



दादरा नगर हवेली ऊर्जा वितरण निगम लिमिटेड
(सरकार का उपक्रम)
DNH POWER DISTRIBUTION CORPORATION LTD.

(A GOVERNMENT UNDERTAKING)
CIN : U40100DN2012GOI000405

No. 1-1(236)/PDCL-AE(Comm1)/2015/ 3429

Dtd 04/09/2015.

To,
The Secretary
Joint Electricity Regulatory Commission,
For State of Goa & Union Territories),
Vanijya Nikunj, 2nd Floor,
Udyog Vihar, Phase – V,
Gurgaon (Haryana) – 122016..
Fax No. :- 0124 – 2342853..

Sub:- Data gaps in revised Business Plan.

Ref:- No. 14/49//2015-JERC/733 dated: 13th August, 2015.

Madam,

With reference to the above cited subject under reference, please,
enclosed herewith the requisite information as desired.

Kindly requested to approve the Business Plan at the earliest please.

Yours faithfully,


Executive Engineer (Dist.)

DNH Power Distribution Corporation Ltd.
UT of Dadra and Nagar Haveli
Silvassa.



भारत सरकार
Government of India
केन्द्रीय विद्युत प्राधिकरण
Central Electricity Authority
वितरण आयोजन एवं विकास प्रभाग
Distribution Planning & Development Division
सेवा भवन, आर के पुरम, नई दिल्ली - 110066
Ph: 011-26106258 Fax: 011-26102793
www.cea.nic.in



(आई एस ओ 9001-2008)

No DPD/UT/331-12(DNH)/2013/ 1647

Executive Engineer(Dist)
DNH Power Distribution Corporation Ltd,
UT of Dadra & Nagar Haveli
Silvassa-396230

Fax 0260-2642338

Dt 10th April 2013

SUBJECT: Scheme for installation of 3MW grid connected Solar PV plant in UT of D&NH

Sir,

Please refer to letters No.1-1(664)/ELE/2012/101 dt. 15-04-2013 regarding clarification on the technical clearance of CEA for the Scheme for installation of 3MW grid connected Solar PV plant in UT of D&NH.

In this context, it is to inform that keeping in view the necessity of meeting the Renewable Power Obligation (RPO) as prescribed by JERC, the scheme for installation of 3MW grid connected Solar PV plant was technically cleared by CEA vide letter dt 14-03-2013. However, keeping in view the availability of various solar vendors in the market, varying prices of solar PV plant in the market and shortage as well as inexperience of the staff of Electricity Deptt of DNH to handle solar plants, it was suggested by CEA that the plant may be implemented through open competitive bidding on unit cost by floating Expression of interest (EOI) based on Long Term PPA to discover the best prices in the market.

As such, we have no further comments to offer on the subject and UT administration may take necessary action accordingly.

This issues with the approval of Chairperson, CEA.

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(विवेक गोयल) 7/4/13
निदेशक (डी पी डी)

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भारत सरकार
Government of India
केन्द्रीय विद्युत प्राधिकरण
Central Electricity Authority
वितरण आयोजन एवं विकास प्रभाग



Distribution Planning & Development Division
सेवा भवन, आर के पुरम, नई दिल्ली - 110066

(आई एस ओ 9001-
2008)

Ph: 011-26106685

Fax :011-26102793

Website: www.cea.nic.in

No.DPD/UT/ DNH(U/G cable)/2014/ 9115

Dt 7th March 2014

The Superintending Engineer,
DNH Power Distribution Corporation Ltd.,
First Floor, Vidhyut Bhavan,
Opp. Secretarat, Silvassa-396230

Fax 0260-2642338

Subject: Scheme for conversion of overhead 11 kV and LT Lines into Underground cabling system with 66/11 kV, 2x20 MVA GIS substation at Silvassa, UT of DNH.

