

**Before**  
**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**Misc. Appl. No. 49 of 2018**

**In the Matter of:**

Application seeking approval for the investment on the project covering laying of 3250 Km. LT AB cable in theft prone and other areas of District Dehradun, Uttarkashi, Pauri, Haridwar, Nainital, US Nagar and Almora.

**And**

**In the Matter of:**

Uttarakhand Power Corporation Limited (UPCL),  
Dehradun.

**...Petitioner**

**Coram**

**Shri Subhash Kumar      Chairman**

**Date of Hearing: January 15, 2019**

**Date of Order: January 21, 2019**

**ORDER**

This Order relates to the Application filed by Uttarakhand Power Corporation Limited (hereinafter referred to as "UPCL" or "the Petitioner" or "the licensee") seeking approval for the investment on the project covering laying of 3250 Km. LT AB cable in theft prone and other areas of District Dehradun, Uttarkashi, Pauri, Haridwar, Nainital, US Nagar and Almora.

**Background**

2. The Petitioner vide its letter No. 2638/UPCL/Com/RMC-6/D(F) dated 02.07.2018 submitted Application for prior approval of investment under the provisions of the Clause 11 of Distribution and Retail Supply License and clause-40 of UERC (Conduct of Business) Regulations, 2014.
3. The Petitioner in its Application has submitted that:-  
“
  - i. *That with a view to minimize the theft of energy resulting in reduction of line losses in State of Uttarakhand, the applicant company has proposed laying of 3250 Km LT*”

AB cable in theft prone and other areas of District Dehradun, Uttarkashi, Pauri, Haridwar, Nainital, U.S. Nagar and Almora of Uttarakhand. The estimated cost of the project is Rs. 157.55 Cr., which will be met through loan (70%) from REC and Equity (30%) from State Government. Proposal for loan assistance will be submitted to REC later on. The duration of the project is 02 years.

- ii. That the field division shall carry out a survey to identify areas priority wise for the replacement of bare conductors on the basis of various parameters like losses on the feeders, theft, reliability of supply etc. the bare conductors would be replaced by AB cable of appropriate size. The length of LT AB Cable to be installed division wise is reproduced below for your kind consideration: -

Sl. No.	Name of Division	Length of LT AB Cable to be installed			
		3x120+1x95 (Sq mm)	3x95+1x70 (Sq mm)	3x25+25 (Sq mm)	Total
1	Vikasnagar	-	50.00	100.00	150.00
2	Rishikesh	100.00	100.00	-	200.00
3	Doiwala	50.00	50.00	-	100.00
4	Uttarkashi	-	-	150.00	150.00
5	Kotdwar	-	100.00	50.00	150.00
6	Roorkee(Urban)	100.00	100.00	-	200.00
7	Roorkee(Rural)	100.00	100.00	-	200.00
8	Haridwar(Urban)	100.00	100.00	-	200.00
9	Haridwar(Rural)	100.00	100.00	-	200.00
10	Haldwani(Urban)	100.00	100.00	-	200.00
11	Ramnagar	-	100.00	50.00	150.00
12	Haldwani(Rural)	100.00	100.00	-	200.00
13	Kashipur	100.00	100.00	-	200.00
14	Bazpur	100.00	100.00	-	200.00
15	Jaspur	100.00	100.00	-	200.00
16	Almora	-	50.00	100.00	150.00
17	Rudrapur	100.00	100.00	-	200.00
18	Sitarganj	100.00	100.00	-	200.00
<b>Total UPCL</b>		<b>1250.00</b>	<b>1550.00</b>	<b>450.00</b>	<b>3250.00</b>

4. The Petitioner in its Application has submitted a Detailed Project Report alongwith approval of BoD held on 85<sup>th</sup> BOD meeting dated 08.03.2018 and has submitted that the proposed investment will be financed through 70% loan from REC for which proposal has been submitted and the remaining 30% will be met through Internal Resources.
5. On preliminary examination of the Application, the Commission vide its letter no. 655 dated 25.07.2018 issued following deficiencies/requirement of additional information :  
  
“  
1. *UPCL under the Facts of the case has mentioned that :-  
“...the field division shall carry out a survey to identify areas priority wise for the replacement of bare conductors on the basis of various parameters like losses on the feeders, theft, reliability of supply etc. the bare conductors would be replaced by AB cable of appropriate size. ”*  
  
*From the above, it is observed that the works proposed under the Petition filed before the Commission have not been identified/firmed-up meaning thereby location/site for laying of the AB cable is at the discretion of respective field engineers. This discretionary nature of the proposal makes the investment as expenditure under O&M rather than Capital.*  
  
*UPCL is required to clarify the same and submit division-wise specific information viz. Name of DT & LT feeder, Rating of DT, Length of AB cable to be installed, No. of consumers connected in that particular feeder. Further, UPCL is required to furnish feeder-wise purpose of installation of AB cable i.e. theft reduction/reliability/safety etc.*  
  
2. *UPCL is required to furnish division-wise distribution & AT&C losses for FY 2016-17 & FY 2017-18 specifically for the Divisions where proposed works are to be carried out. ”*
6. In response to the same, UPCL vide its letter no. 4068 dated 09.11.2018 requested the Commission for one month additional time extension for submitting the compliance.
7. On non-receipt of any submission from the petitioner, the Commission vide its letter dated 08.01.2019 issued a notice for hearing on admissibility of the Application on 15.01.2019.
8. The hearing was held on the scheduled date i.e. 15.01.2019 and during the hearing, the Petitioner requested the Commission for further time extension of 60 days for submitting the project specific information as desired by the Commission.

### Commission's Observations, Views & Directions:-

9. The Commission has observed that since the location/feeder-wise details of the works proposed under the Misc. Application have not been provided and the works proposed under the Application are at the discretion of the field engineers. This discretionary nature of the proposal makes the investment as expenditure under O&M rather than capital. The Commission is of the view that within the Electricity Distribution Division, the submission of location/feeder-wise specific requirement of LT AB cable is important for evaluating the proposed benefits of the investment. Further, despite giving ample opportunity (i.e. almost a period of more than 6 months) to the Petitioner for submitting the desired information, mentioned at para 5 above, the Petitioner could not submit the requisite information to the Commission till date.
10. Further, with regard to the request of the UPCL for the time extension of 60 days at this juncture, the Commission have observed that the instant Application has been filed by the Petitioner for executing works during the period FY 2017-18 & FY 2018-19 and the aforesaid time extension is being sought by UPCL at the fag end of FY 2018-19 meaning thereby the proposed execution period will be over by the time information is submitted by the Petitioner.
11. Therefore, the Commission is of the view that the Petitioner should file a fresh Petition for approval of the investment for executing the works in next financial year covering the 'division-wise specific information viz. Name of DT & LT feeder, Rating of DT, Length of AB cable to be installed, No. of consumers connected in that particular feeder alongwith feeder-wise purpose of installation of AB cable i.e. theft reduction/reliability/safety etc.'.
12. In light of the above, the Commission hereby decides to dispose-off the instant Misc. Application.

Ordered accordingly.

**(Subhash Kumar)**  
**Chairman**