**BEFORE THE HON’BLE KERALA STATE ELECTRICITY REGULATORY COMMISSION**

O.P. No :

In the Matter of : Petition seeking approval to reliefs extended to various categories of consumers in the State due to lockdown restrictions imposed by the Central and State Governments to curb the spread of Covid-19 pandemic.

Petitioner : Kerala State Electricity Board Limited

Vydhyuthi Bhavanam, Pattom

Thiruvananthapuram

AFFIDAVIT VERIFYING THE APPLICATION

I**, B.Pradeep**,son of **P.Balachandran** aged **55** years, residing at **Vipanchika, Anayara.P.O, Thiruvananthapuram** do solemnly affirm and state as follows:

I am the Deputy Chief Engineer (Commercial & Planning) with full powers of Chief Engineer of Kerala State Electricity Board Limited, Vydyuthi Bhavanam, Pattom, Thiruvananthapuram, the representative of the petitioner in the above matter and I am duly authorized by KSEB Ltd. to make this affidavit on its behalf. I solemnly affirm at Thiruvananthapuram on this the **10th June 2020** that

(i) Contents of the above petition are true to my information, knowledge and belief. I believe that no part of it is false and no material has been concealed there from.

(ii) That the statements made in paragraphs of the accompanying application now shown to me are true to my knowledge and are derived from the official records made available to me and are based on information and advice received which I believe to be true and correct.

Deponent

Deputy Chief Engineer (Commercial & Planning)

With full powers of the Chief Engineer Kerala State Electricity Board Limited, Vydyuthi Bhavanam, Pattom Thiruvananthapuram – 695 004

**VERIFICATION**

I**,** the above named deponent, solemnly affirm at Thiruvananthapuram on this the **10th June 2020** that the contents of the petition are true to my information, knowledge and belief, that no part of it is false and that no material has been concealed there from.

## Deponent

Deputy Chief Engineer (Commercial & Planning)

With full powers of the Chief Engineer

Kerala State Electricity Board Limited,

Vydyuthi Bhavanam, Pattom

Thiruvananthapuram – 695 004

Solemnly affirmed and signed before me

Advocate and Notary

BEFORE THE HONOURABLE KERALA STATE ELECTRICITY REGULATORY COMMISSION

In the matter of : Petition seeking approval to reliefs extended to various categories of consumers in the State due to lockdown restrictions imposed by the Central and State Governments to curb the spread of Covid-19 pandemic.

Petitioner : The Kerala State Electricity Board Limited,

Vyduthi Bhavanam, Pattom

Thiruvananthapuram.

**The petitioner humbly submits as follows:**

1. Hon’ble Commission, vide it’s letter dated 04.05.2020 to the Secretary , Power Department , Govt.of Kerala conveyed to the Government it’s agreement to the proposal of the Government for the relaxation upto 6 months for payment of fixed charges and reduction of penal charges for non-payment from 18% to 12% beyond a period of 30 days for all private hospitals.
2. Hon’ble Commission has also conveyed the following: *The Commission will issue separate orders to this effect, once KSEB Limited approaches the Commission for such relaxations. It is also pointed out that though Chief Minister had in his daily media interaction announced these concession to industrial and Commercial establishments of the State ,no such request /correspondence is received either from Government or either from Government or from KSEB Ltd. A specific request, if considered appropriate may please be given to the Commission.*

*The financial impact if any due to the above, will be considered during the truing up for respective years, unless KSEB Ltd submits any other alternate proposal.*