Sir,

Please refer to letter No. 11-3(118)/ele/2012/1647 dated 31-7-2014, letter No 11.8(118)/ele/2012/1647/2227, dated 24.09.2013 and letter No 11.8(118)/ele/2012/259 dated 28.01.2014 vide which the above scheme report & clarifications were furnished at an Est cost of Rs 99.21 Crores for technical clearance of CEA. The scheme includes establishment of new 66/11 KV, 2x20 MVA GIS Substation, installation of 169 No of 11/0.4 KV package distribution transformers & conversion of existing overhead 11 KV and LT lines into underground cabling system in Silvassa, UT of DNH. The scope of works and estimated costs are given at Annex-I.

It has been stated that UT Administration has decided to take up the works of conversion of OH lines in to UG cabling system and Board of Directors of DNH Power Distributions Corporation under Chairmanship of Hon'ble Administrator of UT have also approved the proposal of conversion of overhead lines in to underground cabling at Silvassa to improve the reliability of power supply, enhance the beauty of city and to reduce traffic congestion in Silvassa.

The scheme has been examined and found to be generally in order. Prior to implementation, the following may be ensured -

- (1) All the statutory clearances wherever necessary may be obtained from the competent authorities, before implementation of the work.

HC/Asstt.
REE (Dist.)
S.E. (District)

Pls for Spec
Board Member
Silvassa

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- (2) It should be ensured that all Government Rules and Regulation are followed during the implementation of the scheme.
- (3) UT Administration may satisfactorily dispose off all the objections, if any, received from public before commencement of works.
- (4) UT Administration may ensure availability of funds before issue of approval and expenditure sanctions.
- (5) Necessary administrative approval and expenditure sanction may be taken from the competent authorities before commencement of the work.

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निदेशक (डी पी डी)
(विदेक गोयल) 7/3/14
निदेशक (डी पी डी)

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Annex-I

Estimated Cost and scope of the work for conversion of O/H distribution system into U/G system at Silvassa Town, UT of D&NH

S.NO	Description	Amount (Rs in Crores)
1	Establishment of new 66/11KV, 2x20 MVA GIS Substation with Civil & Structural Works including 66 KV 1200 sq mm feeding cable from Amli S/S to GIS S/s	14.15
2	Conversion of existing O/H 11 KV system to U/G cabling system. (66 km of 3 C 400 sq mm 11 KV cable with 70 no of 630 KVA & 99 nos of 400 KVA package Dist transformers with 3 way RMUs etc)	59.80
3	Conversion of exiting O/H LT lines to U/G cabling System with service cables, feeder pillars etc. (138 km, 3.5 Core 300 sq mm & 120 sq mm LT cables etc)	25.26
	Grand Total	99.21

The Estimated Cost is inclusive of all the taxes like Excise Duties/ CST, Erection, Transportation, insurance & civil works etc.

The work is scheduled to be completed in phased manner in four years time period.

Sales projections:

1. As per Regulation 15.1 of MYT Regulations, the sales forecast should be based on past trends in each of the slabs of consumer categories for last 2 to 3 years. Such past trend should be based on audited figures. It is observed that the petitioner in its Business Plan petition has submitted only the broad category wise **load, number of consumers and sales** for past years from FY 2010-11 to FY 2014-15 and is also not supported by audited accounts. As regard the same the petitioner should submit the following:

a. Sub-category wise as well as slab wise breakup of **(1) load, (2) number of consumers and (3) sales** for past years based on which the sales forecast for future years can be done.

b. Supporting certificate that the submitted actual **load, number of consumers and sales** are audited figures.

DNHPDCL Response: The DNHPDCL would like to submit that the details of load, number of consumers and sales submitted to the Hon'ble Commission along with the Business Plan for the last five years i.e. FY 2010-11 to FY 2014-15 has been adopted from the figures approved by the Hon'ble Commission in the True up's of the respective years. Further, the Sub-category wise as well as slab wise details of the period FY 2010-11 to FY 2014-15 are being enclosed along with this reply as **Annexure I**.

