

Before
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Petition No. 30 of 2021

In the Matter of:

Petition for in-principle approval of capital investment under DRIP-II for strengthening and up-gradation of 6 Dams/Barrages i.e. Ichari Dam, Maneri Dam, Joshiyara Barrage, Asan Barrage, **Dakpathar Barrage** and Virbhadra Barrage of UJVN Ltd. under Section 61 and 86 of the Electricity Act, 2003 read with the relevant regulations and guidelines of the Commission.

And

In the Matter of:

Managing Director,
UJVN Limited,
"UJJWAL", Maharani Bagh, GMS Road,
Dehradun.

...Petitioner

Coram

Shri D.P. Gairola Member (Law)

Shri M.K.Jain Member (Technical)

Date of Order: November 29, 2021

ORDER

This Order relates to the Petition filed by UJVN Ltd. (hereinafter referred to as "UJVN Ltd" or "the Petitioner") under Section 61 and 86 of the Electricity Act, 2003 read with Regulation 23 'Renovation and Modernization' of UERC (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2018 (hereinafter referred to as MYT Regulations, 2018) and provisions of UERC (Conduct of Business) Regulations, 2014 for seeking in-principle approval of capital investment under **Dam Rehabilitation & Improvement Program (DRIP-II)** for strengthening and up-gradation of 6

Dams/Barrages i.e. Ichari Dam, Maneri Dam, Joshiyara Barrage, Asan Barrage, Dakpathar Barrage and Virbhadra Barrage of UJVN Ltd.

However, on the request of the Petitioner the works pertaining to **Dakpathar Barrage** covered under DRIP-II Scheme have been analyzed on priority. Accordingly, this Order is part Order of the 'Petition for seeking in-principle approval of capital investment under Dam Rehabilitation & Improvement Program (DRIP-II) for strengthening and up-gradation of 6 Dams/Barrages i.e. Ichari Dam, Maneri Dam, Joshiyara Barrage, Asan Barrage, Dakpathar Barrage and Virbhadra Barrage of UJVN Ltd.' delving with the works proposed under DRIP-II Scheme for the **Dakpathar Barrage** only.

A separate Order shall be issued for the DRIP-II Scheme for works pertaining to Ichari Dam, Asan Barrage and Virbhadra Barrage of UJVN Ltd.

Background

2. UJVN Ltd. vide its letter No. 28/UJVN/03/D(P)/ dated 25.06.2021 had filed an Application under Section 61 and 86 of the Electricity Act, 2003 read with Regulation 23 of MYT Regulations, 2018 and provisions of UERC (Conduct of Business) Regulations, 2014 seeking approval in the matter of Petition for in-principle approval of capital investment under DRIP-II for strengthening and up-gradation of 6 Dams/Barrages i.e. Ichari Dam, Maneri Dam, Joshiyara Barrage, Asan Barrage, Dakpathar Barrage and Virbhadra Barrage.
3. The Petitioner in its Petition has furnished that:-
 - (1) The Central Water Commission (CWC) with assistance of World Bank had initiated a programme called "Dam Rehabilitation and Improvement Project (DRIP)" for the strengthening and up-gradation to ensure safety of existing Dam/Barrages. Dam Rehabilitation and Improvement Project (DRIP) was started in 2011 but UJVN Limited was included in July 2015 with five Dams/Barrages namely Ichari Dam, Maneri Dam, Asan Barrage, Dakpathar Barrage and Virbhadra Barrage under DRIP-I amounting to ₹ 235 Cr.
 - (2) UJVN Limited has also been allowed for carrying out the works proposed under DRIP-II. In the proposal of works under DRIP-II, the remaining works

of all the 5 Dams/ Barrages proposed under DRIP-I and all works of Joshiyara Barrage have been included.

