## Compliance Of Directions Imparted in the MYT order for Second Control period

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<th>Sr.No.</th>
<th>Direction</th>
<th>Grouping as per 2nd APR of first Control Period</th>
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<th>Direction imparted in Second control period MYT</th>
<th>Updated Status</th>
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<td><strong>Direction of Tariff Order FY 2001-02</strong></td>
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<td>1.</td>
<td>7.3 (c) Public Interaction Programme (Direction Nos. 7.11 and 7.12)</td>
<td><strong>Consumer Service</strong></td>
<td>Develop and implement a comprehensive public interaction program through Consultative Committees, preparation, publication and advertisement of material helpful to various consumer interest groups and general public on various activities of the Utility, dispute settlement mechanism, accidents, rights and obligation of the consumers etc.</td>
<td>HPSEB Ltd still to provide sufficient Compliance of Direction</td>
<td>The Hon’ble Commission has approved the Public interaction Programme for the Financial year 2011-12 amounting to Rs 51,84814/- only. In this programme, ten activities such as Advertisement in News papers and souvenirs, Communication programme, Energy Clubs, In house training for attitudinal change in the field staff, Saujanya Counters and urja sanchar vahan, jan sampark gram sabha meeting etc are included. The HPSEB Ltd is implementing this programme and progress upto Dec,2011 in this behalf has been submitted to Hon’ble Commission.</td>
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<td><strong>Direction of Tariff Order FY 2004-05</strong></td>
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<td>2.</td>
<td>7.4 (h) Material Management</td>
<td><strong>Distribution</strong></td>
<td>In order to enhance the employee productivity on capital works, the Board</td>
<td>HPSEB Ltd to submit evidence of</td>
<td>Material management is a part of the function to be covered under the process of implementation of ERP package under ADB funding</td>
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may consider ordering the packages of all materials required for the project in a judicious mix of “with and without” labour component. This shall ensure coordinated supply of materials. (9.4.15.1)

The Commission would advise the Board that the minimum order quantities for the next financial year should be ordered without waiting for the requirement of materials from the field units to ensure the deliveries commencing from the April 1, 2005. TH quantities to be ordered should be so phased as to ensure regular flow of materials throughout the year to keep the employees gainfully employed throughout the year and ensure high inventory turn over ratio. The calendar of actions such as approvals, tendering, purchase order, delivery schedule and implementation of ERP Package

Under the ERP project, the following functions of the Board would be fully automated:
- a) Financial Management and Accounting
- b) Human Resource Management (HRM) including payroll
- c) Project Management
- d) Materials Management
- e) Maintenance Management
- f) Availability Based Tariff, and

Award of Contract:
1. Award has been issued to M/s TCS on dated 21.04.2010.
2. The Contract Agreement between HPSEBL and M/s TCS has been signed on 17.06.2010.

Latest Status and Completion Schedule:
1. The project is expected to be completed within 106 weeks (2 Years) from the date of signing of the contract.
2. The Steering Committee and Core Team has been constituted by the Board to review the progress/to interact with M/s TCS respectively.
3. The Tenders for ERP hardware has been opened and process to award is in progress.
4. The targeted completion for Pilot Project and Rollover of ERP Package shall be 31.03.2012 and 31.12.2012 respectively.
5. As-is-Process and To-Be-Process are over and at present realization is under way which
payments etc. must therefore, be aligned to ensure the above. The benchmark prices and rate contracts should be put in position for decentralized purchases, which should not exceed 15% of the total capital budget. Any materials ordered in excess of the requirement and lying unused for six months should be automatically recoverable from the person ordering such materials. (9.4.15.2).

An Inspection Manual should be developed and the standard purchase order should be modified and updated to make the same legally sound, tenable, equitable, fair and just.

is likely to be completed by January 2012.

