

## IMPORTANT PROJECTS AND SCHEMES

### 1. PROJECT IMPLEMENTATION AGENCY

The Project Implementation Agency (PIA), Puducherry has proposed to take up cable lying works in Puducherry under the Coastal Districts Risk Reduction Project (CDRRP), with the aid from the World Bank. The work includes laying of underground high tension cables from the 110/11 KV Venketanagar Sub- Station to Muthialpet and surrounding areas at a cost of **Rs. 16.05 Crores**. The work order for the execution of the work has also been issued by PIA and the work is expected to be started shortly. On completion of the work, the complaint of frequent interruption of power supply in Muthialpet will be eliminated.

The PIA has also proposed to take up conversion of all overhead lines into underground cables in all areas lying to the east of the ECR from Kalapet to Bahour at an estimated cost of over **Rs. 100 Crores**. The PIA has issued work orders for some of the works also which are expected to be started shortly.

Apart from the above, the PIA is also preparing to construct a Disaster Management Control Room along with necessary infrastructure, for the Electricity Department at an estimated cost of **Rs. 10 Crores**.

### 2. A. RESTRUCTURED ACCELERATED POWER DEVELOPMENT REFORMS PROGRAMME - (R-APDRP) PART-A - IT

The Restructured Accelerated Power Development Reforms Programme (RAPDRP) is a Government of India, Ministry of Power scheme implemented throughout the country. In as far as the Union Territory of Puducherry is concerned, the Ministry of Power has combined the four towns of the UT (Puducherry, Karaikal, Mahe and Yanam) with the 110 towns of Tamil Nadu and the entire data centre operations are merged with that of Tamil Nadu Electricity Board (TNEB). The tender for setting up the data centre at Chennai and disaster recovery centre at Madurai were floated and finalized by the Tamil Nadu Electricity Board (TNEB). Similarly the tender for appointment of IT Implementing Agency (ITIA) was also finalized by the TNEB. Based on the decision taken by the Ministry of Power the same ITIA as finalized by TNEB namely - M/s ITI Limited, Chennai in consortium with M/s Navayuga Infotech, Chennai has been appointed as the IT Implementing Agency (ITIA) for Part - A (IT) for Puducherry also.

The project report and the scheme for the UT of Puducherry was sanctioned by the Power Finance Corporation for an amount of **Rs. 27.53 Crores** during March 2010 and the project implementation completion schedule was March 2013 (three years).

However due to the delay in finalization of the IT Implementing agency and the actual project Implementing cost by the TNEB, the actual project implementation cost for UT of Puducherry was finalized only during October 2011 and based on the revised implementation cost schedule, the project cost for the UT of Puducherry was scaled down by the PFC to ` 15.01 Crores and this was conveyed by the PFC to the UT of Puducherry during October 2011. Thereafter the acceptance of availing the loan was conveyed to the Ministry of Power by the Government of Puducherry vide No.19-2/FD(W&M)/2011-12, dated 10-02-2012 and the letter of award of work was issued to the IT Implementing Agency, M/s ITI Limited, Chennai in consortium with M/s Navayuga Infotech, Chennai vide No.331/ED/SE-I/Comp/R-APDRP/ITIA/LOA/2011-2012, dated 24-02-2012.

Based on the letter of award, the ITIA had commenced the field survey of the HT/LT distribution power system and door to door consumer data survey. Simultaneously the assessment of the hardware, software and communications requirements with regard to the circle/division/sub-divisional and section offices were carried out by the ITIA. Though these field works were completed, the actual implementation could not be carried out by March 2013 due to delay in setting up and commissioning of the data centre at Chennai and disaster recovery centre at Madurai by the TNEB. Hence the project implementation schedule was extended by the Power Finance Corporation, New Delhi to March 2015.

M/s Bharti Airtel, Chennai, the Network bandwidth service provider identified by TNEB has been finalized by the Department for setting up the communication backbone and Network connectivity. However, due to delay in mobilization of resources by the ITIA, the project could not be completed within the extended time schedule i.e., March 2015. Hence the Government of Puducherry has requested the Power Finance Corporation, New Delhi for extension of implementation schedule to March 2016 and the request is under the consideration of PFC.

#### Works to be taken up by the IT Implementing Agency

- Customization of core software modules.
- Setting up of Customer Care cum call centre in the main campus of the Department.
- Installation of hardware and peripherals in the Sub-Divisional and other Offices within the project area.

#### Work completed by the Department

- Signing of Non-disclosure Agreement with the TPIEA (PGCIL) for data verification.

