



# Uttarakhand Electricity Regulatory Commission

'Vidyut Niyamak Bhawan',

Near ISBT, PO- Majra, Dehradun-248171

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No. UERC/6/TF/359/Pet. No. 52 to 61 of 2016/1565

Date: 11- January, 2017

To,

Managing Director,  
UJVN Limited,  
"UJJWAL", Maharani Bag, GMS Road,  
Dehradun.

**Sub.:** Technical Validation Session in the matter of Petitions filed by UJVN Ltd. for True up of tariff for FY 2015-16, APR for FY 2016-17 & AFC for FY 2017-18 for 10 LHPs, namely, Dhakrani, Dhalipur, Kulhal, Chibro, Khodri, Ramganga, Khatima, Chilla, Tiloth (MB-I) and MB-II HEPs of UJVN Ltd.

Sir,

This is with reference to the Technical Validation Session held on 09.01.2017 in the Commission's office on the subject matters. In this regard, the minutes of the said TVS meeting are enclosed herewith as Annexure-A for information and necessary action at your end. You are required to submit your reply in seven copies alongwith the soft copy of the same accompanied with an affidavit.

**Encl.: As above.**

Yours sincerely,

  
(Neeraj Sati)  
Secretary

o/c

Annexure-A

**First Technical Validation Session on  
UPCL's Petition for approval of Business Plan for the MYT Control Period FY 2016-  
17 to FY 2018-19**

**Minutes of Meeting held on January 13, 2016 at the Commission's office**

**Present:**

**UERC**

Shri Subhash Kumar, Chairman, UERC

Shri Neeraj Sati, Secretary, UERC

Shri Prabhat Kishor Dimri, Director (Technical), UERC

Shri Deepak Pandey, Director (Finance/Tariff), UERC

Shri Rajnish Mathur, Director (C&L), /UERC

Shri K K Gupta, Joint Director (Finance/Tariff), UERC

Shri Yashwardhan Dimri, Deputy Director (Technical), UERC

Shri Gaurav Sabharwal, Assistant Director (Finance/Tariff), UERC

Shri Gaurav Lohani, Assistant Director (Accounts), UERC

Shri Shivanku Bhatt, UERC

Ms Divya Sood, UERC

Shri Suresh Gehani, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.)

Shri Sanjiv Kumar Singh, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.)

**UJVN Ltd.**

Shri S.N. Verma, Managing Director

Shri B.C.K. Bishra, Director (Operations)

Shri Sandeep Singhal, Director (Projects)

Shri L.M. Verma, Director (Finance)

Shri Purushottam Singh, ED (O&M)

Shri S.K. Chopra, ED (HR)

Shri Meg Bahadur, GM (Comm.)

Shri Pankaj Kulshreshth, GM (GV)

Shri Sudhakar Badoni, GM (Finance)

Shri D.N. Pant, DGM

Shri Nrapendra Kumar, DGM

Shri Vimal Kumar, DGM

Shri V.K. Nainwal, Dy. CAO

Shri K.K. Verma, SAO

Shri Ambrish Sharma, Executive Engineer

Shri Swayambhu Dimri, Executive Engineer

Shri Rajesh Kumar, Executive Engineer

Shri D.C. Sharma, Executive Engineer

Shri Jaipal Singh, Executive Engineer

The queries raised by the Commission and the replies submitted by UJVN Ltd were discussed in detail and salient features of the discussions are as follows:

1. The Commission sought information on the performance improvement measures implemented by UJVN Ltd. on the basis of benchmarking study carried out by UJVN Ltd. in the year 2014. UJVN Ltd. in response submitted that they have already reduced downtime from annual maintenance from 60 days to 45 days and are further planning to reduce it below 35 days by maintaining proper spares inventory in order to reduce the downtime. The Commission also directed UJVN Ltd. to take steps on various fronts to improve its performance in addition to the reduction in downtime towards annual maintenance. UJVNL is required to submit the status of implementation of recommendations mentioned in the benchmarking study report with respect to annual maintenance time.
2. The Commission directed UJVN Ltd. to submit justification for projecting generation of 217 MU from Khatima power station in FY 2017-18 considering completion of RMU of all the three units as against 235 MU projected in the DPR submitted for investment approval of RMU. UJVN Ltd. was further directed to submit computation for claiming 217 MU in FY 2017-18. Besides this, UJVN Ltd. is also directed to submit the post RMU design energy alongwith basis of computation of such design energy.
3. The Commission directed UJVN Ltd. to justify its PAF claim of 53% for Khatima power station FY 2017-18 as the same has been projected on the basis of past three years data during which the plant was under RMU. However, since the RMU works have been completed UJVN Ltd. should now project its PAF for 2017-18 considering all RMU works have been completed in FY 2016-17.
4. The Commission observed that UJVN Ltd. with regard to MB-II has claimed balance capital works of Rs. 266.07 Crore till FY 2017-18 as against Rs. 211.72 Crore approved in the Tariff Order dated April 05, 2016. The Commission accordingly directed UJVN Ltd. to submit proper justification towards increase in the balance capital expenditure works along with the status of balance capital works completed and submit its revised claim of add cap for FY 2015-16 onwards.
5. The Commission observed that UJVN Ltd. is taking more than 1.5 years from the date of investment approval to award the contract for RMU works as shown below.

