

Jammu & Kashmir State Electricity Regulatory Commission



**Order
on
Aggregate Revenue Requirement and
Determination of Tariff for
MYT Control Period from FY 2013-14 to FY 2015-16
for
Power Development Department – Transmission,
Govt. of J&K**

Jammu & Kashmir State Electricity Regulatory Commission

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Before
Jammu & Kashmir State Electricity Regulatory Commission
Petition No: JKSERC/33 of 2013

In The Matter Of:

Petition for approval of Aggregate Revenue Requirement and transmission charges for the transmission business of Jammu and Kashmir Power Development Department for 3 Year MYT Control Period from FY 2013-14 to FY 2015-16

And

In The Matter Of:

Jammu and Kashmir Power Development Department - Transmission,
Srinagar/Jammu

ORDER

Order No. JKSERC/ 134 of 2013

(Passed on 2nd April, 2013)

1. This Order relates to the petition for approval of Aggregate Revenue Requirement and transmission charges by the Jammu & Kashmir Power Development Department for its transmission business filed (hereinafter referred to as JKPDD-Transmission or JKPDD-T or the Petitioner or the licensee) before the Jammu & Kashmir State Electricity Regulatory Commission (hereinafter referred to as J&KSERC or the Commission) for the first Multi Year Tariff (MYT) Control Period from FY 2013-14 to FY 2015-16. The petition was filed as per the J&KSERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2012 and in accordance with J&K Electricity Act, 2010.
2. In accordance with the applicable regulations i.e., the J&KSERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2012, the Petitioner was required to file an application for approval of aggregate revenue requirement for the Control Period (FY 2013-14 to FY 2015-16) by 30th November, 2012 (as per Regulation 3.2 of the said Regulations). JKPDD-T filed the MYT Petition before the Commission on 30th November, 2012. Further, on initial scrutiny of the MYT Petition, the Commission vide its letter dated 18th December, 2012 directed the Petitioner to submit certain clarifications. The Commission also sent two more discrepancy/deficiency notes vide letters dated 7th January, 2013 and 14th January, 2013. The Petitioner subsequently submitted its replies to the queries raised by the Commission vide its letter dated 22nd January, 2013. Further, the Commission directed the Petitioner to attend a meeting scheduled on 28th January, 2013 for discussion on the MYT Petition.

3. The Commission held a technical validation session with the JKPDD-T on the MYT Petition on 28th January, 2013 and took into consideration the reply submitted by the Petitioner to its deficiency note and additional data /clarifications submitted by the Petitioner and admitted the MYT Petition of JKPDD-T on the same day. The representatives of the Commission also visited the office of JKPDD on 30th January, 2013 for expediting the collection of data. The Commission also interacted with the Petitioner subsequently to seek clarifications/additional information from the Petitioner during the course of processing of the MYT petition.
4. The Commission directed the Petitioner vide its letter no. JKSERC/31/1365-66 dated 20th February, 2013, to publish the gist of the MYT Petition as public notice and invite comments/objections/suggestions from the stakeholders including consumers on the above mentioned petition.
5. The approved gist of the petition for the MYT Control Period (FY 2013-14 to FY 2015-16) was published by the Petitioner in some widely read newspapers on 23rd February, 2013. The stakeholders were requested to submit their written comments/ suggestions/ objections latest by 20th March, 2013.

Meeting of the State Advisory Committee

6. The Commission convened a meeting of the State Advisory Committee (SAC) on 15th March, 2013 in Jammu to discuss the ARR and Tariff petition submitted by JKPDD-T.
7. The issues and concerns raised and the suggestions and recommendations offered by the SAC members have been considered by the Commission while preparing this order.

Public Hearings

8. In order to maintain transparency in the process for approval of the MYT Petition for JKPDD-T, the Commission involved the stakeholders by initiating a public consultation process to understand their views on various aspects with the public hearing conducted for the MYT petition for FY 2013-14 to FY 2015-16 filed by the Petitioner. Accordingly, the public hearings on the MYT Petition filed by JKPDD-T were held at Jammu and Srinagar as per the details provided in the following table.

Table 1: Details of Public Hearings

Place/ city	Date	Location
Jammu	18 th March, 2013	PWD, Guest House, Gandhi Nagar
Srinagar	20 th March, 2013	Auditorium, IMPA, Moulana Azad Road, Srinagar

9. The comments/objections/suggestions received during the hearings have duly been considered while finalizing this Order on the ARR/Tariff Order for the MYT Control Period.

Approved ARR and Transmission Tariff

10. The Commission has analyzed the projected cost for each of the items in the ARR in detail in this Order. However, the data used by the Commission for the analysis for some of the items, including segregation of costs between the transmission and distribution business of JKPDD is provisional and may need to be revised at a later date. The approved annual revenue requirement for the 3 year MYT Control Period (FY 2013-14 to FY 2015-16) is given in the table below.

Table 2: ARR for MYT Control Period Approved by the Commission (Rs Cr)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
O&M Expenses	100.02	121.58	140.23
Depreciation	0.00	0.00	0.00
Interest & Finance Charges	0.00	0.00	0.00
Interest on Working Capital	5.31	6.53	7.95
Return on Equity	0.00	0.00	0.00
Total Expenditure	105.33	128.11	148.18
Less: Non Tariff Income	0.00	0.00	0.00
Approved Annual Revenue Requirement	105.33	128.11	148.18

11. Based on the approved annual revenue requirement, the Commission has approved transmission charges of Rs 37.04 /KW /Month for FY 2013-14 considering transmission capacity of 2,369,800 KW as submitted by the Petitioner. The Petitioner has projected the transmission capacity at 2,369,800 KW for all the three years of the MYT Control Period. However, in view of the capital investments being undertaken by the Petitioner, the transmission capacity is expected to increase in subsequent years. Therefore, the Commission has not determined the transmission tariff/charges for the entire MYT Control Period (FY 2013-14 to FY 2015-16) but has approved transmission charges for the first year of the MYT Control Period i.e. FY 2013-14 only. The transmission charges (in/KW/month) for subsequent years shall be approved at the time of the Annual Performance Review.

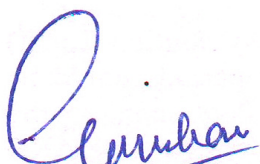
Implementation of the Order

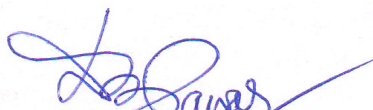
12. The MYT Petition was submitted by JKPDD-T on 30th November, 2012 and the same was admitted by the Commission on 28th January, 2013 as detailed in paragraph 2 and 3 above. In accordance with Sub-Regulations 3.6.2 and 3.6.3 of

the J&KSERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2012, the Commission is passing this Order after thorough scrutiny and prudence check of the submissions made by the Petitioner. This order, inter alia, contains the approved ARR for the Control Period, the approved Perspective Plan for the Control Period and the transmission charges (on KW/Month basis) for FY 2013-14 only.

13. This tariff shall remain valid from 1st April, 2013 to 31st March, 2014, unless amended or modified by an order of the Commission.
14. Thus, the Commission directs that this Order be implemented along with directions given and conditions mentioned in the detailed Order.
15. In exercise of the powers vested in it under the Jammu & Kashmir Electricity Act, 2010 (Act XIII of 2010), the Commission hereby passes this Order for approval of Aggregate Revenue Requirement for the entire MYT Control Period from FY 2013-14 to FY 2015-16 and Tariff Determination for FY 2013-14 today, the 2nd of April, 2013.

Ordered as above, read with attached detailed reasons, grounds and conditions


(G.M. Khan)
Member


(D.S. Pawar)
Member



(S.M. Desalphine)
Chairperson

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ABBREVIATIONS

Acronym	Definition
A&G Expenses	Administrative & General Expenses
ARR	Aggregate Revenue Requirement
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CPI	Consumer Price Index
CWIP	Capital Works in Progress
Ckt-km	Circuit Kilometres
C&S (J&K)	Commercial & Survey
DCP	Development Commissioner (Power), Jammu & Kashmir
TTIC (J&K)	Training, Testing, Inspection and Commissioning, Jammu & Kashmir
EM & RE (J)	Electric Maintenance & Rural Electrification. Jammu
EM & RE (K)	Electric Maintenance & Rural Electrification. Kashmir
ERS	Emergency Restoration Systems
FAR	Fixed Asset Registers
Fin. Org	Financial Organization
GFA	Gross Fixed Assets
GoJK	Government of Jammu & Kashmir
GoI	Government of India
J&KSERC/JKSERC	Jammu & Kashmir State Electricity Regulatory Commission
JKPDD	Jammu & Kashmir Power Development Department
JKPDD - D	Jammu & Kashmir Power Development Department – Distribution
JKPDD - T	Jammu & Kashmir Power Development Department – Transmission
MU	Million Units
MYT	Multi-Year Tariff
O&M	Operations and Maintenance
P&D (J&K)	Planning & Design, Jammu & Kashmir
PGCIL	Power Grid Corporation of India Limited
P&MM (J&K)	Procurement & Material Management, Jammu & Kashmir
PWD	Public Works Department
R&M Expenses	Repair & Maintenance Expenses
RoE	Return on equity
TCC	Total Contracted Capacity
T&D	Transmission and Distribution
TR	Transmission Rate
SAC	State Advisory Committee
SERC	State Electricity Regulatory Commission
S&O (J)	System & Operations, Jammu
S&O (K)	System & Operations, Kashmir
WPI	Wholesale Price Index

A1: INTRODUCTION

Jammu & Kashmir State Electricity Regulatory Commission

1.1. The Jammu and Kashmir State Electricity Regulatory Commission (hereinafter referred to as the Commission) is a statutory body setup under an Act of the State Legislature to regulate power sector in the State of Jammu and Kashmir.

