

# HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION SHIMLA

Petition No. 23/2024

Filing No. 268/2023

03.02.2024

**In the matter of** : Approval of True-up for FY 2020-21 to FY 2022-23, Provisional True-up for FY 2023-24, Business Plan and Aggregate Revenue Requirement (ARR) for 5<sup>th</sup> MYT Control Period from FY 2024-25 to FY 2028-29 under the provisions of Himachal Pradesh Electricity Regulatory Commission (Levy and Collection of Fees and Charges by State Load Despatch Centre) Regulations, 2011 and subsequent amendments in the year 2013 and 2018 respectively and under section 62, 64 and 86 of the Electricity Act, 2003.

## INTERIM ORDER

The Himachal Pradesh State Load Despatch Centre, hereinafter referred to as “the HPSLDC”, has filed the present Petition on 07 December 2003 before the Himachal Pradesh Electricity Regulatory Commission, hereinafter referred to as “the HPERC” or “the Commission” for Approval of True-up for FY 2020-21 to FY 2022-23, Provisional True-up for FY 2023-24, Business Plan and Aggregate Revenue Requirement (ARR) for 5<sup>th</sup> MYT Control Period from FY 2024-25 to FY 2028-29 under the provisions of Himachal Pradesh Electricity Regulatory Commission (Levy and Collection of Fees and Charges by State Load Despatch Centre) Regulations, 2011 and subsequent amendments in the year 2013 and 2018 respectively and under section 62, 64 and 86 of the Electricity Act, 2003.

On a preliminary scrutiny of the Petition, certain shortcomings were observed; and, this Commission sought clarifications from the HPSLDC, which have been taken on record.

On perusal of the record, it is noticed that the HPSLDC has impleaded the following important stakeholders as the necessary parties in this Petition and, has also supplied them with the copies of the Petition and, furnished proof thereof to the Registry of this Commission:

1. HP State Electricity Board Limited
2. HP Power Corporation Limited
3. HP Power Transmission Corporation Limited
4. Directorate of Energy

The Petition is admitted for hearing subject to fulfilling of the following directions by the Petitioner:

- (a) In addition to above, the representation of other important Stakeholders/Objectors, including the existing consumers of the HPSLDC, the Consumer Representative, Chief Secretary, Principal Secretary (Power) to the Govt. of HP and Members of the State Advisory Committee of HPERC, are necessary for the disposal of the Petition. As such,

they are ordered to be served accordingly, to file their detailed objections /suggestions within a period of 30 days from the date of Publication of Petition.

(b) To take action under Regulation 9(4) and 9(6) of the HPERC (Levy and Collection of Fees and Charges by the State Load Despatch Centre) Regulations, 2011, read with regulation 16(5) of the HPERC(Conduct of Business Regulations) 2005, to publish in two insertions interspersed a day apart, the salient features of the Petition in abridged form on or before **08.02.2024** in two different newspapers one each in English and Hindi, having wide circulation in the State of Himachal Pradesh. The publication shall give the heading *“Disclosure of Petition for Approval of True-up for FY 2020-21 to FY 2022-23, Provisional True-up for FY 2023-24, Business Plan and Aggregate Revenue Requirement (ARR) for 5<sup>th</sup> MYT Control Period from FY 2024-25 to FY 2028-29”* as filed by the HPSLDC before the Commission. The salient features to be published shall be in the format annexed as **Annexure-1**, and shall include the following:-

1. The Aggregate Revenue Requirement (ARR) for each year of the control period including employee expenses, repair and maintenance expenses, administration and general expenses, depreciation, interest and financing charges, repayment of loans, income from charges etc. showing approved values for FY 2019-20 to FY 2023-24, actual for FY 2019-20 to FY 2022-23, revised estimates for FY 2023-24 and projections from FY 2024-25 to FY 2028-29;
2. Existing and Proposed SLDC Charges for each year of the 5<sup>th</sup> MYT Control Period.

