



**KERALA STATE  
ELECTRICITY REGULATORY COMMISSION**

**ANNUAL REPORT**

**2012-13**

## CONTENTS

|   | Page |
|---|------|
| 1. Introduction   | 3    |
| 2. The Commission   | 3    |
| 3. Functions of the Commission  | 4    |
| 4. Chairman & Members of the Commission                               | 5    |
| 5. Office of the Commission   | 5    |
| 6. Human Resources  | 5    |
| 7. State Advisory Committee   | 6    |
| 8. State Co-ordination Forum  | 8    |
| 9. Licensees  | 8    |
| 10. Proceedings of the Commission during 2012-13                      | 9    |
| 11. Regulations issued by the Commission                              | 9    |
| 12. Important orders issued by the Commission                         | 11   |
| 13. Application of Information Technology                             | 27   |
| 14. Meetings of Forum of Regulators (FOR)                             | 28   |
| 15. Meetings of Forum of Indian Regulators                            | 28   |
| 16. Meeting of South Asia Forum for Infrastructure Regulation (SAFIR) | 29   |
| 17. Meetings of Southern Electricity Regulatory Forum (SERF)          | 29   |
| 18. Consumer Grievance Redressal Forum (CGRF)                         | 29   |
| 19. Electricity Ombudsman   | 31   |
| 20. Renewable Energy Initiatives                                      | 32   |
| 21. Standards of Performance  | 32   |
| 22. Compliance Examiner   | 33   |
| 23. Public Relations  | 35   |
| 24. Consumer Advocacy Cell  | 35   |
| 25. Engagement of Auditors  | 36   |
| 26. Right to Information Act  | 36   |
| 27. Legal Matters   | 37   |
| 28. Finance and Account   | 37   |
| 29. Acknowledgment  | 37   |
| 30. Annexure I  | 38   |
| 31. Annexure II   | 43   |
| 32. Annexure III  | 44   |
| 33. Annexure IV   | 45   |
| 34. Annexure V  | 48   |
| 35. Annexure VI   | 50   |

## **INTRODUCTION**

1. The Kerala State Electricity Regulatory Commission, which was established in 2002, presents its 10<sup>th</sup> Annual Report for the financial year 2012-13. The Commission has been taking all efforts to bring in an effective and efficient regulatory process in the power sector of Kerala. The Commission has ensured that its proceedings and orders are fair, transparent and upholding the policy of the Government as well as the interest of consumers, licensees and other stakeholders as a whole. This report provides a general view of the various activities undertaken by the Commission during the year under report.

## **THE COMMISSION**

2. The Kerala State Electricity Regulatory Commission, was constituted under Sub-section (1) of Section 17 of the Electricity Regulatory Commissions Act, 1998 vide Government Order G.O (Ms).No.34/ 2002/PD dated 14<sup>th</sup> November, 2002 which was notified in the Government Gazette, Extra-Ordinary dated 18<sup>th</sup> November, 2002. The Commission is a body corporate having perpetual succession and a common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued. The Commission came under the purview of the Electricity Act, 2003, with effect from 10<sup>th</sup> June, 2003 when Electricity Regulatory Commissions Act, 1998 was repealed.

The Commission consists of a Chairman and two Members. In recognition of the need for a multi-disciplinary approach, while addressing issues related to independent regulations, the statute prescribes that the Chairman and Members shall be persons of ability, integrity and standing who have adequate knowledge, experience and proven capacity in dealing with problems relating to engineering, finance, commerce, economics, law or management. The Chairman and the Members are appointed by the Government of Kerala from a panel recommended by a Selection Committee constituted as prescribed under the statute. The statute also provides for the appointment of a Secretary to the Commission, whose powers and duties are defined by the Commission.

## **FUNCTIONS OF THE COMMISSION**

3. The Commission is vested with the responsibility of performing the following functions:
- (1) determination of the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the state;
  - (2) regulating the purchase of electricity and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the state;
  - (3) facilitating intra-state transmission and wheeling of electricity;
  - (4) issuance of licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the state;
  - (5) promoting co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
  - (6) adjudication of the disputes between the licensees and generating companies and to refer any dispute for arbitration;
  - (7) levying fee for the purposes of the Electricity Act, 2003;
  - (8) specifying State Grid Code;
  - (9) specifying and enforcement of standards with respect to quality, continuity and reliability of service by licensees;
  - (10) fixing the trading margin in the intra-State trading of electricity, if considered, necessary;
  - (11) discharging such other functions as may be assigned to it under the Electricity Act, 2003; and
  - (12) advising the State Government on all or any of the following matters, namely:—
    - (a) promotion of competition, efficiency and economy in the activities of the electricity industry;
    - (b) promotion of investment in the electricity industry;
    - (c) reorganization and restructuring of the electricity industry in the state; and
    - (d) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by the State Government.

## CHAIRMAN AND MEMBERS OF THE COMMISSION

4. Shri. K.J. Mathew IAS (Retd), continued as Chairman till his demise on 11.09.2012. Shri. T.M.Manoharan, IFS (Retd) assumed charge of the Chairman on the AN of 11.01.2013. Shri. P. Parameswaran and Sri Mathew George continued as Members during the period under report. The Commission appointed Sri. K.Chandrasekhara Babu IAS (Rtd) as Secretary and he assumed charge on 01.07.2011 and continued during the period under report.

## OFFICE OF THE COMMISSION

5. The Commission is functioning at KPFC Bavanam, C.V. Raman Pillai Road, Vellayambalam, Sathamangalam P.O., Thiruvananthapuram – 695010.

## HUMAN RESOURCES

6. The staff position of the Commission as on 31.03.2013 is as below:

| <i>Sl.No.</i> | <i>Name</i>                            | <i>Designation</i>      | <i>Remarks</i> |
|---------------|--|-------------------------|----------------|
| 1.            | Shri. K. Chandrasekhra Babu IAS (Rtd.) | Secretary               | On contract    |
| 2             | Dr. B. Jayasankar                      | Senior Economic Analyst | On deputation  |
| 3             | Shri. C. Subrahmanyam                  | Administrative Officer  | On contract    |
| 4             | Smt. Sreedevi.P.G                      | Confidential Assistant  | Regular        |
| 5             | Shri. Sadhasivan Nair. R               | Confidential Assistant  | On contract    |
| 6             | Smt. Vijithra A.V                      | Confidential Assistant  | On contract    |
| 7             | Shri. Mohana Kumar.N                   | Office Superintendent   | On contract    |
| 8             | Shri P V Priyesh                       | Peon                    | Regular        |
| 9             | Shri Vishnu H R                        | Peon                    | Regular        |
| 10            | Shri. S.J.Sajan                        | Peon                    | On contract    |
| 11            | Shri. Sreekumaran Nair                 | Driver                  | On contract    |
| 12            | Shri G. Jayan                          | Driver                  | On contract    |
| 13            | Shri. K.O.Ameer Ali                    | Driver                  | On contract    |
| 14            | Shri. Sasidharan Nair                  | Driver                  | On contract    |
| 15            | Shri Umachandra Babu                   | Accountant              | On contract    |
| 16            | Shri Shibu                             | Driver                  | On Contract    |

Following persons were engaged as consultants on contract basis for assisting the Commission

| <b><i>Sl.No.</i></b> | <b><i>Name</i></b>         | <b><i>Designation</i></b> |
|----------------------|----------------------------|---------------------------|
| 1                    | Shri. C.K. Jayachandran    | Consultant (Tariff)       |
| 2                    | Shri. T.K Yohan            | Consultant (Engineering)  |
| 3                    | Shri. Cherian Varghese     | Compliance Examiner       |
| 4                    | Shri. George James         | Consultant (Legal)        |
| 5                    | Shri. Siavudin             | Consultant (PR)           |
| 6                    | Shri. J. Sasidharan Pillai | Consultant (RA)           |
| 7                    | Shri. J Sudhakaran Nair    | Consultant(C&S)           |

### STATE ADVISORY COMMITTEE

7. The State Advisory Committee was reconstituted vide Notification No.548/Admn/11/KSERC dated 10.10.2011 published as Gazette Extra Ordinary No. 1929 dated 13.10.2011 and it continued to function during the year under report. The State Advisory Committee as per Section 88 of the Electricity Act, 2003 is entrusted with the task of advising the Commission on major questions of policy, matters relating to quality, continuity and extent of service provided by the licensees; compliance by licensees with the conditions and requirements of their licence; protection of consumer interest and electricity supply and overall standards of performance by utilities. As per Clause 51(5) of the KSERC (Conduct of Business) Regulations, 2003 the term of the members of the committee shall be normally 3 years and 1/3<sup>rd</sup> of the members shall be replaced by new members annually, as far as possible. However, a member may be re-nominated for a second term if so decided by the Commission.

The following were the members of the State Advisory Committee during the year 2012-13:

- |     |  |   |                               |
|-----|--|---|-------------------------------|
| (1) | Sri K.J.Mathew, Chairman<br>Kerala State Electricity Regulatory Commission     | : | Chairman<br>(till 11/09/2012) |
| (2) | Sri. T.M.Manoharan<br>Kerala State Electricity Regulatory Commission           | : | Chairman<br>(from 11/01/2013) |
| (2) | Sri. P. Parameswaran, Member<br>Kerala State Electricity Regulatory Commission | : | Member                        |

- (3) Sri. Mathew George, Member  
Kerala State Electricity Regulatory Commission : Member
- (4) Secretary, Food, Civil Supplies and  
Consumer Affairs Department, Government of Kerala : Member
- (5) The Secretary/Principal Secretary  
Power Department, Government of Kerala : Member
- (6) The Chairman, Kerala State Electricity Board, Pattom,  
Thiruvananthapuram : Member
- (7) The Member Secretary/ Representative,  
State Planning Board, Pattom Palace P.O,  
Thiruvananthapuram : Member
- (8) Shri. Vijaya Raghavan,  
(Former Member, State Planning Board)  
No.B6, Jawahar Nagar, Thiruvananthapuram - 695003 : Member
- (9) President, Chamber of Commerce, T.T.C. Road,  
Jawahar Nagar, Kowdiar, Thiruvananthapuram : Member
- (10) Sri. Ayyappan Nair,  
Confederation of Consumer Vigilance Centre,  
Sreekovil, Kodunganoor P.O, Thiruvananthapuram : Member
- (11) The General Manager  
N.T.P.C, Choolatheruvu, Kayamkulam - 690506 : Member
- (12) Sri. S.N. Raghuchandran Nair  
Managing Director, SI Property (Kerala) Pvt. Ltd,  
'Silver Oaks', Near Golf Club, Thiruvananthapuram : Member
- (13) The Director,  
Energy Management Centre, Sreekrishna Nagar,  
Sreekaryam P.O, Thiruvananthapuram : Member
- (14) Sri. M.S Rawther,  
General Secretary, K.E.E Confederation (INTUC)  
V.P Marakkar Smaraka Mandiram : Member  
Ambujavilasom Road, Thiruvananthapuram
- (15) The President,  
Kerala State Small Industries Association,  
Veekay Towers, Beerankunju Road, Kochi – 682 018 : Member
- (16) The President,  
Trivandrum Management Association,  
TMA House, Lions Centre, Jawahar Nagar, : Member  
Kowdiar P.O, Thiruvananthapuram

- (17) Sri. Vijayamohanan Pillai  
Centre for Development Studies,  
Ulloor, Thiruvananthapuram – 695 011 : Member
- (18) The President  
The High Tension & Extra High Tension Industrial  
Electricity Consumers' Association  
Productivity House,  
Kalamassery 683 104, Ernakulam Dist : Member
- (19) Dr. K. Ravi  
Kesaveeyam, House No.76, Vrindavan Garden  
Pattom Palace P.O, Thiruvananthapuram : Member
- (20) The Chairman  
Kerala State Productivity Council  
H.M.T Road, Kalamassery, Ernakulam, Kochi : Member
- (21) The President/General Secretary,  
FRATS (Federation of Residents' Association,  
Trivnandrum) : Member  
Guru Nivas, S.N.R.W.A 49, Subash Nagar,  
West Fort, Thiruvananthapuram - 8

### **STATE CO-ORDINATION FORUM**

8. The State Government constituted a Co-ordination Forum consisting of the Chairman and Members of the State Commission, representatives of the generating companies, transmission licensee and distribution licensees in the state for the smooth and coordinated development of the power sector in the state.

### **LICENSEES**

9. The Kerala State Electricity Board continued to function as the State Transmission Utility and a distribution licensee as per Section 172(a) of the Electricity Act till 24-9-2008. By virtue of the powers conferred under Section 131 of the Act, 2003, Government of Kerala vide the Government Order (Ms).37/2008/PD dated 25<sup>th</sup> September, 2008, vested all functions, properties, interests, rights, obligations and liabilities of KSEB with the State Government. The re-vesting of the assets and liabilities to a new company or companies is yet to be completed. In addition to the



Kerala State Electricity Board, the following are the other distribution licensees in the state.

- (1) Thrissur Corporation, Thrissur
- (2) Kannan Devan Hills Plantations Pvt Ltd, Munnar
- (3) Technopark, Kazhakuttam, Thiruvananthapuram
- (4) Cochin Special Economic Zone, Kakkanad, Kochi
- (5) Kinesco Power Utilities Pvt Ltd (KPUPL), Kakkanad, Kochi
- (6) Rubber Park Pvt Ltd, Valayanchirangara, Ernakulam
- (7) Cochin Port Trust, Willingdon Island, Kochi
- (8) Military Engineering Service, Kataribagh, Kochi
- (9) Infopark, Cochin (not yet started operation)

#### **PROCEEDINGS OF THE COMMISSION HELD DURING 2012-13**

10. A list of proceedings/hearings conducted by the Commission is furnished in Annexure-I.

#### **REGULATIONS ISSUED BY THE COMMISSION**

11. The Commission issued the following regulations and amendments to regulations during the year 2012-13.
  - (1) **The Kerala Electricity Supply (Sixth Amendment) Code, 2012-** As per the existing clause in the Supply Code, the arrear amount shall be realized only from the previous owner/occupier and the new purchaser/consumer is eligible to get his connection even if there is huge arrear from the previous consumer. The Hon. High Court of Kerala in the decision in WA No. 2114 of 2009 has directed the Kerala State Electricity Regulatory Commission to consider amending this clause since licensees find it difficult to realize the arrears from the previous owner as they may not have any assets for recovery. Commission has considered this issue in detail and decided to amend the Supply Code and issued the above notification accordingly.

