

**Summary of Data Gaps raised by the Hon'ble  
Commission and Suggestion/Objections raised  
by Stakeholders and reply of PSTCL in  
Petition for  
"True-up for FY 2019-20, APR for FY 2020-21  
and Revised ARR and Tariff FY 2021-22"**

**February 22, 2021**

# Summary of Data Gaps raised by Hon'ble Commission and reply of PSTCL

# Data Gaps raised by Hon'ble Commission

Sl. No.	Issue	Query by Hon'ble Commission	Reply of PSTCL
1	Auditor Certificate and Cost Audit	<ul style="list-style-type: none"> <li>• CAG Auditor Certificate along with Trial Balance</li> <li>• Cost Accounts and Cost Audit Report FY 2019-20</li> </ul>	<ul style="list-style-type: none"> <li>• Audited Accounts and Trial Balance of PSTCL and SLDC in Excel were submitted for FY 2019-20 and H1 FY 2020-21</li> <li>• CAG Audit is already completed and comments of the CAG has been submitted.</li> <li>• Cost Accounts and Cost Audit Report is also submitted</li> </ul>
2	Transmission Loss	<ul style="list-style-type: none"> <li>• Month wise actual Transmission Loss</li> </ul>	<ul style="list-style-type: none"> <li>• Month wise calculation of actual Transmission Loss indicating input and output energy for FY 2019-20 and H1 of FY 2020-21 were submitted</li> </ul>
3	Availability	<ul style="list-style-type: none"> <li>• Monthly Transmission Availability</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly Transmission System Availability for FY 2019-20 and H1 of FY 2020-21 as certified by SLDC were submitted</li> </ul>
4	Reasons for Cost Deviation	<ul style="list-style-type: none"> <li>• Reasons for increase of actual Capex with respect to approved</li> </ul>	<ul style="list-style-type: none"> <li>• Actual Capital Expenditure has been on the lower side as compared to approved in most of the works/schemes</li> <li>• Justification provided for increase in cost against approved</li> </ul>
5	Financing Details	<ul style="list-style-type: none"> <li>• Funding of Capex for all works to be provided</li> </ul>	<ul style="list-style-type: none"> <li>• Funding of FY 2017-18 is considered in Debt: Equity ratio of 70:30 in line with the Truing-up Order of FY 2017-18.</li> <li>• Funding for FY 2018-19 and FY 2019-20 is through 100% loans as approved in Truing-up Order for FY 2018-19.</li> </ul>
6	Procurement Process	<ul style="list-style-type: none"> <li>• Whether Procurement is through competitive bidding or not</li> </ul>	<ul style="list-style-type: none"> <li>• Works are executed either internally or through service contractors. Materials are procured centrally and supplied wherever needed. Very few works on turnkey basis</li> </ul>

# Data Gaps raised by Hon'ble Commission

Sl. No.	Issue	Query by Hon'ble Commission	Reply of PSTCL
7	Penalty on Suppliers	<ul style="list-style-type: none"> <li>Details of Penalty amount recovered from Suppliers and reasons</li> </ul>	<ul style="list-style-type: none"> <li>Penalty of Rs. 2.23 Crore recovered from suppliers/service contractors wherever there was a delay in supply of materials. Amount is reflecting in Note 30 of Accounts</li> </ul>
8	CWIP Details	<ul style="list-style-type: none"> <li>Scheme wise break-up of Capex, CWIP and Capitalization</li> </ul>	<ul style="list-style-type: none"> <li>Scheme wise break-up of CWIP, Capex and Capitalization for actual H1 FY 2020-21 and H2 FY 2020-21 is submitted along with the physical progress and funding</li> </ul>
9	FAR	<ul style="list-style-type: none"> <li>Fixed Asset Register for FY 2019-20</li> </ul>	<ul style="list-style-type: none"> <li>Fixed Asset Register submitted for FY 2019-20</li> </ul>
10	De-capitalized Assets	<ul style="list-style-type: none"> <li>Details of Asset De-capitalized</li> </ul>	<ul style="list-style-type: none"> <li>Details of assets de-capitalized in FY 2019-20 is submitted</li> </ul>
11	Depreciation	<ul style="list-style-type: none"> <li>Head-wise asset class details of assets with account code for Transmission and SLDC</li> </ul>	<ul style="list-style-type: none"> <li>Details of head-wise and account code wise details of depreciation charged till date, balance depreciation to be charged and verification that no asset has crossed 90% of depreciation was submitted</li> </ul>
12	Land purchase	<ul style="list-style-type: none"> <li>Purpose of land purchase as per Audit Report to be provided</li> </ul>	<ul style="list-style-type: none"> <li>Land has been purchased to set up 400 kVA Grid Substation at Doraha in Dhanansu village. The work/scheme is already approved by the Hon'ble Commission</li> </ul>
13	Reasons for cost increase	<ul style="list-style-type: none"> <li>Reasons for increase in cost as compared to board approved</li> </ul>	<ul style="list-style-type: none"> <li>Justification for increase in work/scheme wise actual cost as compared to estimated cost was submitted. Board approved cost also submitted subsequently</li> </ul>