- Installation of around 1150 Nos of system meters

The ITIA had committed that the hardware procurement and setting up of hardware and peripherals would be commissioned by September 2015. However, in spite of repeated reminders from the Department and assurances from the ITIA, no action has been initiated by the ITIA in this regard till date. In the meanwhile, a final notice has been issued to the ITIA to complete the R-APDRP works in the Karaikal pilot town before the second week of January 2016, failing which the performance bank guarantee of the ITIA would be revoked and the contract would be terminated. No tangible progress has been taken by the ITIA for completion of the project. Hence the performance bank guarantee furnished by the ITIA has been revoked after obtaining approval of the Secretary (Power), and a letter has been sent to the bank for revocation of the Bank guarantee. The ITIA has now filed a petition under the Arbitration and Conciliation Act 1996 in the Hon'ble High Court at Chennai and sought interim injunction restraining the bank for paying money against the Bank Guarantee furnished by the ITIA to the department.

In view of the above, the department, due to delay in mobilization of resources by the ITIA, the project could not be completed within the extended time schedule i.e., March 2016. Hence the Government of Puducherry had again requested the Power Finance Corporation, New Delhi for extension of implementation schedule to 31<sup>st</sup> March 2017 and the request has been approved by the Ministry of Power during the 7<sup>th</sup> Meeting of the Monitoring Committee and the due date for completion of the project has been extended upto 31<sup>st</sup> March 2017.

## **2. B. RESTRUCTURED ACCELERATED POWER DEVELOPMENT REFORMS PROGRAMME - (R-APDRP) PART-A SCADA DMS**

### **I. STATUS OF THE SCHEME:**

The Government of India is implementing various distribution improvement works under R-APDRP Scheme through M/s. Power Finance Corporation to minimize AT&C losses. Under Part-A of the above scheme, towns with population of more than 4 lakhs and Annual input energy of the order of 350MU's are eligible for funding to establish SCADA/DMS system for Automation of Distribution Network. The Funds shall be provided as 100% loan through M/s. PFC and when the utility complete the project within the approved time schedule 100% of loan could be converted as grant. The utility can avail consultancy services from the empanelled vendors of PFC and the expenditure incurred by the utility will also be reimbursed.

In respect of U.T of Puducherry, the Puducherry town is alone eligible for the above funding and as such, the Electricity Department, had decided to

implement the project. M/s. CPRI has been appointed as the consultant for the project. The Govt. of India has sanctioned an amount of RS. 13.89 Crores for execution of the project. Accordingly, tenders were invited for finalizing the implementing agency and M/s. Dongfang Electronics Pvt Ltd., Gurgaon has been finalized as the System Implementing Agency (SIA). The Letter of Award has been issued to M/s. Dongfang and the agreement for executing the scheme has been signed with M/s. Dongfang Electronics Pvt. Ltd. on 23/05/2016 and the work is scheduled to be commenced shortly and it takes normally 18 months for completion. The work has to be completed before Feb 2018 as per the guidelines of PFC.

### **3. RESTRUCTURED ACCELERATED POWER DEVELOPMENT REFORMS PROGRAMME - (R-APDRP) PART-B**

#### SYNOPSIS:

- The R-APDRP scheme of Govt. of India covers the following works:
  - II. Part-B:
    - Distribution improvement works in Town areas with population more than 30,000 and AT&C losses more than 15%.
- The works sanctioned under Part-B portion aims to reduce the distribution losses in the System.
- The loans sanctioned for carrying-out Part-B works have provisions to convert 50% of loans to grant progressively 10% every year for 5 years after the year in which IT system is commissioned. Provided, the AT&C losses has to be maintained at less than 15% in the project area for five years.
- However, if the Utility could not reduce AT&C losses less than 15% in a particular year, it is possible for grant conversion as a fraction of the 10% loan for which AT&C loss reduction from the base figure is achieved.
- The R-APDRP scheme also envisages provision of incentives to the Utility staff in towns where AT&C loss levels are brought below 15%. A maximum of 2% of the annual grant converted for Part-B works will be additionally provided by Govt. of India for the above incentive scheme.
- The Electricity Department has submitted DPR for execution of various Part-B works in Puducherry Town at an estimated Rs. 84.78 Crores and the same was sanctioned by the Steering Committee, Govt. of India on 18<sup>th</sup> Feb 2013.
- Up to 25% of project cost will be provided by Govt. of India as loan and the Utility has to arrange funds for balance 75% of project cost either from own fund or by availing loan from Financial Institutions.