Power purchase:

2. Petitioner has submitted that it will procure 5 MU from JNN SM solar plant, 120 MU from solar power procurement under Case 1 bidding and 5.392 MU from 3.37 MW own generating plant (@ 1.60 MU per MW) which makes the total 133.392 MU. However the total power in MU to be procured from solar generating sources is 132.58 MU to 150.50 MU during control period. The mentioned difference is as shown in the table below:

Particulars	FY 2016-17	FY 2017-18	FY 2018-19
As per breakup of sources	133.392	133.392	133.392
Total estimated by the petitioner	132.58	150.50	150.50

Petitioner should submit the justification for the above difference in total energy procurement through solar generating sources.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that to meet the solar obligation for the Control Period, the department is in the process of installing solar plants of capacity 3.37 MW. The per MW unit generation from the solar plants will be approx. 1.60 MUs. Further, the DNHPDCL will procure 8 MUs solar power from JNN SM 5 MW solar plant and will procure 120 MUs from solar power procurement under case – I bidding during the Control period. The department is also in the process of installing solar power plants of capacity 10 MW which will generate 16 MUs @ 1.6 MUs per MW from FY 2018-19 onwards. The total procurement is summarised in the table below:

Source	FY 2016-17	FY 2017-18	FY 2018-19
Solar Plant of capacity 3.37 MW	5.392	5.392	5.392
JNNSM 5 MW plant	8	8	8
Case - I bidding	120	120	120
Solar Plant of capacity 10 MW		16	16
Total	133.392	149.392	149.392

3. Petitioner has considered the external transmission sources (i.e. inter-state transmission losses) as 3.56% for the control period. Petitioner should submit the basis of the same.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the Interstate transmission losses has been taken 3.56% based on the average of the pooled losses of the past years.

4. Regulation 1.1 of Joint Electricity Regulatory Commission for state of Goa & Union Territories (Procurement of Renewable Energy) First Amendment Regulations, 2014 specifies the following minimum quantum of purchase (in %) from renewable energy sources (in kWh).

Particulars	FY 17	FY18	FY19
Solar	1.15%	1.50	1.80%
Non-Solar	2.80%	2.80%	2.80%
Total RPO	3.95%	4.30%	4.65%

It has been observed that the petitioner has planned to procure 170 MU from non-solar sources which is ranges from 2.47% to 2.64% of the total power purchase requirement. Petitioner should submit the justification for planning lesser power procurement from non-solar sources compared to specified RPO.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the quantum of RPO to be procured during the Control Period is based on the percentage of the energy consumed i.e. billed and not procured by the DNHPDCL. Further, the RPO trajectory has been adopted from the RPO roadmap submitted to the Hon'ble Commission by the DNHPDCL.

5. Further, the petitioner has not submitted the source of procuring the non-solar renewable power during the control period. Petitioner should submit the same along with detailed basis of quantum and cost.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble commission that it will be purchasing the non-solar power from the non solar generators through case-I RE bidding through Tariff Based Competitive Bidding Process for grid connected power projects. For the purchase through Case - I bidding, Commission's approved tariff for non-solar power in the Tariff Order for FY 2014-15 has been taken into account for projecting the cost during the Control Period.

6. In spite of Commission's direction in its Tariff Order for FY 2015-16 wherein The DNHPDCL was directed to procure renewable energy and not RE certificates it has planned to purchase REC of 100 MU, 30 MU and 25 MU during FY 2016-17, FY 2017- 18 & FY 2018-19 respectively. Petitioner justifies its plan to purchase REC in respect to requirement as per Renewable Purchase Obligation.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the procurement of renewable energy during the Control period is based on the RPO roadmap submitted to the Hon'ble Commission by the DNHPDCL. However, it will be the departments endeavor to purchase renewable energy instead of RE certificates during the Control Period.

7. Petitioner has estimated the fixed charges for the generating stations considering 5% escalation rate over the approved fixed charge for FY 2014-15. Petitioner should submit the basis of considering such escalation rate of 5%.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the fixed charges comprise of the fixed costs such as O&M costs, depreciation etc. of the generating plants. An escalation of 5% over the approved fixed charge for FY 2014-15 has been proposed considering the rate of inflation and the past trends in the increase in the fixed costs of the generating plants.