- (2) **Kerala State Electricity Regulatory Commission (Compliance Audit) Regulations, 2012-** Section 128 of the Electricity Act empowers the Commission to investigate the failure, if any, of any licensee in complying with the conditions of licence, failure of any generating company or licensee to comply with provisions of the Act or rules or regulations made there under. Commission has decided to issue regulations prescribing the procedure and powers and duties in the context of investigation in line with the model regulation framed by the Forum of Regulators and issued the above regulation accordingly.
- (3) **Kerala State Electricity Regulatory Commission (Principles of determination of Roadmap for Cross-subsidy Reduction for Distribution Licensees) Regulations, 2012-** The Principles for determination of cross subsidy reduction and a roadmap for adoption of cross subsidy reduction based on the cost of supply for the distribution licensees of the state have to be prescribed as per the requirement of the Electricity Act ,2003, the National Electricity Policy and Tariff Policy. The Commission shall follow these principles while designing the retail tariffs of various consumer categories of the distribution licensees of the state. The distribution licensees shall also follow these principles while proposing retail tariffs for their consumers along with the ARR filing.
- (4) **Kerala State Electricity Regulatory Commission (Power Procurement from Renewable Sources by Distribution Licensee) Regulations, 2013-** Section 86(1) (e) of the Electricity Act 2003 mandates the Commission to promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee. Section 62(1) of the Act empowers the Commission to determine the tariff for the supply of electricity by a generating company to a distribution licensee in accordance with the provisions of the Act. Section 61 of the Act further provides that the appropriate Commission shall, specify the terms and conditions for the determination of tariff and in doing so shall be guided by the principles listed in clauses (a) to (i) of the said Section. Accordingly the Commission issued relevant regulation in 2006 and the Central Electricity Regulatory Commission issued CERC (Terms and Conditions for Tariff

Determination from Renewable Energy Sources) Regulations, 2012. In order to provide more transparency and predictability, the Commission decided that the terms and conditions and norms for renewable energy tariff in the state can be aligned with the CERC norms. Accordingly the Commission issued this regulation in supersession of the existing regulation on the subject.

### **IMPORTANT ORDERS ISSUED BY THE COMMISSION**

12. The following are the important orders issued by the Commission.

**(1) Order dated 05/04/2012 in OP No. 20/2012 in the Matter of Introducing Power Restrictions for the month of April and May 2012.**

The Kerala State Electricity Board on 30-03-2012 filed a petition for introducing power restrictions for three months with effect from 1st April, 2012 till 30<sup>th</sup> June 2012 or till the power position improves. In the petition, the Board had stated that the power situation had worsened since the filing of the ARR due to the following reasons:

- (i) Non availability of open access for the power sourced through traders.
- (ii) Ban imposed by the Karnataka State Government under section-11 of the Electricity Act-2003 on the sale of power outside the State.
- (iii) Intervention by the Hon'ble High Court of Andhra Pradesh on allowing open access
- (iv) Exorbitant rise in the clearing price of the electricity transacted through energy exchanges
- (v) Short-fall in the summer rains and reduction on the energy availability from hydel sources.
- (vi) Excessive increase in the energy and peak demand over the same projected in the ARR.

The Board estimated that the average daily deficit of energy at 12.13MU in April and at 11.69MU in May, which is about 20 to 21% of the daily demand. In order to tide over the critical power situation, the Board had proposed to impose half an hour cyclic load shedding on all 11 kV feeders during the period between 6:30 pm to 10:30 pm and limiting the usage of electricity by all HT and EHT consumers and Bulk Licensees at the normal tariff to 80% of the previous one year's average

consumption, and charging the excess consumption over the limit @ Rs.11.00 per unit, which was the average marginal cost of sourcing power from liquid fuel stations. The Commission after considering the arguments and the power position of the state decided to accept the proposal of KSEB with modifications. Accordingly, half an hour cyclic load shedding which was introduced in 11kV feeders with effect from 02-04-2012 as per the interim order dated 30-03-2012, was allowed to continue till 31-05-2012. Further, power restriction was also introduced from 05-04-2012 till 31-05-2012 for all HT&EHT consumers of all licensees in the state at the rate of 10% of the consumption, based on their base average consumption in 2011-12. The excess consumption over the 90% limit shall be charged at a higher rate of Rs. 10/- per unit. The Commission also directed the Board to constitute a Grievance Redressal Committee at the head quarters consisting of senior officers for addressing all genuine complaints regarding fixation of quota from HT&EHT consumers. It was also directed that all licensees including KSEB shall indicate the quota, excess consumption and rate charged for excess consumption etc., separately in the bills issued to the consumers.

**(2) Order dated 09/04/12 in OP No. 5/2012 in the Matter of Approval of ARR&ERC of M/S Cochin Port Trust for the year 2012-13.**

M/s Cochin Port Trust, a deemed Distribution Licensee submitted the ARR&ERC petition for 2012-13 vide letter dated 19-12-2011. The revenue gap shown in the petition was Rs.426.41 lakh. The licensee subsequently revised the petition and in the revised petition, the total revenue requirements for 2012-13 were projected as Rs.2400.96 lakh and the revenue from charges as Rs.1979.02 lakh, thereby showing a revenue gap of Rs.421.94 lakh. The Commission after considering the ARR&ERC and the clarifications there on submitted by the licensee, provisionally approved the ARR of Rs.1821.16 lakh and estimated revenue of Rs.2101.71 lakh, leaving a revenue surplus of Rs.280.55 lakh for the year 2012-13. Following directions were also issued for compliance.

- (a) The licensee shall in future provide the tariff category wise revenue from sale of power from general consumers and 'self consumption' separately. Notional billing shall be done for 'self consumption' so that the revenue shall be accounted properly.

(b) The licensee shall give a proposal for revising the ToD billing and for introduction of kVAh billing system.

(c) The licensee shall keep separate accounts for identifiable expenses like employee costs, A&G expenses and R&M expenses of licensed business.

**(3) Order dated 25/04/2012 in OP no. 4/2012 in the Matter of Approval of ARR&ERC of CSEZ for the year 2012-13.**

Cochin Special Economic Zone (CSEZ) submitted its petition for approval of ARR&ERC for 2012-2013, on 05-01-2012. The petition was admitted as OP No.4 of 2012. In the petition, the licensee had estimated the total revenue gap as Rs.77.71 lakh for 2012-13 excluding return on investment. The total projected income from the sale of 60MU of power was Rs.2521.15 lakh with an estimated expenditure of Rs.2702.76 lakh. The non-tariff income was projected as Rs.105.90 lakh. The Commission after scrutiny of the ARR&ERC and the clarifications thereon given by the licensee, approved the ARR of Rs.2437.17 lakh and estimated revenue of Rs.2476.93 lakh, leaving a revenue surplus of Rs.39.76 lakh for the year 2012-13 for M/s CSEZ. The Commission directed that the licensee shall take earnest efforts to limit the expenses at the approved level. The licensee was also directed to furnish the report on the energy audit and shall comply with the directions on reporting the own consumption.

**(4) Order dated 26/04/2012 in OP no. 21/2012 in the Matter of Power Restrictions for LT Consumers.**

The Kerala State Electricity Board on 13-4-2012 filed a petition for extending power restrictions to LT consumers of all licensees in the state. The Board has proposed to introduce 10% restriction on electricity usage to LT categories such as LT-II, LT-IV Industrial, LT-VI (A), VI (B), VI (C), LT-VII (A), VII (B) and LTVII (C) category and categories such as LT-V agriculture, LT-VI (D) and public lighting are to be exempted from restrictions on electricity usage. The reduction in electricity usage anticipated through the proposed restriction was about 0.98 MU per day. In the case of domestic consumers, monthly consumption upto 300 units was to be charged at normal tariff and consumption above the said limit was proposed to be charged at higher tariff. The total energy saving from the above restrictions

proposed was 3.59MU. The Commission after admitting the petition issued press release informing all stakeholders on the petition and scheduled the hearing on 25-4-2012. After considering the submissions and arguments made by the parties, the Commission imposed the restrictions at a rate of 10% on all LT-II, LT-IV Industrial, LT-VI (A) , (B)& (C), LT-VII (A), (B) & (C) categories consumers and for domestic consumers quota under normal tariff was fixed at 300 units per month. The consumption above the limit was allowed to be charged at the rate of Rs.10/- per unit. The restrictions on LT consumers were made effective from 26-4-2012 upto 31-5-2012.

**(5) Order dated 28/04/2012 in OP no.3/2012 in the Matter of Determining the Aggregate Revenue Requirements and Expected Revenue From Charges of KSEB for the year 2012-13.**

The Kerala State Electricity Board filed the petition for approval of Aggregate Revenue Requirements (ARR) and the Expected Revenue from Charges (ERC) for financial year 2012-13 on 31-12-2011. In the petition the Board had proposed a revenue gap of Rs.3240.25 crore and no tariff proposal was made for bridging such a large revenue gap. The Board also sought introduction of power restrictions for the entire period of one year for majority of the consumer categories at the rate of 15%. Subsequently, the Board filed petition for revision of tariff for an additional revenue of about Rs.1586 crore. The petition was processed separately. The Commission approved an Aggregate Revenue Requirement of Rs.7986.39 crore and a total Expected Revenue from Charges of Rs.6097.24 crore as against Rs.9638.12 crore and Rs.6397.87 crore respectively projected by the Kerala State Electricity Board for the year 2012-13. The Commission rejected the proposal of the Board to introduce power restrictions to the tune of 15% on most of the consumer categories as part of the ARR&ERC petition on a year round basis. The revenue gap approved for the year 2012-13 was Rs.1889.15 crore against Rs.3240.25 crore projected by the Board. The revenue gap would have been Rs.4337.08 crore as against Rs.3240.25 crore projected by the Board, if power restrictions were not incorporated in the proposal submitted by the Board. The Commission allowed to continue the existing tariffs till a decision on the petition for revision of tariff is taken. The tentative functional split up of costs and revenues presented by the

Board along with the ARR&ERC were not accepted and deferred for the time being, considering the issues of appropriately apportioning the equity base, loss, fixed assets, capital liabilities etc. and also on account of the absence of a clear demarcation of functional costs.

**(6) Order dated 30/4/2012 in DP no. 77/09 in the Matter of Refund of Service Connection Charge.**

- (a) The Service Connection charges levied if any, from HT/EHT Consumers after 8/9/2010 and LT consumers after 10/11/2011 shall be refunded within 30 days from the date of issue of the order without waiting for any application from the concerned consumers.
- (b) Service connection charges levied from HT/EHT consumers till 7/9/2010 and from LT consumers till 9/11/2011 need not be refunded since these amounts were already treated as revenue of the licensee and tariff so adjusted.
- (c) In the circumstances, the Commission decided to drop further action under section 129, 130 and 142 as mentioned in the order dated 8/9/2010

**(7) Order dated 02/05/2012 in OP no. 2/2012 in the Matter of Approval of ARR&ERC of M/S Technopark for the year 2012-13.**

M/s Technopark filed its ARR & ERC for the year 2012-13 on 28.12.2011. The defects pointed out in the petition were rectified subsequently and the clarifications sought by the Commission were also provided by the licensee. The revenue gap projected for 2012-13 was Rs.87.12 lakh before return on investment, which will increase to Rs.1177.12 lakh with return on investment considering 14% on Equity taking 30% of NFA. The Commission provisionally approved the ARR of Rs.3190.56 lakh and estimated revenue of Rs.3175.26 lakh, leaving a revenue gap of Rs.15.30 lakh for the year 2012-13. The Commission allowed to continue the existing tariff for the year. Following directions were issued for compliance.

- (a) The licensee shall replace all electro mechanical meters with static meters/electronic energy meters as per schedule furnished in the ARR & ERC petition for 2012-13.
- (b) The licensee shall submit within three months a comprehensive Capital Investment Plan separately for each phase containing detailed works with year wise proposal, year wise capital outlay, source of funding,

proposed/actual date of commencement and completion, and the justification of the investments including cost–benefit analysis.

- (c) The licensee shall take advance action for sourcing power to their expansion projects so that the upcoming IT/ITES units are not put into difficulties due to lack of power supply.
- (d) Details of category wise security deposit available and the interest credited to the consumer account for the year 2012-13 shall be furnished before 31.08.2012

**(8) Order dated 15/05/2012 in OP no. 11/2012 in the Matter of ARR& ERC for M/S Rubber Park India Limited for the year 2012-13.**

M/s RPIL filed the ARR&ERC petition for 2012-13 on 22.02.2012. Since the licensee did not file the petition in time and the Commission issued show cause notice under Section 142 of Electricity Act 2003. In reply the licensee explained that they had entrusted the preparation of ARR&ERC to an external agency. As the agency could not complete the work within the specified time, the work was given to another agency who had assured to complete the work before 20.02.2012. Considering the reply, the Commission decided to drop further action against the licensee with a strict warning. The ARR & ERC petition filed by the licensee with a revenue gap of Rs.32.02 lakh. The Commission after scrutiny of the petition approved the ARR of Rs.1061.63 lakh and estimated revenue of Rs.976.58 lakh, leaving a revenue gap of Rs.85.05 lakh for the year 2012-13. The Commission directed the licensee to take earnest effort to implement the direction issued in the orders on the ARR & ERC for 2011-12 for utilising the unutilised capacity of the 110 kV/11 kV transformer.

