

MINUTES OF THE MEETING OF THE EXPENDITURE FINANCE COMMITTEE (E.F.C.) HELD IN THE CONFERENCE ROOM OF THE CHIEF SECRETARY ON 26<sup>th</sup> September 2018.

A meeting of the Expenditure Finance Committee was held in the Conference Room of the Chief Secretary on 26/09/2018.

The following members were present for the meeting:

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| 1. Shri. Dharmendra Sharma<br>Chief Secretary            | Chairman |
| 2. Shri. Daulat A Hawaldar<br>Secretary (Finance)        | Member   |
| 3. Smt. Nila Mohanan<br>Secretary (Power)                | Member   |
| 4. Shri. Michael M. D'Souza<br>Addl. Secretary (Fin-Exp) | Member   |
| 5. Smt. Isha Khosla<br>Special Secretary (Budget)        | Member   |
| 6. Shri. N. N. Reddy<br>Chief Electrical Engineer        | Member   |

The following tender was deliberated on;

- Proposal for conversion of existing overhead 11KV line to underground system for feeders namely 11KV RND feeder, 11KV Porvorim Bazar feeder, 11KV Malim feeder, 11KV Socorro feeder, 11KV Sangolda feeder, 11KV Salai feeder and 11KV Chogtum feeder including conversion of existing overhead LT network to LT underground system for 29nos. distribution transformer centres(DTC), erection of new DTC's, augmentation of existing DTC's, replacement of deteriorated conductor etc., under Sub Division-II, Porvorim (Phase-II). (Estimated Cost ₹.93.8 Crores).

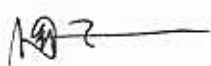
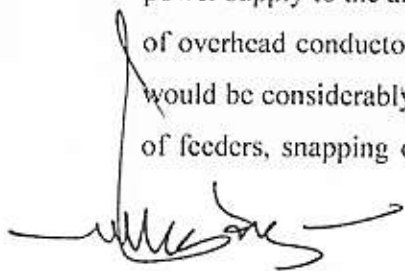
The Department has taken a policy decision to undertake to convert overhead lines to underground network system in all coastal areas including major towns/ cities in a phased manner; major reason being to counter catering of rapid load/ power requirements in view of rapid developmental works taking place in the area including various road widening works and erection of new structures being undertaken by the GSIDC and the PWD with an inclination towards aesthetic outlook within the vicinity of Porvorim. The Department has initially identified works to be taken up under the Porvorim Constituency as Porvorim being adjacent to the Capital City and where rapid development is on the

rise with educational institutions and Government offices setting up offices there and for which a 24 by 7 arrangement for power supply is the need of the hour.

The Expenditure Finance Committee (EFC) had given clearance for Phase I of the conversion works at Porvorim Constituency on 15/01/2018 amounting to a total estimated cost of Rs.45.72 Crores and for which, work order is placed on M/s Nenu Engineers Pvt Ltd., Margao on 26/06/2018 for a total amount of Rs.38.56 Crores.

The GSIDC and PWD are presently undertaking works of widening of roads especially on the NH being a major development activity under the Porvorim Constituency and due to which the existing line networks need to be realigned, lines elevated using special poles at road crossings, erection of new lines to replace old lines which cannot be removed and shifted, removal of old line networks which cannot be reutilized, etc. The Department, under such circumstances and knowing the load growth potential in the area, has proposed for conversion of the existing overhead lines to underground system which will not only take care of future load growth in the area in the long run since cable system/network have double the rated capacity of that of an overhead line network but would also account for an aesthetic outlook of the surroundings, in line with the development and beautification works taken up by the GSIDC and PWD. The cable system would in turn cater to load requirements for the next 10 years at case. The existing line networks are 25 years old and capacity limitations of overhead conductors would not suffice to meet the growing load demands, neither there would be any positive and long lasting benefit if upgradation of existing overhead line network on aged infrastructure is taken up, as the capacity limitations of the overhead conductor would still be a major hurdle to support future load requirement growing at a rapid pace.

The load demand sanctioned for the last year 2017-18 was 2.8 MVA and is headed in an upward trend. The underground system having higher capacity advantage would facilitate to cater existing and future load demands to the extent of 15 years at case. The underground system would also account for stable, reliable, quality and uninterrupted power supply to the areas being fed. Load shedding, presently, imposed due to limitations of overhead conductor capacity, would also be lifted in these areas. Transmission losses would be considerably minimized under such underground system due to no overloading of feeders, snapping of jumpers, overheating of lines etc.. since the underground cable



system, capacity wise, is more reliable than an overhead line system for any load additions/ requirements. All these benefits and features, will result in pooling in additional revenue to the Government with an upward trend in course of time.

The underground system is designed in such a way that the tail end of each feeder is linked to another feeder as a provision to provide alternate power supply in the event of any cable damage or cable fault thus ensuring continuity and reliable power supply to the areas being fed by them.


The Department has proposed to re-utilize the removed distribution transformers which are included in the scope of this work and to re-erect and re-install them at new distribution transformer centers erected for under new works undertaken or utilized under maintenance works. Hence, no removed infrastructure/ equipment is left un-utilized.


The Members intimated that presently for this financial year, the fund flow to various Capex sanctioned projects is arranged and there is no scope or provision to manage additional funds for this project during this financial year. Besides that, conversion to underground system is already taken up and in progress as per Phase I of the project. During the discussions, it was revealed that during the last 05 years, including the present Financial Year 2018-19, Capital Expenditure works amounting to Rs.670.00 crores (approx..) have been seen initiated/ executed by the Department. During this year, Rs. 168 crores alone is sanctioned, of which Rs.40.00 crores is in areas of Porvorim alone. An additional sanction of nearly Rs. 100.00 crores based on this proposal put up by the Department, would mean that nearly 18% of the total works of the State of Goa is being concentrated in one particular area only. The fact is that, for such State Schemes, full utilization of the Electricity Duty fund is being carried out, as revealed from the Electricity Duty Fund collection for the period 2008-09 to 2017-18, which is nearly Rs.1258 crores, while actual Capital Expenditure during this period is nearly Rs.1994 crores. Considering these aspects, Department needs to prioritize its works based upon specific requirements and for future infrastructure developments covering areas all over the State of Goa rather than carrying out expenditure at stand alone pockets. Under these circumstances and facts, the Department will have to defer this project.

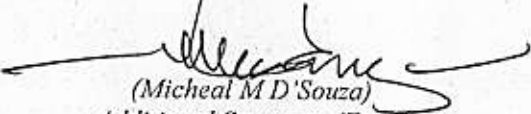



The Members also suggested to take a call for the process of a revision in the rate of Electricity Duty which was last revised on 1<sup>st</sup> June 2012 which will pool in additional revenue for supporting further infrastructure development works being proposed by the Department.

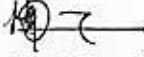
The EFC committee members took the note of above facts and proposal of the Chief Electrical Engineer and decided to defer the proposal.

  
 (N. M. Reddy)  
 Chief Electrical Engineer  
 Member

  
 (Isha Khosla)  
 Special Secretary (Budget)  
 Member

  
 (Micheal M D Souza)  
 Additional Secretary (Fin-Exp)  
 Member

  
 (Nila Mohanan)  
 Secretary (Power)  
 Member

  
 ((Daulat A. Hawaldar)  
 Secretary (Finance)  
 Member

  
 ( Dharmendra Sharma )  
 Chief Secretary  
 Chairman