8. Petitioner has estimated the variable charges for the NTPC generating stations considering based on increase in actual variable charges for FY 2014-15. However no supporting computations have been submitted. Petitioner should submit the supporting computations to arrive at the estimated variable charges for each of the plant.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the increase in the per unit variable cost of each generating station from FY 2013-14 to FY 2014-15 has been considered as the basis for the increase in the variable cost during the Control period. The power purchase bills for the two financial years have already been submitted to the Hon'ble Commission. Further, the detailed computation of the variable cost is being enclosed along with this reply as **Annexure II**.

9. Petitioner should submit the computation and the supporting documents for estimating the single part tariff of nuclear plants.

DNHPDCL Response: The detailed computation is being enclosed along with this reply as **Annexure II**.

10. Petitioner has submitted that during the control period around 139.03 MW of power from the upcoming central generating power stations shall also be allocated to it. Petitioner should submit the basis of its submission along with the validating document if any.

DNHPDCL Response: The copy of the PPA's are being enclosed along with this reply as **Annexure III**.

11. Petitioner should also submit the basis of arriving at the cost (fixed & variable charges) and quantum (MU) of power from such sources.

DNHPDCL Response: The copy of the PPA's are being enclosed along with this reply as **Annexure III**.

12. Petitioner should submit the detailed computation in a "downloadable spreadsheet format" for arriving at the power purchase cost from each of conventional and renewable sources, transmission charges or any other charges estimated as a part of power purchase cost.

DNHPDCL Response: The detailed computation is being enclosed along with this reply as Annexure II.

13. Petitioner in its Petition has submitted that it has considered the transmission charges payable to ED-DNH (Transmission Division). However such charges have not been explicitly mentioned in the petition. Petitioner should submit such estimated charges along with the detailed basis and computation for arriving at the same.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the transmission charges payable to the ED-DNH (Transmission Division) shall be submitted to the Hon'ble Commission along with the MYT Petition for the Control Period.

14. Petitioner should submit the basis of estimating the cost of power and cost of REC for renewable power procurement during control period.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that for power purchase from renewable energy sources, for the Control Period, the DNHPDCL has outsourced the maintenance cost of the solar plants to BHEL. For the purchase through Case – I bidding, Commission's approved tariff for non-solar power in the Tariff Order for FY 2014-15 has been taken into account for projecting the cost during the Control Period.

15. Petitioner has also submitted that it has considered an escalation of 8% over the estimated transmission charges for FY 2015-16. Petitioner should also submit the basis of the same and also the basis for arriving at the other transmission charges payable to the following:

- a. PGCIL,
- b. POSOCO,
- c. WRPC,
- d. Reactive charges,
- e. MSTCL,
- f. others

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the transmission charges payable to PGCIL are based on the total capacity allocation in the transmission network. DNHPDCL has a mix of firm and infirm capacity allocation from various Central Generating Stations which is revised by the Ministry of Power at regular intervals. Therefore, considering the changing capacity allocation, DNHPDCL has estimated the transmission charges. For projecting the PGCIL transmission charges for the MYT Control Period, escalation of 8% over the estimated FY 14-15 transmission charges has been considered in view of the increase in transmission charges. Further, DNHPDCL has taken into account the additional capacity share in the new stations while estimating the Inter-State transmission charges for the MYT Control Period.

T&D Loss trajectory:

16. It has been observed that loss projections of 4.70% made by the petitioner are combined for transmission and distribution activities. However after the effectiveness of transfer scheme the petitioner looks after only the distribution operations. Petitioner should submit the bifurcation of trajectory of both transmission and distribution losses along with the basis of the same for control period.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the loss projections of 4.70% are combined for transmission and distribution activities. The DNHPDCL is under the process of bifurcating the transmission and distribution losses and the bifurcation along with detailed computation of the same shall be submitted to the Hon'ble Commission along with the MYT Petition.

17. Petitioner has considered the constant loss level of 4.70% for entire control period. Petitioner should submit the details of further scope of reduction in losses during the control period. Petitioner should also submit the possible measures for the same.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the distribution losses are already at a very low level of 4.70%. There is no further scope of in the reduction of losses during the control period and therefore the distribution loss trajectory has been kept at 4.70% during the Control Period.

