

**KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM**

Present: Shri. R. Preman Dinaraj, Chairman
Shri. Adv. A.J Wilson, Member (Law)

OP.No.30/2021

In the matter of : Petition for approval of relief extended to various consumer categories of M/s. Cochin Port Trust due to the lock down restrictions

Petitioner : M/s. Cochin Port Trust (CoPT)
Wellington Island, Cochin
(Represented by Smt. Rajashree K Dabke, Sr. Dy CAO, CoPT, Smt. Latha Menon.G, SEE, CoPT, Smt. Jayalakshmy S, AEE(Ele), CoPT)

Respondent : Kerala State Electricity Board Limited
Vydhyuthi Bhavan, Pattom, Thiruvananthapuram
(Represented by Shri. Manoj Asst. Exe Engineer)

Date of hearing : 22-07-2021 (Video conference)

Order dated 10-08-2021

1. M/s Cochin Port Trust (CoPT) has filed the for approval of reliefs on account of the Covid-19 lock down restrictions imposed by the State announced by Government of Kerala to be made applicable to various consumer categories of M/s. CoPT. In the said petition, CoPT sought the approval of the concessions by relaxing the provisions of Regulation 179 of the Supply Code 2014. The main prayers of the petitioner are summarised below.
 - a) To Pass 25% relief on fixed charges applicable to Industrial Consumers, Commercial Consumers and private hospitals of Port for the period from 24/03/2020 to 31/05/2020.
 - b) To pass on the relief announced by the Govt. of Kerala for the domestic consumers of the Port.
 - c) Opportunity loss @6% for deferring 75% of fixed charges of Industrial and Commercial consumers of Port during 24/03/202 to 31/05/2020
 - d) Opportunity loss @6 % on the 75% of the payment already made by CoPT to KSEB Ltd

2. In the said petition the petitioner stated that, various Commercial category consumers of Cochin Port Trust namely M/s Taj Malabar Resort & SPA, M/s Casino Hotel, M/s Harrisons Malayalam Limited, M/s Tropicana, M/s Trident Hotel etc. had requested for relief on fixed charges and waiver interest during the lockdown period. The petitioner has 572 nos. of commercial and industrial consumers as on May 2021 and their share is around 80% of the total energy supplied and 587 nos. of domestic consumers staying in various quarters and all of them are government employees. The share of domestic consumers is 3% of the total energy supplied. It is noted that 100 units free electricity is being given to the Class III and IV employees of the CoPT as per the Wage Settlement of the All-India Port & Dock Employees with Ministry of Ports, Shipping & Water Ways. Hence relief is to be made applicable only for units above 100 units in case of Class III and IV employees Port.
3. In the petition, CoPT has mentioned that as such no relief in electricity charges were given to their consumers so far.
4. The petitioner has further submitted the details of financial impact due to the relief to be allowed to various consumer categories of M/s. CoPT during the period from 24-03-2020 to 31st May 2020 is as shown below:
 - a) Total relief to be refunded to Industrial and Commercial consumers is Rs.28,21,942/- during the period of 24-03-2020 to May 2020.
 - b) Total bill amount of the domestic consumers, excluding 100 free units is Rs.3.33,250/- for the lock down period. The relief amount to be refunded to domestic consumers will be Rs.25,000/- approximately.
 - c) The opportunity loss @6% to CoPT for deferring 75% of fixed charges of Industrial and Commercial consumers during the period from 24/03/2020 to 31/05/2020 will come to Rs.11,352/-. Moreover, opportunity loss @6% on the 75% of the fixed charges already paid by CoPT to KSEBL is Rs.1,47,008/-.
5. The Petitioner also submitted that, CoPT had issued electricity bill amount without rebate to all consumers, out of these all except three consumers had remitted electricity bills. The total electricity bill amount of the three defaulted consumers is Rs.17,743/-.
6. After receiving the petition, the Commission sought additional clarifications mainly on the amount of actual rebate to be passed on to the consumers vide letter dated 07-07-2021 and the petitioner has furnished the clarification by letter dated 16-07-2021.

Hearing on the petition

7. The matter was heard through video conference mode on 22-07-2021 at 11.00 AM. The petitioner represented by Smt. Rajashree K Dabke, Sr. Dy CAO, CoPT, Smt. Latha Menon.G, Superintending Engineer Electrical, CoPT, Smt. Jayalakshmy S, AEE(Ele), 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 presented in hearing are briefed below.

