

**PUNJAB STATE ELECTRICITY REGULATORY COMMISSION SITE NO. 3,  
BLOCK B, SECTOR 18-A MADHYA MARG, CHANDIGARH**

**Petition No. 15 of 2024  
Date of Order: 10.08.2024**

Petition for the approval of Revised scope/cost of the works already approved in MYT 2023-26 and for the inclusion of new works of Urgent Nature (Capital works) in the 3<sup>rd</sup> MYT Control Period (FY 2023-24 to FY 2025-26) under Regulation-9 of PSERC (Terms and Conditions for Determination of Generation, Transmission, Wheeling and Retail Supply Tariff) Regulations, 2022.

**AND**

In the matter of: Punjab State Transmission Corporation Limited, Patiala-147001.

Present: Sh. Viswajeet Khanna, Chairperson  
Sh. Paramjeet Singh, Member

PSTCL: Sh. Vikas Singla, CAO  
Sh. Ravi Luthra, Dy.CE

**ORDER**

1. Punjab State Transmission Corporation Limited (PSTCL) has filed this petition under Regulation-9 of PSERC (Terms and Conditions for Determination of Generation, Transmission, Wheeling and Retail Supply Tariff) Regulations, 2022 for the approval of Revised scope/cost of the works already approved in MYT 2023-26 and for the inclusion of New works of Urgent Nature (Capital works) in the 3<sup>rd</sup> MYT Control Period FY2023-24 to FY2025-26.
2. The submissions made by PSTCL in the Petition are summarized as under:

- 2.1 The Commission vide Order dated 21.12.2022 in Petition No. 50 of 2022 had approved the Business Plan including Capital Investment Plan for 3rd MYT Control Period (FY 2023-24 to FY 2025-26) for PSTCL as under:

**Table – 1 CAPEX approved for 3rd Control Period (Rs crore)**

Sr no.	Particulars	2023-24	2024-25	2025-26	Total MYT
1	Spill over schemes	711.10	177.54	30.14	<b>918.78</b>
2	New Schemes	331.25	452.13	363.91	<b>1147.29</b>
<b>3</b>	<b>Total (1 + 2)</b>	<b>1042.35</b>	<b>629.67</b>	<b>394.05</b>	<b>2066.07</b>
4	Cost of Schemes to be developed through TBCB	233.84	506.74	457.35	<b>1197.93</b>
5	Overall Total	1276.19	1136.41	851.40	<b>3264.00</b>

The Commission had also capped the Capital Expenditure up to Rs. 500 Crore during each year of control period with liberty to approach the Commission to enhance the capping limit if actual expenditure of PSTCL approaches the annual capped limit of Rs. 500 Crore in any financial year of 3rd MYT. The works costing more than 50 Crore has been considered to be developed under TBCB mode. However, the limit of Rs. 50 Crore have been increased to Rs. 250 Crore by the Commission vide 1st Amendment in PSERC MYT Regulations, 2022 on dated 06.03.2023.

- 2.2 The works listed in Table-2 were started as emergent works with the approval of BoD but were not reported in 3rd MYT Plan assuming these to be completed by 31.03.2023. However, these works could not be completed by 31.03.2023 & are being carried forward in 3rd MYT.

**Table – 2 Works Started before 31.03.2023 with approval of BoD (Rs Crore)**

Sr No.	Amend No.	Name of Station	Scope of work	2020-23	2023-26	Reason for starting works
1	08/2022-23	220 KV Sahnewal	Aug of 1 no. 20 MVA with 31.5 MVA 66/11 KV	3.57	0.67	The work had to be started because there was high loading at 20 MVA power transformer
2	11/2022	220 KV	Aug of 220/66	9.66	2.43	This work had to be

	-23	Amlloh	kv 100 MVA T/F to 160 MVA			started because 100 MVA T/F at 220 KV S/s Amlloh had gotten damaged.
3	<b>Total</b>			<b>13.23</b>	<b>3.10</b>	