Physical targets:

18. Regulations 5.1 of MYT Regulations specifies that the business plan should also comprise of physical targets, accordingly the petitioner should submit its existing capacity and the target level of capacity addition in terms of the following determinants:

Particulars	Units	Existing	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
No. of Distribution Transformers						
Total Capacity of Distribution Transformers						
No. 33/11 kV substations						
Total capacity 33/11 kV substations						
No. 66/11 kV substations						
Total capacity 66/11 kV substations						
66 kV lines						
LT lines						
11 Kv Line						

Note: Petitioner if required may also add other determinants to measure the performance in terms of achievement of physical targets.

The above physical targets must be in consonance with the proposed investment in various schemes during the control period.

DNHPDCL Response: The existing capacity and the target level of capacity addition during the MYT Control Period is as given below:

Particulars	Units	Existing	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
No. of Distribution Transformers	Nos.	1091	1106	1121	1136	1151
Total Capacity of Distribution Transformers	KVA	177505	181250	184995	188740	192485
No. 33/11 kV substations	Nos	---	---	---	---	---
Total capacity 33/11 kV substations	KVA	---	---	---	---	---
No. 66/11 kV substations	Nos.	13	14	15	16	17
Total capacity 66/11 kV substations	MVA	712	747	787	827	867
33 kV lines	Kms	---	---	---	---	---
66 kV lines	Kms	279.9	294.9	299.9	309.9	319.9
11 KV lines	Kms	833.7	858	883	908	933
LT Line	Kms	1777.5	1787.5	1797.5	1807.5	1817.5

Capital investment plan:

19. Petitioner has separately submitted the ongoing schemes to spill over in control period. Petitioner in its petition has submitted only the capital expenditure (i.e. Rs. 45.59 crore) to be occurred during control period and has not submitted the total cost of the schemes (sanctioned cost). The total cost of the scheme would be an important parameter to approve total capital expenditure. Petitioner should submit the total cost of each of the ongoing schemes along with expenditure incurred till date in the following table.

S.No	Particulars	Total Sanctioned Scheme Amount	Expenditure Till Date	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19

	Total Capital Expenditure						

DNHPDCL Response: The information regarding the total scheme amount in the desired format is given in the table below:

Sr.No.	Name of Scheme	Total Sanctioned Scheme amount (Rs. Lakh)	Expenditure till date (Rs. Lakh)	Proposed Expenditure in Rs. Lakh.		
				2016-17	2017-18	2018-19
1	Establishment of various capacity of Solar Power plants	2359	1000	815.4	407.7	135.9
2	Construction of new corporate office building of DNHPDCL	2100	300	800	500	500
3	Erection of various capacity of new distribution transformer, extension of HT/LT line work, releasing of new service connection of all type of category under Normal Development scheme	2000	1700	100	100	100
4	Upgradation and modernization of network	1200	100	660	330	110
	Total	7659	3100	2375.4	1337.7	845.9

20. As per Regulation 22 (b) & (c) of MYT Regulations, the petitioner is supposed to submit detailed supporting document for seeking the approval from the Commission for each of the scheme of amount Rs. 10 crore or above. Such supporting documents should include capital structure, capitalization schedule, financing plan and cost-benefit analysis. Petitioner in its overall all investment plan has many schemes with cost more than Rs. 10 crore. Petitioner should submit the following for each of the scheme of Rs. 10 crore or above:

- Detailed capital structure (Debt, Equity, Grant & consumer contribution),
- Capitalization schedule (Capitalization corresponding to envisaged capital expenditure),
- Financing plan (Source of financing and applicable rate of interest)

d. Cost-benefit analysis

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that all the capital expenditure schemes of the department are approved by the Central Electricity Authority (CEA). All the schemes are being financed by the internal resources of the department and no loan is being availed by the DNHPDCL to finance the schemes. The approval accorded by the CEA for the schemes valuing above Rs. 10 Crs. is being enclosed along with this reply as Annexure IV.

21. Petitioner should also provide the detailed capital structure, capitalization schedule and financing plan for other proposed scheme.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that all the capital expenditure schemes of the department are approved by the Central Electricity Authority (CEA). All the schemes are being financed by the internal resources of the department and no loan is being availed by the DNHPDCL to finance the schemes.