# Data Gaps raised by Hon'ble Commission

Sl. No.	Issue	Query by Hon'ble Commission	Reply of PSTCL
14	Assets directly transferred	<ul style="list-style-type: none"> <li>Details of directly added assets to be provided</li> </ul>	<ul style="list-style-type: none"> <li>Details of Rs. 13.45 Crore directly added in FY 2019-20 was provided which consist of land, vehicles and furniture and fixtures</li> </ul>
15	Reconciliation	<ul style="list-style-type: none"> <li>Reconciliation of GFA to be submitted</li> </ul>	<ul style="list-style-type: none"> <li>Reconciliation provided after including directly transferred assets and adjusting land and contributory works and grant funded assets for Depreciable GFA</li> </ul>
16	O&M Expenses	<ul style="list-style-type: none"> <li>Details of Disc Washing and hotline maintenance</li> </ul>	<ul style="list-style-type: none"> <li>These expenses improve availability during foggy season Rs. 32 Lakh and Rs. 14 Lakh incurred in FY 2019-20 for disc washing and hot line maintenance respectively</li> </ul>
17	Interest charges	<ul style="list-style-type: none"> <li>Reconciliation of Opening balance of Loan</li> </ul>	<ul style="list-style-type: none"> <li>Opening Balance of Loan for FY 2017-18 reconciled with the approved loan balance. Source wise details of loans for FY 2018-19 and FY 2019-20 also provided</li> </ul>
18	Interest charges	<ul style="list-style-type: none"> <li>Details on Interest on Lease liabilities</li> </ul>	<ul style="list-style-type: none"> <li>To comply with 'Ind-AS 116' Leases which is applicable from 01.04.2019, interest on lease liabilities are shown under interest expenses, which was not present in FY 18-19</li> </ul>
19	Other Expenses	<ul style="list-style-type: none"> <li>Detailed break-up and justification of Other Expense claimed</li> </ul>	<ul style="list-style-type: none"> <li>Rs. 56.40 Crore was parked/vested to PSTCL as on 16.04.2010 at the time of unbundling as sundry debtors. In the past Hon'ble Commission had considered credit balance written back in P&amp;L as Other Income. Hence, PSTCL claimed sundry creditors written off as Other Income</li> </ul>

# Data Gaps raised by Hon'ble Commission

Sl. No.	Issue	Query by Hon'ble Commission	Reply of PSTCL
20	Non-Tariff Income	• Financing adjustment on late payment surcharge Cost	• Since there is a delay in payment of transmission charges from PSPCL, PSTCL avails for cash credit to meet the deficit. Detailed working of Rs. 9.00 Crore provided
21	Technical	• Reconciliation of number of bays	• Number of bays mentioned in Formats include reactor bays, bus coupler bays, capacitor bays and transfer bays, which were not included in Petition
22	Audited Accounts	• Management reply on deficiencies in Audit Report	• On receipt of final comments of C&AG, Management reply on the statutory auditor and C&AG shall be put up before the board for approval.
23	Employees	• Grade-wise number of employees with average salary to be provided	• Grade-wise number of employees with average salary in Excel was submitted. Also number of employees retired in FY 19-20 and FY 20-21 (till Sep) was also submitted
24	A&G Expenses	• Details of Other Charges in A&G Expenses	• Details of Electricity, Water, Miscellaneous expenses, other and material related expenses submitted
25	Impairment of Loss	• Details of reversal of excess provision of impairment of loss	• Details of excess provision of impairment of losses were submitted
26	Open Access	• Details of Revenue from Open access	• Transmission charges of Rs. 1.39 Crore recovered from all three Open Access consumers. Rs. 0.27 Crore recovered as SLDC charges from Open access consumers

