

**Order**

**on**

**Annual Performance Review for**

**FY 2016-17 and Revised ARR for FY**

**2017-18**

**For**

**State Load Despatch Centre of**

**Uttarakhand**

**March 29, 2017**

**Uttarakhand Electricity Regulatory Commission**

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

**Dehradun - 248171**

## Table of Contents

<b>1</b>	<b>Background and Procedural History .....</b>	<b>4</b>
<b>2</b>	<b>Stakeholders' Objections/Suggestions, Petitioner's Responses and Commission's Views.....</b>	<b>8</b>
2.1	<b>Increase in Tariff.....</b>	<b>8</b>
2.1.1	Stakeholder's Comments.....	8
2.1.2	Petitioner's Response .....	8
2.1.3	Commission's Views.....	8
2.2	<b>Increase in Expenses .....</b>	<b>8</b>
2.2.1	Stakeholder's Comments.....	8
2.2.2	Petitioner's Response .....	9
2.2.3	Commission's Views.....	10
2.3	<b>Provision of NOC for Open Access.....</b>	<b>10</b>
2.3.1	Stakeholder's Comments.....	10
2.3.2	Petitioner's Response .....	10
2.3.3	Commission's Views.....	11
<b>3</b>	<b>Petitioner's Submissions, Commission's Analysis, Scrutiny &amp; Conclusion on True up for FY 2015-16, Annual Performance Review for FY 2016-17 and determination of ARR for FY 2017-18 .....</b>	<b>12</b>
3.1	<b>Annual Performance Review.....</b>	<b>12</b>
3.2	<b>Gross Fixed Assets.....</b>	<b>13</b>
3.3	<b>Debt-equity ratio .....</b>	<b>15</b>
3.4	<b>Annual SLDC Charges .....</b>	<b>16</b>
3.4.1	Operation and Maintenance (O&M) expenses .....	17
3.4.1.1	Employee expenses .....	18
3.4.1.2	Repairs and Maintenance (R&M) expenses.....	20
3.4.1.3	Administrative and General (A&G) expenses .....	22
3.4.1.4	O&M expenses .....	22
3.4.2	Return on Equity .....	23
3.4.3	Depreciation.....	23
3.4.4	Interest charges .....	24
3.4.5	Interest on Working Capital.....	25
3.4.6	One Month O&M Expenses .....	25
3.4.7	Maintenance Spares .....	26
3.4.8	Receivables .....	26
3.4.9	SLDC Charges.....	26
3.4.10	LDC Development Fund .....	27
3.4.11	Operating Charges .....	28
<b>4</b>	<b>Commission's Directives.....</b>	<b>29</b>
4.1	<b>Compliance of Directives issued in MYT Order for FY 2016-17 to FY 2018-19 dated April 5, 2016</b>	<b>29</b>
4.1.1	Project Cost & Transfer of assets from PTCUL to SLDC.....	29
4.1.2	Maintaining the separate details of actual AMC fee paid.....	29
4.1.3	LDC Development Fund .....	30
4.1.4	Grant of NoC to Open Access Customers (Para 2.3.3) .....	30

4.1.5	Timely completion of Schemes (Para 3.2).....	30
4.1.6	Employee expenses (Para 3.4.1.1).....	31
<b>5</b>	<b>Annexures.....</b>	<b>32</b>
5.1	Annexure-1 : Public Notice on SLDC's Proposal .....	32
5.2	Annexure-2 : List of Respondents.....	33
5.3	Annexure-3 : List of Participants in Public Hearings .....	34

## List of Tables

Table 1.1: Publication of Notice .....	6
Table 1.2: Schedule of Hearing.....	7
<b>Table 3.1: Gross Fixed Assets (Rs. Crore) .....</b>	<b>15</b>
<b>Table 3.2: Means of Finance (Rs. Crore) .....</b>	<b>16</b>
<b>Table 3.3: Actual Employee expenses submitted by the Petitioner (Rs. Crore) .....</b>	<b>19</b>
<b>Table 3.4: Employee expenses for FY 2017-18 (Rs. Crore).....</b>	<b>20</b>
<b>Table 3.5: Actual R&amp;M expenses submitted by the Petitioner (Rs. Crore) .....</b>	<b>21</b>
<b>Table 3.6: R&amp;M expenses for FY 2017-18 (Rs. Crore) .....</b>	<b>21</b>
<b>Table 3.7: Actual A&amp;G expenses submitted by the Petitioner (Rs. Crore).....</b>	<b>22</b>
<b>Table 3.8: A&amp;G expenses for FY 2017-18 (Rs. Crore).....</b>	<b>22</b>
<b>Table 3.9: O&amp;M expenses for FY 2017-18 (Rs. Crore) .....</b>	<b>22</b>
<b>Table 3.10: Return on Equity for FY 2017-18 (Rs. Crore).....</b>	<b>23</b>
<b>Table 3.11: Depreciation for FY 2017-18 (Rs. Crore) .....</b>	<b>24</b>
<b>Table 3.12: Interest charges for FY 2017-18 (Rs. Crore) .....</b>	<b>25</b>
<b>Table 3.13: Interest on Working Capital for FY 2017-18 (Rs. Crore) .....</b>	<b>26</b>
<b>Table 3.14: SLDC Charges for FY 2017-18 (Rs. Crore) .....</b>	<b>26</b>
<b>Table 3.15: Details of LDCD Fund submitted by SLDC (Rs. Crore) .....</b>	<b>27</b>

**Before**

**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**

**Petition No.: 62 of 2016**

**In the Matter of:**

Petition filed by State Load Despatch Centre of Uttarakhand Limited for Annual Performance Review for FY 2016-17 and Revised Aggregate Revenue Requirement for FY 2017-18.

**AND**

**In the Matter of:**

State Load Despatch Centre  
132 kV Sub-Station, H/Q Bldg., Majra  
Dehradun, Uttarakhand

....Petitioner

**Coram**

**Shri Subhash Kumar                      Chairman**

**Date of Order: March 29, 2017**

Section 32(3) of the Electricity Act, 2003 (hereinafter referred to as “the Act”) allows the State Load Despatch Centre to levy and collect such fee and charges from generating companies and licensees involved in intra-State transmission as may be specified by the Appropriate Commission. To this end, it is required to file an application for determination of these charges in such manner and alongwith such fee as may be specified by the Appropriate Commission through Regulations.

In accordance with the relevant provisions of the Act, the Commission had notified Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2011 (hereinafter referred to as “UERC Tariff Regulations, 2011”) for the first Control Period from FY 2013-14 to FY 2015-16 specifying therein terms, conditions and norms of operation for licensees, generating companies and SLDC. The Commission had issued the Order dated April 10, 2014 on Aggregate Revenue Requirement for SLDC for FY 2013-14 to FY 2015-16. In accordance

with the provisions of the UERC Tariff Regulations, 2011, the Commission had issued the Order dated April 11, 2015 on Aggregate Revenue Requirement for SLDC for FY 2015-16.

Further, in accordance with relevant provisions of the Act, the Commission had notified Uttarakhand Electricity Regulatory Commission (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2015 (hereinafter referred to as “UERC Tariff Regulations, 2015”) for the second Control Period from FY 2016-17 to FY 2018-19 specifying therein terms, conditions and norms of operation for licensees, generating companies and SLDC. The Commission had issued the Order dated April 5, 2016 on Aggregate Revenue Requirement for SLDC for FY 2016-17 to FY 2018-19. As per the provisions of Regulation 12 of the UERC Tariff Regulations, 2015, SLDC filed a Petition (Petition No. 62 of 2016 and hereinafter referred to as the “Petition”), giving details of its revised projections of Aggregate Revenue Requirement (ARR) for FY 2017-18, based on the Annual Performance Review for FY 2016-17 on November 25, 2016.

The Petition filed by SLDC had certain infirmities/deficiencies which were informed to SLDC vide Commission’s letter no. UERC/6/TF-358/2016-17/2016/1351 dated December 1, 2016 and SLDC was directed to rectify the said infirmities in the Petition and submit certain additional information necessary for admission of the Petition. SLDC vide its letter no. 940/CE(C&R)/PTCUL/ARR dated December 6, 2016 removed the critical deficiencies. Based on the submissions dated December 6, 2016 made by SLDC, the Commission vide its Order dated December 8, 2016 provisionally admitted the Petition for further processing subject to the condition that SLDC shall furnish any further information/clarifications as deemed necessary by the Commission during the processing of the Petition within the time frame, as may be stipulated by the Commission, failing which the Commission may proceed to dispose of the matter as it deems fit based on the information available with it.

This Order, accordingly, relates to the Petition filed by SLDC for approval of revised Aggregate Revenue Requirement for FY 2017-18, and is based on the original as well as subsequent submissions made by SLDC during the course of the proceedings.

Tariff determination being the most vital function of the Commission, it has been the practice of the Commission to elaborate in detail the procedure and to explain the underlying principles in determination of tariffs. Accordingly, in the present Order also, in line with past practices, the Commission has tried to elaborate the procedure and principles followed by it in

determining the ARR of SLDC. The ARR of SLDC is recoverable from the beneficiaries. For the sake of convenience and clarity, this Order has further been divided into following Chapters:

Chapter 1 - Background and Procedural History.

Chapter 2 – Stakeholders’ Objections/Suggestions, Petitioner’s Responses and Commission’s Views.

Chapter 3 – Petitioner’s Submissions, Commission’s Analysis, Scrutiny & Conclusion on True up for FY 2015-16, Annual Performance Review for FY 2016-17 and determination of ARR for FY 2017-18.

Chapter 4 - Commission’s Directives.

Chapter 5 - Annexures.

# 1 Background and Procedural History

In accordance with the provisions of the Uttar Pradesh Reorganization Act, 2000 (Act 29 of 2000), enacted by the Parliament of India on August 25, 2000, the State of Uttaranchal came into existence on November 9, 2000. Section 63(4) of the above Reorganization Act allowed the Government of Uttaranchal (hereinafter referred to as “GoU” or “State Government”) to constitute a State Power Corporation at any time after the creation of the State. GoU, accordingly, established the Uttaranchal Power Corporation Limited (UPCL) under the Companies Act, 1956, on February 12, 2001 and entrusted it with the business of transmission and distribution in the State. Subsequently, from April 1, 2001, all works pertaining to the transmission, distribution and retail supply of electricity in the area of Uttaranchal were transferred from UPPCL to UPCL, in accordance with the Memorandum of Understanding dated March 13, 2001, signed between the Governments of Uttaranchal and Uttar Pradesh.

