

**BEFORE THE HONOURABLE KERALA STATE ELECTRICITY
REGULATORY COMMISSION**

In the Matter of: **Seeking Time extension for filing ARR&ERC of 'KSEB Limited' for the year 2014-15.**

Petitioner : **Kerala State Electricity Board Limited (KSEBL)
Vydyuthi Bhavanam, Pattom,
Thiruvananthapuram**

THE PETITIONER HUMBLY STATES THAT:

1. Kerala State Electricity Board Limited (KSEBL) is a deemed distribution licensee as per the section-14 of the Electricity Act-2003, incorporated by the Kerala State Government vide its 'notification dated G.O (P) No. 46/2013/PD dated 31st October-2013 on Kerala Electricity Second Transfer Scheme (Re-vesting) 2013', by re-vesting the asset and liabilities of erstwhile Kerala State Electricity Board (KSEB).
2. As per the regulation-3 of the KSERC (Tariff) Regulations, 2003, all the licensees of the State has to file the petition on 'Annual Revenue Requirement and Expected Revenue from Charges' (ARR&ERC) for the ensuing year not later than four months before the commencement of the financial year, i.e., latest by 30th November of the preceding year'. KSEB, the erstwhile licensee of the State had been filing the ARR&ERC petition every year since 2003-04 till last year 2013-14 as per the provisions of the said regulations, Electricity Act-2003 and within the time extension allowed by the Hon'ble Commission on year to year basis.
3. The State Government, vide the Government notification dated G.O No. 37/2008/PD dated 25-09-2008, had notified the Kerala Electricity First Transfer Scheme for the purpose of vesting the functions, properties, rights and obligations and liabilities of Kerala State Electricity Board with the State Government on the terms agreed to by the Kerala State Electricity Board and the State Government and the re-vesting thereof by the State Government in the Kerala State Electricity Board Limited, a corporate entity.
4. Accordingly and also in line with the section 131(2) of the Electricity Act, 2003, the Kerala State Government vide the notification G.O (P) No. 46/2013/PD dated 31st October-2013 has notified the Kerala Electricity Second transfer scheme (re-vesting) 2013, wherein all the assets and liabilities, rights and obligations of the erstwhile KSEB, which was already vested into the State Government by the first transfer scheme dated 25-09-2008, is re-vested to the new successor entity Kerala State Electricity Board Limited (KSEBL) with effect from 31st October-2013.

5. As part of the Government notification G.O (P) No. 46/2013/PD dated 31st October-2013 and the 'Financial Restructuring Plan' therein, the Government has incorporated many changes in the provisional 'Aggregate Assets and Liabilities, and balance sheet of KSEBL as on 01-04-2012, which include (not limited to) the following.
 - (i) The fixed assets have been provisionally revalued based on the revenue earning potential of generation assets.
 - (ii) Additional equity infusion by State Government.
 - (iii) Terminal benefit fund and Creation of a Master Trust for meeting the obligation of the pension liabilities and terminal benefits.
6. All the changes incorporate by the State Government as detailed above (not limited to) has long standing impact on the 'Annual Revenue Requirement' of the KSEBL henceforth. In order to incorporate the impact of the above into the ARR&ERC petition of the KSEBL for the ensuing year 2014-15, KSEB has to conduct a detailed study including its financial impact on KSEBL.
7. It is further submitted that, in order to study and incorporate the impact of the 'Financial Restructuring Plan' into the ARR&ERC of KSEBL for the ensuing year 2014-15, KSEBL has decided to avail the services of a reputed consultant, involved in the corporatisation of other SEBs across the country as per the provisions of the Electricity Act-2003, for the preparation of the ARR&ERC of the corporatized unbundled entities. Accordingly KSEBL has invited Expression of Interest (Eoi) from eligible consulting/professional firms for rendering consultancy services in connection with filing of ARR & Tariff Petition for FY 2014-15.
8. KSEBL may submit that, with the help of a reputed consultant, KSEBL may submit the ARR&ERC of the KSEBL for the year 2014-15 by the latest by the end of February-2014. Hence, KSEB may request that, Hon'ble Commission may kindly grant time extension till the end of February-2014 for filing the ARR&ERC of KSEBL for the year 2014-15.

Prayer

Considering the circumstances as detailed in the preceding paragraphs, KSEBL may humbly request before the Hon'ble Commission to kindly grant time extension till the end of February-2014 for filing the petition on 'ARR&ERC of KSEBL' for the year 2014-15.

Chief Engineer (Commercial & Tariff)
Kerala State Electricity Board Limited