**Expected benefits:**

1. All the balance functions of HPSEB will be fully automated
2. Better information for decision-taking people
3. Less routine work. More possibilities to find optimized solutions
4. More overall discipline due to the rigor of the integrated system
5. Coherent decisions due to coherent specific information in departments
6. Advanced cost / benefits analysis
### 7.4(i) Metering, Billing and Collection Efficiency (Direction No. 9.4.16)

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<td><strong>Distribution</strong></td>
<td>The Commission suggests to the Board to make efforts to find a sponsor for a pilot/demonstration project for pre-paid metering as well as bill payment machine by November 15, 2004. The Commission further directs the Board to improve its collection efficiency from the current 92% to at least 99% during FY 2004-05.</td>
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| **Implementation of computerized billing and accounting package and its roll over to other parts of the state is in progress.** | The up to date status report on Computerized Billing and Energy Accounting Package (IT Package) is as under:-  
**Scope of the Contract:**  
The brief scope of IT package implementation in HPSEB has been divided in three parts. **Part-1:** Pilot implementation in 10 Sub-Divisions, two divisions under Shimla operation Circle & at Data Center in Kumar House along with setting up 12 seater call center and cash collection/customer service center infrastructure at Shimla. **Part-2:** Rollover Implementation in 122 Sub-Divisions, 22 Divisions under remaining 11 operation Circles of HPSEB Ltd. **Part-3:** Annual maintenance contract (AMC) for three years.  
**Award of Contract and subsequent amendments:**  
The award was placed on M/S HCL Infosystems Noida on 27/06/2006 for an amount of Rs 23,38,76,700/- and subsequently revised to Rs 30,50,70,851/- based on implementation of Pilot.  
**Latest Status and Completion Schedule:**  
**Physical Progress:**  
**Part-1**  
a) A pilot project under Part-1 of the Contract has been completed in operation circle Shimla for about 94000 Nos Centralized data center and call center has also been established at Vidyut Bhawan, Shimla which is fully functional.  
**Part-2**  
a) The rollover project under Part-2 of the Contract covering remaining 11 circles, 24 Divisions and 122 Sub-Divisions covering... |
more than 10 lakh consumers is under implementation. The hardware has already reached at all locations and has been installed. The connectivity has been made available in the last one month at 18 locations. The project is expected to be completed by 31st March 2012.

**Future Plan:**
The project will be rolled out in 61 Sub Divisions not covered under IT package. Hardware for which has already been included in the Bid floated for ERP hardware.

**Expected Benefits under this Project:**
1. **To Consumers**
   a) Effective Redressal of complaints
   b) Quick resolution of Billing and supply related complaints. Improvement in Response & Resolution time for complaints
   c) Improvement in quality of supply through better planning, optimization and analysis of the Distribution Network
   d) Bring transparency in work and ready status available for consumers at website for new connection/ disconnection/ load reduction/ load increase/ name & Category change, file movement etc.
   e) Anywhere payment either at web portal of HPSEB through payment gateway with multiple options or at any sub-division irrespective of area of control
   f) Easy payment option through payment kiosks, integration with Sugam and
2. **To HPSEB**
   a) Identification of high theft areas
   b) Network optimization and identification of network augmentation needs
   c) Technical & financial feasibility for any system augmentation before actual implementation in field
   d) New system studies like for (High Voltage Distribution System) HVDS can be carried out
   e) Improvement in revenue realization
   f) Identification of defaulter consumers
   g) Easy study of consumption pattern of consumers
   h) Easy status availability in respect of dead stock material with sub-divisions
   i) Connection, disconnection, pending applications status
   j) Daily/ monthly/ annual monitoring of performance and work at sub-division level
   k) Hassle free MIS generation at any level
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<th>4.</th>
<th>7.5 (g) Replacement of defective/dead stop meters (direction No.10.5.10)</th>
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<td>10.5.7 The Board plans to replace all dead/stopped/defective meters as on March 31, 2005 by the end of December 2005. The Commission is not satisfied with such long time frame in this regard and directs the Board to replace all defective/dead/stopped meters as on 31-3-2005 within three months of the date of issue of this Order.</td>
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<td>HPSEB Ltd still to submit the proposal of replacement of meters to the Commission. However in order to prevent revenue loss to the board due to dead stop meters, all meters to be purchased in the future should be electronic meters with provision to retrieve the final reading even when the meter becomes Dead stop.</td>
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| The HPSEB Ltd had already procured 52,500 meters vide order dated 8/6/2010 and also placed order for 1,57,000 meters vide order dated 3-8-2010. These meters will be expected to be supplied during Jan,2011. These meters will be utilized for giving new connections as well as for replacement of Dead stop meters. Further, the board has replaced 47034 nos dead stop/defective meters in all the three wings of the board w.e.f. 1-4-2011 to 30-9-2011. There are still 55803 nos meters yet to be replaced by the board, out of which 44903 nos meters are added during the period 1-4-11 to 30-09-11.

