

**GOVERNMENT OF ARUNACHAL PRADESH
DEPARTMENT OF POWER**

Phone: 0360 2290608
Fax: 0360 2217440
e-mail: wezita@gmail.com

Office of the Chief Engineer (Power)
Western Electrical Zone, Vidyut Bhawan
Itanagar: 791 111 (A.P.)

No: CEP/WEZ/COM-8/APSERC/2019-20/ 9593-94 Dated Itanagar, the 17 February 2020

✓ To,

The Secretary,
Arunachal Pradesh State Electricity Regulatory Commission,
O.T. Building, 2nd Floor, Niti Vihar Market,
T. T. Marg, Niti Vihar,
Itanagar – 791111, Arunachal


Sub: Submission of Petition for Review of Tariff fixed for Dikshi HEP 24 MW.
Ref: Your Tariff Order issued for Dikshi HEP 24 MW dated 20/12/2019

Sir,

Enclosed please find herewith a petition for review of tariff order in respect of Dikshi HEP 24 MW as per Clause 37(1) of Conduct of Business Regulation – 2011 notified by Arunachal Pradesh State Electricity Regulatory Commission, on 8th November 2011.

Enclo: 1. Review Petition
2. Affidavit
3. Authority
4. Cheque No. 449693 dtd 14/02/2020
Amounting to ₹ 3,00,000/-

Yours faithfully,



Chief Engineer (Power)
Western Electrical Zone, DoP,
Vidyut Bhawan, Itanagar

No: CEP/WEZ/COM-8/APSERC/2019-20/

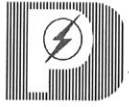
Dated Itanagar, the February 2020

Copy to:

1. The Managing Director, Devi Energies Private Limited, Rupa, West Kameng District, PIN: 790003, Arunachal Pradesh for information.
2. The Chief Engineer (Monitoring), Department of Hydro Power Development, Jal Vidyut Bhawan, Itanagar – 791111 Arunachal Pradesh for information.


Chief Engineer (Power)
Western Electrical Zone, DoP,
Vidyut Bhawan, Itanagar

RECEIPT NO. 324
Date 17/2/20



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No: CEP/WEZ/COM-8/APSERC/2019-20/

Dated Itanagar, the February 2020

AUTHORITY

Er. Hage Mima, Superintending Engineer (E), Arunachal Pradesh Electrical Circle – IV, Department of Power, Dirang, West Kameng District, Arunachal Pradesh is hereby authorised to sign the Petition for Review of Generation Tariff in respect of Dikshi HEP 24 MW and to file the same before the Hon'ble Arunachal Pradesh State Electricity Regulatory Commission (APSERC) within the 19th of February 2020 without fail.

