

पावर ट्रांसमिशन कारपोरेशन ऑफ उत्तराखण्ड लि०  
(उत्तराखण्ड सरकार का उपक्रम)  
Power Transmission Corporation of Uttarakhand Ltd.  
CIN: U40101UR2004GO1028675

कारपोरेट आफिस  
CORPORATE OFFICE  
प्रबन्ध निदेशक कार्यालय  
Managing Director's Office

No. 1796 /MD/PTCUL/UERC

Dated: 30 /11/2015

To,

The Secretary  
Uttarakhand Electricity Regulatory Commission  
"Vidyut Niyamak Bhawan",  
Near I.S.B.T., P.O. Majra  
Dehradun (Uttarakhand)

Subject:- Filing of petition for approval of True-Up for FY 2014-15, APR for FY 2015-16, ARR for FY 2016-17 and MYT for FY 2016-17 to FY 18-19 of State Load Dispatch Centre.

Sir,

In reference to above mentioned subject, kindly find enclosed herewith petition for approval of True-up FY 2014-15, APR for FY 2015-16 and MYT for the control period FY 2016-17 to FY 2018-19 of State Load Dispatch Centre.

Submitted for kind consideration of Hon'ble Commission.

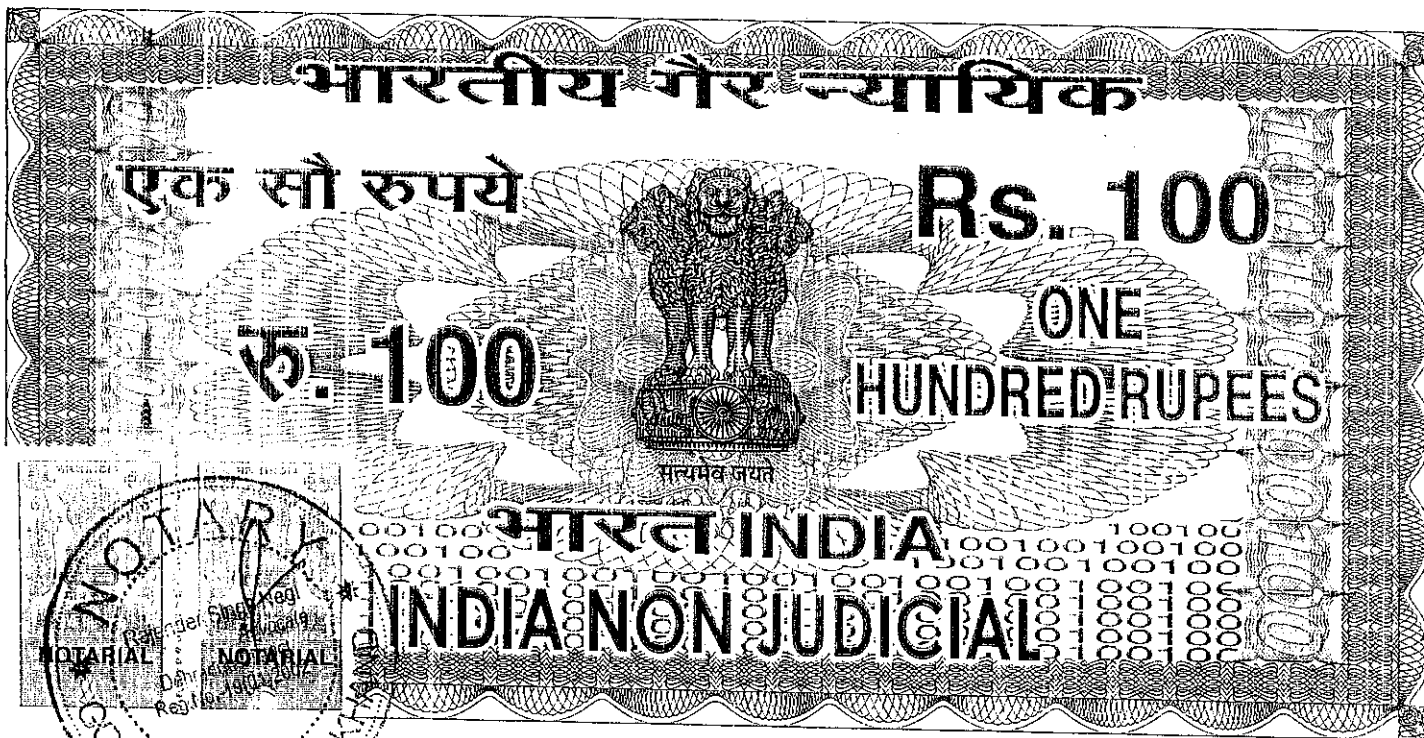
Encl: .

1. Draft No. 287960 dated 20.11.2015 for Rs. 1.00 Lac.
2. Petition.

Thanking you,

Yours Faithfully,

(S.S. Yadav)  
Managing Director



उत्तराखण्ड UTTARAKHAND

L 141805

BEFORE UTTARAKHAND ELECTRICITY REGULATORY COMMISSION,  
DEHRADUN

IN THE MATTER OF:

Filing of petition for approval of True-Up for FY 2014-15, APR for FY 2015-16, ARR for FY 2016-17 and MYT for FY 2016-17 to FY 18-19 of State load dispatch centre under Regulation 4 of the Uttarakhand Electricity Regulatory Commission (Terms and Conditions of Determination of Tariff) Regulations, 2015.

AND

IN THE MATTER OF:

Power Transmission Corporation of Uttarakhand Ltd.  
"Vidyut Bhawan", 132KV Substation Majra, Saharanpur Road, Near I.S.B.T. Crossing, Dehradun 248002.

.....Petitioner

**Affidavit**

I, Sumer Singh Yadav, S/o Sh. Ram Sukh Yadav aged about 60 years, Managing Director, Power Transmission Corporation of Uttarakhand Ltd., "Vidyut Bhawan", 132KV Substation Majra, Saharanpur Road, Near I.S.B.T. Crossing, Dehradun, the deponent named above do hereby solemnly affirm and state on oath as under:-

S.S. YADAV  
MANAGING DIRECTOR  
POWER TRANSMISSION CORPORATION  
OF UTTARAKHAND LTD., DEHRADUN

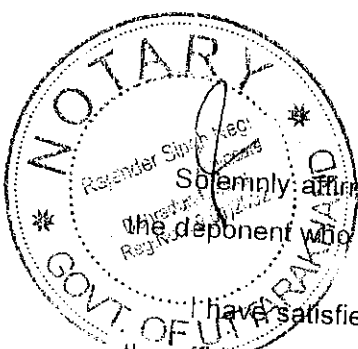
1. That the deponent is the Managing Director who is authorized as per the resolution of the company (In case the Petitioner is a Company) dated 27.11.2015 and is acquainted with the facts deposed to below.
2. I, the deponent named above do hereby verify that the contents of the paragraph Nos. 1 of the affidavit and the statements made and data presented in the accompanying petition are true to my personal knowledge and are based on present information/ records of the Company and are based on estimation arising from present data/ records of the company which I believe to be true and verify that no part of this affidavit is false and nothing material has been concealed

*(Signature)*  
 (Deponent) YADAV

I, Shailendra Pundir Advocate, Dehradun do hereby declare that the person making this affidavit is known to me through the perusal of records and I am satisfied that he is the same person alleging to be deponent himself.