1. Subsequently, vide letter No 645/D(T)/2020/KSERC/398 dated 19.05.2020 , Hon’ble Commission while forwarding a copy of letter from Ministry of Power, Government of India regarding rebate in fixed charges has sought filing a petition on the matter. Accordingly, the instant petition is filed for approval of various reliefs as ordered by the State Government.
2. Hon’ble Commission may please note that the relaxation on certain provisions of the Kerala Electricity Supply Code, 2014 is required for imparting reliefs extended by the State Government to the needy sectors during the lockdown period. It is submitted that the Hon’ble Commission may issue appropriate orders to remove the difficulties in implementing specific provisions in the Code during the unprecedented situation due to spread of Covid-19, invoking powers under Regulation 179 of the Code.
3. KSEBL, in order to provide uninterrupted power supply and to mitigate the hardship being faced by consumers in the wake of Covid-19 pandemic, put in place the following measures through different orders.
4. Proper arrangement has been made in Generation /Transmission SBU to make available the employees of these wings for uninterrupted operation, observing all precautionary measures to contain the pandemic.
5. Cash collection in offices and outstation centres was discontinued upto 31.03.2020 in the initial phase of the lockdown and later extended upto 03.05.2020. Due date of bills issued were extended accordingly.
6. The field offices were instructed to operate in two shifts per day.
7. All the works other than of emergency and of essential nature were postponed.
8. On23.03.2000, meter readings were suspended upto 31.03.2020 and later extended up to **15.04.2020**. Average consumption was reckoned during lockdown period to generate bills. The bills so generated were send to the consumer through SMS/e-mail.
9. Non-domestic consumers were given a facility to remit 70% of the amount of their bills issued based on their average consumption during extended due date, considering closure of their activities from 24.03.2020.
10. Also directions were issued not to disconnect the service connection in cases other than in theft cases and on safety aspects.
11. HT and EHT consumers were allowed to remit their electricity bills for the month of March and April -2020 up to 16.05.2020 without interest.
12. LT consumers were allowed to remit their bills up to 16.05.2020, without paying surcharge for the bills issued from the date of commencement of lockdown to 05.05.2020 or became due from date of commencement of lockdown to 15.05.2020.
13. As part of the relaxation in lockdown restrictions, KSEB Limited has decided to resume the meter reading with effect from 20.04.2020 (from walking order starting from 16.04.2020). Also cash collection was resumed from 04.05.2020 (by maintaining social distancing). The consumers were allowed specific dates and time slots to remit their current charge in accordance with last digit of the consumer number. Even though cash counters were re-opened from 04.05.2020, the due date of bills were extended till 16.05.2020 to avoid rush in counters and ensure social distancing.
14. To avoid possible spread of Covid -19 pandemic and to maintain social distancing in the field offices, KSEB has also undertaken following measures:
15. It was decided to waive the transaction charges for online payment of electricity bills through payment gateways from 20.04.2020 to 31.07.2020.
16. As part of encouraging on line transactions 5% cash back was allowed to those using online facility for the first time for remitting their electricity bills (subject to a maximum of Rs.100/bill) between 04.05.2020 and 31.05.2020.
17. As part of encouraging on line transactions in view of covid -19 pandemic, it was decided to waive the application fee for new service connection applications submitted through online for a period of one year.
18. As per the reliefs announced by the Hon’ble Chief Minister, Government of Kerala in the press conference held on 21.04.2020, Industrial and Commercial Consumers of KSEB Ltd. have been provided with an option for the deferred payment of fixed charges for the months of March, April and May- 2020 up to 15.12.2020 at an interest rate of 12% (instead of 18%) on deferred fixed charges. Later, Board has extended the options already granted to Industrial and Commercial consumers in the State to Private Hospitals also, as per the directions of State Government. Hon’ble Commission has conveyed it’s agreement on this to the Government vide letter dated 04.05.2020.
19. Subsequently, Hon’ble Chief Minister, Government of Kerala during the daily press conference on 22.05.2020 announced that directions were issued to KSEB Ltd. to provide relief in fixed charges for the periods of lockdown and waiver of interest for the deferred fixed charges. Accordingly, Government vide order G.O.(Rt) No. 67/2020/P.D. dated 01.06.2020 has directed KSEB Ltd. to allow a rebate of 25% on fixed charge applicable to Industrial/Commercial consumers and Private Hospitals for the months of March, April and May-2020 (during lockdown period) and to defer the payment of balance fixed charge (75%) of these months, up to December-2020, without levying interest during the deferred period. It was also ordered to allow domestic consumers to remit half of their bill amount during lockdown period and to remit balance amount in two equal instalments. Government has also issued direction, in view of public interest, to KSEB Ltd to pass on the above relief / rebate smoothly as per section 55 of Article of Association of the Company. Government has also directed Hon’ble Commission to grant approval by considering the matter of allowing reliefs as a matter of policy involving public interest under section 108 of the Act. Government order is attached as annexure-1.
20. Accordingly, the reliefs as below are being made available to the consumers by modifying the billing software.
21. a rebate of 25% on fixed charge applicable to Industrial/Commercial consumers and Private Hospitals for the months of March, April and May-2020 and to defer the payment of balance fixed charge (75%) of these months, up to 15.12.2020, without levying interest during the deferred period.
22. adjust the above rebates to monthly billed consumers in the bills to be issued in July 2020 and for bi-monthly billed consumers, in the bills to be issued in the months of July and August- 2020. Similarly, interest paid/accrued against deferred fixed charges of these months shall be waived by providing credit in subsequent bills.

