

WEST BENGAL ELECTRICITY REGULATORY COMMISSION



ANNUAL REPORT 2008-2009

**(u/s 105 of the Electricity Act, 2003
and Rules framed thereunder)**



WEST BENGAL ELECTRICITY REGULATORY COMMISSION

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Annual Report For the year 2008– 2009(up to 31st March, 2009)

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FORM III

(See Rule 5 of the West Bengal Electricity Regulatory Commission (Appointment of Chairperson and Members, Budget and Annual Report) Rules, 2003 issued under notification no. 337-Power/III dated 29.12.03)

***Annual Report of the West Bengal Electricity Regulatory Commission
For the year 2008-09 (upto 31st March, 2009)
(u/s 105 of the Electricity Act, 2003 and Rules framed thereunder)***

- 1. Introduction** - The Govt. of West Bengal constituted The West Bengal Electricity Regulatory Commission (WBERC) under sub-section (1) of section 17 of the Electricity Regulatory Commissions Act, 1998 (14 of 1998), vide Notification No. 06-Power/III dated 6.1.1999. The Commission became formally functional with the joining of its first Chairperson on 31.3.1999. The Electricity Regulatory Commissions Act, 1998 was repealed by the Electricity Act, 2003 (36 of 2003). The Electricity Act 2003 came into force w.e.f. 10.06.03. The WBERC established under section 17(1) of the Electricity Regulatory Commissions Act, 1998 became the State Commission for the purposes of The Electricity Act, 2003 in terms of first proviso to sub-section (1) of section 82 of the said Act.

The State Commission continued as a body corporate by the name aforesaid (WBERC), having perpetual succession and a common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued.

- 2. Organization Chart: -**

With the coming into force of the Electricity Act 2003, the responsibilities of the Commission increased manifold and so did the requirement of manpower. The existing set up required review in respect of designation and number of posts, scale of pay and category of officers and employees etc. These were duly considered and approved by the Department of Power, Govt. of W.B in consultation with the Finance Department, Govt. of W.B and accordingly a fresh regulation called the West Bengal Electricity Regulatory Commission (Number, Nature and Categories of Other Employees and Salaries, Allowances and Other Conditions of Service of Secretary, Other Officers and Employees) Regulations, 2006 was duly published in the Kolkata Gazette on 04.05.2006 under Notification No. 29/WBERC dated 04.05.2006 on repealing the



previous regulation. Schedule showing the number, nature, and categories of posts in the Commission as specified in the said Regulations is shown as **Annexure I**.

Position of manpower during the period under report:**Commission**

- | | |
|--------------------------------------|--|
| Chairperson
(The Chief Executive) | - Shri Prasadranjan Ray, I.A.S., (Retd.) took over charge as Chairperson on 01.10.2008 (forenoon), <i>vice</i> Shri S. N. Ghosh who retired on 02.02.2008 (afternoon). |
| Member | - Shri Prititosh Ray took over charge as Member on 04.11.2004 (forenoon), <i>vice</i> Shri N. C. Roy who retired on 27.06.2004 (afternoon). |
| Member | - Shri R. P. Samaddar, I.A.S., (Retd.) took over charge as Member on 01.01.2006 (forenoon), <i>vice</i> Shri A.K. Jain retired on 15.12.2004. |

Other Officials

- | | |
|---|--|
| Secretary | - Shri K.L. Biswas took over charge as Secretary on 01.03.2005 (forenoon) on contract. |
| Advisor (Engg) | - Shri C.R. Bhaumik with effect from 07.10.2005 (forenoon) on contract. |
| Joint Advisor
(Engineering) | - Shri D. Mukherjee with effect from 19.05.2006 (forenoon) on contract. |
| Joint Advisor
(Engineering) | - Shri A. Guha with effect from 01.12.2005 (afternoon) on deputation. He was released on 30.01.2009 (afternoon). |
| Joint Advisor (Finance) | - Shri S.C. Dutt with effect from 14.01.2005 (afternoon) on deputation. |
| Deputy Director
(Engineering) | - Shri S. Ponda with effect from 02.05.2008 (forenoon) on deputation. |
| Deputy Director
(Finance) | - Shri K. Adhikary with effect from 05.05.2008 (forenoon) on deputation. |
| Accounts Officer | - Shri M. K. Biswas took over charge as Accounts Officer with effect from 01.11.2007 (forenoon) on contract, |
| Head Asstt. &
Officiating Accountant
P.A. | - 1 (on contract) - Resigned on 06.01.2009 on his own.
- 8 (on contract) |
| Sr. Assistant | - 3 (on contract) |
| Assistant | - 5 (on contract) |
| Group 'D' | - 8 (on contract) |



