BEFORE HON'BLE JOINT ELECTRICITY REGULATORY COMMISSION

FOR THE STATE OF GOA & UNION TERRITORIES

PETITION NO. _____ OF 2014

IN THE MATTER OF	:	Petition for True up for FY 2013-14 and Review of Aggregate Revenue Requirement for the FY 2014–15 and Approval of Aggregate Revenue Requirement (ARR) and MYT Tariff Proposal for FY 2015 - 16 to 17-18n for the Union Territory of Dadra & Nagar Haveli under Sections 61, 62 and 64 of The Electricity Act 2003

AND

IN THE MATTER OF THE PETITIONER	:	DNH Power Distribution Corporation Limited, Silvassa

........Petitioner

REPRESENTATION/OBJECTIONS ON BEHALF OF SILVASSA INDUSTRIES AND MANUFACTURERS ASSOCIATION

Association respectfully submits objections and suggestions as under:

1. The Respondent is an Association of Industries at Silvassa, having more than hundred members. It's all members are electrical consumers. The Respondent is filing the present objections and suggestions to the petition filed by the Petitioner, DNH Power Distribution Corporation Limited for true up for FY 2013-4 and Review of Aggregate Revenue Requirement for the FY 2014-15 and Approval of Aggregate Revenue Requirement (ARR) and MYT Tariff Proposal for FY 2015-16 to 17-18 for the Union Territory of Dadra & Nagar Haveli under Sections 61, 62 and 64 of The Electricity Act 2003

2. The Union Territory of Dadra & Nagar Haveli is unique when compared to the other states and Union Territories in India. The industrial consumers constitute a very substantial bulk of the total consumption of electricity in the region. The High Tension (HT) consumers consume around 95% of the total electricity supplied to consumers in the region and **the Low Tension (LT) industrial consumers consume around 3% of the electricity**, thus constituting approximately 98% of the total consumption of electricity in the region.

3. It is further submitted that the petitioner is corporate body formed from erstwhile Electricity Department of D & N. H. Administration and started its function w. e. f. 1.4.2013. The erstwhile Electricity department was a government department, hence its budget, planning and tariff designs was “purchase based”. For infrastructure, it was getting grant as budget allocations from the consolidated fund of Government of India. For working capital also, it was depending upon the Government of India. It was part of Government of India’s sovereign functions. It did not require to pay interest on the sum incurred as working capital or spending on the infrastructure.

Its surplus was being transferred to the Government of India only. While converting the erstwhile Electricity Department of D & NH Administration earlier surplus, which were transferred to Government of India have not been transferred to newly formed corporate body. This aspect has to be kept in background when Hon’ble Commission will consider true up for the FY 13 – 14 and review for the FY 14 – 15.

4. The Industries are engine for growth and development of the UT. They are instrumental in bringing sea change in the quality of life of local tribal population. They also contribute a huge sum to the tune of Rs 1500 crores every year to public exchequer by way of central excise, service tax, income tax and VAT. Industries provide employment to a large population, not only to local but also to people of various parts of India.

The industries solely depend upon their viability and better performance on the availability of quality power at minimum possible tariff. The UT neither has raw material nor market to consume the finished products. Industries have to incur huge expenses on logistics and on other heads in comparison to their counter parts in the other states. Electricity, at minimum rate, becomes a measure of survival. Therefore, while determining electricity tariff for the UT, Hon'ble Commission is requested to keep this in view that major consumer of electricity is industry and industry is operating here under hundreds of odds.

5. The industrial consumers and the Petitioner are inter-dependent on each other for their functioning, as the industries depend on the Petitioner to run their operations and in being economically viable. Similarly, almost 98% of Petitioner's revenue comes from the industrial consumers in the territory.

6. Objections/ Suggestions to the 'True-Up' for FY 13-14

Respondent has following objections to the 'true-up' for the year 13 – 14 as submitted by the Petitioner for approval of Hon'ble Commission : -

A. Distribution Losses

It is true that UT has lowest distribution loss in the country, but real reasons for lower distribution loss rate are different. Small area to serve, less agriculture consumption and above all sincere and honest industrial consumers.

However, worrisome factor is that in spite of all favourable factors and directions of Hon'ble Commission, Petitioner not only failed to reduce the losses but got increased to 4.78%.

There must be an energy audit for future as how to reduce it.

