



**Submission on RVPNL's Petition for
Determination of ARR & Tariff in Compliance
of APTEL Judgement in APL No. 815 of 2023**

Submitted to Rajasthan Electricity Regulatory Commission | November 2025

Table of Contents

1.	<i>Introduction</i>	1
2.	<i>Comments on the Petition</i>	1
	2.1. Accountability of Filing Incomplete ARR	1
	2.2. Prudent Consideration of Petition as per Hon’ble APTEL Judgement	2
	2.3. Non-compliance with Regulatory and Legal Frameworks	2
	2.4. Formats of the Documents	2
3.	<i>Submission on Time Over Run and Planning Deficiencies</i>	3
	3.1. Contract Price Variation: Case of Tata Projects Ltd.	4
4.	<i>Additional Comments and Suggestions</i>	5
	4.1. SLDC’s Institutional and Financial Dependence	5
	4.2. SLDC Performance Standards.....	5
	4.3. Disclosures of Data on Petitioner’s Website.....	5

1. Introduction

Rajasthan Vidyut Prasaran Nigam Limited (RVPNL) (*the Petitioner*) has filed a Petition before the Rajasthan Electricity Regulatory Commission (*the Commission*) for approval of 'Aggregate Revenue Requirement (ARR) and Tariff in compliance of APTEL Judgement dated 05.08.2025 in APL No. 815 of 2023 filed against Petition No. RERC/1979/2022 in the matter of True up of ARR for FY 2020-21 & ARR for FY 2022-23'.

In response to the Petition, Centre for Energy, Environment and People (*CEEP*) submits the following comments and suggestions in the interest of consumers and the power sector of Rajasthan. The Submissions are structured as follows:

1. Comments on the Petition
2. Submission on Time Overruns and Planning Deficiencies
3. Additional Comments on SLDC

We respectfully request the Commission to admit this Submission into the official record.

2. Comments on the Petition

2.1. Accountability of Filing Incomplete ARR

In their Petition, the Petitioner has stated that several transmission assets were commissioned from FY 2014-15 onwards, but the corresponding additions to Gross Fixed Assets (GFA) for some of these assets were not claimed before the Commission in the respective years of commissioning. As a result, the Petitioner failed to claim the tariff benefits associated with these transmission assets.

However, the Petitioner has neither provided any justification for this omission, nor has it identified or fixed any accountability for such failure. This constitutes a serious non-compliance with regulatory requirements, exposing the utility to the risk of mounting debt and financial mismanagement.

Furthermore, the collective filing of such previously unclaimed capitalisations in the ARR and Tariff Petition would unfairly burden consumers with additional tariff liabilities. In light of the above, we respectfully request the Commission to:

- Direct the Petitioner to identify responsible officers and/or authorities accountable for this lapse and submit a detailed accountability report to the Commission within two months;
- Specify corrective and disciplinary actions taken by the Petitioner against the concerned officials to ensure future compliance;
- Mandate the Petitioner to inform consumers through a public notice in leading newspapers and publish the accountability report on its official website, in the interest of transparency and public awareness; and
- Ensure that consumers are not subjected to any tariff shock arising from Petitioner's failure to comply with regulatory procedures laid down in the applicable Tariff Regulations.

2.2. Prudent Consideration of Petition as per Hon'ble APTEL's Judgement

The Petitioner has repeatedly relied on Hon'ble APTEL's Order to argue that capitalisation should not be denied merely because claims were filed piecemeal. However, the APTEL expressly remanded the matter for the Commission's prudence check.

It is therefore submitted that Hon'ble APTEL's remand of the matter does not mean automatic allowance of the Petition. As noted by in APTEL's Order, the Commission must perform a strict prudence check in considering this Petition. The Petition must therefore be allowed relief only on an evidentiary/prudence basis and not as an entitlement merely because it has been remanded by the APTEL. It is therefore requested to direct RVPN to produce item-wise, asset-wise evidence and make allowance conditional strictly on satisfying the prudence.

2.3. Non-compliance with Regulatory and Legal Frameworks

RERC (Terms & Conditions for Determination of Tariff) Regulations, 2014 & 2019 clearly define the *Cut-off Date*. Accordingly, the capitalisation could be made within the *cut-off date* of the commercial operation of the project.

