



दक्षिणांचल विद्युत वितरण निगम लि०

(उ०प्र० सरकार का उपक्रम) CIN- U31200UP2003SG027460

उ० प्र० सरकार का उपक्रम

Ref: DVVNL/Dir (Coml)/ARR/FY24/1st Datagaps/FY22-23

Date: 10.03.2023

132

To,
The Secretary,
Uttar Pradesh Electricity Regulatory Commission
Vibhuti Khand, Gomti Nagar
Lucknow- 226010

Sub: 4th Information Requirement/Discrepancies/Data Gaps in the Petition No. 1948 of 2023 dated 9th January, 2023 of True-Up (FY 2021-22), Annual Performance Review (FY 2022-23), Aggregate Revenue Requirement (FY 2023-24).

Ref: UPERC Email dated 03.03.2023

Dear Sir,

This is with reference to your above-mentioned letter directing submission of replies to 4th Information Requirement/Discrepancies/Data Gaps in the Petition No. 1948 of 2023 dated 09th January, 2023 of True-Up (FY 2021-22), Annual Performance Review (FY 2022-23), Aggregate Revenue Requirement (FY 2023-24) of DVVNL.

The Licensee hereby submits the point-wise replies to the queries/information required by the Hon'ble Commission along with all the Annexures, wherever required.

Enclosure as above. [06 (1+ 5 copies) + 1- CD (soft copies)]

Yours Sincerely,

Rajeev Sharma
Director (Comm.)

CC: 1. Managing Director, DVVNL.
2. CE, RAU, UPPCL.

Reply to 4th Information Requirement / Discrepancies / Data Gaps in the
Petition No. 1948, - 2023
Dated:- March 03, 2023

of

True-Up (FY 2021-22), Annual Performance Review (FY 2022-23), Aggregate Revenue Requirement (FY 2023-24)

of

DVVNL (1948 of 2023)

1. Scheme wise / Sub-scheme wise / Project wise details of Capital Expenditure plan, Capital Subsidy, Grants and Consumer Contribution proposed for FY 2023-24 to be provided by the Petitioners. Also, the details such as purpose of the scheme, funding pattern, benefits from the scheme, etc. shall be provided.

Response:

It is respectfully submitted that the Petitioner in FY 2023-24 has claimed capital expenditure only under RDSS Scheme. In this regard it is submitted that as per the clause 44 of MYT Regulations 2019 as quoted below :

"44 Capital Investment Plan

44.1 The Distribution Licensee shall submit a detailed Capital Investment Plan, financing plan and physical targets for each year of the Control Period for meeting the requirement of growth in number of consumers, strengthening and augmentation of its distribution network, meeting the requirement of load growth, reduction in distribution losses, improvement in quality of supply, reliability, metering, reduction in congestion, etc., to the Commission for approval, as a part of the Business Plan:

Provided that in case of non-submission of the Capital Investment plan by the Distribution Licensee for a year of the Control Period, the Commission may disallow the Capital expenditure for that year.

44.2 The Capital Investment Plan shall be a least cost plan for undertaking investments. However, all capital expenditure projects of value exceeding Rs. Ten Crore and must have prior approval of the Commission on quarterly basis, and will be subject to prudence check. "

Accordingly the Petitioner has submitted a separate Petition for the approval of capex scheme under RDSS Scheme along with the detailed project report (DPR), for the approval of the Hon'ble Commission, the same is pending before the Commission. The Petitioner requests that the Hon'ble Commission may kindly consider Scheme wise / Sub-scheme wise / Project wise details of Capital Expenditure plan, Capital Subsidy, Grants and Consumer Contribution etc., as per the submissions made in the Petition.