# Data Gaps raised by Hon'ble Commission

Sl. No.	Issue	Query by Hon'ble Commission	Reply of PSTCL
27	Capex in First Control Period	<ul style="list-style-type: none"> <li>Reasons for expenditure in FY 19-20 for works approved in next Control Period</li> </ul>	<ul style="list-style-type: none"> <li>These works were long pending works, which were not included in the First control Period as it was not envisaged at the time of filing in May 2016. After approval of capex for Second control Period in December 2019, these works were immediately taken up for execution</li> </ul>
28	Reconciliation	<ul style="list-style-type: none"> <li>Reconciliation of assets directly transferred</li> </ul>	<ul style="list-style-type: none"> <li>Reconciliation of directly transferred assets as reflecting in Audited Accounts with the Petition was submitted</li> </ul>
29	Hard Cost	<ul style="list-style-type: none"> <li>Reconciliation of Hard cost with Accounts</li> </ul>	<ul style="list-style-type: none"> <li>Hard cost as submitted in Annexure to Petition was reconciled with the Audited Accounts</li> </ul>
30	Capitalization	<ul style="list-style-type: none"> <li>Actual Scheme wise break-up of capitalization</li> </ul>	<ul style="list-style-type: none"> <li>The work-wise / scheme-wise break-up of capitalization is submitted for First Control Period</li> </ul>
31	Capex	<ul style="list-style-type: none"> <li>Expenditure to be provided for spill over and upcoming schemes</li> </ul>	<ul style="list-style-type: none"> <li>Details of capital expenditure of schemes that are spill over from first control period to second control period is provided and expected capital expenditure for approved schemes in second control period as per prescribed format</li> </ul>
32	Transformers related	<ul style="list-style-type: none"> <li>Details of transformer augmentation</li> </ul>	<ul style="list-style-type: none"> <li>Details of transformer added, and spare transformer utilized in First Control Period were submitted</li> </ul>
33	IEDC	<ul style="list-style-type: none"> <li>Break-up of IEDC</li> </ul>	<ul style="list-style-type: none"> <li>Break-up of IEDC provided for First Control Period</li> </ul>
34	Tr. Loss	<ul style="list-style-type: none"> <li>Actual loss details</li> </ul>	<ul style="list-style-type: none"> <li>Actual Transmission loss provided till December 2020</li> </ul>

# Summary of Objections / Suggestions raised by Stakeholders and reply of PSTCL



# List of Objectors

Sl. No.	Name of Stakeholder
1	Nahar Spinning Mills Limited
2	SEIL Chemical Complex (Mawana Sugars Ltd.) Part -I
3	Steel Furnace
4	Cycle Trade Union
5	PSEB Engineer's Association
6	SEIL Chemical Complex (Mawana Sugars Ltd.) Part-II
7	Omaxe New Chandigarh Developers Pvt. Ltd.