MANAGING DIRECTOR  
 POWER TRANSMISSION CORPORATION  
 DEHRADUN, DEHRADUN

*(Signature)*  
 Advocate



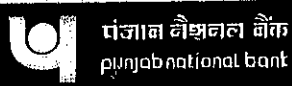
Solemnly affirmed before me on this 20 day of 11 2015 at 3:50 p.m. by the deponent who has been identified by the aforesaid Advocate.

I have satisfied myself by examining the deponent that he understood the contents of the affidavit which has been read over and explained to him. He has also been explained about section 193 of Indian Penal Code that whoever intentionally gives false evidence in any of the proceedings of the Commission or fabricates evidence for purpose of being used in any of the proceedings shall be liable for punishment as per law.

ATTESTED  
*(Signature)*  
 (RAJENDER SINGH NEGI)  
 Advocate & NOTARY  
 Collectorat's Court Compound  
 Dehra Dur

(Notary Public)

*(Signature)*



पंजाब नैशनल बैंक  
punjab national bank

इन्दिरा नगर, देहरादून (उत्तराखण्ड) (1556)  
Indira Nagar, DEHRADUN (Uttarakhand) - 248001

केवल तीन माह के लिए वैध  
VALID FOR THREE MONTHS ONLY  
2 0 1 1 2 0 1 5  
D D M M Y Y Y Y

मांगे जाने पर ON DEMAND PAY

\*\*\*\*\*SECRETARY UTTARAKHAND ELECTRICITY REGULATORY COMMISSION\*\*\*\*\*

या उनके आदेश पर OR ORDER

\*\* One Lakh only\*\*

रुपये RUPEES

प्राप्त मूल्य के बबले असा करें  
FOR VALUE RECEIVED

₹

\*\*1,00,000.00\*\*

UOE 287960

शाखा क्रमांक Branch Serial No.

0998/2015

पंजाब नैशनल बैंक  
punjab national bank

असकत शाखा पर ड्रासो Drawee Branch with D.N.  
D.No: 2434 FINACLE -  
RCC DEHRADUN FINACLE

(NOT OVER Rs.100000/-)

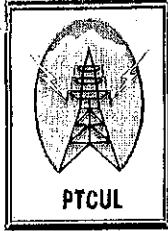
प्राधिकृत हस्ताक्षरकर्ता जी.पी.ए.सं.  
AUTHORISED SIGNATORY WITH GBPA No.

प्राधिकृत हस्ताक्षरकर्ता जी.पी.ए.सं.  
AUTHORISED SIGNATORY WITH GBPA No.

⑈ 287960⑈ 000024000⑈

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S.S. YADAV  
MANAGING DIRECTOR  
POWER TRANSMISSION CORPORATION  
OF UTTARAKHAND LTD., DEHRADUN



# पावर ट्रांसमिशन कारपोरेशन ऑफ उत्तराखण्ड लि०

(उत्तराखण्ड सरकार का उपक्रम)

उपमहाप्रबन्धक (विधि) एवं कम्पनी सचिव कार्यालय

विद्युत भवन, नजदीक-आई०एस०बी०टी० क्रॉसिंग, सहारनपुर रोड़, माजरा, देहरादून-248002

दूरभाष नं० 0135-2642796 email:- praveentandon@ptcul.org

No: 489 /DGM (L&CS)/PTCUL/

Dated 27.11.2015

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF POWER TRANSMISSION CORPORATION OF UTTARAKHAND LIMITED HELD ON 27<sup>TH</sup> NOVEMBER, 2015 AT 12:00 P.M AT UPCL, BOARD ROOM, VICTORIA CROSS VIJETA, "GABAR SINGH BHAWAN", KANWALI ROAD, DEHRADUN.**

**"RESOLVED THAT** the Board be and hereby approves the Multi Year Tariff petition for control period 2016-17 to 2018-19, determination of tariff for FY 2016-17, true up for FY 2014-15 and annual performance review for FY 2015-16 for SLDC and that the Managing Director/Director (Project), PTCUL be and is hereby authorized to sign the Application/Petition for Multi Year Tariff for control period 2016-17 to 2018-19, determination of tariff for FY 2016-17, true up for FY 2014-15 and annual performance review for FY 2015-16 for SLDC for submission to the Hon'ble UERC".

**"RESOLVED FURTHER THAT** the Managing Director be and is hereby authorized to do all such acts, deeds and things as he may deem fit, proper and expedient to give effect to the above resolution."

**Certified to be true**

**For Power Transmission Corporation of Uttarakhand Limited**

**(Praveen Tandon)  
DGM (Legal) & CS.**

**Date: 27-11-2015**

**Place: Dehradun.**

**S.S. YADAV  
MANAGING DIRECTOR  
POWER TRANSMISSION CORPORATION  
OF UTTARAKHAND LTD., DEHRADUN**

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**BEFORE THE UTTARAKHAND ELECTRICITY REGULATORY COMMISSION,  
DEHRADUN**

IN THE MATTER OF: Filing of Multi Year Tariff petition for control period 2016-17 to 2018-19, determination of tariff for FY 2016-17 and annual performance review for FY 2015-16 for SLDC

AND

IN THE MATTER OF : Power Transmission Corporation of Uttarakhand Ltd.  
VidyutBhawan”, 132KV Substation Majra, Saharanpur Road, Near I.S.B.T. Crossing, Dehradun 248002.

.....Petitioner

1. **Specific Legal Provisions under which the petition is being filed:** This petition is being filed under Section 32 (3) of the Electricity Act, 2003, Regulation 43 of UERC (Conduct of Business) Regulations, 2014 and Regulation 10 and 12 of the Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2015.
2. **Limitation:** The Petitioner submits that it keeps separate accounting heads for expenses and capital expenditure of SLDC business as per the directions of the Commission. The SLDC has not been formed as a separate company hence separate auditing of the accounts of SLDC are not done , however the SLDC accounts are audited as part of PTCUL accounts. It is also submitted that some of the common assets (i.e. head office PTCUL, corporate expenses) are still unallocated. The PTCUL has already made a request to the State Government of Uttarakhand for complete ring-fencing of SLDC and creation of separate representative board structure for SLDC. Post the decision of the Government on the matter, the complete ring-fencing and allocation of common assets of SLDC would be undertaken.
3. **Facts of the Case:**

The Petitioner is submitting the APR of FY 2015-16 and Multi Year Tariff for the control period FY 2016-17 to 2018-19 based on the actual figures for FY 2014-15 and six months of FY 2015-16 as per the UERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2015.

Since the approved ARR of the FY 2014-15 of SLDC is included in True-up Petition of PTCUL for FY 2014-15 and the figures are for indicative purpose only. The Petitioner requests the Hon'ble Commission to approve True-up of ARR for FY 2014-15 of PTCUL as a whole, the Petitioner further requests to Hon'ble Commission to approve ARR for control period FY 2016-17 to FY 2018-19 and SLDC business and fee and charges for FY 2016-17.