22. Petitioner has submitted that it is taking various Energy Efficiency and DSM measures to reduce the electricity demand. Petitioner has also submitted that it will save around 5.77 MU during each year in control period. Petitioner should confirm whether such saving in energy has been accounted while computing the total energy required for each year. Petitioner should also submit the supporting computation for of the same.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the saving in energy due to various Energy Efficiency and DSM measures has not been accounted while computing the total energy required for each year as the schemes have not yet been implemented and the DNHPDCL has filled petition for seeking approval of the Hon'ble Commission for implementation of the same. Once the approval is given by the Hon'ble Commission, the schemes will be implemented by the DNHPDCL and any saving in energy due to the scheme shall be taken into account by the DNHPDCL.

23. During control period petitioner has estimated total capital expenditure of Rs. 30 crore on smart grid / smart meter implementation scheme. Petitioner should submit various works/activities to be performed in this scheme.

DNHPDCL Response: The DNHPDCL would like to submit the Hon'ble Commission the Various works/activities to be performed under the scheme are:-

- Peak load management will be carried out by Demand Side Management (DSM) and Demand Response (DR).
- Outage management and reduction in planned outages in the selected area.
- Increase the quality of power by constant monitoring of the Third Harmonic Distortion and voltage stability.
- Consumer participation in DSM/ DR initiatives
- Implementation of a mix of Smart Grid technologies which keeps the cost of transaction as low as possible. This will also enable the scaling up to be very cost effective.
- The right technology to make sure that a very sturdy communication channel is created which provides highest reliability.

24. Petitioner should submit the detailed capital structure, capitalization schedule, financing plan and cost-benefit analysis for implementing the smart grid scheme with estimated capital expenditure of Rs. 30 crore.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the detailed capital structure, capitalization schedule, financing plan and cost-benefit analysis for implementing the smart grid scheme shall be submitted along with the MYT Petition.

25. Petitioner has proposed a capital expenditure of Rs. 101 crore (Rs. 90 crore + Rs. 11 crore) for upgradation and system strengthening. Petitioner should submit various works/activities to be performed in this scheme.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the proposed a capital expenditure of Rs. 101 crore (Rs. 90 crore + Rs. 11 crore) for upgradation and system strengthening are being envisaged under the Integrated Power Development Scheme (IPDS) and the Deen Dayal Upadhyay Grameen Jyoti Yojana (DDUGJY) of the Government of India. The DNHPDCL is under the process of preparation of the Detailed Project Reports (DPR) for the two schemes. Once the DPRs are approved by the Government and funds are sanctioned to the DNHPDCL, the details of all the works/activities to be performed under the schemes shall be submitted to the Hon'ble Commission.

26. The total capital expenditure proposed by the Petitioner in its business plan is as shown in the table below:

Particulars	FY 2016-17	FY 2017-18	FY 2018-19
Ongoing Schemes	23.754	13.377	8.459
New Schemes	151.00	128.00	100.00
Total	174.754	141.377	108.459

Considering the lower level of actual capitalization of Rs. 27.46 crore (FY 2012-13) & Rs. 4.82 crore (FY 2013-14) in past years, the capital expenditure proposed by the Petitioner seems to be on higher side. Petitioner should submit the details of its preparedness to achieve such huge capital expenditure. Level of preparedness needs to be checked in terms of fund tie up, availability of required manpower and status of preliminary works such as preparation of feasibility reports, finalization of contractor etc.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that all the capital expenditure schemes of the department are approved by the Central Electricity Authority (CEA). The schemes proposed to be included in the Control Period are under the approval of the CEA. Once they are approved by the CEA the department shall take the necessary steps like preparation of feasibility reports, finalization of contractor etc. Further, all the schemes are being financed by the internal resources of the department and no loan is being availed by the DNHPDCL to finance the schemes.

27. Petitioner should also assure that all the investment schemes should include assets pertaining only to the distribution functions and are separated from transmission functions as detailed in the transfer scheme.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that all the investment schemes include assets pertaining only to the distribution functions and are separated from transmission functions.