11. The estimated amount forgone per month due to waiver of fixed cost to above categories is Rs.27 Cr.

1. Hon’ble Commission vide letter dated 19.05.2020 intimated that Ministry of Power, Govt of India has instructed all Central Generating stations under their control to consider offering the following rebates to Distribution companies for passing it on to the end Consumers during the lock down period.
2. Deferment of capacity charges for power not scheduled, to be payable without interest after the end of the lockdown period in three monthly equal instalments.
3. Rebate of about 20- 25% on the power supply billed (fixed cost) to DISCOMS and interstate transmission charges levied by PGCIL.
4. Hon’ble Commission may please note that the Central Generating Stations under Ministry of Power and PGCIL has not yet finalised the rebate on fixed cost. The details of generators under Ministry of Power , PPA quantum and fixed cost to these stations are stated below:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Sl.No. | Station | Contracted Capacity (MW) | Fixed charge billed  (in Rs.) | | Remarks |
| In March-2020 | in April-2020 |
| 1 | RSTPS Stg.I&II | 245.07 | 102825067 | 102178114 |  |
| 2 | RSTPS Stg.III | 61.00 | 27252299 | 0\* | \*No scheduling in April |
| 3 | SIMHST2 | 85.57 | 75443185 | 70536311 |  |
| 4 | TALCHER Stg II | 427.00 | 203270887 | 177349097 |  |
| 5 | Vallur NTECL | 49.95 | 51338281 | 51570651 |  |
| 6 | Kudgi | 111.72 | 109061201 | 108413635 |  |
| 7 | DVC- Mejia | 100 | 91728549 | 84933841 |  |
| 8 | DVC- Regunathpur | 50 | 91728549 | 48460411 |  |
| 9 | PGCIL | Inter State Transmission charges | 408106595 | 386726153 |  |
| Total | | | 1160754613 | 1030168213 |  |

116.08 Cr. 103.02 Cr.

Based on the above, it is estimated that the rebate available from CGS under MoP and PGCIL is in the range of Rs.25.75 Cr. to Rs.29.02 Cr. per month (anticipating a rebate of 25%). The period for which rebate would be available is yet to be communicated.

1. In case, the relief received from Central Generating Stations is more than the reliefs provided by the State Government, KSEB Ltd. will approach the Hon’ble Commission to pass on the residual amount also to the end consumers as desired by the Central/ State Government. Alternatively, in case the rebates from CGS is lower than the reliefs already declared by the State Government the same may be allowed as pass through during Truing up.
2. It is also submitted that as ordered by the State Government, KSEB Ltd. is providing an option to domestic consumers to remit at least half of the bill amount in the bills issued in the months of April, May and June-2020 before 15.06.2020 or due date of the bill, whichever is later, and to allow two equal instalments for the balance amount in subsequent monthly/bi-monthly bills.
3. As per section 73 of the Supply Code, 2014 , KSEB Ltd is to review the Security deposit of various category consumers during the 1st quarter of the financial year 2020-21. Accordingly, KSEB Ltd has issued direction to refund the excess security deposit at the credit of the consumer than required during the first quarter itself and also to adjust the interest accrued during the financial year, in the 1st quarter of FY itself. However in view of financial difficulties being faced by various sectors in the State, additional security deposit required, if any, based on the review of the Security Deposit is not being demanded for the time being.
4. Hon’ble Commission may please note that , Government of India ( Ministry of Finance) vide Office Memorandum No.F.18/4/2020-PPD dated 19.02.2020 has clarified that the spread of Corona virus should be considered as a case of natural calamity and force majeure clause may be invoked. Copy of the Office Memorandum is attached as Annexure-2.
5. In order to extend the following relaxations to various categories of consumers of KSEB Ltd, appropriate orders of Hon’ble Commission and relaxation in provisions of the Kerala Electricity Supply Code -2014 is required and the same may please be granted by invoking regulation 179 of the Code and by considering the restriction placed by Central Govt. to contain Covid-19 which is declared as an event of force majeure.
6. Rebate of 25% on fixed charge applicable to Industrial/Commercial consumers and Private Hospitals for the months of March, April and May-2020. The same may kindly be approved based on the direction of Govt. of Kerala.
7. Deferring the payment of balance fixed charge (75%) of these groups of consumers for three months, up to 15.12.2020, without levying interest during the deferred period. As per item No.12 of Schedule-1 (Schedule of Miscellaneous charges.) of Kerala Electricity Supply Code -2014, rate of interest for delayed payment shall be 12% per annum upto a period of 30 days and thereafter 18% per annum for the entire period of default. Hence it is requested before the Hon’ble Commission to grant approval for the deferment of balance fixed charge up to 15.12.2020 without levying interest by invoking regulation 179 (power of relaxation and power to remove difficulties) in public interest.

