

Before
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION
Petition No. 16 of 2017

In the matter of:

Augmentation of 220 kV Substation SIDCUL Haridwar from 2x80 MVA (132/33 kV)+ 1x50 MVA (220/33 kV) to 2x80 MVA (132/33 kV)+1x50 MVA (220/33 kV)+1x25 MVA (220/33 kV) and construction of 01 No. of 220 kV T/F Bay, 01 No. 33 kV T/F Bay & 02 No. of 33 kV feeder Bay.

And

In the Matter of:

Power Transmission Corporation of Uttarakhand Limited (PTCUL)

Shri Subhash Kumar Chairman

Date of Order: 29th June, 2017

ORDER

This Order relates to the Application filed by Power Transmission Corporation of Uttarakhand Ltd. (hereinafter referred to as "PTCUL" or "the Petitioner") vide letter No. 614/MD/PTCUL/UERC dated 01.04.2017, seeking approval of the Commission for the proposed investment under Para 11 of Transmission Licence [Licence No. 1 of 2003].

2. The estimated cost proposed by the Petitioner is as follows:

Table 1: Project cost proposed by the Petitioner

Particulars	Project Cost without IDC as per DPR (₹ Crore)	Project Cost including IDC as per DPR (₹ Crore)
Augmentation of 220 kV Substation SIDCUL Haridwar from 2x80 MVA (132/33 kV)+ 1x50 MVA (220/33 kV) to 2x80 MVA (132/33 kV)+1x50 MVA (220/33 kV)+1x25 MVA (220/33 kV) and construction of 01 No. of 220 kV T/F Bay, 01 No. 33 kV T/F Bay & 02 No. of 33 kV feeder Bay.	4.86	4.94

3. The Petitioner has submitted copy of extract of the 56th Minutes of BoD meeting of PTCUL held on 12.11.2016, wherein the Petitioner's Board has approved the Corporation's aforesaid proposal with a funding plan of 70% through loan assistance by financial institutions and balance 30% as equity funding from GoU.
4. To justify the need of the proposed work, the Petitioner submitted that:
 - (1) 220 KV Sub-Station SIDCUL Haridwar was energized in the year 2006 and is presently feeding supply to SIDCUL industrial area, Bahadarabad & IP-4 Industrial area of Haridwar. According to the Petitioner 02 No. 80 MVA Transformers are loaded to about 90% of their full load capacity & 01 No. 50 MVA transformer is loaded to about 80% of its full loaded capacity. Keeping in view the exponential growth in load and to meet out the present & future load demand it is very necessary to augment the system by installing 01 No. 220/33 kV 25 MVA Transformer alongwith associated 220 kV and 33 kV transformer bays and 02 Nos. 33 kV Feeder bays at 220 kV S/s SIDCUL Haridwar. According to the Petitioner the proposed 25 MVA T/F shall cater to the load of upcoming 33/11 kV sub-stations of UPCL namely 33/11 kV S/s sub-station Sector-3, 33/11 kV S/s sub-station Sector 11 & 33/11 kV S/s Sahdevpur, Haridwar.
 - (2) The Petitioner submitted that the following works of supply, design/erection, commissioning are covered under the scope of work:
 - (i) Shifting of 25 MVA Transformer from Chamba to SIDCUL.
 - (ii) Erection of 25 MVA Transformer.
 - (iii) Procurement of material for 01 No. 220 KV T/f Bay, 01 No. 33 KV T/f Bay & 02 No. of 33 KV feeder Bay.
 - (iv) Erection of 01 No 220 KV T/f Bay, 01 No. 33 KV T/f Bay & 02 No. of 33 KV feeder Bay.

Commission's observations, Views and Decision

5. On examination of the submissions of PTCUL, it has been observed that 02 nos. 2x80 MVA (132/33 kV) and 1x50 MVA (220/33 kV) transformers installed at 220 kV S/s SIDCUL, Haridwar are overloaded. Keeping in view the future load

growth and to meet the present load demand, augmentation of 220 kV S/s is essential.

6. However, on examining the financial aspects of the proposal, it has been observed that while preparing the estimate for the DPR, the Petitioner in addition to contingency has also included quantity variation and cost escalation both @ 20%. However, in absence of any justified reasons for including the said quantity variation and cost escalation, the Commission is not considering the same as of now in the Order.
7. Based on the above, against the Petitioner's proposed capital investment of an outlay of ₹ 4.94 Crore, the Commission hereby grants in-principle approval for the expenditure of ₹ 3.46 Crore only as per Table 2 given below with the direction that the Petitioner should go ahead with the aforesaid works subject to fulfillment of the terms & conditions mentioned in Para 8 below.

Table 2: Project cost proposed by the Petitioner vis-a-vis cost considered by the Commission

Particulars	Project Cost without IDC as per DPR (₹ Crore)	Cost considered by the Commission (₹ Crore)
Augmentation of 220 kV Substation SIDCUL Haridwar from 2x80 MVA (132/33 kV)+ 1x50 MVA (220/33 kV) to 2x80 MVA (132/33 kV)+1x50 MVA (220/33 kV)+1x25 MVA (220/33 kV) and construction of 01 No. of 220 kV T/F Bay, 01 No. 33 kV T/F Bay & 02 No. of 33 kV feeder Bay.	4.94	3.46

8. Terms and conditions subject to which in-principle approval granted by the Commission are as follows:
 - (i) The Petitioner should go for the competitive bidding for obtaining most economical prices from the bidders.
 - (ii) All the loan conditions as may be laid down by the funding agency in their detailed sanction letter are strictly complied with. However, the Petitioner is directed to explore the possibility of swapping this loan with cheaper debt option available in the market.

- (iii) The Petitioner shall, within one month of the Order, submit letter from the State Government or any such documentary evidence in support of its claim for equity funding agreed by the State Government or any other source in respect of the proposed schemes.
- (iv) After completion of the aforesaid schemes, the Petitioner shall submit the completed cost and financing of the schemes.
- (v) The cost of servicing the project cost shall be allowed in the Annual Revenue Requirement of the petitioner after the assets are capitalized and subject to prudence check of cost incurred.

Ordered accordingly.

(Subhash Kumar)
Chairman