

**KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM**

Present: **Shri. R. Preman Dinaraj, Chairman**

OA.No.05/2020

In the matter of : Petition on the Truing up of accounts for the year 2018-19 filed by M/s Cochin Port Trust (CoPT)

Applicant (s) : M/s Cochin Port Trust (CoPT),
Willingdon Island, Cochin

Applicant (s) represented by :
1. Sri. Amal Kumar Mehara, Dy Chairman, CoPT
2. Sri. B Bhagyanath, FA& CAO, CoPT
3. Smt.Rajashree K Dabke, Sr.Dy CAO, CoPT
4. Sri.M M Abdul Rahim, SE(E), CoPT

Daily Order dated 25.02.2020

Conducted hearing on the petition for the Truing up of accounts for the year 2018-19 filed by M/s Cochin Port Trust (CoPT) at the Conference Hall of Cochin Port Trust on 17-02-2020 at 11.00 A.M. Sri Amal Kumar Mehara, Deputy Chairman, CoPT, Sri. B Bhagyanath, Financial Advisor and CAO, CoPT, Smt.Rajashree K Dabke, Sr.Dy CAO, CoPT, Sri.M M Abdul Rahim, Superintending Engineer Electrical, CoPT and other officers represented the petitioner. Smt.Rajashree K Dabke briefed the details of the petition and responded to the queries of the Commission. The main points submitted in the petition are briefed below.

- Revenue from sale of power is Rs.2929.27 Lakhs for the energy sale of 347.24 Lakhs units and the Non-Tariff Income is claimed as Rs.42.57 Lakhs.
- Power purchase cost for the year is Rs.2402.18 lakhs for purchase of 354.29 lakhs units. The distribution loss for the year 2018-19 is 1.99% which is lower than the loss level approved in ARR, ie 2.00%.
- Employee cost and R&M expenses claimed is higher than the approved level
- Rs.473.05 Lakhs claimed as Interest and finance charges on loans of Govt of India.
- Rs.76.68 Lakhs is claimed as return on net fixed assets @3%.

Accordingly the ARR is Rs.4190.02 Lakhs and ERC is Rs.2971.84 Lakhs, showing a revenue gap of Rs.1218.19 Lakhs for the year 2018-19.

Sri. Manoj.G, AEE, TRAC represented KSEB Ltd and presented the counter statement/comments of KSEB Ltd. The major points raised by KSEB Ltd are the following:

- a. The distribution cost (expense excluding power purchase cost) per unit is Rs.5.05, which is high compared to Rs.2.08 per unit approved as per ARR.
- b. The distribution loss claimed by the licensee 1.99% and approved in ARR order is 2%. The power generated through internal generation is not considered for calculation of distribution loss.
- c. The O&M expenses claimed in truing up petition is 134.13% higher than the approved cost.
- d. It is noticed that some category of consumers, energy consumption and average realization are seen reduced even though there was no downward revision in tariff compared to previous year.
- e. Interest and finance charges for the loan repayment to the GOI made by CoPT may be allowed after duly considering the depreciation allowed by the Commission while truing up of accounts in the previous years.
- f. The expenditure incurred for Solar plant of 180 kWp is Rs.99.35/ Wp, where as the benchmark cost approved by MNRE for 2018-19 is only Rs.53/ Wp.
- g. While in the truing up the accounts for the previous year, the Commission has not allowed the interest on working capital, as there was excess working capital available with the licensee. The accumulated revenue surplus is also available with the licensee.
- h. The claim made by the licensee under power purchase tally with the accounts of KSEB Ltd.

Sri. Prasanth, represented from NTRO (National Technical Research Organisation) , requested the Commission to consider reduction in tariff, as they are currently charged under HT-4 category. The Commission directed that, if the consumer is aggrieved, may file a petition before the Commission which may be considered based on merit.

The Commission directed the licensee to furnish documentary evidence/ details, to substantiate the claims made in the petition within two weeks.

Hearing concluded. Reserved for orders.

Sd/-

**Preman Dinaraj
Chairman**

Approved for issue

**Sd/-
Secretary**