The HPSEB Ltd had already completed a pilot project for replacement of electro magnetic meters with the electronic meters for one sub division each of Shimla, Dharamshala & Mandi Towns and the results are quite encouraging in respect of the energy consumption and revenue collected thereof.

In view of the above, HPSEB Ltd has decided to replace the balance electromagnetic meters with the electronic meters in a phased manner over a period of three years. The financial implication for procurement of meters along with the meter boxes, 5% spare quantity and procurement of two automatic test benches will be Rs 126 cr. And against this scheme a purchase order for procurement of 2,73,000 meters have been ordered on 2-12-2011.

The copy of the scheme is being submitted separately to the Hon’ble Commission.
| Direction of Tariff Order FY 2006-07 | 7.5 (j) Unmanning of sub-stations (Direction No. 10.5.13) | 10.5.13 Despite the Commission’s suggestion in the last Tariff Order for phased programme of converting all the existing manned sub-stations into un-manned sub-stations regardless of the voltage level and not to have any new manned sub-stations in future, new substations planned by the Board have been proposed in manned mode. The Commission directs that all new sub-stations planned by the Board shall be in the un-manned mode. The Board is further directed to comply with the time bound plan for converting all the existing manned substations into un-manned sub-stations. All future sub stations shall be in unmanned mode. | HPSEB Ltd is still to submit the proposal to HPERC | While giving feedback regarding the functioning of the unmanned sub-stations, need is being felt at the field level to check the day to day functioning of these sub stations, for which the recruitment of at least one person per shift at each sub-station is being foreseen. The HPSEB Ltd is exploring the possibility of a single control room duly manned, to monitor and control a group of such unmanned substation, located in a contiguous geographical/administrative areas. |
|   | Transmission Network in the state | Transmission network in the State: The Commission understands that the transmission network in the State needs to be strengthened to meet the growing power needs as well as to facilitate open access. Therefore the Board may explore Multi-lateral funding for strengthening the transmission system matching with the transmission network proposed as per the Transmission planning report | HPSEB Ltd is to submit the status/progress report on implementation of transmission /EHV works approved under Business plan of First Control period | Though the building up of robust transmission network in the state particularly from evacuation of power point of view, has been entrusted to the HPPTCL and the STV/HPPTCL is already exploring the possibility of multilateral funding through ADB. For the remaining requirement of load distribution at EHV level HPSEB Ltd. has already proposed a CAPEX PLAN to Hon’ble commission where in a provision for Rs 2345/-crores for the MYT period has been considered |
|---|---|---|---|
| 7 | Reduction of Commercial Losses | Theft of energy contributes substantially to the increase of T&D losses as well as loss of revenue. However, the Board has realized a meagre sum of Rs. 2.50 lacs during FY 05-06 on account of surprise checks of consumer’s installation by its flying squad units. There seems to be a extremely depleted role | After the clarificatory note penal powers under various section such as 126,135 etc of the electricity Act 2003, to the Flying squad units, the requisite checking is now being done regularly by FSU Units and Field units. This has resulted in to substantial increase in assessed as well as realized amount on a/c of unauthorized/ dishonest use of electricity. The yearly progress for FY 2010-11 and FY 2011-12 upto |
being played by the field units and Board’s Head Office flying squad in detecting unauthorized/dishonest use of electricity. The Commission, therefore, directs the Board to strengthen its existing flying squad units to play a larger role in area of surprise inspection of consumer’s installations. There is also additional need to monitor effectively at circle and Head quarter level, the monthly energy consumption of all consumers with connected load 50 KW and above and to identify and investigate cases of all such consumers with high-connected load and low consumption and also where significant variation in consumption is observed vis-à-vis previous consumption figures or that of other similar type of consumers. The Board shall submit quarterly report of the progress made in this direction “that the Flying Squad Units of HPSEBL be strengthened by delegating independent penal powers in respect of offences specified under Sections 135, 136, 137, 138, 139, 140 and 141 of The electricity Act, 2003 to these Flying Squads”. This will do away with the reliance of the flying Squad Units on the Field Offices for conducting raid operations.