2.3 As per Regulation 9.15 of PSERC MYT Regulations 2022, PSTCL has to revise the Scope of work from that already approved by the Commission at Sr. No. 63 and 69 of Annexure – III of Order dated 21.12.2022 due to changed circumstances. Revised Scope has already been approved by BoD of PSTCL. Revised Capex on account of this is as under:

**Table – 3 Revised Scope/Cost of Works approved in 3rd MYT (Rs Crore)**

Sr No.	Name of Works	Approved Capex (Rs. In Cr.)				Proposed Capex (Rs. In Cr.)			
		2023-24	2024-25	2025-26	Total	2023-24	2024-25	2025-26	Total
63	1 No. Vacuum drying Plant/ Oven For 100MVA P/T/Fs	4.76	-	-	4.76	-	9.00	-	9.00
69	Augmentation/addition of T/f at 220/132/66 KV S/s of PSTCL	11.90	11.90	11.90	35.70	11.90	41.54	34.64	88.08
<b>Total</b>		<b>16.66</b>	<b>11.90</b>	<b>11.90</b>	<b>40.46</b>	<b>11.90</b>	<b>50.54</b>	<b>34.64</b>	<b>97.08</b>

2.4 Apart from the above, as per Regulation 9.14 of PSERC MYT Regulations 2022, PSTCL had to plan some new works being urgent works. BoD of PSTCL has also approved these to be carried out in MYT 2023-26 on an emergent basis. Additional Capex required on account of these works is as under:

**Table – 4 New works to be carried out during 3rd MYT (Rs Crore)**

Sr. No.	Name of Works	Proposed CAPEX			
		2023-24	2024-25	2025-26	Total
1	Purchase of 2 Nos. Dry Air Generators	-	0.30	-	<b>0.30</b>
2	Procurement of 1 Nos. ICT	-	26.50	-	<b>26.50</b>
3	Procurement of Land of 1.527 acres (approx.) approximate cost of per acre 2.20 Crore	-	3.36	-	<b>3.36</b>
4	220 KV Sahnewal, (Aug of 1 no. 100 MVA 220/66 KV with 160 MVA 220/66 KV) (Amnd no. 3/2022-23)	17.61	-	-	<b>17.61</b>
5	220 KV Bajakhana (Aug of 1 no. 100 MVA 220/66 KV with 160 MVA 220/66 KV) (Amnd no. 3/2022-23)	-	17.61	-	<b>17.61</b>
6	220 KV Ghulal (Aug of 1 no. 100 MVA 220/66 KV with 160 MVA 220/66 KV) (Amnd no. 3/2022-23)	-	17.61	-	<b>17.61</b>
7	132 KV Power colony Amritsar-1 no. 3 <sup>rd</sup> Additional 132/11 KV 10-12.5 MVA T/f (Amnd no. 8/2022-23)	-	2.07	-	<b>2.07</b>
8	LILO of 220 KV Mohali-1-Lalru at 220 KV Mohali-2 (Amnd no. 14/2023-24)	-	1.87	-	<b>1.87</b>

9	Spare Transformers	15.00	30.00	10.00	<b>55.00</b>
10	2 Nos. Islanding Schemes (PSDF Scheme) (Grant-90%, Own funding – 10%)	-	<b>2.52</b>	-	<b>2.52</b>
<b>11</b>	<b>Total</b>	<b>32.61</b>	<b>101.84</b>	<b>10.00</b>	<b>144.45</b>

2.5 Further, the Commission vide 1st amendment in PSERC MYT Regulations, 2021 dated 06.03.2023 increased the limit of works to be developed under TBCB mode from Rs. 50 Crore to Rs. 250 Crore. Therefore, list of works to be developed under TBCB mode as per Annexure IV of CIP order dated 21.12.2022 has to be developed as per CAPEX plan of PSTCL i.e., departmentally instead of through the TBCB mode except for one work mentioned at Sr. No. 8 (400 kV Wadala Granthian) having estimated expenditure of Rs. 180.42 Crore during the 3rd MYT Control Period (Total Project Cost is Rs. 360.83 Crore).

