

HORIZONS



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From the Desk of MD

We have been successful in developing a culture in UJVNL where every employee is part of the solution and not that of problem. We have to continue this culture forever and will have to ensure that we develop the best practices out of the system. Sometimes we spend time in asking who is responsible or whom to blame, whether in a relationship, in a job or with the people we know, By this way we miss out some warmth in human relationship. Let us develop a relationship among ourselves which bonds us with understanding of the organization and professionalism of work for the growth of UJVNL

The power delegated to Directors , GMs and DGMs have been enhanced further with a view to not only empower



From the Desk of ED (B & C)

In this second edition of "Horizons", we have added an informative segment on various issues viz. Functions of Regulator, Highlights of Hydro Policy 2005 and a brief on the first amendment to CERC on Terms and Conditions for determination of the tariff, as it is felt that a wide cross section of employees do not get an opportunity to come across such information and are therefore, deprived of happenings in the Power sector of the country, especially those which have a the Directors, General Managers, DGMs and EEs or to merely fertilize a "sense of being empowered" but to also bring about speed in

decision taking and achieving good performance of UJVNL on the growth projects for greensite capacity addition through both large and small HEPs, enhancement of existing capacities (brown sites) through improving O & M practices and M & U projects, catalysis of organizational efficiencies and effectiveness through better HR practices, modern IT usage and clearly understood plans and processes.

Such empowerment puts a greater demand for delivery at the levels, while I am sure that the process of utilizing delegated powers is beginning to happen, I must point out that the cases should be disposed off within a maximum period of 15 days at any level.

After all mere empowerment is not enough or meaningful, unless it is utilized for betterment and growth of the organization.

S P Singh

commercial bearing on the business of UJVNL. In the coming issues, we would also cover the articles on "Process of Tariff fixation" etc with a view to provide an insight into the complete process of tariff fixation for generation projects.

I hope that all employees of UJVNL would stand to gain from this initiative and look forward to their continued patronage. Again, any suggestions to improve this newsletter are more than welcome and entire team at Business and commercial group would feel elated to include your suggestions.

Vivek Singla

CMD benefits for ADB funded Small Hydro Projects

UJVNL is making every effort to ensure that the state and the economy in transition can benefit from international efforts to address climate change, including the emerging carbon market for greenhouse gas emission reductions. UJVNL is therefore striving to catalyze a global carbon market through the purchase of high quality emission reductions in climate-friendly projects in Uttaranchal. As such, carbon finance is the first large scale initiative that seeks to catalyze investments to address a global environmental issue.

We have taken pioneering steps in availing the CDM benefits from Greensite projects. We have already prepared PIN (Project Idea Note)

and the PDD (Project Design Document) of four SHPs (4 MW kaliganga I, 6 MW Kaliganga II, 10 MW Madhyamaheshwar, and 9 MW Kaldigad) with ADB (Zenith Energy).

We have submitted the Project Design Document of all the SHPs to the Designated National Authority for Host country Approval and have also appointed DNV India for the validation of the Project. Now that we have got the Host Country approval and after the validation of Projects from Designated Operational Entity, we will be sending our PDDs to the Executive Board of UNFCCC for its consideration and registration.

Financial Analysis of the ADB funded CDM Projects

S.No	Name of the Projects and Capacity	Annual CERs generation/annum (1 tCO ₂ eq = 1 CER)	Expected realization (Rs Crores/annum)*
1	Kaldigad (9MW)	53349	2.4
2	Kaliganga I& II (10 MW)	55742	2.5
3	Madhyamaheswar (10 MW)	50711	2.28

Price of 1CER = US \$ 10

* when these SHPs are commissioned

IT Department's Initiatives

As the company is in its growing phase, it is the time to use/implement new technologies to strengthen the network environment of the company. That's why IT becomes a necessary tool for improvement, as IT involves the use of new technologies to shorten manual work. The following tasks have been performed in IT block in UJJWAL-

- LAN implementation at UJJWAL, Ganga Bhawan and Yamuna Bhawan completed.
- Outlook Express / E-mail training to the employees of UJJWAL & Ganga Bhawan and Yamuna Bhawan has been completed .
- Internet and Intranet facility has been provided at UJJWAL, Ganga Bhawan and at Yamuna Bhawan.
- Wireless LAN access being provided whenever required.
- Mail server has been installed in house for more effective E mail communication on Intranet and to the rest of world.

