

**THE KERALA STATE ELECTRICITY REGULATORY COMMISSION
THIRUVANANTHAPURAM**

PRESENT: Shri. C. Balakrishnan, Chairman
Shri. C. Abdulla, Member
Shri. M.P.Aiyappan, Member

November 7, 2008

Petition No OP 7/2008	Kerala State Electricity Board, Vydhyuthi Bhavanam, Thiruvananthapuram 695004	Petitioner
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In the matter of

Restriction on the power supply to licensees other than KSEB

ORDER

Background

1. Kerala State Electricity Board had filed the said petition on 24-10-2008 for restricting consumption of power to 80% on all licensees who are supplied power by KSEB. The Commission admitted the petition as OP No. 7/2008 on 24-10-2008 and scheduled a public hearing on 5-11-2008 at Thrissur. Copies of the petition were forwarded to the licensees and a press release was issued on the same.

Public hearing on the matter

2. In the public hearing held on 5-11-2008 at Thrissur, KSEB requested to allow to restrict power supply to the licensees to 80% of their previous year consumption (2007-08). Any consumption above the quota of 80% shall be charged at the weighted average cost of additional power purchased to meet the excess energy requirements on a monthly basis. KSEB also requested to implement the restrictions with effect from 15-10-2008.

3. Representatives of Thrissur Corporation, Kannan Deven Hill Plantations Company Private Limited, Cochin Special Economic Zone, KINFRA, Technopark and M/s Cochin Port Trust and other stakeholders and consumers participated in the public hearing. Representative of Thrissur Corporation, argued for uniform treatment to their consumers as that of consumers of KSEB. Since in the Corporation Area, both KSEB and the Corporation distribute electricity the restrictions on both consumers should be same, to avoid discrimination. They expressed willingness to impose restrictions on their consumers in the same manner as the restrictions imposed on consumers of KSEB as has been done in the case of HT/EHT consumers. The licensees would fix the quota for their consumers and remit the charges to KSEB for the excess consumption over and above the quota. However, the Corporation objected to the proposal of imposing 20% restriction on the licensee.
4. M/s KDHPCPL stated that, the proposal of KSEB is confusing and ambiguous and there is absolutely no rationale for extending restriction to licensees instead of their consumers. According to KDHPCPL the stand taken by KSEB is untenable on the ground that, KSEB had not sought imposition of restrictions on LT consumers in their original petition dated 17-7-2008. They also mentioned that the argument of KSEB that category wise details of consumers of licensees are not available and hence monitoring of power restrictions are impossible is not acceptable as the details sought by KSEB relating to their consumers are always made available to them. They requested that the proposal of KSEB to apply restriction on the total quantum of power purchased by the licensee should not be allowed but, they were willing to impose restrictions on their consumers to the same extent imposed on the consumers of KSEB and remit excess amount collected to KSEB.
5. M/s. Technopark informed that they have already appealed to its consumers to reduce energy consumption. Further, the consumers are already paying higher tariff on account of the fuel surcharge. In the present recessionary condition of the global economy, imposing further power restrictions on the

consumers would be additional burden. They requested to exempt Technopark from imposing restrictions and surcharge.

6. Representative of Cochin Port Trust mentioned that if restrictions on LT consumers are to be imposed it should be in the same manner as that of HT consumers. CPT would collect the additional charges consequent on the 20% restrictions from the LT consumers and pass it on to KSEB.
7. Representatives of other licensees attended also voiced similar opinion. In addition to the representatives of licensees, number of consumers also participated in the public hearing. List of persons attended the Hearing is attached as Annexure to this Order.

Analysis of the Commission

8. The Commission heard the arguments of KSEB, licensees and consumers. In its earlier orders, the Commission had suggested that power restrictions are to be imposed on all consumers uniformly to avoid discrimination. Accordingly, based on the petition from KSEB, restrictions to the tune of 20% imposed to LT consumers of KSEB. The present petition filed by KSEB to extend the restrictions to licensees who are supplied power by KSEB. In the petition KSEB proposed to impose restrictions on Licensees directly rather than for their consumers. However, the licensees have objected to this proposal stating that Licensees should not be treated as consumers and expressed willingness to impose restrictions to their consumers in the same manner adopted for the consumers of KSEB. Thrissur Corporation specifically stated to avoid discrimination among the consumers in their area and wanted to impose restrictions on their consumers. The Commission feels that there is a merit in the argument of the licensees that power restrictions are to be imposed on the consumers instead of licensees. Similar arrangement is existing in the case of power restrictions for HT/EHT consumers. Hence, the Commission finds merit in arguments of licensees on this count.

Order of the Commission

9. Accordingly, the Commission hereby orders to extend the power restrictions on the LT consumers of licensees to the tune of 20% except the following:
 - a. Domestic consumers whose monthly consumption is not more than 200 units/month.
 - b. Offices of political parties approved by Election Commission of India, Libraries and reading rooms other than libraries and reading rooms of educational institutions, sports/arts clubs, sailing/swimming activities (with connected load not exceeding 2000 W)
 - c. Poultry farms, silk worm breeding units, agricultural consumers including dewatering and lift irrigation, livestock farms (minimum number of milch cattle shall be five) and combination of livestock and dairy farms, piggery farms (minimum six breedable adult animals in the farm)
 - d. Orphanages, schools and hostels of mentally retarded students, deaf/dumb / blind/physically handicapped persons, old age homes, Cheshire homes, SoS childrens' Villages, polio homes, cancer and palliative care centres, HIV rehabilitation centres and other similar institutions recognized by the Government.