S. No	Plant	Date of Investment Approval	Status of Tender Award			
			Pre-Bid Meeting	Technical Bid Opening	Financial Bid Opening	LOA
1.	MB-I	30.7.2015	1.12.2016	21.6.2016	To be confirmed	To be confirmed
2.	Chilla	29.1.2016	18.11.2016	20.1.2017	To be confirmed	To be confirmed
3.	Dhalipur	14.9.2016	-	23.9.2016	23.9.2016	To be confirmed

In view of above, the Commission sought justification for considerable delay in concluding tendering for RMU works. The Commission further directed UJVN Ltd. to submit the current status of all the ongoing RMU projects pertaining to LHPs. UJVN Ltd. agreed to submit replies to the same.

6. The Commission observed that UJVN Ltd. in its petition for various LHPs has claimed capital expenditure on account of DRIP scheme along with other capital expenditure. As the works undertaken under DRIP scheme have separate financing scheme, the Commission directed to submit station wise works undertaken under DRIP scheme along with the financing of scheme separately from other capital expenditure claimed and also submit the revised financing of schemes other than DRIP.
7. The Commission directed UJVN Ltd. to submit how ERP implementation shall be sustainable and whether UJVN Ltd. has taken steps towards training man power for maintaining such system once implemented. UJVN Ltd. in response submitted that it has already requested for approval of 31 new posts for IT support from the State Government. UJVN Ltd to submit the complete details in this regards.
8. The Commission directed UJVN Ltd. to submit the likely number of employees to join by March 31, 2017 as compared to 329 employees submitted in the Petition with details of current status of recruitment. Further, the Commission directed the petitioner to submit the breakup of employees joining in O&M division, New Projects, SHPs and Solar projects. Further, UJVN is also required to submit the details of current status of recruitment proposed during FY 2017-18.
9. The Commission with regard to Chibro LHP observed that UJVN Ltd has claimed capital expenditure of Rs. 7 Crore twice towards capital maintenance of Machine No. 1 in FY 2017-18. UJVN Ltd. agreed to check and submit clarification.
10. The Commission observed that UJVN Ltd. has claimed approximately Rs. 12 Crore towards rebate to customer in FY 2015-16 under A&G expenses for 10 LHPs. The Commission directed to submit the detailed working for the amount of rebate claimed along with justification for claiming the same as a part of AFC.
11. The Commission directed the petitioner to submit all the vouchers with value above Rs. 10 Lac for 10 LHPs separately for R&M expenses, capital expenditure and A&G expenses for FY 2015-16. UJVN Ltd. should further submit annual trial balance for FY 2015-16 duly reconciled with audited accounts.
12. The Commission directed UJVN Ltd. to submit revised projections of PAF of MB-II for FY 2017-18 considering that the dam height has now been increased to its FRL i.e. 1108 m and UJVN Ltd. has received permission from appropriate authority to raise the water to such height.

13. The Commission directed UJVN Ltd. to submit the current status towards finalization of transfer scheme and handing over of distribution business to UPCL. UJVN Ltd. agreed to submit the same.
14. As the Government order has been issued for VII<sup>th</sup> Pay Commission, UJVN Ltd. is required to submit the computations of the impact of VII<sup>th</sup> Pay Commission considering the Government Order issued in this regard.
15. The Commission directed UJVN Ltd. to submit replies to all the balance queries and queries sought above by January 23, 2017. UJVN Ltd. agreed to submit all the replies within the stipulated time.