



Uttarakhand Electricity Regulatory Commission

'Vidyut Niyamak Bhawan',

Near ISBT, PO- Majra, Dehradun-248171

PH. 0135-2641115 FAX- 2641314 Website www.uerc.gov.in E-mail- secy.uerc@gov.in

No. UERC/6/TF/359/2016/1352

Date: 01 November, 2016
December

To,

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

Sub: Petitions for True-up of Tariff for FY 2015-16, Annual Performance Review for FY 2016-17 & Annual Fixed Charges 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 your petition dated 25.11.2016 on the above mentioned subject. In this regard, certain deficiencies/shortcomings have been observed which are enclosed as Annexure-A. You are required to submit the point-wise replies duly quoting titles/sub-titles and S.No. identical with the deficiencies referred to in enclosed Annexure-A. You are required to submit your reply on the same latest by 05.12.2016 in seven copies alongwith soft copy of the reply accompanied with an affidavit so that your application may be put up before the Commission for admission.

Encl: - As above

Yours sincerely,

(Neeraj Sati)
Secretary

o/c

Uttarakhand Jal Vidyut Nigam Limited (UJVN Ltd.) Truing -Up of FY 2015-16, APR
Petition for FY 2016-17 and Annual Fixed Charges for 2017-18

Information requirement/Discrepancies in the Petition

A. General

1. UJVN Ltd. is required to submit the compliance to the following directives issued in tariff order dated April 5, 2016:-
"6.2.2: ...The Commission has taken note of the same and directs the Petitioner to ensure proper accounting of the energy consumed by the employees and furnish the annual details alongwith the tariff Petition."

B. Preliminary information required for admission of Petition

2. UJVN Ltd. in most of the tables of the Petition for respective LHPs, while giving the details of FY 2015-16 and FY 2016-17 has provided actual details for FY 2015-16 and Revised Estimates for FY 2016-17. UJVN in the tables has not provided the figures approved by the Commission for FY 2015-16 and FY 2016-17 in respective tariff Orders. UJVN Ltd. is required to include two columns in the Petition providing the figures as approved by the Commission for FY 2015-16 and FY 2016-17 for comparison purposes.
3. UJVN Ltd. has provided the asset wise breakup of additional capital expenditure for FY 2015-16 to FY 2017-18 into (a) land, (b) building, (c) major civil works, (d) plant and machinery, (e) vehicles, (f) furniture and fixtures, and (g) office equipment and others. In this regard, UJVN Ltd. is required to submit the details of additional capital expenditure. Further the UJVN Ltd. is also required to submit the actual funding of additional Capital Expenditure pertaining to FY 2015-16.
4. With regard to old nine generating stations, the Commission in its order dated April 5, 2016 had considered the additional capitalization of Rs 47.57Crore for FY 2015-16, however, UJVN Ltd. in this instant petition has submitted the additional capitalization of Rs 97.83 Crore for FY 2015-16. Further, with regard to MB-II generating station, the Commission in its order dated April 5, 2016 had considered the additional capitalization of Rs 114.30Crore for FY 2015-16, however, UJVN Ltd. in this instant petition has submitted the additional capitalization of Rs 126.97Crore for FY 2015-16. UJVN Ltd. is required to submit the detailed justification for increase in additional capitalisation for all the 10 stations.

5. UJVN Ltd. is required to submit Plant-wise/Office-wise details of de-capitalization amount claimed for FY 2015-16.
6. With regard to the additional capitalization claimed during FY 2016-17 and FY 2017-18, it is observed that the same is much higher than that approved by the Commission in order dated April 5, 2016 as under:-

Rs Crore

Particulars	FY 2016-17		FY 2017-18	
	Approved in order dated Apr 5, 2016	Claimed	Approved in order dated Apr 5, 2016	Claimed
Dhakrani	9.89	8.42	0.00	21.49
Dhalipur	28.30	26.33	32.60	47.54
Chibro	5.19	47.35	0.00	31.36
Khodri	2.60	28.40	0.00	32.12
Kulhal	12.16	20.28	0.00	20.06
Ramganga	0.00	9.67	0.00	7.50
Chilla	2.60	2.72	47.43	61.21
MB-I	53.15	26.76	0.00	70.49
Khatima	50.00	69.76	12.00	10.00
Total for 9 hydro generating stations	163.89	239.71	92.03	301.77
MB-II	0.00	15.04	0.00	0.25

In this regard, UJVN Ltd. is required to submit proper justification for such variation in additional capital expenditure to that approved in order dated April 5, 2016.

7. UJVN Ltd. for FY 2015-16 has submitted the actual O&M expenses for FY 2015-16, which are at variance with respect to the O&M expenses approved by the Commission for FY 2015-16. UJVN Ltd. is required to submit the reasons for variation in O&M expenses.
8. UJVN Ltd. is required to submit the quarter wise actual loan repayment, interest paid towards existing loans along with interest refund received for FY 2015-16 for the ten hydro generating stations.
9. UJVN Ltd. is required to submit the details of generation linked incentives, performance related incentives paid to its employees for FY 2015-16
10. UJVN Ltd. is required to submit the receipt of insurance premiums paid in FY 2015-16.