4. **Cause of Action:** The Petitioner has projected Aggregate Revenue Requirement for the FY 2015-16 for the SLDC business based on actual figures for FY 2014-15 and six months of FY 2015-16 for the kind approval of the Hon'ble Commission.
5. **Detail of Remedy Exhausted:** The petitioner declares that he has availed all the remedies available to him under the relevant provisions of applicable law and rules/regulations framed there under.
6. **Matter not previously filed or pending with any other court:** The Petitioner further declares that he has not previously filed any petition or writ petition or suit regarding the matter in respect of which this petition has been made, before the Hon'ble Commission, or any court or any other authority, nor any such writ petition or suit is pending before any of them.
7. **Details of Tariff Filing Fees:** Enclosed Demand Draft of Rupees 100000.00 (Rs. One Lac) bearing number " 287960" of Punjab National Bank, Dehradun dated 20.11.2015. .

**(Signature of the Petitioner)**

I, Sumer Singh Yadav, S/o Shri Ram Sukh Yadav aged about 60 years, working as Managing Director, Power Transmission Corporation of Uttarakhand Ltd., "Vidyut Bhawan", 132KV Substation Majra, Saharanpur Road, Near I.S.B.T. Crossing, Dehradun, do verify that the contents of the Para 1 to 8 are true to my personal knowledge and are derived from official records, which are true from record, and para 1 to 8 are believed to be true on legal advice and that I have not suppressed any material fact.

**(Signature of the Petitioner)**



BEFORE  
THE  
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION,  
DEHRADUN

**PETITION**  
FOR  
APPROVAL OF  
ANNUAL PERFORMANCE REVIEW FOR FY 2015-16  
AND  
AGGREGATE REVENUE REQUIREMENT  
FOR MYT CONTROL PERIOD  
FOR  
FY 2017-2019

Filed By  
STATE LOAD OF DESPATCH CENTRE, DEHRADUN  
(A Government of Uttarakhand Undertaking)

**November 2015**

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## 1. ANNUAL PERFORMANCE REVIEW FOR FY 2014-15

### Introduction

- 1.1 In accordance with the provisions of the Uttar Pradesh Reorganization Act, 2000 (Act 29 of 2000), enacted by the Parliament of India on 25th August 2000, the State of Uttaranchal came into existence on 9th November 2000. Section 63(4) of the above Reorganization Act allowed the Government of Uttaranchal to constitute a State Power Corporation at any time after the creation of the State. The State Government, accordingly, established the Uttaranchal Power Corporation Limited (UPCL) under the Companies Act, 1956, on 12th February 2001 and entrusted it with the business of transmission including State Load Dispatch Center and distribution in the State. Subsequently, from 1st April 2001, all works pertaining to the transmission & SLDC, distribution and retail supply of electricity in the area of Uttaranchal were transferred from Uttar Pradesh Power Corporation Limited (UPPCL) to UPCL, in accordance with the Memorandum of Understanding dated 13th March 2001, signed between the Governments of Uttaranchal and Uttar Pradesh.
- 1.2 Meanwhile, Electricity Act 2003 was enacted by the Parliament of India on 10th June 2003, which mandated separate licenses for transmission and distribution activities. In exercise of powers conferred under sub-section 4 of Section 131 of the Electricity Act 2003, the Government of Uttarakhand through transfer scheme dated 31st May 2004 first vested all the interests, rights and liabilities related to Power Transmission and Load Dispatch of “Uttaranchal Power Corporation Limited” into itself and thereafter, re-vested them into a new company, i.e. “Power Transmission Corporation of Uttaranchal Limited”, now “Power Transmission Corporation of Uttarakhand Limited” (‘PTCUL’) after change of name of the State. The State Government, further vide another notification dated 31st May 2004 declared Power Transmission Corporation of Uttarakhand as the State Transmission Utility (STU) responsible for undertaking, amongst others, the functions of SLDC. Presently SLDC and SCADA work as separate divisions within the PTCUL.
- 1.3 In the tariff order for FY 2013-14 for PTCUL dated 6<sup>th</sup> May 2013, the Hon’ble Commission while acknowledged the efforts made by PTCUL, towards creating infrastructure for SLDC and segregation of accounts made the observations on the issue of separation of SLDC and the importance of ring fencing which was also highlighted by the Hon’ble Commission in the Tariff Order for the FY 2009-10 based on the recommendation of “Girish Pradhan Committee in this regard. The Hon’ble Commission emphasized that the policy makers at the highest level have reached to the conclusion that creation of separate SLDC is in the spirit of the Act and is essential for promoting open access and trading in power which in turn is necessary for promoting competition and, thereby, efficiencies in the sector. The Hon’ble Commission, accordingly, advised PTCUL to go through the report and recommendations of “Girish Pradhan Committee” dated 11th August 2008 and “Open Access – Theory & Practices” prepared by Forum of Regulators and directed the Petitioner to complete the process of ring fencing of SLDC and file a separate Petition for SLDC while filing the Business Plan and Multi Year Tariff Petitions for the first Control Period.
- 1.4 During the MYT tariff petition filed by PTCUL for FY 2013-2016, PTCUL proposed to develop SLDC operationalized and ring fenced by Standardization of Energy Accounting/Transmission Accounting procedures and Standardization of Scheduling and

Dispatch procedures. Furthermore, the separate accounting heads for the SLDC and SCADA division were created and since then all the expenses and income of the SLDC and SCADA are being booked under respective heads only.

- 1.5 SLDC filed its first separate petition (Registered as Petition no 26 of 2013 by the Hon'ble Commission) for MYT period FY 2013-2016 on November 29, 2013. However, as Tariff Order of the SLDC for the MYT period was already approved by the Commission while approving MYT tariff order for PTCUL on May 6<sup>th</sup>, 2013 all the expenses and income of the SLDC and SCADA were included in the PTCUL MYT tariff order. Further, the ARR of FY 2013-14 of PTCUL approved by the Hon'ble Commission was inclusive of the SLDC function ARR and was charged from the beneficiaries along with the transmission charges.
- 1.6 Now the SLDC has proposed the Annual performance review of FY 2015-16 and has filed the review of ARR for control period FY 2016-17 in the present petition.
- 1.7 As SLDC is, still, not incorporated as a separate company, the accounts of SLDC are audited with the accounts of PTCUL and there is no separate auditing of SLDC accounts carried out for FY 2014-15. However, accounts of SLDC and SCADA are audited with accounts of PTCUL ispo-facto being part of PTCUL accounts. Hence, SLDC has not filed any true up petition for FY 2014-15. The Petitioner is filing the APR for FY 2015-16 and ARR petition for control period of FY 2016-17 to FY 2018-19. Figures for ARR for FY 2014-15 are for indicative purpose only and have already been included in the true up petition for the PTCUL for FY 2014-15.

