

KERALA STATE ELECTRICITY REGULATORY COMMISSION

Thiruvananthapuram

Petition No.TP-4 of 2004

January 27, 2005

Present : Shri.M.K.G.Pillai, Chairman
Shri.C.Balakrishnan, Member

**Technopark
Tecnopark Campus.
Thiruvananthapuram 695581**

Petitioner

ORDER

The Kerala State Electricity Regulatory Commission having scrutinized the Petition on ARR&ERC for 2004-05 filed by Technopark *vide* their letter No. ETPK/EC/24.01 dated 29th June 2004 and considered the comments of the KSEB on the petition, heard the views of the petitioner and KSEB in Commission's proceedings on 30th December 2004 and having considered other documents and materials on record passes the following order in exercise of the powers vested in it under the Electricity Act, 2003 in this behalf.

Sd/-
C.Balakrishnan
Member

Sd/-
M.K.G.Pillai
Chairman

Authenticated copy for issue

Secretary

KERALA STATE ELECTRICITY REGULATORY COMMISSION

THIRUVANANTHAPURAM

1. Background

Technopark is a licensee as per G.O.(P) No. 19/99/PD dated 12th July 1999 published in Kerala Gazette No. 1409 dated 19th July 1999 for distribution of power to various establishments within the Technopark Campus, Thiruvananthapuram.

Presently, the Technopark receives power through three 11kV feeders from the Kerala State Electricity Board (KSEB) at grid tariff and supplies to the establishments/units within the Technopark at tariff rates of KSEB.

Technopark had twenty nine HT consumers and seventy LT consumers in FY 2003-04 and has thirty three HT consumers and seventy seven LT consumers in FY 2004-05. The present Contracted Demand with KSEB is 4000 kVA.

During the year 2004-05, Technopark is expected to purchase electrical energy to the extent of 14.35 MU from the KSEB and in turn supply 11.15 MU to the ultimate consumers. The self consumption for the year 2004-05 is reported to be 1.43 MU with an average power factor (p.f) of 0.90 and load factor (LF) of 0.75. For year 2004-05, the average monthly self consumption is expected to be 118568 Units with monthly average of 73366 Units for winter months viz., November, December and January and monthly average of 133636MU for other than winter months.

The difference between the intake and supply of energy accounts for self consumption of energy and distribution losses. The average distribution loss is found to be 8.95 % for the FY 2003-04 and expected to be 12.40% in FY 2004-05 as given blow.

Consumption	2003-04	2004-05
Total units purchased, MU	12.55	14.35
Energy sold to consumers, MU	10.14	11.15
Self consumption, MU	1.29	1.42
Distribution Loss, MU	1.12	1.78
Percentage	8.92	12.40

2. ARR&ERC for the year 2004-05

The Commission sought the comments of the KSEB on the filing made by Technopark. KSEB vide letter No.KSEB/TRAC/T/SERC/ERC/TECPARK/788/412 dated 29.7.04 indicated the consumption figures and charges of Technopark

during 2003-04 and commented that the filings are not in the standard formats prescribed by the Commission. KSEB confirmed the average rate of Rs.3.24 per unit of electricity supplied by KSEB to Technopark during 2003-04.

Technopark has filed the revised ARR&ERC for 2004-05 on August 16, 2004 in accordance with the Commission's letter dated July 30, 2004 reconciling the figures in the original filing with that of KSEB furnished figures. Technopark projected a revenue gap of Rs.4,32,985/- during 2004-05, as per details given below: -

Sl.No	Particulars	2003-04 (Rs)	2004-05 (Rs.)
1	Power Purchase Cost	40,709,176.00	45,906,367.20
2	Interest charges	-	-
3	Depreciation	6,424,917.00	6,922,210.00
4	Employee cost	546,125.00	600,737.00
5	Repair & Maintenance Cost	2,037,664.00	2,552,207.05
6	Administration&General Expenses	2,121,330.20	2,533,463.22
7	Other Expenses	340,536.00	---
8	Gross Expenses (total 1 to 7)	52,179,748.20	58,514,984.47
9	Less Expenses capitalized	-	-
10	Interest capitalised	-	-
11	Aggregate Revenue Requirement	52,179,748.20	58,514,984.47
12	Revenue from Tariff, including self consumption at Grid Rate	49,421,606.78	58,081,999.81
13	Non tariff Income	-	-
14	Total Revenue	49,421,606.78	58,081,999.81
15	Revenue Gap	(-),2,758,141.42	(-),432,984.66

The Commission directed Technopark to furnish a copy of the ARR&ERC to each of their consumers, which was complied with by Technopark. However, none of the stakeholders responded to the ARR&ERC.

3. Proceedings of the Commission

In considering the ARR&ERC for 2004-05, the Commission held proceedings on 30th December 2004 at Commission's Office at Thiruvananthapuram for hearing Technopark, Kerala State Electricity Board and consumers availing supply from them, on the petition for ARR&ERC filed by Technopark. Only Technopark and KSEB attended the proceedings.

After hearing the views of Technopark and KSEB on the petition, the Commission directed Technopark to modify the ARR&ERC for 2004-05 on the following lines.

- a. Depreciation shall be calculated by SLM at 4.9%.
- b. Self consumption shall be shown in sales at the rates similar to those of other consumers.

In accordance with the above directives, Technopark submitted the revised ARR&ERC with a projected revenue surplus of Rs.151,507/- during 2004-05, as summarized below:-

Sl.No	Particulars	2003-04 (Rs)	2004-05 (Rs)
1	Power Purchase Cost	40,709,176	45,906,367
2	Interest charges	3,864,000	3,045,000
3	Depreciation	2,802,719	3,292,719
4	Employee cost	546,125	600,737
5	Repair & Maintenance Cost	2,037,664	2,552,207
6	Administration&General Expenses	2,121,330	2,533,463
7	Other Expenses	340,536	---
8	Gross Expenses (total 1 to 7)	52,421,550	57,930,493
9	Less Expenses capitalized	-	-
10	Interest capitalised	-	-
11	Aggregate Revenue Requirement	52,421,550	57,930,493
12	Revenue from Tariff	44,739,224	52,931,379
13	Other Income-Self Consumption	4,682,383	5,150,621
14	Total Revenue	49,421,607	58,082,000
15	Surplus/Deficit	(-)2,999,943	151,507

4. Commission's Order on ARR&ERC for 2004-05

The Commission hereby approves an Aggregate Revenue Requirement of Rs.57,930,493/- and total Expected Revenue from Charges of Rs.58,082,000/- with a revenue surplus of Rs.151,507/- as projected in the revised ARR&ERC of Technopark for the year 2004-05, **with no claim for ROE(Return on Equity) by Technopark.**

The Commission directs Technopark to investigate the reasons for high distribution loss. If it is due to generation of harmonics, the Technopark should immediately undertake measures to reduce harmonics and consequent losses. The measures taken in this direction with results thereof should be periodically reported to the Commission.

The Commission approves the continuance of the existing tariffs and other charges by Technopark till further orders.