

GOVERNMENT OF ARUNACHAL PRADESH
EASTERN ELECT. ZONE :: DEPT. OF POWER :: ITANAGAR

No. CE(P)/EEZ/SPC/Assets/2008-09/1410-31

Dtd. June 20,2008

MEMORANDUM

Of late, it has been realized that Operation and Maintenance of Assets in Dept. of Power needed a meticulous review of its procedures and management. In some of the divisions it is observed that maintenance works are carried out without according technical sanctions from competent authority. In some other divisions, it has also been observed that technical sanctions are issued without prior concurrence of budgetary supports from competent authority.

Therefore after careful review and consideration of various aspects of operation and maintenance of assets confronting the Department of Power, following regulatory guidelines are hereby issued with immediate effect for compliance :

- I. A consolidated technical sanction shall be accorded by the Chief Engineer(Power) showing various components of cost on the basis of assets available with the respective divisions once in a year.
- II. The technically sanctioned cost of operation and maintenance shall have the following three major components namely;
 - (a) Day to Day Petty Restoration Works [*Category (A); Unpredictable*] :

All such expenses incurred by various field officers on day to day un-anticipated or unpredictable non-recurring type of

restoration activities within the permissible limits of cash expenditure in order to restore or repair equipment(s) or system(s). *For example, cost of repair of tyre/tube when get punctured on the way, cost of POL items while on tour or other un-foreseen non-recurring items as explained above.*

(b) **Operation and Repair cost** [*Category (B); Predictable*]:

All such expenses on operation and repairs which are recurring or non recurring but predictable in nature shall form part of this category. *For example, wages, regular POL expenses for vehicle and diesel engines, spares for machineries and equipments, replacement of materials for T & D systems.*

(c) **Preventive Maintenance** [*Category (C); Predictable Preventive*]:

All such expenses to be incurred to prevent machineries, equipments and assets from weathering, corrosion & rusting and also to prolong their life in normal usage. *For instance, expenses on periodic overhauling of engines, periodic painting of assets exposed to the open environment, periodic review of performance and replacement of parts in all machineries and equipments, routine monitoring of qualitative performance of T&D systems and replacement of parts/ consumable thereof, shall form part of this category.*

- III. The technical sanction issued by the Chief Engineer does not automatically authorize the concerned subordinate officers to incur any expenditure or liabilities except those defined under *category (A)*.
- IV. Immediately on receipt of the technical sanction from CE, the respective divisional officers shall prepare a detailed estimate within the amount prescribed in the technical sanction and submit such detailed estimate through respective SEs for according budgetary support from the CE's office. In such detailed estimate, the Executive Engineers are supposed to make the best possible assessment he/she can make or anticipate for the whole year.
- V. Accord of technical sanction and providing budgetary support do not delegate financial powers to the officers subordinate to the CE for award of contract etc, which would be normally regulated under the prevailing code of CPWD as extended to the Dept. of Power, by Govt. of Arunachal Pradesh.
- VI. Emergency Assessment Report (EAR) on calamity damage:
Any unforeseen major damage due to natural calamities like earth quake, thunder, storm, cyclone, flood, land slides etc, the concerned EE shall have to make spot verification done along with his team of officers and the Emergency Assessment Report (EAR) is sent by fastest available means of communication directly to the CE under intimation to the Secretary(Power) and the Supdng. Engineer concerned. Restoration works of such damages should

immediately be started without waiting for formal approval from any authority subject to the condition that :

- (a) The expenditure/liability incurred should follow a transparent procedure of recording every activity/cost/liability maintained in a proper book of record which are to be countersigned by all the involved officers of the department as well as anyone involved from the administrative authority responsible for calamity restoration/relief.
- (b) The restoration cost is not beyond its economic utility and purpose, as per the assessment of the team as recorded in its Emergency Assessment Report (EAR).


VII. Restoration cost beyond economic purpose : In any event of natural calamity or may be normal course, it may be ascertained that the cost of restoration is economically reasonable and technically sound. In case such cost is(are) exorbitantly high beyond its economic purpose, then the matter should be reported to the CE through proper channel in fastest possible means for taking a final decision on the restoration works, stating clearly the status.

VIII. Inquiry on Failure of Machineries & Equipments :

Any failure of machineries & equipments, such as transformers, vehicles, engines, alternators etc, there should be a regular inquiry conducted by an appropriate officer appointed for the purpose by

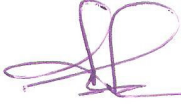
the Executive Engineer concerned to ascertain the cause of failure and recommending the appropriate course of action to be taken by the competent authority. Such inquiry should go into the details of events and data to ascertain the ultimate cause, so that, the report can be best used for future remedial actions.

This Memorandum is issued after concurrence of the Chief Engineer(P), Western Elect. Zone vide file No. CE(P)/EEZ/SPC/Assets/08-09, NP-1 dtd. 16.06.2008.


(Er. Anong Perme) 20/6/08
Chief Engineer(Power)
EEZ, DoP, Itanagar.

Copy to :

- (1) The Secretary(Power), Govt. of AP, Itanagar
- (2) The Chief Engineer(Power), WEZ, DoP, Itanagar
- (3) All the Superintending Engineers(Elect.) under DoP
- (4) All the Executive Engineers(Elect) under DoP for compliance
- (5) Office/spare copy.


(Er. Anong Perme) 20/4/08
Chief Engineer(Power)
EEZ, DoP, Itanagar.

CO-EFFICIENT (IN %) OF VALUE OF ASSETS (FOR ESTIMATION OF MAINTENANCE COST)

Category of Maintenance	Weightage	TYPE - I	TYPE - II	TYPE - III	TYPE - IV	TYPE - V	TYPE - VI	TYPE - VII
		(T&D)	(Generation)	(Appliances)	(Vehicle)	(Communication)	(Tools & Plants)	(Misc.)
Category – A Type (Day to day maintenance)	(30.00 %)	0.75 %	1.5 %	0.9 %	4.5 %	3.0 %	1.5 %	1.5 %
Category – B Type (Planned operation and maintenance)	(50.00 %)	1.25 %	2.5 %	1.5 %	7.5 %	5.0 %	2.5 %	2.5 %
Category – C Type (Preventive routine maintenance)	(20.00 %)	0.5 %	1.0 %	0.6 %	3.0 %	2.0 %	1.0 %	1.0 %
Total :-		2.5 %	5.0 %	3.0 %	15.0 %	10.0 %	5.0 %	5.0 %

- NB :-**
- 1. The valuation of assets shall be done annually after updating the quantity of assets and multiplying with the updated unit rates of items in the SR, with due enhancement unit cost indexing.**
 - 2. The annual cost indexing shall be taken as 7 % per annum unless otherwise revised by the competent authority of the Department.**