

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
SITE NO. 3, BLOCK B, SECTOR 18-A MADHYA MARG, CHANDIGARH

Petition No. 54 of 2022
Date of Hearing: 18.01.2023
Date of Order: 20.01.2023

Filing of petition for Business Plan including Capital Investment Plan for Control Period from FY 2023-24 to FY 2025-26 under Regulation 9 of the Punjab State Electricity Regulatory Commission (Terms & Conditions for Determination of Generation, Transmission, Wheeling & Retail Supply Tariff) Regulation, 2019.

AND

In the matter of: Everest Power Private Ltd, having its registered office at House No. C-35, Sector-II, Phase-1 main Road new Shimla, Himachal Pradesh – 171009.

Petitioner

Versus

1. M/s Punjab State Power Corporation Limited
2. PTC India Limited, 2nd Floor, NBCC Tower, 15, Bikaji Kama Place, New Delhi.

Respondents

Commission: Sh. Viswajeet Khanna, Chairperson
Sh. Paramjeet Singh, Member

EPPL: Sh. Pushpinder Singh
Sh. Rakesh H. Shah

PSPCL: Sh. Anand.K.Ganesan, Advocate
Sh. Rupinderjit Randhawa, CE & ARR
Sh. Ajay Bansal, Dy.CE
Sh. Gurvinder Singh, Sr.Xen/TR-5

ORDER

The petition was taken up for hearing as well as public hearing. However, nobody appeared except PSPCL from the public in public hearing. PSPCL sought time to file its objections/reply to the petition. The Commission observed that the construction of Chute Spillway initially planned to be completed in FY 2018-19 (i.e. 1st MYT Control Period) has not yet started and the same is now being postponed to the 3rd MYT Control Period. The Commission is of the view that its Justification needs to be analysed afresh and the Petitioner

to explain why capex for the same is not disallowed. Further, in response to the query raised by the Commission vide Interim Order dated 18.11.2022, the petitioner in its reply dated 14.12.2022 has submitted that the new schemes/works were wrongly mentioned under the R&M and requested to consider the same under different Regulation i.e. sub-Regulation 18.2. The Commission observes that the Regulation 18 falls under “General Principles for determination of ARR and Tariff” and pertains to Additional Capitalization of the Capex actually incurred subject to the prudence check and not the Capital Investment Plan (CIP). Moreover, the said Regulation cannot be read in isolation, it has to be read conjointly with the provisions of Regulation 9 specifically dealing with the Business Plan including CIP, wherein it is provided as under:

“9. BUSINESS PLAN INCLUDING CAPITAL INVESTMENT PLAN

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9.3 The Business Plan for Generation Business shall contain among other things the following:

- (a) Capacity addition / reduction;*
- (b) Availability forecasts;*
- (c) Future performance targets;*
- (d) Proposed efficiency improvement measures;*
- (e) R&M of existing generation units/projects and any other new measures to be initiated for the Generation Business, e.g.; automation, IT initiatives etc.;*
- (f) Capital Investment Plan based on the above;***

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9.9 The capital investment plan shall match with:

- (a) For Generation Business:*
 - i) Capacity addition during the Control Period;*
 - ii) Renovation and modernisation of the generating plant as allowed in CERC Regulations;”*

Petitioner to file the clarifications on the above issues within 2 weeks with a copy to the respondents (through hard copy and soft copy). PSPCL to file its objections/reply to the petition within two weeks with a copy to the petitioner (through hard copy and soft copy). The petitioner may file rejoinder to the reply filed by PSPCL within one week thereafter.

The petition shall be taken up for hearing on 19.04.2023 at 11.30 AM.

Sd/-
(Paramjeet Singh)
Member

Sd/-
(Viswajeet Khanna)
Chairperson

Chandigarh
Dated: 20.01.2023