# Key Issues raised by Stakeholders

## Name of Stakeholder: Nahar Spinning Mills Limited

Sl. No.	Issue	Submission of Stakeholder	Reply of PSTCL
1	Transmission Loss	<ul style="list-style-type: none"> <li>Loss Trajectory to be revisited based on actual of 19-20 and 20-21</li> </ul>	<ul style="list-style-type: none"> <li>The netting of energy is required to be considered at I-T (Interstate PSTCL) &amp; G-T (Generating-PSTCL) Boundary points for calculation of PSTCL Transmission Losses.</li> <li>Import energy at PSTCL-PSPCL Boundary Points (T-D) has also been considered in Input energy of PSTCL.</li> <li>Thus, SLDC have revised PSTCL's Transmission Losses for FY 2019-20, 2020-21 to 2.694% and 2.47% respectively.</li> </ul>
2	Return on Equity	<ul style="list-style-type: none"> <li>Additional Equity of Rs. 2.16 Crore may not be allowed</li> </ul>	<ul style="list-style-type: none"> <li>Additional Equity claimed is for FY 17-18 resulting due to Truing-up of Capex and in line with the approach of Commission. No equity addition in FY 19-20 claimed</li> </ul>
3	Return on Equity	<ul style="list-style-type: none"> <li>Liquidation of Other Equity of Rs. 2212.12 Cr.</li> </ul>	<ul style="list-style-type: none"> <li>PSTCL has claimed opening Equity as closing Equity of FY 18-19 approved in last Order. Equity in balance sheet has not co-relation to the Equity claimed in Petition</li> </ul>
4	Energy Balance	<ul style="list-style-type: none"> <li>Different energy input of PSTCL and PSPCL at state periphery</li> </ul>	<ul style="list-style-type: none"> <li>Energy input at Punjab periphery is on the basis of actual metered energy measured at all interface / injection points of state periphery</li> </ul>
5	Transmission Capacity	<ul style="list-style-type: none"> <li>Incorrect Capacity provided</li> </ul>	<ul style="list-style-type: none"> <li>Capacity details of 11997.29 MW submitted for FY 19-20 and capacity details of 13228.30 submitted for FY 20-21</li> </ul>
6	Transmission Capacity	<ul style="list-style-type: none"> <li>Capacity is 2.8 times of Peak Demand in State</li> </ul>	<ul style="list-style-type: none"> <li>LGBR Report provides for much higher multiple for transmission capacity w.r.t peak demand. Transmission network to adhere to n-1 criteria at all times</li> </ul>

# Key Issues raised by Stakeholders

## Name of Stakeholder: SEIL Chemical Complex (Mawana Sugars Ltd.) Part -I

Sl. No.	Issue	Submission of Stakeholder	Reply of PSTCL
1	Transmission Loss	<ul style="list-style-type: none"> <li>Loss Trajectory to be revisited based on actual of 19-20 and 20-21</li> </ul>	<ul style="list-style-type: none"> <li>The netting of energy is required to be considered at I-T (Interstate PSTCL) &amp; G-T (Generating-PSTCL) Boundary points for calculation of PSTCL Transmission Losses.</li> <li>Import energy at PSTCL-PSPCL Boundary Points (T-D) has also been considered in Input energy of PSTCL.</li> <li>Thus, SLDC have revised PSTCL's Transmission Losses for FY 2019-20, 2020-21 to 2.694% and 2.47% respectively.</li> </ul>
2	Transmission Capacity	<ul style="list-style-type: none"> <li>Capacity is 2.8 times of Peak Demand in State</li> </ul>	<ul style="list-style-type: none"> <li>LGBR Report provides for much higher multiple for transmission capacity w.r.t peak demand. Transmission network to adhere to n-1 criteria at all times</li> </ul>
3	Employee Expenses	<ul style="list-style-type: none"> <li>Normative Expenses higher than actual</li> </ul>	<ul style="list-style-type: none"> <li>Normative Expenses worked out on the basis of Regulations and actual expenses taken as per audited accounts. Actual expenses claimed since lower than normative expenses as per approach of Hon'ble Commission</li> </ul>
4	Return on Equity	<ul style="list-style-type: none"> <li>Additional Equity of Rs. 2.16 Crore may not be allowed</li> </ul>	<ul style="list-style-type: none"> <li>Additional Equity claimed is for FY 17-18 resulting due to Truing-up of Capex and in line with the approach of Commission. No equity addition in FY 19-20 claimed</li> </ul>
5	Return on Equity	<ul style="list-style-type: none"> <li>Liquidation of Other Equity of Rs. 2212.12 Cr.</li> </ul>	<ul style="list-style-type: none"> <li>PSTCL has claimed opening Equity as closing Equity of FY 18-19 approved in last Order. Equity in balance sheet has not co-relation to the Equity claimed in Petition</li> </ul>

# Key Issues raised by Stakeholders

Sl. No.	Issue	Submission of Stakeholder	Reply of PSTCL
6	Non-Tariff Income	<ul style="list-style-type: none"> <li>Reconciliation of Non-Tariff Income</li> </ul>	<ul style="list-style-type: none"> <li>Non-Tariff Income has been claimed as per the methodology adopted in previous Order. Reconciliation of Non-Tariff Income with Audited Accounts submitted. Reasons for deductions also provided</li> </ul>