Sd/-

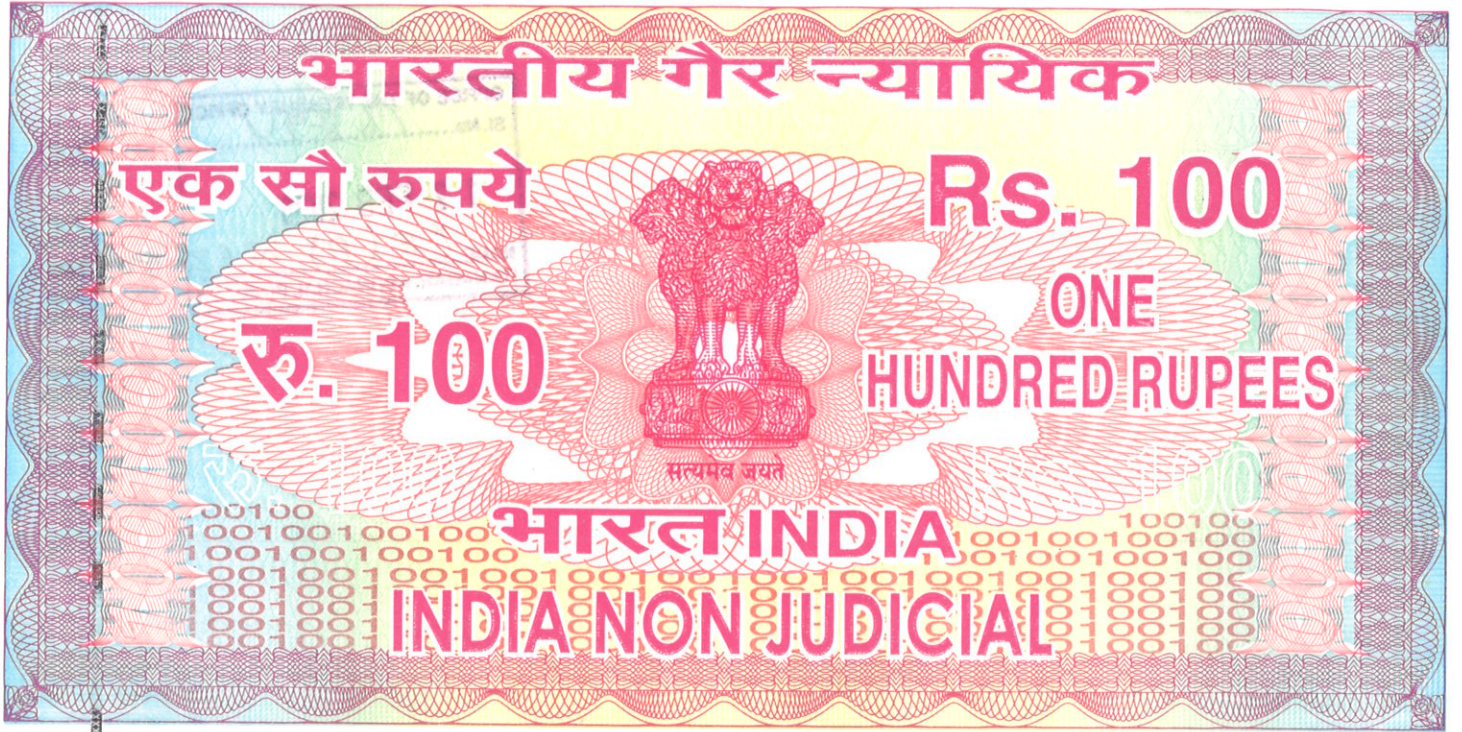
Chief Engineer (Power)
Western Electrical Zone, DoP,
Vidyut Bhawan, Itanagar

No: CEP/WEZ/COM-8/APSERC/2019-20/
Copy to:

Dated Itanagar, the 17 February 2020

- ✓ 1. The Secretary, Arunachal Pradesh State Electricity Regulatory Commission, O.T. Building, 2nd Floor, Niti Vihar Market, T. T. Marg, Niti Vihar, Itanagar – 791111, Arunachal Pradesh for information please.
2. Er. Hage Mima, Superintending Engineer (E), APElect. Circle – IV, Department of Power, Dirang, West Kameng District, Arunachal Pradesh for information.
3. Office order file.

Chief Engineer (Power)
Western Electrical Zone, DoP,
Vidyut Bhawan, Itanagar



अरुणाचल प्रदेश ARUNACHAL PRADESH

609216

AFFIDAVIT

I Shri Hage Mima son of Late Hage Tago aged about 55 years, a resident of Itanagar do hereby solemnly affirm and state as follows:

1. I am the Superintending Engineer (E), Arunachal Pradesh Electrical Circle – IV, Department of Power, Dirang, West Kameng District and I am Petitioner in the above matter and is duly authorised to make this affidavit by the competent authority of the department.
2. The statement made in the petition is based on information received from the official records of the department maintained in the ordinary course of business and believed to be true to best of my knowledge.


Deponent

VERIFICATION:

I, Shri Hage Mima, do hereby certify that the facts mentioned above are correct to the best of my knowledge and no part of it is false or no material has been concealed.


Deponent

**BEFORE THE HON'BLE ARUNACHAL PRADESH STATE ELECTRICITY
REGULATORY COMMISSION**

FILE NO.:-----

PETITION NO.:-----

IN THE MATTER OF : Petition for Review of Generation Tariff in respect of Dikshi HEP 24MW as per Clause 37 (1) of Chapter – VII- “Conduct of Business Regulation – 2011”.

AND

IN THE MATTER OF: The Department of Power, Government of Arunachal Pradesh, Vidyut Bhawan, ItanagarPetitioner.

The Petitioner, most respectfully, submits as follows:

1. That the Petitioner, Department of Power, Government of Arunachal Pradesh (DoPAP) is a Government Department functions under the Ministry of Power (Electrical), Government of Arunachal Pradesh, is the sole Electricity Distribution Utility for the entire state of Arunachal Pradesh and is a deemed Distribution Licensee as per Section 14 of the Electricity Act 2003.
2. That the Petitioner on 16th October 2018 entered into a Power Purchase Agreement(PPA) with M/s Devi Energy Private Limited, E-351, Rupa Town, PO & PS Rupa, West Kameng District, Arunachal Pradesh (the developer of Dikshi HEP 24MW) for purchasing of power generated from Dikshi HEP 24MW at a tariff to be fixed by Hon'ble APERC.----Annexure I
3. That the Hon'ble APERC on 20/12/2019 issued a Tariff Order for Dikshi HEP 24MW at levelized rate of Rs. 5.25 per KWH for 35 years being renewable energy---- Annexure II.
4. That a Techno Economic Clearance was accorded by Government of Arunachal Pradesh through Department of Hydro Power Development (Monitoring Cell) at an

estimated cost of Rs. 18540.00 Lakhs vide CE(M)/HPD/W-129/2010-11/554-62, dated 10th June 2013. ----Annexure III.