Though, loss is loss and nothing can be done now to turn the wheel back, but, Hon'ble Commission should approve the losses with displeasure.

A. Depreciation

Amount of depreciation worked out by Petitioner is erroneous.

Objector's first objection in this regard is that Petitioner has ignored the contribution of consumers. No depreciation should be allowed on the asset created by consumer's contribution. Therefore, no depreciation should be allowed till, Petitioner does not compute the consumers' contribution.

Reserving above submissions, it is submitted that in the Table 7, page 20, Petitioner has considered opening GFA as Rs. 424.90 cr. instead of Rs 301.01 as approved by Hon'ble Commission. Therefore, so called 'depreciation' will work out to be as under :

Sr. No.	Particulars	Amount in Rs. (cr.)
1	Opening GFA	301.01
2	Addition during the year	4.82
3	Closing GFA	305.83
4	Average GFA	303.42
5	Depreciation	9.97

Therefore, Hon'ble Commission should not approve any depreciation. Still if Hon'ble Commission is of the view that depreciation should be allowed, it should be only Rs 9.97 cr.

B. Return on Equity / Gross Bloc of capital in the beginning of the year

As submitted in 'B' above, the calculation of gross block is incomplete till the consumers' contribution in GFA worked out or Petitioner submits that all assets had no contribution from the consumer. Therefore, return on equity should be restricted to share capital that is Rs 40 Cr only. If return is allowed on that, it would be only Rs 6.4 cr.

Reserving above submission, it is submitted that if Hon'ble Commission is of the view, that even without computing consumers' contribution, value of assets at the beginning of the bloc should be considered, than also it should be Rs 10.24 cr. and not Rs 12.33 cr.

C. Income Tax:

Petitioner has not yet made available the audited accounts data for the year 13-14, hence, correctness of the data is in question.

Objector has made an application dated 25/26 Dec 14 to Petitioner's General Manager – Accounts to provide a copy of audited accounts for the year 13-14. Response to this application is still awaited.

In the absence of audited books of accounts, objector is unable to offer its objections and suggestions regarding expenses on Income Tax.

Reserving its right to make appropriate submissions when audited book of Accounts is made available, objector draws some inferences out of common sense that, if Petitioner is seeking approval of income tax of Rs 49.17 cr., he admits that there was profit / surplus before tax was Rs 163.9 cr. Deducting tax paid Petitioner is still left with surplus of Rs 114.73 cr. **Hon'ble Commission should take note of it when determining tariff for the year 15-16.**

D. <u>Interests and Finance Charges</u> :-

Hon'ble Commission had approved a sum of Rs 10.56 cr. for Interest on loan for the year 13-14. Hon'ble Commission has considered arrangement provided in the Regulation 25 of the JERC Regulations 2009 that in the absence of loan information, normative amount can be worked out. Certainly, it is to protect the interests of licencees who do not have a clear opening balance of loans, but if they have assets, it should be presumed that they must have borrowed the loans. But the case of Petitioner is different. It is well established, as Hon'ble Commission has noted in its order dated 5th May 2014 while approving Review for the year 13-14, that its assets have been created out of Government of India's budgetary support. Therefore, analogy provided in Regulation 25 of the JERC Regulation 2009 does not squarely fit to Petitioner's case as the assets has been acquired by getting grant as budget allocations from the consolidated fund of Government of India and for that no loan has been bored by the Petitioner.

This year also, Objector reiterates its submission that normative computation of loan is not applicable in this case. Interest as well 're-payment' should not be considered.

E. Non-Tariff Income

Hon'ble Commission, in the tariff order for 14-15 with the review order for the year 13-14, had considered the all possible non-tariff income and approved it at Rs 11.56 cr.

In actual, Petitioner have received Rs 29.35 cr. from the interest alone, so as Petitioner has shown actual income Rs 29.35 cr. from which if Rs. 20.95 cr. as interest the net income from non tariff workout to Rs. 8.40 cr. against approved non tariff income of Rs 11.56 cr. The reason for this short fall from Rs. 11.56 cr. to Rs. 8.40 cr. is not disclosed.

Objector suggests that accounting details of the Petitioner should thoroughly investigated. It is believed that income must be, if not more than the approved sum, at least equal to the approved sum. Adding Rs 11.55 cr. to interest receipt of Rs 20.95 cr., non-tariff income should be Rs 32.50 cr.