Further, Cost of work mentioned at Sr. No. 3 (400 kV S/S Behman Jassa Singh) having an estimated expenditure of Rs. 251.61 Crore during the 3rd MYT Control Period has been revised with deletion of LILO of 400 KV Talwandi Sabo-Nakodar costing Rs. 31.45 Crore and the revised estimate comes out to be Rs. 220.16 Crore.

2.6 After considering the above, amendments/additions to the already approved Capital Investment Plan for the 3<sup>rd</sup> MYT Control Period i.e. from FY 2023-24 to FY 2025-26, the revised CAPEX for 3<sup>rd</sup> MYT Control Period is as follows:

**Table – 5 Revised CAPEX submitted for 3rd MYT (Rs. Crore)**

Sr No.	Particulars	2023-24	2024-25	2025-26	Total MYT
1	Spill over schemes	711.10	177.54	30.14	<b>918.78</b>
2	New Schemes (Already Approved)	331.25	452.13	363.91	<b>1147.29</b>
<b>3</b>	<b>Total (1 + 2)</b>	<b>1042.35</b>	<b>629.67</b>	<b>394.05</b>	<b>2066.07</b>
4	<b>Add:</b> Works done with approval of BOD	13.23	3.10	-	<b>16.33</b>
5	<b>Add:</b> Additional CAPEX for New Works	32.61	101.84	10.00	<b>144.45</b>
6	<b>Add/(Less):</b> Net Revised CAPEX on account of Revised Scope	(4.76)	38.64	22.74	<b>56.62</b>
7	<b>Add:</b> Cost of works under TBCB Mode now to be developed departmentally and revised	218.84	400.08	367.14	<b>986.06</b>

Sr No.	Particulars	2023-24	2024-25	2025-26	Total MYT
	cost of Talwandi Sabo-Nakodar Line				
8	<b>Add:</b> Work to be developed under TBCB Mode of Wadala Granthian		90.21	90.21	180.42
9	<b>Total CAPEX</b>	1302.27	1263.54	884.14	3449.95

2.7 PSTCL has prayed to the Commission to:

- i. Admit and take on record the present petition filed by PSTCL for the approval of the revised scope/cost of the works already approved in the MYT 2023-26 and the inclusion of New works of Urgent Nature as Capital works in the MYT Control Period FY2023-24 to FY 2025-26.
- ii. Approve the Revised Capex for the MYT 2023-26 on account of the said Revised cost & New works as proposed at Para 2.6.
- iii. Pass such other further order(s) as the Commission may deem just in view of the facts of the present case.

3. PSTCL filed a supplementary submission vide letter dated 28.03.2024. which is summarised as under:

3.1 In table 3, the revised cost of Augmentation/addition of transformers at 220/132/66 KV substations of PSTCL, may be read as Rs. 123.78 Crore instead of Rs. 88.08 Crore.

Accordingly, the revised /amended table 3 is given below:

**Table – 6 Revised Scope/Cost of Works approved in 3rd MYT (Rs Crore)**

Sr No	Name of Works	Approved Capex (Rs. In Cr.)				Proposed Capex (Rs. In Cr.)			
		2023-24	2024-25	2025-26	Total	2023-24	2024-25	2025-26	Total
63	1 No. Vacuum drying Plant / Oven For 100MVA P/T/Fs	4.76	-	-	4.76	-	9.00	-	9.00
69	Augmentation/ addition of T/f at 220/132/66 KV S/s of PSTCL	11.90	11.90	11.90	35.70		23.8 + 88.08	11.90	123.78
<b>Total</b>		<b>16.66</b>	<b>11.90</b>	<b>11.90</b>	<b>40.46</b>		<b>120.88</b>	<b>11.90</b>	<b>132.78</b>

3.2 Further, PSTCL has submitted that the cost of land (1.527 acre approx) has been revised from Rs. 2.20 Crore/acre to Rs. 80

Lac/acre (Sr. No. 3 of the table 4). Accordingly, the revised /amended table 4 is as given below