1.2. Section 71 of the Jammu & Kashmir Electricity Act, 2010 has described the various functions required to be discharged by the Commission. These functions have been summarised below:

- (a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:

Provided that where open access has been permitted to a category of consumers under section 36, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;

- (b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
- (c) facilitate intra-state transmission and wheeling of electricity;
- (d) issue license to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) adjudicate upon the disputes between the licensees, and generating companies and to refer any dispute for arbitration;
- (g) levy fee for the purposes of the Act;
- (h) specify State Grid Code consistent with the Grid Code specified under the Indian Electricity Act, 2003;
- (i) specify or enforce standards with respect to quality, continuity and reliability of

service by licensees;

- (j) fix the trading margin in the intra-State trading of electricity, if considered, necessary; and
- (k) discharge such other functions as may be assigned to it under this Act.

- 1.3. The Commission shall ensure transparency while exercising its powers and discharging its functions.
- 1.4. In discharge of its functions, the Commission shall be guided by the State Electricity Policy, State Electricity Plan, and Tariff Policy published under the provisions of the Act.

Jammu & Kashmir Power Development Department

- 1.5. JKPDD, viz. Power Development Department (PDD), Government of Jammu & Kashmir is the sole transmission and distribution utility in the State of Jammu and Kashmir.
- 1.6. The Government of Jammu & Kashmir, vide Order No. 264 PDD of 2012 dated 5th September 2012, has ordered for unbundling of JKPDD and setting up of one transmission company, two distribution companies (one each for Jammu and Kashmir divisions) and one trading company with the function of a holding company. In line with the above order, GoJK has ordered for setting up of the following companies vide Order No. 285 PDD of 2012 dated 21st September 2012:
- (a) Jammu & Kashmir State Power Transmission Company Limited
 - (b) Jammu & Kashmir State Power Trading Company Limited
 - (c) Jammu Power Distribution Company Limited
 - (d) Kashmir Power Distribution Company Limited
- 1.7. As the process of unbundling is still under progress, JKPDD has filed the petition for approval of Aggregate Revenue Requirement and transmission charges for its transmission business for the entire MYT Control period from FY 2013-14 to FY 2015-16 under the provisions of the J&KSERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2012 and J&KSERC (Conduct of Business) Regulations, 2005.

Scope of the Present Order

- 1.8. The ambit of the present Order extends to approval of aggregate revenue requirement (ARR) for 3 Year MYT Control Period from FY 2013-14 to FY 2015-16 and determination of tariff for the transmission business of JKPDD (hereinafter referred to as JKPDD-T) for FY 2013-14.

Procedural History

- 1.9. In accordance with the applicable regulations i.e., the “The Jammu & Kashmir State Electricity Regulatory Commission (Terms and Conditions’ for determination of Transmission Tariff) Regulations, 2012” (hereinafter referred to as “Transmission MYT Regulations, 2012”) and “The Jammu & Kashmir State Electricity Regulatory Commission (Conduct of Business) Regulations, 2005”, the licensee was required to file petition for approval of ARR and tariff for 3 Year MYT Control Period from FY 2013-14 to FY 2015-16 by 30th November, 2012.
- 1.10. JKPDD-T filed the petition on 30th November, 2012 and requested the Commission to approve the ARR and tariff for 3 Year MYT Control Period from FY 2013-14 to FY 2015-16.
- 1.11. On initial scrutiny of the MYT Petition, the Commission vide its letter dated 18th, December, 2012 directed the Petitioner to submit certain clarifications. The Commission also sent two more discrepancy/deficiency notes vide letters dated 7th January, 2013 and 14th January, 2013. The Petitioner subsequently submitted its replies to the queries raised by the Commission vide its letter dated 22nd January, 2013. Further, the Commission directed the Petitioner to attend a meeting scheduled on 28th January, 2013 for discussion on the MYT Petition.
- 1.12. The Commission held a technical validation session with the JKPDD-T on the MYT Petition on 28th January, 2013 and took into consideration the reply submitted by the Petitioner to its deficiency note and additional data /clarifications submitted by the Petitioner and admitted the MYT Petition of JKPDD-T on the same day. The representatives of the Commission also visited the office of JKPDD on 30th January, 2013 for expediting the collection of data. The Commission also interacted with the Petitioner subsequently to seek clarifications/additional information from the Petitioner during the course of processing of the MYT petition.
- 1.13. The Commission directed the Petitioner vide its letter no. JKSERC/31/1365-66 dated 20th February, 2013, to publish the gist of the MYT Petition as public notice and invite comments/objections/suggestions from the stakeholders including consumers on the above mentioned petition.

- 1.14. The approved gist of the petition for the MYT Control Period (FY 2013-14 to FY 2015-16) was published by the Petitioner in some widely read newspapers on 23rd February, 2013. The stakeholders were requested to submit their written comments/ suggestions/ objections latest by 20th March, 2013.

Meeting of the State Advisory Committee

- 1.15. The Commission convened a meeting of the State Advisory Committee (SAC) on 15th March, 2013 in Jammu to discuss the ARR and Tariff petition submitted by JKPDD-T.
- 1.16. The issues and concerns raised and the suggestions and recommendations offered by the SAC members have been considered by the Commission while preparing this order. The participants of the SAC meeting are listed in Annexure 1.

Inviting Public Comments

- 1.17. JKPDD-T published a public notice indicating the salient features of its petition and inviting objections and suggestions from the consumers and other stakeholders. The public notice appeared in the following newspapers.

Table 3: List of Newspapers

Sl No	Newspaper	Date of Publication
1	Journey Line, Jammu	23 rd February, 2013
2	Kashmir Images, Srinagar	23 rd February, 2013
3	State Times	23 rd February, 2013

- 1.18. The copies of the petitions were made available for purchase on any working day by the consumers from the utility's offices in Jammu, Srinagar and Leh. The last date for submitting the comments/ objections on ARR and tariff petition was 20th March, 2013.
- 1.19. The public notice advised respondents to submit (in person or by post or by fax) their objections in English, Hindi or Urdu to the Commission with two copies to JKPDD-T. Respondents were also given the option to be heard in person during the public hearings conducted by the Commission. The list of stakeholders who attended the public hearing is enclosed as Annexure 2.
- 1.20. The Commission held public hearings in Jammu on 18th March, 2013 and in Srinagar on 20th March, 2013, to discuss the issues related to the petition filed by JKPDD-T for approval of ARR and determination of tariff (for MYT Control Period from FY 2013-14 to FY 2015-16). The public hearings enabled the utility to present its case for the ARR and tariff petition and to respond to the objections raised by various respondents.

A2: GIST OF THE PETITION FILED BY JKPPD-T

- 2.1. This section provides a summary of the ARR for MYT Control Period (FY 2013-14 to FY 2015-16) and Tariff Petition for FY 2013-14 submitted by JKPDD-T.

Capital Expenditure Plan and Capitalization Plan

- 2.2. JKPDD-T has proposed capital investment worth Rs 1836.19 Cr during the MYT control period from FY 2013-14 to FY 2015-16. Scheme-wise capital expenditure plan for both new and ongoing projects has been summarized in the table below

Table 4: Capital Expenditure Plan for New & Ongoing Schemes from FY 2012-13 to FY 2015-16 (Rs Cr)

S. No	Particulars	Scheme Provision	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
A	New Projects					
1	220 KV Transmission lines	280.25	54.63	95.12	79.77	29.70
2	132 KV Transmission lines	311.26	64.80	124.99	78.01	30.76
3	220/132 KV Sub Station (Construction/Augmentation)	746.82	100.07	215.21	202.86	153.54
4	132/33 KV Sub Station (Construction/Augmentation)	965.81	139.89	321.37	244.23	169.93
5	Others	43.36	0.00	43.36	0.00	0.00
	Total	2347.50	359.38	800.06	604.86	383.94
B	Spill over works					
1	220 KV Transmission lines	58.61	58.61	0.00	0.00	0.00
2	132 KV Transmission lines	36.69	21.97	14.72	0.00	0.00
3	220/132 KV Sub Station (Construction/Augmentation)	52.56	45.68	6.88	0.00	0.00
4	132/33 KV Sub Station (Construction/Augmentation)	56.61	30.86	25.73	0.00	0.00
	Total	204.47	157.12	47.33	0.00	0.00
	Total Capital Expenditure Plan	2551.98	516.5	847.39	604.86	383.94

- 2.3. Year wise capitalization plan for the schemes during the MYT Period has been provided in Table 5 **Table 5**.

Table 5: Capitalization Plan for Schemes from FY 2012-13 to FY 2015-16 (Rs Cr)

Particulars	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Capitalization	152.3	373.85	566.66	625.90

Transmission Losses

- 2.4. The proposed trajectory for transmission losses for FY 2012-13 and the Control Period of FY 2013-14 to FY 2015-16 is as follows.

Table 6: Transmission Loss Trajectory from FY 2013-14 to FY 2015-16 (Rs Cr)

Particulars	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Transmission loss during the year	4.05%	4.30%	4.25%	4.20%	4.15%

Aggregate Revenue Requirement (ARR) for the MYT Control Period (FY 2013-14 to FY 2015-16)

- 2.5. JKPDD-T has estimated its ARR for the 3 year MYT Control Period from FY 2013-14 to FY 2015-16 as Rs 203.14 Cr, Rs 243.88 Cr and Rs 295.03 Cr respectively, as shown in Table 7 ~~Table 7~~.

