



THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Petition No. 2169/2024

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

IN THE MATTER OF

Approval for implementation of 01 nos. Transmission scheme considered in TWC of 1st Quarter of FY 2024-25 with an estimated cost of Rs. 21.40 crore in RTM mode in terms of Regulation 32.2 of UPERC (Multi-Year Tariff for Distribution and Transmission) Regulations, 2019.

AND

IN THE MATTER OF

Uttar Pradesh Power Transmission Corporation Ltd.

Director (Planning and Commercial), Shakti Bhawan, 14-Ashok Marg, Lucknow, Uttar Pradesh, Pin- 226001

.... Petitioner

THE FOLLOWING WERE PRESENT

1. Sh. A.K. Shukla, SE (P&C), UPPTCL
2. Sh. Satyendra Kumar, SE (P&C), UPPTCL
3. Sh. Saurabh Yadav, AE, UPPTCL

ORDER

(DATE OF HEARING: 11.02.2025)

1. The instant Petition has been filed by UPPTCL for approval for implementation of 01 nos. Transmission scheme considered in TWC of 1st Quarter of FY 2024-25 with an estimated cost of Rs. 21.40 crore in RTM mode in terms of Regulation 32.2 of UPERC (Multi-Year Tariff for Distribution and Transmission) Regulations, 2019. The Prayers of the Petitioner are as follows:

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- a) Approve the Capital Investment of Rs 21.40 Cr in RTM mode, as part of investment plan for FY 2024-25 (for projects above Rs. 20 Cr.), against 01 no. scheme considered by Transmission Work Committee meetings held in 1st Quarter of FY 2024-25.
- b) Allow the Petitioner to add/change/alter/modify this application at a future date.
- c) Issue any other relief, order or direction which the Hon'ble Commission may deem fit.

Brief of the Petition

Investment Approval for New Projects Conceptualised During 1st Quarter in FY 2024-25 (01.04.2024 to 30.06.2024).

2. The Petitioner submitted that 01 meeting of TWC has been conducted during FY 2024-25 from 01.04.2024 to 30.06.2024. The detail of one scheme approved above Rs. 20 cr. under RTM mode is provided below:

Table 1- Scheme to be implemented under RTM Mode

Sl. No.	Name of Element	Cost (In Rs. Cr.)	Approvals		
			TWC (with Date)	Board of Directors	Appraisal Committee
1	Augmentation of 220/132/33 kV Chinhat (Lucknow) from 2x200+2x63 to 2x200+2x100 MVA	21.40	TWC 14/22 nd Dt. 26.06.2024	Dated 08.08.2024	Dated 05.12.2024
Total		21.40			

Scheme 1: -Augmentation of 220/132/33 kV Chinhat (Lucknow) from 2x200+2x63 to 2x200+2x100 MVA

- i. 220 kV Chinhat S/s (2x200+2x63) MVA is feeding 17 nos. of 33 kV feeders with installed capacity of 310 MVA.
- ii. The total peak load demand of in 2024 reached 117 MVA, which is more than 90% capacity. The expected demand for next year is 129 MVA, which will exceed installed capacity of existing 2x63 MVA transformers.

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- iii. Feasibility for installation of another 63 MVA Transformer has been checked and it has been found that there is not enough space for 132 kV additional Bay. Therefore, increasing capacity of 2X100 MVA in place of 2X63 MVA is proposed including strengthening of Transfer Bus to meet the increased load demand & to ensure reliable power supply in the region.
- iv. The Petitioner has submitted an IRR of 21.06% for the scheme.

Commission's view

(a) The Commission notes that the Petitioner has obtained the necessary approvals of TWC, Board of Directors, Appraisal & Evaluation Committee.

(b) The Commission is satisfied with the contention of the petitioner that execution of the proposed scheme would help in strengthening the primary transmission system in Lucknow district. It would also improve reliability and quality of power supply to users/consumers with required redundancies to the transmission system.

(c) Regulation 7.2 of UPERC (Modalities of Tariff Determination) Regulations, 2023 provides that implementation of augmentation and strengthening works which are part of STU Transmission Plan are to be carried out by the respective developer under RTM. The relevant extract is reproduced as below:

"7.2 Implementation of augmentation/ strengthening works (excluding O&M works) at the intra-State transmission substation and/or line, being part of the STU Transmission Plan, shall be carried out by the respective developer in accordance with the provisions under Section 62 of the Act read with UPERC (Multi Year Tariff for Distribution and Transmission) Regulations 2019, as amended from time to time, for which the STU shall obtain prior approval of the Commission on case-to-case basis."

In accordance with above, the said Scheme is considered for implementation under RTM mode.

(d) Further, the Commission for calculating IRR has taken the load factor as 20% for first 10 years and 35% from 11th year onwards. Accordingly, IRR of the said Scheme come out to be 12.79% which is more than 9.0%, i.e., the last approved rate of interest on loan as per Tariff Order dated 10.10.2024 for FY 2023-24. Hence, the Scheme having estimated cost of Rs. 21.40 Cr. is approved under RTM mode.

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3. The approval of the scheme under RTM mode is subject to the following conditions.
 - (a) The scheme shall be executed within the stipulated timeframe as indicated. No time overrun or cost overrun shall be allowed.
 - (b) Various equipments and material shall be procured through a fair and transparent competitive bidding process. Execution of the schemes should be through transparent competitive bidding process.
 - (c) All works shall be carried out in compliance with the Act/ Regulations/ Rules/ Standards of Commission/CEA or any other competent authority as applicable.
 - (d) The licensee shall submit six monthly progress report to the Commission indicating the financial and physical progress of the implementation of the scheme.
 - (e) The licensee shall submit the completion report indicating the actual cost incurred in implementation of the scheme. The final cost and quantity will be subject to verification by way of prudence check/truing up at the time of final approval/capitalization.
4. The Licensee/STU shall submit within one month the status report of all the schemes approved by the Commission (vide Order dated 10.02.2021 in Petition No. 1643 of 2020 & subsequent orders on the subject) indicating the name of the approved scheme, estimated cost, physical and financial progress, COD, actual cost incurred in implementation of the scheme.
5. The Licensee/STU shall prepare and submit an updated five-year STU Transmission Plan for the State in accordance with UPERC (Modalities of Tariff Determination) Regulations, 2023.
6. Accordingly, the Petition is disposed of.


(Sanjay Kumar Singh)

Member

Place: Lucknow

Dated: 20.02.2025




(Arvind Kumar)
Chairman