



PUNJAB STATE TRANSMISSION CORPORATION LIMITED
(Regd. Office: PSEB Head Office, The Mall, Patiala-147001, Punjab, India)
Corporate Identity Number: U40109PB2010SGC033814
Office of the Chief Accounts Officer/F&A
3rd Floor, Opp. Kali Mata Mandir, Shakti Sadan, Patiala.
www.pstcl.org Fax/Ph. No.0175-2970183 Email: fa@pstcl.org

To

The Registrar,
Punjab State Electricity Regulatory Commission
Site No. 3, Madhya Marg, Sector – 18A
Chandigarh, 160018

Memo No. 877 /CAO(F&A)/MYT-III/APR-I

Dated: 15/12/2023

Subject: ARR Petition for FY 2024-25 including True up of ARR for FY 2022-23 and True up of CAPEX for 2nd Control Period i.e. from FY 2020-21 to FY 2022-23 – Deficiencies thereof:

Ref: Hon'ble Commission's Order dated 07.12.2023 in Petition no. 63 of 2023.

Hon'ble Commission has pointed out some deficiencies in subject cited petition vide order under reference. In compliance with the said order, please find enclosed herewith 12 copies of the reply for further necessary action.

The soft copy of the submissions (in MS excel/word) has been sent separately through email dated 15.12.2023.

DA/As above

Chief Accounts Officer (F&A)
PSTCL, Patiala.

Replies to Deficiencies

1. Audited/Provisional Accounts:

Complete annual audited accounts for FY 2022-23 (Annexure-1 to the Petition) signed/certified by the auditor in MS Excel format including Trial Balance for FY 2022-23).

PSTCL's Reply:

Complete annual audited accounts for FY 2022-23 including Trial Balance for FY 2022-23 in MS Excel format have been sent through email dated 15.12.2023.

2. Depreciation:

- i) As per MYT Regulations, Depreciation shall be calculated annually as per straight line method over the useful life of the asset. Provided that the remaining depreciable value as on 31st March of the year closing after a period of 12 years from date of commercial operation/ put in use of the asset shall be spread over the balance useful life of the assets. The details of depreciation for FY 2022-23 be provided in light of the aforesaid regulation incorporating the following:

- a) Details may be prepared head-wise for all assets with further break up of each asset to account codes.

PSTCL's Reply:

Head-wise details for all assets with further break up of each asset to account codes for FY 2022-23 have been sent through email dated 15.12.2023.

- b) The details may kindly be furnished separately for Transmission Business & SLDC Business.

PSTCL's Reply:

Separate details for Transmission Business & SLDC Business for FY 2022-23 have been sent through email dated 15.12.2023.

- ii) PSTCL to submit the detailed list of assets completing 90% of depreciation for FY 2021-22 (actuals), FY 2022-23 (estimated) and FY 2023-26 (estimated).

PSTCL's Reply:

List of assets completing 90% of depreciation has been sent through email dated 15.12.2023.

3. **Rate of Interest:** Details of Calculation of average rate of interest of 8.71% and 8.38% be provided for Transmission and SLDC business giving details of loan wise opening, closing, repayment and interest in MS excel format.

PSTCL's Reply:

Calculation sheet of average rate of interest for Transmission and SLDC business respectively with loan wise details has been sent through email dated 15.12.2023.

4. **Number of employees:** PSPCL to submit grade-wise average salary of employee in MS Excel format and the number of employees retired and recruited during FY 2022-23 (actual).

PSTCL's Reply:

Details for number of employees retired and recruited during FY 2022-23 is attached herewith as **Annexure – A**.

5. **Inventive:** Calculation of Incentive on account of Transmission system availability of Rs. 11.69 crore be provided in MS Excel format.

PSTCL's Reply:

Calculation of Incentive on account of Transmission system availability of Rs. 11.69 crore has been sent in MS excel format through email dated 15.12.2023.

6. **Gain:** Calculation of Gain on account of Over achievement of Rs. 30.72 crores be provided in MS excel format.

PSTCL's Reply:

Calculation of Gain on account of Over achievement of Rs. 30.72 crores have been sent in MS excel format through email dated 15.12.2023.

7. Capital Expenditure and Capitalization

- i) The Capital Expenditure submitted by PSTCL in the petition is not matching with the Capital Expenditure submitted in Format T14 & T15. PSTCL to reconcile the same.

PSTCL's Reply:

Difference in Capital Expenditure submitted by PSTCL in Table no. 3 of Petition and Format T-14 & T-15 is on account of PSDF (Own Funding). Format T-14 & T-15 does not include the works under PSDF Schemes. However, while claiming the CAPEX in Table no. 3, PSTCL has included the part of Capital Expenditure for PSDF Schemes subject to own funding. Reconciliation Statement of Capital Expenditure submitted in the Table no. 3 of petition with CAPEX as submitted in format T-14 & T-15 has been sent through email dated 15.12.2023.

