244.92	861.50	2.79%	220.49 s	18.37
NPCL	751.50	2.43%	213.53	751.38	2.43%	192.31	16.03
Indian Railways	438.57	1.42%	124.61	438.57	1.42%	112.25	9.35
NIDP	6.17	0.02%	1.75	6.17	0.02%	1.58	0.13
Total	30,864.24	100.00%	8,769.59	30,861.62	100.00%	7,898.77	658.23

8. The Commission approves the applicable intra-State transmission tariff for Open Access Customers (other than the Distribution Licensees and Indian Railways) at Rs. 0.2674/kWh for FY 2025-26 by capping it to 15% of previous tariff to avoid tariff shock to such transmission users and also ensuring that promotion of open access, which is integral to Electricity Act 2003 does not get jeopardised in wake of revised methodology.
9. A Rebate on Intra State Transmission charges in accordance with Uttar Pradesh Solar Energy Policy, 2022 and the Data Centre Policy, 2021 shall also be applicable and adjusted in the monthly invoices.


Benefits

10. It ensures recovery of transmission charges based on actual usage of the intra-State transmission system (InSTS), regardless of whether a TSU is directly connected to a particular licensee's network.
11. Cost of TBCB Transmission licensee will now also be shared by all transmission users like Noida Power Company Ltd., Data Center Parks, other Open Access Customers & Indian Railways, which was earlier being borne by UPPCL/ State Owned Distribution Licensees only.
12. This approach will ensure socialization of entire transmission cost of the State between all Transmission System Users thereby, reducing the burden on State Owned Distribution Licensees and will lead to benefit to end consumers who are supplied with electricity by distribution licensees.
13. Further, this will promote open access across the State and encourage competition as it will enable open access in TBCB transmission licensees as earlier no open access charges were prescribed for TBCB transmission licensees.
14. UPPTCL will get benefited with steady cash flow irrespective of power being handled because of seasonal loading patterns, which will bring financial stability and will improve its services.

Directives under Tariff Order

15. The Licensee shall conduct an internal protection audit annually for each substation at 220 kV and above, identify and rectify any shortcomings, and submit the audit report along with an action plan to the SPC.
16. Licensee shall conduct a third-party protection audit of each such substation once in five years, or earlier if advised by the Grid Code/SPC, to ensure that the protection systems remain in a healthy state, thereby enhancing grid stability and resilience.
17. The Commission, in its guiding principles for future performance of the Transmission Licensee, has emphasized the need for focused efforts on advanced monitoring and control systems, smart grid technology, grid modernization, data analytics and machine learning, cybersecurity measures, climate-resilient network planning, renewable energy & energy storage integration, GIS mapping of assets, virtual transmission, and other cutting-edge technologies at the transmission level to address issues such as congestion in networks, to support voltage & frequency control and serve as the N- 1 redundancy
18. UPPTCL is directed to conduct a detailed study of impact on transmission loss for the Control Period, considering 220 kV & above transmission system to be developed through TBCB by other Transmission Licensees, and submit the same within three months.

The Tariff Order has been uploaded at www.uperc.org


(Sumeet Kumar Agarwal)
Secretary