(c) In addition to above, the following details shall be disclosed simultaneously by hosting on the website of the HPSLDC on or before **09.02.2024**:-

1. Complete Petition along with formats.
2. Details of revenue assessment with the existing and proposed SLDC Charges, costs and realizations (details of connection, regulation fees and SLDC charges received), with details on revenue gap.
3. Details of monetary grants or aids received from any source;
4. Details of major costs/ charges being borne such as ULDC, facility usage and AMC;
5. Other salient features of the proposed charges including any arrangements or contracts made with the Users.
6. List of Users registered with the SLDC;
7. Details of MW Capacity based on which the SLDC Charges are proposed;
8. Details of the Contracted Capacity of each user, and the total Contracted Capacity.
9. Details of the year-wise CAPEX for the Control period;
10. Details of employee cost;
11. Details regarding depreciation;

12. Details of interest and finance charges on long-term loans, credits, capital loans or short-term loans, domestic loans and bonds with actual for FYs 2018-19, 2019-20 and revised estimates for FY 2020-21 and projections for FY 2021-22 to FY 2023-24;
13. Details of working capital requirement for each year of the 4<sup>th</sup> MYT control period and interest thereon;
14. Account Statements;
15. Aggregate receivables and payables to GoHP and other utilities for 4<sup>th</sup> MYT Control period.
16. Waivers expressly requested by the HPSLDC;

(d) Sufficient copies of Petition shall be made available in the office of the Superintending Engineer SLDC, HPSLDC, GoHP, Totu Shimla-11 for sale to interested parties on payment of Rs. 1500/-w.e.f **09.02.2024**. Arrangements shall also be made for the interested parties to see, examine and inspect the said Petition in the above office during the office hours on any working day.

(e) The proposed tariff shall be given wide publicity amongst all the stakeholders in general and in particular the copies of the proposed tariff be supplied to the following:-

- (a) Chief Secretary, Principal Secretary (Power) to the Govt. of HP,
- (b) Members of the State Advisory Committee of HPERC,
- (c) Consumer Representative

The Technical Division is further authorized to seek any relevant clarification for the disposal of the Petition from the Petitioner.

The matter be listed further before the Commission in such a manner that the Petition is disposed off as per the provisions of the Electricity Act, 2003.

The Commission Orders accordingly.

**sd/-**  
**(Shashi Kant Joshi)**  
**Member**

**sd/-**  
**(Yashwant Singh Chogal)**  
**Member (Law)**

**sd/-**  
**(Devendra Kumar Sharma)**  
**Chairman**

**Date: 05.02.2024**

**Place: Shimla**

**DISCLOSURE OF PETITION FOR APPROVAL OF TRUE-UP FOR FY 2020-21 TO FY 2022-23, PROVISIONAL TRUE-UP FOR FY 2023-24, BUSINESS PLAN AND AGGREGATE REVENUE REQUIREMENT (ARR) FOR 5<sup>TH</sup> MYT CONTROL PERIOD FY 2024-25 TO FY 2028-29, AS FILED BY THE HIMACHAL PRADESH STATE LOAD DESPATCH CENTRE (HPSLDC) BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION (HPERC)**

In accordance with Himachal Pradesh Electricity Regulatory Commission (Levy and Collection of Fees and Charges by State Load Despatch Centre) Regulations, 2011 and its subsequent Amendments in the year 2013 and 2018 thereof, the Himachal Pradesh State Load Despatch Centre (hereinafter referred to as “the HPSLDC”) has submitted the Petition for approval of True-Up for FY 2020-21 to FY 2022-23, Provisional True-Up for FY 2023-24, Business Plan and Aggregate Revenue Requirement (ARR) For 5<sup>th</sup>MYT Control Period FY 2024-25 To FY 2028-29. The Salient features of the Petition submitted by HPSLDC are as follows:-

**1. True-Up for FY 2020-21 to FY 2023-24**

**(Amount-Rs. in Lakhs)**

Sr. No.	Particulars	True-Up			Provisional True-Up
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
		Actual	Actual	Actual	Estimates
1	O&M Expenses				
	<i>i) R&amp;M Expenses</i>				
	<i>ii) A&amp;G Expenses</i>				
	<i>iii) Employee Expenses</i>				
2	Depreciation				
3	Interest and Finance Charges				
4	Return on Equity				
5	Interest on Working Capital				
6	Income Tax				
7	ULDC I/II Charges (Revised after asset transfer)				
8	RLDC Fee & Charges				