- (3) The Petitioner had earlier filed its proposals of ₹ 432 Crore covered under DRIP-II for approval of the Commission vide its letter no. M-130/UJVNL/02/D(O)/B-8 dated 27.01.2021 during the tariff proceedings for FY 2021-22. The Commission had found the works covered under DRIP-II of Renovation & Modernization nature and informed the Petitioner to file a Petition before the Commission under the provisions of Regulation 23 of UERC (Terms and Conditions for Determination of Multi Year Tariff) Regulations, 2018. Further, the Commission at para 5.9.2 of its Tariff Order dated 26.04.2021 directed the Petitioner to approach the Commission with a separate detailed proposal for approval of the additional capitalization on account of the works to be executed under DRIP-II and DRIP-III.
- (4) The Detailed Project Report for 'strengthening and up-gradation of 6 Dams/Barrages i.e. Ichari Dam, Maneri Dam, Joshiyara Barrage, Asan Barrage, Dakpathar Barrage and Virbhadrha Barrage' has been prepared by the Petitioner in-house and approved by the Board of Directors of the Petitioner during the BOD meeting held on 24.06.2021.
- (5) The details of estimated expenditure in DPRs of all 6 Dams/ Barrages covered under DRIP-II is tabulated as under:

S. No.	Name of Dam/barrage	Cost of DPR (₹ Cr)		
		Part A (approved by World Bank)	Part B (proposed, if additional budget available)	Total (A+B)
1.	Ichari Dam	35.69	14.72	50.41
2.	Dakpathar barrage	39.24	24.21	63.45
3.	Asan barrage	28.62	0.00	28.62
4.	Virbhadrha barrage	45.26	41.46	86.72
5.	Maneri Dam	72.29	15.09	87.38
6.	Joshiyara barrage	53.31	62.21	115.52
	Total	274.40	157.69	432.09

4. UJVN Ltd. has submitted that the proposed works might not give any direct generation benefits but are likely to increase life of the project with enhancement in the safety level of the dam/barrage operation. However, the benefit to cost analysis has been worked out on the basis of assumptions as given in the DPRs.
5. The Commission vide its part Order dated **12.10.2021** in the matter gave in-principle approval for the works proposed for Maneri Dam and Joshiyara Barrage under DRIP-II excluding the works proposed for:- i) 'Construction/provision of additional back regulator TRC gates at Dharasu Power House site', ii) 'Expansion/modification in cavern of Valve House Chamber of MB-II project at Dharasu'.
6. The instant Order is a part Order pertaining to **Dakpathar Barrage**. Hence, the cost break-up of the works proposed under DRIP-II for **Dakpathar Barrage** of UJVN Ltd. as provided in Petition are only detailed below:-

Dakpathar Barrage

PART-A:-Detail of works included in initial 274.00 crore already allocated to UJVNL under DRIP-II

<u>S. No.</u>	<u>Description of Works</u>	<u>Amount (₹ in Lakhs)</u>
<i>i) Civil Works:</i>		
1	<i>Special Repair of downstream floor, energy dissipation arrangement (EDA) and placement of CC Blocks for protection of toe of EDA of Under Sluice bays (bay No. 1 to 6) of Dakpathar Barrage.</i>	824.37
2	<i>Special Repair of downstream floor, energy dissipation arrangement (EDA) and placement of CC Blocks for protection of toe of EDA of bays (bay No. 7 to 25) of Dakpathar Barrage.</i>	1613.62
3	<i>Special Repair and reconstruction of railing, Parapet wall and inspection way of Dakpathar Barrage.</i>	74.26
4	<i>Procurement of One no. Diesel driven vehicle for official use of project civil maintenance Dakpathar officers/staff.</i>	10.00
5	<i>Hydrographic survey of reservoir area of Dakpathar barrage.</i>	6.04
6	<i>Water quality analysis of reservoir water of Dakpathar Barrage.</i>	1.22
7	<i>Structural safety audit and strengthening measures of 2 no of bridges (one main barrage bridge and one head regulator bridge at Dakpathar barrage)</i>	20.06
8	<i>Consultancy services to check the adequacy of freeboard available at Dakpathar Barrage with respect to revised design flood" & provide suggestions regarding structural and non-structural measures of Dakpathar Barrage related to revised design flood</i>	23.60

