

Before

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

In the matter of:

Power Transmission Corporation of Uttarakhand Limited's Petition on Aggregate Revenue Requirement and Tariff Proposal for FY 2012-13.

AND

In the matter of:

Power Transmission Corporation of Uttarakhand LimitedPetitioner
7-B, Lane No. 1, Vasant Vihar Enclave, Dehradun

Coram

Shri Jag Mohan Lal Chairman

Date of Order: 08th December 2011

Order

This order relates to the Petition on Annual Revenue Requirement and Tariff for FY 2012-13 filed by Power Transmission Corporation of Uttarakhand Limited (PTCUL), hereinafter referred to as the Petitioner, on 30.11.2011.

2. The Commission provisionally admits the Petition for further processing subject to the condition that PTCUL shall furnish any further information/clarifications as deemed necessary by the Commission during the processing of the Petition and provides such
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information and clarifications to the satisfaction of the Commission within the time frame as may be stipulated by the Commission failing which the Petition would be treated as deemed returned on the due date for last information sought by the Commission and the Commission would proceed to dispose of the matter as it deems fit based on the information available with it.

3. The Commission further directs the Petitioner to publish a public notice within 3 days from the date of this Order detailing the salient information and facts of the ARR petitions & proposals filed by it for FY 2012-13 in the format given at Annexure 1 in at least two daily newspapers (one Hindi and one English) widely circulated in the area of its operation both in Hindi and English languages for comments by all stakeholders and public at large. The Petitioner is also directed to place the Petition on its website and its headquarters/other offices for inspection or making relevant extracts available to the public.

-Sd-

(Jag Mohan Lal)
Chairman

POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD
7-B, Lane No. 1, Vasant Vihar Enclave, Dehradun - 248006

Inviting Comments on the Petition filed by PTCUL for approval of the ARR & Proposed Transmission Charges for FY 2012-13

Salient Points of the ARR/Tariff Petition

Power Transmission Corporation of Uttarakhand Limited (PTCUL), a Transmission licensee in the State of Uttarakhand has filed a petition before the Commission for approval of its Annual Revenue Requirement (ARR) & Transmission Charges for the Financial Year 2012-13. PTCUL has also proposed final truing up of its expenses for FY 2004-05 to FY 2010-11 on the basis of audited accounts and has also sought approval of the revised estimate for FY 2011-12. The summary of the projections for FY 2012-13 along with the revised estimates for FY 2011-12 is given in the following Table:

| Summary of the ARR of PTCUL (FY 2012-13) - ₹ Lakh | | | | |
|--|---|--------------|-------------------|---------------------|
| S. No. | Particulars | FY 2011-12 | | 2012-13 (Projected) |
| | | Approved | Revised Estimates | |
| 1 | Depreciation | 1440 | 2283.04 | 4691.12 |
| 2 | Advance Against Depreciation | 1771 | 5029.77 | 5618.80 |
| 3 | O&M Expenses | 7402 | 9312.14 | 10283.77 |
| 4 | Interest on Long Term Loans | 2062 | 4019.06 | 5609.00 |
| 5 | Interest on Working Capital | 418 | 813.03 | 1094.18 |
| 6 | Gross Expenditure | 13092 | 21457.05 | 27296.87 |
| 7 | Add: Return on Equity | 16 | 768.11 | 1767.96 |
| | Add: Guarantee Fees | 0 | 651.57 | 651.57 |
| 8 | Less: Non Tariff Income | 286 | 116.16 | 123.63 |
| 9 | Annual Revenue Requirement (ARR) | 12822 | 22109.00 | 28941.20 |
| 10 | Truing up for previous years | 360 | 0.00 | 0.00 |
| 11 | Annual Transmission Charges | 13182 | 22109 | 28941.20 |

- The Transmission Tariff for FY 2012-13 has been proposed as ₹ 123014/MW/month of contracted/ allocated capacity on basis of the assumption that the capacity to be handled during FY 2012-13 will be 1960.56 MW.

3. PTCUL has requested the Commission to also allow it carrying cost alongwith the final trued up expenses. The summary of truing up for FY 2004-05 to FY 2010-11 claimed by PTCUL is given in the table below:

| Particulars | Aggregate for FY 2004-05 to FY 2010-11 | | |
|---|--|---|--------------------------------|
| | Approved by the Commission in the Tariff Order | Allowed by the Commission after provisional truing-up | Actual as per Audited Accounts |
| | (a) | (b) | (c) |
| Net O&M Expenses | 26778.00 | 21068.00 | 29172.62 |
| Interest Charges net of Capitalization | 8628.00 | 6983.00 | 12226.32 |
| Depreciation | 8369.00 | 6145.00 | 8755.67 |
| Advance against depreciation | 2473.00 | 1666.00 | 0.00 |
| Interest on working capital | 1356.00 | 1086.00 | 1680.60 |
| Gross Expenditure | 47604.00 | 36948.00 | 51835.23 |
| Reasonable Return | 86.00 | 48.00 | 3384.25 |
| Less: Non Tariff Income | 1020.00 | 1496.00 | 1205.95 |
| ARR | 46670.00 | 35500.00 | 54013.53 |
| Allowable True-up - Deficit/ (Surplus) [c-b] | | | 8340.53 |

4. PTCUL has also sought approval of the ARR for associated transmission system of Bhilangana-III power plant for which it has furnished details separately in the petition.
5. PTCUL has sought an increase of about 120% from the approved transmission charges of FY 2011-12. If the increase in revised estimate for FY 2011-12 and also the impact of final truing up for the FY 2004-05 to FY 2010-11 is also considered the total increase would work out to 250%. Hence, if the entire claim of PTCUL is accepted by the Commission, additional hike of about 9% in consumer tariff shall be required over and above the hike proposed by UPCL.
6. Detailed proposals can be seen free of cost on any working day at the Commission's office or at the office of Managing Director, Power Transmission Corporation of Uttarakhand Limited, _____. Relevant extracts can also be obtained from the above mentioned offices of the Petitioner.

7. The proposals are also available at the website of the Commission (www.uerc.gov.in) and at PTCUL's website (.....).
8. Responses/ suggestions if any are sought from the consumers and other stakeholders on the above proposals. Responses may be sent to the Secretary, Uttarakhand Electricity Regulatory Commission, Ist Floor, Institution of Engineers (I) Building, Near I.S.B.T., Majra, Dehradun either in person or by post or through e-mail to uttaranchalerc@rediffmail.com as a statement of objections or comments with copies of the documents and evidence in support thereof so as to reach the Secretary by 15.01.2012.