**Table – 7 New works to be carried out during 3rd MYT (Rs Crore)**

Sr. No.	Name of Works	Proposed CAPEX			
		2023-24	2024-25	2025-26	Total
1	Purchase of 2 Nos. Dry Air Generators	-	0.30	-	<b>0.30</b>
2	Procurement of 1 Nos. ICT	-	26.50	-	<b>26.50</b>
3	Procurement of Land of 1.527 acres (approx.) approximate cost of per acre Rs.80 Lacs	-	1.22	-	<b>1.22</b>
4	220 KV Sahnewal, (Aug of 1 no. 100 MVA 220/66 KV with 160 MVA 220/66 KV)	17.61	-	-	<b>17.61</b>
5	220 KV Bajakhana (Aug of 1 no. 100 MVA 220/66 KV with 160 MVA 220/66 KV)	-	17.61	-	<b>17.61</b>
6	220 KV Ghulal (Aug of 1 no. 100 MVA 220/66 KV with 160 MVA 220/66 KV)	-	17.61	-	<b>17.61</b>
7	132 KV Power colony Amritsar-1 no. 3 <sup>rd</sup> Additional 132/11 KV 10-12.5 MVA T/f	-	2.07	-	<b>2.07</b>
8	LIL0 of 220 KV Mohali-1-Lalru at 220 KV Mohali-2	-	1.87	-	<b>1.87</b>
9	Spare Transformers	15.00	30.00	10.00	<b>55.00</b>
10	2 Nos. Islanding Schemes (PSDF Scheme) (Grant- 90%, Own funding – 10%)	-	<b>2.52</b>	-	<b>2.52</b>
<b>11</b>	<b>Total</b>	<b>32.61</b>	<b>99.70</b>	<b>10.00</b>	<b>142.31</b>

3.3 Accordingly, the revised capital expenditure is as under:

**Table – 8 Revised CAPEX submitted for 3rd MYT (Rs Crore)**

Sr. No.	Particulars	2023-24	2024-25	2025-26	Total MYT
1	Spill over schemes	711.10	177.54	30.14	<b>918.78</b>
2	New Schemes (Already Approved)	331.25	452.13	363.91	<b>1147.29</b>
<b>3</b>	<b>Total (1 + 2)</b>	<b>1042.35</b>	<b>629.67</b>	<b>394.05</b>	<b>2066.07</b>
4	<b>Add:</b> Works done with approval of BoD	13.23	3.10	0.00	<b>16.33</b>
5	<b>Add:</b> Additional CAPEX for New Works	32.61	99.70	10.00	<b>142.31</b>
6	<b>Add/(Less):</b> Net Revised CAPEX on account of Revised Scope	-16.66	108.98		<b>92.32</b>
7	<b>Add:</b> Revised Cost of various works under TBCB Mode now to be developed departmentally and revised cost of Talwandi Sabo-Nakodar Line (Sr no. 3)	218.84	400.08	367.14	<b>986.06</b>
8	<b>Add:</b> Work to be developed under TBCB Mode of Wadala Granthian (Sr no. 8)		<b>90.21</b>	<b>90.21</b>	<b>180.42</b>
<b>9</b>	<b>Total CAPEX</b>	<b>1290.37</b>	<b>1331.74</b>	<b>861.4</b>	<b>3483.51</b>

4. The petition was taken up for hearing on admission on 08.05.2024. The Commission observed that PSTCL has

sought approval of additional capital investment of around Rs. 219 Crore citing most of the works as emergent nature. The Commission directed PSTCL to explain as to why so many works of emergent nature have suddenly been discovered and were not included in the Capital Investment Plan considered in the 3<sup>rd</sup> MYT petition and already approved by the Commission vide Order dated 21.12.2022 in Petition No. 50 of 2022. PSTCL was also directed to reply to the following observations of the Commission:

i. Amount sought in the tables mentioned in the petition is more than the estimated cost of works mentioned in agendas enclosed with the petition. PSTCL is required to explain the difference.

ii. In the petition, the CIP in respect of 220kV Sahnewal and 220kV Amloh has been shown as Rs. 13.23 Crore and Rs. 3.10 Crore for the year 2020-23 and 2023-26 respectively whereas in the summary in table 5 the same CAPEX has been shown as Rs. 13.23 Crore and Rs. 3.10 Crore for FY 2023-24 and FY 2024-25. PSTCL needs to clarify and correct.

