

Before

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

In the matter of:

Application seeking approval for the Investment on the project covering (i) releasing of 2,500 electricity connections for Private Tube-wells (ii) installation of double metering (iii) shifting of 3 phase meters outside the premises of the consumers (iv) installation of compact sub-station and (v) replacement of mechanical meters with electronic meters.

And

In the matter of:

MD, Uttarakhand Power Corporation Limited (UPCL)

... Petitioner

Coram

Shri C.S. Sharma

Member-Chairman

Shri K.P. Singh

Member

Date of Hearing: June 09, 2014

Date of Order: June 19, 2014

1. The Commission received an Application from UPCL in the matter of seeking approval for the Investment on the project covering (i) releasing of 2,500 electricity connections for Private Tube-wells (ii) installation of double metering (iii) shifting of 3 phase meters outside the premises of the consumers (iv) installation of compact sub-station and (v) replacement of mechanical meters with electronic meters vide letter No. 585/UPCL/RM/K-33 dated 29.03.2012.
2. The aforesaid application was admitted and after examination, the Commission decided that the works proposed at Sl. No. (i), (ii), (iii) & (v) of the Petition were required to be carried out in accordance with the Regulations and directives of the Commission from time to time, therefore, specific approval for the aforesaid works mentioned at Sl. No. (i), (ii), (iii) & (v) in the application was not required. Commission's direction, in this regard, was communicated to UPCL vide letter No. 300 dated 25.05.2012.
3. With regard to the work mentioned at Sl. No. (iv) pertaining to installation of compact substation, the Commission pointed out certain deficiencies viz.,

location, type, capacity and numbers etc., and informed UPCL for submission of details/information on the same.

4. UPCL vide its letter No. 1864 dated 28.08.2012 had submitted some information, which was examined and found to be unsatisfactory. The Commission vide its letter No. 861 dated 12.09.2012 informed UPCL that the submission is full of anomalies, hence, directed it to submit information in accordance with deficiencies pointed out for enabling further processing of the Petition.
5. In response UPCL vide its letter No. 1549 dated 09.07.2013 submitted the reply, which was further examined and following deficiencies were observed:
 - (i) *UPCL has revised the original scope of works, therefore, it should submit a fresh DPR in accordance with the provisions of the Conduct of Business Regulations.*
 - (ii) *UPCL, in its report, has proposed for the installation of 990 kVA CSS, while as per submission dated 09.07.2013, the capacity of 11/0.4 kV substations proposed to be replaced are not matching with the capacity of CSS i.e. 990 kVA. This would lead to overloading of CSS in the beginning itself. Besides this, information with regard to total number of LT circuits with load on each circuit should be furnished.*
 - (iii) *UPCL, in its Report, has submitted that by installation of CSS the improvement in standard of performance (LT/HT ratio ,reduction in losses etc.) would be achieved. UPCL should justify the same by providing necessary data/figures in support of its statement.*
 - (iv) *Details with regard to the tie up of funding the project with financial institution alongwith the terms and conditions should be provided.*
 - (v) *The Cost Benefit Analysis of the project should be provided.*
 - (vi) *The basis on which the cost of CSS has been estimated Rs. 12.00 crore should be provided alongwith the estimate.*
 - (vii) *The copy of resolution by Petitioner's Board, vide which approval of BoD for the said investment has been accorded for filing the petition before the Commission should be provided.*

The above deficiencies were communicated to UPCL vide Commission's letter No. 1032 dated 25.10.2013 directing UPCL to submit reasons/justifications/information on the above issues.

6. On non-receipt of reply from UPCL, the Commission issued three reminders vide letter No. 1607 dated 04.03.2014, No. 1697 dated 21.03.2014 & No. 101 dated 15.04.2014 respectively. Finally, UPCL submitted its reply in the matter vide letter No. 959 dated 30.04.2014 and the relevant extract of the same is reproduced below:

“ ...

- (i) *As regards query raised at para no. (i), it is submitted that the approval for the investment in installation of Compact Substations as submitted to the Hon'ble Commission was accorded in the 54th meeting of Board of Directors of UPCL held on 01.03.2012. A fresh DPR needs to be resubmitted to the Board for re-approval on the changed scope of works. The Commission is required to either.*
- (a) *Consider the already filed petition with modifications and changed scope of works, cost etc for the investment approval without obtaining the fresh approval of the Board; or*
- (b) *Grant sufficient time so that a fresh approval of the Board with changed scope or works, costs etc may be obtained and a fresh DPR is resubmitted.*
- (ii) *The replies to deficiencies found in point no. ii, iii, iv, v & vi are contingent upon the directions received from the Hon'ble Commission as to whether a fresh DPR after fresh approval from Board is to be submitted or the original DPR is to be submitted with modifications in scope of works, costs etc for which the replies for the point no. ii, iii, iv, v & vi can be given.*

...”

7. The Commission examined the reply of UPCL and decided to hear the matter and fixed hearing in the matter on 09.06.2014. A notice for hearing, in this regard, was sent to MD, UPCL for appearing before the Commission on the scheduled date.
8. The hearing was held on the scheduled date and Chief Engineer (Commercial), UPCL appeared before the Commission and submitted a letter No. 1259 dated 07.06.2014 requesting the Commission that since for postponement of the hearing, stating the reasons that the concerned officers of the licensee have gone on duty to Gairsain where Assembly session is proposed to be held from 09.06.2014 to 11.06.2014.

Commission's view

9. The Commission expressed displeasure that even after two years of filing petition, licensee has failed to cure deficiencies in its Petition and has now sought clarification from the Commission that whether to submit fresh DPR or allow modification of the already filed Petition. Notwithstanding the above, the Commission allowed UPCL opportunity of being heard and to the utter dismay of the Commission, UPCL submitted its inability to make any submission in the matter and on frivolous grounds sought for postponement of the hearing. The Commission feels that giving another opportunity of hearing to the licensee would be futile and would further delay the already delayed proceeding and decided to pass Orders and issue directions to the licensee in the matter.
10. With regard to proposal on installation of Compact Substation by UPCL, the Commission is of the view that merely augmentation of the existing substations may not be sole criteria for proposing replacement of existing substation by these specialized substations. The Commission directs UPCL to furnish comparison of the cost of these Compact Substation vis-à-vis cost of augmentation of the existing conventional substations. Licensee should also furnish data relevant to identification of site of these substations, existing and projected load etc.
11. In light of the above, the Commission decides to dispose off the present Petition, and orders that:

UPCL should file a fresh Petition giving complete justification for the need of the Compact Substation at the proposed locations adequately addressing the deficiencies pointed out in this Petition and directions in forgoing para.

(K.P. Singh)
Member

(C.S. Sharma)
Member-Chairman