### **Annual Performance Review for FY 2014-15**

- 1.8 The SLDC and SCADA divisions work as separate independent units within PTCUL with separate accounting heads created for recording their income and expenses. The SLDC has still not been incorporated as a separate company hence the accounts of SLDC are audited as part of PTCUL accounts and hence, there exist no separate audited accounts of SLDC. However, the actual income and expenses of SLDC for FY 2014-15 are part of PTCUL income and expenses and are included in PTCUL's audited accounts.
- 1.9 The SLDC in the present section submitting the review of ARR of FY 2014-15 and FY 2015-16. The SLDC respectfully submits before the Hon'ble Commission to exempt SLDC for filing separate true up for FY 2014-15 as there are no separate audited accounts available for SLDC for FY 2014-15. Moreover, as the original ARR for FY 2014-15 as approved by the Commission was part of PTCUL ARR, the petitioner humbly requests Hon'ble Commission to treat review of FY 2014-15 as indicative only and approve true up of ARR of FY 2014-15 as the part of True up of PTCUL ARR for FY 2014-15.

### **Capital Expenditure & Capital Structure**

- 1.10 The Capital expenditure of the SLDC business is part of a single scheme "Construction of SLDC at Dehradun and 2 Nos. Sub-SLDC at Kashipur and Rishikesh". The PTCUL had submitted proposal for capital expenditure plan for Construction of SLDC at Dehradun and 2 Nos. Sub- SLDC at Kashipur and Rishikesh with a total cost of Rs. 51.92 Crs which Commission had approved vide order dated 23rd October 2007.

- 1.11 The Scheme was proposed to be funded through REC as 100% debt funded scheme at that time. There are two phases in the Scheme. Phase - 1 comprises installation of RTUs in 16 Substations, SCADA/EMS system at new control centers Kashipur Sub-SLDC and Dehradun SLDC, replacement of existing Rishikesh Sub-SLDC with the new SCADA servers and software installation in these sites. Phase - 2 consist of installing RTUs in rest of 20 Substations, installation of terminal equipment, software and creating fiber cable connectivity through OPGW covering 600 KM distance. The Phase -1 was completed and commissioned in April 2013.
- 1.12 The capital Expenditure of SLDC and SCADA divisions for FY 2014-15 and FY 2015-16 as recorded in the MTB account are as under :-

**Table 1: Details of Capital Expenditure for SLDC Division for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)	FY 2015-16 (Rs Crores)
Plant and Machinery	-	-
Building	-	-
computer and printers	-	0.010
Typewriter	-	-
Furniture & Fixtures	0.007	-
Office Equipment	0.013	(0.001)
Other	-	0.002
<b>Total</b>	<b>0.020</b>	<b>0.010</b>

**Table 2: Details of Capital Expenditure for SCADA Division for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)	FY 2015-16 (Rs Crores)
Building works	0.000	0.180
Plant & Machinery	0.007	1.768
Communication Equip.	0.107	0.269
SCADA & IT	0.000	0.000
Cable & Network	0.001	1.560
ICCP (server)	0.000	0.000
Other Equip.	0.107	0.000
Air-conditioning Plant	0.083	0.005
Other Misc Equipment	-0.053	0.000
Furniture's & Fixtures	0.081	0.000
computer and printers	0.015	0.000
Office Equipments	0.008	0.013
<b>Total</b>	<b>0.356</b>	<b>3.795</b>

- 1.13 All the capital assets for SCADA were being built under REC-II scheme earlier. The Government of Uttarakhand has approved infusion of Equity of 30% for projects being constructed under REC-II Schemes. The SCADA which was earlier being constructed under REC-II scheme is now recapitalized as 70:30 Debt and Equity. The details of investment, work in progress and investment capitalized as approved by the Commission and resubmitted now is

as given in the table below, the Hon'ble Commission is requested to approve the actual expenditure and gross fixed assets of SLDC and SCADA.

**Table 3: Gross Fixed Assets as Approved by the Commission**

Particulars	FY 2014-15 (Rs Crores)	FY 2015-16 (Rs Crores)
Opening Gross Fixed Assets	12.33	12.56
Opening Capital Work in Progress	0.00	0.00
Fresh investment during the year	0.23	0.00
IDC	0.00	0.00
Capitalization During the year	0.23	0.00
Closing CWIP	0.00	0.00
<b>Closing GFA</b>	<b>12.56</b>	<b>12.56</b>

**Table 4: Gross Fixed Assets Resubmitted for FY 2013-14 and FY 2014-15**

Particulars	FY 2014-15 (Rs Crores)	FY 2015-16 (Rs Crores)
Opening Gross Fixed Assets	12.33	12.71
Opening Capital Work in Progress	0.00	0.00
Fresh investment during the year	0.38	3.80
IDC	0	0.00
Capitalization During the year	0.38	0.60
Closing CWIP	0	3.20
<b>Closing GFA</b>	<b>12.71</b>	<b>13.31</b>

## Depreciation

- 1.14 The asset wise depreciation is computed based on the depreciation rates prescribed in the UERC (terms and conditions for determination of Tariff) Regulations 2011. Asset wise depreciation computation is attached in Format F 4.2 as annexure. The depreciation for FY 2014-15 and FY 2015-16 approved by the Commission and resubmitted now is given in the table below, Petitioner requests the Hon'ble Commission to approve the Depreciation for SLDC as proposed in the table below:-

**Table 5: Actual Depreciation for FY 2014-15 and estimates for FY 2015-16**

Particulars	FY 2014-15(Rs Crores)		FY 2015-16(Rs Crores)	
	Approved	Actual	Approved	Resubmitted
<b>Total Depreciation</b>	<b>1.33</b>	<b>1.15</b>	<b>1.07</b>	<b>1.18</b>

## Operation and Maintenance Expenses

- 1.15 Operation and Maintenance expenses include Employees Expenses, Administration and General (A&G) Expenses and Repair and Maintenance (R&M) Expenses.

## Employees Expenses

- 1.16 The Commission had approved Rs 3.32 Crores and Rs 3.83 Crores as Employees Expenses for FY 2014-15 and FY 2015-16.
- 1.17 The SLDC submits that employee expenses are linked to the Government approved scales and allowances and that utility has no control over it. It has to pay its employees, the salary and allowances, as approved by the Government from time to time. The head-wise employees' expense for FY 2013-14 and for 6 months of FY 2014-15 as booked in the accounts for SLDC and SCADA is given in the table below.

**Table 6: Actual Employees Cost for FY 2014-15 and 6 months of FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)	FY 2015-16 (Rs Crores)
	Actual	Actual 6 Months
Salaries	1.21	0.56
Dearness Allowance	1.18	0.64
Other allowances and Relief	0.22	0.12
HRA	0.00	0.00
Statutory Bonus/Ex-Gratia	0.01	0.01
Medical Reimbursement	0.03	0.00
Payment Under Workman's Compensation And Gratuity	0.23	0.05
<b>Sub Total</b>	<b>2.79</b>	<b>1.39</b>
Provident Fund Contribution	0.07	0.04
Provision for GPF	0.16	0.09
Incentive Payment	0.02	0.00
<b>Sub Total</b>	<b>0.25</b>	<b>0.13</b>
<b>Grand Total</b>	<b>3.04</b>	<b>1.52</b>

- 1.18 Considering the HR Plan and the CPI inflation rate the employee cost for FY 15-16 has been re-estimated. Based on the assumption the revised estimate of Employees' Expenses for FY 2014-15 are given in the table below, the SLDC requests the Hon'ble Commission to approve the same :-

**Table 7: Actual Employees cost for FY 2014-15 and Estimates for FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)		FY 2015-16 (Rs Crores)	
	Approved	Actual	Approved	Resubmitted
Employees' Expenses	3.32	3.04	3.83	3.57

## Repair and Maintenance Expenses & AMC Expenses

- 1.19 The Repair and Maintenance (R&M) expenses for SLDC and SCADA division were negligible for FY 2014-15. The Commission had approved R&M expenses of Rs 53 lakhs and 56 lakhs respectively for FY 2014-15 and FY 2015-16.