2. The Petitioners to provide the details of the subsidy for FY 2023-24 viz rate of the subsidy, consumer category etc.

Response:

It is hereby submitted that as per the EC Act 2003 clause 65 as quoted under :

"Section 65. (Provision of subsidy by State Government):



(राजीव शर्मा)
निदेशक (वाणिज्य)
द.वि.वि.नि.लि. आगरा

If the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission under section 62, the State Government shall, notwithstanding any direction which may be given under section 108, pay, in advance and in such manner as may be specified, the amount to compensate the person affected by the grant of subsidy in the manner the State Commission may direct, as a condition for the licence or any other person concerned to implement the subsidy provided for by the State Government:

Provided that no such direction of the State Government shall be operative if the payment is not made in accordance with the provisions contained in this section and the tariff fixed by State Commission shall be applicable from the date of issue of orders by the Commission in this regard."

The State Government provides subsidy details to the Hon'ble Commission directly. The Petitioner has considered the Subsidy committed by the government for FY 2022-23 as a Provisional subsidy for FY 2023-24. This may change as per the GoUP budgetary provisions.

3. The Petitioners (Except PuVVNL) have not claimed any amount towards Interest capitalisation on long term loans for FY 2023-24. Detailed justification for the same shall be provided.

Response:

It is humbly submitted that the claim of interest capitalization for FY 2023-24 has been done by the Petitioner on the basis of interest capitalized by the Petitioner during the True-Up year (FY 2021-22). Since no interest capitalization as per audited accounts has been claimed by the Petitioner in FY 2021-22, the projection of the same is not claimed in FY 2023-24. The same will be claimed at the time of True-up for respective years based on the annual accounts.

4. Assets addition during the year for FY 2021-22, in case of depreciation in Table 2-31 is not matching with the capitalization shown in Table 2.21 of the ARR Petition. Petitioners (DVVNL, PVVNL & PuVVNL) to provide justification for the same.

Response:

It is submitted that the Assets addition during the year FY 2021-22 in case of depreciation in Table 2-31 is matching with the capitalization shown in Table 2-21, the said tables are presented as under :

TABLE 2.21 CAPEX FOR FY 2021-22 (IN RS. CR)

Schemes	Investments	Capitalisation
OTHER SCHEMES	2,201.70	2,360.32
RGGVY 11TH PLAN AND 12TH PLAN	293.85	311.44
DDUGJY	41.52	54.07
RAPDRP	32.57	38.85
IPDS	43.75	47.56
SAUBHAGYA YOJNA	98.92	112.73
REVAMPED SCHEME (RDSS)	-	-
Total Investments (A)	2,712.30	2,924.97
Add: Employee Capitalization (B)	222.50	222.50
Add: Interest Capitalization (C)	-	-
Total (D= A+B+C)	2,934.80	3,147.47
Asset not belonging to Discoms (E)	-	-
Total (F= D-E)	2,934.80	3,147.47

TABLE 2.31 GROSS ALLOWABLE DEPRECIATION FOR ASSETS APT

B.No.	Particulars	Opening GFA net of Grant (as on 01.04.2021)	Addition to GFA
1	Land & Land Rights	0.15	-
2	Buildings	42.22	24.47
3	Other Civil Works	-	-
4	Plant & Machinery	486.26	1,121.13
5	Lines, Cables, Network etc.	1,469.53	1,771.35
6	Vehicles	0.15	0.00
7	Furniture & Fixtures	2.30	1.74
8	Office Equipments	1.04	6.27
9	Capital Expenditure on Assets not belonging to utility	-	-
10	Total Fixed Assets	2,001.81	2,924.97
11	Non depreciable assets (Land & Land Rights)	0.15	-
12	Depreciable assets	2,001.66	2,924.97



(राजीव शर्मा)
निदेशक (वाणिज्य)
आगरा

5. Actual payout of the Interest on Consumer Security Deposit for FY 2021-22 to be provided by KESCO.


Response:

The Query Does not Pertains to DVVNL.

6. Response to the balance pending queries to be provided by the Petitioners.

Response:

Petitioner is putting its best efforts to comply all the requirments of the Hon'ble Commission.


Rajeev Sharma
Director (Comm.)

निदेशक (संयोजक)
दोषविहीनता
आगरा

