



# Uttarakhand Electricity Regulatory Commission

'Vidyut Niyamak Bhawan',

Near ISBT, PO- Majra, Dehradun-248171

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No. UERC/6/TF-291/15-16/2016/1447

Date: 01-Jan, 2016

To,

Managing Director  
UJVN Ltd.,  
"Ujjwal", Maharani Bagh,  
GMS Road, Dehradun -248006

**Sub: Petition for Business Plan for the period FY 2016-17 to FY 2018-19 of UJVN Ltd.**

Sir,

This is with reference to your petition dated 30.11.2015 and subsequent submission vide letter dated 16.12.2015 on the above mentioned subject. In this regard, additional deficiencies/shortcomings have been observed which are enclosed as Annexure-A. I have been directed to inform you 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 required to submit your reply on the same latest by 07.01.2016 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 on 12.01.2016 at 11.00 a.m. 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,

  
Secretary

e/c

**UJVN Ltd.'s Petition for approval of Business Plan for the MYT Control Period FY 2016-17 to FY 2018-19 in accordance with UERC (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2015**

**Additional information required for Analysis of the Business Plan Petition**

UJVN Ltd. should submit the replies in soft copy and hard copy.

1. UJVN Ltd. in its Petition has proposed to recruit 321 employee in FY 2015-16 as against actual recruitment of 40 employees in FY 2014-15. In this regard, UJVN Ltd should submit the following:
  - a. Actual number of employees recruited in FY 2015-16 till November 2015
  - b. Current Status of employees proposed to be recruited in December 2015 to March 2016.
2. UJVN Ltd. in its Petition has proposed to recruit 211 employee in FY 2016-17. In this regard, UJVN Ltd should submit the steps taken till date for recruitment proposed in FY 2016-17.
3. As per regulation 8(2) MYT regulation 2015 UJVN Ltd is required to submit the details in respect of its manpower planning for the control period. Although UJVN Ltd. has submitted the employee details in Annexure-6 of MYT petition. However the detail of employee's designation has not been furnished. UJVN Ltd. is required to furnish designation wise details of manpower planning.
4. UJVN Ltd. in its submission dated December 16, 2015 requested the Commission to include the two more SHPs i.e., Pilangad and Dunao in the list of upcoming Small Hydro Projects. UJVN Ltd. should submit the following information with respect to these two Projects:
  - a. Total Capital Cost and Means of Finance
  - b. Current Status of the Project
  - c. Extracts of Project Report towards justification for the Project
  - d. First Year and levelised tariff of the Project

5. UJVN Ltd. in its submission dated December 16, 2015 has provided the revised section on Alternate Sources: Development of Solar Power Plants at Annexure-6. In Annexure-6, UJVN Ltd submitted the list of 6 future projects which are under planning, installation and commissioning stages. In this regard, UJVN Ltd., should provide the following information
  - a. Current Status of each project
  - b. Extracts of Project Report towards justification for the Project
  - c. First Year and levelised tariff of the Project
6. UJVN Ltd. in its Petition has submitted the proposed Capital Expenditure Plan for ongoing projects either as capital expenditure for annual maintenance and the regular works or RMU Works. In this regard, UJVN Ltd., should submit the following information with respect to proposed capital expenditure during the control period for each station separately:
  - a. Specific provision under Regulation 22(2) under which such Capex. has been proposed.
  - b. Status of in-principle approval by the Commission for RMU works.

In case UJVN Ltd., has proposed additional capital expenditure which has become necessary for efficient operation of generating station, UJVNL should submit the technical justification duly supported by the documentary evidence as per the provisions of the Regulations.

7. UJVN Ltd. at Page no. 8 has mentioned that the generation in FY 15 has dipped down by 4.42% as compared to FY 11. UJVN Ltd. is required to submit the calculations for the same.
8. UJVN Ltd. has apportioned the head office expenses on the basis of 85%:10%:5% among 9 LHPs, MB-2 & SHPs respectively. Whereas the Commission in its tariff order had considered the same as 80:10:10 respectively. UJVN Ltd. is required to submit justification for the same.
9. The capitalization details furnished by UJVN Ltd. for 10 LHPs for FY 2015-16, 2016-17, 2017-18 & 2018-19 are not matching with the details provided in Annexure A to Annexure J of the petition respectively. UJVN Ltd. is required to correct and submit the justification for the deviations in figures mentioned in respective capitalization table of LHPs and the Annexures. Further, UJVN Ltd. is required to indicate the Cost

Breakup of Additional Capitalization w.r.t RMU, DRIP and details of apportioned expenses for respective LHPs.

10. UJVN Ltd. should submit the details of capitalised value of land revenue abatement for its upcoming projects namely Vyasi and Lakhwar as detailed in page no. 15 & 23 of the Petition respectively.
11. UJVN Ltd. at page no. 45 in financing of Capital Expenditure has indicated the debt-equity ratio as 80:20. Further it is mentioned that debt will be provided by KFW & PFC. UJVN Ltd. is required to confirm the debt-equity ratio along with source of debt funding from KFW & PFC.
12. UJVN Ltd. w.r.t. major shut down plan of Power Stations is required to furnish LHP wise details of Generation Loss on account of Annual Maintenance, Comprehensive Maintenance, DRIP Closure & RMU Activities for FY 2015-16, 2016-17, 2017-18 & 2018-19.
13. In Outage Plan for FY 2015-16 for Khatima unit-1 no. of days of outage is indicated as 969 days. UJVN Ltd. is required to check the same & correct it accordingly.
14. UJVN Ltd. under trajectory of performance parameter in table no. 58 & 59 has indicated Plant Availability Factor FY 2015-16, 2016-17, 2017-18 & 2018-19. The Plant Availability Factor data furnished for respective LHPs is not consistent and matching with the outage plan of respective LHPs for FY 2015-16, 2016-17, 2017-18 & 2018-19. UJVN Ltd. is required to cross check the consistency of PAF with respect to the outage plan of the respective LHP for the aforesaid periods.
15. UJVN Ltd. is required to confirm that auxiliary consumption percentages for FY 2015-16, 2016-17, 2017-18 & 2018-19 have been considered after taking into account the proposed RMUs activities of the respective LHPs during the aforesaid period.
16. With regard to the additional capitalisation details furnished by UJVN Ltd. for FY 2015-16, 2016-17, 2017-18 & 2018-19 a lot of inconsistencies in classification of expenses under various heads has been observed as follows :
  - a. In Additional Capitalisation detail for FY 2015-16 in Chibro LHP Expenses on furniture for office and field hostel amounting Rs. 10 lakh has been considered under plant & machinery.
  - b. In Additional Capitalisation detail for FY 2015-16 in Khodri LHP Expenses on hiring of emergency vehicle for power house amounting Rs. 4 lakh has been

considered under plant & machinery. Further procurement of computer consumables (toner & cartridges) amounting Rs. 7 lakh has been considered under plant & machinery.

- c. In Additional Capitalisation detail for FY 2015-16 in Khodri LHP Expenses on procurement of spheres and overhauling service amounting to Rs. 7 lakh has been considered under plant & machinery.

UJVN Ltd. is required to check for such inconsistencies in the additional capitalisation detail of all 10 LHPs for FY 2015-16, 2016-17, 2017-18 & 2018-19 & resubmit all the Annexures as desired at S.No 9 above.