Table 7: Aggregate Revenue Requirement (ARR) from FY 2013-14 to FY 2015-16 (Rs Cr)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
O&M Expenses			
i) Employee Expenses	104.91	124.40	148.61
ii) R&M Expense	13.10	14.92	17.14
iii) A&G Expense	4.66	5.31	6.10
Depreciation	71.17	88.10	109.57
Interest & Finance Charges	9.30	11.15	13.62
Annual Revenue Requirement	203.14	243.88	295.03

Proposal of Transmission Tariff

- 2.6. JKPDD-T has proposed to meet the revenue requirements through Transmission Charges from Long Term Open Access consumers in monthly fixed charges.
- 2.7. JKPDD-T has determined tariff in terms of Rs /KW /Month based on the projected contracted capacity of the transmission system as follows.

Table 8: Proposed Transmission Tariff for FY 2013-14 to FY 2015-16

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Aggregate Revenue Requirement (Rs Cr)	203.14	243.88	295.03
Transmission Capacity (KW)	2369800	2369800	2369800
Transmission Charges (Rs /KW /Month)	71.43	85.76	103.75

A3: REVIEW OF PERSPECTIVE PLAN

- 3.1. This section contains the details regarding the perspective plan of JKPDD-T for the MYT Control period from FY 2013-14 to FY 2015-16, and the approach adopted by the Commission in assessing the same.

Capital Expenditure Plan proposed by JKPDD-T**Petitioner's Submission**

- 3.2. The Petitioner has submitted that it undertakes the capital expenditure for the following purpose:
- (a) Laying of new transmission lines
 - (b) Construction of new substations
 - (c) Strengthening of the existing transmission network to cope up with the growing demand and connectivity to the new areas under development
- 3.3. The Petitioner has submitted its capital investment plan of Rs 2551.98 Cr for a 5 year period from FY 2012-13 to FY 2016-17, including a plan of Rs 1836.19 Cr for the MYT Control Period (FY 2013-14 to FY 2015-16).
- 3.4. JKPDD-T has proposed scheme-wise capital investment under two categories, which are as follows:
- (a) New Projects - for construction / augmentation of transmission lines and sub-stations
 - (b) Spill over works from the earlier Plan
- 3.5. Summary of the proposed capital expenditure plan for the spill over works, i.e. works started before FY 2012-13 and for new projects have been submitted by JKPDD-T for the period from FY 2012-13 to FY 2015-16 have been provided in the tables below.

Table 9: Capital Expenditure Plan for Spill over Works proposed by JKPDD-T (Rs Cr)

SI No	Particulars	Scheme Provision	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Spill over works						
1	220 KV Transmission lines	58.61	58.61	0.00	0.00	0.00
2	132 KV Transmission lines	36.69	21.97	14.72	0.00	0.00
3	220/132 KV Sub Station (Construction/ Augmentation)	52.56	45.68	6.88	0.00	0.00
4	132/33 KV Sub Station (Construction/ Augmentation)	56.61	30.86	25.73	0.00	0.00
	Total	204.47	157.12	47.33	0.00	0.00

Table 10: Capital Expenditure Plan for New Projects proposed by JKPDD-T (Rs Cr)

S. No.	Particulars	Scheme Provision	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
New Projects						
1	220 KV Transmission lines	280.25	54.63	95.12	79.77	29.70
2	132 KV Transmission lines	311.26	64.80	124.99	78.01	30.76
3	220/132 KV Sub Station (Construction/ Augmentation)	746.82	100.07	215.21	202.86	153.54
4	132/33 KV Sub Station (Construction/ Augmentation)	965.81	139.89	321.37	244.23	169.93
5	Others	43.36	0.00	43.36	0.00	0.00
	Total	2347.50	359.38	800.06	604.86	383.94

Commission's Analysis

- 3.6. The Commission vide its letter dated 18th December, 2012 asked the Petitioner to submit information regarding proposed capital investment plan and its funding as follows-

“Proposed Capital Investment Plan appears to be provided by J&K Government and Government of India. The schemes funded by Centre/ State/Financial Institutions etc. that would take care of investment needs to be elaborated along with the status such as whether these schemes have already been approved or under submission, together with terms and conditions of release of funds, if any, for all the 5 items shown in table 13 page 21 of the ARR”

The Petitioner vide its letter dated 22nd January, 2013 submitted the following reply to the observation made by the Commission regarding the proposed capital expenditure plan -

“It is being submitted that the new schemes submitted along with the petition have already been submitted to the consideration and approval of the GoJK/GOI. The terms and conditions for release of funds, if any, will be supplied to the Commission after receipt of same from the concerned agencies. With only 2 voltage levels in preview of operation of JKPDD-T and with PGCIL also actively involved in construction of high voltage substations/lines in J&K, no further schemes are envisaged currently. Any new scheme, if required in due course of time, will be submitted separately for the approval of the Commission.

Further JKPDD-T has floated a tender for engaging a consultant to conduct system studies and prepare transmission plan for next five years. The consultancy assignment also includes preparation of DPRs. Two tenders have been received. Once the Plan and DPRs are ready, the same shall be submitted to Hon’ble Commission.”

- 3.7. The Commission held discussions with the Petitioner about financing of the capital investment plan proposed by it. The Petitioner informed that the funding for transmission works is available, in the form of grants, under the Prime Minister's Re-construction Plan (PMRP) to the extent of Rs 321.11 Cr and Rs 150 Cr for FY 2012-13 and FY 2013-14 respectively.
- 3.8. Accordingly, the Commission approves financing of Rs 150 Cr of capital investment under PMRP for FY 2013-14. The Petitioner has not provided any information regarding financing of projects other than financing under PMRP. In the absence of this information the Commission provisionally approves 20% of the remaining amount (other than that financed through PMRP i.e. Rs 2551.98 Cr – Rs 321.11 Cr – Rs 150 Cr) of the total proposed capital investment as capital investment for FY 2013-14. The balance of the proposed capital investment has been equally allocated over financial years FY 2014-15 to FY 2016-17. Accordingly, capital investment (other than that financed through PMRP) of Rs 416.17 Cr has been approved for FY 2013-14 and Rs 554.90 Cr for each of the years FY 2014-15 and FY 2015-16 provisionally which will be reviewed subsequently on furnishing of information regarding sources of funding.

Schemes Proposed in JKPDD-D Business Plan

- 3.9. The Commission observed that the JKPDD-Distribution in its Business Plan for MYT Control Period submitted certain schemes of investment infrastructure at 132 kV and 220 kV and investment in SLDC. The Commission is of view that such aforementioned investment should constitute the part of the investment plan of the transmission company. The Commission directed the Petitioner to examine the issue. In response JKPDD-T submitted as under –

“JKPDD- T likes to submit that with a view to develop infrastructure at 220kV and 132kV level, Hon’ble Prime Minister during his visit to J&K State in November 2004 announced a Reconstruction Plan at an estimated cost of Rs. 707 Cr which was subsequently revised to Rs. 1,351 Cr. The scheme envisages construction/augmentation of transformation and transmission works. The remaining plan amount is expected to be incurred during 2012-13 and 2013-14 (if some amount from 2012-13 spills over to 2013-14). The unspent balance will be revalidated through PMRP allocation or state transmission and distribution funding.

Regarding expenditure of SLDC, as unbundling is not yet complete, the scheme is currently under the purview of Chief Engineer (Commercial & Survey) and responsibility of necessary approvals and execution lies with them only. Once the unbundling process is over, the asset and liabilities pertaining to SLDC will be transferred to the Transmission Company and the same will be accordingly considered by Transmission Company at the time of true-up/ submission of revised petition on the basis of actual position or if required. The commission is requested to consider same in Transmission Petition at its end.”

- 3.10. The Commission is of the view that the aforementioned schemes and certain other schemes for training/system studies submitted under the JKPDD-D Business Plan Petition are relevant for the transmission business also. Therefore, the Commission has considered the capital investment (partly or wholly) for these schemes to the transmission business according to its relevance.

(a) SLDC

- 3.11. The State Load Dispatch Centre (SLDC) functioning at Gladni, Jammu and Sub Load Dispatch Centre functioning at Bemina, Srinagar need improvement by way of providing RTUs at the substations, which are currently not available and also by way of providing communication through PLCC/ Fiber Optics. The scheme costing Rs. 75 Cr has been assigned to PGCIL for implementation. In addition, an amount of Rs. 4 Cr is budgeted towards new PLCC and renovation of existing PLCC system.

Commission’s Analysis

- 3.12. With respect to the proposed investment for strengthening of SLDC, the Petitioner has mentioned that this function is presently looked after by the Chief Engineer, Commercial and Survey. However, the Commission is of the opinion that the perspective plan is for a period of 3 years and by that time the un-bundling of JKPDD would be completed, and the SLDC function would either form part of the transmission business or will be an independent entity but under no circumstances, the SLDC would remain a part of the Distribution Business.
- 3.13. Hence, the Commission views that till such time any capital investment for strengthening of SLDC system is earmarked and approved separately it should form a part of the business plan for the transmission business. Accordingly the Commission approves the cost of Rs 79 Cr under this head/scheme.