- 1.20 The SCADA project was commissioned in April 2013 only and hence there has been considerable increase in R&M Expenses as compared to what was approved by the Commission for FY 2014-15. The actual R&M expenses for FY 2014-15 and first 6 months of FY 2015-16 are given in the table below.

**Table 8: Actual R&M Expenses for FY 2014-15 and 6 months of FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)	FY 2015-16 (Rs Crores)
	Actual	Actual 6 Months
Plant and Machinery	0.51	0.12
Building and Civil Works	0.02	0.03
Communication Equipments	0.00	0.00
Air-conditioning plant	0.06	0.03
Line, Cables, Network etc	0.03	0.03
Office Equipments	0.00	0.00
Vehicles	0.00	0.00
Furniture and Fixtures	0.00	0.00
Station Supplies	0.00	0.00
Misc. Equipment / items	0.04	0.02
<b>Total</b>	<b>0.66</b>	<b>0.23</b>

- 1.21 The revised R&M expenses estimated for FY 2015-16 are based on actual 6 months expenses for FY 2015-16, we request the Commission to approve the same.
- 1.22 The Petitioner had given an Annual Maintenance Contract (AMC) to the original executioner of the project for the up-keep and maintenance of the SLDC assets and the AMC cost for each year with Areva T&D India private limited was already contracted for 5 years after completion of works.
- 1.23 The total R&M expenses and AMC fees as approved by the Commission and actual for FY 2014-15 and revised estimated for FY 2015-16 is given in the table below:-

**Table 9: R&M Expenses for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15(Rs Crores)		FY 2015-16(Rs Crores)	
	Approved	Actual	Approved	Resubmitted
Repair and Maintenance Expenses	0.07	0.66	0.07	1.08
AMC Fees	0.46	0.38	0.49	0.46
<b>Total R&amp;M Expenses</b>	<b>0.53</b>	<b>1.04</b>	<b>0.56</b>	<b>1.54</b>

## Administrative and General Expenses

- 1.24 Administrative and General( A&G) expenses consist of rent, rates and taxes, travel and conveyance expenses, consultancy and legal fees, insurance and other administration expenses. Actual A&G Expenses for FY 2014-15 and 6 months of FY 2015-16 are given in the table below.

**Table 10: Details of Capital Expenditure for SLDC unit for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)	FY 2015-16 (Rs Crores)
	Actual	Actual 6 Months
Telephone calls	0.41	0.02
Other Professional Charges	0.00	0.01
Consultancy Charges	0.04	0.00
Conveyance & Travelling	0.02	0.01
Vehicle Expenses	0.10	0.02
Security Charges	0.24	0.07
Travelling Allowance(Conveyance Allowance)	0.01	0.00
Subscriptions	0.00	0.00
Printing & Stationary	0.02	0.00
Advertisement Expenses	0.01	0.00
Other Miscellaneous Expenses (including UERC Fees)	0.02	0.01
<b>Total</b>	<b>0.86</b>	<b>0.13</b>

- 1.25 The actual A&G Expenses for FY 2013-14 and revised A&G expenses for FY 2014-15 estimated based on actual 6 months are as given in the table below, the petitioner requests the Hon'ble Commission to approve the same :-

**Table 11: A&G Expenses for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)		FY 2015-16 (Rs Crores)	
	Approved	Actual	Approved	Resubmitted
<b>Administration and General Expenses</b>	<b>0.48</b>	<b>0.86</b>	<b>0.52</b>	<b>0.91</b>

## Interest and Finance Charges

- 1.26 It is submitted that capital structure of the projects of SLDC (Dehradun and 2 Nos. Sub- SLDC at Kashipur and Rishikesh) and SCADA is funded with 70% of debt through REC II and 30% of equity through Government of Uttarakhand. Major focus of capital expenditure is on the strengthening of SCADA through OPGW network and installation of RTU at various substations. The debt part of the OPGW plan is funded through REC II Scheme and the interest rate applicable on the loan is 12.55%. The depreciation calculated in previous section is taken as normative repayment of the loan. The interest and finance charges computed for FY 2014-15 and FY 2015-16 are as given in the table below.

**Table 12: Interest and Finance charges for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15(Rs Crores)		FY 2015-16(Rs Crores)	
	Approved	Actual	Approved	Resubmitted
Opening balance of Loan	12.33	12.33	11	7.74
Addition during the year	0.00	0.26	7.65	0.42
Repayment	1.33	1.15	1.07	1.18
Closing balance of normative loan	11	7.74	17.58	6.89

Particulars	FY 2014-15(Rs Crores)		FY 2015-16(Rs Crores)	
	Approved	Actual	Approved	Resubmitted
Average Normative Loans	11.66	8.19	14.29	7.36
Interest Rate	11.44%	12.55%	11.44%	12.55%
<b>Total Interest</b>	<b>1.33</b>	<b>1.03</b>	<b>1.61</b>	<b>0.92</b>

## Return on Equity

- 1.27 As mentioned above also, all the assets under the SLDC and SCADA divisions are now funded through 30% Equity. The return of Equity as claimed by the petitioner for FY 2014-15 and FY 2015-16 is as given in the table below:-

**Table 13: Return on Equity for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15(Rs Crores)		FY 2015-16(Rs Crores)	
	Approved	Actual	Approved	Resubmitted
Opening balance of Equity		3.39	3.39	3.50
New Equity infused during the year		0.11	0.00	0.18
Closing balance of normative Equity		3.50	3.39	3.68
Average Normative Equity		3.45	3.39	3.59
Return on Equity		15.50%	15.50%	15.50%
<b>Return on Equity</b>	<b>NIL</b>	<b>0.53</b>	<b>0.52</b>	<b>0.56</b>

## Interest on Working Capital

- 1.28 The UERC regulations, 2011 prescribed the manner in which the working capital is to be calculated. The SLDC shall be allowed interest on the estimated level of working capital for the financial year, computed as follows:-

- Maintenance spares @15% of operations and maintenance expenses
- Operations and maintenance expenses for one month
- Receivables equivalent to two months of SLDC charges

- 1.29 In accordance with the provisions of the Regulations, the Petitioner has estimated Working Capital requirement for FY 2014-15 and FY 2015-16. The interest rate claimed on the working capital so computed is considered on normative basis as State Bank of India advance rate as applicable on 1st April of the financial year. Interest on working capital as computed is given in the table below. The Hon'ble Commission is humbly requested to approve the same.

