

**PUNJAB STATE ELECTRICITY BOARD  
THE MALL, PATIALA**

**PUBLIC NOTICE**

IN RESPECT OF

Aggregate Revenue Requirement and Retail Tariff Petition  
Filed by Punjab State Electricity Board

**With Punjab State Electricity Regulatory Commission**

For the financial year 2008-09

1. Notice is hereby given to all that the Punjab State Electricity Board (Board) engaged in Electricity Generation, Transmission and Distribution and related activities has filed before the Punjab State Electricity Regulatory Commission (Commission) the Aggregate Revenue Requirement (ARR) and Retail Tariff Petition for its generation, transmission and distribution business for the year 2008-09 on 12.2.2008, under Regulation 13 of the Punjab State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2005. The summary of ARR and the revenue gap is given in the Table below. The filing has been taken on record by the Honourable Commission in No. 5 of 2008.

**Summary of Aggregate Revenue Requirement (ARR),  
Total Revenue @ existing Tariff and Revenue Gap**

| Particulars of costs                | (Rs. in Crore)         |                    |                           |
|-------------------------------------|------------------------|--------------------|---------------------------|
|                                     | FY 2006-07<br>(Actual) | FY 2007-08<br>(RE) | FY 2008-09<br>(Projected) |
| Fuel                                | 2435.97                | 2601.00            | 2978.00                   |
| Power Purchase                      | 4250.80                | 5619.30            | 5560.30                   |
| Employee                            | 1754.35                | 2061.95            | 2225.01                   |
| Repairs & Maintenance               | 285.30                 | 339.99             | 398.30                    |
| Administration & General expenses   | 59.49                  | 71.93              | 90.34                     |
| Interest & Finance charges          | 884.30                 | 1087.01            | 1394.94                   |
| Depreciation                        | 705.11                 | 640.11             | 783.32                    |
| Fringe benefit tax                  | 4.56                   | 5.00               | 5.20                      |
| Extra ordinary items & Other debits | 7.68                   | 7.68               | 7.68                      |
| <b>Total costs</b>                  | <b>10387.54</b>        | <b>12433.79</b>    | <b>13442.78</b>           |
| Add : Reasonable Return             | 412.50                 | 412.50             | 412.50                    |
| Add : Recovery of Prior Period Gap  |                        |                    |                           |
| Less : Non-Tariff income            | 434.61                 | 369.42             | 342.00                    |
| <b>Annual Revenue Requirement</b>   | <b>10365.38</b>        | <b>12476.83</b>    | <b>13513.24</b>           |
| To be covered by                    |                        |                    |                           |
| Revenue @ Existing Tariff           | 6906.06                | 8299.84            | 9103.02                   |

|   |                  |                  |                  |
|---|------------------|------------------|------------------|
| GOP subsidy to agriculture                            | 1487.00          | 2159.84          | 2294.90          |
| Domestic subsidy.                                     | 50.00            | 200.00           | -                |
| Balance subsidy of previous years                     | (113.00)         | 424.00           | -                |
| Excess interest paid by PSEB to be recovered from GOP |                  | 289.92*          |                  |
| Revenue @ Existing Tariff + GOP Subsidy               | 8330.00          | 11373.20         | 11397.90         |
| Revenue (Gap) / Surplus                               | (2035.52)        | (1103.58)        | (2115.36)        |
|   |                  |                  |                  |
| <b>Cumulative (Gap) / Surplus</b>                     | <b>(2035.52)</b> | <b>(3139.10)</b> | <b>(5254.47)</b> |

\*This excludes Rs.198.04 payable by GOP to PSEB on account of excess interest paid during 2006-07 and 2007-08 which has not been taken into expenses accounts and has been shown as recoverable expenses.

2. The Board has worked out a cumulative revenue gap of Rs.5254.47 Crore for the year 2008-09. **The petition filed by the Board did not contain any proposal to cover this gap, and has submitted that the Commission may determine the gap and fix** the tariffs accordingly based on the details furnished by Tthe Board in the ARR and Tariff Petition.
3. Copies of the Aggregate Revenue Requirement (ARR) and Retail Tariff Petition of the Board for the financial year 2008-09 are available in the office of the Chief Engineer/Commercial, PSEB, Patiala, Liaison Officer, PSEB, Guest House, Near Yadvindra Public School, Phase-8, Mohali and also in the offices of all Chief Engineers (Operations) and all Superintending Engineers-in-charge of Operation Circles in the Board.
4. Interested persons may inspect and peruse the said Aggregate Revenue Requirement (ARR) and Retail Tariff Petition of the Board and take notes thereof during office hours at the above said offices free of charge.
5. Copies of the above documents can also be obtained from the above offices on payment of **Rs.100/ for each set.**
6. The Aggregate Revenue Requirement (ARR) and Retail Tariff Petition of the Board for the financial year 2008-09 are also available on the Website of the commission at the address "pserc.nic.in" and on the Website of the Board at the address "psebindia.org" respectively and can be down loaded therefrom.
7. Objections to the Aggregate Revenue Requirement (ARR) and Retail Tariff Petition filed by the Board, if any, together with supporting material, may be filed with the Secretary, Punjab State Electricity

Regulatory Commission, SCO 220-221, Sector-34/A, Chandigarh in person or through Registered Post so as to reach her within 30 days of the publication of this notice. Copy of the same must also be sent to the Chief Engineer/Commercial, PSEB, Patiala and proof of service of the same must be enclosed with the filing made to Secretary, Punjab State Electricity Regulatory Commission.

8. The objections as above should be filed in seven copies and carry full name and postal address of the person sending the objections and should be supported by an affidavit, duly attested. If the objection is filed on behalf of any organization or any class of consumers, it should be so mentioned. It may also be specifically mentioned if the person putting in objections/comments also wants to be heard in person.
9. The Punjab State Electricity Regulatory Commission, after perusing the written objections received in response to this notice may invite such objector as it considers appropriate for a hearing on dates which will be notified by the Commission in due course.

**Chief Engineer/Commercial,**  
PSEB, Patiala.