- The Govt. of Puducherry has approved the proposal of availing the above loan offered by Govt. of India (25% of Projects cost) through M/s. PFC and the first installment of Rs. 10.657 Crores has been released on 28<sup>th</sup> Mar 2014 and the second installment of Rs. 2.06 Crores on 08.05.14. Approval of the Govt. of Puducherry has also been obtained for availing counterpart funding of 75% of project cost from M/s. PFC and will be availed as and when the initial 15% fund provided are utilized fully.
- The project covers provision of new 110/22 KV SS at Lawspet, provision of additional power transformers at Kurumbapet and Villianur substations, 11 KV evacuation system for Vengatanagar S.S , provision of RMU's, Sectionalizer's and Fault passage indicators for SCADA/DMS system, new Distribution Transformers(DT's), High Voltage Distribution system, Capacitor banks at Substations, APFC panels in DT's, replacement of electromechanical meters to static meters etc.
- A proposal seeking approval to execute the works with the rate and quantity variations @  $\pm 10\%$  and  $\pm 20\%$  resp. as per guidelines of Govt. of India has been sent to Govt. of Puducherry on 13/10/2015 and the approval is awaited.
- All the works contemplated under the above Part-B scheme needs to be commissioned by 31<sup>st</sup> March 2017.

#### 4. INTEGRATED POWER DEVELOPMENT SCHEME (IPDS)

IPDS is sponsored by Government of India in carrying forward the distribution improvement reform process of R-APDRP Scheme to statutory towns in 13<sup>th</sup> plan period.

The various schemes eligible under this scheme are:

- New/ Augmentation of Sub-Station 66, 33, 22 & 11 KV. in it instead of 66 KV the department included the work in 110KV SS.
- Metering.
- Renovation and modernization of existing sub-station and line.
- Installation of capacitor.
- HVDS System.
- Roof top solar project.
- Distribution Transformer improvement works etc.

Accordingly the scheme was prepared for all four region of U.T. Puducherry applicable to six statutory town such as Puducherry, Oulgarat, Kurumbapet, Karaikal, Mahe & Yanam for an amount of Rs. 22.05 Crore. (Annexure enclosed).

Various steps required for this scheme.

- Submission of Draft-DPR to nodal agency (PFC). through online.
- Approval will be by monitoring committee based on nodal agency recommendation.
- Tripartite agreement to be executed between the nodal agency , Government of Puducherry and the Electricity Department.

Time Frame:-

- Project should be completed within 24 Months from the award of tender.
- If the utility failed to award project within nine months of release of 1<sup>st</sup> tranche, 10 % of the project will be deemed as closed/cancelled and the grant to be refunded by the utility.

STATUS: The Project has been approved by the GOI for an amount of Rs. 21.63 crores on 08-03-2016. Proposal has been sent for expenditure sanction by Government of Puducherry and is awaited.

The GOI has been executing IPDS in which funding assistance to States/UT's upto 60% of the project cost as grant for carrying out distribution system improvement works. The scheme aims to provide reliable power supply and to reduce the AT & C losses in statutory towns (urban areas). The Govt. of Puducherry has submitted DPR to M/s. Power Finance Corporation Ltd., (PFC), the Nodal Agency for GOI, for executing distribution improvement works in all four region of U.T. Puducherry applicable to six statutory town such as Puducherry, Oulgarat, Kurumbapet, Karaikal, Mahe & Yanam for an amount of Rs. 22.05 Crore. The Project has been approved by the GOI for an amount of Rs. 21.63 crores on 8-03-2016. A Proposal seeking expenditure sanction of Government of Puducherry for executing the sanctioned works has been sent and the approval of Government of Puducherry is awaited.

## 5. SMART GRID PILOT PROJECT

The Government of India, Ministry of Power, has taken up the process of establishing SMART GRIDS in India with an objective of achieving most efficient management of Distribution system and to deliver best possible service to the consumers, using the latest development in communication technology.

The Pilot projects are being implemented across the country by 14 Distribution utilities and the Electricity Department, Pondicherry is one among them. The

Ministry of Power after scrutinizing the project report approved the implementation of project at a cost of Rs. 46.11 Crs, excluding maintenance of the infrastructure after the project period. The proposal has also been approved by the Cabinet Committee on Economic Affairs. The Government of India, Ministry of Power shall finance 50% of cost and the remaining 50%, is to be arranged by the State Government.