(b) Training and Capacity Building

- 3.14. National Training Policy for the Power Sector emphasizes a need for all organizations in power sector to adopt a training policy to ensure training for all personnel for a minimum period of one week per annum. In this context it is essential to establish Training institute which includes construction building, training hostel, staff quarters, work shop, Lecture Halls and allied facilities such as Laboratory, garden and other training aids including transportation facility. On the basis of the estimation made by TERI, the total requirement of funds for establishing training institute is Rs. 60 Cr which is proposed to be incurred in three years time from FY 2012-13 to FY 2014-15.

Commissions Analysis

- 3.15. So far as the proposed investment for training and capacity building is concerned, the Commission is of the view that it pertains to both the distribution and transmission business of JKPDD. Hence, the investment proposed for this purpose has been allocated between the distribution and transmission businesses.
- 3.16. The Commission has allocated the investment for training and capacity building in the ratio of actual number of employees in transmission business of JKPDD to the total number of employees (distribution and transmission combined) at end of FY 2011-12. As per the information submitted by JKPDD, 13% of its employees are engaged in the transmission business. Accordingly, the Commission approves 13% of the total project cost i.e. Rs 7.60 Cr for training and capacity building for the transmission business.

(c) Power System Studies

- 3.17. The power system studies are required to be carried out in the state on a regular basis so as to assess demand forecast both short term and long term, prepare master plan for planning of generation, transmission and distribution including short circuit and stability studies, estimation of T&D losses, identify the overloaded feeders and transformers etc. The total capital expenditure proposed towards power system studies is Rs. 3.5 Cr from 2012-13 to 2018-19.

Commission's Analysis

- 3.18. With regard to Power System Studies, the Commission is of the view that it pertains to both the distribution and transmission business of JKPDD. The Commission has allocated the cost of the scheme to transmission business in ratio of GFA for transmission business to the total GFA for JKPDD, which works out to be 26%. Hence, capital investment approved for power system studies for transmission business works out to be Rs. 0.90 Cr. The Commission, however, directs the Petitioner to submit proposal for studies to be undertaken during FY 2013-14 within 3 months of issue of this Order and thereafter submit a detailed cost benefit analysis of each study along with the Annual Performance Review.

3.19. The Commission provisionally approves a total amount of Rs 63.85 Cr for the entire MYT Control Period (FY 2013-14 to FY 2015-16) for schemes proposed under JKPDD-D Business Plan. The following table summarizes the approved capital investment plan for JKPDD-T for schemes proposed under JKPDD-D Business Plan.

Table 11: Approved Capital Investment Plan for JKPDD-T for Schemes proposed under JKPDD-D Business Plan for MYT Control Period (Rs Cr)

S. No.	Schemes /Name of Project	FY 2013-14	FY 2014-15	FY 2015-16
1	Technical Intervention - Fire optic & RTU works – SLDC	21.50	35.50	0.50
2	Training and capacity building and power system studies (total for T&D combined)	24.00	22.00	0.00
2.1	Training and capacity building and power system studies - allocated to Transmission	3.04	2.79	0.00
3	Power System Studies (total for T&D combined)	1.00	0.50	0.50
3.1	Power System Studies - allocated to Transmission	0.26	0.13	0.13
	Total (1+2.1+3.1)	24.80	38.42	0.63

3.20. Summary of phasing of the capital expenditure approved by the Commission for the MYT Control Period Plan is given in the following table.

Table 12: Summary of the Capital Investment Plan Approved by the Commission for MYT Control Period (Rs Cr)

S. No.	Particulars	FY 2013-14	FY 2014-15	FY 2015-16
1	Approved Capital Investment for schemes proposed by JKPDD-T	566.17	554.90	554.90
2	Approved Capital Investment for schemes proposed under JKPDD-D Business Plan	24.80	38.42	0.63
	Total	590.97	593.32	555.53

Capitalization Plan

Petitioner's Submission

3.21. The Petitioner has submitted total capitalization of Rs 1718.71 Cr from FY 2012-13 to FY 2015-16 and a capitalization of Rs 833.27 beyond FY 2016-17 for the Spill over Works and New Projects proposed under the capital investment plan in its petition. The phasing of capitalization submitted by JKPDD-T in its Tariff Petition for FY 2012-13 and the entire MYT Control period beginning FY 2013-14 to FY 2015-16 is as follows.

Table 13: Capitalization Plan submitted by JKPDD-T (Rs Cr)

Particulars	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Capitalization	152.30	373.85	566.66	625.90

Commission's Analysis

- 3.22. The Petitioner has estimated capitalization for FY 2012-13 at Rs 152.30 Cr. It has further proposed a capitalization of Rs 373.85 Cr, Rs 566.66 Cr and Rs 625.90 Cr for FY 2012-13, FY 2013-14 and FY 2014-15 respectively i.e. a total capitalization of Rs 1718.71 Cr for the period from FY 2012-13 to FY 2015-16 for capital investment proposed by it. The Commission has analyzed the submissions of the Petitioner regarding capitalization of investment during the Control Period. While no historical data is available with respect to capitalization of assets of transmission business, the Commission observes that capitalization rate of 31%, 39% and 50% out of the total CWIP for the year has been proposed for FY 2013-14, FY 2014-15 and FY 2015-16 respectively by the Petitioner.
- 3.23. The Commission has approved capitalization for each year taking into account the rate of capitalization as proposed by the Petitioner and the approved capital investment for each year. Accordingly, the Commission provisionally approves capitalization of Rs 226.79, Rs 415.79 Cr and Rs 596.35 Cr for FY 2013-14, FY 2014-15 and FY 2015-16 respectively. The Capitalization Plan shall be revisited by the Commission at the time of Annual Performance Review.
- 3.24. The capitalization for the schemes proposed under the Business Plan of JKPDD-D has been considered equal to the estimated capital investment during the respective year since these schemes are of a relatively short duration.
- 3.25. Summary of the capitalization approved by the Commission for the MYT Control period and its phasing are shown below.

Table 14: Summary of the Capitalization Approved by the Commission for MYT Control Period (Rs Cr)

S. No.	Particulars	FY 2013-14	FY 2014-15	FY 2015-16
1	Approved Capitalization for schemes proposed by JKPDD-T	226.79	415.79	596.35
2	Approved Capitalization for schemes proposed under JKPDD-D Business Plan	24.80	38.42	0.63
	Total	251.59	456.00	596.98

Monitoring of Capital Investment

- 3.26. The Commission has observed in the past that the Petitioner (distribution and transmission businesses of JKPDD) had submitted a capital investment plan along with a capitalization schedule but the same is not being adhered to and the schemes more often turn in to cost and time over runs due to delay in commencement of schemes and/or due to project management issues during implementation. Moreover, the Commission stresses that each scheme should have a definite objective in terms of capacity enhancement, reliability, system strengthening, quality of supply etc. The benefits accruing from such schemes need to be monitored correctly by the Petitioner. Further, the schemes proposed by the Petitioner are not accompanied by any Detailed Project Report, load flow studies and cost benefit analysis demonstrating the requirement of the capital investment.
- 3.27. In view of the above, the Commission has designed a monitoring mechanism for the capital investment schemes provisionally approved by the Commission in this Order. Wherein the Petitioner shall submit quarterly information on each of the existing schemes under implementation along with the Detail Project Report (DPR) supported by load flow studies for all new schemes which are to be implemented in the ensuing quarter. The information to be submitted should be consistent with the DPR for the respective schemes. Any scheme without a detailed DPR shall be disallowed by the Commission. The format for the submission of quarterly information is enclosed in Annexure 3 of this Order. The Petitioner is directed to submit the desired information on quarterly basis. Non-compliance in this regard shall invite penal action.

A4: REVIEW OF COSTS

- 4.1. This section contains the details regarding the various cost items which comprise the Aggregate Revenue Requirement of JKPDD-T for the MYT Control period from FY 2013-14 to FY 2015-16, and the approach followed by the Commission in assessing the same.
- 4.2. JKPDD-T, being a government department, is supported through the budgetary mechanism of the government, i.e. all expenditure and revenue receipts accrue to the state. Further, the capital investment undertaken by the Petitioner is generally funded through grants from the government.
- 4.3. The Commission in this Tariff Order has adopted the approach as per Transmission MYT Regulations, 2012. However, the Commission is constrained by the non-availability of reliable data on various cost components of the ARR. Further, the Commission has also kept in mind the views expressed by the stakeholders during public hearings in approving these costs.

Operation and Maintenance Expenses

Petitioner's Submission

- 4.4. The Petitioner has submitted that the operation and maintenance expenses comprising of employee cost, repair & maintenance expenses and administrative & general expenses have been proposed at Rs 122.67 Cr, Rs 144.63 Cr and Rs 171.83 Cr for FY 2013-14, FY 2014-15 and FY 2015-16 respectively.
- 4.5. The Petitioner has projected employee cost, repair & maintenance expenses and administrative & general expenses separately using different escalation factors.
- 4.6. For employee expenses, the Petitioner has taken actual employee expenses incurred during the year 2011-12 pertaining to System & Operation Wing (S&O), Jammu and System & Operation Wing (S&O), Kashmir. For the divisions which are common to Distribution and Transmission utilities, employee expenses have been apportioned on the basis of number of employees being allocated to distribution and transmission businesses. Employee expenses have been increased by 10% year on year based on FY 2011-12 values. Also, employee expenses have been increased proportionately with the increase in transmission capacity during the year. For computation of increase in transmission capacity, weightage of 70:30 has been considered for increase in MVA and transmission lines. The details of employee expense as proposed by JKPDD-T are given in the table below.

