

*Federation of Industries' Associations, Silvassa.  
UT of Dadra & Nagar Haveli*

**FEDERATION OF  
INDUSTRIES**   
**ASSOCIATIONS, SILVASSA**

Dated: 30/05/2016

*Sanjeev Kapoor*  
President

To,  
The Hon'ble Secretary,  
Joint Electricity Regulatory Commission,  
2<sup>nd</sup> Floor, Vanijya Nikunj Complex, HSIIDC Office Complex,  
Udyog Vihar, Phase -V,  
Gurgaon - 122016, Haryana

Sub:- Petition filed by DNH Power Distribution Corporation Ltd. Vide  
No. 1-1(307)/PDCL-AE(Comml)/2016/1862, dtd: 16.05.2016.

*Ajit Deshpande*  
Vice President

Respected Sir,

We the Federation of Industries Association, Silvassa would like to state  
the following points regarding above petitions.

The DNH Administration has considered the request of consumers of  
Open Access, who wish to go for power purchase on their own through  
open access method.

*Dr. R. B. Shelke*  
General Secretary

Sir, this matter has been discussed during the hearing of Annual Revenue  
Requirement for the 16-17 before Hon'ble JERC, Associations have been  
consistently pleading that due to open access by few consumers, other  
large number of non-open access consumer should not suffer directly or  
indirectly and therefore, DNHPDCL has proposed the additional surcharge  
on open access consumers to meet the loss of DNHPDCL on account of  
fixed charge and sale of surplus power by DNHPDCL. The power  
purchased by the DNHPDCL but not consumed by open access  
consumers, would become surplus with DNHPDCL and it in turn would  
have to sell it in the open market at much lesser rate.

*Sanjeev Kapoor*  
President

*Ajit Deshpande*  
Vice President

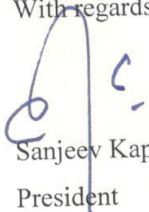
*Dr. R. B. Shelke*  
General Secretary

It is also observed that, fixed charges paid by DNHPDCL are not fully recovered from various consumers under the Fixed Charge category. Some portion of the Fixed Charge is converted in to Energy Charge and recovered from the Consumers. The scenario is acceptable till all the consumers are in same category. However, the Open Access Consumers procure energy from other sources and thus refrain from payment of energy charges. This results into under recovery of Fixed Charge which was converted into Energy Charge. It is also to be noted that, this under recovery is ultimately passed on to the Non-Open Access loyal consumers of DNHPDCL. In a way, non-open access consumers are indirectly cross-subsiding the open access consumers.

Hon'ble JERC, in the tariff order, directed the DNHPDCL to prefer independent petition for such surcharge. It has been learnt that DNHPDCL has already preferred the petition to Hon'ble JERC.

In the interest of large consumers our request to Hon'ble JERC is to expedite the above petition and also give order from retrospective effect as Administration of Dadra & Nagar Haveli has already given permission to Open Access Consumers, so that larger numbers of industries who are in Non-Open Access are not burden with cross subsidizing to Open Access consumer

Thanking you,  
With regards,

  
Sanjeev Kapoor  
President