**(9) Order dated 28/05/2012 in OP no.19/2012 in the Matter of Imposing Fuel Surcharge for the months October to December 2011.**

Kerala State Electricity Board filed a petition dated 16-2-2012 for imposing fuel surcharge on all consumers including bulk consumers and other licensees to recover the additional financial liability of Rs.79.89 crore estimated as per KSERC (Fuel Surcharge Formula) Regulations, 2009 for the third quarter of the financial year 2011-12 ie., for the period from October 2011 to December 2011. After



considering the petition and the arguments of the stakeholders, the Commission approved the recovery of an amount of Rs.77.22 crore as fuel surcharge for the period from October 2011 to December 2011 at the rate of 20 paise per unit for the consumption from October 2012 onwards for next 3 months or until Rs.77.22 crore is realized which ever is earlier. The fuel surcharge was also made applicable to consumers of all licensees except domestic consumers having consumption not more than 20units per month and connected load of less than or equal to 500W, as per clause 3(6) KSERC(Fuel Surcharge Formula) Regulations 2009. The Commission also directed all licensees to strictly adhere to the provisions of Section 65 of the Electricity Act, 2003 while providing any subsidy or exemption to the consumers.

**(10) Order dated 22/06/2012 in OP no. 12/2012 in the Matter of ARR&ERC for M/S KPUGL for the year 2012-13.**

M/s KPUGL filed the ARR&ERC petition for 2012-13 on 06.02.2012. Prior to this, the Commission issued show cause notice to the licensee under section 142 of the Act for not filing the petition on time. In reply, the licensee apologised for the delay and assured that in future ARR&ERC petitions would be submitted in time. The licensee In the light of the reply submitted by the licensee, the Commission decided to drop further action against the licensee. The licensee projected the Aggregate Revenue Requirement of Rs.3155.99 lakh including return on investment of Rs.71.10 lakh and an Expected Revenue from Charges of Rs.2546.48 lakh, leaving a Revenue Gap of Rs.609.51 lakh for the year 2012-13. After considering the ARR&ERC petition of M/s KPUGL, the clarifications thereon, comments of the consumers & KSEB and explanation thereon submitted by the M/s KPUGL, the Commission approved the ARR of Rs.2702.38 lakh and estimated revenue from charges (ERC) of Rs.2686.60 lakh, with a revenue gap of Rs.15.78 lakh for the year 2012-13. The Commission allowed to continue the existing tariffs for the year. The Commission directed that the licensee shall provide the details of capital expenditure including cost / benefit analysis and source of funding, demarcating the amount to be recovered from the beneficiaries and that to be charged on the ARR for approval within two months. It was also directed that the statement regarding transfer deed, possession of assets etc. shall be furnished within a month.

**(11) Order dated 12/07/2012 in OP no. 22/2012 in the Matter of Approval of Power Purchase Agreement Between KSEB and M/s Viyyat Power Limited.**

Government of Kerala allotted 2 X 1.5MW Iruttukanam Project to M/s. Viyyat Power Ltd, Trivandrum in 2004. Sanction was also accorded for the Techno Economic Feasibility Report (TEFR) for the additional 1 X 1.5 MW unit as Stage II. The Commission specified tariff for stages I & II vide Order in OP 20/11 on 30.9.2011. The petitioner filed review petition as RP 12/11 on 23/11/11, which was dismissed vide order dt. 27/2/12. On the basis of this order, OP 22/12 was filed for approval of the draft supplementary Power Purchase Agreement. The matter was heard on 15/6/12 and orders issued on 12/7/12, approving the supplementary PPA with necessary modifications.

**(12) Order dated 17/07/2012 in OP no.25/2012 in the Matter of Implementation of the Order of APTEL dated 17.01.2012.**

Kerala State Electricity Board filed a petition for admitting the medical expenses and return on equity for the year 2006-07 based on the order of the Appellate Tribunal for Electricity dated 17-1-2012. The Commission admitted the petition and heard the matter on 14-6-2012. In the petition, KSEB sought to reconsider the return on equity in view of the Government Order dated 13-12-2010 and the disallowance on the medical allowance amounts to Rs.0.30 crore. After considering the arguments of the Board, the Commission has provisionally allowed the return on the equity of Rs.1553 crore based on the G.O. dated 13-12-2010. The impact of the provisional admission of RoE has been mentioned in the ARR&ERC Order for 2012-13 where a statement of revenue gap /surplus position based on the ARR&ERC orders and truing up was given. Regarding employee costs, as per the order of the APTEL to consider the differential amount of Rs.0.3 crore, the Commission revised the employee costs after truing up as Rs. 898.09 crore instead of Rs. 897.79 crore originally allowed.

**(13) Order dated 25/07/2012 in RP 2/2012 in the Matter of Licence for Distribution Granted to M/S Infopark Limited.**

Licence for distribution of electricity in the 66.2 acres of IT Park at Cherthala was granted to M/s. Infopark vide KSERC/II/LP-8/2008 dt 10/5/2010. Further,

31.0862 acre of land in Puthencruz Village of Kunnathunadu Taluk for Infopark Phase II was included in the licence vide order No. 981/C.Engg/LP 11/KSERC/2011 dated 18/10/2011. In the latter order, the Commission included a note to the effect that in the above two areas, M/s. Infopark alone shall be the licensee authorised to distribute electricity and the two areas would be excluded from the area of licence of KSEB. The KSEB filed a review petition on this, which was admitted as RP No.2/12 and hearing held on 28.3.12. The Commission in the order dated 25.7.12 has ordered that the notes (1) and (2) in the notification dated 18/10/2011 are deleted.

**(14) Order dated 06/08/2012 in IA 1/2011 and OP 24/2011 in the Matter of Supply of Electricity to M/s Technopark by KSEB.**

Technopark was registered as a society in 1990 for providing support services to IT/ITES. Based on the request of Technopark, KSEB had constructed a 110 kV sub-station within the Technopark campus, on the condition that both Technopark & KSEB would share the cost of the sub-station and land on a 50:50 basis. The sub-station was commissioned in June 1999 with two 10 MVA, 110/11KV transformers. In July 1999, Government of Kerala (GoK) granted licence to Technopark for distribution of electricity within the campus. Upgradation of the sub-station was done by installing two 12.5 MVA 110/11KV transformer additionally in 2008. The cost of upgradation was borne by Technopark under deposit work scheme and the operation & maintenance of the entire station was carried out by KSEB before & after the upgradation. Subsequently, KSEB has intimated Technopark to pay the O&M amount from 2008 onwards, failing which it was decided to stop the O&M service of the transformers / owned by Technopark and to switch off the transformer by 10.9.11. Aggrieved by this, this petition was filed as OP 24/11 on 22.8.11 for withdrawal of O&M charges imposed by KSEB and IA 1/11 was filed on 2/9/11 for interim relief from disconnection notice served on them. By an interim order on 5/9/11 and the Commission directed KSEB to desist from switching off the supply and to maintain status quo, till further orders. After hearing the arguments, the Commission has ordered that the notice issued by KSEB is not legally sustainable and hence should be withdrawn. Supply of power to Technopark should not be interrupted.

**(15) Order dated 07/08/2012 in RP no.4/2012 in the Matter of Truing up of Accounts of M/S KDHPCL for the year 2010-11.**

Kanan Deven Hill Plantations Company Private Limited sought a review of the order of the Commission dated 3-5-2012 on the truing up of accounts for the year 2010-11. The review was sought on the ground that the Commission enhanced the consumption of own units of the licensee from Rs.722.68 lakh to Rs.760.72 lakh by disallowing the rebate of 5%, which resulted in an increase in revenue by Rs.38.04 lakh. According to the petitioner, revenue from own consumption was computed at normal tariff and no rebate was allowed while computing the revenue. The petitioner requested to consider the revenue from own consumption as Rs.722.68 lakh, instead of Rs.760.72 lakh. The petitioner further claimed that if any revenue surplus arises after the truing up process, it is only fair and equitable to allow the taxation liability on such surplus. The Commission after considering the arguments & materials submitted by the parties, decided to consider the revenue from own units as per the audited accounts of the licensee. Accordingly the revenue gap after the truing up of accounts for the year 2010-11 was fixed at Rs.14.84 lakh instead of a surplus of Rs.23.20 lakh as originally approved. The claim of income tax was rejected.

**(16) Order dated 21/08/2012 in OP no. 01/2012 in the Matter of Approval of ARR&ERC of M/S KDHPCL for the year 2012-13.**

Kanan Deven Hill Plantations Company Private Limited (KDHPCL) is a distribution licensee supplying electricity in Munnar. The licensee filed its ARR&ERC petition for 2012-13 which was admitted on 4-12-2011. In the petition, KDHPCL projected an ARR of Rs.1792.20 lakh before return on capital and total revenue of Rs.1578.41 lakh leaving a deficit of Rs.213.79 lakh. The licensee also proposed to meet the deficit by reducing the BST from Rs.3.28/kWh to Rs.2.86/kWh. After the analysis of the ARR & ERC petition and the clarification thereon submitted by the licensee, the Commission provisionally approved the ARR of Rs.1699.04 lakh and estimated revenue of Rs.1578.41lakh, leaving a revenue gap of Rs.120.63 lakh for the year 2012-13. The Commission directed the licensee to take earnest efforts to limit the expenses at the approved level. The Commission issued following directives for compliance:

- (a) The licensee shall take immediate steps for strengthening of the system for drawing power to the licensed area.
  - (b) The licensee shall take action for achieving 100 % collection efficiency invoking the provisions of the Supply Code and in the Act and take steps to bring down the T&D loss to the target level of 12%.
  - (c) The licensee shall provide proper capital expenditure plan with financing scheme for approval of the Commission including that relating to the years 2010-11 & 2011-12.
  - (d) Interest on Security Deposit furnished by the consumers shall be credited to their account as per provisions in the Supply Code and in the Act and report thereon shall be submitted to the Commission before 31.07.2012
- (17) **Order dated 17/09/2012 in OP no. 14/2012, 15/2012, 16/2012, 17/2012 in the Matter of Truing Up of Accounts of Thrissur Corporation for the year 2006-07 to 2009-10.**

Thrissur Corporation filed truing up petitions for 2006-07 to 2009-10. on 09.01.2012 and for 2010-11 on 09.03.2012 before the Commission. The statutory auditors of the licensee namely the Local Fund Audit Department has audited the accounts of the distribution business only upto the 2007-08. Hence for the purpose of truing up, the licensee has submitted unaudited accounts for the years 2008-09, 2009-10 and 2010-11. The Commission after considering the truing up petitions and clarifications of the Corporation thereon, hereby arrived at a total Revenue Surplus of Rs.5712.85 lakh for the above five years. Important directives issued by the Commission are given below:

- (a) The licensee should take immediate action to get the accounts of the distribution business up to 2011-12 audited and copies of the audit report is to be forwarded to the Commission.
- (b) The licensee shall rectify the accounting discrepancies pointed out in the Order.
- (c) The licensee shall take immediate action to realise the amount spent for pension payment from the concerned authorities. .

(d) The licensee shall obtain prior approval for capital expenditure as part of the ARR&ERC exercise in future. Asset register showing technical particulars and cost of the assets should be maintained and asset accounting including depreciation accounting shall be computerised.

(e) Time bound action shall be taken to realise the arrears and complete details on the status of arrears should be reported to the Commission along with the ARR&ERC petition for 2013-14. .

**(18) Order dated 27/09/2012 in RP no.6/2012 filed by Kerala State Electricity Board in the Matter of ARR& ERC of KSEB for 2012-13.**

The Kerala State Electricity Board sought a review of the order dated 28-4-2012 on ARR&ERC of the KSEB for the year 2012-13. The Commission admitted the petition as RP No.6 of 2012. In the review petition, the Board had raised several issues for reconsideration. The issues raised by the Board were on estimation of energy sales, energy availability from Koodamkulam Plant, employee cost, A&G expenses, R&M expenses, return on equity, interest and financing charges, depreciation, T&D losses, capitalization of expenses etc. The Commission after considering the materials placed before it and the detailed analysis, came to the conclusion that sufficient grounds were not placed by the petitioner for a review of the order dated 28-4-2012 on ARR&ERC of KSEB for the year 2012-13 and accordingly, the petition was dismissed.

**(19) Order dated 27/09/2012 in OP no. 28/2012 Filed by the Energy Management Centre in the Matter of Levying ‘Energy Efficiency Cess’.**

Energy Management Centre (EMC), Kerala is an autonomous institutions under Power Department, Government of Kerala and is designated as the State Designated Agency (SDA) to formulate, regulate and enforce provisions of Energy Conservation Act, 2001. The Kerala State Energy Conservation Fund (KSECF) constituted by the Government of Kerala shall be administered by the SDA under the supervision of the State Level Steering Committee. The Director EMC filed a petition OP 28/12 on 21/5/12 in the matter of levying one paise per unit from all consumers of distribution licensees towards “Energy Efficiency Cess” along with

electricity charges and transfer the same to KSECF, to meet the Energy Conservation Fund activities. The matter was heard on 19/7/12. KSEB, HT/EHT Association, KSSIA, CSEZ, CPT had presented their views. The Commission observed that the Bureau of Energy Efficiency is empowered to give financial assistance and levy fee in this regard and the EMC could not establish any legal provisions in the Electricity Act, 2003 and hence the Commission observed that the petition is not maintainable and disposed of accordingly.