Hon'ble Commission be pleased to approve Rs 32.50 cr. as non-tariff income.

F. ARR For FY 13-14

Considering above objections and suggestions, ARR for F. Y. 13 – 14 would be as under:

Aggregate Revenue Requirement for FY 13 – 14

(Rs in Cr)

Particulars	Approved by Hon’ble Commission on 05/5/14	Claimed by Petitioner	Objectors Computation
Power Purchase Cost	2040.79	2000.15	2000.15
O & M Expenses	16.15	17.97	17.97
Depreciation	16.94	14.05	9.98
Interest on long term capital loans.	10.56	7.6	7.6
Interest on working capital loans	21.66	24.3	24.3
Return on Equity	10.24	12.33	6.4
Provision for bad debts.	0	0	0
Interest on Security Deposit	0	3.48	3.48
Income Tax	0	49.17	0
RPO backlog	74.98	0	0
Total	**2191.32**	**2129.05**	**2069.88**
Less			
Non Tariff Income	11.56	29.35	32.5
A. R. R.	**2179.76**	**2099.7**	**2037.38**

Objector submits data above with the reservation that if Hon’ble Commission considers the submission of the objector and decides accordingly, this table will be re-computed, if necessary.

G. Revenue Gap / Surplus for FY 13 – 14

Thus, revenue gap / Surplus for FY 13 – 14 will be as under:

(Rs in Cr)

Particular	Approved by Hon'ble Commission on 05/05/14	As per Petitioner	Objectors' views
A.R.R.	2179.76	2099.70	2037.38
Revenue for Sale of Power	2083.43	2115.34	2115.34
Revenue from sale of surplus power	00.58	00	00
Revenue Gap	(95.75)	15.65	77.96
Previous years' Surplus carries forward	52.31	00	52.31
Carrying Cost	0.64	00	0.64
Net Gap	(42.80)	15.65	130.91

Petitioner has not given any reason as why they have not taken into account Rs 52.31 cr. as surplus from previous years and Rs .64 lakhs as carrying cost which Hon'ble Commission had approved.

In the absence of any valid explanation, Hon'ble Commission should consider. In that case a surplus of Rs 130.91 cr. is arrived upon.

It is further submitted that a rough estimation of profit before tax is around 163.9 cr. and Rs 114.73 after tax.

Thus, Hon'ble Commission should approve a surplus of Rs. 130.91 cr. or profit shown after tax payment, in the audited books of accounts, whichever is higher and which, should be adjusted against the ARR for 14-15 with an interest of Rs. 9.5% p.a..

7. <u>Review for FY. 14 -15</u>

Respondent has following objections and suggestions to the review for FY 14-15 filed by the Petitioner.

A. Distribution Losses:

Petitioner has estimated distribution losses @ 4.75% and actual @ 4.70% for the period from April 14 to Sept 14. After commissioning of 220 KVA sub-stations of two major consumers who buy almost 20% of the power Consumption of the UT. Their tariff was fixed at lower rate mainly on the ground that due to supply at 220 KVA the distribution loss shall lowered atleast by 20%. But on the controversy the distribution loss is has increase which proves that in spite of two 220 KVA substation came into functioning there is no decrease of distribution losses.

B. Gross Fixed Asset

Table 27 presented by Petitioner is erroneous. Opening balance is wrong. A correct table depicted below-

(Rs Cr)

Sr. No.	Particulars	As per Petitioner	As per Objector
1	Opening Balance	429.73	305.83
2	Additions during the year	25.29	25.29
3	GFA at the end of the year	455.02	330.58
4	Average Assets	442.07	318.20

This is also subject to reduction on account of consumers' contribution which so far Petitioner has not accounted, which he must have done. Therefore, at present, GFA of the petitioner is true.

C. Depreciation

Table 29 presented by Petitioner showing computation of depreciation is faulty, as opening of gross fixed asset has not been taken rightly. The correct table is depicted below-

(Rs Cr)

Sr. No.	Particulars	As per Petitioner	As per Objector
1	Opening		305.83

	Balance of fixed assets	429.73	
2	Additions during the year	25.29	25.29
3	GFA at the end of the year	455.02	330.58
4	Average Assets	442.07	318.20
5	Depreciation	22.50	16.18

Hon'ble Commission should approve the depreciation of only Rs 16.18 cr. only that is also subject to the corrections made in opening GFA on account of contribution made by the consumers.