Table 15: Employee Expenses proposed by JKPDD-T (Rs Cr)

Particulars	FY 2010-11 (Actual)	FY 2011-12 (Actual)	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Salaries	49.75	70.44	84.92	102.67	121.74	145.44
Wages	0.29	0.35	0.42	0.00	0.60	0.72
Medical Reimbursement	0.20	1.18	1.43	1.73	2.05	2.45
Total	50.24	71.97	86.76	104.40	124.40	148.61

- 4.7. JKPDD-T has followed similar approach of apportionment for Repairs & Maintenance Expenses and Administrative & General Expenses to arrive at actual FY 2011-12 values. For repair & maintenance expenses, an escalation factor of 5.72% has been considered apart from proportionate increase in projected R&M expenses in line with increase in transmission capacity. R& M expenses as submitted by JKPDD-T are detailed in the following table.

Table 16: Repair & Maintenance Expenses proposed by JKPDD-T (Rs Cr)

Particulars	FY 2010-11 (Actual)	FY 2011-12 (Actual)	FY 2012-13 (Projected)	FY 2013-14 (Projected)	FY 2014-15 (Projected)	FY 2015-16 (Projected)
Maintenance & Repair	8.38	9.09	10.53	12.24	13.95	16.01
R & M - Machinery & Equipment	0.16	0.24	0.28	0.33	0.37	0.43
Other R & M Expenses	0.00	0.39	0.46	0.53	0.60	0.69
Total	8.54	9.73	11.27	13.1	14.92	17.14

- 4.8. The Petitioner submitted that an escalation factor of 5.72% has been considered for projecting A&G expenses during the control period. Further, A&G expenses have been increased in direct proportion to the increase in transmission network capacity. A&G expense projections by the Petitioner are given in the table below.

Table 17: Administrative & General Expenses proposed by JKPDD-T (Rs Cr)

Particulars	FY 2010-11 (Actual)	FY 2011-12 (Actual)	FY 2012-13 (Projected)	FY 2013-14 (Projected)	FY 2014-15 (Projected)	FY 2015-16 (Projected)
Outsourcing of Upkeep	2.46	1.76	2.04	2.37	2.7	3.1
Electricity Charges	0.53	0.77	0.89	1.03	1.18	1.35
Travelling Expenses	0.15	0.28	0.32	0.37	0.43	0.49
Office Expenses	0.21	0.23	0.27	0.31	0.36	0.41
Professional Charges	0.14	0.2	0.23	0.27	0.31	0.35
Telephone Expenses	0.13	0.16	0.19	0.22	0.25	0.29
Other A&G Expenses	0.13	0.06	0.07	0.08	0.09	0.1
Total	3.74	3.46	4.01	4.66	5.31	6.1

- 4.9. Operation and maintenance expenses proposed by JKPDD-T for the MYT Control period (FY 2013-14 to FY 2015-16) are summarized in the table below.

Table 18: Operation & Maintenance Expenses proposed by JKPDD-T (Rs Cr)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Employee Expenses	104.91	124.4	148.61
R & M Expenses	13.1	14.92	17.14
A & G Expenses	4.66	5.31	6.10
Total	122.67	144.63	171.84

Commissions' Analysis

Segregation of O&M expenses of JKPDD between Transmission & Distribution Business

- 4.10. During the technical validation sessions, the Commission asked JKPDD to submit the O&M expenses for JKPDD as a whole for FY 2010-11 and FY 2011-12 together with the norms and basis of segregation of O&M expenses between the transmission business and distribution business. The Petitioner submitted the total O&M expenses for JKPDD and the basis of segregation of O&M expenses viz. Employee expenses, R&M expenses and A&G expenses separately for each wing of JKPDD - EM&RE (J), EM&RE (K), S&O (J), S&O (K), P&MM (J&K), C&S (J&K), P&D (J&K) and TTIC (J&K) and for the office of DCP, Fin.org and SERC. The Commission has analyzed the submission of the Petitioner and reviewed the basis of segregation of the expenses.
- 4.11. The Commission observed that the O&M expenses for FY 2011-12 submitted in the tariff petitions for JKPDD-T and JKPDD-D at Rs 85.16 Cr and Rs 472.15 Cr totals to Rs 557.31 Cr which is higher than submitted total of O&M expenses of Rs 551.99 Cr for JKPDD for FY 2011-12. A similar discrepancy was noted for O&M expenses for FY 2010-11. The discrepancy was on account of difference in the basis of segregation of expenses of P&D (J&K), TTIC (J&K) and C&S (J&K) Wings as submitted in the tariff petitions of JKPDD-T and JKPDD-D. Further, the Commission observed that the O&M expenses submitted by JKPDD also included the O&M expenses of the SERC.
- 4.12. While apportioning the O&M expenses for FY 2010-11 and FY 2011-12 between the two utilities, the Commission also found that the total number of employees submitted by the Petitioner was not as per the JKPDD year book for FY 2011-12. The Petitioner had submitted the sanctioned strength instead of existing number of employees. Further, the costs of certain offices like the DCP office and Fin.org were allocated 100% to the transmission business, while that of P&D (J&K) and TTIC (J&K) Wings were allocated only to the distribution business.

- 4.13. Further, the Petitioner admitted that the employee cost for FY 2011-12 as provided by it included arrears on account of the 6th Pay Commission. The Commission directed the Petitioner to submit the amount of arrears included in the employee cost of FY 2011-12. However, no submission was received from the Petitioner in this regard. The Commission has provisionally considered the amount of arrears to be Rs 42.81 Cr in line with the submission made by the JKPDD (T&D combined) in its tariff petition for FY 2012-13. The same has been reduced from the employee cost for FY 2011-12 for working out the base O&M expenses. The additional expense on account of 6th Pay Commission arrears for FY 2013-14 to FY 2015-16 has been considered separately as detailed in paragraph 4.22 below.
- 4.14. The Commission has reworked and segregated the total O&M expenses of JKPDD under various wings between the transmission and distribution function after taking into cognizance the aforementioned discrepancies.
- 4.15. Employee expenses have been divided based upon the ratio of employees between the two businesses. All the expenses pertaining to S&O Wing, Kashmir and S&O Wing, Jammu have been taken under the Transmission function. Whereas those under EM&RE (J) and EM&RE (K) have been taken under the distribution function. For other offices namely P&MM (J&K), C&S (J&K), P&D (J&K) and TTIC (J&K) and for the office of DCP and Fin.org., the expenses have been allocated between the distribution and transmission businesses on the basis of number of employees engaged in the business. No expenses for the SERC have been allocated to the licensed businesses. A&G Expenses have been segregated on the same lines as employee expenses.
- 4.16. Repair & Maintenance Expenses have been allocated between the transmission and distribution business based upon the GFA (Gross Fixed Assets) values for Distribution and Transmission function as submitted by the Petitioners for FY 2011-12. The opening GFA for FY 2012-13 for distribution and transmission functions has been submitted at Rs. 4744.16 and Rs. 1637.77 Cr for FY 2011-12 respectively. Thus 26% of the R&M expenses have been allocated to the transmission business across all wings and offices. No expenses for the SERC have been allocated to the licensed businesses.
- 4.17. The summary of the O&M expenses to transmission function for FY 2010-11 and FY 2011-12 is given in the tables below.

Table 19: Allocation of O&M Expenses to Transmission for FY 2010-11 (Rs Cr)

Particulars	EM & RE (J)	EM & RE (K)	S&O (J)	S&O (K)	P&MM (J&K)	C&S (J&K)	P&D (J&K)	TTIC (J&K)	Fin.org	SERC	DCP	Total
Employee cost	-	-	22.928	20.579	-	3.292	1.903	1.177	0.248	-	0.426	50.553
R&M expenses	2.960	3.615	1.021	0.663	-	0.535	-	0.005	-	-	-	8.799
A&G Expenses	-	-	1.168	2.342	-	0.123	0.109	0.046	0.019	-	0.051	3.858
Grand total (1+2+3)	2.960	3.615	25.117	23.583	-	3.950	2.012	1.228	0.267	-	0.477	63.210

Table 20 : Allocation of O&M Expenses to Transmission for FY 2011-12 (Rs Cr)

Particulars	EM & RE (J)	EM & RE (K)	S&O (J)	S&O (K)	P&M M (J&K)	C&S (J&K)	P&D (J&K)	TTIC (J&K)	Fin.org	SERC	DCP	Total
Employee cost	-	-	32.396	24.806	-	4.150	2.426	1.447	0.338	-	0.738	66.302
R&M expenses	3.033	4.172	1.343	0.785	0.002	0.392	0.004	0.005	0.001	-	0.006	9.759
A&G Expenses	-	-	1.184	1.829	-	0.120	0.060	0.061	0.030	-	0.058	3.342
Grand total (1+2+3)	3.033	4.172	34.923	27.420	0.002	4.661	2.491	1.513	0.369	-	0.802	79.403

Approval of O&M expenses for the Control Period (FY 2013-14 to FY 2015-16)

- 4.18. The operation and maintenance expenses for the MYT Control period (FY 2013-14 to FY 2015-16) are approved by the Commission in accordance with Regulation 4.11 of Transmission MYT Regulations, 2012, which is reproduced below:

“4.11.1 In the case of existing Transmission Licensee, the Licensee in its filings shall submit the consolidated O&M expenses for the Base Year of the Control Period and for the two years preceding the Base Year. The O&M expenses for the Base Year shall be determined based on the latest audited accounts, best estimates of Licensee of the actual O&M expenses for relevant years and other factors considered relevant. The O&M expenses for the Base Year, if required, will be used for projecting the expenses for each year of the control period. The Licensee shall also propose determination of the admissible O&M expenses on the basis of per ckt-km of lines and per bay of substation for the base year and appropriate Inflation Factor Norms for operation and maintenance expenses for the first control period.

