



Uttarakhand Electricity Regulatory Commission

'Vidyut Niyamak Bhawan',
Near ISBT, PO- Majra, Dehradun-248171

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No. UERC/6/TF-285/15-16/2015/ 1568

Date: 15-Jan., 2016

To,

Managing Director,
Uttarakhand Power Corporation Ltd. (UPCL),
Urja Bhawan, Kanwali Road,
Dehradun.

Sub.: Filing of Petition for Business Plan for the Control Period FY 2016-17 to FY 2018-19.

Sir,

This is with reference to the Technical Validation Session held on 13.01.2016 at 11.00 AM at the Commission's office on the above-mentioned subject. In this regard, the minutes of the said TVS meeting are enclosed as Annexure-A for information and necessary action at your end. You are required to submit your reply in seven copies alongwith the soft copy of the same accompanied with an affidavit.

Encl. as above

Yours sincerely,

(Neeraj Sati)
Secretary
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Minutes of Technical Validation Session held on January 13, 2016
in the matter of UPCL's Petition for approval of Business Plan for the MYT Control Period FY
2016-17 to FY 2018-19

Present:

UERC

1. Shri Subhash Kumar, Chairman, UERC
2. Shri Neeraj Sati, Secretary, UERC.
3. Shri Deepak Pandey, Director (Finance), UERC.
4. Shri Prabhat Kishor Dimri, Director (Technical), UERC.
5. Shri K.K. Gupta, Dy. Director (Finance/Tariff), UERC.
6. Shri Yashwardhan Dimri, Assistant Director (Technical), UERC.
7. Shri Gaurav Sabharwal, Assistant Director (Finance/Tariff), UERC.
8. Shri Gaurav Lohani, Assistant Director (Accounts), UERC.
9. Ms Divya Sood, Legal Consultant, UERC.
10. Shri Shivanku Bhatt, Legal Consultant, UERC.
11. Shri Suresh Gehani, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.).
12. Shri Namala K.M. Choudhary, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.).

UPCL

1. Shri M.A. Khan, Director (Finance), UPCL.
2. Shri Atul Kumar Agarwal, Director (Operations), UPCL.
3. Shri A.K. Singh, Chief Engineer, UPCL.
4. Shri M. Iqbal, Dy. General Manager (F), UPCL.
5. Shri Neeraj Kumar Kandpal, Dy. Chief Accounts Officer, UPCL.
6. Shri K.A. Pal, Accounts Officer, UPCL.
7. Shri S.K. Mehta, Asstt. Accounts Officer, UPCL.
8. Shri Kunal Singhal, Consultant, UPCL.
9. Shri Himank Prakash, Consultant, UPCL.

At the onset of the meeting, Hon'ble Chairman elucidated upon the importance of Technical Validation Session that such meetings are being held so as to have better understanding of submissions and queries in the matter of Petitions made by the licensee and the information sought by the Commission. The Hon'ble Chairman stressed upon the need of accurate and timely reply to be submitted by the licensee resulting in curtailment in exchange of written correspondences between the Commission and licensee enabling in efficient utilisation of time so that the ARR proceedings may be completed within the stipulated timeframe as have been done in the previous financial years.

The queries raised by the Commission and the replies submitted by UPCL were discussed in detail and salient features of the discussion are as follows:

1. UPCL agreed to submit the following details related to year wise recruitment and retirement:
 - Actual Number of Employees recruited during FY 2015-16 till 31st December 2015.
 - Actual Number of new employees joined during FY 2015-16 till 31st December 2015.
 - Employees likely to be recruited and likely to join during January to March 2016.
 - Actual Number of Employees retired during FY 2015-16 till 31st December 2015.
 - Employees likely to retire during January to March 2016.
 - Revised recruitment plan for each year from FY 2016-17 to FY 2018-19 alongwith the current status giving the preparedness and expected time for each recruitment.
 - Number of employees retiring during each year from FY 2016-17 to FY 2018-19.
2. UPCL to submit the category wise actual sales data for the period April 2015 to October 2015 alongwith the CS-3 and CS-4 Statements for FY 2014-15 and for the period April to October 2015.
3. UPCL to submit the complete source wise power purchase details separately showing the energy purchased, energy received, fixed charges, energy charges, incentive, arrears and any other cost (Com Data) for:
 - FY 2014-15
 - April to October 2015
4. As regards the capital expenditure plan submitted by UPCL for each year of Control period, UPCL to submit the following information with respect to preparedness for each scheme separately:
 - Action Plan with PERT Chart for each scheme.
 - Current Status of Detailed Project Report.
 - Status of Tendering process.

- Status of Fund Tie-Up.

5. UPCL on the issue of provision of Bad Debts vide its reply dated December 29, 2015 submitted that provision for bad debts has been considered in accordance with the Regulation 31 of the Tariff Regulations, 2015. Regulation 31 of the Tariff Regulations, 2015 stipulates as follows:

“The Commission may allow a provision for bad and doubtful debts upto one percent (1%) of the estimated annual revenue of the distribution licensee, subject to actual writing off of bad debts by it in the previous years.

Provided where that where the total amount of such provisioning allowed in previous years for bad and doubtful debts exceeds five (5) percent of the receivables at the beginning of the year, no such appropriation shall be allowed which would have the effect of increasing the provisioning beyond the said maximum.”

UPCL to submit the detailed justification for claiming receivables in light of the provisions of Regulations.

6. UPCL to submit the Audit Report on Receivables.
7. UPCL to submit the current status and revised plan for replacement of electro-mechanical meters with electronic meters.

UPCL agreed to submit the information in the phased manner and the last date for submission of the entire information is fixed as January 28, 2016.