5. That the M/s Devi Energies Pvt. Ltd. had stated in its Tariff Petition filed to Hon'ble APERC, spent Rs. 35196.96 Lakhs on the construction of Dikshi HEP, which is 90% above the cost as per approved cost of TEC---- Annexure IV.
6. That the M/s Devi Energies Pvt. Ltd., claimed to have spent about 90% above the techno economically cleared estimated capital cost of Rs 18540.00 lakhs, which the petitioner considers as most unreasonable.
7. That the Petitioner is to state that M/s Devi Energies Pvt. Ltd., never informed the Government of Arunachal Pradesh about the cost escalation on the construction of Dikshi HEP 24MW.
8. That the Hon'ble APERC approved the capital cost at Rs. 27483.10 Lakhs which is about 48.24% above the techno economically cleared estimated capital cost.
9. That the Hon'ble APERC justified the escalated capital cost on the basis of weak geology of the area, landslide, flood, construction of 20Km approach road to site, using diesel generation as construction power due to non-availability of electricity from the state grid, non-availability of skilled labour etc., as prayed by M/s /s Devi Energies Pvt. Ltd.
10. That the petitioner likes to refer clause no. 4(xiv) of TEC and hereby states that these factors were known at the time of survey & investigation and must have been taken into the account at the time of DPR preparation. Hence the petitioner is not convinced with justification for escalated Capital Cost of the project.
11. That at the time of submission of DPR the developer has projected the Capacity Utilization Factor / Plant Load Factor @ 53.47% (as intimated by DHPD vide NSP-8 in the file), but in the Tariff Petition M/s Devi Energies Pvt Ltd have claimed it @ 45% which has been accepted by the Hon'ble Commission while analyzing Tariff.
12. That Developer M/s. Devi Energies Private Ltd. did not obtained prior approval for all cost related deviations i/c change of components, etc and cost overrun incurred in the


project from the Government of Arunachal Pradesh. As such, the petitioner do not agree with points 1,2,3,4 & 3.3.1 at page 21 of Tariff order and consider it against the clause no.4(vi) of TEC and has not followed the norms as stipulated in clause no.4(xx) of TEC.

13. That as per the Small Hydro Power Policy, 2007 of Govt. of Arunachal Pradesh (Gazette Notification Dated 7th February 2008), the State Government shall not be responsible in any manner for any losses arising out of force majeure situation such as earthquake, flood, fire, external invasion, civil commotion, landslide etc. and no claim on such accounts by the developers shall be entertained by the State Government. DoPAP being a Government Organization wholly owned by the State Government and any such cost overrun caused by the above mentioned force majeure situation should not be passed.
14. That the petitioner sells the power to its consumer at Rs. 4.00 Per KWH, and so purchasing of power @ Rs. 5.25 per unit in addition to transmission charge of Rs. 1.26 per KWH will overburden the petitioner with extra financial liabilities.
15. That the petitioner may initiate for termination of PPA entered with M/s Devi Energies Pvt. Ltd., if the tariff is not revised.

In view of the above, the petitioner, most respectfully, prays to the Hon'ble APERC as follows:

1. To admit this tariff review petition.
2. **To calculate the Annual Revenue Requirement(ARR) components like Interest on Loan, Return on Equity, O & M expenses, Interest on working capital, Depreciation etc. based on Techno Economic Cleared estimated capital cost (Rs. 18540.00 Lakhs) and by taking into account of all other relevant clauses of TEC.**
3. To grant any other relief as the Hon'ble APERC may consider fit & appropriate.
4. To pass **Revised Tariff Order** as the Hon'ble APERC may deem fit and appropriate under the circumstances of the case and in the interest of justice.

5. The petitioner craves leave of the Hon'ble APSERC to allow further submissions, additions and alterations to this petition as may necessary from time to time.



Er. Hage Mima
Superintending Engineer (E),
Petitioner

For Department of Power
Government of Arunachal Pradesh,
Itanagar.