4.11.2 The O&M cost per ckt-km of lines and per substation bay for the Base Year of second and subsequent Control Periods shall be determined on the basis of actual O&M cost of lines and substations to be filed separately by the Licensee.”

- 4.19. On the strength of the aforementioned regulations, the Commission asked the Petitioner to submit the O&M expenses on the basis of per circuit-km of lines and per bay of substations for the base year and the MYT Control Period. However, no proposal in this regard was received from the Petitioner.
- 4.20. In the absence of information as discussed above, the Commission has used the information submitted by the Petitioner regarding line length and number of substations to arrive at a norm for O&M expenses for the Control Period. Hence, the methodology adopted by the Commission for approval of O&M expenses for the Control Period is as follows:
- (a) The escalation factor has been taken at 8.35% on the basis of the weighted average of CPI and WPI in the ratio of 55% and 45% respectively for the past 5 years.

Table 21: Calculation of Escalation Factor

Particulars	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
CPI	125.00	132.75	144.83	162.75	179.75	194.83
WPI	111.35	116.63	126.02	130.82	143.33	156.13
Weighted Average Combined Index (CPI-55%, WPI-45%)	118.86	125.49	136.37	148.38	163.36	177.42
Increase in Combined Index		5.58%	8.66%	8.81%	10.09%	8.61%
Average increase/Escalation Factor		8.35%				

Source: CPI data - www.labourbureau.nic.in, WPI data - www.eaindustry.nic.in (Office of the Economic Advisor website)

- (b) The O&M expenses allocated to the transmission business of JKPDD for FY 2010-11 and FY 2011-12 (refer Table 19 ~~Table 19~~ and Table 20 ~~Table 20~~) have been escalated and then averaged to arrive at the value for O&M expenses of the Base Year (FY 2012-13) at Rs 80.12 Cr.
- (c) The O&M expenses for the base year (FY 2012-13) have been allocated between expenses on transmission lines and expense on substations. 30% of the O&M cost has been allocated to transmission lines and the rest 70% to substations in accordance with the practice followed by CERC. Per unit expense for FY 2012-13 has been calculated by dividing the allocated O&M expenses to transmission lines by the opening line length in FY 2012-13 (1798 ckt-km lines) to arrive at cost/ckt-km and the allocated O&M expenses to substations by the opening number of substations in FY 2012-13 (61 substations) to obtain O&M expenses/substation irrespective of the voltage level. The O&M expenses per ckt-km and per substation in FY 2012-13 have been escalated by 8.35% to arrive at O&M expenses per ckt-km and per substation for FY 2013-14, FY 2014-15 and FY 2015-16 respectively. The approved per unit O&M expenses and respective year's ckt-km of transmission lines and number of substations (as per the information provided by JKPDD-T during the technical validation session) have been considered for approving the total O&M expenses for each year of the Control Period. While O&M expenses are a Controllable parameter as per the Transmission MYT Regulations, 2012, the approved O&M expenses shall be subject to revision on account of change in the number of substation & bays and the actual line length as would be submitted by the Petitioner at the time of Annual Performance Review. The Petitioner is therefore directed to submit the actual number of substations & bays and line length for each year from FY 2010-11 onwards with its application for Annual Performance Review.

4.21. The summary of per unit O&M expenses approved by the Commission is given in the table below.

Table 22: Norm for Operation & Maintenance Expenses Approved by the Commission

Per unit cost	FY 2013-14	FY 2014-15	FY 2015-16
O&M Expenses (Rs Cr)/ckt-km	0.014	0.016	0.017
O&M Expenses (Rs Cr) /substation	0.996	1.079	1.170

- 4.22. In addition to the O&M expenses for the current year, JKPDD (T&D combined) also has a statutory obligation towards payment of arrears on account of 6th Pay Commission recommendations to its employees. The Commission in its previous Tariff Order approved an amount of Rs 42.81 Cr as arrears for 6th Pay Commission for FY 2012-13. Since the arrears are payable over a 5 year period from FY 2011-12 to FY 2015-16, the Commission provisionally approves an amount of Rs 42.81 Cr towards arrears for 6th Pay Commission to JKPDD (T&D combined) for each year from FY 2013-14 to FY 2015-16. The amount of arrears allocated to the transmission business (based on the ratio of number of employees engaged in transmission business to total number of employees of JKPDD, i.e. 13%) works out to be Rs 5.43 Cr for each year from FY 2013-14 to FY 2015-16. The amount towards arrears shall be trued up based on the actual payout during the year at the time of Annual Performance Review.
- 4.23. The summary of O&M expenses approved by the Commission for each year of the Control Period is given in the following table.

Table 23: Operation & Maintenance expenses Approved by the Commission (Rs Cr)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
O&M Expenses	94.59	116.15	134.81
Arrears of 6th Pay Commission for JKPDD (T&D Combined)	42.81	42.81	42.81
Arrears Allocated to JKPDD-T	5.43	5.43	5.43
Total O&M Expenses (including arrears) for JKPDD-T	100.02	121.58	140.23

Depreciation

Petitioner's Submission

- 4.24. Depreciation charges submitted by JKPDD-T for FY 2013-14, FY 2014-15 and FY 2015-16 are Rs 71.17 Cr, Rs 88.10 Cr and Rs 109.57 Cr respectively.
- 4.25. The Petitioner has submitted that depreciation has been computed separately on opening GFA of FY 2012-13 and the additions from FY 2012-13 onwards. Depreciation on the opening block of assets has been calculated at a rate of 3.60%, as approved by the Commission in the retail tariff order for JKPDD (T&D combined) for FY 2012-13. Details of opening GFA, closing GFA & depreciation submitted by JKPDD-T are given in the table below.

Table 24: Depreciation claimed by JKPDD-T (Rs Cr)

Particulars	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Opening GFA	1637.77	1790.07	2163.93	2730.58
Addition in GFA	152.30	373.85	566.66	625.90
Closing GFA	1790.07	2163.93	2730.58	3356.48
Depreciation	61.70	71.17	88.10	109.57

Commission's Analysis

4.26. The Commission observes that as per the submission of the Petitioner, all the fixed assets of JKPDD-T have been funded through grants from the Central or State Govt. As such the Commission is of the view that no depreciation can be allowed to a licensee on assets created through grants/consumer contribution. Therefore, the Commission has not approved any amount on account of depreciation to the Petitioner as shown in the table below. This is in line with the approach adopted by the Commission in approving depreciation for distribution business of JKPDD.

Table 25: Depreciation Approved by the Commission (Rs Cr)

Particulars	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Opening GFA	800.80 ¹	953.10	1204.69	1660.70
Addition in GFA	152.30	251.59	456.00	596.98
Closing GFA	953.10	1204.69	1660.70	2257.68
Depreciation	0.00	0.00	0.00	0.00

Interest on Working Capital

Petitioner's Submission

- 4.27. Interest on working capital claimed by JKPDD-T in its Tariff Petition for FY 2013-14, FY 2014-15 and FY 2015-16 is Rs 9.30 Cr, Rs 11.15 Cr and Rs 13.62 Cr respectively.
- 4.28. JKPDD-T has estimated working capital requirement on a normative basis, according to the Transmission MYT Regulations, 2012.
- 4.29. Working capital comprises of the following components calculated as mentioned below:
- Expenses : 1 month's proposed O&M expenditure
 - Maintenance spares : 1% of proposed opening GFA
 - Receivables : 2 months of projected income
- 4.30. The interest on working capital taken by JKPDD-T is at the normative interest rate of 15% which is J&K Bank's existing Prime Lending Rate (as mentioned in the Tariff Petition of JKPDD-T for FY 2013-14). Interest on working capital claimed by JKPDD-T is given in the table below.

¹The Petitioner has submitted that segregation of assets of JKPDD between the transmission and distribution business is not yet finalized. In the absence of actual information in this regard, the combined opening GFA for JKPDD for FY 2012-13 approved in the Tariff Order for FY 2012-13 has been proportionately allocated between the distribution and transmission businesses based on the ratio of opening GFA for the distribution business of JKPDD for FY 2012-13 submitted by the Petitioners in their respective Tariff Petitions for FY 2013-14.

Table 26: Interest on Working Capital proposed by JKPDD-T (Rs Cr)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Expenses (1 month's proposed O&M Exp)	10.22	12.05	14.32
Maintenance Spares (1% proposed opening GFA)	17.9	21.64	27.31
Receivables (1/6 of projected income)	33.86	40.65	49.17
Working Capital Requirement	61.98	74.34	90.8
Normative interest on working capital	9.3	11.15	13.62

Commission's Analysis

4.31. The Commission has adopted the normative approach to estimate interest on working capital, as specified in Regulation 4.12 of the Transmission MYT Regulations, 2012 which reads:

“4.12.1 Working capital shall cover:

- (a) Operation and maintenance expenses for one month;*
- (b) Maintenance spares at 1% of the historical cost of assets at the beginning of the year and*
- (c) Receivables equivalent to two months of transmission charges calculated on target availability level.*

4.12.2 Rate of interest on working capital shall be on normative basis and shall be equal to the short-term Prime Lending Rate of Jammu & Kashmir Bank as on 1st April of the year. The interest on working capital shall be payable on normative basis notwithstanding that the Transmission Licensee has not taken working capital loan from any outside agency. “

4.32. For calculating normative working capital requirement, the Commission has considered approved O&M expenses, approved opening GFA and receivables for the respective years.