3. Functions of the Commission: -

Previously i.e., prior to 10.6.2003, the Commission was to discharge only those functions that had been given to it by the State Government under the Electricity Regulatory Commissions Act, 1998 (No. 14 of 1998).

After repeal of the Electricity Regulatory Commissions Act, 1998 and its replacement by the Electricity Act, 2003 with effect from 10.6.2003, the functions of the Commission were widened. Section 86 of the Electricity Act, 2003 outlines the functions of the Commission which are reproduced below:-

“86(1) The State Commission shall discharge the following functions, namely:-

- (1)(a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State:
Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;
- (b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;
- (c) facilitate intra-State transmission and wheeling of electricity;
- (d) Issue licences to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State;
- (e) promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;
- (f) adjudicate upon the disputes between the licensees and generating companies and to refer any dispute for arbitration;

-
- (g) levy fee for the purpose of this Act;
 - (h) specify State Grid Code consistent with the Grid Code specified under clause (h) of sub-section (1) of section 79;
 - (i) specify or enforce standards with respect to quality, continuity and reliability of service by licensees;
 - (j) fix the trading margin in the intra-State trading of electricity, if considered, necessary;
 - (k) discharge such other functions as may be assigned to it under this Act;
- (2) The State Commission shall advise the State Government on all or any of the following matters, namely:-
- (i) promotion of competition, efficiency and economy in activities of the electricity industry;
 - (ii) promotion of investment in electricity industry;
 - (iii) reorganization and restructuring of electricity industry in the State;
 - (iv) matters concerning generation, transmission, distribution and trading of electricity or any other matter referred to the State Commission by that Government;
- (3) The State Commission shall ensure transparency while exercising its powers and discharging its functions.
- (4) In discharge of its functions, the State Commission shall be guided by the National Electricity Policy, National Electricity Plan and Tariff Policy published under section 3.”

These apart, the State Commissions are, inter alia, to help development of market, regulate supply, distribution, consumption and use of electricity, as also to protect the interest of the consumers.

4. State Advisory Committee – Organisation and functions: –

Section 87 of the Electricity Act, 2003 empowers the State Commission to establish a State Advisory Committee with effect from such date as it may specify in a notification. Accordingly, the WBERC issued a notification no. 9/WBERC dated 08.08.2003, published in the Kolkata Gazette on 05.09.2003 constituting the State Advisory Committee *w.e.f* 01.12.2003. Section 88 of the Electricity Act, 2003 provides Objects

of the State Advisory Committee. This section provides that the objects of the State Advisory Committee shall be, to advise the State Commission on major questions of policy matters, matters relating to quality, continuity and extent of service provided by the licensees, compliance by licensees with the conditions and requirements of their licence, protection of consumer interest and electricity supply and overall standards of performance by utilities. Accordingly, this Commission issued Order No. 92 under memo No. WBERC/A-22/1/967 dated 17.03.2004 laying down composition with the members including ex-officio Chairperson and ex-officio Members to represent the interest of Commerce, Industry, Transport, Agriculture, Labour, Consumers, Non-Governmental Organisations and Academic and Research bodies in the Electricity Sector as required under subsections (2) & (3) of Section 87 of the Electricity Act, 2003. In supersession of this Order No. 92 issued under No. WBERC/A-22/1/967 dated 17.03.2004, which laid down the composition of the West Bengal State Advisory Committee, the Commission constituted the West Bengal State Advisory Committee afresh *vide* Order No. 179 issued under No. WBERC/A-22/2/1155 dated 05.11.2007 comprising the members including ex-officio Chairperson and ex-officio Members, to represent the interest of Commerce, Industry, Transport, Agriculture, Labour, Consumers, Non-Governmental Organisations and Academic and Research bodies in the Electricity Sector as required under sub-sections (2) & (3) of section 87 of the Electricity Act 2003. A meeting of the State Advisory Committee was convened and held on 17.04.2009 at 15.00 hrs in the Commission to discuss the following issues:—

- (a) Follow-up action on issues discussed in the last meeting of the Advisory Committee.
- (b) Review of the power situation in the state.
- (c) Present position of the regulations of the Commission.
- (d) Strategy to be followed for encouragement of renewable sources of energy.
- (e) Strategy to be followed for increasing transparency.

