



**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**Vidyut Niyamak Bhawan, Near I.S.B.T., P.O.-Majra, Dehradun-248171**

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No. UERC/6/TF/239/2014-15/1913

Date: 20 January, 2015

To,

Managing Director,  
UJVN Ltd.,  
"UJJAWAL", Maharani Bagh,  
GMS Road, Dehradun

**Sub.: Filing of Petition for True up from FY 2004-05 to FY 2013-14, Annual Performance Review for FY 2014-15 and ARR/Tariff for the FY 2015-16.**

Sir,

This is with reference to the Technical Validation Session held on 16.01.2015 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.

Yours sincerely,

Encl. as above

  
(Neeraj Sati)  
Secretary  
o/c

**First Technical Validation Session on  
UJVN Limited Petition for approval of True up of FY 2013-14  
APR for FY 2014-15 and Tariff for FY 2015-16**

**Minutes of Meeting held on January 16, 2015 in the Commission's office**

**Present:**

**UERC**

Shri Neeraj Sati, Secretary

Shri Deepak Pandey, Director (Finance)

Shri Prabhat Kishor Dimri, Director (Technical)

Shri Rajnish Mathur, Director (Costing/Licensing)

Shri K K Gupta, Deputy Director (Finance/Tariff)

Shri Yashwardhan Dimri, Assistant Director (Technical)

Shri Suresh Gehani, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.)

Smt. Monika Bhatt, Consultant (ABPS Infrastructure Advisory Pvt. Ltd.)

**UJVN Limited**

Shri C.P. Madan, Director (Finance)

Shri V.K. Saxena, General Manager (RMU)

Shri Vipin Bewari Singhal, General Manager (Commercial)

Smt. S.K. Jaiswal, General Manager (GV)

Shri Pankaj Kulshreshtha, Dy. General Manager

Shri Vivek Atreya, Dy. General Manager (Tech.)

Shri Meg Bahadur, Dy. General Manager, (Dhakrani)

Shri Devki Nandan Pant, Dy. General Manager (Commercial)

Shri Rajesh Kumar, Executive Engineer (Control Room)

Shri Ambrish Sharma, Executive Engineer (Commercial)

Shri Rajeev Kumar Pandey, Executive Engineer (Commercial)

Shri Dinesh Chandra Sharma, Executive Engineer (Commercial)

Shri Rakesh Singh, Assistant Engineer (Commercial)

1. With regard to the directives issued in the Tariff Order dated April 10, 2014, UJVN Ltd. was required to arrange DPRs for each of its hydro generating stations. In this regard, UJVN Ltd. submitted that DPRs are not available and UJVN Ltd. also tried to arrange from Irrigation Departments of Uttar Pradesh and Uttarakhand, but no response has been received from them till date.
2. As regards the datagaps dated 10.12.2014, UJVN Ltd. was asked to submit the Report on Viability Status of RMU works. UJVN Ltd. clarified that Petitions on RMU Works has already been filed separately to the Commission and this matter may be dealt separately.
3. As regards the datagaps dated 10.12.2014, UJVN Ltd. was asked to provide detailed justification for negative additional capitalisation for Dhakrani HEP for FY 2013-14. UJVN Ltd. replied that this is due to wrong booking of transformer of Rs 20 Lakh which is transferred to PTCUL. In this regard, UJVN Ltd. agreed to submit the complete details as to when this asset was included in GFA of UJVN Ltd, when this asset has been transferred to PTCUL and corresponding adjustment in GFA of UJVN Ltd.
4. In order to check any double accounting of cost of assets sent for repair, UJVN Ltd. agreed to provide the following details for any 3 plants in which the assets were sent for repairs for the FY 2011-12, FY 2011-12 and FY 2012-13 :
  - a. Value of Asset sent for repair and corresponding reduction from GFA as reflected in annual accounts
  - b. Year in which asset after repairs was received back and corresponding adjustment in GFA as reflected in annual accounts.
5. UJVN Ltd. agreed to provide the detailed station wise breakup for Rs. 18.00 Cr. of adjustments/write off, considered in the audited accounts for FY 2013-14 of 10 LHPs of UJVN Ltd.
6. UJVN Ltd. in its consolidated audited balance sheet at Note 9 has submitted the "Provision for VIth Pay Commission" of Rs 9.32 Cr. as on March 31, 2014. In this regard, UJVN Ltd. was asked to submit as to why the provision remained unpaid. Whether the same was due to the result of excess provision created or some payments still remained pending. UJVN Ltd. agreed to submit the justification and detailed breakup of the same.
7. UJVN Ltd. in its consolidated audited balance sheet at Note 22 has submitted the "Generation, Administration and Other Expenses". UJVN Ltd. has submitted A&G Expenses as uncontrollable in its Petitions. In this regard, UJVN Ltd is required to

submit the detailed justification for changes in various heads of A&G Expenses like insurance expenses, security charges as mentioned in its audited accounts for FY 2013-14 vis-a-vis FY 2012-13.