9	Consultancy services for Second party quality assurance and Inspection for the work "Special Repair of downstream floor, energy dissipation arrangement (EDA) and placement of CC Blocks for protection of toe of EDA of Under Sluice bays and other bays (bay No. 1 to 25) of Dakpathar Barrage"	20.00
10	Providing fencing and caution / warning sign board around the rim of the reservoir of Dakpathar barrage and its associated structures	274.44
11	Consultancy services for Second party quality assurance and Inspection for the work "Construction of bridge across power channel & parallel to HR bridge of Dakpathar Barrage" including Geotechnical Investigations, Providing design, drawings, and estimation of two-lane wide steel girder bridge and testing of materials/concrete etc.	25.00
	Subtotal Part-A (Civil works)	2892.61
ii) E&M Works:		
12	Repairing and overhauling of hoist mechanism of Under-Sluice gate no. 3 to 6, Barrage gate no. 7 to 17 & 19 to 23 of Dakpathar Barrage.	776.66
13	Repairing and major overhauling of Head Regulator Gates 01 to 06 of Dakpathar Barrage.	121.10
14	Epoxy painting of Under Sluice gates no. 1 to 6, barrage gates no. 7 to 23 at Dakpathar Barrage.	94.29
15	Up-gradation of Barrage Gates Using Position Feedback System, Local Display, and integration with existing Barrage control & Monitoring system at Dakpathar Barrage.	28.78
16	Procurement of one no. Diesel driven vehicle for operation and maintenance staff and other office use at Dakpathar Barrage.	10.00
	Subtotal Part-A (E&M works)	1030.83
	Total Part-A (Civil + E&M Works)	3923.44
PART-B:-		
(Detail of works to be taken up if additional budget allocated to UJVNL under DRIP-II/DRIP-III)		
S. No.	Description of Works	Amount (₹ in Lakhs)
Civil Works:		
1	Construction of 12 nos of type III residences at Dakpathar Colony for O&M staff of Dakpathar Barrage and Ichari Dam	467.35
2	Construction of 8 nos of type IV residences at Dakpathar Colony for O&M staff of Dakpathar Barrage and Ichari Dam	421.72
3	Procurement of IT equipment	10.00
4	Construction of bridge across power channel & parallel to HR bridge of Dakpathar Barrage at Dakpathar.	1342.29
5	Consultancy services for Second party quality assurance and Inspection for the work "Construction of Eight nos. of type III (Two Block) & Eight nos. of type IV residential (Two Block) quarters at Dakpathar Colony for O&M staff of Dakpathar Barrage and Ichari Dam" including Geotechnical Investigations, providing structural design & drawings as per CPWD specifications and testing of materials/concrete etc.	10.00

6	Supply, installation and testing, commissioning of Instrumentation, Online Monitoring System along with required accessories, & to carry out for five years the Comprehensive Operation and Maintenance with Warranty, data collection of the system at Dakpathar Barrage.	139.11
	Subtotal Part-B (Civil works)	2390.47
	E&M Works:	
7	Repairing and overhauling of Silt ejector gates of Dakpathar Barrage.	30.66
	Subtotal Part-B (E&M works)	30.66
	Total Part-B (Civil + E&M Works)	2421.13
	Total (Part A + Part B)	6,344.57 (₹ in Lakhs) Say 63.44 Cr

7. With regard to Financing Plan, the Petitioner has submitted that as per DRIP funding plan informed by GoI, 90% of loan component i.e. 72 % of total cost of ₹ 432 Crore is to be transferred to GoU as grant from GoI. UJVN Ltd. has made formal communication with GoU vide letter no. 415/UJVN/01/MD/DRIP dated 29.01.2021 for transfer of 72 % grant from GoI directly to the UJVN Ltd. The decision on the same is awaited from GoU.

However, as per modified condition by GoU for DRIP-II amounting to ₹ 432 Crore, 20 % equity shall have to be borne by UJVN Ltd. So, the revised funding plan for DRIP-II works has been revised and is as given below:

(₹ in Crore)

Cost for DRIP-II	Counterpart funding(Equity 20 % of ₹ 432) to be borne by UJVN Ltd.	Loan component @ 80% (as interest free loan)
432	86.40	345.60

8. With regard to Phasing of investment, the Petitioner has submitted that the total tenure of the DRIP-II/DRIP-III is 10 years & main fund requirements will be in initial 4-5 years, therefore, the Petitioner have to invest about ₹ 13-14 Crore yearly in four consecutive financial years. However, for remaining works, action will be taken in subsequent years after allocation of additional fund by CPMU/World Bank.