Meanwhile, the Electricity Act, 2003 (the Act) was enacted by the Parliament of India on June 10, 2003, which mandated separate licenses for transmission and distribution activities. In exercise of powers conferred under sub-section 4 of Section 131 of the Act, the GoU, therefore, through transfer scheme dated May 31, 2004, first vested all the interests, rights and liabilities related to Power Transmission and Load Despatch of “Uttaranchal Power Corporation Limited” into itself and, thereafter, re-vested them into a new company, i.e. “Power Transmission Corporation of Uttaranchal Limited”, now renamed as “Power Transmission Corporation of Uttarakhand Limited” (hereinafter referred to as “PTCUL”) after change of name of the State. The State Government, further vide another notification dated May 31, 2004 declared Power Transmission Corporation of Uttarakhand Limited as the State Transmission Utility (STU) responsible for undertaking, amongst others, the following main functions:

- a) To undertake transmission of electricity through intra-State transmission system.
- b) To discharge all functions of planning and co-ordination relating to intra-State transmission system.
- c) To ensure development of an efficient, co-ordinated and economical system of intra-State transmission lines.
- d) To provide open access.



A new company in the State was, thus, created to look after the functions of intra-State Transmission and Load Despatch, on May 31, 2004. In view of re-structuring of functions of UPCL and creation of a separate company for looking after the transmission related works, the Commission amended the earlier 'Transmission and Bulk Supply License' granted to 'Uttarakhand Power Corporation Limited' and Transmission license was given to PTCUL for carrying out transmission related works in the State vide Commission's Order dated June 9, 2004.

The State Load Despatch Centre of Uttarakhand has been made operational w.e.f. November 27, 2012. As per Section 32 of the Act, the State Load Despatch Centre is the apex body to ensure integrated operation of the power system in the State. The functions of State Load Despatch Centre as stipulated in the Act are as follows:

- a) be responsible for optimum scheduling and despatch of electricity within the State, in accordance with the contracts entered into within the Licensees or the Generating Companies operating in the State;
- b) monitor grid operations;
- c) keep accounts of the quantity of electricity transmitted through the State grid;
- d) exercise supervision and control over the intra-State transmission system; and
- e) be responsible for carrying out real time operations for grid control and despatch of electricity within the State through secure and economic operation of the State grid in accordance with the Grid Standards and the State Grid Code.

In exercise of powers conferred to it under Section 61 of the Act, and all other powers enabling it in this behalf, the Commission notified the UERC Tariff Regulations, 2015 on September 10, 2015. These Regulations superseded the UERC Tariff Regulations, 2011.

The Commission vide its Order dated April 5, 2016 approved the Business Plan and Multi Year Tariff for SLDC for the second Control Period from FY 2016-17 to FY 2018-19. The Commission, in the approval of Business Plan, approved the Capital Expenditure Plan, Capitalisation Plan, and Human Resource Plan and, in the approval of MYT, approved the Aggregate Revenue Requirement for each year of the Control Period from FY 2016-17 to FY 2018-19. In accordance with Regulation 12 of the UERC Tariff Regulations, 2015, the SLDC is required to file a Petition for Annual Performance Review by November 30<sup>th</sup> of every year.

In compliance with the Regulations, SLDC filed a Petition for Annual Performance Review for FY 2016-17 on November 25, 2016. Through the above Petition, SLDC sought review of ARR for FY 2016-17 and FY 2017-18. The above Petition was provisionally admitted by the Commission vide its Order dated December 8, 2016. The Commission, through its above Admittance Order dated December 8, 2016, to provide transparency to the process of tariff determination and give all stakeholders an opportunity to submit their objections/suggestions/comments on the proposals of the SLDC, also directed SLDC to publish the salient points of its proposals in the leading newspapers. The salient points of the proposal were published by the Petitioner in the following newspapers:

**Table 1.1: Publication of Notice**

S. No.	Newspaper Name	Date of Publication
1	Amar Ujala	December 10, 2016
2	Dainik Jagran	December 10, 2016
3	Hindustan Times	December 10, 2016
4	Times of India	December 10, 2016

Through above notice, stakeholders were requested to submit their objections/suggestions /comments latest by January 31, 2017 (copy of the notice is enclosed as **Annexure 1**). The Commission received in all three (3) objections/suggestions/comments in writing on the Petition filed by SLDC. The list of stakeholders who have submitted their objections/suggestions/comments in writing is enclosed as **Annexure-2**.

The Commission also sent the copies of the salient features of tariff proposals to the Members of the State Advisory Committee and the State Government. The salient features of the tariff proposals submitted by SLDC were also made available on the website of the Commission, i.e. [www.uerc.gov.in](http://www.uerc.gov.in). The Commission also organized a meeting with the Members of the Advisory Committee on March 8, 2017, wherein, detailed deliberations were held with the Members of the Advisory Committee on the various issues linked with the Petition filed by SLDC.

Further, for direct interaction with all the stakeholders and public at large, the Commission also held public hearings on the proposals filed by the Petitioner at the following places in the State of Uttarakhand.

**Table 1.2: Schedule of Hearing**

S. No	Place	Date
1	Almora	February 21, 2017
2	Rudrapur	February 22, 2017
3	Dehradun	March 2, 2017
4	New Tehri	March 3, 2017

The list of participants who attended the Public Hearing is enclosed at **Annexure-3**.

The objections/suggestions/comments, as received from the stakeholders through mail/post as well as during the course of public hearing were sent to the Petitioner for its response. All the issues raised by the stakeholders and Petitioner's response thereon are detailed in Chapter 2 of this Order. In this context, it is also to underline that while finalizing this Order, the Commission has, as far as possible, tried to address the issues raised by the stakeholders. During the scrutiny of the Petition submitted by SLDC, the Commission pointed out certain data gaps in the Petition and sought following additional information/clarification from the Petitioner:

- Reconciliation of figures submitted in the Petition and excel formats.
- Annual Maintenance Contract for SLDC.
- Plan and status of recruitment of employees for FY 2016-17 and FY 2017-18.
- Duly filled in formats as specified by UERC Tariff Regulations, 2015.

So as to have better clarity on the data filed by the Petitioner and to remove inconsistency in the data, a Technical Validation Session (TVS) was also held with the Petitioner's officers on January 10, 2017, for further deliberations on certain issues related to the Petition filed by SLDC. The Petitioner submitted the replies to data gaps vide its letter no. 940/CE(C&R)/PTCUL/ARR dated December 6, 2016, letter no. 2537/Dir. (Projects)/PTCUL/ARR dated December 30, 2016 and letter no. 64/SLDC/UERC dated February 13, 2017.

The submissions made by SLDC in the Petition as well as additional submissions have been discussed by the Commission at appropriate places in the Tariff Order along with the Commission's views on the same.

## **2 Stakeholders' Objections/Suggestions, Petitioner's Responses and Commission's Views**

The Commission has received three suggestions/objections on SLDC's Petition for Annual Performance Review for FY 2016- 17 and Revised Aggregate Revenue Requirement for FY 2017-18. The list of stakeholders who have submitted objections/suggestions/comments in writing is given at **Annexure-2** and the list of Respondents who have participated in the Public Hearings is enclosed at **Annexure-3**. The Commission has further obtained replies from SLDC on the objections/suggestions/comments received from the stakeholders. For the sake of clarity, the objections raised by the stakeholders and responses of the Petitioner have been consolidated and summarised issue wise. In the subsequent Chapters of this Order, the Commission has kept in view the objections/suggestions/comments of the stakeholders and the replies of the Petitioner while deciding the ARR for SLDC.

### **2.1 Increase in Tariff**

#### **2.1.1 Stakeholder's Comments**

Shri Munish Talwar of Asahi Glass India Ltd. requested the Commission not to increase the tariff at this juncture as any tariff increase would put the industry into further hardship.

#### **2.1.2 Petitioner's Response**

The Petitioner submitted that all the expenses (actual as well as projected) have been determined as per the UERC (Terms and Conditions of Multi-year Tariff) Regulations, 2015.

#### **2.1.3 Commission's Views**

The Commission would like to clarify that each element of ARR of SLDC has been analyzed in accordance with UERC Tariff Regulations, 2015 and only legitimate costs are being allowed to be recovered from the consumers.

### **2.2 Increase in Expenses**

#### **2.2.1 Stakeholder's Comments**

Dr. V.K. Garg submitted the following:

- i. The ARR projected by SLDC for FY 2016-17 and FY 2017-18 with respect to ARR approved in MYT Order for FY 2016-17 to FY 2018-19 is very high.
- ii. Proposed increase of expenditure to Rs. 19.81 Crore for FY 2017-18 from Rs. 10 Crore approved for FY 2016-17, considering the Capital Expenditure, Cost of Capital, RoE and declining Interest Rates on Debt is not justified.
- iii. SLDC should be independent of Transco (PTCUL).
- iv. In spite of the decline in interest rates during FY 2015-16 and FY 2016-17, SLDC has doubled its interest charges for FY 2017-18.
- v. Interest on working capital has doubled for FY 2017-18 considering the approved value for FY 2016-17 without a proportionate increase in the turn-over. This needs to be clarified.
- vi. Reason for increase in O&M expenses to Rs. 12.99 Crore for FY 2017-18 w.r.t. the approved O&M expenses of Rs. 9 Crore for FY 2017-18 is not clear, particularly when there is no major payment.

### 2.2.2 *Petitioner's Response*

The Petitioner submitted that the ARR claimed for the years FY 2015-16, FY 2016-17 and FY 2017-18 are Rs. 9.22 Crore, Rs. 14.33 Crore and Rs. 19.03 Crore respectively. It also submitted that all the expenses (actual as well as projected) have been determined as per the UERC (Terms and Conditions of Multi-year Tariff) Regulations, 2015.

The Petitioner also submitted that the expenses incurred under SLDC are not reflected in the ARR of PTCUL since the same has been reduced from the overall ARR, as detailed in the Petition regarding the query raised on independence of SLDC.

As regards reasonableness of their proposal, the Petitioner submitted that it is an established practice to get the investment approval for all the major projects from the Commission which is only given after detailed technical and financial appraisal.

As regards increase in interest charges, the Petitioner submitted that it is committed to provide the most efficient and economical service to its consumers and that it is an established practice to avail only the most economical loans. It also submitted that the credit rating of the

Petitioner has improved over the years, which is a proof of reliability and efficiency, and consequently the interest rates applicable for the Petitioner have also gone down compared to previous years. The complete details of the loans availed by the Petitioner have also been submitted to the Commission.

As regards increase in interest on working capital, the Petitioner submitted that the interest on working capital has been computed on normative basis as per the UERC (Terms and Conditions of Multi-year Tariff) Regulations, 2015.

As regards increase in O&M expenses, the Petitioner submitted that the O&M expenses claimed for FY 2015-16 is Rs. 5.68 Crore. For the years FY 2016-17 and FY 2017-18, the O&M expenses have been computed on normative basis as per the UERC (Terms and Conditions of Multi-year Tariff) Regulations, 2015.