5. Progress of different works of the Commission: –

(a) HIGHLIGHTS OF THE YEAR 2008-2009

- In order to reduce overall system T&D Loss as well as to flatten the load curve, the Commission has given special emphasis in its Tariff orders for the year 2008-09 on voltage wise graded Load factor rebate and load factor surcharge if load factor falls below 30%. Rebate at lower load factor percentage level has



been reduced and that at higher load factor percentage upto certain level has been increased compared to previous year's rate to encourage consumers to improve their load factor.

- In the Tariff Orders for the year 2008-09, the Commission has excluded computation of load factor rebate / surcharge during the time when load of the consumer is totally shed / interrupted because of any fault of Licensee's system or for non-availability of power with the Licensee due to lower supply of electricity from its own generation or its suppliers of power or due to imposition of restriction by Licensees on drawl of power by the consumers.
- The Commission has also given special importance in its Tariff Orders for 2008-09 to DSM by providing attractive rebate on high power factor to reduce effect of reactive power drawal in the system.
- To encourage TOD tariff mechanism, in the DSM perspective, the Commission, in its Tariff Orders for the year 2008-09, has provided rebate in power factor at a higher rate for the consumers under TOD tariff scheme especially during peak hours than for the consumers under non-TOD Tariff scheme.
- In order to reduce commercial loss, pre-paid tariff scheme has been encouraged by continuing the additional rebate on energy charge for pre-paid Tariff consumers in the Tariff Orders for the year 2008-09.
- To protect consumers interest, the Commission, in its Tariff Orders for the year 2008-09, has directed the Licensees to refrain from realizing demand charge from the consumers when load of the consumer is totally shed / interrupted because of non-availability of power with the licensee due to lower availability of electricity from its own generation and / or its other suppliers of power or imposition of any restriction by the licensee on drawal of power by the consumers.
- Special emphasis was given by the Commission in its Tariff Orders for the year 2007-08 and also in the year 2008-09 to conduct Safety Audit, Environmental Audit as well as audit on Occupational Health Hazards along with ongoing energy audit, which was directed earlier in Tariff Order for the year 2007-08, and to send reports with action note to the Commission.



- Accordingly, M/S Durgapur Projects Limited has completed its Safety Audit during 2008-09 in its generating station and submitted a report to the Commission.
- M/s DPSC Limited has already completed Environmental Audit in its Chinakuri Power Station and has submitted a copy of the audit report to the Commission.
- Other Licensees are also conducting audit on the same issue report of which is expected to be available in due course.
- Energy Audit of almost all generating units under the purview of the Commission has been completed as per directions of the Commission. Moreover, high value consumers like M/S Haldia Steels Ltd., M/s Phillips Carbon Black etc. have completed energy audit. Directives were given in the year 2008-09 to the licensees to disseminate information to high value consumers having contractual load more than 250 KVA regarding energy conservation followed by conducting energy audit.

(b) **Budget**

The Revised Budget Estimate for the year 2008 – 2009 and the Budget Estimate for the year 2009 – 2010 were sent to the Department of Power vide this office letter No. WBERC/D-1/Pt-IV/0869 dated 23.09.2008 (Copy enclosed as **Annexure-II**).

(c) **Regulations**

WBERC makes Regulations with previous publication of draft Regulations inviting objections and suggestions from all stakeholders and interested persons. Notice inviting objections and suggestions on the draft regulations is published in some leading dailies – English, Bengali and Hindi. Draft of regulation is also put up in the website of the Commission inviting objections/suggestions/comments from all stakeholders and interested persons. Drafts of the proposed Regulations are also sent to the State Government in the Department of Power & Non-conventional Energy Sources, all distribution licensees and generating companies in the state, all members of the Advisory Committee, Central



Electricity Regulatory Commission and State Electricity Regulatory Commissions inviting objections/suggestions /comments. Draft Regulations are kept ready in office for inspection and issue of copies thereof. The Regulations after publication in Kolkata Gazette, Extraordinary is sent for laying before the West Bengal Legislative Assembly as required under section 182 of the Electricity Act, 2003.