(i) For the year FY 2010-11………

1. No of connections checked 3645 nos
2. Theft Cases 23 nos
3. Amount charged Rs 5,27,06,671/-
4. Amount realized Rs 1,55,64,090

For the year 2011-12 (up to Jan,2012)

1. No of connections checked 2195 nos
2. Theft Cases 16 nos
3. Amount charged Rs 1,42,40,939
4. Amount realized Rs 1,13,98,453
Direction. In this context the Board could draw from similar successful anti-theft measures introduced in West Bengal and Andhra Pradesh.

Board is also directed to fix tenure of posting of staff and officers in revenue sensitive areas and at least 50% of the officers and staff deployed in such areas, who have completed three years, as on 30/6/2006, be transferred out.

### Direction of Tariff Order FY 2009-10

8 Implementatio
on of automatic
meter reading

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<th>Distribution</th>
<th>Compliance to be shown by HPSEB Ltd</th>
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<td>1.1 The Commission has decided to encourage automatic meter reading or AMR as a step in the direction of creating Advanced Metering Infrastructure (AMI) in the state. In this regard, the Commission had asked the Board to submit a detailed proposal with respect to implementing the AMR in the Compliance to be shown by HPSEB Ltd</td>
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Under Part-A of R-APDRP launched by Ministry of Power, 14 towns namely (Shimla, Solan, Nahan, Paonta, Baddi, Bilaspur, Mandi, Sundernagar, Chamba, Dharamshala, Hamirpur, Kullu, Una and Yol) have been found eligible (as per Census 2001 for special category state) for funding as per DPRs submitted to PFC.

- Ministry of Power (MoP) has sanctioned Rs. 96.40 Cr. against DPRs of 14 eligible towns under Part-A of R-APDRP Project for Himachal in August, 2010. The total project cost for Part-A
state, considering the fact that a pilot project was already under implementation successfully under Operation Circle, Solan covering 460 large industrial consumers.

1.2 Based on the proposal submitted by the Board, the Commission has made a provision of Rs.6.91 Cr in the ARR for this purpose, which would be tried up on annual basis. The Commission hereby directs the Board to implement AMR as per the timelines given below:

(a) Implement the AMR for all large industrial power supply consumers by 31.03.2010 in the first phase.

(b) Implement the AMR for all SMS consumers having connected load above 50 KW by 31.03.2011 in the second phase.

1.3 The Board has also mentioned that it proposes to undertake AMR project under the R-APDRP scheme.

under R-APDRP is Rs. 128.27 Cr.

AMR project comes under the R-APDRP scheme. The progress in this regard is as under:-

As per the DPR submitted by the 14 towns under R-APDRP (part A) scheme and thereof the requirement submitted by Nodal Officers/Sr Executive Engineers of the above towns, total 463 nos of meters (11 K.V. and above) are to be installed and replaced. The above meters have the AMR (Automatic Meter Reading) facility using which the data will be transmitted using the GRPS modems to the Data Centre located at the Vidyut Bhavan Complex Shimla.

The installation of meters are in progress and 100 meters have already been installed. The rest of the meters are expected to be installed up to 29-2-2012. These meters are mainly being installed at Poanta and Baddi Town.

Further, it is submitted that a pilot project had already implemented successfully under Operation Circle, Solan covering 460 large industrial consumers.
launched by MoP, GOI, which covers major towns in the State. The provision in the ARR would be in addition to whatever funding the Board may obtain under the R-APDRP.

