

Before

UTTARANCHAL ELECTRICITY REGULATORY COMMISSION

In the Matter of:

Approval of capital investment under clause 11 of Transmission and Bulk Supply Licence and Distribution and Retail Supply Licence.

In the Matter of:

Uttaranchal Power Corporation Limited
Urja Bhawan, Kanwali Road,
Dehradun

..... Applicant

AND

In the Matter of:

Application No. 31/2003 dated 26.11.2003 filed by Uttaranchal Power Corporation Ltd.

Coram

Sh. Divakar Dev

Chairman

Date of Order: 22nd January 2004

ORDER

The Petitioner, UPCL has submitted proposal for approval of capital investment for electrification of 319 villages under clause 11 of Transmission and Bulk Supply Licence and Distribution and Retail Supply Licence.

2. This investment proposal involving capital outlay of Rs. 4351.57 lakh is for electrification of 319 villages in various districts as per details given below in Table 1:

Table 1 : Details of Scheme for Electrification of villages

S. No.	Name of the District	Total no. of inhabited village	Villages already electrified	Balance villages to be electrified	Villages now covered for electrification	Total amount (Rs. in lakh)
GARHWAL DIVISION						
1.	Rudraprayag	518	425	93	23	311.06
2.	Chamoli/Gopeshwar	1105	864	241	89	968.24
3.	Uttarkashi	667	631	36	27	714.57
	Total	2290	1920	370	139	1993.87
KUMAON DIVISION						
1.	Almora	2162	1791	371	37	391.79
2.	Champawat	649	468	181	21	227.81
3.	Bageshwar	862	674	188	55	931.43
4.	Pithoragarh	1568	1184	384	67	806.67
	Total	5241	4117	1124	180	2357.70
	Total Uttarakhand	7531	6037	1494	319	4351.57

3. To meet this Capital Investment, the petitioner has proposed loan assistance under the REC's Interest Free Scheme for electrification of un-electrified villages. The intended objective of this investment as put forth by the petitioner is towards achieving the goal of electrification of all the villages in the State on time bound basis.

4. The Commission has no objection to the Petitioner's going ahead with this Capital Investment subject to the following;

- (a) That investment is done by suitably leveraging PMGY assistance along with REC interest free loan assistance in the manner given in para 5.11 of the UERC Tariff Order dated 08.09.2003, so that there is no financial burden due to interest payment or on account of repayment of the loans.

- (b) That all conditions as laid down by the lender i.e. REC for this scheme are strictly complied with.
- (c) That arrangements for execution of works and electrification of villages as envisaged by REC, are adequately tied up and the work is completed within the stipulated period of one year from the date of award of the contract, so that the loan drawn is fully interest free and there are no cost over runs or time over runs.
- (d) That if the licensee fails to adhere to the above stipulations (a), (b) & (c), the additional cost burden on this account, if any, shall not be recognized in the Annual Revenue Requirement of the petitioner and shall not be allowed to be passed on to the consumers.

(Divakar Dev)
Chairman