As per the RERC (Terms and Conditions for Determination of Tariff) Regulations, 2014, the term "*cut-off date*" is defined as follows:

"Cut-off date' means 31st March of the year closing after 365 days from the date of commercial operation of the project, and in case the project is declared under commercial operation in the last quarter of a year, the cut-off date shall be 31st March of the year closing after 730 days from the date of commercial operation:

Provided that the cut-off date may be extended by the Commission if it is proved, on the basis of documentary evidence, that the capitalisation could not be made within the cut-off date for reasons beyond the control of the project developer."

Subsequently, as per the RERC (Terms and Conditions for Determination of Tariff) Regulations, 2019, the definition of "*cut-off date*" has been revised as follows:

"Cut-off date' means the last day of the calendar month after three years from the date of commercial operation of the project."

The Petitioner has grossly failed to adhere to the provisions cited above and has materially admitted of deficient asset accounting. In the pleadings, APTEL has characterised the situation as a "sorry state of affairs in maintenance of a proper system to account for the transmission assets". This should be treated as a clear governance failure that warrants corrective action and appropriate sanctions. Allowing such lapses to go unaddressed risks setting a damaging precedent for the sector, sending a message that this approach is acceptable, and undermines accountability and regulatory integrity.

As such the Commission must take note of this explicit violation of the tariff regulations by the Petitioners, and consider this application keeping in mind the precedence it sets for future litigation.

2.4. Formats of the Documents

The Petitioner has submitted the Petition in a scanned image format, rendering the document partially illegible and unreadable. For instance, Annexure-7, Appendix-1, which pertains to assets

Specifically, Annexure-8(a) of the Petition refers to the Hon'ble High Court of Rajasthan, Jodhpur Bench's decision in Petitioner's *suo motu* case. In this matter, the Petitioner had proposed to lay a 400 kV electricity transmission line through an area known to be a habitat for migratory birds. The Hon'ble Court disallowed the proposal, citing environmental and ecological concerns. It is pertinent to note that the matter remained *sub-judice* for approximately 11 months, primarily due to the Petitioner's poor planning and failure to obtain prior approvals from the concerned departments before undertaking such work.

Similarly, Page 53 of the Petition (*Proforma for Time Extension*) indicates that the "Construction of 400 kV D/C Twin ACSR Transmission Line from 400/220 kV Pooling Sub-Station (Bhadla) to LILO Point at 400 kV S/C Jodhpur-Merta Line (ICB-6)" was delayed by 178 days as of 30.06.2018, attributable solely to the Petitioner (RVPN) by the Contractor.

Also, from the documents, it can be observed M/s Tata Projects Limited, repeatedly informed the Petitioner through multiple correspondences regarding project delays caused due to factors fully attributable to the Petitioner. These included shifting of transmission lines, Right of Way (RoW) constraints, non-availability of timely shutdowns, and incorrect phase synchronisation. In several communications, the M/s Tata Projects also sought additional compensation to recover manpower and operational costs arising from the prolonged delays.

Similarly, the Supply and Service Contract for the work of survey, erection, testing, and commissioning of the "400 kV D/C Twin ACSR Transmission Line from 400/220 kV Pooling Sub-Station (Bhadla) to LILO Point at 400 kV S/C Jodhpur-Merta Line" was awarded to M/s Tata Projects Limited on 02.02.2015. As per the contract terms, the work was required to be completed within 548 days (one and half years) from the date of award. However, the Taking Over Certificate was issued to the contractor on 04.01.2019, indicating a significant delay in completion of the project beyond the stipulated schedule (see Page 139 of the Petition).

In light of the above, we respectfully request the Commission to conduct a prudence check of each document submitted by the Petitioner and to disallow the costs arising from the inefficient planning, delay, and execution of the project.

