



HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION

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No. HPERC/F(1)-12/2019/- 2021-22 Dated: 04/11/19

To

✓ The Dy. General Manager (C&M),
HPPTCL, Himted Building, Tutikandi,
Shimla.

Subject: - Approval of Capital Cost and determination of tariff for the period from COD to FY 2023-24 for 220 kV D/C Kashang Bhaba Transmission line

Sir,

This has a reference to the subject cited petition filed by HPPTCL vide filing no. 167/2019. . The said petition has been examined by this office and the following are the list of queries/ deficiencies to be addressed:-

1. It has been mentioned that Kashang-bhaba line is a dedicated transmission line for Kashang HEP and the entire transmission charges shall be borne by the HPPCL. However, under the IPTA provided, it is mentioned that till the time of commissioning of Wangtoo Substation, power of Kashang HEP is evacuated through Kashang-bhaba line as an interim arrangement. It is required to provide any documentary evidence/ arrangement substantiating that the entire charges of Kashang-bhaba line shall be borne by HPPCL.

2. Rationale for determination of capital cost and tariff for Kashang-bhaba line by HPERC be explained in view of the following:

- a. Line being a part of inter-state transmission network as envisaged at the time of initiation.
- b. In absence of any long-term transmission agreement with generator/beneficiary.
- c. Submission of HPPTCL in the MYT Petition for inclusion of line as part of inter-state transmission network (post commissioning of Wangtoo SS).
- d. Power is being sold to IEX as per the Interim Power Transfer agreement.
- e. Details of whether HPPTCL has approached CERC for determination of tariff for this line.

3. It is required to provide the complete details of off-takers vis-à-vis quantum tied-up for use of Kashang-bhaba line.

4. It is required to provide the NRPC certificate substantiating that proposed line cannot be considered as part of inter-state network and is incidental to intra-state transmission network.

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5. Details with respect to work execution have not been provided i.e. agreement with Construction Company, correspondence with respect to increased cost amount, extensions, etc.
6. It has been claimed that a debt equity ratio of 75.96:24.04 as funding of the scheme. However, the BOD Agenda annexed along with the Petition mentions that the revised scheme was approved before the Board of Directors of HPP TCL for the debt equity ratio of 90:10 (Rs. 79.01 Crore loan from REC and Rs. 8.78 Crore as equity). It is required to provide clarification and computation with respect to debt equity claimed under petition.
7. It is required to submit the details of cost recovered in past from the long-term / short-term beneficiaries.
8. The approved DPR in support of the various claims made with respect to proposed scheme has not provided.

Accordingly, it is requested to supply the reply to above queries before 14th November, 2019 positively.

Yours sincerely,


Executive Director (Tariff)

Copy to the Managing Director, HPP TCL, Himfed Building, Tutikandi for information and necessary action, please.


Executive Director (Tariff)