**Table 14: Interest on working capital for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)		FY 2015-16 (Rs Crores)	
	Approved	Actual	Approved	Resubmitted
O & M Expenses for one month	0.36	0.41	0.41	0.50
Maintenance spares @15% of O&M Expenses	0.65	0.74	0.74	0.90
Receivables equivalent to two months of SLDC charges	1.00	1.28	1.24	1.41
<b>Total Working Capital</b>	<b>2.01</b>	<b>2.44</b>	<b>2.39</b>	<b>2.81</b>

Particulars	FY 2014-15 (Rs Crores)		FY 2015-16 (Rs Crores)	
	Approved	Actual	Approved	Resubmitted
SBI PLR Rate	14.75%	14.75%	14.75%	14.29%
<b>Interest on Working Capital</b>	<b>0.29</b>	<b>0.36</b>	<b>0.35</b>	<b>0.40</b>

## Non-Tariff Income

- 1.30 SLDC charges include open access charges which are applicable to short term open access ranging from part of the day to one month, medium term open access ranging from 3 months to 3 years and long term open access ranging from 12 years to 25 years. Apart from this, the SLDC receives various NOC charges and UI charges as well from its consumers. All the charges received from its short term open access consumers are categorized within Non-Tariff income. The details of actual non-tariff income from FY 2014-15 and 6 months of FY 2015-16 is given in the table below :-

**Table 15: Non-Tariff Income for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)	FY 2015-16 (Rs Crores)
	Actual	Actual 6 Months
Open Access NOC Fees( Consumers)	0.27	0.31
Open Access NOC Fees( M/s BHPL)	0.01	0.00
Open Access Reg Fees ( As per UERC Regulation -96)	0.04	0.01
Open Access Consumers ( Through Exchange)	0.00	0.00
M/S BHPL(Through Open access & Additional UI)	0.00	0.00
<b>Total</b>	<b>0.31</b>	<b>0.32</b>

- 1.31 The revised non-tariff income for FY 2014-15 based on actual 6 months is given in the table below

**Table 16: Non- Tariff income for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)		FY 2015-16 (Rs Crores)	
	Approved	Actual	Approved	Resubmitted
<b>Non-Tariff Income</b>	<b>1.27</b>	<b>0.31</b>	<b>0.26</b>	<b>0.65</b>

## Interstate Open Access Operating Charges

- 1.32 The SLDC respectfully submits that according to the Regulation 17 of the CERC ( Open access ininter-state Transmission) Regulations, 2008 the note-2 of the Regulation 17 mentioned

*“...the operating charges collected by the nodal agency shall be in addition to the fees and charges specified by the Commission under sub-station (4) of section 28 of the Act.”*

Further according to the proviso of Regulation 2(1) of CERC (Open Access in Inter-State Transmission) (Third Amendment), Regulation, 2015 following is stated;

“...Provided that the operating charges collected by the State Load Despatch Centre for short term open access transactions shall be in addition to fees and charges, specified by the respective State Commission under sub-section (3) of Section 32 of the Act”

- 1.33 It is submitted that as per above regulation the interstate operating and scheduling charges collected by SLDC are meant to be over and above the SLDC fees and charges which are recovered through ARR and these interstate SLDC operating and schedule charges are not to be reduced from ARR and rather be retained by SLDC in LDCD Fund for facilitating open access and capacity building. The actual Interstate operating and schedule charges collected for FY 2014-15 and six months of FY 2015-16 are given in the table below which are not reduced from the total ARR of the SLDC.

**Table 17: Proposed LDC Fund for FY 2014-15 and FY 2015-16**

Particulars	FY 2014-15 (Rs Crores)		FY 2015-16 (Rs Crores)	
	Approved	Actual	Approved	Resubmitted
<b>Non-Tariff Income</b>	<b>1.27</b>	<b>1.54</b>	<b>0.26</b>	<b>1.40</b>

### Aggregate Revenue Requirement

- 1.34 Based on the item wise Expenses and Income enumerated in the sections above, the Aggregated revenue requirement for FY 2014-15 and FY 2015-16 is given in the table below, we request the Hon'ble Commission to approve the ARR for FY 2014-15 and FY 2015-16 as depicted in the table below :-

**Table 18: Actual ARR for FY 2014-15 and Revised Estimated ARR for FY 2015-16**

S.No.	Particulars	FY 2014-15(Rs Crores)		FY 2015-16(Rs Crores)	
		Approved	Actual	Approved	Resubmitted
1	O&M Expenses	4.33	4.94	4.91	6.01
A	R&M Expenses	0.07	0.66	0.56	1.08
B	Employee Expenses	3.32	3.04	3.83	3.57
C	A&G Expenses	0.48	0.86	0.52	0.91
D	AMC	0.46	0.38		0.46
2	Depreciation	1.33	1.15	1.07	1.18
3	Interest & Finance Charges	1.33	1.03	0.85	0.92
4	Interest on Working Capital	0.29	0.36	0.52	0.40
5	Return on Equity	0.00	0.53	0.35	0.56
<b>6</b>	<b>ARR</b>	<b>7.28</b>	<b>8.01</b>	<b>7.70</b>	<b>9.09</b>
7	Other Income	1.27	0.31	0.25	0.65
<b>8</b>	<b>Net Annual Revenue Requirement</b>	<b>6.01</b>	<b>7.70</b>	<b>7.45</b>	<b>8.44</b>

- 1.35 The SLDC prays to the the Hon'ble Commission to approve the proposed ARR of Rs. 7.70 cr. For FY 2014-15 and Rs. 8.44 Cr. For FY 2015-16.

## 2. AGGREGATE REVENUE REQUIREMENT FOR CONTROL PERIOD FY 2016-17 TO FY 2018-19

- 2.1 In line with the Electricity Act, 2003, the Hon'ble Commission has issued the (Terms and Conditions for Determination of Tariff) Regulations, 2015. In the Regulations, the Hon'ble Commission has approved a control period from April 1, 2016 onwards up to FY 2018-19 i.e. March 31, 2019 for the purpose of determination of Tariff for the transmission utility i.e. PTCUL.
- 2.2 Regulation 99 of UERC Tariff Regulations, states following;
- 2.3 *“The annual charges to be recovered by the SLDC shall include the component of Return on Equity and also the following expenses.*
- a. *O&M expenses*
  - b. *Return on Equity*
  - c. *Depreciation;*
  - d. *Lease Charges*
  - e. *Interest and Finance charges on Loan Capital;*
  - f. *Income Tax, if any;*
  - g. *Interest on working capital*
  - h. *Any other expenses incidental to discharging the functions of SLDC as deemed appropriate by the Commission.”*
- 2.4 Petitioner is submitting the projections for ARR for each of the years for the Control period FY 2016-17 to FY 2018-19 in line with the methodology defined in the UERC Tariff Regulations 2015.