iii. PSTCL has submitted an estimated expenditure of Rs. 70.75 Crore on account of Augmentation/addition of T/f at 220/132/66 kV S/s but claimed Rs. 123.78 Crore. PSTCL needs to reconcile and submit the correct amount. PSTCL is also directed to explain the reasons for the increase in the expenditure on augmentations / additions of transformers which is more than that planned & approved in the 3<sup>rd</sup> MYT Control period's CIP Order.

iv. For schemes submitted at point No. 4 to 6 under new

works to be added in the 3rd MYT Control period, the estimated cost is shown as Rs. 9.52 Crore for each work in the agendas whereas the cost claimed in this petition is Rs. 17.61 Crore for each work.

v. PSTCL has claimed Rs. 50 Crore on account of spare transformers whereas PSTCL has submitted a number of schemes even in this petition where transformers are being spared on account of augmentation. PSTCL has to review the requirement in view of the transformers being spared from the augmentation works during the 3rd MYT control period and submit a complete consolidated list of transformers being spared from the augmentation works and projected use of those transformers during the 3rd MYT control period.

vi. PSTCL to clarify whether Scheme Nos. 3 and 10 under new works to be added in the 3rd MYT Control period have been declared as emergent by the BoD of PSTCL.

vii. PSTCL to submit the requisite DPR of the schemes as per Regulation 9.8 of PSERC's MYT Regulations.

5. PSTCL submitted its reply to the Commission's observation vide letter dated 14.06.2024 as under:

5.1 The current MYT was planned during the early 2022. The same was planned based on the loading conditions of FY 2021-2022 and keeping in view of the normal requirements of the system needed to supply power to the consumers. However, the loading condition at various substations changed due to various decisions taken by Punjab Govt./PSPCL which were not envisaged at the time of preparation of the Capital Investment plan of the 3<sup>rd</sup> MYT (FY 2023-24 to FY 2025-26). As such these works are/were



planned now.

- 5.2 The difference of amount sought in tables and agendas is due to the amount mentioned in agendas/amendments as per the cost data of 2021-2022 and that too without EC & IDC. However, in the petition, the cost has been considered as per the latest cost data including EC & IDC.
- 5.3 The Capex amount of Rs. 13.23 Crore at Sr. No. 5 in Table No. 5 during YR 2020-23 claimed inadvertently has been excluded now.
- 5.4 In the petition, PSTCL had requested PSERC to enhance the amount allocated to the head "Augmentation/addition of transformers at 220/132/66kV substations of PSTCL" from Rs. 35.7 to Rs. 123.78 Crore in the 3<sup>rd</sup> MYT. Amount mentioned as Rs. 70.75 crore is for Augmentation of 5 no. 100MVA P/T/F with 160 MVA P/T/Fs and this figure is without EC & IDC. The amount for the same including EC & IDC is 88.08 Crore. In the petition, PSTCL has requested the Commission to add Rs. 88.08 Crore over and above the earlier projected Rs. 35.7 Crore which totals Rs. 123.78 Crore.
- 5.5 In the amendment No.03/LSW/2022-2023, the estimated cost shown for works mentioned at Sr. no 4 to 6 are as per cost data of 2021-2022. Also, the amount of Rs. 9.52 Crore is without EC & IDC. In the petition submitted by PSTCL the amount of Rs. 17.61 crore has been considered as per the latest cost data including EC & IDC. The cost of 1 no 160MVA T/F projected as Rs. 7.68 Crore was considered on the basis of cost data of FY 2021-22 whereas the cost of a 160MVA T/F is Rs. 11.86 Crore as per the cost data of

2023-24. As such, the cost became Rs. 17.61 Crore (including the cost of additional equipment and EC& IDC), against Rs.9.52 Crore projected earlier.