- Corporate WAN server with Bulletin Board, Chat and Web mailing server have been implemented over In-house server.
- Domain Name, Mail services, web services have been implemented over In house server This will provide central corporate WAN node at Ujjwal and will extend all servers of modern corporate WAN for our offices in Dehradun, as and when the remote offices will be connected to this node over WAN.

Future

- Internet will be extended to all Plants & Offices beyond Dehradun.
- Implementation of material management and financial accounting in all UJVNL office.
- Computer usage training for all UJVNL Officers and Staffs.

Office order on Re-designation of CGM- MDO

UJVNL, starting with a mere O&M unit of the erstwhile UPSEB/UPJVNL upon its creation on 09.11.01, has now evolved as a complete hydropower corporation.

Thus far, and with a view to enable and facilitate the Wholetime Directors and Executive Directors to concentrate on their focused and specialized

areas by relieving them largely of the burdens and problems of the common functions which relate to the working of the Nigam as a whole corporate, had been put under the umbrella of MD Office headed by CGM, with the following corporate functions:-

- 1) Law
- 2) Vigilance
- 3) Secretarial
- 4) Administration & Security
- 5) Estate & Immovable Properties
- 6) Public Relations
- 7) Right to Information Act
- 8) Co-ordinated responses to GoI, GoU, Vidhan Sabha and Lok Sabha letters.
- 9) All other functions which are common to/relate to all the Directorates and departments

In today's situation, the functioning of a corporate entity requires all these functions to be performed with specialization and concentration so as to integrate and create value for the Nigam as whole. Over the recent years, continuous efforts have been made to provide suitably qualified and experienced people with requisite aptitude into the above listed corporate functions. All these functions have now been organized under corporate matters headed by CGM-Corporate Matters, which is re-designation of the earlier and

Informative News

Amendment to CERC Regulation

Further to CERC regulations on terms and conditions for determination of tariff issued on 1st April 2004, CERC has come out with first amendment on 1st June 2006, salient features of which are elucidated below:

• If the provisional tariff charged when exceeds the final tariff approved by the Commission under regulations, the generating company or the transmission licensee, as the case may be, shall pay simple interest @6% per annum, computed on monthly basis, on the excess amount so charged, from the date of payment of such excess amount and up to the date of adjustment. Provided further that where the provisional tariff charged is less than the final tariff approved by the Commission, the beneficiaries shall pay simple interest @ 6% per annum, computed on monthly basis on the deficit amount from the date on which final tariff will be applicable up to the date of billing of such deficit amount. Provided also that excess/deficit amount along with simple interest @ 6% shall be adjusted within three months from the date of the order failing which the defaulting utility/beneficiary shall be liable to pay penal interest on excess/deficit amount at the rate as may be decided by the Commission.”

• The generating company shall not make any profit on account of re-financing of loan and interest on loan; The generating company may, at its discretion, swap loans having floating rate of interest with loans having fixed rate of interest, or vice-versa, at its own cost and gains or losses as a result of such swapping shall accrue to the generating company.

• In case the payment of any bill (other than UI and VAR charges) is delayed by the beneficiary (ies) beyond a period of 60 days from the date of billing, a late payment surcharge at the rate of 1.25% per month shall be levied by the generating company.”

• Rate of primary energy for all hydro electric power generating stations, except for pumped storage generating stations, shall be equal to average of the lowest variable charges of the central sector thermal power generating station of the concerned region for **all months** of the previous year. The primary energy charge shall be computed based on the primary energy rate and saleable scheduled primary energy of the station.

$$\text{Primary energy rate} = \frac{\text{Annual Fixed Charge/Saleable design energy}}{\text{Annual Fixed Charge/Saleable design energy}}$$

Highlights of Hydro Policy

India is endowed with enormous economically exploitable and viable hydro potential assessed to be about 84,000 MW at 60% load factor equivalent to probable installed capacity of 1,48,700 MW. In addition, 56 sites for pumped storage schemes with an aggregate installed capacity of 94,000 MW have been identified. Further, a potential of installed capacity of about 6800 MW has been assessed from small, mini and micro hydel schemes. Only 18% of the hydroelectric potential has been harnessed so far and 6% is under various stages of development. Thus, 76% of the potential still remains to be exploited.