## Name of Stakeholder: Cycle Trade Union

Sl. No.	Issue	Submission of Stakeholder	Reply of PSTCL
1	Tariff Increase	<ul style="list-style-type: none"> <li>No increase in tariff to be allowed. Accounts to be made available</li> </ul>	<ul style="list-style-type: none"> <li>Audited Accounts of FY 2019-20 are submitted along with Petition for verification by the Commission</li> <li>Effective Tariff reduction proposed as compared to last year</li> </ul>

## Name of Stakeholder: Steel Furnace

Sl. No.	Issue	Submission of Stakeholder	Reply of PSTCL
1	ARR	<ul style="list-style-type: none"> <li>Separate income and expense statement comparing with cost allowed by PSERC</li> </ul>	<ul style="list-style-type: none"> <li>The methodology for Truing-up of FY 2019-20 is based on the provision of Regulations specified by PSERC and as per the methodology adopted by Hon'ble Commission in previous Tariff Orders</li> </ul>
2	Return on Equity	<ul style="list-style-type: none"> <li>Additional Equity of Rs. 2.16 Crore may not be allowed</li> </ul>	<ul style="list-style-type: none"> <li>Additional Equity claimed is for FY 17-18 resulting due to Truing-up of Capex and in line with the approach of Commission. No equity addition in FY 19-20 claimed</li> </ul>

Balance objections raised by Stakeholders were not relevant to PSTCL.

# Key Issues raised by Stakeholders

## Name of Stakeholder: PSEB Engineers Association

Sl. No.	Issue	Submission of Stakeholder	Reply of PSTCL
1	Status of Projects	<ul style="list-style-type: none"> <li>Present status of PTF, expected date and completion cost</li> </ul>	<ul style="list-style-type: none"> <li>Annexure-I provides for completion date of projects and completion cost of projects. Status of transformers also submitted</li> </ul>
2	Number of Bays	<ul style="list-style-type: none"> <li>Reconciliation of number of bays</li> </ul>	<ul style="list-style-type: none"> <li>Reconciliation of 66 kV bays and 220 kV sub-station bays submitted</li> </ul>
3	O&M Expenses	<ul style="list-style-type: none"> <li>O&amp;M Expenses worked out based on CERC norms</li> </ul>	<ul style="list-style-type: none"> <li>PSTCL is bound to comply with the provisions of PSERC Regulations applicable in the state. Comparison of norms with CERC has no significance to PSTCL</li> </ul>
4	Debt: Equity	<ul style="list-style-type: none"> <li>Debt equity ratio to be 70:30</li> </ul>	<ul style="list-style-type: none"> <li>The capex is claimed to be funded through 100% loan in FY 19-20 which is in line with the approach adopted by the Hon'ble Commission in previous Tariff Orders</li> </ul>
5	Compliance to Directives	<ul style="list-style-type: none"> <li>Status of augmentation of various lines to be provided</li> </ul>	<ul style="list-style-type: none"> <li>The detail status of augmentation of lines as mentioned in the objections is submitted</li> </ul>
6	Overloading of lines	<ul style="list-style-type: none"> <li>No monitoring done by SLDC on overloading of PGCIL lines</li> </ul>	<ul style="list-style-type: none"> <li>Verifying the status of PGCIL lines is not under the preview of PSERC</li> </ul>

# Key Issues raised by Stakeholders

## Name of Stakeholder: SEIL Chemical Complex (Mawana Sugars Ltd.) Part -II

Sl. No.	Issue	Submission of Stakeholder	Reply of PSTCL
1	Transmission Loss	<ul style="list-style-type: none"><li>Loss Trajectory to be revisited based on actual of 19-20 and 20-21</li></ul>	<ul style="list-style-type: none"><li>The netting of energy is required to be considered at I-T (Interstate PSTCL) &amp; G-T (Generating-PSTCL) Boundary points for calculation of PSTCL Transmission Losses.</li><li>Import energy at PSTCL-PSPCL Boundary Points (T-D) has also been considered in Input energy of PSTCL.</li><li>Thus, SLDC have revised PSTCL's Transmission Losses for FY 2019-20, 2020-21 to 2.694% and 2.47% respectively.</li></ul>

Balance objections raised by Stakeholders were not relevant to PSTCL.

## Name of Stakeholder: Omaxe New Chandigarh Developers Pvt Ltd.

All objections raised by Stakeholders were not relevant to PSTCL.

**Thank You**