### **2.2.3 Commission's Views**

The Commission would like to clarify that each element of ARR of SLDC has been analyzed in accordance with UERC Tariff Regulations, 2015 and only legitimate costs are being allowed to be recovered from the consumers. The Commission has carried out the detailed scrutiny of APR for FY 2016-17 and the revised ARR for FY 2017-18 in accordance with the provisions of relevant Regulations as discussed in the subsequent Chapters of this Order.

## **2.3 Provision of NOC for Open Access**

### **2.3.1 Stakeholder's Comments**

Shri Shakeel A Siddiqui of Kashi Vishwanath Textile Mill Pvt. Ltd. submitted that the NOC for Open Access should be provided by SLDC by 10<sup>th</sup> of every month.

### **2.3.2 Petitioner's Response**

The Petitioner submitted that that the issuance of NOC/Standing Clearance to open access consumers is carried out by SLDC in accordance with the sub-regulation 8(3) of Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 (amended May 20, 2009).

### 2.3.3 Commission's Views

Inter-State and Intra-State Open Access transactions are governed by CERC (Open Access in inter-State Transmission) Regulations, 2008 and UERC (Terms and Conditions of Intra-State Open Access) Regulations, 2015 respectively. Hence, the application, procedure, duration, fee & charges and other terms & conditions are in accordance with the aforesaid Regulations based on the nature of open access transaction.

With regard to grant of NoC to open access customers by SLDC in accordance with the CERC Open Access Regulations and UERC Open Access Regulations, the Commission is of the view that now the time has come, after passage of more than 7 years when the exhaustive Open Access Regulations were framed by this Commission, the process of grant of NoC on the Application by the open access customers to grant of NoC by SLDC be made on-line in the State. Accordingly, **the Commission directs SLDC/PTCUL to implement on-line system of grant of NoC to open access customers in line with the system developed and operationalised by Telangana SLDC within one (1) month of issuance of this Order. Compliance report to the Commission be submitted within 15 days thereafter by the SLDC.**

### **3 Petitioner's Submissions, Commission's Analysis, Scrutiny & Conclusion on True up for FY 2015-16, Annual Performance Review for FY 2016-17 and determination of ARR for FY 2017-18**

#### **3.1 Annual Performance Review**

Regulation 12(1) of the UERC Tariff Regulations, 2015 specifies that under the MYT framework, the performance of the SLDC shall be subject to Annual Performance Review.

Regulation 12(3) of the UERC Tariff Regulations, 2015 specifies that:

*"The scope of the Annual Performance Review shall be a comparison of the actual performance of the Applicant with the approved forecast of Aggregate Revenue Requirement and expected revenue from tariff and charges and shall comprise the following:*

- a) A comparison of the audited performance of the applicant for the previous financial year with the approved forecast for such previous financial year and truing up of expenses and revenue subject to prudence check including pass through of impact of uncontrollable factors;*
- b) Categorisation of variations in performance with reference to approved forecast into factors within the control of the applicant (controllable factors) and those caused by factors beyond the control of the applicant (un-controllable factors).*
- c) Revision of estimates for the ensuing financial year, if required, based on audited financial results for the previous financial year;*
- d) Computation of sharing of gains and losses on account of controllable factors for the previous year."*

The Commission vide its Order dated April 5, 2016 had approved the Business Plan and MYT for SLDC for the Second Control Period from FY 2016-17 to FY 2018-19. SLDC has filed this Petition for Annual Performance Review for FY 2016-17 and revised ARR for FY 2017-18. The SLDC and SCADA works as a separate independent units within PTCUL with separate accounting heads created for recording their income and expenses. The SLDC has still not been incorporated as a separate company and, hence, the accounts of SLDC are part of PTCUL accounts and are audited as part of PTCUL accounts. The actual income and expenses of SLDC for FY 2015-16 are part of income and expenses of PTCUL and are included in PTCUL's audited accounts. Accordingly, the true up



for SLDC for FY 2015-16 is a part of true up for PTCUL for FY 2015-16.

As auditing of SLDC accounts is not carried out separately and the audited accounts for SLDC are not available for FY 2015-16, the Commission could not carry out the true up for FY 2015-16 separately for SLDC. The Commission in its Order dated April 5, 2016 on approval of the Business Plan and MYT for SLDC for the Second Control Period from FY 2016-17 to FY 2018-19 directed as under:

*"Hence, the Commission is of the opinion that as accounting of SLDC and SCADA is being done separately, accordingly, SLDC is directed to start preparing its annual statement of accounts separately from FY 2016-17 onwards in accordance with the requirement of the Regulations as referred above."*

In reply to the same, SLDC submitted maintaining separate accounts including balance sheets shall be initiated after the ring fencing of SLDC and SCADA is complete. The Commission expresses extreme displeasure in this regard. The Commission had been repeatedly directing SLDC for completion of ring fencing of SLDC and SCADA. Even after repeated directions, it is being submitted that the process is still in progress. **The Commission directs SLDC that the provisions of the UERC Tariff Regulations, 2015 has to be complied strictly by SLDC regarding maintenance of its expenses related to operation of SLDC. The Commission also directs the SLDC to file the Petition seeking true up of FY 2016-17 alongwith the APR of FY 2017-18 in accordance with the MYT Regulations, 2015.**

The Commission in this Order has approved the revised ARR for FY 2017-18 based on the GFA approved for FY 2015-16 for SLDC in the true up of FY 2015-16 for PTCUL, revised GFA for FY 2016-17 and FY 2017-18 of SLDC. The approach adopted by the Commission in approving the ARR for FY 2017-18 is elaborated in the subsequent Sections of the Order.

### 3.2 Gross Fixed Assets

The Petitioner submitted that the capital expenditure of the SLDC business is a part of a single scheme "Construction of SLDC at Dehradun and 2 Nos. Sub-SLDC at Kashipur and Rishikesh". SCADA/EMS system, RTUs, PLCC/PABX and Auxiliary Power Supply System have been procured as a part of SLDC Project. SLDC was established to improve the Power System Operations resulting in effective monitoring and control of power system in Uttarakhand.

The Petitioner submitted that there are two phases in the project:

- Phase-1 includes the establishment of one SLDC at Dehradun and two no. of Control Centres at Rishikesh and Kashipur.
- Phase-2 covers supply and laying of OPGW network over the existing line of PTCUL and installation of RTU and associated accessories at 132 kV and above substations.

The Petitioner submitted that in Phase-1 of SLDC project, construction of SLDC in Dehradun and two no. of Control Centers in Rishikesh and Kashipur work has already been completed. During the Control Period from FY 2016-17 to FY 2018-19, Phase 2 of the SLDC project will be under implementation. Phase-2 of the project covers two different work plans:

- Supplying and laying of Optical Power Ground Wire (OPGW) over existing lines of PTCUL and installation of Fiber Optical Terminal Equipment (FOTE).
- Supplying, installing, testing and commissioning of RTU and associated accessories; PLCC system, outdoor equipment viz., CVT/LMU/HF Cable/Line Trap; 48 V DC power supply system and civil works at sites.

Works for OPGW networks covers laying of approximately 578 kms of optical fibres on the PTCUL transmission network. The work on this project has already been awarded and is expected to get complete by January, 2018. The work plan of design, engineering, manufacturing, supply, installation, testing and commissioning of RTUs and associated accessories, covers 23 nos. of RTUs. Procurement of RTU is being taken up as per the technical specification finalized by the Power Grid Corporation of India Limited. The work is under pre-tendering phase and will be taken up in the Control Period once the proper budget estimation for material is done.

The Petitioner submitted GFA addition of Rs. 0.28 Crore in FY 2015-16 and Rs. 0.71 Crore in FY 2016-17 and Rs. 32.94 Crore in FY 2017-18.

The Commission has gone through the submissions of the Petitioner. The Commission had accorded in principle approval for the project “Construction of SLDC at Dehradun and 2 Nos. Sub-SLDC at Kashipur and Rishikesh” with a total project cost of Rs. 51.92 Crore vide its Order dated October 23, 2007 on approval of Capital Investment for REC-II Scheme. As the true up for FY 2015-16 for SLDC is not carried out separately and the GFA submitted by PTCUL is based on the audited accounts, the Commission has considered the opening GFA for FY 2015-16 for SLDC as approved

by it in the Order dated April 5, 2016. Further, addition to GFA during FY 2015-16 has been considered based on the true up for FY 2015-16 for PTCUL. The Commission has revised the capitalisation towards the scheme "Construction of SLDC at Dehradun and 2 Nos. Sub-SLDC at Kashipur and Rishikesh". The Commission has considered the opening GFA for FY 2015-16 as Rs. 12.73 Crore while the Petitioner has considered the opening GFA as Rs. 12.56 Crore as approved by the Commission in its Tariff Order dated April 11, 2015. Further, the Commission has considered the GFA addition during FY 2016-17 and FY 2017-18 as submitted by the Petitioner, as the total capitalisation claimed by SLDC being lower than the approved cost as per the Investment Approval. The same shall be subject to actual capitalisation for the respective years. **The Commission directs the Petitioner to exercise caution and ensure that completed cost of the scheme is within the approved cost as the scheme has witnessed a considerable delay from the date of approval. The Petitioner is also directed to submit a complete timeframe within which the scheme would be completed.** Further, the Commission has proportionately allocated the approved GFA in various asset categories in the same proportion as submitted by the Petitioner.

