



Uttarakhand Electricity Regulatory Commission

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

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No. UERC/6/TF-286/15-16/2016/1465

Date: 05-January, 2016

To,

Managing Director,
Power Transmission Corporation of Uttarakhand Ltd.,
Vidyut Bhawan, Near I.S.B.T. Crossing,
Saharanpur Road, Majra,
Dehradun-248002

Sub.: Power Transmission Corporation of Uttarakhand Limited's Petition for True up for FY 2014-15, Annual Performance Review for FY 2015-16 and Multi Year Tariff for the Control Period FY 2016-17 to FY 2018-19.

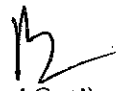
Sir,

This is with reference to your Petition on the above-mentioned subject. In this regard, additional deficiencies/shortcomings have been observed which are enclosed as Annexure-A. You are required to submit the point-wise replies duly quoting titles/sub-titles and Sl. No. identical with the deficiencies referred to in enclosed Annexure-A. You are also required to submit your reply on the same latest by 11.01.2016 in seven copies alongwith the soft copy of the reply accompanied with an affidavit.

Further, this is also to inform you that a Technical Validation Session is scheduled to be held on 12.01.2016 at 03.30 PM to discuss the submissions made by you with respect to your Petition. In this regard, you are requested to attend the same alongwith the concerned officials.

Encl. as above

Yours sincerely,


(Neeraj Sati)
Secretary
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Power Transmission Corporation of Uttarakhand Ltd. (PTCUL) MYT Petition for the Control Period from FY 2016-17 to FY 2018-19 in accordance with UERC (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2015

Information requirement for analysis of the Petition

1. Vide its replies dated 16.12.2015, PTCUL submitted the details of completed projects in FY 2014-15 in the format specified in Form 9.5. In this regard, PTCUL is required to submit the duly filled in forms with details of liabilities/provisions, reasons for variation etc. as specified in the format.

True up for FY 2014-15

2. PTCUL claimed the capitalisation of Rs. 91.27 Crore in FY 2014-15. Vide the letter dated 09.12.2015, the project wise capitalisation within each scheme was sought. Vide its replies dated 16.12.2015 (Annexure 3), PTCUL submitted the details of capitalisation for an amount of ₹ 68.14 Crore in FY 2014-15. PTCUL is required to submit the similar details for balance amount capitalised.
3. PTCUL is required to submit the capitalisation claimed in FY 2014-15 in the following format:

Scheme	Project	Approved cost as per the Investment Approval	Actual capitalisation upto 31.03.2014	Capitalisation approved by the Commission upto 31.03.2014	Capitalisation/ Additional Capitalisation claimed in FY 2014-15	Justification for additional capitalisation in FY 2014-15 in accordance with UERC Tariff Regulations, 2011
		₹ Crore	₹ Crore	₹ Crore	₹ Crore	₹ Crore
REC New					
					
	Sub-total					
REC IV					
					
	Sub-total					
.....					
Total						

4. PTCUL is required to submit the year wise equity infusion by the Government of Uttarakhand for FY 2014-15 and for FY 2015-16 upto 31.11.2015 alongwith supporting documents.
5. The actual employee expenses (under the head 'salary, wages, allowances and bonus') for FY 2014-15 has increased to ₹ 38.37 Crore from ₹ 35.85 Crore in FY 2013-14 while the number of employees in FY 2014-15 has reduced to 752 from 784 in FY 2013-14. PTCUL is required to submit the justification for increase in employee expenses (under the head 'salary, wages, allowances and bonus') from FY 2013-14 to FY 2014-15 while the number of employees has decreased from FY 2013-14 to FY 2014-15.
6. The actual R&M expenses (under the head 'Building & Civil Works') for FY 2014-15 has increased to ₹ 2.46 Crore from ₹ 1.15 Crore in FY 2013-14 while the actual expenses under all the other heads has decreased from FY 2013-14. PTCUL is required to submit the justification for the increase in R&M

expenses (under the head 'Building & Civil Works') from FY 2013-14 to FY 2014-15.

7. As per the audited accounts for FY 2014-15, the actual A&G expenses are ₹ 14.21 Crore. PTCUL should submit details alongwith justification for increase in "other professional charges" in FY 2014-15 from ₹ 0.21 Crore to ₹ 0.62 Crore. PTCUL is also required to submit details of expenditure of ₹ 0.01 Crore incurred in CSR.
8. The Commission had approved the one time provision of ₹ 1 Crore in the normative A&G expenses approved for FY 2014-15. PTCUL is required to submit the actual expenses incurred out of the same and the nature of such expenses along with supporting documents.
9. PTCUL should submit the actual interest on working capital for FY 2014-15 reconciling the same with the audited accounts.
10. In accordance with the audited accounts for FY 2014-15 trade receivable from UPCL for the FY ending 31.03.2015 has been increased to ₹ 41.85 Crore from ₹ 18.91 Crore in FY 2013-14. PTCUL is required to submit the details alongwith justification for the same.
11. PTCUL is also required to submit trial balances for FY 2014-15.
12. PTCUL is also required to submit details of no. of employees retired during FY 2014-15.

MYT for FY 2016-17 to FY 2018-19

13. PTCUL has submitted GFA addition of ₹ 238.13 during FY 2015-16. In this regard, PTCUL is required to submit information in the workable excel format as follows:

Financial and physical progress of the projects/works to be executed in FY 2015-16

Name of projects/ works	Date of Completion		Approved Capital Cost	Capital Expenditure as on 30.11.2015 or latest available	Physical Progress			Remarks (If works pending for approval give details thereof)
	Original Proposed	Revised Proposed			Designed No. of tower/ length of t/m line/etc...	Actual No. of tower/ length of t/m line/ etc... till 30.11.2015 or latest available	% of Completion as on 30.11.2015 or latest available	
Scheme-1 Project 1 Project 2 Project 3 ...								
Scheme-2 Project 1 Project 2 Project 3								
Scheme-3								
Total								

14. PTCUL has proposed provision of ₹ 2 Crore each year in A&G expenses for FY 2016-17 to FY 2018-19 towards insurance of fixed assets. PTCUL is required to submit the justification for a separate provision towards insurance of fixed assets when such expenses are already covered under the A&G expenses.
15. Vide its replies dated 28.12.2015, PTCUL submitted Form 15.2 (Calculation of weighted average interest rate on actual loans). In the said Form, PTCUL submitted the interest rate for all REC loans as a whole, and all PFC loans as a whole. PTCUL is required to submit the calculation of weighted average interest rate on actual loans considering all the individual loans as per the audited accounts, separately.
16. PTCUL is required to submit trial balance as on 30.09.2015.