4.33. Interest rate on working capital has been considered at 15%, which was the Jammu & Kashmir Bank Lending Rate as on 1st April, 2012. The same shall be reviewed at the time of Annual Performance Review for each year of the Control Period.

4.34. The summary of the interest on working capital approved by the Commission has been provided in the table below.

Table 27: Interest on Working Capital Approved by the Commission (Rs Cr)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Expenses (1 month's approved O&M Exp)	8.33	10.13	11.69
Maintenance Spares (1% approved opening GFA)	9.53	12.05	16.61

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Receivables (1/6 of approved income)	17.55	21.35	24.70
Working Capital Requirement	34.59	42.70	52.16
Interest on Working Capital	5.31	6.53	7.95

Interest on Loans

Petitioner's Submission

4.35. JKPDD-T has not proposed any interest on loans for the MYT Control period (FY 2013-14 to FY 2015-16) in its Tariff Petition for FY 2013-14. JKPDD-T has submitted that it does not have any outstanding term loans. The entire capital expenditure was funded by way of Grants from state / central government. Moreover, the proposed capital expenditure plan for the MYT Control period is to be funded by way of Grants.

Commission's Analysis

4.36. The Commission accepts the submission of JKPDD-T and has not approved any interest on loans.

Return on Equity

Petitioner's Submission

4.37. JKPDD-T does not have any normative equity as the entire capital expenditure has been funded by way of grants. The capital expenditure proposed in the MYT period is expected to be entirely funded by grants from Government of Jammu & Kashmir (GoJK) or Government of India (GoI). Therefore, JKPDD-T has not claimed any return on equity.

Commission's Analysis

4.38. The Commission accepts the submission of JKPDD-T and has not approved any return on equity.

Non-Tariff Income

Petitioner's Submission

4.39. JKPDD-T has submitted in its Tariff Petition for FY 2013-14 that it does not expect to have any non-tariff income.

Commission's Analysis

4.40. The Commission accepts the submission of JKPDD-T and has not approved any NTI.

Tax Provisions

Petitioner's submission

4.41. JKPDD-T has not accounted for tax since it has not claimed any return on equity.

Commission's Analysis

4.42. The Commission accepts the submission of JKPDD-T and has not approved any tax for the Petitioner.

Transmission Loss

Petitioner's submission

4.43. JKPDD-T in its MYT petition proposed the following trajectory for transmission loss.

Table 28: Transmission Loss Trajectory Proposed by JKPDD-T

Particulars	FY 2011-12 (Actual)	FY 2012-13 (Estimated)	FY 2013-14 (Actual)	FY 2014-15 (Actual)	FY 2015-16
Total Loss in the system	4.05%	4.30%	4.25%	4.20%	4.15%

Commission's Analysis

4.44. As per Regulation 3.4.1 of the JKSERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2012, the MYT filing of the transmission licensee (JKPDD-Transmission) must contain “*Range of Transmission losses (upper and lower) for each year of the Control Period for the purpose of incentive / penalties. The Licensee shall file a trajectory of the loss levels in respect of losses for each of the years of the control period, backed up by proper studies to justify the loss levels indicated*”. The Commission vide letter dated December 18, 2012 asked JKPDD to submit proposal for transmission loss for the MYT Control Period backed up by proper studies. The utility vide letter dated January 22, 2013 submitted the following –

“It is being submitted that JKPDD-T was earlier functioning as the bundled utility and as such the segregated information for losses is not available. Further, while the energy quantum to be transmitted is not envisaged to vary much, the reduction in losses is being projected considering the reduction in loading of existing lines with the commission of new lines and sub-stations. It is also further submitted that the JKPDD-T has already submitted the information best available with it.”

Further, while only the nominal reduction in loss trajectory has been submitted, same needs to be reconsidered when the actual segregated information is available from FY 2012-13 onwards and accordingly, the upper and lower limits will be proposed for approval of the Commission only then.”

- 4.45. Considering the submissions made by JKPDD-T and in the absence of any system study conducted by the JKPDD-T for estimation of actual transmission losses in the system, the Commission approves intra-state transmission loss provisionally at 4.0% for the MYT Period. Hence, transmission loss trajectory approved by the Commission is as follows.

Table 29: Transmission Loss Approved by the Commission

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Transmission Loss in the system	4.00%	4.00%	4.00%

- 4.46. However, the Commission directs the Petitioner to carry out system studies for determination of transmission loss in the system through scientific methods and energy audit for estimating the actual transmission loss level. The Commission directs the Petitioner to submit the report along-with Annual Performance Review/ tariff petition for FY 2014-15.

Aggregate Revenue Requirement for the MYT Control Period

4.47. Based on the various cost components allowed in the foregoing sections, the ARR for JKPDD-T for the MYT Control period from FY 2013-14 to FY 2015-16 is approved as follows.

Table 30: ARR for the MYT Control Period Approved by the Commission (Rs Cr)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
O&M Expenses	100.02	121.58	140.23
Depreciation	0.00	0.00	0.00
Interest & Finance Charges	0.00	0.00	0.00
Interest on Working Capital	5.31	6.53	7.95
Return on Equity	0.00	0.00	0.00
Total Expenditure	105.33	128.11	148.18
Less: Non Tariff Income	0.00	0.00	0.00
Approved Annual Revenue Requirement	105.33	128.11	148.18

Transmission Tariff

Petitioner's Submission

4.48. The Petitioner has proposed transmission charges for the entire MYT Control Period (FY 2013-14 to FY 2015-16) as follows.

Table 31: Transmission Charges proposed by JKPDD-T for the MYT Control Period

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Aggregate Revenue Requirement (Rs. Cr.)	203.14	243.88	295.03
Transmission Capacity (KW)	2369800	2369800	2369800
Transmission Charges (Rs. / KW / Month)	71.43	85.76	103.75

Commission's Analysis

4.49. The Commission has calculated transmission tariff/charges on Rs/KW/month basis as per Sub-Regulation 4.15.1 of the MYT Transmission Regulations, 2012, which reads as under:

“The transmission tariff payable by the open access customers of the Transmission system shall be determined in accordance with the following formula:

$$TR = \text{Net ARR}/(12 * TCC)$$

Where,

TR: Transmission Rate in Rs./kW/month

Net ARR: Net ARR, as determined.

TCC: Total Contracted Capacity in kW of the Transmission system by all Long-Term open access customers.”

- 4.50. The Petitioner has projected the transmission capacity at 2,369,800 KW for all the three years of the MYT Control Period. However, in view of the capital investments being undertaken by the Petitioner, the transmission capacity is expected to increase in subsequent years. Therefore, the Commission has not determined the transmission tariff/charges for the entire MYT Control Period (FY 2013-14 to FY 2015-16) but has approved transmission charges for the first year of the MYT Control Period i.e. FY 2013-14 only. The approved transmission tariff/charges (in Rs. /KW /Month) for FY 2013-14 are given in the table below.

Table 32: Transmission Charges for FY 2013-14 Approved by the Commission

Particulars	FY 2013-14
Aggregate Revenue Requirement (Rs. Cr.)	105.33
Transmission Capacity (KW)*	2369800
Transmission Charges (Rs. / KW / Month)	37.04

* as submitted by the Petitioner

- 4.51. Transmission charges (in Rs /KW /Month) for the subsequent years of the MYT Control Period i.e. FY 2014-15 and FY 2015-16 shall be approved at the time of Annual Performance Review when the utility submits the requisite data.

A5: DIRECTIVES

- 5.1. The State Government has issued a number of policies on Hydel and Renewable Energy Sources to exploit all the natural resources for generating more and more power and attract investors from the state and outside in the years to come, besides identifying potential spots/ areas in the length and breadth of state. The role of JKPDD-T in addressing the issues of evacuation, transmission and grid connectivity in far flung areas is a critical one. While the Commission appreciates the steps taken by JKPDD-T in strengthening its transmission network, it believes that JKPDD-T needs to work diligently to fulfil its role better. The Commission is issuing the following directives to the Petitioner in this regard.

Segregation of Accounts

- 5.2. The Petitioner is directed to segregate costs between transmission and distribution functions and maintain separate accounts for both functionalities. The Petitioner is directed to maintain separate Fixed Asset Registers (FAR) for transmission and distribution functions. The valuation of assets should be done on the basis of historical cost or, in the absence/non availability of such information, through an independent valuation.
- 5.3. The Petitioner is also directed to provide the asset wise details of the GFA allocated to the transmission business to the Commission.

Maintenance of Grid Stations

- 5.4. The Petitioner is directed to submit to the Commission a status report on proper up-keep and maintenance of transmission lines and grid stations. The Petitioner is also directed to maintain adequate spares and transformer capacities to prevent prolonged outage of the transmission system.
- 5.5. The Commission directs the Petitioner to procure two Emergency Restoration Systems (ERS), one each for Jammu and Kashmir region.

Monitoring of Capital Expenditure

- 5.6. The Petitioner is directed to submit the information required as per para 3.26 and para 3.27 regarding the capital expenditure schemes within the first week succeeding every quarter on cumulative basis. Non-compliance in this regard shall invite penal action.

Transmission Loss

- 5.7. The Commission also directs the Petitioner to carry out system studies for determination of transmission loss in the system through scientific methods and energy audit for estimating the actual transmission loss level for the base year. The Commission directs the Petitioner to submit the report along with Annual Performance Review/tariff petition for FY 2014-15.