1. As per regulation 122(10) of the Kerala Electricity Supply Code, 2014, the due date of payment is fixed as the 10th day of reading or any day thereafter. KSEB Ltd extended the due date upto 16.05.2020 for bills issued during the lockdown period (item no. (viii) & (ix) of para 5 above) for all categories of consumers. Hence it is requested before the Hon’ble Commission to grant relaxation for the extension granted for the due date, by invoking regulation 179 (power of relaxation and power to remove difficulties) in public interest.
2. As per Supply Code, 2014 Schedule-1 the application fee for new service connection (LT – Rs.50/-, HT Supply- Rs.1000/- and EHT – Rs.5000/-). KSEB Ltd, in order to limit the visitors in view of of Covid-19 pandemic KSEB Ltd. decided to encourage on line application for new service connection by exempting the application fee. (item No (iii) of para ‘7’ above) Hon’ble Commission,on account of the unprecedented situation arising out of the restrictions placed by the Central / State Governments on the movement of public may allow exemption of application fee for a period of one year as a relaxation under section 179 of the Supply Code , 2014.
3. As per regulation 73(4) of Kerala Electricity Supply Code, the licensee, based on review as per regulation 73(1) of the Code, may demand for additional security deposit for making up the deficit , if any, in the security deposit to the consumer and the consumer shall deposit additional security deposit as per the demand raised by the licensee. In view of financial difficulties being faced by various sectors in the State, additional security deposit required, if any, based on the review of the Security Deposit is not being demanded for the time being. Hon’ble Commission may allow relaxation in regulation 73(4) for not demanding the additional security deposit in the 1st quarter of FY 2020-21, by invoking regulation 179 (power of relaxation and power to remove difficulties) in public interest.
4. As part of encouraging on line transactions, 5% cash back was allowed to those using online facility for the first time for remitting their electricity bills (subject to a maximum of Rs.100/bill) between 04.05.2020 and 31.05.2020.This facility has been availed by 6.78 Lakhs consumers and amount of Re.3.25 Crores is to adjusted in the bills issued in June/July-2020 on account of cash back relief for online payment. Hon’ble Commission,on account of the unprecedented situation arising out of the restrictions placed by the Central / State Governments on the movement of public and as part of a measure to contain the pandemic, may allow expenditure on account cash back facility as a pass through over normative expense during truing up.

**Prayer**

It is humbly prayed before the Hon’ble Commission to approve the following reliefs to consumers in view of restrictions due to lockdown and based on the directions of State Government:

1. allow a rebate of 25% on fixed charge applicable to Industrial consumers, Commercial consumers and Private Hospitals for the months of March, April and May-2020 and to defer the payment of balance fixed charge (75%) of these months, up to 15.12.2020.
2. exempt the surcharge applicable for the deferred payment of balance fixed charge (75%) of Industrial consumers, Commercial consumers and Private hospitals for the month of March, April and June-2020 upto 15.12.2020 by invoking regulation 179 (power of relaxation and power to remove difficulties) of Supply Code.
3. allow relaxation in regulation 73(4) of Kerala Electricity Supply Code,2014 for deferring the demand for additional security deposit in the 1st quarter of FY 2020-21.
4. Allow pass through of expenses incurred to provide cash back to first time users of online payment facility ,over normative expenses during truing up process.
5. Exempt the application fee for new service connection applications submitted through online for a period of one year, as part of a measure to contain the Covid-19 pandemic.
6. allow pass on the financial impact by way of additional interest and finance charges due to extension of due dates for all consumers during the lockdown period and deferment of fixed charges for Industrial consumers, Commercial consumers and Private hospitals during truing up of FY 2020-21.

Deputy Chief Engineer (Commercial& Planning)

with full powers of Chief Engineer