**(20) Order dated 03/10/2012 in OP no. 26/2012 in the Matter of Fuel Surcharge for the period January 2012 to March 2012.**

Kerala State Electricity Board filed a petition dated 8-5-2012 for imposing fuel surcharge on all consumers including bulk consumers and other licensees to recover the additional financial liability of Rs.72 crore estimated as per KSERC (Fuel Surcharge Formula) Regulations, 2009 for the fourth quarter of the financial year 2011-12 ie., for the period from January 2012 to March 2012. The Commission after the scrutiny of the petition approved the recovery of an amount of Rs.51.84 crore as fuel surcharge for the period from January 2012 to March 2012 and disallowed Rs.17.27 crore for the reason of not having furnished the compliance report as directed by the Commission. The rate of fuel surcharge was fixed at 10 paise per unit for the consumption from January 2013 onwards for next 3 months or until Rs.51.84 crore is realized whichever is earlier. The fuel surcharge was made applicable to consumers of all licensees except domestic consumers having consumption not more than 20units per month and connected load of less than or equal to 500W.

**(21) Order dated 19/10/2012 in RP no.5/2012 filed by HT-EHT Association in the Matter of ARR& ERC of KSEB for 2012-13.**

The petitioner, an association of HT&EHT Industrial Electricity Consumers, filed a review petition dated 25-5-2012 from the order of the Commission on ARR&ERC of KSEB for the year 2012-13. The petitioner had raised the issue of hydel generation approved for the year 2012-13. According to the petitioner the generation from hydel sources approved by the Commission was about 792MU lower than the estimates provided by the petitioner during the public hearing

process on the ARR&ERC Petition of KSEB for 2012-13. According to the petitioner, this has an impact of about 50 paise per unit in the power purchase cost and hence the tariff revision proposal of KSEB. The Commission admitted on 28-6-2012, the petition after following the procedures and curing the defects. However, after scrutiny of the petition and hearing of the parties, the Commission dismissed the review petition.

**(22) Order dated 25/10/2012 in OP no. 27/2011 in the Matter of Truing Up of Accounts of KSEB for the year 2009-10.**

Kerala State Electricity Board filed petition for truing up of accounts for the year 2009-10 on 1-9-2011 and after getting the defects rectified, the petition was admitted on 22-11-2011. The Commission after following the due procedure, and considering the petition of the Board, the objections of the stakeholders and other materials placed before it arrived at a revenue gap of Rs. 639.43 crore as against a revenue gap of Rs.1227.51 crore presented by the Board based on the accounts. It was ordered that the revenue gap so arrived at would be adjusted against the revenue surplus in the previous years and accounts of the subsequent years

**(23) Order dated 30/10/2012 in OP no. 34/2011 in the Matter of Truing Up of Accounts of KSEB for the year 2010-11.**

Kerala State Electricity Board filed the petition for truing up of accounts for the year 2010-11 on 30-11-2011. The petition was admitted as OPNo.34 of 2011 on 8-12-2011. The Commission after considering the petition and the objections from stakeholders and other materials placed before it arrived at a provisional revenue gap of Rs. 466.29 crore as against a revenue gap of Rs. 1283.79 crore presented by the Board based on the accounts.

**(24) Order dated 07/11/2012 in OP no. 29/2012 filed By M/s Carborandum Universal Ltd. in the Matter of Enhancement of Contract Demand.**

M/s Carborandum Universal Ltd has submitted application for enhancing their contract demand from 10 MVA to 15 MVA to KSEB. After a lapse of 13 months, KSEB informed their inability to allocate additional power whereas power allocation has been issued to many other consumers. Hence the petition filed as OP 29/12, as



non-compliance. After final hearing on 22/10/12, the matter was disposed of with the following directions:-

- (i) The power allocation / cost estimate based on the application dt. 25/1/11, shall be issued to the petitioner within 15 days.
- (ii) KSEB and other licensees shall process the applications for power connections without any discrimination to any consumer and issue cost estimates within the time frame provided in the Supply Code

**(25) Order dated 12/12/2012 in OP no.38/2012 in the Matter of Power Restrictions.**

KSEB filed a proposal for imposing regulations on energy usage and financial disincentive scheme for all consumers on account of critical power situation in the State due to failure of monsoon on 26-9--2012. The Board had estimated that, the reduction in hydel energy due to failure of monsoon was to the extent of about 1646MU or about 38% of expected average inflow. Even after scheduling of liquid fuel stations, there would be a shortage of about 5.67MU to 8.38MU per day. Accordingly KSEB proposed to introduce restrictions on the use of energy and limit the consumption to 75% of the average energy consumption of previous year for HT-EHT, Bulk consumers, LT-II, LT-IV, LT- VI (A), VI(B), VI (C), VII (A), VII(B) VII(C) categories and up to 400 units bimonthly for domestic consumers. The Commission based on the request of the Board had allowed the Board to impose half an hour cyclic load shedding through 11kV feeders in the morning hours between 6:00 AM and 9:00 AM and in the evening peak hours between 6:30 PM to 10:30 PM from 27-9-2012. The Commission also decided to hold a public hearing on the petition of the Board on 8-10-2012. After the public hearing, on 9-10-2012, the Commission in the interim order decided to impose peak load restrictions strictly on all LT/HT/EHT Industrial consumers, where ever such restrictions are provided for, in the agreement. Dedicated/Exclusive HT feeders were exempted from load shedding. It was also directed that all other HT/EHT consumers, including continuous process industries shall voluntarily limit their consumption during peak hours to 75% of their normal average peak consumption. The final orders on the present petition of KSEB will be issued on reviewing the situation thereafter. The Commission also ordered that electricity from the grid

shall not be used for display lighting, hoarding, external illumination of buildings and other publicity and sales - promotion purposes. After the review of the power position in November 2012, the Commission allowed the Board to continue the load shedding in the morning and evening hours till further orders with a change in timings in the evening hours as between 6:00 PM and 10:00 PM. Further, in exercise of the powers vested in the Commission under Section 23, 45, 62, 86 and other enabling provisions of the Electricity Act 2003, the Commission imposed restrictions on use of power by all categories of consumers, except railway traction, public lighting, LT VI(D) Non-domestic, and LT (V) Agriculture. For the HT/EHT consumers have to limit the energy consumption to 75% of their base average consumption in the previous year. All HT consumers who are provided supply through combined feeders and coming under cyclic load shedding and all LT-II, LT-IV, LT-VI (A), (B)& (C), LT-VII (A), (B) & (C) category consumers shall limit their consumption to 80% of their base average consumption in the previous year. All consumers under LT-1 (LT IA domestic and LT IB) category shall limit their monthly consumption to 300 units. Each unit of consumption beyond the prescribed limits will attract penalty of an amount equal to the per unit rate of energy charges at the applicable tariff. The restrictions were made effective from 15/12/2012 to 31/5/2013.

**(26) Order dated 01/01/2013 in RP no.08/2012 filed by Thrissur Corporation in the Matter of Revision of BST.**

Thrissur Corporation filed a review petition on the Tariff Order dated 25-7-2012 of the Commission on the revision of the Bulk Supply Tariff (BST). The petition was admitted on 19-10-2012. According to the petitioner, the revision of BST is a tariff shock to the licensee as the revised BST is Rs.6.11/kWh, which is about 62% higher. The licensee further submitted that already 55.7MU has been purchased of the total 128MU approved for the year. Hence, for the balance 72.3MU, the BST should be reduced by Rs.0.96/kWh effective from 1<sup>st</sup> September, 2012. After considering the review petition and the arguments of the petitioner and the Board the Commission decided that there is no scope for review of the order dated 25-7-2012 as sought by the petitioner. It was ordered that the adjustment of BST

consequent on lower revenue or revenue gap if any in 2012-13 of the petitioner can be considered at the time of truing up or when the actual data is available.

**(27) Order dated 03/01/2013 in OP no. 32/2012 in the Matter of Approval of Estimate for Installation of Ring Main Units in Distribution System.**

KSEB had replaced 11KV OH lines by UG Cables in major cities for improving reliability of supply and reducing T&D loss. As part of APDRP scheme, more areas are proposed to be covered for such conversion. For the prospective consumer, supply can be tapped from these underground cables, only through Ring Main Units (RMUs). KSEB had requested to approve estimates for installation of RMUs in distribution system vide petition filed as OP 32/2012 on 27.7.12. Detailed public hearing was held and Commission issued orders approving the estimates, with instructions that KSEB shall make available the locations of RMUs under planned / approved investment programmes in the public domain, so as to avoid duplication in the realisation of cost. On observing some calculation errors that crept in the estimate, an order dated 25/3/13 was issued as corrigendum.

**(28) Order dated 28/02/2013 in OP no. 06/2013 in the Matter of Approval of Power Purchase Agreement between KPUGL and KSEB.**

Approval of PPA between KPUGL and KSEB for supply of 11 MVA power at KINFRA, Kakkanad, 1 MVA power at KINFRA, Kalamassery and 1 MVA Power at KINFRA, Palakkad. Hearing was held on 5.12.13 and PPA between KPUGL and KSEB initialled by the parties was approved after suitable modifications / amendments.

### **APPLICATION OF INFORMATION TECHNOLOGY**

13. The office of the Commission is equipped with local area network and all officers are provided with internet services. The Commission has a website ([www.erckerala.org](http://www.erckerala.org)) and it is periodically updated with various orders, regulations, notices issued and minutes of meetings etc. The details of posting of cases for hearing are also being posted in the website regularly.

### MEETINGS OF FORUM OF REGULATORS (FOR)

14. In accordance with the provisions of sub-section (2) of Section 166 of the Electricity Act, 2003, the Central Government has constituted the Forum of Regulators (FOR) with Chairpersons of the State Commissions as Members of FOR and Chairperson of CERC as the Chairman of FOR. The Kerala State Electricity Regulatory Commission is also a member of FOR and the membership fee paid for the year was Rs.3,00,000/-. Details of meetings held by FOR during 2012-13 are given below.

| Sl. No. | Meeting details          | Venue                            | Date  |
|---------|--------------------------|----------------------------------|---|
| 1       | 29 <sup>th</sup> Meeting | Gangtok (Sikkim)                 | 19-20 <sup>th</sup> April 2012                    |
| 2       | 30 <sup>th</sup> Meeting | New Delhi                        | 6 <sup>th</sup> June 2012                         |
| 3       | 31 <sup>st</sup> Meeting | Vishakapattonam (Andhra Pradesh) | 27 <sup>th</sup> & 28 <sup>th</sup> July 2012     |
| 4       | 32 <sup>nd</sup> Meeting | New Delhi                        | 28 <sup>th</sup> August 2012                      |
| 5       | 33 <sup>rd</sup> Meeting | 'MEGAPODE RESORT', Port Blair    | 7 <sup>th</sup> & 8 <sup>th</sup> December 2012   |
| 6       | 34 <sup>th</sup> Meeting | New Delhi                        | 11 <sup>th</sup> January 2013                     |
| 7       | 35 <sup>th</sup> Meeting | Sundarban, West Bengal           | 15 <sup>th</sup> – 16 <sup>th</sup> February 2013 |

### MEETINGS OF FORUM OF INDIAN REGULATORS (FOIR)

15. The FOIR is an association of the Chairpersons and Members of the Central Regulatory Commissions and the State Electricity Regulatory Commissions. The Forum provides a venue for exchange of views and information among Indian Regulators. (The membership fee of the Forum of Indian Regulators was Rs.2,50,000 for the year 2012-13). The meeting of the Forum is being held once in every six months. The Chairman and Members of the Commission have been regularly attending the meetings of the Forum and exchanging views and information, with other regulators. Details of meeting held by FOIR during 2012-13 are given below;

- (1) 13<sup>th</sup> Annual General Body Meeting of FOIR at New Delhi during 4<sup>th</sup> to 6<sup>th</sup> June 2012.
- (2) FOIR Meeting /Workshop/ Research Conference for the “Chairpersons And Members Of Regulatory Commissions/Authorities” on 05<sup>TH</sup> October, 2012 at Ranchi

## MEETINGS OF SOUTH ASIA FORUM FOR INFRASTRUCTURE REGULATION (SAFIR)

16. The 19<sup>th</sup> Steering Committee Meeting of SAFIR was held at Dhaka, Bangladesh from 9<sup>th</sup> to 10<sup>th</sup> May 2012. Sri. Mathew George, Member (Finance) represented the Commission in the said meeting.