28. It is observed that the Petitioner in its business plan has proposed the capex of Rs. 13.59 crore (ongoing scheme) and Rs. 151.41 crore (new schemes) for installing solar power plant. Such capex pertains to Generation function, whereas the Business Plan submitted under the MYT Regulations is for Distribution function. As regard the same, petitioner should submit the justification for claiming such generation specific capital expenditure as a part of Business Plan which for distribution activity. Justification should be supported by relevant provisions of Regulations and Acts.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that post the unbundling of the Electricity Department, the transmission business has been transferred to the Electricity Department (Transmission Division) and the distribution and generation business is with the DNHPDCL. Therefore, the proposed capex of Rs. 13.59 crore (ongoing scheme) and Rs. 151.41 crore (new schemes) for installing solar power plant during the Control Period has been considered as part of the Business plan of the DNHPDCL. Further, the O&M cost of both the generation and the distribution business is being borne by the DNHPDCL. Schedule "A" of The Dadra & Nagar Haveli Electricity Reforms Transfer Scheme, 2013 relates to the functions transferred to the DNHPDCL. Point no. 5 of the Schedule "A" states as follows:
"The business of generating non conventional source of energy to comply with the CERC/JERC regulations and instructions."

A copy of The Dadra & Nagar Haveli Electricity Reforms Transfer Scheme, 2013 has already been submitted to the Hon'ble Commission.

Trajectory of Wires and Supply Availability

29. In compliance to Regulation 7.1 of MYT Regulations, the Petitioner should submit the trajectory of Wires and Supply Availability along with justification as part of business plan itself.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the department will submit the trajectory of Wires and Supply Availability along with justification along with the MYT Petition.

Operation and Maintenance Expenses

30. Petitioner in business plan petition has not submitted the proposal for O&M expenses for control period. Petitioner should submit a detailed proposal for O&M Expenses strictly in accordance with Regulation 21 of MYT Regulations. Such norms as per the mentioned Regulations should separately detail the Employee expenses, R&M Expenses and A&G Expenses.

DNHPDCL Response: The DNHPDCL would like to submit to the Hon'ble Commission that the employee expenses, repair and maintenance expenses and the administrative and general expenses for the FY 2014-15 have not been finalized as yet. The accounts are being audited for the FY 2014-15 and by the October, 2015 the audited accounts for the FY 2014-15 shall be finalized. Hence, the DNHPDCL shall submit the detailed proposal for O&M Expenses along with the MYT Petition comprising of the Employee expenses, R&M Expenses and A&G Expenses.

31. In compliance to provisions 21 of regulations, the Petitioner should submit following details for past and future years:

- a. Number of personnel per 1000 consumers and
- b. Number of personnel per substation
- c. Annual expenses per personnel
- d. A&G expense per personnel
- e. A&G expense per 1000 consumers
- f. R&M expense as percentage of gross fixed assets

DNHPDCL Response: The following details for the FY 2013-14 are given below:

- a. **Number of personnel per 1000 consumers**

No. Of personnel – 118

Number of personnel per 1000 consumers = 0.118

- b. **Number of personnel per substation**

No. Of personnel – 118

No. Of substations – 13

Number of personnel per substation = 9.08

- c. **Annual employee expenses per personnel**

No. Of personnel – 118

Employee Expenses – Rs. 8.16 Crore

Annual employee expenses per personnel = Rs. 0.069 Crore

- d. **A&G expense per personnel**

No. Of personnel – 118

A&G Expenses – Rs. 4.50 Crore

Annual A&G expenses per personnel = Rs. 0.038 Crore

- e. **A&G expense per 1000 consumers**

A&G Expenses – Rs. 4.50 Crore

A&G expenses per 1000 consumers = Rs. 45000

- f. **R&M expense as percentage of gross fixed assets**

R&M expense – Rs. 5.31 Crore

Opening GFA – Rs. 301.10 Crore

Closing GFA – Rs. 305.92 Crore

Average GFA – Rs. 303.51 Crore

R&M expense as percentage of gross fixed assets = 1.75%