D. Return on Equity

Hon'ble Commission has allowed return on equity based on opening value of fixed assets in the bloc. It is submitted that opening balance shown in the GFA register is faulty as it does not account consumers' contribution. Therefore, return on equity should be confined to 16% of share capital that is 40 cr. Thus return on equity should be considered as Rs 6.4 cr.

E. Bad Debt:

No bad debt should be allowed. There is no bed debt now and Petitioner has adequate security deposit, other means of the recovery. Over and above 96% are industrial consumers amongst whom hardly there is any chance of bad debt.

F. Aggregate Revenue Requirement

Aggregate Revenue Requirement for the year 14-15 should be as under:

Particulars	Approved by Hon'ble Commission on 05/5/14	Claimed by Petitioner	Objectors Computation
Power Purchase Cost	2243.68	2250.96	2250.96
O & M Expenses	17.04	19.30	19.30
Depreciation	21.69	22.50	16.18
Interest on long term capital loans.	19.08	8.67	8.67
Interest on working capital loans	20.82	27.34	27.34
Return on Equity	12.75	12.22	6.4
Provision for bad debts.	10.67	4.5	00.00
Interest on Security Deposit	3.86	11.16	11.16
Income Tax	00	10.00	10.00
Total	2349.59	2366.65	2350.01
Less			
Non Tariff Income	12.14	30.81	30.81
A. R. R.	2337.45	2335.83	2319.2

/ Surplus

Objector's views on revenue gap / surplus are as under:

(Rs cr.)

Particular	Approved by Hon'ble Commission on 05/05/14	As per Petitioner	Objectors' views
A.R.R.	2337.45	2335.83	2319.2
Revenue for Sale of Power	2133.11	2259.21	2259.21
Revenue from sale of surplus power		91.73	91.73
Revenue Gap	(204.35)	15.11	31.74
Previous years' Surplus carries forward	(42.82)	15.65	130.91
Carrying Cost		00	
Net Gap / Surplus	(247.17)	30.75	162.65

Hon'ble Commission should approve a net surplus of Rs 162.65 cr.

8. ARR and the MYT Control Period FY 2015-16 to FY 2017-18

Objector's suggestions and objections to the MYT proposed by the Petitioner are as under:

A. Distribution Losses

Projection of distribution losses is very higher side. It is true that Utility's losses are lowest in the country, but looking to the geographical area it serves, pattern of consumption, minimal agriculture in the UT, it is very high.

Petitioner has considered 4.0% for the entire control period. In fact, Hon'ble Commission should appoint a professional agency to find out reasons as why distribution losses have not come down instead of commissioning of two 220 KV sub-stations by two large consumers who consume almost 20% of the energy consumption of the UT.

It is the need of the hour to save energy. Not controlling loss in distribution, in unacceptable.

Hon'ble Commission should not allow distribution losses more than 3% subject to the findings of the professional agencies to be appointed.

At 3% distribution losses, energy requirement will come down to following

(MU)

Year	Projected by Petitioner	Estimated by Objector
15-16	6020.66	5922.02
16-17	6509.79	6404.42
17-18	6937.70	6824.42

B. Power Purchase Cost

Year	Requirement in MU Projected by Petitioner	Estimated by Objector	Cost Projected by Petitioner (Rs Cr)	Cost estimated by Objector (Rs Cr)
15-16	6020.66	5922.02	2441.34	2401.34
16-17	6509.79	6404.42	2822.89	2777.20
17-18	6937.70	6824.42	3175.51	3123.66

C. Gross Fixed Assets

The error has been carried to control period also because of wrong opening.

Objector depicts below the correct projections:

(Rs Cr)

Year	Opening GFA	Additions during the year	Closing GFA	Average GFA	Depreciation
15-16	330.58	85.79	416.37	373.47	19.08
16-17	416.37	107.25	523.62	469.99	24.14
17-18	523.62	89.31	612.91	568.26	28.98

Since the register of fixed assets still does not account the consumers' contribution, above depreciation should not be allowed. Petitioner should be directed to disclose the consumers' contribution and thereafter only claim the depreciation.