The Table below shows the details of GFA as submitted by the Petitioner and approved by the Commission:

**Table 3.1: Gross Fixed Assets (Rs. Crore)**

Particulars	FY 2015-16			FY 2016-17			FY 2017-18		
	Tariff Order	Revised Proposed	Approved	MYT Order	Revised Proposed	Approved	MYT Order	Revised Proposed	Approved
Opening GFA	12.56	12.56	12.73	13.33	12.83	12.97	13.58	13.39	13.53
Addition to GFA during the year	0.00	0.28	0.24*	0.25	0.71	0.71	31.50	32.94	32.94
Deduction from GFA	0.00	0.01	0.00	0.00	0.15	0.15	0.00	0.00	0.00
Closing GFA	12.56	12.83	12.97	13.58	13.39	13.53	45.08	46.33	46.47

*\*As claimed and approved by the Commission in the true up for FY 2015-16 in PTCUL Tariff Order*

### 3.3 Debt-equity ratio

Regulation 24 of UERC Tariff Regulations, 2015 specifies as under:

*"(1) For a project declared under commercial operation on or after 1.4.2016, debt-equity ratio shall be 70:30. Where equity employed is more than 30%, the amount of equity for the purpose of tariff shall be limited to 30% and the balance amount shall be considered as normative loan. Where actual equity employed is less than 30%, the actual equity would be used for determination of Return on Equity in tariff computations."*

The Petitioner has proposed the Debt-equity ratio of 70:30 for the proposed capitalisation. The Commission in its Order dated April 11, 2015 on approval of ARR for SLDC for FY 2015-16 had approved the Debt-Equity ratio as 70:30. The Commission in the approval of Business Plan for the second Control Period from FY 2016-17 to FY 2018-19 had again approved the Debt-equity ratio as 70:30. The Commission has considered the same in this Order. The Table below shows the Means of Finance approved by the Commission:

**Table 3.2: Means of Finance (Rs. Crore)**

Particulars	FY 2016-17		FY 2017-18	
	Claimed by SLDC	Approved	Claimed by SLDC	Approved
GFA addition	0.71	0.71	32.94	32.94
Debt (%)	70%	70%	70%	70%
Equity (%)	30%	30%	30%	30%
Debt	0.50	0.50	23.06	23.06
Equity	0.21	0.21	9.88	9.88

### 3.4 Annual SLDC Charges

Regulation 99 of the UERC Tariff Regulations, 2015 specifies as follows:

***“99. Annual SLDC Charges***

*The annual charges to be recovered by the SLDC shall include the component of Return on Equity and also the following expenses:*

- (a) O&M expenses;*
- (b) Return on Equity;*
- (c) Depreciation;*
- (d) Lease Charges;*
- (e) Interest and Finance charges on Loan Capital;*
- (f) Income Tax, if any;*
- (g) Interest on working capital, if any;*
- (h) Any other expenses incidental to discharging the functions of SLDC as deemed appropriate by the Commission;”*

The Commission in this Order has approved the SLDC Charges for FY 2017-18 based on the GFA approved for FY 2015-16 for SLDC in the truing up for FY 2015-16 for PTCUL and the revised GFA for FY 2016-17 and FY 2017-18.

### 3.4.1 Operation and Maintenance (O&M) expenses

The Petitioner submitted that O&M expenses have been projected based on the actual expenses for 6 months of FY 2016-17 and the methodology specified in the UERC Tariff Regulations, 2015.

Regarding the Operation and Maintenance expenses, Regulation 100 of the UERC Tariff Regulations, 2015 specifies as follows:

***"100. Operation and Maintenance Expenses***

*(1) The O&M expenses for the first year of the Control Period will be approved by the Commission taking into account actual O&M expenses for last five years till Base Year subject to prudence check and any other factors considered appropriate by the Commission.*

*(2) The O&M expenses for the nth year and also for the year immediately preceding the Control Period i.e., FY 2015-16 shall be approved based on the formula given below:-*

$$O\&M_n = R\&M_n + EMP_n + A\&G_n$$

*Where –*

- *O&M<sub>n</sub> – Operation and Maintenance expense for the nth year;*
- *EMP<sub>n</sub> – Employee Costs for the nth year;*
- *R&M<sub>n</sub> – Repair and Maintenance Costs for the nth year;*
- *A&G<sub>n</sub> – Administrative and General Costs for the nth year;*

*(3) The above components shall be computed in the manner specified below:*

$$EMP_n = (EMP_{n-1}) \times (1+G_n) \times (CPI_{inflation})$$

$$R\&M_n = K \times (GFA_{n-1}) \times (WPI_{inflation}) \text{ and}$$

$$A\&G_n = (A\&G_{n-1}) \times (WPI_{inflation}) + Provision$$

*Where –*

- *EMP<sub>n-1</sub> – Employee Costs for the (n-1)th year;*
- *A&G<sub>n-1</sub> – Administrative and General Costs for the (n-1)th year;*
- *Provision: Cost for initiatives or other one-time expenses as proposed by the Transmission Licensee and approved by the Commission after prudence check.*
- *"K" is a constant specified by the Commission in %. Value of K for each year of the control period shall be determined by the Commission in the MYT Tariff order based on*

*Transmission Licensee's filing, benchmarking of repair and maintenance expenses, approved repair and maintenance expenses vis-à-vis GFA approved by the Commission in past and any other factor considered appropriate by the Commission;*

- *CPIinflation – is the average increase in the Consumer Price Index (CPI) for immediately preceding three years;*
- *WPIinflation – is the average increase in the Wholesale Price Index (CPI) for immediately preceding three years;*
- *GFA<sub>n-1</sub> - Gross Fixed Asset for the n-1th year;*
- *G<sub>n</sub> is a growth factor for the nth year. Value of G<sub>n</sub> shall be determined by the Commission in the MYT tariff order for meeting the additional manpower requirement based on Transmission Licensee's filings, benchmarking and any other factor that the Commission feels appropriate;*

*Provided that in case of a SLDC being governed by Government pay structure, the Commission may consider allowing a separate provision in Employee expenses towards the impact of VII<sup>th</sup> Pay Commission.*

*Provided that repair and maintenance expenses determined shall be utilised towards repair and maintenance works only."*

The O&M expenses includes Employee expenses, R&M expenses and A&G expenses. In accordance with Regulation 100 of the UERC Tariff Regulations, 2015, the O&M expenses for the first year of the Control Period shall be approved by the Commission taking into account actual O&M expenses of the previous years and any other factors considered appropriate by the Commission. The Commission in its Order dated April 5, 2016 on approval of MYT for SLDC for the second Control Period from FY 2016-17 to FY 2018-19 had approved the O&M expenses for FY 2016-17 to FY 2018-19 based on the actual O&M expenses for SLDC and SCADA units working within PTCUL for FY 2014-15 in accordance with Regulation 100 of the UERC Tariff Regulations, 2015.

The submissions of the Petitioner and the approach adopted by the Commission for approving the various components of O&M expenses for FY 2017-18 are discussed below.

#### **3.4.1.1 Employee expenses**

The Petitioner submitted that the Employee expenses are linked to the Government

approved scales and allowances and the Utility has no control over it. The Table below shows the actual Employee expenses booked in the accounting heads of SLDC and SCADA for FY 2015-16 and first 6 months of FY 2016-17 as submitted by the Petitioner:

**Table 3.3: Actual Employee expenses submitted by the Petitioner (Rs. Crore)**

Particulars	FY 2015-16 (Actual)	FY 2016-17 (Actual upto September, 2016)
Employee expenses	3.42	1.82

The Petitioner submitted that the Employee expenses for FY 2015-16 have been computed in accordance with UERC Tariff Regulations, 2015. The Petitioner submitted that the employee expenses for FY 2015-16 have been escalated based on the three year average increase in CPI inflation of 7.21% to arrive at the Employee expenses for FY 2017-18. The Petitioner submitted that the Growth factor has been considered based on the HR Plan.

The Commission has revised the employee expenses for FY 2017-18 from that approved in the MYT Order considering the following:

- The base employee expenses have been considered as per the MYT Order.
- The growth factors for FY 2015-16, FY 2016-17 and FY 2017-18 have been revised considering the actual recruitment status in FY 2015-16, FY 2016-17 and proposed recruitment in FY 2017-18. The Commission had approved the Gn factor of 26.83% and 13.46% for FY 2016-17 and FY 2017-18 respectively in its MYT Order dated April 5, 2016. The Commission observed that there has been no recruitment of employees in FY 2016-17. Hence, the Commission has considered the Gn factor for FY 2016-17 as 0%.
- The CPI inflation has been revised to average increase in CPI inflation for the preceding 3 years.

During the TVS, the Petitioner submitted that the actual recruitment till September, 2016 was zero and the proposed recruitment is to be completed by March, 2017. In light of the above and the past performance of the Petitioner in meeting the recruitment targets, the Commission has not considered any recruitment in FY 2016-17. However, the Commission has considered the recruitment of 34 no. of employees in FY 2017-18. The Commission has considered the retirement of employees in FY 2016-17 and FY 2017-18 as submitted by the Petitioner. Accordingly, the Commission has approved the Gn factor of 0% for FY 2016-17 and 83.78% for FY 2017-18. However,

the same also appears over-ambitious. In this regard, the Commission would like to clarify that if the actual addition to the no. of employees is lower than the no. of employees addition considered in this Order, the impact of the same shall be adjusted while carrying out the truing up & the same shall not be considered as saving for sharing.

In its MYT Order, the Commission had considered the impact of Seventh Pay Commission to the tune of 20% of the approved net employee expenses and had allowed certain provision to the Petitioner for FY 2016-17 to FY 2018-19. However, since the Pay Commission has not yet been approved by the State Government for the Petitioner, it is likely that the same would be allowed during FY 2017-18. The Commission directed the Petitioner to submit the impact of the Seventh Pay Commission considering the Orders of the State Government. The Petitioner has submitted detailed computations of the impact of Seventh Pay Commission. Accordingly, while projecting the employee expenses for FY 2017-18, the Commission has considered Rs. 0.50 Crore as impact towards the VII Pay Commission for FY 2016-17 as submitted by SLDC to estimate the net salary for FY 2016-17 which has been escalated in accordance with the Regulations considering the growth factor and CPI inflation arrive at the employee expenses for FY 2017-18. The Commission has already allowed Rs. 1.01 Crore to the Petitioner for FY 2016-17 which would be available with the Petitioner and the same can be utilised for payment of arrears to the employees. However, **the Petitioner is directed to maintain separate details of the amount paid as arrears to its employees on account of implementation of the recommendations of VII Pay Commission.** The Commission would carry out the truing up for FY 2016-17 and FY 2017-18 based on the actual impact of VII Pay Commission including arrears and no sharing of gains and losses on this account would be allowed. The normative employee expenses approved by the Commission for FY 2017-18 are as shown in the Table below:

**Table 3.4: Employee expenses for FY 2017-18 (Rs. Crore)**

Particulars	Claimed	Allowable
EMP <sub>n-1</sub>	6.85	4.05
G <sub>n</sub>	19.16%	83.78%
CPIinflation	7.21%	7.21%
<b>EMP<sub>n</sub> = (EMP<sub>n-1</sub>) × (1+G<sub>n</sub>) × (1+CPIinflation)</b>	<b>8.75</b>	<b>7.98</b>
Add: Impact of VIIth Pay Commission	1.75	0.00
<b>Total employee expenses</b>	<b>10.51</b>	<b>7.98</b>

### 3.4.1.2 Repairs and Maintenance (R&M) expenses

The Table below shows the actual R&M expenses booked in the accounting heads of SLDC



and SCADA for FY 2015-16 and first 6 months of FY 2016-17 as submitted by the Petitioner:

**Table 3.5: Actual R&M expenses submitted by the Petitioner (Rs. Crore)**

Particulars	FY 2015-16 (Actual)	FY 2016-17 (Actual upto September, 2016)
R&M expenses	1.31	0.49

The Petitioner submitted that the R&M expenses for FY 2016-17 have been projected based on the actual R&M expenses for first 6 months. The Petitioner submitted that the R&M expenses for FY 2017-18 have been computed in accordance with UERC Tariff Regulations, 2015.

The Petitioner submitted that it had given an Annual Maintenance Contract (AMC) to the original contractor of the project for the up-keep and maintenance of the SLDC assets and the AMC cost as contracted for each year has been further added to the R&M expenses.

