

Before
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION
Petition No. 71 of 2016

In the Matter of:

Petition for Investment Approval of construction of Colony at 132 kV Substation Majra Campus Dehradun.

And

In the Matter of:

Power Transmission Corporation of Uttarakhand Limited (PTCUL)

.....Petitioner

Coram

Shri Subhash Kumar Chairman

Date of Order: 10 April, 2019

ORDER

This Order relates to the Petition filed by Power Transmission Corporation of Uttarakhand Ltd. (hereinafter referred to as "PTCUL" or "the Petitioner") seeking approval of the Commission for the investment of construction of colony at 132 kV Substation Majra Campus, Dehradun.

1. Background of the case

1.1. PTCUL vide its letter No. 1896/MD/PTCUL/UERC dated 18.11.2016 filed an Application/Petition under Electricity Act, 2003 and UERC (Conduct of Business) Regulation, 2004 for seeking investment approval for Construction of Colony at 132 kV Substation Majra Campus, Dehradun.

1.2. Earlier the Petitioner had filed a similar application before the Commission seeking investment approval for Construction of Colony at 132 kV Substation Majra Campus, Dehradun vide its letter No. 06/Dir.(Projects)/PTCUL/UERC dated 07.01.2015, which was disposed off by the Commission vide its Order dated 12.02.2016, on not finding the same justified. The Commission in the said Order had held that:

“19. The annual recurring cost to be incurred on the proposed capital expenditure is substantially higher than annual rent calculated as above on the basis of Petitioner’s submissions. On comparison of the above costs it is evident that construction of the proposed colony would have an additional annual expense to the tune of ₹ 21.09 Crore on the Petitioner, which in turn will be passed on to the consumers of the State in their retail tariffs. Hence, such uneconomical option is not justified.

On the contention of the Petitioner stated at para 9 above, that these accommodation facilities to the employees in the proposed colony would ensure their availability on duty even during odd hours in any emergent situation, the Commission is of the view that it might be applicable for the staff/officers residing in campus colonies of the respective Sub-stations/Load Despatch Center premises. However, the same does not hold good for a township/colony in a town for catering to employees posted in different Sub-stations/field units away from the town and commuting on daily basis.

Based on the above, the Commission is of the view that need of the capital expenditure proposal is not justified.

...”

1.3. Subsequent to the filing of the present Petition, the Commission decided to conduct a hearing in the matter on 27.12.2016, wherein, the Commission

admitted the Petition vide its Order dated 27.12.2016. Thereafter, as an additional submission, PTCUL vide its letter dated 24.03.2017 submitted a revised proposal for construction of colony at Majra Dehradun.

1.4. Meanwhile the Petitioner vide its letter No. 929/MD/PTCUL/UERC dated 08.04.2019 submitted before the Commission an Order dated 25.02.2019 of GoU, inter alia, directing all the Government undertakings not to make any expenditures on construction of new official/residential buildings. The Government has held as under:

“(10) मुख्यालयों पर नये कार्यालय/अवासीय भवन निर्मित न किये जाए तथा निर्माणाधीन भवनों को यथा सम्भव शीघ्र पूर्ण कर उसको उपयोग में जाया जाए।”

2. Commission’s Views and Decision

2.1 On the basis of subsequent submissions of the Petitioner dated 08.04.2019, it has been observed that proceeding ahead in the matter shall be unyielding as the Petitioner will not be able to materialize the amount if at all the approval is granted. Moreover, the Commission observes that many important investment approvals relating to system strengthening works, new substations/line works accorded to the Petitioner by the Commission have not been completed till date due to shortage of funds. Therefore, in light of the present facts the Commission is of the view that it would not be prudent to grant investment approval in the matter to the Petitioner. Hence, the Petition is hereby rejected.

Ordered accordingly.

(Subhash Kumar)
Chairman