1.4 The Commission also directs the Board to renegotiate or invite tenders from the GSM communication providers, within the State, to minimize the communication costs, considering the economies of scale such bulk connections would provide.

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<tr>
<td>1.</td>
<td>Unbundled Costs</td>
<td>Finance</td>
<td>Direction in Tariff order for 2001-02 Build a credible and accurate database with</td>
<td>Board now stands as an unbundled entity by the</td>
<td>The board is in the process of the implementation of the Enterprise Resource Planning (ERP) package covering Financial Accounting, Human Resources Management, Project Management, Maintenance</td>
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(Direction on Unbundled Costs of Tariff Order FY 2001-02 clubbed with similar Direction of Tariff Order FY 2007-08)

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<tr>
<th>Unbundled costs and expenditure between the three businesses of generation, transmission and distribution as well between the various customer classes to enable the stakeholders to focus on these costs and expenses and have rational basis for the determination of tariffs under performance based regime with some regulatory certainty.</th>
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<tr>
<td>Direction in tariff order for 2007-08</td>
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<td>The Commission has been directing the Board to segregate its costs various functions of Generation, Transmission and Distribution. The exercise has been conducted and reported by the Board but without adequate background work and a transparent and consistent methodology. In light of the above, there is a requirement to update the existing Accounts Manual incorporating the new statutory and regulatory requirements, new accounting procedures and develop separate Accounts Manuals. The broad scope of work is as follows:</td>
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- **Name of HPSEBL**
- HPSEBL has informed that it is in the process of finalizing the balance Sheet and is in the process of implementing the MIS/ERP/Billing Packages. HPSEBL has not submitted the compliance with respect to amendments to the existing Manuals and other activities as required in the Direction including trainings. Compliance to be Reported.

Management and Availability based Tariff (ABT) and has appointed a Consultant for Bid Process Management and Project Implementation Monitoring for this project. The ERP package would be implemented in the next two years. The HPSEB Ltd has recently engaged C.A.’s and the accounting manuals would be updated by them. The progress in this respect will be intimated to Hon’ble Commission.
follows:

(a) Study the existing accounting system, identify process weaknesses and suggest improvements to meet various statutory and regulatory requirements. The existing accounting systems needs to be studied to understand the flow of information and documents for the various transactions. The study should include studying applicable statutes, internal control procedures w.r.t. financial reconciliations, billing and collection, requirements of financial management information systems (MIS) and training of officers.

(b) Develop detailed Accounting Manuals and modifications to the Chart of Accounts (CoA). Activities like (i) Cash and Bank — Treasury Functioning. (ii) Employees Cost related jobs (iii) Purchase and sale of power (iv) Material/Stock (v) Consolidation of Accounts and Budget (vi) Costing (vii) Financial MIS
|   | **Manpower Planning & Change in R&P Rules**  
|   | (Direction on Manpower Planning of Tariff Order FY 2006-07 clubbed with Direction on Change in R&P Rules FY 2006-07) |
|   | a) The database should be utilised to understand the retirement pattern and its resultant implications in terms of costs like Terminal Benefits – department wise should be submitted annually. |
|   | Conduct of a Benchmarking study comparing manpower costs and norms across similar states/utilities vis-à-vis HPSEB. |
|   | e. Detailed action plan for Compliance still to be done on submission of Report on staffing norms by HPSEBL. HPSEBL is now a restructured entity with Distribution function. Fresh perspective in view of functional requirement, efficiency and cost effectiveness is |
|   | The R&P rules/regulations of various engineering, field technical and accounts cadres have been modified by amending the eligibility criteria for appointment/promotion by upgrading the educational as well as technical qualification criteria for appointment. |
|   | With the depleting field Technical manpower the out sourcing through deployment of skilled gangs/contracts already provided Similarly the billing out sourcing through Franchisee and other wise also as per the requirement and scheme provision being taken up. |
| 3. | IT Initiative  
(Direction on Data base management & Management Information System of Tariff Order FY 2007-08 now clubbed with Direction on E-governance of Tariff Order FY 2004-05 and Direction on Decision Making) | addressing shortfall or surpluses of staff. It should include best practices report of redeployment, outsourcing and manpower rationalization practices prevalent in the industry needed and serious exercise on the Directions imparted is required to be undertaken. Compliance be reported within six months, (before the First Annual Performance Review of the Second MYT Control Period). |

