

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

**Petition No. 60 of 2024**  
**Date of Order: 11.12.2024**

Petition for the approval of True up of ARR for FY 2023-24 for Transmission Business and SLDC, and; approval of Revised forecast of ARR and determination of Tariff for Transmission Business and SLDC for FY 2025-26 under Section 62, 64 and 86 of the Electricity Act, 2003 read with Regulation 10 to 12 of PSERC (Terms and Conditions of Determination of Generation, Transmission, Wheeling and Retail Supply Tariff) Regulations, 2022 as amended from time to time.

AND

In the Matter of : Punjab State Transmission Corporation Limited, Regd. Office  
PSEB Head Office, The Mall, Patiala- 147001.

.....Petitioner

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

**ORDER**

Petition filed by PSTCL for ARR and Determination of Tariff for FY 2025-26 and True up for FY 2023-24 was admitted vide order dated 04.12.2024 with an observation that the deficiencies/further information in the Petition shall be intimated to PSTCL separately. PSTCL shall provide the following information/clarification as under:

1. Formats and Annexures: PSTCL to submit all the formats in MS Excel format for FY 2023-24 and FY 2025-26.
2. Audited/ Provisional Accounts: PSTCL to submit the complete annual audited accounts for FY 2023-24 (Annexure-I to the Petition) signed/certified by the Auditor in MS Excel format including the Trial Balance for FY 2023-24 .
3. Capital Expenditure and Capitalization:
  - i. PSTCL to submit the details of assets directly transferred to GFA as submitted in Table 18 of the Petition along with approval of the Commission for their addition.

- ii. PSTCL to supply the complete details of assets created out of contributory works/ PSDF such as expenditure incurred, capitalisation, grants received etc.
- iii. PSTCL to submit a detailed list of the assets de-capitalized in FY 2023-24.

#### 4. Depreciation:

- i. As per MYT Regulations, Depreciation shall be calculated annually as per the straight-line method over the useful life of the asset. PSTCL to provide a list of assets specifying categorically those who have completed 12 years of useful life from the date of commencement as on 31<sup>st</sup> March,2024. The remaining depreciable value as on 31<sup>st</sup> March of the year closing after a period of 12 years from the 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 2023-24 be provided in light of the aforesaid regulation incorporating the following:
  - a) Details may be prepared head-wise for all the assets with further break up of each asset to account codes.
  - b) The details be furnished separately for Transmission Business & SLDC Business
- ii. PSTCL to submit calculations of the weighted average rate of depreciation for Transmission and SLDC business.
- iii. PSTCL to provide a detailed list of the assets completing 90% of depreciation for FY 2023-24 (actuals), FY 2025-26 (estimated)

#### 5. Employee Cost

- i. PSTCL to submit grade-wise number of employees along with average salary in MS Excel format and the number of employees retired and recruited during FY 2023-24 .
- ii. PSTCL to provide the details of additional share of Pension claimed amounting to Rs.20.47 Crores during FY 2023-24.
- iii. PSTCL has claimed Rs 5.51 Crore and 0.40 Crores for new recruitment and regularization of new recruits in FY 2023-24.PSTCL to clarify

whether these expenses are not included in the employee cost in the audited accounts for FY 2023-24.

6. R&M Expenses: PSTCL has been allowed R&M expenses of Rs 35.73 Crores by considering audited accounts for FY 2023-23 for calculating K factor which is constant for the MYT period (FY 2023-24 to FY 2025-26).But PSTCL in this petition has claimed Rs. 6.39 Crore as extra ordinary R & M expenses, over and above the normative for FY 2023-24. PSTCL to justify the same.
7. A&G Expenses:
  - i. PSTCL has claimed extra ordinary expenses amounting to Rs 0.41 Crores over and above the normative. PSTCL to justify the claim as these expenses are a part of the normative expenses.
  - ii. Details of expenses such as training, legal, material related expenses and misc expenses for FY 2023-24 be given.
  - iii. PSTCL is claiming Rs. 0.83 Crore on account of Lease charges in table no 15.PSTCL to give details regarding the same.
8. Interest Charges
  - i. PSTCL has claimed the weighted average rate of interest on long term loans for Transmission and SLDC business .Calculation of the same be provided for FY 2023-24.
  - ii. PSTCL to provide the details of loans with opening, additions, repayments, closings and interest paid for FY 2023-24.
  - iii. PSTCL to submit the details of interest and finance charges of Rs 1.14 Crores.
  - iv. PSTCL has claimed interest capitalized amounting to Rs.3.86 Crore against interest capitalized of Rs 23.04 Crores as per audited accounts. PSTCL to supply the details with justification.
  - v. PSTCL has claimed the weighted average rate of interest @ 8.80% for working capital loans for Transmission and SLDC. Calculation of the same be provided.

9. Other Expenses/Debits: PSTCL has claimed other debits of Rs.1.72 Crore in FY 2023-24 on account of Sundry debits written off. The details of the same be provided.
10. Non tariff Income: PSTCL has claimed DPS of Rs 3.17 Crore for late payment charges after adjusting Rs.2.30 Crores of financing cost during FY 2023-24. PSTCL to provide details regarding the same.
11. PSTCL has submitted that it has attached the actual monthly transmission system availability and the actual monthly transmission losses duly certified by SLDC as Annexure I and Annexure-II respectively. However, the certification from SLDC is missing in Annexure-I and II of the petition. PSTCL to submit the same.
12. Input and Output Energy with regard to Transmission Losses: 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 the energy outflow from PSTCL system clearly indicating the energy inflow and outflow from/to various generators, PSPCL, inter-state points and other such points.
  - b) Submit the reconciled/validated energy inflow/outflow from PSPCL
13. PSTCL has submitted transmission capacity of 13644.30 MW in table 56 while proposing the transmission charges. However, in the format T22, PSTCL has only submitted installed/contracted capacity of PSPCL but has not submitted its transmission capacity. PSTCL to submit the same after getting it reconciled with/validated from PSPCL.
14. In the Capital Expenditure (Format T14 & T15) for FY 2023-24 submitted by PSTCL, for the works at Sr. No. 91 to 98, the approval of the Commission is not mentioned. Also works at Sr. No. 99 to 100 are contributory works but included for seeking capital expenditure. PSTCL to explain the same.
15. 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 shall submit reply to the deficiencies/additional information within a 10 days without any delay (through hard copy & soft copy). The deficiencies observed by the Commission and reply thereto filed by PSTCL be also uploaded on the website of PSTCL as well as the website of the Commission.

Sd/-  
(Paramjeet Singh)  
Member

Sd/-  
(Viswajeet Khanna)  
Chairperson

Chandigarh  
Dated: 11.12.2024