



PUNJAB STATE TRANSMISSION CORPORATION LIMITED
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The Registrar,
Punjab State Electricity Regulatory Commission,
Site no. 3, sector 18A, Chandigarh-160018

Memo No. 107 /CAO(F&A)/MYT-III/APR-II
Dated: 07/02/25

Subject: Objections No.3 raised by APEX Chamber Of Commerce & Industry (Punjab) in Petition no 60/2024 of PSTCL.

Ref: Hon'ble Commission's E mail dated 05.02.2025.

Vide email under reference, Hon'ble Commission has forwarded the Objection no. 3 raised by **APEX Chamber Of Commerce & Industry (Punjab)** on Petition no. 60/2024. In this regard, it is submitted that only Point No. 11 in said objection relates to PSTCL. Reply of the same is enclosed herewith.


Chief Accounts Officer (F&A)
PSTCL, Patiala

CC: Sh. Rajnish Ahuja (President), APEX Chamber of Commerce & Industrial (Punjab), Room No. 204, 2nd Floor, Savitri Complex-1, G.T Road, Dholewal, Ludhiana (Punjab).

**Objection raised by M/s APEX Chamber Of Commerce & Industry (Punjab) in
Petition no 60/2024 of PSTCL.**

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Point no. 11

PSPCL and PSTCL were constituted in 4/2010 as successor companies to PSEB and since then Transmission losses were being assumed as 2.5% on a notional basis. In the MYT ARR submitted in 2016 for 2017-18, 2018-19 and 2019-20, PSTCL had projected Transmission Loss trajectory as 2.8% for 2017-18, 2.6% for 2018-19 and 2.5% for 2019-20. Against this, in the TO 2017-18, PSERC approved the trajectory as 2.5% for 2017-18, 2.4% for 2018-19 and 2.3% for 2019-20. However, due to non-finalization of boundary metering, the Transmission Losses were being claimed by PSTCL on higher side but PSERC provided the transmission loss notionally as 2.5% in TO 2017-18, 2018-19 and 2019-20. The Transmission losses for MYT period 2019-20 were worked out on actual basis as 2.217% as per Table 16 of PSTCL TO which were further revised to 2.69% based on revised methodology which were approved during true up exercise for 2019-20.

For 2nd MYT period, Transmission loss was approved as 2.48% for 2020-21, 2.46% for 2021-22 and 2.44% for 2022-23. During true up also the loss levels were maintained as 2.48% for 2020-21 and 2.46% for 2021-22 and PSTCL was penalized for under achievement in 2020-21 and incentive given for over achievement in 2021-22.

Trued up Transmission loss for 2022-23 has been worked out as 2.27% in the ARR of PSTCL for 2024-25 (page 21) against Target loss level of 2.44% as per Trajectory fixed by PSERC. Further as per Table 15 of ARR, PSTCL has claimed Rs 30.72 Cr as Gain on account of over achievement of Transmission Loss. Further, the loss level has not been indicated for ensuing year 2024-25 on Page 50, Para 4.4.

For the MYT period 2023-24 to 2025-26, the PSTCL again proposed to take Transmission Loss as fixed 2.50% for all the 3 years of the control period 2023-24 to 2025-26 against which Hon'ble Commission approved Loss level of 2.42%, 2.40% and 2.38% for the years 2023-24, 2024-25 and 2025-26 respectively.



This is very typical working of PSTCL whereby the consumers of Punjab are being unduly loaded with higher tariff. Firstly PSTCL get higher transmission loss fixed from PSERC on flimsy grounds, then actually achieves lower loss and then claims incentive/sharing of gains, then gets into profit at the year end, pays Income Tax to the Govt of India and instead of paying the return on equity to Govt of Punjab, invests the balance as equity in creation of new assets and increases the equity contribution and then claims return on equity of enhanced equity. This all amount gets loaded on to the consumer through tariff decided by the Hon'ble Commission.

On one side PSPCL/PSERC are trying to lower the expenditure on Power Purchase by saving every penny as is evident from sourcing maximum coal from captive mine and refusing to accept power purchase from Rice straw based plants in the state above the threshold of Rs 5.00, reducing the tariff of RE plants of PEDDA and other developers, on other side PSTCL is using every technique to increase its revenue by using such practices.

Hon'ble Commission's attention is also invited to para 4.3.4 the Tariff order for PSTCL for the year 2023-24 which provides as under:-

4.3.4 In the Business Plan Order including the Capital Investment Plan Order dated 21st December 2022, the Commission has approved the Transmission loss trajectory with reduction of 0.02% every year for the 3rd Control Period from the approved losses for FY 2022-23. Transmission losses for the Control Period shall be specified accordingly on the basis of the actual transmission losses for FY 2022-23 but will not be considered if found higher than the approved trajectory.

We accordingly request that the trajectory of Transmission loss be revisited for the last year of the previous control period and for current control period to save the consumers from any tariff hike on this account.

Reply of PSTCL:-

It is submitted that PSTCL evaluates the Transmission Losses (400kv/220kv/132kv) as per the energy data of various meters installed at different locations of Grid/Substations. SLDC has implemented SAMAST project. In SAMAST Project, old energy meters which were not compatible with



new technology AMR have been replaced with new energy meters. The meter data is received from all grid/substations through AMR system. However, at few locations where DCUs are not installed, the energy data of these meters is being downloaded through CMRI. **Hon'ble Commission at para no. 4.3.4 of Tariff Order for FY 2024-25 dated 14.06.2024 has also revised the Transmission Loss target of 2.25% for FY 2023-24, 2.23% for FY 2024-25 and 2.21% for FY 2025-26.** Transmission losses of PSTCL have improved from 4.239% in FY 2016-17 to 2.24% in FY 2023-24 as below:-

Year	Actual PSTCL Transmission losses (in %)	Trajectory approved by PSERC
2016-17	4.239	2.50%
2017-18	3.118	2.50%
2018-19	2.86	2.50%
2019-20	2.694	2.69%
2020-21	2.50	2.48%
2021-22	2.31	2.46%
2022-23	2.27	2.44%
2023-24	2.24	2.25%
2024-25	*	2.23%
2025-26	*	2.21%

*These shall be calculated at the end of Financial Year.

Further, SLDC calculates transmission loss figure based upon actual meter data. This data is integrated in the software developed by the firm and software-based calculation/checking of data has reduced manual intervention.

Apart from the above, additional transmission elements i.e. transmission lines/transformers/synchronous condenser or other elements will be added in coming years thereby increasing the installed MVA capacity of PSTCL system



which may add in transmission losses during lean period. The direction of power flow in PSTCL system along with the outage elements/loaded elements/lightly loaded transmission elements of future year cannot be ascertained presently so there can be some deviations in PSTCL transmission losses which are beyond the control of any transmission utility.

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