

Issues in the matter of petition filed by National Transmission & Despatch Company Limited (NTDCL) for determination of Transfer/ Wheeling Charges pertaining to FY 2015-16 and FY 2016-17.

1. Framing of issues

1.1 For the purpose of hearing the following issues have been framed to be considered during the hearing and for presenting written as well as oral evidence and arguments:-

- i) Whether the following Authority's directions given in the tariff determination for FY 2014-15 are complied with?
 - a. To develop the mechanism in consultation with the K-Electric for supply of electricity in co-ordination with Ministry of Water & Power and submit the report for Authority's consideration.
 - b. To take necessary measures for improving recovery situation and take up this issue with the GOP in order to resolve the matter.
 - c. To evacuate renewable energy on priority basis from the power projects which are achieving COD in coming months in line with the Power Policy of the GOP.
 - d. To submit the status of NOC issued to renewable projects within one month of issuance of this determination
 - e. To provide the detailed power evacuation plan for the upcoming renewable power projects within one month of issuance of this determination.
 - f. To provide copy of agreement with K-Electric when it is finalized.
 - g. To file the next tariff petition of FY 2015-16 on the basis of calculation of MDI on coincidental basis.
 - h. To submit report regarding 500 kV HVDC Transmission Line for dispersal of 1000 MW power from Tanavir Iran within one month of issuance of this determination.
 - i. To carry out detailed inquiry of the tripping and submit the detailed reports along with the plan to cater for such incidents in future.
- ii) Whether the calculation of Wheeling charge for the FY 2015-16 based on Non-Coincidental basis is justified?

- iii) Whether the Cost related to CPPA-G has been excluded from the proposed revenue requirement for the FY 2015-16 and FY 2016-17?
- iv) What is the breakup of asset related to CPPA-G if any? Whether the same have been excluded from the Petitioner's books of accounts?
- v) Whether the Petitioner's requested General Establishment & Administration (GE&A) cost Rs. 5,934 million & Rs. 6,968 million for the FY 2015-16 and FY 2016-17, is justified?
- vi) Whether the request of petitioner for induction of 2,336 employees for the FY 2015-16 and FY 2016-17 is justified?
- vii) Whether the Petitioner has maintained a separate post-retirement benefit fund?
- viii) Whether the allowed level of losses target i.e. 3% needs to be reviewed?
- ix) Whether the allowed losses needs to be calculated as % of the total energy generated for the month including the energy for those power plants which are directly connected to XWDISCOs network or otherwise?
- x) Whether the proposed Repair & Maintenance expenditures for Rs. 822million & Rs. 1,008 million for the FY 2015-16 and FY 2016-17 is justified?
- xi) Whether the petitioner's projected insurance of Rs. 153 million & Rs. 159 million for the FY 2015-16 and FY 2016-17 is justified?
- xii) Whether the petitioner's projected depreciation of Rs. 5,099 million & Rs. 5,994 million for the FY 2015-16 and FY 2016-17 is justified?
- xiii) Whether the projected increase in financial charges of Rs. 3,443 million & Rs. 4,037 million for the FY 2015-16 and FY 2016-17 is justified?
- xiv) Whether the Petitioner's projected Return on Equity Rs. 23,171 million & Rs. 28,709 million for the FY 2015-16 and FY 2016-17 is justified?
- xv) Whether the requested WACC of 15.50% (70:30) based on ROE of 16.83% and Cost of Debt of 14.93% is justified?
- xvi) Whether the request of the petitioner to allow WACC on one hand and Financial charges on actual basis on other hand is justified?
- xvii) Whether the Petitioner's requested Prior Year Adjustments (PYA) is justified?

- xviii) Whether the Petitioner's projected Other Income of Rs. 1,465 million & Rs. 1,525 million for the FY 2015-16 and FY 2016-17 is reasonable?
- xix) Whether the proposed Average Monthly MDI MW/Month 19,095 for the FY 2015-16 on non-Coincidental Basis and Average Monthly MDI MW/Month 17,175 for the FY 2016-17 on Coincidental Basis by the petitioner is justified?
- xx) Whether the Petitioner's proposed Investment program of Rs. 42,364 million & Rs. 74,700 million for the FY 2015-16 and FY 2016-17 are justified, keeping in view the prospective benefits?
- xxi) Whether the detailed studies have been carried out to identify new projects? Whether an (n-1) criterion has been assured?
- xxii) What steps have been taken for preventing the transmission system breakdowns resulting in blackouts and tripping during the foggy weather?
- xxiii) What are the major bottlenecks in the transportation of power throughout the year, overloading position of transformers, transmission lines and substations and what steps have been taken or planned for addressing these issues? Include technical and financial details.
- xxiv) Provide the details of major incidents of brownouts and blackouts during the year, the reasons for such incidents and the steps for avoiding such incidents in the future.
- xxv) Provide the progress on metering systems at all the common delivery points.
- xxvi) What steps have been taken by NTDC for strengthening of its transmission system in case of implementation of additional AC lines with proposed induction of HVDC?
- xxvii) What steps have been taken by NTDC for power evacuation from upcoming Renewable Energy Projects? What is the maximum size of Renewable Projects at one location?
- xxviii) Whether the NTDC/NPCC staff is prepared for the operation of HVDC and HVAC integrated system?
- xxix) Whether the Planning Department of NTDC is capable of analyzing and carrying out studies of HVDC and HVAC transmission projects? Whether NTDC is capable of performing Transient Network Analysis?

- xxx) What is the status of transmission lines for evacuation of power of large hydro power projects? Details are required for all upcoming projects.
- xxxi) What is status of dispersal of projects for import of power, like 500 kV HVDC Transmission line for 1000 MW power from Tanavir, Iran?
- xxxii) Provide details of the agreement for supplying power to K-Electric.
- xxxiii) Provide the IGTDP plan. Whether the details of investment program of the ongoing and new projects and cost incurred on these projects claimed by the petitioner is justified?
- xxxiv) Any other issue that may come up during the hearing.
- xxxv) What are the Petitioner's concern regarding decision of the Authority in the matter of Ex-WAPDA pensioner as decided by the Authority in the tariff determination of XWDISCOs for the FY 2014-15?