Power System Studies

- 5.8. The Commission has approved certain capital expenditure for Power System Studies in this Order. The Commission directs the Petitioner to submit proposal for studies to be undertaken during FY 2013-14 within 3 months of issue of this Order and thereafter a detailed cost benefit analysis of each study along with the Annual Performance Review.
- 5.9. The Commission also directs the Petitioner to submit to the Commission a map of the transmission system showing accurately the spread of the existing transmission system in the State, transmission system under implementation and the proposed transmission corridors.

Monitoring of Availability of Transmission System

- 5.10. The Petitioner is directed to monitor and declare the availability of the transmission system. The procedure for calculation of the transmission system availability is given in the Transmission MYT Regulations, 2012. The availability should also be certified by the State Load Despatch Centre (SLDC).

ANNEXURE 1: LIST OF PARTICIPANTS IN THE STATE ADVISORY COMMITTEE MEETING

SI No	Name	Department/Organization
1	S. M. Desalphine	Chairman, J&KSERC
2	D. S. Pawar	Member, J&KSERC
3	G. M. Khan	Member, J&KSERC
4	R. K. Seli	Technical Consultant, J&KSERC
5	Ravi Kant Verma (KAS)	Secretary, J&KSERC
6	Virinder Kumar Sarngal	Superintending Engineer, J&KSERC
7	Renu Mahajan	Deputy Secretary (Law), J&KSERC
8	Manzoor Salroo	Development Commissioner (Power), JKPDD
9	Shahnaz Goni	Chief Engineer, EM & RE, Jammu
10	Vinod Khajuria	Chief Engineer (Commercial), JKPDD
11	S. R. Galotra	Joint Director, Representative from Director Agriculture, Srinagar
12	D. S. Tara	Ex. Secretary, J&KSERC
13	Gurbachan Singh	Superintending Engineer, EM & RE, Division-I
14	Nitin Gupta	Consultant-JKPDD
15	Nasib Singh	Superintending Engineer, Commercial & Survey Circle, JKPDD
16	Azhar Wakil	Assistant Executive Engineer, Commercial, JKPDD
17	S. P. Gupta	Superintending Engineer, System & Operations Circle-I, Jammu
18	Ravi Chanyal	Senior General Manager, JKSPDC
19	Y. V. Sharma	President, Chamber of Commerce & Industries, Jammu
20	Annil Suri	President, Bari-Brahmna Industrial Association (BBIA)

ANNEXURE 2: LIST OF PARTICIPANTS IN PUBLIC HEARINGS**Participants at Jammu Hearing held on 18th March, 2013 at PWD Guest House, Gandhinagar**

Sl No	Name of the Officers	Department/Organization
1	S. M. Desalphine	Chairman, J&KSERC
2	D. S. Pawar	Member, J&KSERC
3	G. M. Khan	Member, J&KSERC
4	R. K. Seli	Technical Consultant, J&KSERC
5	Ravi Kant Verma (KAS)	Secretary, J&KSERC
6	Virinder Kumar Sarngal	Superintending Engineer, J&KSERC
7	Renu Mahajan	Deputy Secretary (Law), J&KSERC
8	Annil Suri	President, Bari-Brahmna Industrial Association (BBIA)
9	Vikrant Kurhiala	Chairman
10	Dr. Karan I.S.S	President , NGO
11	Iqbal Singh Sambyal	Founder, Chairman, JK Social Audit Org. (Civil Society & World Affairs)
12	Sikander Singh	JSM, Samba
13	Veena Bakashi	J.M.U.K
14	Aditya Gupta	Advocate for Association of Industries
15	Virendra Jain	General Secretary, Association of Industries, Gangyal
16	Balbir Kumar Gupta	President
17	Kulbushan Gupta	PHD Member
18	Kuldeep Gupta	PHD Member
19	Ajay Gandotra	PHD Member
20	M.L.Mathur	PHD Resident Director
21	L.S.Puri	Treasury AOI, Gangyal
22	Vishal Gupta	Shri Guru Kripa Alloys (P) Ltd.
23	K.C.Sharma	Chenab Textile Mills
24	G.P.Gupta	Chenab Textile Mills
25	Ravi Chanyal	PDC
26	D.S.Tara	Retd. S.E, PDD
27	Er. Vikram Gour	President, Consumer Welfare Association, J&K
28	Er. P.B.Khajuria	Ex. M.D (PDC)
29	Nitin Gupta	Consultant, PDD
30	Satnam Singh	Consultant, PDD
31	Vinod khajuria	Chief Engineer, Commercial
32	Ajay Gupta	Chief Engineer, S&O Jammu
33	Naseeb Singh	S.E, Commercial & Survey, Circle
34	Azhar Wakil	A.E.E, Commercial

SI No	Name of the Officers	Department/Organization
35	Manzoor Salaroo	DC(Power)
36	Nazir Ahmed	Security Officer
37	Chander Vadan	Company Secretary
38	S.K.Shrivastav	Star Industries, Bari Brahmna
39	Tapan Dubey	Secretary, BBIA
40	Vipul Goel	PWC
41	S.B.Abrol	Senior Vice President, AOI, Gangyal
42	I.A.Wani	FA & CEO, PDD
43	Rahul Bansal	
44	Ashwani Kumar Gupta	S.E, PDD Kathua
45	Y.V.Sharma	President, CCI
46	Deepak Aggarwal	Secretary, CCI

Participants at Srinagar Hearing held on 20th March, 2013 at Auditorium, IMPA, Moulana Azad Road, Srinagar

SI No	Name of the Officers	Department/Organization
1	S. M. Desalphine	Chairman, J&KSERC
2	D. S. Pawar	Member, J&KSERC
3	G. M. Khan	Member, J&KSERC
4	R. K. Seli	Technical Consultant, J&KSERC
5	Ravi Kant Verma (KAS)	Secretary, J&KSERC
6	Virinder Kumar Sarngal	Superintending Engineer, J&KSERC
7	Renu Mahajan	Deputy Secretary (Law), J&KSERC
8	Harmohan Singh	S.E, S&O II
9	Khurshid Ahmed	S.E, M & RE
10	Sheikh Gul Ayar	Chief Engineer, S&O
11	Manzoor Salroo	DC(Power)
12	Vinod Khajuria	Chief Engineer, Commercial
13	Muzafar Mattu	Chief Engineer, M & RE
14	Nitin Gupta	Consultant PDD
15	B.A.Khan	S.E (M & RE)
16	Z.A.Bhat	President (FCIK)
17	Faiz Bakshi	President KHAROF
18	Adil Khan	Secretary General (KHARA)
19	Gh. Jeelani	P.Secretary (FCIK)
20	Mohd. Ashraf Mir	Sr. Vice President (FCIK)
21	Nazi Ahmed Shikari	FCIK
22	Vipul Goel	Consultant, PWC
23	Azhar Wakil	A.E.E, Commercial
24	Ajaz Ahmed Khan	Ex. Engineer
25	Fayaz Andrabi	S.E
26	Mohammad Yousef Baba	Xen
27	Showkat banday	Xen
28	S.K.Zutshi	S.E
29	Aijaz Dar	Xen
30	Hamidullah	Xen
31	Er. Manzoor Ahmed	Xen
32	Anwar Subhan	Ex. Engineer
33	Joginder Singh	Ex. Engineer
34	B. S. Jaggi	Ex. Engineer
35	Arshad Hussain Reshi	Ex. TLMD-II
36	Javed Yousuf Dar	Xen TLDC-II
37	Malik Kausar Hamid	J.E (S/O-N/K)

SI No	Name of the Officers	Department/Organization
38	Syeed Fazal Illahi	Speaker (FCIK)
39	Mukhmoor Gowhar	E.M. Printing Industry
40	Gulam Moha Bhmedt Hourgi	E.C. Member (FCIK)
41	M.A.Shora	KPA
42	Shabir Ahmed	KPA
43	Surinder Singh	KPA
44	Gh. Nabi	KPA
45	Hashmat Qazi	Xen ED-I
46	N.A.Lone	Saifoo Cements
47	Abid Ali	E.C Member, FCIK, Khonmoh
48	Ab. Qayoom Shah	Vice President JAK, Khonmoh

ANNEXURE 3: QUARTERLY MONITORING FORMAT FOR CAPITAL INVESTMENT SCHEMES*

INFORMATION FOR QUARTER ENDING _____

A. Description of the Scheme

1. Name of the Scheme:
2. Objective of the Scheme:
3. Date of Approval:
4. Expected date of completion:
5. Whether funding has been approved?
6. Source of Funding:
7. Expected Benefits:
8. Whether DPR submitted to the Commission (Yes/No)?
9. Whether DPR is supported by load flow study (Yes/No)?
10. Whether Cost-Benefit Analysis submitted to the Commission (Yes/No)?

B. Monitoring physical and financial progress of the Scheme

1. Scheme Parameters/ Component wise information regarding Physical/Financial progress of the Scheme:

Sl. No.	Scheme Parameters/ Component of the Scheme	Physical Progress					Expenditure Incurred (in Rs Cr)				
		Scheme Target	Cumulative Achievements at the end of Last Qtr	Achievement during the Qtr	Cumulative Achievement at the end of Current Qtr	Reasons for variation	Budget	Incurred till end of Last the Qtr	Incurred during the Qtr	Incurred till end of Current the Qtr	Reasons for variation from Budget, if any
1											
2											
3											

2. Actual date of completion of the Scheme:
3. Actual benefits derived from the Scheme:

**The format should be filled separately for each Scheme*