9. Accordingly, the Petitioner has requested the Commission to approve the total capital investment of ₹ 432.09 Crore under DRIP-II for strengthening and up-gradation of 6 Dams/Barrages i.e. Ichari Dam, Maneri Dam, Joshiyara Barrage, Asan Barrage, Dakpathar Barrage and Virbhadra Barrage of the Petitioner.
10. While examining the Petition, the Commission has observed that the Petitioner has sought expeditious approval for the works amounting to ₹ 83 Crore at Maneri Dam & Joshiyara Barrage which have been taken up for satisfying the Project Readiness Criteria of Ministry of Jal Shakti, Department of Water Resources, River Development and Ganga Rejuvenation, New Delhi letter dated 30-03-2021. Accordingly, the Commission decided to scrutinize the works proposed under DRIP-II scheme for Maneri Dam and Joshiyara Barrage on priority considering the timely availability of funds issuance from the GoI and issued an Order dated **12.10.2021** granting the in-principle approval of the works proposed.
11. On examination of the DPR of Dakpathar Barrage certain deficiencies/infirmities and requirement of additional information were identified and the Commission vide its letter No. 549 dated 16.09.2021 directed the Petitioner to submit/furnish its compliance on the following at the earliest:-

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General Comments

1. *UJVN Ltd. is required to confirm that works covered under DRIP-II scheme works have not been proposed under any other previous works/schemes/deferred works.*

Work Specific Comments

Dakpathar Barrage

1. *UJVN Ltd. is required to furnish:-*
 - (i) *The observations of CPMU/CWC/World Bank on the works proposed for Dakpathar barrage.*
 - (ii) *Status of compliance made by UJVN Ltd. on the observations of CPMU/CWC/World Bank.*
2. *It is observed that construction of Bridge across power channel and parallel to HR Bridge of Dakpathar Barrage at Dakpathar has not been specifically approved by DSRP in its report enclosed with the DPR.*
UJVN Ltd. is required to justify the same. Further, UJVN Ltd. is required to furnish a separate list of works which are included in Part A and Part B of DRIP-II scheme but are not specifically approved by DSRP.
3. *UJVN Ltd. is required to furnish details of quantity calculations for following items:-*

- (i) *'Special Repair of downstream floor, Energy Dissipation Arrangement (EDA) and Placement of CC Blocks for protection of toe of EDA of Under Sluice bays (bay No. 1 to 6) of Dakpathar Barrage.'*
 - (ii) *'Special Repair of downstream floor, Energy Dissipation Arrangement (EDA) and placement of CC Blocks for protection of toe of EDA of bays (bay No. 7 to 25) of Dakpathar Barrage'. The drawing are not readable readable.*
 4. *UJVN Ltd. is required to furnish legible copies of drawings enclosed with the DPR of Dakpathar Barrage.*
 5. *With regard to construction of type-III (12 nos.) and type-IV (08 nos.) residences for O&M staff of Dakpathar Barrage and Ichari Dam, UJVN Ltd. is required to furnish the following:-*
 - (i) *Details of total no. of type-III and type-IV residences at Dakpathar colony.*
 - (ii) *Details of O&M staff with name & designation working at Dakpathar Barrage and Ichari Dam requiring residences.*
 - (iii) *The proposed allocation of type-III (12 nos.) and type-IV (08 nos.) residences amongst O&M staff of Dakpathar Barrage and Ichari Dam.*
 - (iv) *Details of last 05 years repair and maintenance expenses incurred on type-III and type-IV residences at Dakpathar Colony.*
 6. *UJVN Ltd. had executed works against 'Engineering, Design, Supply, Erection, Testing and Commissioning of the complete automation of barrage control and monitoring systems for water distribution and barrage' at Dakpathar under DRIP-I scheme and now has proposed expenditure of Rs. 1.39 Crore for online monitoring system at Dakpathar Barrage under DRIP-II scheme.*
In this regard, UJVN Ltd. is required to confirm that the works proposed now are not a part of 'automation of barrage control and monitoring systems' executed under DRIP-I."
12. In response, UJVN Ltd. vide its letter dated 01.11.2021 submitted its compliance and furnished the following:-
- (1) With regard to General Comments mentioned at point no. 11 above, following point-wise reply has been furnished by UJVN Ltd.:-
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 1. *Civil works of Dakpathar Barrage proposed under DRIP-II have not proposed/completed under any other previous works/schemes/ deferred works.*

Previously, Civil Works of Dakpathar Barrage has been completed under DRIP-I. List of civil works of Dakpathar Barrage completed under DRIP-I is as under:-
 1. *Special Repair of Glacis, Cracks on piers/abutments, eroded concrete, construction of temporary diversion bunds and other miscellaneous works of Dakpathar Barrage (Dehradun).*