## MEETINGS OF SOUTHERN ELECTRICITY REGULATORY FORUM (SERF)

17. SERF is a forum constituted for interaction among the Regulatory Commissions of the Southern States of Andhra Pradesh, Karnataka, Tamil Nadu and Kerala. Common issues, problems and proposals of the four states are discussed in detail in this forum for appropriate common strategies. 12<sup>th</sup> meeting of the SERF was held on 25<sup>th</sup> & 26<sup>th</sup> June, 2012, at APERC Conference Hall, D.No.11-4-660, 4<sup>th</sup> & 5<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Khairatabad, Hyderabad 500 004. 13<sup>th</sup> Meeting of SERF was held at Hotel Carlton, Lake Road, Kodaikanal from 13-10-2012 to 16-10-2012

## CONSUMER GRIEVANCE REDRESSAL FORUM

18. The Electricity Act, 2003 requires that every distribution licensee should establish a forum for redressal of the grievances of consumers. All the licensees have established the forum under the chairmanship of the persons as noted below:

| Sl.No | Name of Licensee               | Redressal Forum   |
|-------|--------------------------------|---|
| 1     | Kerala State Electricity Board | (1) Southern Region:<br>Deputy Chief Engineer (Ele),<br>Consumer Grievance Redressal Forum, KSEB,<br>Vydhyuthi Bhavanam, Kottarakkara – 691 506<br>(2) Central Region:<br>Deputy Chief Engineer (Ele)<br>Consumer Grievance Redressal Forum, KSEB,<br>Power House Building<br>Kochi – 18<br>(3) Northern Region:<br>Deputy Chief Engineer (Ele)<br>Consumer Grievance Redressal Forum, KSEB<br>Vydhyuthi Bhavanam, Gandhi Road<br>Kozhikode – 673 011 |

| Sl.No | Name of Licensee                             | Redressal Forum   |
|-------|--|---|
| 2     | Cochin Port Trust                            | The Deputy Chief Engineer<br>Consumer Grievance Redressal Forum<br>Cochin Port Trust, W.Island, Cochin – 682 003  |
| 3     | Kanan Devan Hills<br>Plantations Co. Pvt Ltd | Technical Officer (Electrical)<br>Consumer Grievance Redressal Forum<br>KDHPC, Munnar Workshop<br>Munnar – 685 612  |
| 4     | Technopark,<br>Thiruvananthapuram            | Chief Executive Officer<br>Consumer Grievance Redressal Forum<br>Technopark, Technopark Campus<br>Thiruvananthapuram – 695 581  |
| 5     | Cochin Special<br>Economic Zone,<br>Cochin   | Assistant Development Commissioner<br>Consumer Grievance Redressal Forum<br>Cochin Special Economic zone<br>Ministry of Commerce and Industry<br>Government of India, Kakkanad Cochin – 682 037 |
| 6     | Rubber Park India Pvt.<br>Ltd, Cochin        | Managing Director<br>Consumer Grievance Redressal Forum<br>Rubber Park India Pvt. Ltd, 2A, Kautileeyam<br>RubberPark, Valayanchirangara, Ernakulam  |
| 7     | KINESCO, Cochin                              | The Chief Executive Officer<br>Consumer Grievance Redressal Forum<br>KINESCO Power Utilities Limited<br>IX/159 A, Kusumagiri P.O., Kakkanad,<br>Cochin-30                                       |
| 8     | Thrissur Corporation                         | Electrical Engineer<br>Consumer Grievance Redressal Forum<br>Thrissur Corporation, Thrissur   |

The CGRFs generally function with three members. Of the three members, two members are appointed by the licensees and the third member is appointed by the Commission. The following persons were appointed by the Commission as the third Member of the fora.

| CGRF & Licensee            | Name of Third member                     |
|----------------------------|--|
| CGRF Kottarakkara, SR KSEB | Shri.N.Sasidharan Unnithan, Kottarakkara |
| CGRF, Kozhikode, NR, KSEB  | Shri.K.P.Radhakrishan, Meppayur          |

| <b>CGRF &amp; Licensee</b>  | <b>Name of Third member</b>  |
|-----------------------------|--|
| CGRF, Ernakulam CR, KSEB    | Smt. A Girija, Advocate, Vandhanam, Thrissur up to 4/9/12                                    |
| CGRF, Rubber Park Limited   | Sri Jefrin Manuel, Manjummel from 5/9/12   |
| CGRF, CSEZ, Kakkanad, Kochi | Adv. Jonny Kuriakose, Methippara<br>Adv. Jonny Kuriakose, Methippara                         |
| CGRF, Cochin Port Trust     | Smt. Adv A Girija, Thrissur  |
| CGRF, Thrissur Corporation  | Shri. R.Vijayarajan, Mannuthy, Thrissur up to 4/7/12   |
| CGRF, KDHPCL, Munnar        | Sri MG Rajagopal, Viyyur, Thrissur from 5/7/12<br>Shri.P.Udayabhanu, Mannadi, Pathanamthitta |
| CGRF, Technopark            | Shri. Shri.N.Sasidharan Unnithan from 10.10.2011   |
| CGRF KINESCO                | Adv Johny Kurikose, Methippara   |

A summary of the petitions received and disposed of by the various CGRFs during 2012-13 is given in Annexure II.

### **ELECTRICITY OMBUDSMAN**

19. Electricity Ombudsman is a statutory authority appointed by the Commission to settle the appeals of consumers from the orders of the Consumer Grievance Redressal Fora. Sri. T.P Vivekanandan assumed charge of Electricity Ombudsman w.e.f 24.01.11 and continued during the year. The office of the Electricity Ombudsman is located at Pallikkavil Building, Mamangalam – Anjumana Temple Road, Opp. Corporation Regional Office, Edappally, Kochi 682 024 (Phone : 0484-2346488). Details of petitions received and disposed of during the year under report are given as Annexure - III.

Following persons are working in the Office of the Electricity Ombudsman as supporting staff during the year

| <i>Sl.No.</i> | <i>Name</i>              | <i>Designation</i> | <i>Remarks</i> |
|---------------|--------------------------|--------------------|----------------|
| 1             | Shri. T.K. Suresh Babu   | Secretary          | On contract    |
| 2             | Shri. K.M. Mahesh        | Confidential Asst  | On contract    |
| 3             | Shri. Jeshmina Shabu     | Office Attender    | On contract    |
| 4             | Shri. P.S. Radhakrishnan | Driver             | On contract    |

### RENEWABLE ENERGY INITIATIVES

20. Renewable Energy Purchase Obligation (RPO) is the obligation mandated by the State Electricity Regulatory Commission (SERC) under the provisions of Electricity Act 2003, to purchase a minimum quantum of renewable energy out of the total consumption in the area of a distribution licensee. As per the regulations issued by the Commission, each distribution licensee shall purchase not less than 3% of its consumption of energy from renewable energy sources under the RPO. It has also been provided that 0.25% of the consumption of energy shall be procured from generation based on solar sources only. In view of the revised Tariff Policy, the solar RPO of 0.25% of the total consumption has to be met by the end of 2012-13. The 3% renewable purchase obligation of the state was met during the year 2012-13 as per the details given below.

|  |   |          |    |
|--|---|----------|----|
| Total energy consumption in the State                      | - | 16337.48 | MU |
| Total generation from renewable energy sources for 2012-13 | - | 404.10   | MU |

### STANDARDS OF PERFORMANCE

21. The Commission had issued Standards of Performance Regulation for distribution licensees in the year 2006 which was subsequently amended in 2009 wherein compensation for non-compliance of the regulation was also stipulated. All the licensees reported that they have implemented the Standards of Performance Regulation issued by the Commission. In the case of Kerala State Electricity Board the first year of implementation (2009-10) was treated as a test period and hence payment of compensation for deviation from norms was fully exempted. The Commission also



directed all distribution licensees to display the abstract of the regulation showing nature of service, standards of performance and amount payable to affected consumers etc., in the offices of the licensees for information of the consumers. An abstract of the regulation is given in Annexure – IV.

### **COMPLIANCE EXAMINER**

**22.** As provided in clause 19 of Part III of Licensing Regulations 2006, the conditions of license for distribution licensees, for monitoring the compliance of Act, Rules, Regulations and orders by the licensees, a Compliance Examiner has been appointed by the Commission. Violations of the provisions of the Electricity Act, 2003, the Rules and Regulations issued there under as well as non-compliance of orders of the Commission by the licensees are being strictly monitored. Inspections to verify compliance and initiating penal action for non-compliance are the main functions of the Compliance Examiner.

**23.** The Compliance Examiner conducts at random, on the spot inspections in the distribution section offices of KSEB and other licensees in the State and the level of compliance of the codes and guidelines issued by the Commission is reported to the Commission. Corrective actions are also taken up with the licensees. In 2012-13, inspections in the following offices were conducted by the Compliance Examiner.

- 1 Electrical Section, Vyttila, KSEB
- 2 Electrical Section, Thoppumpady, KSEB
- 3 Electrical Section, Viyyur, KSEB
- 4 Electrical Section, Guruvayoor, KSEB
- 5 Electrical Section, Chitrapuram, KSEB
- 6 Electrical Section, Kothamangalam, No.1, KSEB
- 7 Electrical Section, Perumbavoor, KSEB
- 8 Electrical Section, Ramapuram, KSEB
- 9 Electrical Section, Pala, KSEB
- 10 Electrical Section, Ponkunnam, KSEB
- 11 Electrical Section, Vazhoor, KSEB

- 12 Electrical Section, Kottayam Central, KSEB
- 13 Electrical Section, Manarcaud, KSEB
- 14 Electrical Section, Ettumanoor, KSEB
- 15 Electrical Section, Kuruvilangadu, KSEB
- 16 Electrical Section, Kurichy, KSEB
- 17 Electrical Section, Vithura, KSEB
- 18 Electrical Section, Aryanad, KSEB
- 19 Electrical Section, Neyyattinkara, KSEB
- 20 Pallivasal Power House
- 21 Idamalayar Power House
- 22 KDHPCL
- 23 Thrissur Corporation

Disposal of Petitions:

| Sl. No. | Date of Petition | Name of petitioner  | Name of respondent | Subject matter   | Nature of disposal          |
|---------|------------------|---|--------------------|--|-----------------------------|
| 1       | 15.09.2011       | KDHP  | KSEB               | Strengthening of facility for drawing power in the licensed area by KDHP | In favour of the petitioner |
| 2       | 30.04.2012       | Carborandum Universal Ltd, Ernakulam                        | KSEB               | Denial of additional power requirement – Non Compliance                  | In favour of the petitioner |
| 3       | 04.08.2012       | M/s. Pyarelal Foams (P) Ltd, M/s. Aditya Fabrics, Kanjikode | KSEB               | Denial of additional power requirement – Non Compliance                  | In favour of the petitioner |

**24.** Discriminatory billing of consumers, realization of higher amounts as additional deposits, denial of interest on security deposit to consumers, discrepancies in tariff allocation, realization of excess charges for service connections, improper maintenance of records, non adherence to the performance standards, laxity in addressing consumer grievances etc., are the often repeated irregularities and they were brought to the attention of the Commission by the Compliance Examiner. They were taken up in time with KSEB and other licensees for corrective actions.

25. In the matter of non-compliance of an order issued by the Electricity Ombudsman, the Commission initiated action under section 142 of the Electricity Act 2003 against Smt. K.K. Jayakumari, Dy Chief Engineer(Urban), Electrical Circle, Thiruvananthapuram and Smt. S. Roopakala Jagath, Secretary, Kerala State Electricity Board, Thiruvananthapuram and the Commission vide its order dated 28.05.2012 imposed a penalty of Rs.20000/- on each of them.
26. The Compliance Examiner is also entrusted with additional responsibilities related to consumer advocacy, consumer protection and awareness initiatives of the Commission and monitoring the functioning of the Ombudsman and CGRFs

### **PUBLIC RELATIONS**

27. For creating awareness about the important decisions taken and orders issued by the Commission among the public especially the different categories of consumers in the power sector, a Consultant (PR & Consumer Advocacy) was engaged by the Commission on contract basis and his services were utilized for giving wide publicity through the print and visual media. As a result, effective public participation could be ensured in the public hearings on petitions conducted by the Commission.

### **CONSUMER ADVOCACY CELL**

28. Additional responsibilities relating to consumer advocacy, consumer protection and awareness initiatives of the Commission and monitoring the functioning of the Ombudsman and CGRFs are also attended to by the Compliance Examiner.
29. In addition to the formation of CGRFs & Ombudsman for the redressal of the grievances of consumers, the Commission has envisaged a number of activities for the protection of consumer interests, like the Consumer Advocacy Cell (CAC) under the Commission which worked towards creating awareness among the consumers about the power sector and the regulatory process thereby ensuring consumer participation in the electricity regulatory process. It is proposed that the Compliance Examiner, in association with the Consultant PR & Consumer Advocacy, shall conduct classes at various centres in order to enlighten the consumers about the regulatory mechanism

and their role in the functions of the Electricity Regulatory Commission. Objectives of CAC are;

- To empower consumers to participate effectively in the regulatory process.
- To act as a clearing house of information to consumers on electricity issues.
- To arrange workshops and training programmes for unorganised consumer groups.
- To publish newsletters, pamphlets, fact sheets and other informative materials.
- To recommend to the Commission steps for improving consumer protection.

30. To enlighten the consumers about the regulatory mechanism and their role in the functions of the Electricity Regulatory Commission meetings were held with voluntary organisations, NGOs, residents associations and other consumer groups at Thiruvananthapuram, Kochi and Kozhikode with a view to forming consumer fora at various places across the state to interact with the ordinary consumers in their area. These consumer fora are to be educated in the regulatory affairs and they in turn can empower the consumers in their area through classes and distribution of pamphlets enabling them to respond and take part effectively in the regulatory process. Pamphlets were printed on standards of performance, Consumer Grievance Redressal Forum & Electricity Ombudsman, rates approved by the Commission for various services from the licensees, tips on energy saving etc. and distributed to the participants.

31. In addition to the above activities, complaints of general nature received from consumers/consumer groups were taken up appropriately with the concerned officials of the licensees and settled.

### **ENGAGEMENT OF AUDITORS**

32. Shri. S. Sathivageeswaran is engaged as auditor for auditing the accounts of the Commission from 01.04.2012 to 31.03.2013.

### **IMPLEMENTATION OF THE RIGHT TO INFORMATION ACT - 2005**

33. Sri. C. Subrahmanyam, Administrative Officer was designated as the Public Information Officer of the Commission. Sri. K. Muraleedharan, Accountant was designated as the Assistant Public Information Officer up to July 2012 and thereafter Sri Umachandra

Babu, Accountant was designated as Assistant SPIO up to March 2013. As many as 39 petitions under Right to Information Act 2005 were received and disposed of during the period under report. Sri K Chandrasekhara Babu IAS(Rtd), the Secretary of the Commission was the designated Appellate Authority under the Act.

### **LEGAL MATTERS**

- 34.** Sixteen Writ Petitions (WP) were filed before the Hon. High Court of Kerala during 2012-13 in which the Commission was impleaded as respondent. These WPs are related to penalty imposed by KSEB on consumers for unauthorised additional load, tariff categorization, orders of KSERC to KSEB to execute power purchase agreement, penalty imposed on KSEB etc. 8 appeals were filed before APTEL under section 111 of the Electricity Act. Four appeals were filed by KSEB before the Hon'ble Supreme Court under section 125 of the Act. The details of W.Ps. before the Hon. High Court of Kerala, and appeals before the APTEL and Supreme Court are given in Annexure-V.
- 35.** Counsels who were engaged to appear before the different courts and Tribunal during the year were the following:

|                                    |   |                       |
|------------------------------------|---|-----------------------|
| Kerala High Court                  | : | Adv. Aneesh James     |
| Appellate Tribunal for Electricity | : | Adv. M.R. Ramesh Babu |
| Supreme Court                      | : | Adv. M.R. Ramesh Babu |

### **FINANCE AND ACCOUNTS**

- 36.** Statement of Income and Expenditure for the Financial Year 2012-13, approved by the Accountant General is furnished as Annexure VI.