5.6 Normally, it is technically advisable that only new transformers should be kept as spare to avoid any adverse situation as the old dismantled transformers may develop a fault when kept as spares for a long time. In view of this, PSTCL has proposed that new transformers shall be kept as spare and the dismantled transformers will be used at Sub-Stations. However, it is certified that the old dismantled transformers will be used against the MYT works/damaged works and cost of new transformers will not be claimed as Capex. As PSTCL cannot envisage as to which dismantled transformer will be used at which work/site, since that will depend upon the conditions existing at the time of dismantlement, it is thus not possible to provide a list of such transformers in advance. PSTCL will provide a list of such works at the time of truing up.

5.7 Agenda for declaring the Schemes No. 3 & 10 as emergent works by the BoD of PSTCL will be considered in its forthcoming meeting.

5.8 PSTCL has submitted the copies of the requisite DPR's.

6. PSTCL has made another supplementary submission to the petition vide affidavit dated 14.06.2024 as under:

6.1 The Scope of the work (Sr. No. 7 Annexure-5 of 3rd CIP) is revised as under:

(Rs Crore)				
Sr. No.	Already Approved Works in MYT FY 2023-26		Revised Scope of Works	
	Particulars	Scope of Works	Particulars	Scope of Works
1.	Purchase of Equipment/Software as per instructions of Central Agencies like NLDC NCIIPC, CERT-IN for cyber security etc. or any other unforeseen SLDC related works.	Purchase of IT Equipment/Software as per instructions of Central Agencies like NLDC NCIIPC, CERT-IN for cyber security etc. or any other unforeseen SLDC related works. (i.e for RTU, IT, SAMAST)	Purchase of Equipment/Software as per instructions of Central Agencies like NLDC NCIIPC, CERT-IN for cyber security etc. or any other unforeseen SLDC related works.	Purchase of IT Equipment/Software as per instructions of Central Agencies like NLDC NCIIPC, CERT-IN for cyber security etc. or any other unforeseen SLDC related works. (i.e for RTU, IT, SAMAST) <b><u>Establishment of C-SOC at SLDC etc.</u></b>

**Note:-** The funding for establishment of C-SOC at SLDC shall be met through 100% PSDF grant of Rs.12.60 Crore.

7. The petition was taken up for hearing on 24.07.2024. The representative appearing for PSTCL further explained the reasons for inclusion of new works of urgent nature as capital works in the 3<sup>rd</sup> MYT Control Period i.e. during FY 2023-24 to FY 2025-26 and prayed for approving the revised CAPEX for the MYT 2023-2026. After hearing the matter, the order is reserved.

8. **Decision of the Commission:** After consideration of the submissions made in the Petition and during the hearings, the findings and the decision of the Commission are as under:

8.1 The Commission vide order dated 21.12.2022 in Petition No. 50 of 2022 has approved PSTCL's CIP as under:-

(Rs crore)					
Sr no.	Particulars	2023-24	2024-25	2025-26	Total MYT
1	Spill over schemes	711.10	177.54	30.14	<b>918.78</b>
2	New Schemes	331.25	452.13	363.91	<b>1147.29</b>
3	<b>Total (1 + 2)</b>	<b>1042.35</b>	<b>629.67</b>	<b>394.05</b>	<b>2066.07</b>
4	Cost of Schemes to be developed through TBCB	233.84	506.74	457.35	<b>1197.93</b>
5	Overall Total	1276.19	1136.41	851.40	<b>3264.00</b>

Further, keeping in view PSTCL's past ability to undertake capital works, the Commission capped the CIP at Rs. 500 Crore during each year of the 3<sup>rd</sup> MYT Control period with the liberty granted to PSTCL to seek the Commission's approval for further expenditure in any year if the cap is being exceeded.

8.2 The Commission observes that PSTCL has filed this petition for additional CIP under various heads as under:-

**A. Works Started before 31.03.2023 with the approval of BOD (Rs Crore)**

Sr No.	Name of Station	2020-23	2023-26
1	220 KV Sahnewal	3.57	0.67
2	220 KV Amloh	9.66	2.43
3	<b>Total</b>	<b>13.23</b>	<b>3.10</b>

The Commission observes that PSTCL has shown a capex of Rs. 13.23 Crore and Rs. 3.10 Crore for the year 2020-23 and 2023-26 respectively whereas in the summary table 5, PSTCL has asked for a CAPEX of Rs. 13.23 Crore and Rs. 3.10 Crore for FY 2023-24 and FY 2024-25. In reply to the Commission query in this regard, PSTCL has submitted that it has inadvertently claimed Rs. 13.23 Crore for FY 2023-24. PSTCL is directed to diligently check the amount being claimed in the petitions in future. The Commission should not be burdened with finding the errors in the claimed figures and seeking explanations and corrections.