- M/s KSEBL had issued electricity bills to CoPT during the Lock down period with normal due date for payment of bills and accordingly, CoPT has remitted the payments within one week from the date of bills. No relaxation or relief was extended to CoPT by KSEB Ltd.
- Rebate/concessions extended by the Ministry of Power to the State of Kerala had intended financial benefits to be passed on to the end consumers of electricity in the State.
- Various Commercial category consumers of Cochin Port Trust had requested for relief on fixed charges and waiving interest during the lockdown period.
- The details of total financial commitment furnished by CoPY vide letter dated 16-07-2021 are summarised below

Table 1

Total Financial Commitment for allowing the relief announced by the Government

Sl.No	Category of Consumer / Other relief	No of Consumers	Relief amount from 24/03/2020 to 31/05/2020	Nature of Relief
1	Commercial & Industrial Consumers	572	Rs.28,21,942/-	25 % reduction in Fixed charges
2	Domestic Consumers excluding 100 free units	587	Rs.25,000/-	As per the Govt Order
3	Deferring 75% Fixed charges of Industrial and consumers	572	Rs.11,362	Opportunity Loss @6%
4	75% of Fixed charges already paid to M/s KSEBL	2	Rs.1,47,008	Opportunity loss @6 %
Total Relief			Rs.30,05,312/-	

8. Shri. Manoj, Asst. Exe Engineer, represented the respondent KSEB Ltd. KSEB Ltd also filed written statement vide letter dated 23-07-2021. Shri Manoj mentioned that the stand of KSEB Ltd on this issue. The major points raised by KSEB Ltd are the following.

- KSEBL has extended various concessions to its consumers in the wake of covid 19 pandemic based on specific directions and orders from Government of Kerala. KSEBL has approached Hon. Commission regarding implementation of the orders of Government of Kerala. Hon. Commission has admitted the petition as OP 19/2020 and has issued orders on the above petition on 31-12-2021.
- The CoPT have a accumulated regulatory surplus of Rs.3792.30 lakhs as per the Truing Up Order dated 21-06-2021 issued by the Commission. The surplus of CoPT is arrived at after allowing the eligible regulatory return in the form of return on net fixed assets. As against this, KSEB Ltd is having an approved deficit of Rs 6862.87 Cr as per true up order for 2017-18, which is yet to be recouped.
- It is submitted that the Commission may allow the licensee to utilize the said surplus to provide reliefs to the group of consumers, as suggested.
- KSEB Ltd is not in a position to provide any relief in the power bills issued by KSEB Ltd to licensees including CoPT.
- KSEB Ltd is agreeable in case the Commission is permitting CoPT to utilize the accumulated surplus for allowing rebate to its consumers in light of difficulties faced due to Covid 19.
- KSEB Ltd understands that Government of Kerala has taken a position to extend the relaxations declared by Government to all licensees including KSEB Ltd.

Analysis and Decision of the Commission

9. The Commission has carefully examined the prayers of the petitioner and the details furnished thereof. According to the petitioner, the financial impact of the rebates to be allowed to Industrial and Commercial consumers is Rs.28,21,942/- for the period from 24/03/2020 to 31/05/2020. The petitioner has furnished vide letter dated 16-07-2021 the consumer category wise details of rebate to be refunded to the Industrial and Commercial consumers. The details are shown below.

Table 2

Details of the Amount of Relief required for the consumers of CoPT

Category	Fixed Charge /Demand Charge (Rs)	25% of FC as Relief (Rs)
HT1-INDUST	2,01,917	50,480
HT-IV	80,41,183	20,10,304
HT-IVB-H	6,19,975	1,54,994

HT-IVB-H&M	5,59,369	1,39,843
RC3	19,194	4,799
RC5	18,27,466	4,57,319
RC5-CANTN	9,801	2,452
RC-VII(C)	7,001	1,751
Total	1,12,85,906	28,21,942

10. The Commission notes that, as per the details furnished by the petitioner, domestic consumers are also included for estimating the relief of 25% on fixed charges as against the rebate in fixed charges announced by the Government for Industrial consumers, Commercial consumers and private hospitals.
11. The petitioner also stated that they have already issued bills amounting to Rs.656.60 lakhs to the consumers without any rebates. Out of the total consumers eligible for rebates, only three consumers had defaulted in payment. The total amount of the three defaulted consumers is Rs.17,743/-. It is seen that about 99.97% of the amount has been collected by the petitioner. The petitioner also stated that, the relief amount to be refunded to domestic consumers works out to be Rs.25,000/- approximately.
12. The petitioner stated that, the opportunity loss @6% to CoPT for deferring 75% of fixed charges of Industrial and Commercial consumers during the period from 24/03/2020 to 31/05/2020 will come to Rs.11,352/-. Moreover, opportunity loss @6% on the 75% of the fixed charges already paid by CoPT to KSEB Ltd is Rs.1,47,008/-.
13. The Commission notes that the petition of CoPT pertains to the reliefs announced by Government of Kerala vide G.O dated 01-06-2020 and 26-06-2020. Gist of the G.Os are given below:

G.O details	Concessions offered
G.O. No.67/2020/PD dated 01-06-2020	<ul style="list-style-type: none"> 25% rebate in fixed charges to be allowed to Industrial, Commercial and private hospitals during the lockdown period (2020 march, April and May) Time till December 2020 may be allowed for remitting the balance amount, with out interest.
G.O. No.80/2020/PD dated 26-06-2020	<ul style="list-style-type: none"> Domestic consumers having monthly consumption upto 40 units and connected load upto 500W, entire consumption is free for the bills issued from 20th April to 19th June 2020. Entire consumption of domestic consumers having monthly consumption upto 40 units and connected load of 1000W shall be charged at Rs.1.50/unit, without restriction 3.domestic consumers having monthly consumption upto 50 units shall be allowed 50% subsidy for their additional bill amount due to excess consumption

	<ul style="list-style-type: none"> • domestic consumers having monthly consumption upto 100 units shall be allowed 30% subsidy for their additional bill amount due to excess consumption • domestic consumers having monthly consumption upto 150 units shall be allowed 25% subsidy for their additional bill amount due to excess consumption • domestic consumers having monthly consumption above 150 units shall be allowed 20% subsidy for their additional bill amount due to excess consumption • 7. upto 5 instalments may be allowed for remitting the bills issued during the lockdown period.
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14. As per the said G.Os, the Government has given sanction for allowing rebates/concessions to the consumers of KSEB Ltd only. Regarding the concessions extended to the domestic consumers as per the G.O dated 26-06-2021, was as per the provisions of Section 65 of the Electricity Act 2003. So far Government has not issued any Orders enlarging the scope of the said Orders to allow concessions to consumers of licensees other than KSEB Ltd. Since the above concessions and rebates fall under the scope of Section 65 of the Electricity Act 2003, specific orders are necessary to enlarging the scope.
15. In the mean time Government has conveyed to the Commission vide letter **No. A1/179/2020/PD dated 27-04-2021, that steps to be taken for implementing all orders pertains to various concessions allowed as per the respective Orders issued by the Government in full and the resulting liabilities to licensees including KSEB Ltd to be settled as and when the final accounts are available. In the said letter also the Government has not expanded the scope to include the consumers of other licensees in allowing the concessions.**
16. In this background and based on the request of the licensee, the Commission is of the view that giving due consideration to the spirit of the Hon'ble Chief Minister's announcement allowing relief to consumers of KSEB Ltd is to be extended to the consumers of CoPT also especially considering the letter No. A1/179/2020/PD dated 27-04-2021 of the Government addressed to the Commission.
17. Accordingly, sanction is hereby given to CoPT for implementing the rebates and concessions allowed by the Government to the respective category of consumers except domestic consumers since the financial effect of this rebate has been extended through subsidy by State Government to KSEB Ltd only and not to other distribution licensees. The Commission however has no objection to CoPT extending this rebate to their domestic consumers with adjustment from their

accumulated surplus, if the State Government does not extend similar subsidy on an appeal by CoPT to the State Government. Accordingly, the same is ordered.

18. Regarding the prayer for allowing Opportunity loss @6% for deferring 75% of fixed charges of Industrial and Commercial consumers of Port during 24/03/202 to 31/05/2020 is not allowed since the petitioner has informed that most of the consumers have remitted the bill amount on time and the licensee has not suffered any substantial financial loss.
19. The prayer for opportunity loss @6% on the 75% of the payment already made by CoPT to KSEB Ltd is also rejected since no such facility was offered to the bulk consumers/licensees.

Orders of the Commission

20. Based on the above deliberations, the Commission hereby Orders as follows:
 - a) CoPT can allow the rebates and concessions as sought in the petition to respective category of consumers as per the Government Orders except for domestic consumers. In the case of domestic consumers, the relief as sought may be extended from the accumulated surplus if the same is not extended by the Government as subsidy on request from CoPT.
 - b) The request for allowing opportunity loss at the rate of 6% for deferring the 75% of the fixed charges of industrial and commercial consumers and 6% opportunity loss on the 75% payment already made to KSEB Ltd is rejected as stated above.
21. Petition disposed of. Ordered accordingly.

Sd/-
Adv. A.J. Wilson
Member (Law)

Sd/-
Preman Dinaraj
Chairman

Approved for issue

Sd/-
Secretary (i/c)