

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
SITE NO. 3, BLOCK B, SECTOR 18-A MADHYA MARG, CHANDIGARH

Review Petition No. 05 of 2023
in Petition No. 74 of 2022
Date of Hearing: 15.05.2024
Date of Order: 17.05.2024

Review Petition under Regulation 64 of the Punjab State Electricity Regulatory Commission (Conduct of Business) Regulations, 2005 read with Section 181 of the Electricity Act, 2003.

AND

In the matter of: HPCL Mittal Energy Limited (HMEL) through its Special Power of Attorney/Authorized Signatory Sh. Mahesh Kumar Bhagwandas Gohil, aged 60 Years S/o Sh. Vithal Gohil, Vice President Petrochemicals, Guru Gobind Singh Refinery, Village Phulokhari, Tehsil Talwandi Sabo, District Bathinda.

....Review Petitioner

Versus

Punjab State Power Corporation Limited through its Chief Engineer/ARR &TR, PSEB Head office, The Mall Patiala.

....Respondent

Commission: Sh. Viswajeet Khanna, Chairperson
Sh. Paramjeet Singh, Member

Petitioner: Sh. Ishan Gupta, Advocate
Sh. Jaspal Saini
Sh. Saurab Kapoor

PSPCL: Sh. Anand K Ganesan, Advocate, (through VC)
Ms. Harmohan Kaur, CE/ARR&TR
Sh. Harjeet Singh, ASE/TR-5
Sh. Sachin Kapoor, Dy.CE

ORDER

The Review Petition was taken up for hearing. Vide order dated 01.02.2024, PSPCL was directed to deliberate the matter with PSTCL and submit its written reply alongwith timelines in which data based analysis of voltage wise cost of supply of different categories of consumers shall be submitted to the Commission. In compliance of the order, PSPCL has submitted its reply vide memo no. 4169 dated 08.05.2024. PSPCL has submitted the information regarding voltage wise cost of supply for FY 2024-25 based upon TERI report of 2013 by updating the cost data whereas the review petition is for the

review of Petition No. 74 of 2022 i.e. Tariff Order for FY 2023-24. PSPCL has further submitted that the report is **provisional and based on certain assumptions** regarding voltage wise allocation of assets & costs and this data may not represent actual cost of supply. PSPCL to submit the reply to the following observations of the Commission.

1. In the tariff Order for FY 2023-24, the Commission observed that:

“.....Since, PSPCL is an integrated utility carrying out the businesses of a Generating company and is as well a distribution licensee, segregation of its accounts on actual basis is required for the Generation and Distribution businesses, Retail and Supply businesses and finally based on voltage parameters to enable determination of voltage-wise CoS. So far, PSPCL is not able to submit the segregated accounts on actual basis for its Generation and Distribution businesses and is submitting the same on the basis of allocation only. Thus, voltage-wise/category-wise CoS worked out on the basis of estimated/allocated data supplied by PSPCL may not be depicting the actual cost of supply.

However, in order to move in the direction of tariff based on CoS, the Commission has been allowing indicative rebates in the Tariff to various categories of consumers getting supply at higher voltages as mentioned in Condition 13.2 of General Conditions of Tariff. “

The Commission has also issued directive No. 5.11(ii) and (iii) to PSPCL to comply with Regulation- 5 (Segregation of ARR of Generation and Distribution Businesses) and Regulation 6 (Segregation of ARR of Wheeling and Retail Supply Business) of PSERC MYT Regulations 2022. PSPCL to submit the status of segregation of its accounts on actual basis and timelines to eventually assess the Cost of Supply on the basis of voltage.

2. On a perusal of Annexure ‘E’ of PSPCL submission dated 08.05.2024, it is observed that cost of supply for industrial consumers at 132 kV (5.53 Rs./kWh) is coming out to be lower than cost at 220 kV (5.58 Rs./kWh). Similarly the cost of supply for domestic category at 33 kV (6.10 Rs./kWh) is coming out lower than that at 66 kV (6.52 Rs./kWh). Further the cost of supply for Industrial MS at LT level (7.45 Rs./kWh) is lower than that at 11 kV(7.53 Rs./kWh) . PSPCL to review & recheck the same as the cost of supply is inversely proportional to the voltage level.
3. PSPCL had submitted the following data in ARR petition No. 64 of 2023 vide letter dated 12.01.2024 for FY 2024-25 for calculating voltage wise cost of supply and the data now submitted on 08.05.2024 for FY 2024-25 is at variance to the data submitted in ARR petition in respect of the following parameters: -

- i) Generation & Distribution Cost
- ii) Length of Transmission & Distribution Lines (Circuit KM)
- iii) Total cost of lines
- iv) Total cost of reactor/shunt capacitors, cost of sub-stations, cost of transformers
- v) No. of consumers, connected load and sales.

PSPCL shall submit the above information within two weeks with a copy to the review petitioner (through hard & soft copy). The review petitioner may file rejoinder, if any, to the reply filed by PSPCL within one week thereafter with a copy to PSPCL.

The review petition shall be taken up for hearing on 10.07.2024 at 11.30 AM.

Sd/-

(Paramjeet Singh)
Member

Chandigarh
Dated: **17.05.2024**

Sd/-

(Viswajeet Khanna)
Chairperson