**B. Revised Scope/Cost of Works approved in the 3rd MYT**

The Commission notes that PSTCL has revised the Scope of work in respect of the already approved schemes listed at Sr. No. 63 and 69 of the 3<sup>rd</sup> MYT CIP order dated 21.12.2022 due to changed circumstances after the approval of the BoD of PSTCL.

Sr. No.	Name of Works originally approved	Revised Scope of Work	Approved Capex (Rs. Crore)				Proposed Capex (Rs. Crore)			
			2023 -24	2024 -25	2025 -26	Total	2023 -24	2024 -25	2025 -26	Total
63	1 No. Vacuum drying Plant for 100MVA P/T/Fs	1 No. dry vapour Plant upto 160MVA P/T/Fs	4.76	-	-	4.76	-	9.00	-	9.00
69	Augmentation/ addition of T/f at 220/132/66 KV S/s of PSTCL	Augmentation/ addition of T/f at 220/132/66 KV S/s of PSTCL	11.90	11.90	11.90	35.70	11.90	41.54	34.64	88.08
<b>Total</b>			<b>16.66</b>	<b>11.90</b>	<b>11.90</b>	<b>40.46</b>	<b>11.90</b>	<b>50.54</b>	<b>34.64</b>	<b>97.08</b>

However, PSTCL vide supplementary submission dated 02.04.2024 revised the expenditure of Rs. 88.08 Crore to Rs. 123.78 Crore. PSTCL has submitted that the amount of Rs. 123.78 Crore is with inclusion of the originally allocated Rs. 35.70 Crore in their Board's approval of Rs. 88.08 Crore. However, PSTCL has not submitted the copy of the Board approval regarding this work. PSTCL is directed to apprise its BoD regarding the increase in capital investment on this work and furnish a copy of the approval after it is accorded by the BoD.

### C. New works to be carried out during the 3<sup>rd</sup> MYT

The Commission notes that PSTCL has planned the following new works being of an urgent nature with the approval of the BOD of PSTCL:

Sr. No.	Name of Works	Proposed CAPEX (Rs. In Crore)			
		2023-24	2024-25	2025-26	Total
1	Purchase of 2 Nos. Dry Air Generators	-	0.30	-	0.30
2	Procurement of 1 Nos. 500MVA autotransformer 400/220/33 KV	-	26.50	-	26.50
3	Procurement of Land of 1.527 acres (approx.) approximate cost of per acre 2.20 Crore	-	3.36	-	3.36
4	220 KV Sahnewal, (Aug of 1 no. 100 MVA 220/66 KV Transformer with 160 MVA 220/66 KV) (Amnd no. 3/2022-23)	17.61	-	-	17.61
5	220 KV Bajakhana (Aug of 1 no. 100 MVA 220/66 KV Transformer with 160 MVA 220/66 KV) (Amnd no. 3/2022-23)	-	17.61	-	17.61
6	220 KV Ghulal (Aug of 1 no. 100 MVA 220/66 KV Transformer with 160 MVA	-	17.61	-	17.61

	220/66 KV) (Amnd no. 3/2022-23)				
7	132 KV Power colony Amritsar-1 no. 3 <sup>rd</sup> Additional 132/11 KV 10-12.5 MVA Transformer (Amnd no. 8/2022-23)	-	2.07	-	<b>2.07</b>
8	LILO of 220 KV Mohali-1-Lalru at 220 KV Mohali-2 (Amnd no. 14/2023-24)	-	1.87	-	<b>1.87</b>
9	Spare Transformers	15.00	30.00	10.00	<b>55.00</b>
10	2 Nos. Islanding Schemes (PSDF Scheme) (Grant- 90%, Own funding – 10%)	-	<b>2.52</b>	-	<b>2.52</b>
<b>11</b>	<b>Total</b>	<b>32.61</b>	<b>101.84</b>	<b>10.00</b>	<b>144.45</b>

Further, PSTCL vide supplementary submission dated 02.04.2024 has reduced the cost of Scheme No. 3 from Rs. 3.36 Crore to Rs. 1.22 Crore.