### Capital Expenditure and Capital Structure

- 2.5 The SCADA project includes “Construction of SLDC at Dehradun and 2 Nos. Sub-SLDC at Kashipur and Rishikesh” is to be completed in two phases, first phase of which was completed and commissioned and the second phase of the project is under process. Petitioner submits that the second phase includes the laying of OPGW cable network of about 600 Kms between various substations to SLDC and Sub-LDC. This will provide a robust media backbone for data acquisition with superior accuracy and reliability. Contracts for the OPGW cable network has already been awarded and the project is expected to get commission in FY 2017-18. The rest of the expenditure would be incurred beyond present control period. The Capital Expenditure and assets approved by the Commission and now projected by the petitioner is given in the table below :-

**Table 19: Projected Gross Fixed Assets for FY 2016-17 to FY 18-19**

Particulars	FY 2016-17(Rs Crores)	FY 2017-18(Rs Crores)	FY 2018-19(Rs Crores)
Opening GFA	13.32	13.57	45.08
Opening CWIP	3.20	17.20	0.00

Particulars	FY 2016-17(Rs Crores)	FY 2017-18(Rs Crores)	FY 2018-19(Rs Crores)
Fresh Investment during the year	14.25	14.30	1.29
Capitalization During the year	0.25	31.50	1.29
Closing CWIP	17.20	0.00	0.00
<b>Closing GFA</b>	<b>13.57</b>	<b>45.08</b>	<b>46.37</b>

## Depreciation

2.6 The asset wise depreciation is computed based on the depreciation rates prescribed in the UERC (terms and conditions for determination of Tariff) Regulations 2015. Subsequently the depreciation rates are applied on the projected assets for the control period of FY 2016-17 to FY 2018-19 to compute the depreciation. Quantum of depreciation is provided in the table below. Petitioner request to the Hon'ble Commission to approve the same

**Table 20: Depreciation for FY 2016-17 to FY 2018-19**

Particulars	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Depreciation	1.21	2.06	2.94

## Operation and Maintenance Expenses

2.7 The Operation and Maintenance expense are projected based on actual expenses of 6 months of FY 2014-15 and methodology prescribed in The UERC (terms and conditions for determination of Tariff) Regulations 2015.

## Employees Expenses

2.8 The UERC (terms and conditions for determination of Tariff) Regulations 2015 specified the methodology for calculating the employees cost for ensuing years of Control period. According to the regulations the employees cost for any year n would be:

$$EMP_n = (EMP_{n-1}) \times (1+G_n) \times (CPI_{inflation})$$

Where;

G<sub>n</sub> is the growth factor for the nth Year. Value of G<sub>n</sub> shall be determined by the Hon'ble Commission in the MYT Tariff order for meeting the additional manpower requirement based on SLDC's filing, benchmarking, and any other factor that the Hon'ble Commission feels appropriate.

CPI<sub>inflation</sub> – is the average increase in the Consumer Price Index (CPI) for immediately preceding three years

2.9 The increase in CPI inflation for FY 2012-13, FY 2013-14 and FY 2014-15 are 10.44%, 9.68% and 6.29%, respectively. Based on this, the average increase in Consumer Price Index comes out to be 8.80% for last three years. To estimate the employee expenses for control period of FY 2016-17 to FY 2018-19 the employee expenses of SCADA and SLDC, incurred in FY 2014-15, have been escalated to determine the employee expenses. Further on the basis of

the HR Plan of both SCADA and SLDC, Growth factor has been projected to estimate the employee expenses for the control period. Table HR Plans for SLDC and SCADA are detailed tables given below.

**Table 21: HR Plan for SLDC for Control Period for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Opening no. of Employees	20	28	35
Employees recruited	8	7	5
Retirement	0	0	0
<b>Closing no. of Employees</b>	<b>28</b>	<b>35</b>	<b>40</b>

**Table 22: HR Plan for SCADA for Control Period for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Opening no. of Employees	21	24	24
Employees recruited	3	0	0
Retirement	0	0	0
<b>Closing no. of Employees</b>	<b>24</b>	<b>24</b>	<b>24</b>

- 2.10 Based on the Actual CPI and growth factor approved by the Hon'ble Commission the employees cost computed for control period is as given in the table below. SLDC requests the Hon'ble Commission is requested to approve the same.

**Table 23: Proposed Employee Expenses for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
<b>Employees Expenses</b>	<b>5.01</b>	<b>6.31</b>	<b>7.52</b>

## Repair and Maintenance Expenses& AMC Expenses

- 2.11 The UERC (terms and conditions for determination of Tariff) Regulations 2015 has specified the methodology for calculating the R&M Expenses for ensuing years of Control period. According to the regulations the R&M Expenses for any year n would be

$$\text{“R\&M}_n = (K) \times (\text{GFAn}-1) \times (\text{WPInflation})$$

Where K is a constant specified by the Commission in %. Value of K for each year of the control period shall be determined by the Commission in the MYT tariff order based on SLDC's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in the past and any other factor considered appropriate by the Commission.

WPIinflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three years “



- 2.12 The R&M Expenses for the control period FY 2016-17 to FY 2018-19 are projected by escalating the R&M expenses of FY 2014-15 with the average of Wholesale Price Index inflation of previous three financial years. The wholesale price inflation for FY 2012-13, FY 2013-14 and FY 2014-15 are 7.35%, 5.98 % and 2.00% respectively. Based on this the average increase in wholesale price index comes out to be 5.11% for last three years. Subsequently the K factor is determined by considering the avg. of R&M cost past three financial years and opening GFA of past three financial years. The percentage value of K is later been escalated with average WPI inflation and treated with the R&M expenses of FY 2014-15 in order to project the R&M expense for the control period FY 2016-17 to FY 2018-19.
- 2.13 Apart from usual R&M expenses, the SLDC has given an Annual Maintenance Contract to the original executioner of the project for the up keeping and maintenance of the assets created out of the project. The total AMC cost as contracted is taken separately as actual and no inflation is considered on such amount to reach at Total R&M expenses for the SLDC and SCADA division.
- 2.14 Based on the Actual WPI and actual R&M expenses of FY 2014-15, the Repair and Maintenance expenses computed for control period of FY 2016-17 to FY 2018-19 has been project and detailed in the table below. The SLDC prays to the Hon'ble Commission to approve the same.

**Table 24: Proposed R&M Expenses for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Repair and Maintenance Expenses	1.19	1.27	4.45
AMC Fees	0.57	0.55	0.60

## Administrative and General Expenses

- 2.15 The UERC (terms and conditions for determination of Tariff) Regulations 2015 specified the methodology for calculating the R&M Expenses for ensuing years of Control period. According to the regulations the R&M Expenses for any year n would be

$$A\&G_n = (A\&G_{n-1}) \times (WPI_{inflation}) + Provisions$$

Where Provision is cost for initiatives or other one-time expenses as proposed by the SLDC and validated by the Commission.

- 2.16 Based on the Actual WPI and actual A&G expenses for FY 2014-15, the Administrative and General expenses computed for control period. SLDC prays to the Hon'ble Commission to approve the same for control period of FY 2016-17 to FY 2018-19.