8. UJVN Ltd. is required to submit the details of recruitment and retirements in FY 2013-14, FY 2014-15 and FY 2015-16 including current status of recruitment for FY 2014-15 and FY 2015-16 with tentative date of joining for new employees.
9. UJVN Ltd. in its reply dated 19.12.014 at Annexure VII has submitted the details of Repair & Maintenance Expenses incurred for FY 2013-14 for MB-II HEP details. In R&M details of Plant & Machinery, some entries of capitalization have been observed as follows:

Vr. No.	Date/ Month	Name of Firm/Contractor	Amount (in ₹)	Name of Item /Particulars
O-7	03.10.2014	M/s S.K. Gupta, Clement Town, Dehradun	38,600.00	Installation & testing commissioning of water treatment plant
O-26	25.11.2013	M/s Noor Engineering Works, Haridwar	2,58,428.00	Erection of 6 no. Cooling water pumps
O-28	25.11.2013	M/s. Alpha Pacific Systems	26,742.00	Supply of ultrasonic type level monitoring system
O-46	30.11.2013	BHEL	1,71,91,080.00	Supply of Guide Vane with HVOF coating
O-6	01.01.2014	Mittal Machine (P) Ltd., Dehradun	20,32,800.00	Procurement of submersible dredger pumps
O-44	2603..2014	M/s. Gauri Enterprises	11,124.00	Installation of drainage system

In this regard, UJVN Ltd. is required to provide the detailed justification of booking them under R&M expenses.

10. UJVN Ltd. in its reply dated 19.12.2014 has submitted the copy of details of Repair & Maintenance Expenses incurred for FY 2013-14 for its LHPs. In this regard, UJVN Ltd. is required to provide the detailed justification for the entries of A&G Expenses such as hiring of vehicles, hiring of bus and security charges, booked in R&M expenses.
11. UJVN Ltd. agreed to submit the receipts of insurance premiums paid in FY 2013-14 with summary sheet.

12. In Annexure VII, UJVN Ltd. has provided the details of R&M for MB-II for FY 2013-14. In Sr. No. A-12, UJVN Ltd. has mentioned the R&M expense of Rs 10,03,46,166 under P&M, Rs 1,57,052 under Office Equipment, Rs 79,990 under vehicles and Rs 10,433 under Building towards "Provision for the year 2013-14". UJVN Ltd. submitted that this entry of Provision is due to bills pending with BHEL. In this regard, UJVN Ltd. is required to provide the details of all such provisions with nature of works.
13. UJVN Ltd. is required to provide the details of additional capitalization and funding from FY 2007-08 to FY 2013-14 for MB-II.
14. As regards the datagaps dated January 10, 2015, UJVN Ltd. was asked to provide the detailed justification for variation in O&M expenses from Rs 9.17 Lakh/MW to Rs 40.69 Lakh/MW. In this regard, UJVN Ltd. is required to submit the detailed justification for the generating stations with O&M expenses more than Rs 30 Lakh/MW, viz. Khatima, Kulhal, Tiloth and MB I generating stations.
15. UJVN Ltd. agreed to submit the write up on approach adopted for allocating common expenses for O&M, additional capitalization and Non-Tariff Income.
16. With regard to the NAPAF, the reasons for the actual NAPAF for FY 2013 have already been provided in the performance report submitted by UJVN Ltd. With regard to the projections of NAPAF for MB-I, MB-II, Chilla, Ramganga and Khatima LHPs for FY 2014-15 and FY 2015-16, UJVN Ltd. submitted that the NAPAF has been projected on average basis.
17. For all the 10 LHPs including MB-II, UJVN Ltd. in its Petition in excel format "Non\_Tariff\_Income" has submitted Non-Tariff Income as Rs 17.68 Cr., whereas it is Rs 19.49 Cr. as per Audited Accounts (Note 21) for FY 2013-14. UJVN Ltd. agreed to submit the detailed justification.
18. UJVN Ltd. submitted that the replies to all the data gaps raised vide Commission letter dated January 12, 2015 shall be submitted by 21<sup>st</sup> January 2015.
19. UJVN Ltd. agreed to submit the steps taken/action plan/proposal on the basis of the benchmarking report to the Commission by First week of February 2015.

UJVN Ltd. agreed to submit most of the information by January 21, 2015 and balance information by January 28, 2015.