Sr. No.	Particulars	True-Up			Provisional True-Up
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
		Actual	Actual	Actual	Estimates
	(Liability after asset transfer)				
9	Other Expenses (Liability after asset transfer)				
	<b>Gross ARR after True Up</b>				
11	Less: Income from SLDC Operations				
12	Less: Income from Investments (Bank & Others)				
	<b>Net ARR after True Up</b>				
	<b>Net ARR approved by the Commission in MTR order 2021</b>				
13	Revenue from SLDC Operation (LTOA & Others)				
	<b>(Surplus)/ Gap</b>				

**2. Carrying cost for True-Up for the FY 2020-21 to FY 2022-23 (Amount- Rs. in Lakhs)**

Sr. No.	Particulars	FY 2020-21	FY 2021-22	FY 2022-23
1	Opening (Surplus)/Gap			
2	Annual (Surplus)/ Gap			
3	Closing (Surplus)/Gap			
4	Average (Surplus)/ Gap			
5	Rate of Carrying Cost			
6	Carrying Cost on average Surplus / Gap			
	<b>Closing (Surplus) / Gap including carrying cost</b>			

**3. CAPEX Plan for the 5<sup>th</sup> MYT Control Period**

**(Amount-Rs. in Lakhs)**

Sr. No.	Schemes	Estimated Budget	CAPEX projected for the 5 <sup>th</sup> MYT Control Period				
			FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
1	Enhancement of Real Time Data Acquisition System						
2	Scheme proposed under State PSDF (Power Sector Development Fund)						
3	Schemes Funded through PSDF, Govt. of India						
4	Implementation of SAMAST Framework in the HP State/ Energy Accounting System						
5	Offline Systems						
6	Infrastructure Development						
	<b>Total Capex Projected for the 5<sup>th</sup> Control Period</b>						

**4. ARR projected for the 5<sup>th</sup> MYT Control Period**

**(Amount-Rs. in Lakhs)**

Sr. No.	Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
		Projections	Projections	Projections	Projections	Projections
1	O&M Expenses					
	<i>a. R&amp;M Expenses</i>					
	<i>b. A&amp;G Expenses</i>					
	<i>c. Employee Expenses</i>					
2	Depreciation					
3	Interest on Finance Charges					
4	Return on Equity					
5	Interest on Working					

Sr. No.	Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
		Projections	Projections	Projections	Projections	Projections
	Capital					
6	ULDC I/II Charges					
7	RLDC Fee & Charges					
	<b>Gross ARR</b>					
8	Less: Income from SLDC Operations					
9	Less: Income from Investments (Bank)					
	<b>Net ARR</b>					

#### 5. Proposed SLDC charges for the 5<sup>th</sup> MYT Control Period

Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>Total ARR (Rs. In Lakhs)</b>					
<b>Power handled by the SLDC (MW)</b>					
<b>SLDC Charges (Rs/MW/Month)</b>					
<b>SLDC Charges (Rs/MWh)</b>					
<b>SLDC Charges (Rs/kWh)</b>					

**Apart from above, following information can be directly viewed at the official website of the HPSLDC i.e. [www.hpslhc.com](http://www.hpslhc.com)**

- 1 Complete Petition along with formats.
2. Details of revenue assessment with the existing and proposed SLDC Charges, costs and realizations (details of connection, regulation fees and SLDC charges received), with details on revenue gap.
3. Details of monetary grants or aids received from any source;
4. Details of major costs/ charges being borne such as ULDC, facility usage and AMC;
5. Other salient features of the proposed charges including any arrangements or contracts made with the Users.

6. List of Users registered with the SLDC;
7. Details of MW Capacity based on which the SLDC Charges are proposed;
8. Details of the Contracted Capacity of each user and the total Contracted Capacity.
9. Details of the year-wise CAPEX for the Control period;
10. Details of employee cost;
11. Details regarding depreciation;
12. Details of interest and finance charges on long-term loans, credits, capital loans or short-term loans, domestic loans and bonds with actual for FYs 2020-21, 2021-22 and 2022-23, revised estimates for FY 2023-24 and projections for FY 2024-25 to FY 2028-29;
13. Details of working capital requirement for each year of the 5<sup>th</sup> MYT control period and interest thereon;
14. Account Statements;
15. Aggregate receivables and payables to GoHP and other utilities for 4<sup>th</sup> MYT Control period.
16. Waivers expressly requested by the HPSLDC;

The Hard Copies of the above Petition can be obtained from the office of the Superintending Engineer SLDC, HPSLDC, GoHP, Totu Shimla-11 on payment of Rs. 1500/- w.e.f. **09.02.2024**.