10. Licensees shall fix the quota for their respective consumers at 80% of the average monthly consumption from 1st April 2007 to 31st March 2008. In the case of new consumers, average consumption shall be 50 units/kW/month and the quota shall be worked out accordingly. The excess consumption over the quota shall be charged as per the rates approved by the Commission on a monthly basis. In the case of LT domestic consumers, consumption above 200 units per month shall be charged at rate approved by the Commission. No fuel surcharge is applicable for the consumption above the quota fixed and consumption in excess of 200 units per month in the case of domestic consumers.

11. The drawl from KSEB by the Licensees shall be reduced by quantity above quota fixed (including domestic) and the charges realized by way of excess charges shall be remitted to KSEB immediately. The licensee shall keep separate accounts for surcharge, excess charges etc., of their consumers. The licensees shall provide necessary details to KSEB for the smooth implementation of this order.

12. This Order shall be effective from 7-11-2008

Sd/-
M.P.Aiyappan
Member (F)

Sd/-
C. Abdulla
Member (E)

Sd/-
C. Balakrishnan
Chairman

Approved for issue

Sd/-
Secretary (in charge)

**LIST OF PARTICIPANTS IN THE PUBLIC HEARING HELD ON ON 5.11.08
AT CHAMBER OF COMMERCE HALL, THRISSUR**

1. Shri.Aji, Kollamparambil
2. Shri.T.V.Chandran, Cochin Special Economic Zone
3. Shri.Shri.Abhilash Kumar.Y, INFOSYS, TVM
4. Shri.M.Sandan Panikar, Golden Ice Factory
5. Shri.C.A.Krishnan, KSSIA
6. Shri.P.P.Sunny, KFRI, Peechi
7. Shri.Shanmukhan.C, TCED, Thrissur
8. Shri.M.U.Vasu, Nellikunnu
9. Shri.N.T.Job, KSEB
10. Shri.Dileep.V.Paul, Resident Engineer, KINFRA
11. Shri.James, President, Kerala Ubabokriith Ekopana Samithi
12. Shri.K.V.Rajendran, GM, Technopark
13. Shri.T.B.Jagathy, KSEB
14. Shri.V.M. Paul
15. Shri.Sreenivas.R, UST Global
16. Shri.T.V.Owseph
17. Shri.James.C.J, Sr.Supdt.
18. Shri.M.M.Adbul Rahim,Exe. Engineer, CPT
19. Shri.M.G.Rajagopal, Rt.CEE, Govt. of Kerala
20. Shri.T.P.Anwar, Ast. Engg, TCED
21. Shri.P.V.Sivaprasad, EE, TRAC, KSEB
22. Shri.V.Ramesh Babu, Dy.CE, TRAC
23. Shri.Jacob Puthussery, Kerala Consumers Co-ordination
24. Shri.Janardhanan, TCED
25. Shri.E.Padmarajan,
26. Shri.K.S.Ramesan, TCED
27. Prof.R.Bindu, Thrissur
28. Shri.P.George, AE
29. Shri.S.P.Ravi, Chalakudy Puzha Samrakshna Samithi

30. Smt.Sathidevi.K.S, Sr. Supdt, Thrissur Corporation
31. Shri.Thrisiana Kurian, Thrissur Corporation
32. Shri.Joseph Punnameetil, Thrissur Dist Powra Samithi
33. Shri.Shri.P.M.Srikrishnan,KDHP ,Munnar
34. Shri.Dejo Kappan,Kappil ,Edamuttam p.o,
35. Shri.M. C . Mathew,Mammutil ,Unity Road,Kuriyachira P.O. Thrissur
36. Shri.K.V.Balakrishnan,President ,KSSIA
37. DR.jayaprakash,Vice President,KVVS
38. Shri.Mohandas.M,Chalakkudi river protection forum
39. Shri.T.K.Vasu,PUCL,District President,Mattampuram
40. Shri.Jose N.V,Puthiyodam house,Poolakkal
41. Shri.Fransic Pulikkotil
42. Shri.E.C.Padmarajan, Rtd. Dy.C.E, KSEB
43. Shri.Ksadarideem, Solidarity
44. Shri.Madhusoodhanan,
45. Shri.P.Sankaran Kutty, Nagathu Veedu
46. Shri.Shyju George, Technopark
47. Shri.P.V.Prasad, KSEB Officers Assn
48. Shri.Rajan, Councilor, Thrissur Corporation
49. Shri.Sreedharan, Chairman, Samsthana Avakasa Samrakshna Samithi
50. Shri.Giju, Thrissur
51. Dr. M.P.Parameswaran, Thrissur
52. Shri.Simon Kunnath, Thrissur
53. PUCL Jilla President/ Secretary, Dist, Consumer Society