### **ACKNOWLEDGMENT**

- 37.** Commission places on record its sincere appreciation for the un-sustained co-operation and support extended by the licensees operating within the state and the officers/staff/consultants engaged by the Commission in successfully fulfilling its tasks and objectives during the reporting year 2012-13.

## Annexure – I

## List of proceedings / hearing held by the Commission during 2012-13

| Sl. No. | Date and Time           | Nature of hearing | Venue                                     | Particulars   |
|---------|-------------------------|-------------------|---|---|
| 1.      | 03.04.2012 : 11:00 AM   | Hearing           | Commission's Office                       | Non-compliance of order of Ombudsman  |
| 2.      | 04.04.2012 : 11:00 AM   | Public Hearing    | Commission's Office                       | Power Restrictions  |
| 3.      | 12.04.2012 : 11:00 AM   | Hearing           | Commission's Office                       | Collection of accrued areas due to wrong application of tariff from M/s.Vianney Enterprises, Palakkad             |
| 4.      | 16.04.2012 : 11:30 AM   | Hearing           | Conference Hall, KINESCO, Kakkanad, Kochi | ARR & ERC 2012-13 filed by KINESCO  |
| 5.      | 16.04.2012 : 03:30 PM   | Hearing           | Conference Hall, Rubber Park, Kochi       | ARR & ERC 2012-13 filed by Rubberpark   |
| 6.      | 25.04.2012 : 11:00 AM   | Hearing           | Commission's Office                       | Fuel Surcharge for period from Oct 2011 to Dec 2011   |
| 7.      | 25.04.2012 : 12:00 Noon | Hearing           | Commission's Office                       | Proposal of KSEB for introducing Power Restrictions to all LT consumers in the State                              |
| 8.      | 26.04.2012 : 11:00 AM   | Hearing           | Commission's Office                       | Proceedings under Section 142 of Electricity Act 2003   |
| 9.      | 26.04.2012 : 11:00 AM   | Hearing           | Commission's Office                       | Adjudication between KPCL & KSEB  |
| 10.     | 22.05.2012 : 11:00 AM   | Hearing           | Commission's Office                       | Collection of accrued areas due to wrong application of tariff from M/s.Vianney Enterprises, Palakkad             |
| 11.     | 24.05.2012 : 11:00 AM   | Hearing           | Commission's Office                       | Supplementary PPA for Iruttukanam SHP – M/s. Viyyat Power   |
| 12.     | 25.05.2012 : 11:00 AM   | Hearing           | Commission's Office                       | Draft Kerala Electricity Supply 6 <sup>th</sup> Amendment Regulations   |
| 13.     | 25.05.2012 : 11:30 AM   | Hearing           | Commission's Office                       | Principles for determination of road map for cross subsidy reduction for Distribution Licensees Regulations, 2012 |
| 14.     | 31.05.2012 : 11:00 AM   | Meeting           | SFS Homebridge, Vellayambalam, TVM        | State Advisory Committee  |
| 15.     | 04.06.2012 : 10:30 AM   | Public Hearing    | Kanakakkunnu palace, TVM                  | Rationalisation of Tariff   |
| 16.     | 06.06.2012 : 10:30 AM   | Public Hearing    | Town Hall, Ernakulam                      | Rationalisation of Tariff   |

| Sl. No. | Date and Time         | Nature of hearing | Venue                           | Particulars  |
|---------|-----------------------|-------------------|---------------------------------|--|
| 17.     | 08.06.2012 : 10:30 AM | Public Hearing    | Rest House West Hill, Kozhikode | Rationalisation of Tariff  |
| 18.     | 13.06.2012 : 11:00 AM | Hearing           | Commission's Office             | KSERC (Compliance Audit) Regulations, 2011   |
| 19.     | 14.06.2012 : 11:00 AM | Hearing           | Commission's Office             | Admitting RoE and Medical Allowances for the year 2006-07  |
| 20.     | 14.06.2012 : 11:30 AM | Hearing           | Commission's Office             | Fuel Surcharge for the period from 1/2012 to 3/2012 by KSEB  |
| 21.     | 15.06.2012 : 11:00 AM | Hearing           | Commission's Office             | Supplementary PPA for Iruttukanam SHP – M/s. Viyyat Power  |
| 22.     | 28.06.2012 : 11:00 AM | Hearing           | Commission's Office             | Truing up for 2006-07 to 10-11 – Thrissur Corporation  |
| 23.     | 03.07.2012 : 11:00 AM | Hearing           | Commission's Office             | M/s. Vianney Enterprises, Palakkad   |
| 24.     | 04.07.2012 : 11:00 AM | Hearing           | Commission's Office             | Draft PPA for sale of power to KSEB from Karikkayam 15MW SHEP – M/s. Ayyappa Hydro Power Ltd   |
| 25.     | 09.07.2012 : 11:00 AM | Hearing           | Commission's Office             | Adjudication between KPCL & KSEB   |
| 26.     | 16.07.2012 : 11:00 AM | Hearing           | Commission's Office             | Petition for determination of Pooled cost of Power Purchase of Distribution Licensee enabling the registration & issuance of REC                             |
| 27.     | 19.07.2012 : 11:00 AM | Hearing           | Commission's Office             | Energy Efficiency Cess in electricity charges & transfer of Energy Efficiency Cess to KSECFund by EMC  |
| 28.     | 23.07.2012 : 11:00 AM | Hearing           | Commission's Office             | Review Petition on Truing Up of Accounts of KDHP for 2010-11   |
| 29.     | 25.07.2012 : 11:00 AM | Hearing           | Commission's Office             | Approval of Tariff for co-generation plant of Philips Carbon Black Ltd   |
| 30.     | 03.08.2012 : 11:00 AM | Interview         | Commission's Office             | 3rd Member CGRF, Central Region  |
| 31.     | 06.08.2012 : 11:00 AM | Hearing           | Commission's Office             | Petition on estimation of hydel generation in Kerala 2012 -13 in ARR Order for 2012-13 by HT & EHT Assn<br>&<br>Review Petition on Order of ARR 2012 by KSEB |
| 32.     | 10.08.2012 : 11:00 AM | Hearing           | Commission's Office             | M/s. Carborandum Universal Ltd   |
| 33.     | 13.08.2012 : 11:00 AM | Hearing           | Commission's Office             | M/s. Vianney Enterprises   |

| Sl. No. | Date and Time         | Nature of hearing | Venue               | Particulars  |
|---------|-----------------------|-------------------|---------------------|--|
| 34.     | 22.08.2012 : 11:00 AM | Hearing           | Commission's Office | Principles for determination of road map for cross subsidy reduction for Distribution Licensees Regulations, 2012  |
| 35.     | 04.09.2012 : 11:00 AM | Hearing           | Commission's Office | Providing power supply to consumers of KINFRA, Palakkad by KPUPL   |
| 36.     | 05.09.2012 : 11:00 AM | Hearing           | Commission's Office | Renewable Energy Certificate – Irregular accreditation of M/s. Indisil   |
| 37.     | 06.09.2012 : 11:00 AM | Hearing           | Commission's Office | Power Procurement from Renewable Sources by Distn Licensees (3rd Amendment) Regulations, 2012  |
| 38.     | 06.09.2012 : 11:00 AM | Hearing           | Commission's Office | Petition for determination of Pooled Cost of Power Purchase of Distn Licensees enabling the registration & issuance of REC by M/s. Gamesa Wind Turbine Pvt Ltd |
| 39.     | 06.09.2012 : 11:30 AM | Hearing           | Commission's Office | Estimate for installation of Ring Main Units   |
| 40.     | 03.10.2012 : 11:00 AM | Meeting           | Commission's Office | Review Meeting on Compliance of directives   |
| 41.     | 08.10.2012 : 11:00 AM | Hearing           | Commission's Office | Petition on imposing of 25% power restrictions   |
| 42.     | 09.10.2012 : 11:00 AM | Hearing           | Commission's Office | Withdrawal of additional power allocation – M/s.Rubber Park  |
| 43.     | 09.10.2012 : 03:00 PM | Meeting           | Commission's Office | Dispute between KPUPL & KSEB   |
| 44.     | 16.10.2012 : 11:00 AM | Hearing           | Commission's Office | Denial of additional power requirement by Pyarilal Foam Pvt Ltd & Adhitya Fabrics Ltd  |
| 45.     | 17.10.2012 : 11:00 AM | Hearing           | Commission's Office | Petition under Section 86 of Electricity Act –Tata Global Beverages Ltd & KDHPCL   |
| 46.     | 22.10.2012 : 11:00 AM | Hearing           | Commission's Office | Denial of additional power requirement by M/s. Carborandum Universal Pvt Ltd   |
| 47.     | 06.11.2012 : 11:00 AM | Hearing           | Commission's Office | Tariff applicable to units engaged in software development   |
| 48.     | 07.11.2012 : 11:00 AM | Hearing           | Commission's Office | Review petition of KPUPL against KSERC Order on tariff petition  |
| 49.     | 14.11.2012 : 11:00 AM | Hearing           | Commission's Office | Withdrawal of additional power allocation to M/s. Rubber Park  |
| 50.     | 15.11.2012 : 11:00 AM | Hearing           | Commission's Office | Non implementation of order of Commission dated 29.3.12.   |



| Sl. No. | Date and Time         | Nature of hearing     | Venue                         | Particulars  |
|---------|-----------------------|-----------------------|-------------------------------|--|
| 51.     | 16.11.2012 : 11:00 AM | Hearing               | Commission's Office           | Denial of additional power requirement by M/s. Pyarilal Foam Pvt Ltd & Adithya Fabrics   |
| 52.     | 27.11.2012 : 11:00 AM | Hearing               | Commission's Office           | Review Petition of Thrissur Corporation in tariff revision   |
| 53.     | 10.12.2012 : 11:00 AM | Public Hearing        | Commission's Office           | Proposal to impose regulations on energy usage and financial disincentive scheme to all consumers including bulk consumers on account of official power situation in the State due to failure of monsoon |
| 54.     | 11.12.2012 : 11:00 AM | Hearing               | Commission's Office           | Petition under Sec 86(1) (f) of Electricity Act – KDHP   |
| 55.     | 02.01.2013 : 11:00 AM | Public Hearing        | Commission's Office           | Grant of Connectivity & Open Access in Intra State Transmission/Distribution System & related matters Regulations, 2012  |
| 56.     | 03.01.2013 : 11:00 AM | Admissibility Hearing | Commission's Office           | M/s. Canara Paper Mills Ltd  |
| 57.     | 16.01.2013 : 11:00 AM | Hearing               | Commission's Office           | Supply Code  |
| 58.     | 23.01.2013 : 11:00 AM | Hearing               | Commission's Office           | Petition on recognizing the amount utilized by KSEB for meeting the capital investment   |
| 59.     | 30.01.2013 : 10:30 AM | Meeting               | Commission's Office           | ABPS   |
| 60.     | 05.02.2013 : 11:00 AM | Hearing               | Commission's Office           | Approval of PPA between KSEB & KPUGL for supply of 11 MVA power at Kinfra, Kakkannad   |
| 61.     | 06.02.2013 : 11:00 AM | Hearing               | Commission's Office           | Grant of Connectivity, and Open Access in intra-State Transmission / Distribution System and related matters Regulations, 2012   |
| 62.     | 07.02.2013 : 11:00 AM | Hearing               | Commission's Office           | Withdrawal of Additional Power allocation of M/s. Rubber Park India Ltd  |
| 63.     | 11.02.2013 : 11:00 AM | Public Hearing        | Grama Panchayat Hall, Munnar  | ARR & ERC Petition for the year 2013-14 & Truing Up for 2011-12 of KDHP, Munnar  |
| 64.     | 12.02.2013 : 10:00 AM | Public Hearing        | Conference Hall, CSEZA, Kochi | ARR & ERC Petition for the year 2013-14 & Truing Up for 2010-11 & 2011-12 of CSEZ  |
| 65.     | 12.02.2013 : 03:00 PM |                       | Conference Hall, KPUGL, Kochi | ARR & ERC Petition for the year 2013-14 of KPUGL   |
| 66.     | 19.02.2013 : 11:00 AM | Meeting               | Commission's Office           | Review Meeting on the functioning of Ombudsman & CGRFs   |

| Sl. No. | Date and Time         | Nature of hearing | Venue   | Particulars  |
|---------|-----------------------|-------------------|---|--|
| 67.     | 26.02.2013 : 11:00 AM | Public Hearing    | Conference Hall, RamaNilayam, Thrissur          | ARR & ERC Petition for the year 2013-14 of Thrissur Corporation  |
| 68.     | 27.02.2013 : 10:00 AM | Public Hearing    | Conference Hall, Cochin Port Trust              | ARR & ERC Petition for the year 2013-14 of Cochin Port Trust   |
| 69.     | 27.02.2013 : 02:00 PM | Public Hearing    | Conference Hall, Rubber Park                    | ARR & ERC Petition for the year 2013-14 & Truing Up for 2010-11 of Rubber Park & for fixing wheeling charges for providing Open Access |
| 70.     | 27.02.2013 : 03:00 PM | Hearing           | Conference Hall, Rubber Park                    | Withdrawal of Additional Power Allocation to M/s. Rubber Park  |
| 71.     | 04.03.2013 : 10:30 AM | Public Hearing    | IMA House, Palarivattom, Kochi                  | ARR & ERC Petition for the year 2013-14 of KSEB  |
| 72.     | 06.03.2013 : 10:30 AM | Public Hearing    | Town Hall, Kozhikode                            | ARR & ERC Petition for the year 2013-14 of KSEB  |
| 73.     | 12.03.2013 : 10:30 AM | Public Hearing    | Institute of Engineers Hall, Thiruvananthapuram | ARR & ERC Petition for the year 2013-14 of KSEB  |
| 74.     | 13.03.2013 : 10:30 AM | Meeting           | SFS Homebridge, Vellayambalam, TVM              | State Advisory Committee   |
| 75.     | 14.03.2013 : 11:00 AM | Hearing           | Commission's Office                             | Adjudication of dispute between KPCL & KSEB arising out Power Purchase Agreement dated 12.8.1998                                       |
| 76.     | 20.03.2013 : 11:00 AM | Public Hearing    | Malabar Hall, Park Centre, Technopark, TVM      | ARR & ERC Petition for the year 2013-14 of M/s. Technopark   |
| 77.     | 21.03.2013 : 11:00 AM | Hearing           | Commission's Office                             | PPA with KSEB for 750 KVA power at Infopark, Cherthala   |