The Commission has revised the R&M expenses for FY 2017-18 from that approved in the MYT Order considering the following:

- The revised GFA balances have been considered for arriving at the allowable GFA for determining the R&M expenses. In line with the approach adopted by the Commission in its earlier Orders for projecting R&M expenses, the Commission has considered the GFA corresponding to only those assets which have not been covered under the Contract Agreement for which the AMC fee is payable by the Petitioner.
- K factor has been considered as 2% as approved in the MYT Order
- The WPI inflation has been revised to average increase in WPI inflation for the preceding 3 years.

Accordingly, the R&M expenses approved by the Commission for FY 2017-18 are as shown in the Table below:

**Table 3.6: R&M expenses for FY 2017-18 (Rs. Crore)**

Particulars	FY 2016-17		FY 2017-18	
	Claimed	Allowable	Claimed	Allowable
K	7.55%	2.00%	6.81%	2.00%
GFA <sub>n-1</sub>	12.83	3.78	13.39	4.49
WPI <sub>inflation</sub>	1.83%	1.83%	1.83%	1.83%
<b>R&amp;M<sub>n</sub> = K x (GFA<sub>n-1</sub>) x (1+WPI<sub>inflation</sub>)</b>	<b>0.99</b>	<b>0.08</b>	<b>0.93</b>	<b>0.09</b>
AMC Fee	0.57	0.57	0.57	0.57
<b>Total R&amp;M expenses</b>	<b>1.56</b>	<b>0.65</b>	<b>1.50</b>	<b>0.66</b>

### 3.4.1.3 Administrative and General (A&G) expenses

The Petitioner submitted that the A&G expenses consists of rent, rates and taxes, travel and conveyance expenses, consultancy and legal fees, insurance and other administration expenses. The Table below shows the actual A&G expenses booked in the accounting heads of SLDC and SCADA for FY 2015-16 and first 6 months of FY 2016-17 as submitted by the Petitioner:

**Table 3.7: Actual A&G expenses submitted by the Petitioner (Rs. Crore)**

Particulars	FY 2015-16 (Actual)	FY 2016-17 (Actual upto September, 2016)
A&G expenses	0.95	0.51

The Petitioner submitted that the A&G expenses for FY 2016-17 have been projected based on the actual A&G expenses for first 6 months. The Petitioner submitted that the A&G expenses for FY 2017-18 have been computed in accordance with UERC Tariff Regulations, 2015.

The Commission has revised the A&G expenses for FY 2017-18 from that approved in the MYT Order considering the following:

- The base year A&G expenses have been considered as per the MYT Order.
- The WPI inflation has been revised to average increase in WPI inflation for the preceding 3 years.

Accordingly, the A&G expenses approved by the Commission for FY 2017-18 are as shown in the Table below:

**Table 3.8: A&G expenses for FY 2017-18 (Rs. Crore)**

Particulars	FY 2016-17		FY 2017-18	
	Claimed	Allowable	Claimed	Allowable
A&Gn-1	0.95	0.90	0.97	0.92
WPIinflation	1.83%	1.83%	1.83%	1.83%
Provision	0.00	0.00	0.00	0.00
<b>A&amp;Gn = A&amp;Gn-1 x (1+WPIinflation) + Provision</b>	<b>0.97</b>	<b>0.92</b>	<b>0.99</b>	<b>0.94</b>

### 3.4.1.4 O&M expenses

The Table below shows the proposed and approved O&M expenses for FY 2017-18:

**Table 3.9: O&M expenses for FY 2017-18 (Rs. Crore)**

Particulars	MYT Order	Revised Proposed	Approved
Employee expenses	7.49	10.51	7.98
R&M expenses	0.64	1.50	0.66
A&G expenses	1.00	0.99	0.94
<b>Total O&amp;M expenses</b>	<b>9.13</b>	<b>12.99</b>	<b>9.58</b>

### 3.4.2 Return on Equity

Regarding the Return on Equity, Regulation 26 of the UERC Tariff Regulations, 2015 specifies as follows:

***“26. Return on Equity***

*(1) Return on equity shall be computed on the equity base determined in accordance with Regulation 24.*

*Provided that, Return on Equity shall be allowed on account of allowed equity capital for the assets put to use at the commencement of each financial year.*

*(2) Return on equity shall be computed on at the base rate of 15.50% for thermal generating stations, transmission licensee, SLDC ...”*

The Petitioner submitted that the assets under the SLDC and SCADA divisions are funded through 30% equity. As discussed above, the Commission has considered the debt equity ratio of 70:30 and has, accordingly, considered the equity addition to the tune of 30% of the total GFA addition for the corresponding year. The Return on Equity approved by the Commission for FY 2017-18 is as shown in the Table below:

**Table 3.10: Return on Equity for FY 2017-18 (Rs. Crore)**

Particulars	MYT Order	Revised Proposed	Approved
Opening Equity	3.76	4.06	3.79
Addition	9.45	9.88	9.88
Closing Equity	13.21	13.95	13.67
Rate of Return on Equity	15.50%	15.50%	15.50%
<b>Return on Equity</b>	<b>0.58</b>	<b>0.63</b>	<b>0.59</b>

### 3.4.3 Depreciation

The Petitioner submitted that the depreciation has been calculated considering the rates of depreciation specified in the UERC Tariff Regulations, 2015.

Regulation 28 of the UERC Tariff Regulations, 2015 specifies as follows:

***“28. Depreciation***

*(1) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission.*

*Provided that depreciation shall not be allowed on assets funded through Consumer Contribution and Capital Subsidies/Grants.*

(2) The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset.

...

(4) Depreciation shall be calculated annually based on Straight Line Method and at rates specified in Appendix - II to these Regulations.

..."

The Commission has computed the depreciation by considering the depreciation rates specified in the UERC Tariff Regulations, 2015. The Commission has computed the depreciation for full year on opening GFA and on proportionate basis on the assets added during the year. The depreciation approved by the Commission is as shown in the Table below:

**Table 3.11: Depreciation for FY 2017-18 (Rs. Crore)**

Particulars	MYT Order	Revised Proposed	Approved
Depreciation	2.06	2.39	2.30

#### 3.4.4 Interest charges

The Petitioner submitted that the project "Construction of SLDC at Dehradun and 2 Nos. Sub-SLDC at Kashipur and Rishikesh" is 70% debt funded project under REC II funded projects. The Petitioner submitted that interest rate of 12.44% has been considered for projecting the interest expense and projected depreciation has been considered as repayment in accordance with UERC Tariff Regulations, 2015.

Regulation 27 of the UERC Tariff Regulations, 2015 specifies as follows:

***"27. Interest and finance charges on loan capital and on Security Deposit***

(1) The loans arrived at in the manner indicated in Regulation 24 shall be considered as gross normative loan for calculation of interest on loan.

(2) The normative loan outstanding as on 1.4.2016 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2016 from the gross normative loan.

(3) The repayment for each year of the Control Period shall be deemed to be equal to the depreciation allowed for that year...

...

(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the project:

...

(6) The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

..."

The Commission has worked out the interest charges considering the approved means of finance. The Commission has provisionally considered the interest rate of 12.44% and the same shall be trued up based on the actuals. The Commission has considered the normative repayment equal to the depreciation in accordance with the UERC Tariff Regulations, 2015. The interest charges approved by the Commission for FY 2017-18 are as shown in the Table below:

**Table 3.12: Interest charges for FY 2017-18 (Rs. Crore)**

Particulars	MYT Order	Revised Proposed	Approved
Opening Loan	5.73	6.93	5.80
Addition	22.05	23.06	23.06
Repayment	2.06	2.39	2.30
Closing Loan	25.72	27.60	26.56
Average Loan	15.73	17.26	16.18
Interest rate	12.55%	12.44%	12.44%
<b>Interest</b>	<b>1.97</b>	<b>2.15</b>	<b>2.01</b>

### 3.4.5 Interest on Working Capital

The Petitioner submitted that it had estimated the Interest on Working Capital for FY 2017-18 in accordance with the provisions of UERC Tariff Regulations, 2015.

The Commission has worked out the Interest on Working Capital in accordance with the UERC Tariff Regulations, 2015.

### 3.4.6 One Month O&M Expenses

The annual O&M expenses approved by the Commission are Rs. 9.58 Crore for FY 2017-18. Based on the approved O&M expenses, one month's O&M expenses works out to Rs. 0.80 Crore for FY 2017-18.

### 3.4.7 Maintenance Spares

The Commission has considered the maintenance spares as 15% of O&M expenses in accordance with UERC Tariff Regulations, 2015, which works out to Rs. 1.44 Crore for FY 2017-18.

### 3.4.8 Receivables

The Commission has approved the receivables for two months based on the approved SLDC Charges of Rs. 15.15 Crore for FY 2017-18, which works out to Rs. 2.53 Crore for FY 2017-18.

Based on the above, the total working capital requirement of the Petitioner for FY 2017-18 works out to Rs. 4.76 Crore. The Commission has considered the rate of interest on working capital as 14.05% equal to State Bank Advance Rate (SBAR) of State Bank of India as on the date of filing of the APR Petition and, accordingly, the interest on working capital works out to Rs. 0.67 Crore for FY 2017-18.

The Interest on Working Capital approved by the Commission is as shown in the Table below:

**Table 3.13: Interest on Working Capital for FY 2017-18 (Rs. Crore)**

Particulars	MYT Order	Revised Proposed	Approved
O&M expenses for one month	0.76	1.08	0.80
Maintenance spares	1.37	1.95	1.44
Two months receivables	2.29	3.17	2.53
<b>Working Capital</b>	<b>4.42</b>	<b>6.20</b>	<b>4.76</b>
Rate of Interest on Working Capital	14.05%	14.05%	14.05%
<b>Interest on Working Capital</b>	<b>0.62</b>	<b>0.87</b>	<b>0.67</b>

### 3.4.9 SLDC Charges

Based on the above, the SLDC Charges approved by the Commission for FY 2017-18 is as shown in the Table below:

**Table 3.14: SLDC Charges for FY 2017-18 (Rs. Crore)**

S. No.	Particulars	MYT Order	Revised Proposed	Approved
1	O&M expenses	9.13	12.99	9.58
2	Return on Equity	0.58	0.63	0.59
3	Depreciation	2.06	2.39	2.30
4	Interest and finance charges	1.97	2.15	2.01
5	Interest on Working Capital	0.62	0.87	0.67
6	Less: Non-Tariff Income	0.65	0.00	0.00
	<b>ARR</b>	<b>13.72</b>	<b>19.03</b>	<b>15.15</b>

### 3.4.10 LDC Development Fund

Regulation 98 of UERC Tariff Regulations, 2015 specifies as under:

“

- (1) The SLDC shall create and maintain a separate fund called 'Load Despatch Centre Development Fund' ("LDCD Fund").
- (2) All the other income of SLDC like short term open access charges, registration charges, scheduling and operating charges, etc. shall be deposited into LDCD Fund.
- (3) The SLDC shall be entitled to utilise the money available in the LDCD Fund for creation of new assets, meeting stipulated equity portion in asset creation, margin money for raising loan from the financial institutions and funding of R&D projects.
- (4) The LDCD Fund shall not be utilized for revenue expenditure except to meet the short fall, if any, in the annual charges allowed by the Commission or to meet the contingency expenses which were not foreseen at the time of making the application for fees and charges and are considered necessary for the efficient power system operation. However, such draws from the said fund shall be recouped from the expenditure allowed by the Commission under the respective heads at the time of truing up.
- (5) Any asset created by the SLDC out of the money deposited into the LDCD Fund shall not be entitled for return on equity, interest on loan and depreciation on same principles as in case of grant. SLDC shall submit details of such assets in the CAPEX plan.
- (6) SLDC shall submit the amount accumulated in LDC development fund along with the break-up of sources from where the fund is received. The Commission shall review the LDC development fund every year and issue directions to SLDC for effective utilization of the funds, if required.”