The Commission observes that the BoD of PSTCL has not approved the works at Sr. No. 3 & 10 as emergent. During the hearing on dated 24.07.2024, PSTCL submitted the approval of their BoD relating to work at Sr. No. 3. PSTCL is directed to get the work at Sr. No. 10 also declared as emergent from its BoD and submit a copy of its approval.

**D.** The Commission had approved the work of 400kV S/S Behman Jassa Singh costing Rs. 251.61 Crore under TBCB mode vide Order dated 21.12.2022. PSTCL has now revised the cost of work of 400kV S/S Behman Jassa Singh from Rs. 251.61 Crore to Rs. 220.16 Crore with the deletion of LILO of 400 KV Talwandi Sabo-Nakodar costing Rs. 31.45 Crore but has not submitted its Board's approval. PSTCL is directed to take its Board's approval regarding the above revision in the work and cost and submit a copy.

8.3 Further the Commission has raised a query to PSTCL that there is a difference in the capital investment sought in the petition and the amount approved by the BoD of PSTCL in the agendas in respect of certain works. In reply, PSTCL has submitted that the difference is due to revised estimates as per

the latest cost data and inclusion of EC/IDC. However, no BoD approval of the excess amount has been submitted by PSTCL. PSTCL is directed to apprise and obtain the approval of its BoD regarding the increase in Capital Investment before starting these works.

- 8.4 The Commission observes that PSTCL has claimed Rs. 50 Crore on account of spare transformers to be purchased whereas PSTCL has submitted a number of schemes even in this petition where transformers are being spared on account of augmentation. The Commission also notes PSTCL proposal that new transformers shall be kept as spare and the dismantled transformers will be used at Sub-Stations. PSTCL has also certified that the old dismantled transformers will be used against the MYT works/damaged works and cost of new transformers will not be claimed as Capex. PSTCL is directed to maintain an account of each and every transformer location which is being upgraded with a higher rating but is otherwise functional/operational and reduce the CIP by reusing these dismantled transformers. Further, PSTCL shall provide an exhaustive list of all the transformers being dismantled, augmented and those which remain unutilised etc. at the time of submission of true up of capital expenditure. The Commission shall allow the expenditure only after a prudence check at the end of the 3<sup>rd</sup> MYT Control period.

The Commission observes and records its displeasure that PSTCL files petitions before the Commission without first completing its internal processes like doing a prudence check, reconciling the expenditure submissions and obtaining the required BoD approvals. This results in an unnecessary delay

and wastes the time of the Commission in having the errors rectified before finalizing an order on the Petition. PSTCL is therefore directed to take note of the observations of the Commission so as to avoid these errors in future petitions.

**Keeping in view the Regulation 9.14 & 9.15 of the PSERC MYT Regulations 2022, the Commission decides to approve the works proposed by PSTCL with the observations and directions in paras 8.2 to 8.5 above and within the overall limit of the capex approved for the 3<sup>rd</sup> MYT. PSTCL shall also limit its CIP to Rs. 500 Crore during each year of the 3<sup>rd</sup> MYT Control period (FY 2023-24 to FY 2025-26) and prioritise the works as already directed in Order dated 21.12.2022 in Petition No. 50 of 2022. PSTCL is allowed to approach the Commission for approval if the imposed limit of Rs. 500 Crore is likely to be exceeded during any year of the 3<sup>rd</sup> MYT Control Period.**

The petition is disposed of accordingly.

Sd/-  
(Paramjeet Singh)  
Member

Sd/-  
(Viswajeet Khanna)  
Chairperson

Chandigarh  
Date: 10.08.2024