2. *Protection works of left side down stream bank of Dakpathar barrage at Dakpathar (Dehradun).*
3. *Special repair of Silt Ejector Channel of Dakpathar Barrage at Dakpathar (Dehradun).*
4. *Temporary water supply arrangements for Dakpathar Colony during the execution of works (Closure).*
5. *Special repair of Barrage glacis downstream of gates and allied works at Downstream of Dakpathar Barrage(Dehradun).*
6. *Construction of Office Building at Dakpathar Colony, Dakpathar, Dehradun.*
7. *Purchase of IT equipment for office use.*

The above list of civil works completed under DRIP-I are different from the list of the civil works proposed under DRIP-II scheme as mentioned in the submitted DPR.

- (2) With regard to work specific comments pertaining to Dakpathar Barrage mentioned at point no. 11 above, following point-wise reply has been furnished by UJVN Ltd. :-

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1. (i) *The observations of CPMU/CWC/World Bank on the works proposed for Dakpathar Barrage on PST and Revised PST (Revision-I) are enclosed as **Annexure-1** and **Annexure-2** respectively.*
 (ii) *Compliance made by UJVN Ltd. on the observations/ review comments of CPMU/CWC World Bank on PST and Revised PST (Revision-I) are enclosed as **Annexure-3** and **Annexure-4** respectively.*
2. *As DRIP-II project is financed by World Bank and supervised by CPMU/CWC, therefore, the expert committee i.e., DSRP may recommends/suggests the rehabilitation works of dam/barrage but the World Bank CPMU/CWC is the final approving authority for addition/exclusion of any proposed work under DRIP scheme.*

*Project Director, DRIP during the site visit of Dakpathar Barrage dated 27.01.2021 has given his consent to include the work "Construction of Bridge across power channel and parallel to HR bridge of Dakpathar Barrage at Dakpathar" under DRIP-II. This is also communicated by CPMU vide MOM of joint review meeting for DRIP-II held on June 15, 2021. (**MOM enclosed as Annexure-5**)*

*During the above site visit, Project Director, DRIP has also given his consent to include some other civil works, which were not suggested/recommended by DSRP. List of such works along with their justifications is enclosed as **Annexure-6**.*

3. *Details of Measurements (Quantity calculations) of both the works is enclosed as **Annexure-7**.*
4. *Copies of drawings, that has been attached in submitted DPR, are enclosed as **Annexure-8**.*
5. (i) *Details of total no. of Type-III and Type-IV residences at Dakpathar Colony are enclosed as **Annexure-9**.*
 (ii) *Details of O & M staff with name and designation working at Dakpathar Barrage and Ichari Dam are enclosed as **Annexure-10 & Annexure-11**.*
However, currently available Type-III & Type-IV residences at Dakpathar Colony are fully occupied by O & M staff of Project Distribution Division-Dakpathar, Chibro Power House, Khodri Power House, Vyasi Project, Lakhwar Multipurpose Project, Kishau Multipurpose Project and Arakot-Tyuni and Tyuni-Palasu Project.
 (iii) *The details of proposed allocation of Type-III (12 Nos) and Type-IV (08 Nos) residences among O&M staff of Dakpathar Barrage and Ichari Dam are enclosed as **Annexure-10 & Annexure-11**.*
 (iv) *Details of 5 years repair and maintenance expenses incurred on type-III and type-IV residences at Dakpathar Colony are enclosed as **Annexure-12**.*
6. *The work "Engineering, Design, Supply, Erection, Testing and Commissioning of the complete automation of barrage control and monitoring systems for water distribution and barrage in District Dehradun, Uttarakhand" executed under DRIP-I, is related to gate operation system of Dakpathar Barrage. (**BOQ attached as Annexure-13**).*

CPMU has given review comments in NoC/Approval of Revised PST (Revision-I) of the Dakpathar Barrage, about the instrumentation of Dakpathar Barrage, which is being reproduced as below:

"No provision of basic instrumentation has been made by UJVNL. Provision for at least basic instrumentation like Automatic Rain Gauge, Automatic Weather station, settlement markers/survey markers and a total station for monitoring the relative displacements various structural units of the Barrage may be made. Indian Standard IS 14248 "Guidelines of Instrumentation of Barrage and weirs" may also be referred in this connection". (CPMU review comments has been enclosed as Annexure-2)