The actual inter-state operating and scheduling charges collected for FY 2016-17 are as shown in the Table given below:

**Table 3.15: Details of LDCD Fund submitted by SLDC (Rs. Crore)**

Particulars	FY 2016-17 (Actual upto September, 2016)
Short Term Open Access (Operating Charges)	0.65
Registration Fees	0.02
NOC Charges	0.16
<b>LDCD Fund</b>	<b>0.82</b>

**The Petitioner is directed to ensure compliance of the Regulations. The Petitioner is also directed to submit the amount of LDC Development Fund created till FY 2016-17 and utilization plan for the same alongwith its APR Petition for FY 2017-18.**

#### 3.4.11 *Operating Charges*

The Commission vide UERC (Terms and Conditions of Intra-State Open Access) Regulations, 2015 has specified the Operating Charges in respect of short-term open access customers. Regulation 21 of the UERC (Terms and Conditions of Intra-State Open Access) Regulations, 2015 specifies the Operating Charges for the Short-term Open Access customer which is reproduced hereunder:

***“21. SLDC and System Operation Charges:***

***(1) Transactions involving inter-State transmission system***

.....

***(b) Short-term open access***

*Regional Load Despatch Centre and State load despatch centre system operation charges as specified by the Central Commission.*

***(2) Transactions not involving inter-State transmission system***

.....

***(b) Short-term open access***

*System Operation charge per day or for part of the day shall be payable by a short-term open access customer for each transaction to SLDC as determined by the Commission from time to time.*

*[Explanation: System Operation charge includes fee for scheduling and system operation, energy accounting, fee for affecting revisions in schedule on bonafide grounds and collection and disbursement of charges.]*

In compliance of the aforesaid Regulation 21(2)(b), the Commission has decided to retain the system operation charges of Rs. 3,000 per day or part of the day for each transaction payable to the SLDC by intra-state open access customers with effect from the date of issue of this Order.



## **4 Commission's Directives**

The Commission in its previous Orders had issued a number of specific directions to SLDC with an objective of attaining operational efficiency and streamlining the flow of information, which would be beneficial for the Sector and the Petitioner both in short and long term. This Chapter deals with the compliance status and Commission's views thereon as well as the summary of new directions for compliance and implementation by SLDC.

### **4.1 Compliance of Directives issued in MYT Order for FY 2016-17 to FY 2018-19 dated April 5, 2016**

#### **4.1.1 Project Cost & Transfer of assets from PTCUL to SLDC**

As accounting of SLDC and SCADA is being done separately, accordingly, SLDC is directed to start preparing its annual statement of accounts separately from FY 2016-17 onwards in accordance with the requirement of the Regulations.

#### ***Petitioner's Submissions***

The Petitioner submitted that SLDC has not been formed as a separate company and is still part of PTCUL. The accounting is already being done separately in the form of separate Monthly Trial Balances (MTBs). However, maintaining separate annual statement of accounts including balance sheets shall be initiated after the ring fencing of SLDC and SCADA is complete.

#### ***Fresh Directive (Para 3.1)***

**The Commission directs SLDC that the provisions of the UERC Tariff Regulations, 2015 has to be complied strictly by SLDC regarding maintenance of its expenses related to operation of SLDC. The Commission also directs the SLDC to file the Petition seeking truing up of FY 2016-17 alongwith the APR of FY 2017-18 in accordance with the MYT Regulations, 2015.**

#### **4.1.2 Maintaining the separate details of actual AMC fee paid**

**The Commission directs the Petitioner to maintain separate details of actual AMC fee paid and the impact of the same shall be adjusted while carrying out the truing up and will not be considered as reduction in R&M expenses on account of controllable factors.**

### ***Petitioner's Submissions***

The Petitioner submitted that it has maintained the details of AMC paid separately and is also claiming the AMC fees paid to project executioner on actual basis. The Petitioner submitted that AMC fees to be paid is not subject to any escalation with R&M expenses and is projected on actual as per contract agreement. The details of AMC fee incurred in FY 2015-16 and projected to be incurred for FY 2016-17 and FY 2017-18 has been specified in the current Petition.

#### ***4.1.3 LDC Development Fund***

The Petitioner is directed to ensure compliance of the Regulations and create a separate Fund which shall be utilized in accordance with the Regulations.

### ***Petitioner's Submissions***

The Petitioner submitted that a separate fund has been created in compliance with the relevant Regulations and also the utilization is planned as per the Regulations.

#### ***Fresh Directive (Para 3.4.10)***

**The Petitioner is directed to ensure compliance of the Regulations. The Petitioner is also directed to submit the amount of LDC Development Fund created till FY 2016-17 and utilization plan for the same alongwith its APR Petition for FY 2017-18.**

#### ***4.1.4 Grant of NoC to Open Access Customers (Para 2.3.3)***

#### ***Fresh Directive***

**The Commission directs SLDC/PTCUL to implement on-line system of grant of NoC to open access customers in line with the system developed and operationalised by Telangana SLDC within one (1) month of issuance of this Order. Compliance report to the Commission be submitted within 15 days thereafter by the SLDC.**

#### ***4.1.5 Timely completion of Schemes (Para 3.2)***

#### ***Fresh Directive***

**The Commission directs the Petitioner to exercise caution and ensure that completed cost of the scheme is within the approved cost as the scheme has witnessed a considerable delay from**

the date of approval. The Petitioner is also directed to submit a complete timeframe within which the scheme would be completed.

**4.1.6 Employee expenses (Para 3.4.1.1)**

***Fresh Directive***


**The Petitioner is directed to maintain separate details of the amount paid as arrears to its employees on account of implementation of the recommendations of VII Pay Commission.**

The SLDC Charges approved for FY 2017-18 will be applicable with effect from April 01, 2017 till revised by the Commission.

**(Subhash Kumar)  
Chairman**

## 5 Annexures

### 5.1 Annexure-1 : Public Notice on SLDC's Proposal



**POWER TRANSMISSION CORPORATION OF UTTARAKHAND LTD.**  
(A Govt. of Uttarakhand Undertaking)  
**Vidyut Bhawan, Near ISBT Crossing, Saharanpur Road, Majra, Dehradun – 248001, Uttarakhand**  
**Phone: 0135-2642006 Fax: 0135-2643460 Corporate ID U40101UR2004GOI028675**

**PUBLIC NOTICE**

**Inviting Comments on the Petition filed by SLDC for approval of the Annual Performance Review for FY 2016-17 and proposed Aggregate Revenue Requirement FY 2017-18**

**Salient Points of the ARR/Tariff Petition**

1.State Load Despatch Center, which has been made operational for grid control and despatch of electricity and other related works w.e.f. November 27, 2012 in the State of Uttarakhand, has filed a petition before the Commission for approval of Annual Performance Review (APR) for FY 2016-17 and the proposed Revised Aggregate Revenue Requirement for FY 2017-18. The summary of SLDC for the aforesaid is given in the following Table:

Summary of the APR and ARR of SLDC (Rs. Crore)					
S. no	Particulars	FY 2016-17 (APR)		FY 2017-18 (APR)	
		Approved in the MYT Order for FY 2016-17	Revised Estimates	Approved in the MYT Order for FY 2016-17	Revised Estimates
1	Depreciation	1.21	1.29	2.06	2.39
2	Interest on Long Term Loans	0.78	0.91	1.97	2.15
3	Return on Equity	0.57	0.61	0.58	1.40
4	O&M Expenses	7.68	10.84*	9.13	12.99*
5	Interest on Working Capital	0.49	0.69	0.62	0.89
6	<b>Gross Expenditure</b>	<b>10.73</b>	<b>14.35</b>	<b>14.36</b>	<b>19.81</b>
7	Less: Non Tariff Income	0.65	0.00	0.65	0.00
8	<b>Net Expenditure</b>	<b>10.08</b>	<b>14.35</b>	<b>13.72</b>	<b>19.81</b>

*\*including AMC charges of Rs. 0.57 Crore for each FY 2016-17 and FY 2017-18*

2. SLDC has proposed a total hike of 96.53% for FY 2017-18 over the approved SLDC charges for FY 2016-17. The recovery of the charges from the beneficiaries has been proposed through suitable fees and charges.

3. 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, Vidyut Bhawan, Saharanpur Road, Majra, Near ISBT, Dehradun - 248001, Uttarakhand. Relevant extracts can also be obtained from the above mentioned offices of the Petitioner.

4. The proposals are also available at the website of the Commission ([www.uerc.gov.in](http://www.uerc.gov.in)) and at SLDC's website ([www.uksldc.in](http://www.uksldc.in)) and ([www.ptcul.org](http://www.ptcul.org)) also.

5. Objections/suggestions are invited from the consumers and other stakeholders on the above proposals. These may be sent to the Secretary, Uttarakhand Electricity Regulatory Commission, either in person, or by post at Vidyut Niyamak Bhawan, Near I.S.B.T., P.O. Majra, Dehradun-248171 or through e-mail to [secy.uerc@gov.in](mailto:secy.uerc@gov.in) as a statement of objections or comments with copies of the documents and evidence in support thereof so as to reach the Secretary by **31.01.2017**.