3.4 In spite of the regulatory regime being in place for more than six years in the state of Himachal, the quality of data provided by the Board remains an issue. For handling voluminous data across circles/divisions on a month to month basis it is essential to have an IT based system for storing and retrieving data as and when required. In view of the above, Commission directs the Board to

3.4a. Develop a standardised computerized database to handle all performance data

Due to similarity of nature, the Direction on Data base management & Management Information system (Direction of FY 2007-08) is now clubbed with:

a) E-governance (Direction of FY 2004-05) and b) Decision Making Process (Direction of FY 2006-07)

All of the above Direction shall now be read as

Under I.T. Initiative HPSEB Ltd has taken up the following I.T. proposals

A. Computerized Billing and Energy Accounting Package (IT Package).

B. Restructured Accelerated Power Development and Reform Program (R-APDRP)- Part ‘A’

C. Implementation of an Enterprise Resource Planning System in HPSEB Ltd.

D. Other Miscellaneous IT Initiatives

   a) Data Center and Disaster Recovery (DR) Centre under R-APDRP, Part-
| Process of Tariff Order FY 2006-07 | related to its operations.  
B Develop standardised information requirement formats for capturing data across consumer categories and across circles/divisions for the purpose of monitoring and review. Ensuring that multiplicity of information and sources do not exist in the system.  
\(c\) Generate MIS, which will enable it to provide consistent and detailed information for actionable decisions.  
d) Submit a report on standardised formats developed and procedures put in place to collect and process the data, by 30 June 2007.  
Direction on e-governance  
Direction on Decision making process  
The Commission is of the opinion that the decision making lacks the focus needed to address the multiple problems facing the  
| 'A'.  
b) Mater Data Acquisition System (MDAS) expansion to cover all HT consumers/feeders/DTRs outside R-APDRP, Part-‘A’ scope.  
c) HPSEBL’s Website and Payment Gateway.  
d) Sugam and LokmitraKendras.  
e) e-Tendering  
f) SMS Gateway |
There is an urgent need to modify structures and systems to accelerate the process of decision-making which may require change of rules of business of Board, decentralization of administrative and financial powers, streamlining the procedures and adoption of advanced Management Information Systems. The present system highly diffused and not geared towards modern management and hence that accountability is the first victim. There is also a need to identify Key Result Areas, assign targets and then monitor the same rigorously using Key performance indicators for achieving the planned objectives within given timelines and budgets. The Board will submit a plan of action in this regard within 3 months including putting in place consultants to undertake Time – Work studies of systems currently in place in the Board head quarters and field offices.

| 4. Voltage-wise Distribution | Direction of Tariff |  |
Valuation of Assets Direction on Valuation of Assets of Tariff Order FY 2004-05 now clubbed with Direction on Break-up of voltage-wise assets in Distribution Network of Tariff Order FY 2008-09)

The licensee shall get the physical verification of the assets carried out together with the revenue potential, fair value and the depreciated value of such assets through an independent agency. The licensee shall ensure appropriate & expert counter-pairing with the independent agency in successful completion of the above task.

Due to similarity of nature, the Direction on Valuation of Assets (Direction of FY 2004-05) is now clubbed with Break-up of voltage-wise assets in Distribution Network (Direction of FY 2008-09). (Please Note that the words “losses and” in the Directions of FY 2008-09 now stand deleted).

The up to date details/progress of the GIS/GPS Based asset Mapping including Consumer Indexing and Valuation of Assets of HPSEB Ltd, preparation of FARs of HPSEB Ltd called GIS Package, is as under:-

Scope of Contract

A) Physical mapping of all Assets of HPSEB geographically.

B) Consumer indexing with collection of all attributes.

C) Preparation of fixed Assets Register (FARs) separately for Generation, Transmission and Distribution wings of Board after proper reconciliation with latest accounts.

D) Evaluation of the Assets based on accounting standards and procedure.