**Table 25: Proposed A&G Expenses for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Administrative and General Expenses	<b>0.96</b>	<b>1.01</b>	<b>1.06</b>

- 2.17 The total overall O&M Expenses comprising of employee expenses, R&M expenses and A&G expenses as proposed by the petitioner for control period of FY 2016-17 to FY 2018-19 and is summarized in the table below:-

**Table 26: Proposed O&M expenses for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Employees Expenses	5.01	6.31	7.52
Repair and Maintenance Expenses	1.19	1.27	4.45
AMC	0.57	0.55	0.60
Administrative and General Expenses	0.96	1.01	1.06
<b>Total O&amp;M Expenses</b>	<b>7.73</b>	<b>9.14</b>	<b>13.63</b>

### Interest and Finance Charges

- 2.18 As submitted earlier Phase-2 of the SCADA/SLDC projects is under implementation and work orders for the same has already been awarded. Petitioner in planning to strengthen the media backbone of SCADA by connecting the 220 KV & 132 KV substations with SLDC and Sub SLDCs with OPGW network. SLDC have planned to invest the 29.85 Crores during the control period and phasing of same is detailed in GFA earlier. Petitioner has computed the interest and finance charge for the control period on normative basis considering 70% debt on the onthe proposed GFA profile. Petitioner has considered the opening GFA of FY 2014-15 according to Tariff Order dated 11th April 2015. Projects of SLDC/SCADA are funded under REC II scheme, thus Petitioner has consider the average interest rate of REC II for computing the interest and finance cost for the control period. The interest and finance charges for the control period FY 2016-17 to FY 2018-19 are detailed in table blow. Petitioner requests to the Hon'ble Commission to approve the same.

**Table 27: Proposed Interest on Loan for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Opening balance of Loan	6.99	5.96	25.96
Addition during the year	0.18	22.05	0.91
Repayment	1.21	2.06	2.94
Closing balance of normative loan	5.96	25.95	23.93
Average Normative Loans	<b>6.48</b>	<b>15.96</b>	<b>24.94</b>
Interest Rate	12.55%	12.55%	12.55%
<b>Total Interest</b>	<b>0.81</b>	<b>2.00</b>	<b>3.13</b>

### Return on Equity

- 2.19 As submitted above, the assets under the SLDC and SCADA divisions are funded through 30% Equity of Government of Uttarakhand. Considering the GFA profile proposed for the control period, the return of equity for FY 2015-16 to FY 2018-19 is tabulated as under. Petitioner request to the Hon'ble Commission to allow the claimed return on equity for the control period.

**Table 28: Proposed Return on Equity for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Opening balance of Equity	3.69	3.76	13.21
New Equity infused during the year	0.08	9.45	0.39
Closing balance of normative Equity	3.76	13.21	13.60
Average Normative Equity	<b>3.73</b>	<b>8.49</b>	<b>13.41</b>
Return on Equity	15.50%	15.50%	15.50%
<b>Return on Equity</b>	<b>0.58</b>	<b>1.32</b>	<b>2.08</b>

## Interest on Working Capital

2.20 In accordance with the provisions of UERC Regulations, 2015 the projected working capital requirement and interest on such working capital requirement is given in the table below. State bank of India PLR rate as on 1st April 2015 is considered as applicable rate for computing interest on working capital. Hon'ble Commission is requested to approve the same for control period of FY 2015-16 to FY 2018-19.

**Table 29: Proposed Interest on working capital for FY 2016-17 to FY 2018-19**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
O & M Expenses for one month	0.64	0.76	1.13
Maintenance spares @15% of O&M Expenses	1.16	1.37	2.04
Receivables equivalent to two months of SLDC charges	1.60	2.32	3.58
Total Working Capital	3.40	4.45	6.75
SBI PLR Rate	14.05%	14.05%	14.05%
<b>Interest on Working Capital</b>	<b>0.48</b>	<b>0.63</b>	<b>0.95</b>

## Non-Tariff Income

2.21 The non-tariff income is projected for FY 2016-17 to FY 2018-19 at the same level as revised estimate for FY 2015-16 and shown in the table below. Petitioner request to Hon'ble Commission to allow the same for the control period.

**Table 30: Proposed Non-Tariff Income for FY 2015-16 approved and projected**

Particular	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
Non-Tariff Income	0.65	0.65	0.65

## Aggregate Revenue Requirement

2.22 Based on the item wise Expenses and Income enumerated in the sections above, the projected aggregated revenue requirement for the control period for FY 2016-17 to FY 2018-19 is computed in the table given below. The Hon'ble Commission is requested to approve the projected ARR for the control period.

Table 31: Proposed ARR for FY 2016-17 to FY 2018-19

Sl. No	Particulars	FY 2016-17 (Rs Crores)	FY 2017-18 (Rs Crores)	FY 2018-19 (Rs Crores)
1	O&M Expenses	7.16	8.59	13.03
<i>a</i>	<i>R&amp;M Expenses</i>	<i>1.19</i>	<i>1.27</i>	<i>4.45</i>
<i>b</i>	<i>Employee Expenses</i>	<i>5.01</i>	<i>6.31</i>	<i>7.52</i>
<i>c</i>	<i>A&amp;G Expenses</i>	<i>0.96</i>	<i>1.01</i>	<i>1.06</i>
<i>d</i>	<i>AMC</i>	<i>0.57</i>	<i>0.55</i>	<i>0.60</i>
2	Depreciation	1.21	2.06	2.94
3	Interest & Finance Charges	0.81	2.00	3.13
4	Interest on Working Capital	0.48	0.63	0.95
5	Return on Equity	0.58	1.32	2.08
<b>6</b>	<b>ARR</b>	<b>10.24</b>	<b>14.59</b>	<b>22.13</b>
7	Other Income	0.65	0.65	0.65
<b>8</b>	<b>Net Annual Revenue Requirement</b>	<b>9.59</b>	<b>13.94</b>	<b>21.48</b>

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### 3. COMPLIANCE OF DIRECTIVES

- 3.1 In the previous tariff order the Hon'ble Commission had approved certain directives to SLDC. The Compliance report for each directive is provided below :-

**The Commission directs the Petitioner to complete the process of transfer of assets from PTCUL to SLDC and submit the details of the same along with APR of FY 2015-16.**

The SLDC respectfully submits that SLDC has not been formed as a separate company and is still part of PTCUL. However the separation of SLDC (Uttarakhand) will be initiated after the notification of Govt of Uttarakhand.

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#### **4. PRAYER**

The Petitioner respectfully prays the Hon'ble Commission to:

- a. Admit the Petitions of APR for FY 2015-16 and ARR for Control Period for FY 2016-17 to FY 2018-19
- b. Grant an expeditious hearing of the Petition
- c. Approve APR for FY 2015-16 and ARR of the control period FY 2016-17 to FY 2018-19.
- d. Permit recovery of expenses understated/ not considered in this Petition subsequent to the submission of this petition.
- e. Condone any inadvertent omissions / errors / short comings and permit the applicant to add /change /modify / alter this Petition and make further submissions as may be required at later stages
- f. Pass such orders as Hon'ble Commission may deem fit and proper and necessary in the facts and circumstances of the case, to grant relief to the petitioner.