Letter No. 490/EE(SCADA)/PTCUL      DATED: 09-12-2016
**Managing Director**

**"Save Electricity in the Interest of Nation"**

## 5.2 Annexure-2 : List of Respondents

Sl.	Name	Designation	Organization	Address
1	Sh. Shakeel A. Siddiqui	Sr. General Manager (Finance)	M/s Kashi Vishwanath Textile Mill (P) Ltd.	5 <sup>th</sup> KM, Stone, Ramnagar Road, Kashipur-244713, Distt. Udham Singh Nagar
2	Sh. Munish Talwar	Head- Electrical and Instrumentation	M/s Asahi India Glass Ltd.	Integrated Glass Plant, Village-Latherdeva Hoon, Manglaur-Jhabrera Road, P.O. Jhabrera, Tehsil Roorkee, Distt. Haridwar, Uttarakhand
3	Dr. V.K. Garg	Chairman	M/s South Asia Forum for Energy Efficiency	A-24/E, DDA Flats, Munirka, New Delhi-11006

**5.3 Annexure-3 : List of Participants in Public Hearings****List of Participants in Hearing at Almora on 21.02.2017**

Sl. No.	Name	Designation	Organization	Address
1.	Sh. Girish Joshi	Principal (Retd.)	-	Mohalla Dubkiya, Distt. Almora-263601, Uttarakhand
2.	Sh. G.L. Verma	Ex Navy Officer	-	Johari Bazaar, Distt. Almora, Uttarakhand
3.	Sh. Shankar Dutt Pandey	Incharge-District Information Officer	-	Mall Road, Distt. Almora, Uttarakhand
4.	Sh. Akhtar Hussain	Sabhasad	-	District Panchayat Awaas, Chaughan Pata, Distt. Almora, Uttarakhand
5.	Sh. N.C. Joshi	Ex. Warrant Officer	-	S/o Late Sh. T.D. Joshi, Buxi Khola, PO & Distt. Almora-263601, Uttarakhand
6.	Sh. Amar Singh Karki	-	-	Mohalla-Makedi, PO & Distt. Almora, Uttarakhand
7.	Sh. Krishna Singh Latwal	-	-	Village-Dewali, PO-Lodhiya, Distt. Almora, Uttarakhand
8.	Sh. Pratap Singh Satyal	General Secretary	M/s Day Care Centre	Thana Bazaar, Distt. Almora, Uttarakhand
9.	Sh. Pooran Chandra Tiwari	Central General Secretary	Uttarakhand Lok Vahini	"Tiwari Sadan", Talla Galli, Jakhandevi, Distt. Almora, Uttarakhand
10.	Dr. R.S. Shahi	Retd. Director (Medical & Health)	-	Near Chief Medical Officer (CMO) Office, Pandey Khola, Distt. Almora, Uttarakhand
11.	Sh. Shyam Lal Sah	District President	Prantiya Udyog Vyapaar Pratinidhi Mandal	Kachhari Bazaar, Distt. Almora, Uttarakhand
12.	Sh. Anand Singh Bagadwal	President	Almora Urban Co-operative Bank	Lala Bazaar, Distt. Almora, Uttarakhand
13.	Sh. Manish Kumar Joshi	-	-	Talla Joshi Khola, Distt. Almora, Uttarakhand
14.	Sh. D.S. Bisht	-	-	Bansal Gali, Lala Bazaar, Distt. Almora, Uttarakhand
15.	Sh. Hari Krishna Khatri	-	-	52 Seedi, Dharanaula Marg, Distt. Almora-263601, Uttarakhand
16.	Sh. Khajaan Mishra	-	-	Bakshi Khola, Distt. Almora, Uttarakhand
17.	Sh. T.S. Karakoti	-	-	Karakoti Niwas, Near Shankar Bhawan, East Pokhar Khali, Distt. Almora-263601, Uttarakhand
18.	Sh. K.B. Pandey	-	-	Talla Tilakpur, Sunari Naula, Distt. Almora, Uttarakhand
19.	Sh. Sanjay Kumar	Director &	Shri Karuna Jan	Sanjay Bhawan, Malla Joshi Khola,

Sl. No.	Name	Designation	Organization	Address
	Agrawal	Secretary	Kalyan Samiti	Distt. Almora, Uttarakhand
20.	Sh. Kailash Gurrani	-	-	Gurrani Kholā, Distt. Almora-263601, Uttarakhand
21.	Prof. Arun K. Pant	-	-	Laxmi Niwas, Cement Kothi, Rani Dhara, Distt. Almora, Uttarakhand
22.	Sh. Prakash Chandra Joshi	President	Nagar Palika	Distt. Almora, Uttarakhand
23.	Sh. P.C. Tiwari	President	Uttarakhand Parivartan Party	Devki Niwas, Dharanāula, Distt. Almora-263601, Uttarakhand
24.	Sh. Anand Singh Ary	President	M/s Day Care Centre	Thana Bazaar, Distt. Almora, Uttarakhand
25.	Ms. Rekha Dhasmana	-	-	BSNL Colony, Quarter No. 4, Type-4, Makedi, Dhara Naula, Distt. Almora, Uttarakhand

**List of Participants in Hearing at Rudrapur on 22.02.2017**

Sl. No.	Name	Designation	Organization	Address
1.	Dr. Ganesh Upadhyaya	-	-	Village and P.O. Shatipuri No. 2, Distt. Udham Singh Nagar
2.	Sh. Sudhir Shahi	-	-	Village Pratappur, Tehsil-Rudrapur, Distt. Udham Singh Nagar
3.	Sh. Avendra Kumar	-	-	Village-Indrapur, P.O. Pratappur, Distt. Udham Singh Nagar
4.	Sh. Navneet Mishra	-	-	Village-Indrapur, P.O. Pratappur, Distt. Udham Singh Nagar
5.	Sh. Indrasan Yadav	-	-	Village-Indrapur, P.O. Pratappur, Distt. Udham Singh Nagar
6.	Sh. S.K. Garg	-	M/s BST Textile Mills Pvt. Ltd.	Plot 9, Sector 9, IIE, SIDCUL, Pantnagar, Distt. Udham Singh Nagar
7.	Sh. Jagdish Singh	-	-	Village-Dharampur, P.O. Chattarpur, Distt. Udham Singh Nagar
8.	Sh. Kunwar Pal Singh	-	-	Fauji Matkota, Bhurarani, Rudrapur, Distt. Udham Singh Nagar
9.	Sh. Sushil Kumar	-	-	Plot No. 14-B, Sector-9, SIDCUL, Pantnagar, Distt. Udham Singh Nagar
10.	Sh. R.S. Yadav	Vice President (HR & Admn.)	India Glycols Ltd.	A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar
11.	Sh. R.K. Singh	Head (CPED & E)	M/s Tata Motors Ltd.	Plot No. 1, Sector 11, Integrated Industrial Estate, SIDCUL, Pantnagar-263153, Distt. Udham Singh Nagar
12.	Sh. Virat Seth	-	M/s Tata Motors Ltd.	Plot No. 1, Sector 11, Integrated Industrial Estate, SIDCUL, Pantnagar-263153, Distt. Udham Singh Nagar
13.	Sh. Devesh Pant	-	M/s Tata Motors Ltd.	Plot No. 1, Sector 11, Integrated Industrial Estate, SIDCUL, Pantnagar-263153, Distt. Udham Singh Nagar
14.	Sh. Shakeel A. Siddiqui	Sr. General Manager (Finance)	M/s Kashi Vishwanath Textile Mill (P) Ltd.	5 <sup>th</sup> KM Stone, Ramnagar Road, Kashipur-244713, Distt. Udham Singh Nagar
15.	Sh. Rakesh Sood	-	M/s Galwalia Ispat Udyog Pvt. Ltd.	Narain Nagar Industrial Estate, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar
16.	Sh. Akash Jain	-	M/s Roop Polymers Ltd.	Plot No. 19, Sector-9, IIE SIDCUL, Pantnagar, Distt. Udham Singh Nagar
17.	Sh. Sanjay Adhlakha	-	M/s Ambashakti Glass India Pvt. Ltd.	Plot. No. 41, Sector-3, SIDCUL, Pantnagar, Distt. Udham Singh Nagar
18.	Sh. Deepak Kumar	-	M/s Nestle India Ltd.	Pantnagar, SIDCUL Industrial Area Road, Distt. Udham Singh Nagar-263153
19.	Sh. Teeka Singh Saini	Former State General Secretary	Kisan Congress	33, Katoratal, Kashipur, Distt. Udham Singh Nagar
20.	Sh. Balkar Singh Fauji	-	-	Village-Raipur Khurd, P.O. Kashipur, Distt. Udham Singh Nagar



Sl. No.	Name	Designation	Organization	Address
21.	Sh. Kuldeep Singh	-	-	Village-Dhakia Kalan, PO-Dhakia No. 1, Tehsil-Kashipur, Distt. Udham Singh Nagar-244713
22.	Sh. Tushar Agarwal	-	M/s BTC Industries Ltd.	Village-Kishanpur, P.O. Deooria, Tehsil-Kichha, Distt. Udham Singh Nagar
23.	Sh. Arunesh Kumar Singh	-	M/s Perfect Dynamics Auto Pvt. Ltd.	Fulsunga, P.O. Transit Camp, Rudrapur, Distt. Udham Singh Nagar
24.	Sh. Dinesh Johsi	-	M/s Sanjay Technolplast Pvt. Ltd.	Pant Nagar Plant : Khata No. 182, Khasra No. 301 Min., Village-Fulsunga, Tehsil-Kichha, Rudrapur, Distt. Udham Singh Nagar-263153
25.	Sh. Vijendra Singh	-	M/s Sanjay Technolplast Pvt. Ltd.	Pant Nagar Plant : Khata No. 182, Khasra No. 301 Min., Village-Fulsunga, Tehsil-Kichha, Rudrapur, Distt. Udham Singh Nagar-263153
26.	Sh. Sukkha Singh	-	-	Village & P.O.-Chattarpur, Rudrapur, Distt. Udham Singh Nagar
27.	Sh. Prateek Agrawal	-	M/s Shrishti Steel Industries (P) Ltd.	Station Road, Kashipur, Distt. Udham Singh Nagar
28.	Sh. Dheerendra Kumar Singh	-	M/s Omega Icewill Pvt. Ltd	Plot No. 37, Sector-4, IIE, Pantnagar, SIDCUL, Rudrapur, Distt. Udham Singh Nagar
29.	Sh. R.B. Biradar	Sr. General Manager	M/s Radico Khaitan Ltd.	A-1, A-2, B-3, Industrial Area, Bazpur, Distt. Udham Singh Nagar
30.	Dr. R.P. Singh	Executive Director	M/s Tarai Foods Ltd.	Sandhu Farms, P.O. Box No. 18, Rudrapur-263153, Distt. Udham Singh Nagar
31.	Sh. Manish Goyal	-	M/s BST Textile Mills Pvt. Ltd.	Plot 9, Sector-9, Rudrapur, Distt. Udham Singh Nagar
32.	Sh. S. Sinha	-	M/s Endurance Technologies Ltd.	Plot-03, Sector-10, IIE, Pantnagar, Distt. Udham Singh Nagar-263153
33.	Sh. Harish Pant	-	M/s Endurance Technologies Ltd.	Plot-03, Sector-10, IIE, Pantnagar, Distt. Udham Singh Nagar-263153
34.	Sh. Rajiv Kumar	-	M/s Endurance Technologies Ltd.	Plot-03, Sector-10, IIE, Pantnagar, Distt. Udham Singh Nagar-263153
35.	Sh. Amit Goyal	-	M/s Ashok Layland Ltd.	Plot No. 1, Sector 12, IIE, Pantnagar, Distt. Udham Singh Nagar-263153
36.	Sh. Rameshwar Dayal	-	M/s Ashok Layland Ltd.	Plot No. 1, Sector 12, IIE, Pantnagar, Distt. Udham Singh Nagar-263153
37.	Sh. Ashok Bansal	-	M/s Rudrapur Solvents Pvt. Ltd.	Rudrapur-Kichha Road, Lalpur, Distt. Udham Singh Nagar
38.	Sh. Ajit Dandavate	-	M/s Bajaj Auto Ltd.	Plot No. 2, Sector-10, SIDCUL, Pantnagar, Rudrapur, Distt. Udham Singh Nagar
39.	Sh. Prem Maurya	-	-	Village & P.O. Chattarpur, Rudrapur, Distt. Udham Singh Nagar-263153
40.	Sh. Umesh Sharma	-	M/s Voltas Ltd.	Plot No. 2-5, Sector-8, IIE, Pantnagar Industrial Area, Rudrapur,