D. Return on Equity

Return on equity in the absence of correct fixed asset register showing consumers' contribution, be allowed only on share capital which is Rs 40 cr. Thus return equity should be restricted to Rs 6.4 cr. only.

E. Bad and Doubtful Debts

Looking to the history and consumer pattern, security provisions available, there should not be any bad or doubtful debts during MYT control period.

F. Aggregate Revenue Requirement

(Rs Cr)

Particulars	By Petitioner			By Objector		
	15-16	16-17	17-18	15-16	16-17	17-18
Power Purchase Cost	2441	2823	3176	2401	2777	3124
O & M Expenses	23.18	25.88	29.07	23.18	25.88	29.07
Depreciation	25.44	30.53	35.33	19.08	24.14	28.98
Interest on long term capital loans.	13.57	22.17	30.5	13.57	22.17	30.5

Interest on working capital loans	20.67	19.95	19.84	20.67	19.95	19.84
Return on Equity	23.9	28.53	33.25	6.4	6.4	6.4
Provision for bad debts.	11.9	12.7	13.55			
Interest on Security Deposit	4.5	4.5	4.5	4.5	4.5	4.5
Income Tax	10	10	10	10	10	10
Less						
Non Tariff Income	32.35	33.97	35.67	32.35	33.97	35.67
A. R. R.	2542.15	2943.18	3315.88	**2466.392**	**2856.269**	**3217.283**

G. Revenue Gap / Surplus

For the year 15-16, objector estimates gap / surplus as under:

Particular	**by Petitioner**	**by Objector**
A.R.R.	2542.2	2466.39
Revenue for Sale of Power	2380.5	2380.5
Revenue from sale of surplus power	1.41	1.41

Revenue Gap	-160.22	-84.48
Previous years' Surplus carries forward	30.75	162.65
Net Gap / Surplus	**-129.47**	**78.17**

H. Tariff Fixation

Hon'ble Commission be pleased to approve a surplus of Rs 78.17 cr. and revise the tariff for the year 15-16 downwards.

9. Other Submissions:

1. Quality of Power:

Our members have reported that quality of power is very poor. There are many unannounced interruptions. There is considerable delay in changing equipments, in attending line faults.

It is suggested that Petitioner should pay special attention to it. If, we have to keep our industrial consumers competitive in the market, we have to provide hem quality power.

2. Augmentation of Infrastructure

This is in continuation to foregoing para. To provide quality power, Petitioner must pay attention to augmentation of lines, equipments, substation as pre-emptive measure and not fire fighting lines.

3. **Slab based tariff:**

   Prior to the year 14-15, there used to be a slab based tariff for HT consumers. Consumers who consume lee energy, were to pay a lesser rates. Association suggests to restore that system again. There following four slabs:

   a. **Up to 50,000 units**

   b. **50,001 to 3,00,000 units**

   c. **3,00,001 to 5,00,000 units**

   d. **5,00,001 and above**

4. **Proposed power tariff FY 2015-16 in respect of LT - motive power category consumer**

   In the proposed tariff FY 2015-16 the Petitioner has proposed the enhancement in the tariff of LT- motive power from Rs. 3.45 to Rs 3.55. Thus the Petitioner has proposed to enhance the tariff of LT consumer by 3%.

   We would like to bring to the notice of Hon'ble Commission that this about 3000 LT consumers are hardly consuming 3% of the total power against that this units are providing employment to the more than 50% total employment in our UT. This LT consumers are mainly MSME units and Government of India is support this Sector. The enhancement in the tariff of LT consumers are not going fetch any significant revenue and so we request Hon'ble Commission not to enhance the power tariff of LT motive power category.

5. **Rebate to 220 KVA consumers:**

During the Public hearing on ARR for the year 14-15, two consumers who have 220 KV substations had made representations for rebate as they made investment and as well their distribution losses were almost nil. In the interest of large number of consumers, Association has opposed the petition, but Hon’ble Commission found their demands justified and granted them the rebate. Association has challenged the order of Hon’ble Commission before APTEL where appeal has been admitted and likely to be decided soon.

It is suggested by the Association, till Hon’ble APTEL decides the matter, Hon’ble Commission should not grant rebate this year, if those consumers approach again to Hon’ble Commission during the hearing. If they make submissions, copies of their submissions should be made available to Association to reply to protect the interests of large number of consumers.