11. UJVN Ltd. is required to submit the actual number of employees recruited/retired in FY 2015-16.
12. UJVN Ltd. is required to submit the actual number of employees recruited/retired in FY 2016-17 till November 2016 and projected to be recruited/retiring during December 2016 to March 2017 and in FY 2017-18.
13. UJVN Ltd. has submitted the actual/projected NAPAF for FY 2015-16 to FY 2017-18 in Clause 1.1(i) of the Petitions of ten hydro power stations, however, the same is not matching with the NAPAF submitted in Form 2.1 for the power stations as detailed below:-

Station	As per Petition (Clause 1.1)			As per Form F-2.1		
	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Dhakrani	57	57	57	59.06	57.56	55.78
Dhalipur	57	57.26	61.07	57.81	57.67	55.90
Chibro	64	65.06	65.06	71.30	69.88	68.80
Khodri	57	57.23	57.23	62.24	51.57	51.57
Kulhal	65	65	65	73.29	70.62	68.38
MB-I	77	60.35	66.64	74.06	60.35	49.68
Khatima	47	-	-	37.12	53.30	53.30
MB-II	62.03	61.5	-	56.33	64.93	64.93

UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

C. Formats related

1. UJVN Ltd. has submitted the excel formats for its generating stations. Some of the Forms are not duly filled as shown in the table below:

Form	Description
F-2.4	To be submitted duly filling in all the information
F-5.2	To be submitted duly filling in all the information
F-6.2	To be submitted duly filling in all the information
F-6.7	To be submitted duly filling in all the information
F-6.8	To be submitted duly filling in all the information
F-6.9	To be submitted duly filling in all the information
F-6.10	To be submitted duly filling in all the information
F-8	To be submitted duly filling in all the information
F-9.2	To be submitted duly filling in all the information
F-14	To be submitted duly filling in all the information

In this regard, UJVN Ltd. is required to submit the duly filled in formats for 10 LHPs.

2. UJVN Ltd. has submitted the Form F-11, F-11.1, F-11.2, F-11.3, and F-12 along with the Petition for its 10 LHPs. UJVN Ltd. has not submitted the expense head wise

breakup for estimated expenditure during the period Oct 2016 to Mar 2017 & for the FY 2017-18. UJVN Ltd. is required to submit the duly filled in formats alongwith the basis for arriving at the estimated expenditure claimed by them.

- UJVN Ltd. has submitted the detail of Repair & Maintenance expenditure for FY 2015-16 to FY 2017-18 in Form F-11.1 annexed to the Petitions of ten hydro power stations, however, the sum total for actual plus estimated expenditure for FY 2016-17 is not in matching with total for the FY 2015-16 claimed by the UJVN Ltd. for the power stations as detailed below.

Station	FY 2016-17		
	Apr-Sep (Actual)	Oct-Mar (Estimated)	Total (Apr-Mar)
Dhakrani	1.867	0	6.004
Dhalipur	6.47	0	4.47
Chibro	13.27	0	10.5
Khodri	5.042	0	3.037
Ramganga	2.242	0	2.236

UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

D. Inconsistencies in figures

Chibro HEP

- UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 53.92 Crore in Table 8 of the Petition while the same has been submitted as Rs. 46.57 Crore in Table 15. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

Dhakrani HEP

- UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 19.14 Crore in Table 8 of the Petition while the same has been submitted as Rs. 12.83 Crore in Table 14. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

Chilla HEP

- UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 44.56 Crore in Table 8 of the Petition while the same has been submitted as Rs. 37.61 Crore in Table 14. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

Khodri HEP

1. UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 24.01 Crore in Table 8 of the Petition while the same has been submitted as Rs. 22.70 Crore in Table 14. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

Khatima HEP

1. UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 14.13 Crore in Table 8 of the Petition while the same has been submitted as Rs. 13.22 Crore in Table 14. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

Tiloth HEP

1. UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 33.24 Crore in Table 8 of the Petition while the same has been submitted as Rs. 38.21 Crore in Table 14. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

Dhalipur HEP

1. UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 15.81 Crore in Table 8 of the Petition while the same has been submitted as Rs. 16.10 Crore in Table 14. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

Kulhal HEP

1. UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 10.53 Crore in Table 8 of the Petition while the same has been submitted as Rs. 9.77 Crore in Table 14. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

Ramganga HEP

1. UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 34.44 Crore in Table 8 of the Petition while the same has been submitted as Rs. 28.65 Crore in Table 14. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.

☉ **MB-II HEP**

1. UJVN Ltd. has submitted the actual O&M expenses for FY 2015-16 as Rs. 48.43 Crore in Table 9 of the Petition while the same has been submitted as Rs. 50.47 Crore in Table 15. UJVN Ltd. is required to reconcile the data and maintain consistency at all places.