Sl. No.	Name	Designation	Organization	Address
				Distt. Udham Singh Nagar-263153
41.	Sh. Ram Kumar Agarwal	-	M/s Umashakti Steels (P) Ltd.	Village-Vikrampur, Bannakheda Road, Bazpur, Distt. Udham Singh Nagar
42.	Sh. Sushil Kumar Tulsyan	-	M/s Umashakti Steels (P) Ltd.	Village-Vikrampur, Bannakheda Road, Bazpur, Distt. Udham Singh Nagar
43.	Sh. Naresh Ghai	-	M/s AICA Laminates India (P) Ltd.	Plot No. 23-26 & 45-48, Sector-5, SIDCUL, Pantnagar, Distt. Udham Singh Nagar
44.	Sh. Kuldeep Singh	-	M/s Kumaon Garhwal Chamber of Commerce & Industry Uttarakhand	Chamber House, Industrial Estate, Bazpur Road, Kashipur, Distt. Udham Singh Nagar.
45.	Sh. Vijay Mishra	Manager (HR)	M/s Eminent Power Friends Equipment Co. Pvt. Ltd.	Plot No-14-A & 15, Sector-4, IIE, SIDCUL, Pantnagar-263153, Distt. Udham Singh Nagar
46.	Sh. D.N. Maurya	-	-	Chattarpur, Rudrapur, Distt. Udham Singh Nagar-263153
47.	Sh. Shiv Ji Maurya	-	-	Village & P.O. Chattarpur, Rudrapur, Distt. Udham Singh Nagar
48.	Sh. J.K. Patel	-	M/s SIDCUL Welfare Association	SIDCUL Area, Pantnagar, Rudrapur, Distt. Udham Singh Nagar
49.	Sh. Manoj Tyagi	-	-	-
50.	Sh. Jagri Singh	-	-	Village-Bagwara, P.O. Garinegi, Tehsil-Jaspur, Distt. Udham Singh Nagar
51.	Sh. Gurbachan Singh	-	-	Village & P.O. Kunda, Tehsil-Jaspur, Distt. Udham Singh Nagar
52.	Sh. Shital Singh	-	-	S/o Sh. Singara Singh, Village-Jagatpur Patti, P.O. Shivraipur, Tehsil-Jaspur, Distt. Udham Singh Nagar
53.	Sh. Didaar Singh	-	-	S/o Karam Singh, Village-Jagatpur Patti, P.O. Shivraipur, Tehsil-Jaspur, Distt. Udham Singh Nagar
54.	Sh. Harish Bhatt	-	-	Village & P.O. Chattarpur, Rudrapur, Distt. Udham Singh Nagar
55.	Sh. Rajeev Gupta	-	M/s Kashi Vishwanath Steels Pvt. Ltd.	Narain Nagar Industrial Estate, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar.
56.	Sh. Sanjeev Jindal	-	M/s Uttaranchal Ispat Pvt. Ltd.	Pipaliya Industrial Area, Bazpur, Distt. Udham Singh Nagar.
57.	Sh. Vikash Kumar	-	-	Plot No. 13, Sector-2, Rudrapur, Distt. Udham Singh Nagar.

**List of Participants in Hearing at Dehradun on 02.03.2017**

<b>Sl. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Organization</b>	<b>Address</b>
1	Sh. K.S. Kukreja	-	-	1/9, Govind Garh, Dehradun
2	Sh. Pankaj Gupta	President	M/s Industries Association of Uttarakhand	C/o Satya Industries, Mohabbewala Industrial Area, Dehradun
3	Sh. Rajiv Agarwal	Sr. Vice-President	M/s Industries Association of Uttarakhand	C/o Satya Industries, Mohabbewala Industrial Area, Dehradun
4	Sh. R.L. Khanduri	-	M/s Flex Foods Ltd.	Lal Tappar Industrial Area, P.O. Resham Majri, Haridwar Road, Dehradun-248140
5	Sh. Sandeep Sahni	President	Uttarakhand Hotel Association	Hotel Brentwood, Kulri, The Mall, Mussoorie-248179, Dehradun
6	Sh. Ram Kumar	Sr. Vice President	Mussoorie Hotel Association	Hotel Vishnu Palace, Library Chowk, Mussoorie-248179, Dehradun
7	Sh. G.C. Madhwal	-	-	147/28, Kalidas Road, Hathibarkala, Dehradun
8	Sh. Gulshan Rai	-	Sh. Ganesh Roller Floor Mills	Mohabbewala Industrial Area, Subhash Nagar, Dehradun-248001
9	Sh. Vishvamitra Gogiya	-	-	36, Panchsheel Park, Chakrata Road, Dehradun
10	Sh. K.G. Behl	-	-	8A, Nemi Road, Dalanwala, Dehradun
11	Sh. Arvind Jain	Member	Tarun Kranti Manch (Regd.)	6-Ramleela Bazaar, Dehradun
12	Sh. Anoop Nautiyal	-	-	69, Vasant Vihar, Dehradun
13	Sh. V. Viru Bisht	-	-	Village-Mohanpur, Post Off.-Premnagar, Dehradun-248007
14	Sh. G.D. Madhok	-	-	146/1, Rajendra Nagar, Street No. 9, Kaulagarh Road, Dehradun
15	Sh. Munish Talwar	Head-Electrical & Instrumentation	M/s Asahi India Glass Ltd.	Integrated Glass Plant, Village-Latherdeva Hoon, Manglaur-Jhabrera Road, P.O. Jhabrera, Tehsil Roorkee, Distt. Haridwar
16	Sh. Manish Garg	-	M/s Madhu Gupta & Company	51/510, New Hyderabad, Lucknow, Uttar Pradesh
17	Sh. Sushil Tyagi	-	-	34, Phase-1, THDC Colony, Pathri Bagh, Dehradun
18	Sh. Mahesh Sharma	President	M/s Uttarakhand Industrial Welfare Association	Off. G-31, UPSIDC, Industrial Area, Selaqui, Dehradun, Uttarakhand
19	Sh. Vikas Kumar	-	M/s Cavendish Industries Ltd.	Village-Kheri Mubarakpur, Laksar, Haridwar, Uttarakhand
20	Sh. Manish Garg	-	M/s Galwalia Ispat Udyog Pvt.	Narain Nagar Industrial Estate, Bazpur Road, Kashipur-244713,

			Ltd.	Distt. Udham Singh Nagar.
21	Dr. Mahesh Bhandari	President	Doon Residential Welfare Front	6, Municipal Road, Dehradun
22	Sh. Avdhash Kaushal	-	-	68/1, Rajpur Road, Dehradun
23	Sh. Surendra Nautiyal	-	-	Lower Nehru Gram, P.O.-Nehru Gram, Dehradun
24	Sh. K.S. Pundir	-	-	Shantikunj, Lane No.-1A, Lower Nathanpur, Dehradun
25	Sh. Sanjay Chaurasiya	-	M/s Hindustan National Glass & Industries Ltd.	Post Off.-Virbhadra, Rishikesh-249202, Uttarakhand
26	Sh. K.L. Sundriyal	-	-	4(4/3), New Road, Near Hotel Relax, (Amrit Kauri Road), Dehradun
27	Sh. Akash Agarwal	-	Arunachal Pradesh Power Ltd.	Sector-1, B-15, Noida, Uttar Pradesh
28	Thakur Sh. R.S. Kaintura	-	-	4/19, Lane No. 03, P.O. Road Clement Town, Dehradun
29	Sh. Vijay Singh Verma	-	-	Village-Delna, P.O. Jhabrera, Haridwar-247665, Uttarakhand
30	Sh. Dharam Pal Goyal	-	-	S/o Sh. Ram Kumar, Gyan Vihar, Gurudwara Road, Doiwala, Dehradun
31	Sh. Umesh Sharma Kau	Hon'ble MLA	-	Brahma Niwas, Ajabpur Kalan, Dehradun
32	Sh. P.C. Thapliyal	-	-	90, Vijay Park, Dehradun
33	Sh. Man Singh	General Manager (Engg.)	M/s Vista Alps Industries Ltd.	Haridwar Unit-II, Plot No. 1 B, Sector-10, Integrated Industrial Estate, SIDCUL, Distt. Haridwar
34	Sh. Rajendra Singh	-	-	91, Dharampur, Dehradun
35	Sh. Shekhera Nand Maindolia	-	-	150, Divya Vihar, Danda Dharampur, Dehradun.
36	Sh. Shakti Singh Bartwal	-	-	Shri Sidhh Vihar, Lane No.-04, Lower Nehrugram, Dehradun

**List of Participants in Hearing at New Tehri on 03.03.2017**

<b>Sl. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Organization</b>	<b>Address</b>
1	Sh. Prem Singh Bangai	Advocate	-	Chamber No. 2, Court Compound, New Tehri, Tehri Garhwal, Uttarakhand
2	Sh. Shiv Singh Negi	President	Consumer Welfare Committee (Regd.)	Block No. 9/2, Type-3, New Tehri, Tehri Garhwal, Uttarakhand
3	Sh. Sumer Singh	Pradhan	-	Village-Khatyada, Vikas Khand-Narendra Nagar, P.O.-Rani Chaudi, Tehri Garhwal, Uttarakhand
4	Sh. Sandeep Singh	-	-	Near Main Post Office, Moldhar, New Tehri, Tehri Garhwal, Uttarakhand
5	Sh. Ashish Chauhan	-	M/s Golu Bakers	Gaja, Tehri Garhwal, Uttarakhand