Accordingly, open tenders were placed through e-tendering process for selecting the Investor cum Service Provider. The tendering process has since been completed. The Tender Evaluation Committee constituted for the purpose, under the Chairmanship of the Secretary to Government (Power) has shortlisted M/s Dongfang Electronics Co. Limited; China as the top scorer, who has quoted **Rs. 43.91 Crores**, to invest, supply, install, test, commission and maintain the Project, as against the approved Project Cost of Rs 46.11 Crs. The project period is 18 months from the date of award of work. This being a new technology and since the intention is to extend the infrastructure of smart grid to other areas of Puducherry in a phased manner, operation & maintenance of the created infrastructure was added as an integral part of the tender. M/s Power Grid Corporation has been retained as the Consultant and an agreement to this effect was signed on 04.06. 2015.

The work has since been awarded to M/s Dongfang Electronics Co. Ltd., China on 23.05.2016.

Under the scheme it is planned to develop a Consumer-Utility interactive Pilot Smart Grid, which will cover Smart metering & control through Advanced Metering Infrastructure (AMI), and have additional features like Peak Load Management, Net metering, etc., The project is to be implemented in Town - I Sub-Division of Division I, comprising of 34000 service connection plus 1600 CT operated connections of all the four regions of the Union Territory.

The repayment of capital investment to the investor cum service provider is proposed to be made as under:

- a) The total project cost will be shared by Ministry of Power (Government of India) and the contractor. The Ministry of Power share will be 50% of the project cost with ceiling limits of Rs.25 Crores, whichever is lower.
- b) Since the proposed project is investor model, the bidder has to initiate and carry on the project with their own fund.
- c) The MoP Share will be released to the contractor and to the Consultant, by the Department, on completion of each milestone stated by Ministry of Power.

Thus, on successful completion of milestones and after Operational Acceptance of the Project, by the Department, the entire MoP share (50% of the project cost or Rs.25 Crores whichever is lower) would have been paid to the contractor.

Balance project cost apart from MoP share has to be borne by the contractor. Repayment to the contractor of their investment will be done in Equated Monthly Instalments for 60 months by the Department over a period of 5 years after Operational Acceptance.

## 6. DEENDAYAL UPADHYAYA GRAM JYOTHI YOJANA (DDUGJY)

The Ministry of Power, Government of India has launched DeenDayalUpadhyaya Gram JyotiYojana for rural areas having following objectives:

- To provide electrification to all villages
- Feeder separation to ensure sufficient power to farmers and regular supply to other consumers
- Improvement of Sub-transmission and distribution network to improve the quality and reliability of the supply
- Metering to reduce the losses

The Department had submitted a proposal for **Rs. 62.38 Crores** during month of January 2016 covering the districts of Puducherry and Karaikal. **An amount of Rs. 20.15 Crores** has been approved by the Monitoring Committee for implementation of the scheme vide communication dated 17.05.2016 from the REC, the Nodal Agency.

- **60% of the Project cost would be provided as Capital Subsidy by the Government of India**
- **10% of the Project cost is to be contributed by the State Government or Utility.**
- **30% of the Project Cost shall be arranged from the own sources of the State Government or through loan from financial institutions.**

The Department has been directed to submit district wise details of the Projects on DDUGJY online web portal within the approved cost.



## 7. PROPOSAL ON FINANCIAL ASSISTANCE FROM JAPAN INTERNATIONAL CO-OPERATION AGENCY(JICA)

A proposal to execute various transmission up-gradation and Distribution Improvement works in U.T. of Puducherry has been evolved for an amount of around Rs. 743.5 crores and submitted to GOI for availing loan assistance from JICA. Based on the above, the Central Electricity Authority has cleared the Transmission up-gradation part of the project for an amount of **Rs. 228.36 crores**, but advised to resubmit the Distribution up-gradation part of the project by revising the same after excluding those works which could be included in the Centrally Sponsored Schemes such as Integrated Power Development Scheme (IPDS) and DeendayalUpadhyaya Gram JyothiYojana (DDUGJY).

However, during the discussion with JICA Officials held on 6-04-2016, it has been informed that the JICA being an International lending agency, lending at very low interest rate could consider only the voluminous projects at above Rs.1000 Crores in order to be viable. Hence the JICA Officials have advised the Department to come up with DPR of at least Rs. 900 Crores by including the Distribution part also so as to make it eligible for consideration. Since the IPDS and DDUGJY has been sanctioned by GOI, a fresh proposal has to be prepared and submitted to JICA/GOI for availing the financial assistance to execute the transmission and distribution improvement works in U.T. of Puducherry.

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