## Annexure II

| No. of petitions received and disposed of by the various Consumer Grievance Redressal Fora |   |                                       |  |  |  |  |  |
|--|---|---------------------------------------|--|--|--|--|--|
| Name of the Consumer Grievance Redressal Forum   |   | No. of petitions pending as on 1.4.12 | No. of Petitions received during 2012-13 | No. of Petitions disposed during 2012-13 | No. of Petitions pending as on 31-3-2013 | No. of Petitions disposed in favour of the consumers | No. of sittings of CGRF during 2012-13 |
| Kerala State Electricity Board   | Consumer Grievance Redressal Forum , Kottarakkara | 7                                     | 203                                      | 182                                      | 28                                       | 142  | 96                                     |
|  | Consumer Grievance Redressal Forum , Ernakulam    | 20                                    | 192                                      | 178                                      | 34                                       | 117  | 136                                    |
|  | Consumer Grievance Redressal Forum , Kozhikode    | 12                                    | 123                                      | 109                                      | 26                                       | 83   | 127                                    |
| Technopark, Thiruvananthapuram   |   | Nil                                   | Nil                                      | Nil                                      | Nil                                      | Nil  | Nil                                    |
| Cochin Port Trust, Kochi   |   | Nil                                   | Nil                                      | Nil                                      | Nil                                      | Nil  | Nil                                    |
| KPUP Ltd, Kochi (KINESCO)  |   | Nil                                   | Nil                                      | Nil                                      | Nil                                      | Nil  | Nil                                    |
| Cochin Special Economic Zone, Kochi  |   | Nil                                   | Nil                                      | Nil                                      | Nil                                      | Nil  | Nil                                    |
| Rubber Park India (P) Ltd, Kochi   |   | Nil                                   | Nil                                      | Nil                                      | Nil                                      | Nil  | Nil                                    |
| Thrissur Corporation, Thrissur   |   | 7                                     | 12                                       | 16                                       | 3  | 7  | 33                                     |
| Kanan Devan Hill Plantations Pvt Ltd, Munnar   |   | Nil                                   | 2  | 2  | Nil                                      | 1  | 2                                      |

**Annexure – III**

**Number of petitions received and disposed of by the Electricity Ombudsman**

|  |    |
|--|----|
| No. of petitions pending as on 1.4.12                | 83 |
| No. of petitions received during 2012-13             | 83 |
| No. of petitions disposed during 2012-13             | 86 |
| No. of petitions pending as on 31.3.2013             | 80 |
| No. of petitions disposed in favour of the consumers | 50 |
| No. of sitting during 2012-13                        | 79 |

## Annexure - IV

## Revised standards of performance for distribution licensees

|  |   |                                 |
|--|---|---------------------------------|
| <b>1. "Normal Fuse- off Call *</b> (A power failure complaint of an individual consumer of an area not attributable to a problem of line and transformers affecting group of consumers or a large area.) |   |                                 |
| Urban  | Within 6 hours of recording of complaints with licensee     | Rs 25 in each case of default   |
| Town   | Within 8 hours of recording of complaints with the licensee | Rs 25 in each case of default   |
| Rural  | Within 24 hours of recording of complaints with licensee    | Rs 25 in each case of default   |
| Remote / Hilly   | Within 36 hours of recording of complaints with licensee    | Rs 25 in each case of default   |
| Punja  | Within 48 hours of recording of complaints with licensee    | Rs 25 in each case of default   |
| <b>2. Line Breakdowns. *</b>   |   |                                 |
| Urban  | Within 12 hours   | Rs 25 to each affected consumer |
| Town   | Within 16 hours   | Rs 25 to each affected consumer |
| Rural  | Within 24 hours in all cases                                | Rs 25 to each affected consumer |
| Remote / Hilly   | Within 36 hours   | Rs 25 to each affected consumer |
| Punja  | Within 48 hours in all cases                                | Rs 25 to each affected consumer |
| <b>3. Distribution Transformer failure.*</b>   |   |                                 |
| Urban  | Within 24 hours of reporting of failure of transformers     | Rs 25 to each affected consumer |
| Town   | Within 38 hours of reporting of failure of transformers     | Rs 25 to each affected consumer |
| Rural  | Within 48 hours of reporting of failure of transformers     | Rs 25 to each affected consumer |
| Remote / Hilly   | Within 60 hours of reporting of failure of transformers     | Rs 25 to each affected consumer |
| Punja  | Within 60 hours of reporting of failure of transformers     | Rs 25 to each affected consumer |

#### 4. Period of Scheduled outages

|                                      |                      |                                  |
|--------------------------------------|----------------------|----------------------------------|
| Maximum duration in a single stretch | Not to exceed 12 Hrs | Rs. 25 to each affected consumer |
| Restoration of Supply                | By 9 pm on any day   | Rs. 25 to each affected consumer |

#### 5. Meter Complaints

|  |                                |  |
|--|--------------------------------|--|
| Inspect and check correctness                              | Within 30 days                 | Rs. 10 in each case of default             |
| Replace slow, creeping or stuck meters                     | Within 30 days                 | Rs. 10 in each case of default             |
| Replace burnt meters if cause not attributable to consumer | With 7 days of receipt         | Rs 10 in each case of default of complaint |
| Replace burnt meters                                       | Within 48 hours of             | Rs. 10 in each case of default             |
| In all other cases   | payment of charges by consumer |  |

#### 6. Application for new connection/additional load

|   |  |   |
|---|--|---|
| Release of supply where service is feasible from existing line without system Deviation. (Weatherproof connection only) | Within one month of receipt of application in complete shape and Remittance of CD & connection charges. As per Kerala Electricity Supply Code, 2005. | Rs. 50 for each day of default  |
| Release of supply where, extension of line, Network for expansion/enhancement case of required for providing connection | As specified by the Commission in the Kerala Electricity Supply Code, 2005   | Rs 50 for each day of default in case of LT and Rs. 50 each day of default in HT. |

#### 7. Erection of substation for release of supply

|  |                                |
|--|--------------------------------|
| As specified by the Commission in the Kerala Electricity Supply Code, 2005. This will be applicable in the case of applicants who have remitted cost as per Section 46 of the Electricity Act. | Rs 100 for each day of default |
|--|--------------------------------|

#### 8. Transfer of ownership and Change of category

|  |                               |
|--|-------------------------------|
| Within 14 days of receipt of application in complete shape | Rs 50 for each day of default |
|--|-------------------------------|

#### 9. Conversion of LT single phase to LT three phase service connection s

|  |                               |
|--|-------------------------------|
| Within 30 days from the date of payment of charges if no additional line or substation is involved | Rs 50 for each day of default |
|--|-------------------------------|

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**10. Conversion from LT to HT if HT line is involved, if transformer substation is involved**

As per Kerala Electricity Supply Code, 2005 Rs 50 for each day of default

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**11. Resolution of complaints on consumers' Bills if no additional information is required**

Within 24 hours of receipt of complaint Rs 25 for each day of default

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**11 (a) If additional information is required**

Within 7 days of receipt of complaint Rs 25 for each day of default

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**12. Reconnection of supply following disconnection**

|                |                 |                               |
|----------------|-----------------|-------------------------------|
| Urban          | Within 24 hours | Rs 50 for each day of default |
| Town           | Within 24 hours | Rs 50 for each day of default |
| Rural          | Within 24 hours | Rs 50 for each day of default |
| Remote / Hilly | Within 24 hours | Rs 50 for each day of default |
| Punja          | Within 24 hours | Rs 50 for each day of default |

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**13. Payment of Exgratia in case of electric accidents**

Cases where it is established beyond doubt that the accident is not due to the fault of the victim Within 30 days without waiting for the report from CEIG Rs 50 for each day of default

In other cases Within 30 days after receipt of report from CEIG Rs 50 for each day of default

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**14. Refund of Deposits**

Within 60 days after receipt of request and deposit receipt. Rs. 50 for each day of delay

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\* For calculation of compensation 6pm to 8 am on the next day will not be considered as delay.”

**List of Cases in APTEL, High Court and in Supreme Court  
in which the Commission is a party**

**APPELLATE TRIBUNAL FOR ELECTRICITY**

| Sl. No. | Case No.          | Name  | Subject Matter                            |
|---------|-------------------|---|---|
| 1       | Appeal No. 179/12 | Kerala HT & EHT Industrial Electricity Consumers Association. | Against tariff order                      |
| 2       | Appeal No. 255/12 | Indian Oil Corporation  | Against Truing up order of the Commission |
| 3       | Appeal No. 1/13   | Kerala State Electricity Board Ltd.                           | Against order of the Commission           |
| 4       | Appeal No. 10/13  | Association of Approved & Classified Hotels                   | Tariff order                              |
| 5       | Appeal No. 19/13  | Kerala State Electricity Board Ltd                            | Against ARR & ERC                         |
| 6       | Appeal No. 206/13 | Viyyat Power Pvt. Ltd.  | Dispute on tariff                         |
| 7       | Appeal No. 771/13 | M/s Vianney Enterprises                                       | Commission's order on O.P. 13/12          |
| 8       | DFR 1370/13       | Assistant Engineer, Electrical Section                        | Against order dated 13/12/12 of KSERC     |

**HIGH COURT**

| Sl.No. | Case No.             | Name                                | Subject Matter                              |
|--------|----------------------|-------------------------------------|---|
| 1.     | W.P.(C)No. 2190/12   | Consumer Vigilance Centre           | Tariff order                                |
| 2.     | W.P.(C)No.14732/12   | Kerala State Electricity Board Ltd. | Challenging Commission' order dated 28.5.12 |
| 3.     | W.P.(C)No.4100/12    | Sri. K. Thulaseedharan Nair         | Challenging the appointment of Members      |
| 4.     | W.PO.(C) No. 4075/12 | Smt. T.R. Indira                    | Against special CD                          |
| 5.     | W.P.(C) No.22794/12  | Human Rights Protection Mission     | Appointment of Chairman & Members           |
| 6.     | W.P.(C)No.22905/12   | M/s Sreesakthi Paper Mills          | Against the tariff order                    |



| Sl.No. | Case No.            | Name                                      | Subject Matter                             |
|--------|---------------------|---|--|
| 7.     | W.P.(C)No.22815/12  | Kerala HT & EHT Consumers Association     | Appointment of Chairman                    |
| 8.     | W.P.(C)No.18704/12  | AIYF Kerala State Committee               | Against Tariff order                       |
| 9.     | W.P.(C)No.19951/12  | Sri. K.K. Venugopalan Nair                | Appointment of Chairman                    |
| 10.    | W.P.(C)No.16746/12  | Kerala HT & EHT Consumers' Association    | Electricity tariff                         |
| 11.    | W.P.(C)No.2579/12   | M/s L & T Techno Park Ltd                 | Electricity quota                          |
| 12.    | W.P.(C) No.27022/12 | M/s Mabel Plant                           | Tariff order                               |
| 13.    | W.P.(C)No.25548/12  | M/s Popular Vehicles & Services Ltd.      | Tariff order                               |
| 14.    | W.P.(C)No.28159/12  | M/s Décor mate Pvt. Ltd.                  | Penalty                                    |
| 15.    | W.P.(C)No.27125/13  | M/s Pyarelal Foams Pvt. Ltd.              | Challenging order u/s 126 of the Act       |
| 16.    | W.P.(C)No.20918     | M/s Prestige Plywood Industries Pvt. Ltd. | Against demand of additional cash security |

### SUPREME COURT

| Sl. No. | Case No.                             | Name                                      | Subject Matter  |
|---------|--------------------------------------|---|---|
| 1       | Civil Appeal No.5122/12              | Kanan Devan Hills Plantation Company Ltd. | Against order of APTEL in Appeal No.193/11              |
| 2       | Civil Appeal Nos.7434 & 7435 of 2012 | KSEB                                      | Against judgment in WA-1064/09 of High Court of Kerala  |
| 3       | Civil Appeal No.5925/2013            | KSEB                                      | Against judgment in WA 2002/09 of High Court of Kerala. |
| 4       | Civil Appeal No.6300/13              | M/s Indian Oil Corporation Ltd.           | Classification of tariff                                |