3.1. Contract Price Variation: Case of Tata Projects Ltd.

In this particular case of M/s Tata Projects Ltd. it is observed that the line length of the transmission line was increased from 160 km to 199.207 km, resulting in a substantial escalation of the contract price by Rs. 17,29,41,235 + USD 190,167, and subsequently, a revised cost of Rs. 127,03,15,345 + USD 726,662, as reflected in Pages 123-125 of the Petition. However, the Petitioner has not furnished the requisite supporting documents justifying these cost revisions, including the break-up of the revised Bill of Quantities (BoQ), invoices submitted by the M/s Tata Projects, and the copy of the Agreement with M/s Tata Projects Limited, along with the Terms of Reference (ToR).

In view of the above, we respectfully request the Hon'ble Commission to direct the Petitioner to submit all relevant supporting documents, including the revised BoQ details, contractor invoices submission to the Petitioner, and copies of the Agreement for verification of each project in which additional capitalisation has been sought.

4. Additional Comments and Suggestions

The initial Petition was filed for determination of ARR, Tariff of RVPN as well as determination of SLDC Charges. In this backdrop, few additional comments on the operations and functioning of SLDC are submitted in this Section.

4.1. SLDC's Institutional and Financial Dependence

It is submitted that the State Load Despatch Centre (SLDC) in Rajasthan continues to suffer from institutional and financial dependence on the Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPN), which undermines its autonomy and operational efficiency. Despite the mandate under the Electricity Act, 2003, which requires SLDCs to function as independent statutory entities, the Rajasthan SLDC still operates as a department within RVPN. Its budgets, staffing, and procurement processes are routed through RVPN, resulting in slow decision making and potential conflicts of interest, given that RVPN serves both as the transmission licensee and the system operator.

To address these institutional shortcomings, it is essential to establish a fully ring fenced "Rajasthan SLDC", modelled on POSOCO, with independent accounts, budgets, and a governing board. The SLDC's accounts and balance sheet should be separated from those of RVPN to ensure transparency in cost recovery through SLDC charges.

4.2. SLDC Performance Standards

The Hon'ble Commission should also notify comprehensive SLDC Performance Standards, aligned with the Central Electricity Regulatory Commission's "Regulation of Power System Operation, 2017," and include measurable key performance indicators such as forecasting accuracy, real-time data availability, deviation settlement mechanism (DSM) deviation index, restoration time after contingencies, and curtailment minimisation.

To ensure accountability and continuous improvement, a performance-linked incentive and disincentive framework should be introduced, wherein a portion of the SLDC's annual budget is contingent on achieving these performance benchmarks. Further, to promote transparency and operational responsiveness, the SLDC should institutionalise consultations with various Stakeholders in the State Grid including Discoms, Gencos, RE developers, large industrial consumers and academic institutions to discuss operational challenges and gather feedback on scheduling and forecasting practices. The proceedings of these meetings, along with follow-up action reports, should be published on the SLDC's website to enhance stakeholder confidence and public accountability.

4.3. Disclosures of Data on Petitioner's Website

It has been observed that the Petitioner's State Load Dispatch Centre (SLDC) website hosts crucial operational and system data in poor-quality scanned image formats (see *Figure 2*). Such scanned and non-searchable formats significantly hinder transparency, accessibility, and analytical assessment by stakeholders and the general public. We request the Commission to direct the petitioner to upload the data on their website in machine readable and excel sheets wherever required.

Figure 2 Final account of drawl and losses data for April 24

OFFICE OF THE SUPERVISING ENGINEER (ENERGY ACCOUNTING)
 8, W. P. N. SINGH BUILDING, HERAPURIA

MONTHLY ACCOUNT OF GENERATING STATIONS AND DRAWALS FOR THE MONTH OF April 24

No.	Name of Power Station	Kwh Generated	Percentage of Capacity (%)			Percentage of Demand (%)		
			Actual	Normal	Idle/Spill	Actual	Normal	Idle/Spill
1	Hydroelectric Central Station at per	1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
2	Coal Power Station (S)	1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
3	Water Pump Station	1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
4	Other	1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
Total		1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
Energy received from other sources of Central Station		1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
Transmission Losses		1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
Final Delivered to Consumers		1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
Other		1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00
Total		1,786,748.00	27.82%	24.82%	23.82%	1,786,748.00	1,786,748.00	1,786,748.00

Handwritten signature and date