The objectives of the Hydro Policy are:

- (i) Optimal harnessing of hydro-electric potential in the country.
- (ii) Enhanced capacity addition in the hydro sector during 11th Plan period & beyond.
- (iii) Creating an enabling and conducive environment for accelerated development of hydro power.

(iv) Development of the projects to serve multiple objectives of generation of electricity, drinkingwater, irrigation, flood control, tourism, etc.

(v) Promoting small and mini hydel projects.

(vi) Strengthening the role of CPSUs in speedier development of hydro power.

(vii) Promoting private sector participation in the hydel power generation.

(viii) Developing funding strategies for hydro projects.

(ix) Ensuring safety of dam and other civil structures.

(x) Developing appropriate tariff structure for hydel projects.

(xi) Developing specialized human resource and use of latest technology in S&I, design, construction, operation and maintenance.

(xii) Addressing environmental concerns like silting, afforestation, geological surprises etc.

Systematic Approach for development of Hydro Potential

Basin-wise Development of Hydro Potential

- Re-assessment of Hydro-Electric Potential
- Ranking Study

50,000 MW Hydroelectric Initiative

- Preparation of Pre-Feasibility Reports (PFRs)
- Preparation of Detailed Project Reports (DPRs)
- Advance action for capacity addition in the 11th plan and beyond

Strategies for Rapid Development of Hydro Potential

- Creation of Revolving Fund for preparation of DPRs
- Evolving Appropriate Funding Strategies
- Strengthening the role of CPSUs
- Promoting Private Sector Participation
- Promoting Hydel Projects with Joint Ventures
- Rationalization of Hydro tariff
- Induction of Latest Technology
- Specialized Human Resource Development

Functions of a Regulator

The Govt. of India had enacted the Electricity Regulatory Commissions Act, 1998 (No.14 of 1998) on 2nd July, 1998 with the objective of providing for the establishment of a Central Electricity Regulatory Commission and State Electricity Regulatory Commissions, rationalization of electricity tariff, transparent policies regarding subsidies, promotion of efficient and environmentally benign policies and for matters connected therewith or incidental thereto.

Primary functions of a Regulator are elucidated below:

- To determine the tariff for generation, transmission, wholesale bulk, grid or retail.
- To regulate power purchase and procurement process of the transmission utilities and distribution utilities including the price at which the power shall be procured from the generating companies, generating stations or from other sources for transmission, sale, distribution and supply.
- To promote competition, efficiency and economy in the activities of the electricity industry to achieve the objects and purposes.
- To determine the tariff payable for the use of the transmission facilities.
- To aid and advise the Government in matters concerning electricity generation, transmission, distribution and supply in state.
- To regulate the operation of the power system within state
- To set standards for the electricity industry in the state including standards related to quality, continuity and reliability of service
- To promote competitiveness and make avenues for participation of private sector in the electricity industry in the state and also to ensure a fair deal to the customers.
- To aid and advise the Government in the formulation of its power policy;
- To collect and publish data and forecasts on the demand for, and use of, electricity in the state and to require the licensees to collect and publish such data;

- To regulate the assets, properties and interest in properties concerned or related to the electricity industry in the state including the conditions governing entry into and exit from the electricity industry in such manner as to safeguard the public interest;
- To issue licenses for transmission, bulk supply, distribution or supply of electricity and determine the conditions to be included in the licenses;
- To regulate the working of the licensees and other persons authorized or permitted to engage in the electricity industry in the state and to promote their working in an efficient, economical and equitable manner;
- To require licensees to formulate prospective plans and schemes in coordination with others for the promotion of generation, transmission, distribution, supply and utilization of electricity, quality of service and to devise proper power purchase and procurement process;
- To adjudicate upon the disputes and differences between the licensees and/or transmission utilities and to refer the matter for arbitration;
- To aid and advise the Government on any other matter referred to the Commission by the Government