- ii) In format T14 and T15, PSTCL has not submitted the description of works carried out against each scheme. Further from perusal of works, it is gathered that the list includes the works which are not even approved by the Commission during 2nd MYT Control period. Further in some columns expenditure is shown without mentioning any name of the work. PSTCL is directed to submit the scheme wise detailed list of approved works citing capital investment approved vis-à-vis actual capital expenditure against each

scheme/work. PSTCL also needs to provide the reasons in respect of the schemes in which actual expenditure is more than the approved. Also, PSTCL to provide details of works under head mentioned "Aug/Strengthening of bus bars" and "Approved by CE/TS" etc. Further PSTCL needs to submit either the approval of the Commission for these works which are not approved by the Commission during 2nd MYT Control period or specify whether these schemes are of emergent nature duly approved by BoDs.

PSTCL's Reply:

Detailed list of works of actual Capital Expenditure with Name of works duly tallied with Financial Accounts of PSTCL during 2nd MYT Control Period has been sent through email dated 15.12.2023. Further, reconciled list as desired by Hon'ble Commission will be submitted subsequently.

- iii) PSTCL to provide details of contributory works and PSDF works carried out during 2nd MYT Control Period.

PSTCL's Reply:

Detailed list of work/schemes funded through PSDF Schemes and Contributory have been sent through email dated 15.12.2023.

- iv) PSTCL to submit the details of assets directly transferred to GFA during the 2nd Control Period as submitted in Table 3 of Petition.

PSTCL's Reply:

Details of assets directly transferred to GFA during the 2nd Control Period have been sent through email dated 15.12.2023.

- v) PSTCL to submit a detailed list of assets decapitalized in FY 2022-23.

PSTCL's Reply:

Asset decapitalized during FY 2022-23 have been sent through email dated 15.05.2023.

8. Input and Output Energy

i) With regard to Transmission Availability and Losses, in Annexure-II, PSTCL has submitted the details of energy. PSTCL to further submit the following:

a) The detailed calculations of the energy inflow into PSTCL system and Energy outflow from PSTCL system clearly indicating energy inflow and outflow from/to various generators, PSPCL, inter-state points and other such points.

PSTCL's Reply:

Detailed calculations of the energy inflow into PSTCL system and outflow have been sent through email dated 15.05.2023.

b) Submit the reconciled/validated energy inflow/outflow from PSPCL.

PSTCL's Reply:

Reconciled/validated energy inflow/outflow have been sent through email dated 15.05.2023.

c) PSTCL to submit the detailed calculations of transmission system availability.

PSTCL's Reply:

Detailed calculations of transmission system availability have been sent through email dated 15.12.2023.

d) PSTCL to provide list of substations (400kV/220kV/132kV) added/being added along with increase in its inter-state power drawl limit (ATC/TTC) during FY 2022-23 to FY 2024-25.

PSTCL's Reply:

Required information is attached as **Annexure - B**

- e) PSTCL to provide the methodology used to calculate voltage wise losses in format T34.

PSTCL's Reply:

Voltage wise losses in format T34 have been sent through email dated 15.12.2023.

- f) PSTCL to submit actual transmission loss for FY 2023-24 (H1).

PSTCL's Reply:

Actual transmission loss for FY 2023-24 (H1) is attached herewith as **Annexure - C**

9. Transmission Capacity:

In format T22, PSTCL has submitted the details of transmission capacity for FY 2024-25 as 16243.46 MW whereas in Table 62, for calculation of transmission charges, it has been taken as 14667.85MW. PSTCL to check the difference. Further the same be got reconciled with/validated from PSPCL.

PSTCL's Reply:

For calculation of transmission charges, PSTCL has taken the Transmission Capacity as 14667.85MW (16243.46 – 1575.61) by reducing the 1575.61 MW of energy on account of NRSE Private Projects mentioned at point no. 5(iv) in Format T-22 of Petition.

- 10.** In format T24, PSTCL has submitted energy sales to long term, medium term and short-term open access. PSTCL to provide list of the consumers availing open access in Punjab.

PSTCL's Reply:

List of the consumers availing open access in Punjab have been sent through email dated 15.12.2023.

11. In para 3.10 and para 4.11, PSTCL has indicated ULDC Charges for SLDC own state, BBMB share and NRLDC fee and charges. PSPCL to check whether the BBMB share paid by him is not included in O&M charges being paid by PSPCL to BBMB. Also, PSTCL to provide details of these charges.

PSTCL's Reply:

In this regard, it is submitted here that BBMB Charges are being claimed by PSTCL on actual basis as per Audited Accounts of PSTCL for FY 2022-23. Details of BBMB Charges have been sent through email dated 15.12.2023.

12. PSPCL in its reply to directive 5.15 in ARR petition No. 64 of 2023 has submitted a list of interstate transmission lines used for transmitting energy to neighboring states for which PSTCL is not levying transmission charges. PSTCL to provide a list of such transmission lines to the Commission along with the reasons for not levying the transmission charges for those lines.

PSTCL's Reply:

Details of Interstate Transmission lines of PSTCL is attached herewith as **Annexure – D.**

DA/As above


CAO (Finance & Audit)
PSTCL, Patiala