Similarly, if any other category consumers submits any plea for rebate or special tariff, copies of their representations should be made available to the association to reply to protect the interests of large number of consumers.

6. **Income Tax should not be Loaded on Consumers:**

   Income tax is always paid by out of the income of the assesses. It cannot and should not be be recovered from the customers. The intention of regulation providing recoveries of taxes from the customers is obviously for the taxes which are, in law, payable by the consumers but paid by Assesses on their behalf to comply statutory obligations. Income tax on Petitioner's income is not the liability of customers. It is not paid on behalf of the customers. Hence, extension of said regulation to cover income tax is too much stretching the provisions. Thus, Hon'ble Commission should issue guideline and prevent Petitioner from charging from the customers.

7. **Direction to Government to Make available Rs 41.81, cr which was wrongly collected.**

   Hon'ble Commission should make direction to Government to make Rs 41.81 cr available with DNH PDCL to refund the wrongly recovered surcharge.

Since Matter is pending before Hon'ble Tribunal, and if, it is decided in favour of Hon'ble JERC and Consumers, it should not be loaded back on consumers by providing as expenses in the ARR.

8. **Recovery of differential amount from high voltage category**

   In the Tariff Order dated 5.5.14, Hon'ble Commission had created another tariff category for high voltage consumers and fixed their tariff 20 paise per unit less than other categories. It was neither justified, nor lawful and not warranted. Thus, this Association has appealed before Hon'ble APTEL. Matter is in progress. Hon'ble Commission should make directions to recover the differential amount and keep it as reserved with the DNHPDCL, so that when Hon'ble APTEL decides in favour of this Association, other consumers are given adjustments / refunds immediately.

9. **RPO backlog should not be loaded on consumers**

   In the Tariff Order dated 5.5.14, Hon'ble Commission had worked out RPO backlog at Rs 70.__ cr. DNH PDCL has neither complied, nor made any provision.

   This should not be charged to consumers. Hon'ble Commission should direct the DNH PDCL to meet this obligation from other sources, as it was not on account of any inaction on the part of consumers. They should not be penalized for ‘no fault’ of theirs.

10. CGRF Vacancies

Consumer forum is just with one member for last six months. No grievance of consumers can be settled in the absence of quorum. Hon’ble Commission should fill in the vacancies as early as possible.

11. Non-observance of SOP in changing transformers / CTPT / Meters / Line fault

DNH PDCL is not following SOP prescribed by Hon’ble Commission in respect of changing the transformers / CTPT / meters or in attending line faults etc., and other services in prescribe time limit mentioned in the SOP.

Hon’ble Commission should give directions to Petitioner to develop a mechanism like online receipt of complain and disposal their off in prescribe time limit as per SOP. Hon'ble Commission if required can involve local CGRF who ensure that proper mechanism is introduce by Petitioner to ensure time bound compliance and services by Petitioner to its consumer are given as per SOP. The Petitioner should also be directed to put monthly data of disposal of complain of the website of Petitioner.

12. GFA – Accounting Consumers' Contributions

GFA register of DNH PDCL does not show consumers contributions, while fact is that consumers have contribution majority of goods and assets. Hon'ble Commission should direct DNH PDCL to assess the consumers' contribution in time bound schedule and make it public.

13. Supervision Charges

Whenever, any new line / equipment etc., is carried out, a supervision charge at 15% is taken from the consumer. Hon'ble Commission had it made clear that it should be only on labour component and not on total project cost. Unfortunately, DNH PDCL is still levying on total cost. They should refund back the charges taken in excess.

The Petitioner is charging service tax on this supervision charge, but neither issuing service tax invoice nor giving the break-up which is its mandatory duty. Hon'ble Commission may direct the Petitioner to comply the law and provide the tax invoice and break-up. Service tax

14. Professional Study : Line and Distribution losses

DNH PDCL has reported in the ARR that they have got a professional study carried out into the line and distribution losses, in compliance to the direction of Hon'ble Commission. Association suggests that this report should be made public by a given date. If report is accepted, it should be implemented as early as possible to reduce the energy losses.

15. Solar energy – Incentives to Generators in UT

Consumers should be given incentive to install the solar energy systems on the roof tops of their factories. Not only the energy generated from such systems should be bought by DNH PDCL but they should be given rebate in their normal tariff.