In compliance with the CPMU review comments, provision for "Supply, installation and testing, commissioning of Instrumentation, Online Monitoring System along with required accessories, & to carry out for five years the Comprehensive Operation and Maintenance with Warranty, data collection of the system at Dakpathar Barrage" amounting to Rs. 139.11 Lakhs has been made under DRIP-II referring IS 14248 "Guidelines of

Instrumentation of Barrage and weirs." (BoQ of the work enclosed as Annexure-14 & Copy of IS 14248 (1995) enclosed as Annexure-15)

Therefore, the instrumentation work proposed in DRIP-II is different from the automation work executed under DRIP-I Scheme

Commission's Observations, Views & Directions:-

13. On examination of the Petition and subsequent submissions of the Petitioner following has been observed:-

- (1) With regard to 'special repair of downstream floor, Energy Dissipation Arrangement (EDA) systems in the downstream of Dakpathar Barrage', the Commission has observed that the said works are specialized capital intensive works and calls for efficient monitoring and quality check at each stage of construction at site.
- (2) With regard to the Cost Benefit Analysis, the Commission has observed that the Petitioner has claimed a benefit to cost ratio of 1.12 with Internal Rate of Return (IRR) as 11.5% from the proposed capital investment of ₹ 63.44 Crores. The Commission opines that no direct relation can be drawn with respect to enhancement in energy generation post execution of the proposed works. However, the Commission foresees the proposed investment as a life extension opportunity for its Civil and Hydro-mechanical infrastructures installed at Dakpathar Barrage which is of paramount importance from safety point of view.
- (3) The Commission has observed that availability of funds for the works pertaining to safety which do not have direct tangible benefits remains a challenge for the developer/HEPs and the works proposed under the instant Petition are of similar nature. However, considering the availability of funds from World Bank for DRIP-II Scheme, the Commission finds it prudent to give a nod to such works which are important from the perspective of Dam/Barrages safety. Further, it has come to the notice of the Commission that Govt. of India has launched a scheme pertaining to '**Budgetary Support for Flood Moderation/Storage Hydro Electric Projects (HEPs)**' which envisages to make hydro generation tariffs more competitive in the interest of the consumers of the State. Further, the aforesaid scheme envisages reimbursement of the total

cost of flood moderation component to the developer through Nodal Agency (CEA). UJVN Ltd. is expected to utilize such schemes to the maximum extent for the projects under its jurisdiction.

14. Based on the above discussion, the Commission grants in-principle approval for the works as discussed above for **Dakpathar Barrage**. A separate Order shall be issued for the DRIP-II Scheme works pertaining to Ichari Dam, Asan Barrage, and Virbhadra Barrage of UJVN Ltd.
15. The above in-principle approval is being granted subject to the following:-
 - (1) The Petitioner is directed to obtain the prices through competitive bidding for the works allowed by the Commission under the prevailing rules & regulations and prudence of the prices will be scrutinized at the time of fixation of tariff after completion of the said works.
 - (2) The Petitioner to make its all efforts for conversion of loan amount to grant from the Govt. of Uttarakhand/ World bank as the case may be.
 - (3) The Petitioner to explore possibility of funding the aforesaid works through various Schemes launched by Govt. of India offering grant viz. '**Budgetary Support for Flood Moderation/Storage Hydro Electric Projects (HEPs)**' so that hydro generation tariffs can be made more competitive in the interest of the consumers of the State.
 - (4) All the loan conditions as may be laid down by the funding agency (if any) in their detailed sanction letter are strictly complied with. However, the Petitioner is directed to explore the possibility of swapping the loan with cheaper debt option available in the market.
 - (5) The Petitioner shall, within one month of the Order, submit letter from the State Government or any such documentary evidence in support of its claim for equity funding agreed by the State Government or any other source in respect of the proposed R&M works.
 - (6) After completion of the aforesaid works, the Petitioner shall submit the completed cost and financing of the project.

- (7) The cost of servicing the project cost shall be allowed in the Annual Revenue Requirement of the Petitioner after the assets are capitalized and subject to prudence check of cost incurred.

Ordered accordingly.

(M.K. Jain)
Member (Technical)

(D.P. Gairola)
Member (Law)