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**BALANCE SHEET AS AT 31.03.2013**

| CORPUS/CAPITAL FUND/LIABILITIES                 | Schedule | Current Year    |                        | Previous Year |                        |
|---|----------|-----------------|------------------------|---------------|------------------------|
|   |          | Rs.             | Ps.                    | Rs.           | Ps.                    |
| <b>1) Corpus/Capital Fund/KSERC Fund</b>        |          |                 |                        |               |                        |
| LESS: Excess of income over Expenditure         |          | 18,91,012.00    |                        |               |                        |
|   |          | 3,36,66,407.07  |                        |               |                        |
|   |          | 3,55,57,419.07  |                        |               |                        |
| Add: B/F profit from previous year              |          | 10,87,52,344.92 | 14,43,09,763.99        |               | 11,06,43,356.92        |
| 2) Other Funds                                  |          |                 |                        |               |                        |
| 2.1 Capital Grands From State Government        | 1        |                 | 1,13,75,251.00         |               | 1,28,09,029.00         |
| 3) Deferred Credit Liabilities                  |          |                 |                        |               |                        |
| 3.1 Un-allocated Grant from Power Finance Corp. | 2        |                 | 5,131.00               |               | 8,551.00               |
| 4) Current Liabilities & Provisions             | 3        |                 | 36,75,094.00           |               | 39,57,513.00           |
| <b>Total</b>                                    |          |                 | <b>15,93,65,239.99</b> |               | <b>12,74,18,449.92</b> |

| ASSETS                                 | Schedule | Current Year   |                        | Current Year |                        |
|--|----------|----------------|------------------------|--------------|------------------------|
|  |          | Rs.            | Ps.                    | Rs.          | Ps.                    |
| 1) Fixed Assets-Gross Block            | 4        | 1,04,62,555.15 |                        |              |                        |
| <b>Less:</b> Depreciation              |          | 74,86,318.16   | 29,76,236.99           |              | 36,21,862.92           |
| 2) Advances                            |          |                |                        |              |                        |
| 2.1 Lease Advance to KPFC For Building | 5        |                | 1,09,92,151.00         |              | 1,15,86,321.00         |
| 3) Deposits                            |          |                |                        |              |                        |
| 3.1 Security Deposits                  | 6        |                | 88,000.00              |              | 88,000.00              |
| 4) Sundry Debtors                      | 7        |                | 6,96,45,629.00         |              | 6,95,18,876.00         |
| 5) Advance Payment of GPAIS            |          |                | 0.00                   |              | 200.00                 |
| 6) Petition Fee Receivable             |          |                | 0.00                   |              | 1,80,000.00            |
| 7) Insurance Claim Receivable          |          |                |                        |              |                        |
| 8) Cash & Bank Balance                 |          |                |                        |              |                        |
| 8.1 Cash at Treasury Savings           | 8        |                | 7,56,29,685.00         |              | 4,24,16,136.00         |
| 8.2 Cash in SBT Kowdiar                |          |                | 11,857.00              |              |                        |
| 8.3 Cash in Hand                       |          |                | 7,581.00               |              | 7,054.00               |
| 8.4 Recurring Deposit                  |          |                | 14,100.00              |              |                        |
| <b>Total</b>                           |          |                | <b>15,93,65,239.99</b> |              | <b>12,74,18,449.92</b> |

17-03-2014  
Trivandrum

Sd/-  
Secretary

Sd/-  
Member

Sd/-  
Chairman  
For and on behalf of the commission

**KERALA STATE ELECTRICITY REGULATORY COMMISSION**  
**KPFC Bhavanam Vellayambalam, Sasthamangalam P.O., Trivandrum-695010**  
**Income & Expenditure Accounts for the Period from 1/4/2012 to 31/3/2013**

| Sl No            | PARTICULARS   | Amount                |              |                       |              |
|------------------|---|-----------------------|--------------|-----------------------|--------------|
|                  |   | Current Year          |              | Previous Year         |              |
| A                | INCOME  | Rs.                   | Ps.          | Rs.                   | Ps.          |
| 1                | Licence Fee   | 1,72,16,378.00        |              | 1,66,97,647.00        |              |
| 2                | Petition Fee  | 2,23,26,438.00        |              | 2,32,19,891.00        |              |
| 3                | Application Fee                                       |                       | 467.00       |                       | 5,03,000.00  |
| 4                | Consultancy Assignment Fee                            |                       |              |                       | -            |
| 5                | Penalties   |                       |              |                       | 35,000.00    |
| 6                | Other Income  |                       | 41,280.00    |                       | 63,559.00    |
| 7                | Deferred income                                       |                       | 6,63,344.00  |                       | 5,94,170.00  |
| 8                | Grant Fom State Government                            |                       | 93,21,000.00 |                       | 27,00,000.00 |
| 9                | Prior Period Adjustments(schedule 9)                  |                       | 7,82,728.00  |                       | 26,39,155.00 |
| <b>Total (A)</b> |   | <b>5,03,51,635.00</b> |              | <b>4,64,52,422.00</b> |              |
| B                | EXPENDITURE   | Rs.                   | Ps.          | Rs.                   | Ps.          |
| 1                | <b>Establishment Expenses</b>                         |                       |              |                       |              |
| 1.1              | Net Salaries (Chairman & Members of the Commission)   | 37,04,750.00          |              | 38,43,803.00          |              |
| 1.2              | Net Salaries (Officers & Establishment)               | 12,65,634.00          |              | 32,18,236.00          |              |
| 1.3              | Net salaries (Other Staff)                            | 38,38,842.00          |              | 16,24,643.00          |              |
| a                | Allowances and Bonus                                  | 1,07,740.00           |              | 94,300.00             |              |
| b                | House Upkeep Expenses                                 | 1,55,848.00           |              | 1,44,341.00           |              |
| c                | Medical Reimbursement                                 | 4,09,630.00           |              | 1,42,714.00           |              |
| d                | TA to Chairman & Members                              |                       |              | 23,993.00             |              |
| e                | Honorarium&Rewards                                    |                       |              | 13,000.00             |              |
| f                | Pension contribution                                  | 3,53,399.00           |              | 56,321.00             |              |
| 1.4              | Security Charges                                      | 1,54,000.00           |              | 1,46,000.00           |              |
| 1.5              | Professional Tax                                      |                       | 150.00       |                       | -            |
| 2                | <b>Travel Expenses</b>                                |                       |              |                       |              |
|                  | Domestic Travels-Chairman & Members of the Commission | 2,54,862.00           |              | 1,21,612.00           |              |
|                  | Domestic Travels-Officers                             | 4,20,770.00           |              | 2,43,225.00           |              |
| 3                | <b>Administrative Expenses</b>                        |                       |              |                       |              |
|                  | Electricity & Power                                   | 2,03,385.00           |              | 1,49,978.00           |              |
|                  | Fuel & Oil Expenses                                   | 2,64,654.00           |              | 2,94,412.00           |              |
|                  | Ombudsman Expenses                                    | 8,88,520.00           |              | 7,27,753.00           |              |
|                  | Vehicle Running&Hire Charges                          | 6,460.00              |              | 20,302.00             |              |
|                  | Postage   |                       |              | 18,339.00             |              |
|                  | Subscription&member fees                              | 7,00,000.00           |              | 5,10,000.00           |              |
|                  | Internet Subscription                                 | 37,058.00             |              | 18,752.00             |              |
|                  | Website Design & Hosting Expenses                     |                       |              | 9,063.00              |              |
|                  | Office Expenses                                       | 17,056.00             |              | 25,904.00             |              |
|                  | Sitting fee   | 5,500.00              |              |                       |              |
|                  | Expenditure for palimentary committee visit           | 14,705.00             |              |                       |              |
|                  | Other Charges   | 4,215.00              |              | 4,235.00              |              |
|                  | KPFC  | 5,94,170.00           |              | 5,94,170.00           |              |
|                  | Insurance   | 45,477.00             |              | 53,551.00             |              |
|                  | Public Hearing Expenses                               | 2,03,214.00           |              | 75,232.00             |              |
|                  | Telephone & Communication Charges                     | 1,94,657.00           |              | 1,79,217.00           |              |
|                  | Service Charges                                       |                       |              |                       | -            |
|                  | Newspapers & Periodicals                              | 44,045.00             |              | 26,148.00             |              |
|                  | Common Share of KPFC                                  | 1,76,063.00           |              | 1,99,024.00           |              |
|                  | AG Audit Fee  | 78,620.00             |              | 78,620.00             |              |
|                  | Internal Auditors fee                                 | 22,472.00             |              | 22,472.00             |              |
|                  | Audit Expenses  |                       |              |                       | 6,700.00     |

|                  |  |                       |                       |
|------------------|--|-----------------------|-----------------------|
|                  | Conveyance   |                       | -                     |
|                  | Advertisement Charges  | 41,366.00             | 56,428.00             |
|                  | Loading & Unloading  |                       | -                     |
|                  | Petition Fee Refunded  | 5,37,400.00           | 49,124.00             |
|                  | Refreshment Charges  |                       | -                     |
|                  | Rent Rates & Tax   | 12.00                 | -                     |
|                  | Sitting Fee  |                       | -                     |
|                  | Courier Charges  | 20,395.00             | -                     |
|                  | State Insurance Premium  |                       | -                     |
|                  | Membership fee   |                       | -                     |
|                  | Registration Charges   |                       | 38,800.00             |
|                  | Books & Periodicals  |                       | 4,643.00              |
|                  | AMC  | 62,284.00             | 64,150.00             |
|                  | Consultancy Charges  |                       | 7,205.00              |
|                  | Cooking Gas  | 4,766.00              | 5,624.00              |
|                  | Water Charges  | 8,100.00              | 12,910.00             |
|                  | Training Charges   | 22,610.00             | 21,400.00             |
| 4                | <b>Printing &amp; Stationery</b>   |                       |                       |
|                  | Printing & Stationery  | 80,773.00             | 82,750.00             |
| 5                | <b>Repairs &amp; Maintenance</b>   | 4,16,667.00           | 1,62,877.00           |
| 6                | <b>Hospitality Expenses</b>  | 32,786.00             | 21,167.00             |
| 7                | <b>Fee to Internal Auditor for filing Income Tax Returns</b>                       | 5,500.00              | -                     |
| 8                | <b>Legal Charges</b>   | 3,94,900.00           | 2,14,622.00           |
| 9                | <b>Meeting Expenses</b>  | 20,250.00             | 1,18,292.00           |
| 10               | <b>Provident Fund &amp; Other Contributions</b>                                    |                       |                       |
|                  | DA Arrears   | 20,223.00             | 15,896.00             |
|                  | Leave Salary   | 18,529.00             | 41,184.00             |
| 11               | <b>Depreciation(schedule 4)</b>  | 8,32,770.93           | 9,87,535.08           |
|                  | <b>Excess of income over Expenditure<br/>(Transferred to Capital Fund Account)</b> | <b>3,36,66,407.07</b> | <b>3,18,61,754.92</b> |
| <b>Total (B)</b> |  | <b>5,03,51,635.00</b> | <b>4,64,52,422.00</b> |

17-03-2014  
Trivandrum

Sd/-  
Secretary

Sd/-  
Member

Sd/-  
Chairman

For and on behalf of the commission



भारतीय लेखा तथा लेखापरीक्षा विभाग  
INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
महालेखाकार (आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा)  
का कार्यालय  
OFFICE OF THE ACCOUNTANT GENERAL  
(ECONOMIC AND REVENUE SECTOR AUDIT)  
केरल, तिरुवनन्तपुरम - 695 001  
KERALA, THIRUVANANTHAPURAM - 695 001

No.ECA/IA/12-60/2013-14/  
Dated: 22/05/2014

The Chairman  
Kerala State Electricity Regulatory commission  
KPFC Bhavanam  
C.V.Raman Pillai Road,  
Vellayambalam  
Thiruvananthapuram - 695010

Sir,

Sub:-Audit Report on the Annual Accounts of Kerala State Electricity Regulatory Commission (KSERC) for the year 2012-13 – reg

I forward a copy of the Separate Audit Report on the annual accounts of Kerala State Electricity Regulatory Commission for the year ended 31 March 2013 for further action at your end.

It is also requested that five copies of the Printed Annual Accounts incorporating the Audit Report may please be arranged to be forwarded to this office.

Yours faithfully,

*Ami Helen P.*

Deputy Accountant General (ES-I)



महालेखाकार (आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा) का  
कार्यालय, केरल, तिरुवनन्तपुरम

OFFICE OF THE ACCOUNTANT GENERAL (E & RSA) KERALA,  
THIRUVANANTHAPURAM

SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR  
GENERAL OF INDIA ON THE REVISED ACCOUNTS OF KERALA STATE  
ELECTRICITY REGULATORY COMMISSION FOR THE YEAR ENDED 31  
MARCH 2013

We have audited the attached Balance Sheet of Kerala State Electricity Regulatory Commission as at 31 March 2013 and the Income & Expenditure Account for the year ended on that date under section 104 of the Electricity Act, 2003. These financial statements are the responsibility of the Commission. Our responsibility is to express an opinion on these financial statements based on our audit.

This Separate Audit Report contains the Comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, Accounting Standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules and Regulations (propriety and regularity) and efficiency- cum-performance aspects, etc., if any, are reported through Inspection Reports/ CAG's Audit Reports separately.

We have conducted our audit in accordance with Auditing Standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit, we report that:

- i We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. In our opinion, proper books of account and other relevant records have been maintained by the Commission as required under Section 15 of the Kerala State Electricity Regulatory Commission (Accounting) Regulations, 2005;
- iii. The Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the books of accounts maintained by the Commission.
- iv **In view of the revision made in the financial statements by the Commission as a result of our audit observation as indicated in Note No.11 of Schedule 10 attached to Accounts, we have no further comments to offer.**

- a. in so far as it relates to the Balance Sheet, of the state of affairs of the Commission as at 31 March 2013, and
- b. in so far as it relates to the Income and Expenditure Account, of the excess of income over expenditure for the year ended on that date.

For and on behalf of  
The Comptroller and Auditor General of India



Dr. M. Jacob

എക്കൗണ്ടന്റർ (ജി. എൻ. ടി. സി.എ.) കേരളം  
ACCOUNTANT GENERAL (E & RSA ), KERALA

തിരുവനന്തപുരം  
Thiruvananthapuram  
Dated: 2.05.2014