E) Asset Management in respect of all the assets mapped.

F) Integrating/updating of all information of Assets, consumer indexing and valuation on GIS software at data center for use at different level.

Award of Contract

Part -1

1. The award was placed on M/S Tata Consultancy Services for Part-1, pilot project on 16/01/2007 for an amount of Rs. 3,93,64,066/- for Assets under
the geographical boundaries of Shimla Operation Circle as on March 2008.

Part-2
1. The award for Assets within the geographical boundaries of Solan, Nahan, Rampur and Rohru operation circles under Part-2, rollover has been given to M/S TCS for an amount of Rs. 5,82,49,145/- on 27/2/2009.
2. The award for Assets within the geographical boundaries of Mandi, Kullu, Bilaspur and Hamirpur operation circles under Part-2, rollover has been given to M/s Infotech for an amount of Rs. 4,72,57,727/- on 27/2/2009.
3. The award for Assets within the geographical boundaries of Kangra, Una and Dalhousie operation circles under Part-2, rollover has been given to M/S Rolta for an amount of Rs. 4,76,56,847/- on 21/02/2009.

Latest Status and Completion Schedule
Part-1
Pilot project has since been completed except for final report on assets valuation.
Part-2
The rollover phase of GIS/GPS package is in progress and is expected to be completed by May, 2012. Till date survey of six circles has been completed and the remaining is under progress. The valuation of assets would also be finalized in all circles by March 2012.

Expected Benefits
1. At present the Board is not in a position to ascertain the total asset as a whole. With implementation of this package, wing wise existing assets as well as their worth shall be available instantaneously.
2. Consolidated assets information through MIS.
| Tariff Order FY 2010-11 (End APR) | Keeping in view the growing focus on smart grids at both national and international level and the numerous potential benefits flowing out of it, the Commission feels that the process with respect to smart grids in the State should kick-start now. The Board, therefore, is directed to initiate steps for development of smart grid vision for the state of HP after exploring the possibilities of its deployment; assessment of | Direction is continued | A smart grid from the prospective of distribution utilities is an aggregate of online management of distribution system (such as SCADA and DMS), Automated Metering Infrastructure (AMI) having features like AMR, communication of load survey data, instantaneous parameters and event data from the meter to head end system, a demand resource facility to disconnect load on deviation pre-defined variable load setting and consumer energy management system. The Implementation of these technologies under the Restructured Accelerated Power Development and Reform programme (part-A) has gathered pace. The I.T. backbone being set up under the R-APDRP presents a major opportunity to initiate smart grid projects in power distribution. To begin with pilot projects will be implemented to gauge the potential and and impact of smart grid |
| 2. Setting up ALDC | Setting up ALDC  
The Commission, keeping in view the Ministry of Power, GOI recommendation, in its last tariff order, had issued directions for ring fencing the SLDC. The SLDC at present, in the unbundled set up, has been performing interalia the task of scheduling of power, coordinating with NRLDC, regulating the drawings by the distribution technologies  
In H.P., under Part-A of R-APDRP launched by Ministry of Power, 14 towns have been found eligible (as per Census 2001 for special category state) for funding as per DPRs submitted to PFC. Ministry of Power (MoP) has sanctioned Rs. 96.40 Cr. against DPRs of 14 eligible towns under Part-A of R-APDRP Project for Himachal in August, 2010. The total project cost for Part-A under R-APDRP is Rs. 128.27 Cr. The concept of smart grid has been included in the above mentioned scheme. The Kala amb town has been selected as pilot project for implementation of smart grid and after the completion of the Kala amb pilot project, the smart grid concept be implemented in these towns of H.P. including more towns likely to be covered under amended R-APDRP | Direction is continued  
The details are attached as Annexure -A |
utility and imposing restrictions on various feeders, as and when necessary. With the imminent unbundling of the Board, the successor distribution company needs to set up on priority Area Load dispatch Centre(s) (ALDC(s)) to co-ordinate with the SLDC and undertake the related functions falling under the purview of the distribution utility. The distribution licensee is directed to submit a comprehensive plan in respect of establishment of ALDC(s), within four months.