16. Open Access : Feasibility

Consumers in the DNH are not using open access facility. A study should be carried out to find the reasons for it. As per Association, the main reason behind it, is compelling them to surrender the equal amount of sanctioned load forever. It is an unfair condition and it kills the very purpose of open access. The logic behind the insistence to surrender has been extended is that if a consumer declines to accept the energy supplied by Petitiner due to open access purchase by the customer, that much energy will remain with Petitioner as unconsumed, while Petitioner will have to buy minimum guaranteed energy under PPA. In this connection, it is submitted, Even, if this logic is accepted, than also, Petioner should not decline proposals for open access till it reaches to the level of minimum guaranteed purchase clause under PPAs. Till it can manage without buying energy which is not likely to be consumed. It should allow the open access. Hon'ble Commission should review it and pass appropriate orders to motivate consumers to go for open access. It will reduce load on DNH PDCL and benefit consumers at large.

17. Publication of Complaints Handling Data on Website

DNH PDCL have reported that they have improved the complain handling system in compliance to the direction made by Hon'ble Commission.

Association suggest that improvement data should be made published on website so this Association inspect them and offer its suggestions and objections.

18. Interests on Security Deposits – Prior to Corporatization

Still a large amount, which was paid as security deposit during the period prior to corporatization of Petitioner by the consumers is lying with Government. It should be transferred to DNH PDCL and it should pay regular interests as being paid on the security deposits made after corporatization.

19. Security Deposits in Instalments

Association suggest that security deposits wherever consumer so demands should be taken in instalments. It will not cause any financial implications on the DNH PDCL but will facilitate consumer to run his unit with ease.

20. Classification Continuous – non-continuous industries

Enough delay has taken place on the part of DNH PDCL to submit its proposals on classification to ensure uninterrupted power supply to continuous nature of industries.

It is suggested that report mentioned by the Petitioner should be made public by a given date, otherwise Hon'ble Commission should take appropriate actions.

21. Energy Audit

Audit assigned to M/s Panacean Energy Solutions Mumbai should be finalized in a given time frame to derive its benefits to consumers as early as possible.

22. Asset Verification

Asset verification by DNH PDCL is still pending. Consumers are being charged depreciation, return on equity, normative interests on 'assets' verified on sampling basis. It is unlawful and unfair.

There has to be serious and census study in place of through sampling methods. Consumers have shown that it does not account for the consumers' contribution also, for which prayers have been made in other paragraph.

23. Enlarging the Scope of Rebate on Advance Payment

The scope of rebate on advance payment should be enhanced. Right now it is only for one month, it should be made for two months in advance and in that case rebate rate should be increased proportionately.

24. Refund of Registration fees:

Petitioner is not observing Hon'ble Commission's guideline on refund of the registration fees after releasing the power connection to the consumers. Hon'ble Commission should issue direction that in time bound manner, Petitioner should clear all old cases and in future refund the fees promptly.

Prayers:

A. Hon'ble Commission may pleased to not to approve the proposal of Petitioner to increase energy tariff.

B. Hon’ble Commission while approving true up for the year 13-14 and review for the FY 14-15, may pleased to consider the objections and suggestions submitted hereinabove.
C. Hon’ble Commission may pleased to review the MYT downwards for 15-16 to 17-18 after adjusting surplus generated by the Petitioner in the FY 13-14 and FY 14-15.
D. Hon’ble Commission may pleased to consider the objections to terms and conditions to tariff schedule and compliances reported by the Petitioner and pass appropriate orders accordingly.
E. Hon’ble Commission may pleased to consider the suggestions given by the Respondent and pass appropriate order on them.
F. Hon’ble Commission may pass any other order on relief as they deem fit in the interest of consumers of the UT in general.

Sunil Ijari
Vice President, Silvassa Industries & Manufacturers Association,
Respondent

Silvassa
7.01.2015

Verification

I, Sunil Ijari s/o Sh Vardaman Ijari, aged 56 years, resident of 4-A, Bogan Villa, Behind District Court, Silvassa, solemnly declare that statements and data mentioned in the objections and suggestions made above in response to the True-up for the FY 13-14, Review for the FY 14-15 and Aggregate Revenue Requirement for the FY 15-16 are true and correct to the best of my knowledge and belief.

Sunil Ijari

Vice President, Silvassa Industries & Manufacturers Association,

Silvassa

07.01.2015