Drafts of the following Regulations were published in 2008-09.

SI No.	Name of the Regulations	Date of publication of notice in newspaper inviting comments/ suggestion on draft Regulations
1.	West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) (Amendment) Regulations, 2009	05.01.2009 Anandabazar Patrika, Times of India, Sanmarg & Statesman
2.	West Bengal Electricity Regulatory Commission (Balancing and Settlement Code) (Amendment) Regulations, 2009	05.01.2009 Anandabazar Patrika, Times of India, Sanmarg & Statesman
3.	West Bengal Electricity Regulatory Commission (State Electricity Grid Code) (Amendment) Regulations, 2009	29.12.2008 Anandabazar Patrika, Times of India, Sanmarg & Statesman
4.	West Bengal Electricity Regulatory Commission (Miscellaneous Provisions) (Amendment) Regulations, 2009	29.12.2008 Anandabazar Patrika, Times of India, Sanmarg & Statesman
5.	West Bengal Electricity Regulatory Commission (Open Access) (Amendment) Regulations, 2009	29.12.2008 Anandabazar Patrika, Times of India, Sanmarg & Statesman
6.	West Bengal Electricity Regulatory Commission (Co-generation and Generation of Electricity from Renewable Sources of Energy) Regulations, 2009	29.12.2008 Anandabazar Patrika, Times of India, Sanmarg & Statesman

- (d) The Commission is presently working in the hired accommodation at FD 415A, Poura Bhavan, 3rd floor, Sector – III, Bidhannagar, Kolkata – 700 106 with effect from April 2001. Ombudsman had its office in the hired accommodation at "Centre for Excellence" Plot No. X-1, 2 & 3, Block EP, Sector - V, Salt Lake City, Kolkata - 700 091. Now the office has been shifted to another hired accommodation at “**Bikalpa Shakti Bhavan**”, 3rd Floor, J-1/10, EP & GP Block, Sector-V, Salt Lake, Kolkata - 700 091 with effect from 01.01.2008.
- (e) The Commission renewed the membership of the **Forum of Indian Regulators** and **Forum of Regulators** for the year 2008-2009 vide **WBERC/A-14/5/3/0407** dated **23.6.2008**. Chairperson of this Commission is also a member of **Forum of Regulators** constituted in terms of section 166(2) of the Electricity Act, 2003.
- (f) **Court Cases upto 2008- 09:-**
Position as on 31.03.2009 is:-
- (i) Cases/Appeal/Clarification Application etc. filed by WBERC
Before Hon’ble Supreme Court: Five Cases – **Disposed of – Three & pending – Two.**
- (ii) Cases/Appeal/Clarification Application etc. against WBERC or WBERC as one of the Respondents:
Before the Hon’ble Supreme Court: Eighteen Cases- **Disposed of – Thirteen & Pending – five.**
- (iii) Cases/Appeal/Clarification Application etc. filed by WBERC
Before the Hon’ble Appellate Tribunal for Electricity at Delhi: **One Case - Disposed of – one, Pending – Nil.**
- (iv) Cases/Appeal/Clarification Application etc. against WBERC or WBERC as one of the Respondents
Before the Hon’ble Appellate Tribunal for Electricity at Delhi: Twenty cases - **Disposed of – Twenty, Pending – Nil.**
- (v) Cases/Appeal/Clarification Application etc. filed by WBERC
Before Hon’ble High Court: Four Cases - Disposed of - **Three & Pending – One.**

- (vi) Cases filed in (Hon'ble High Court) against WBERC as the principal respondent:

Year	Number of cases filed	Number of cases disposed of *	Number of cases pending
Upto 2007-2008	69	44	25
2008-2009	06	02	04
Total	75	46	29

- (vii) Cases filed (in Hon'ble High Court), wherein WBERC is one of the respondents:

Year	Number of cases filed	Number of cases disposed of *	Number of cases pending
Upto 2007-2008	392	213	179
2008-2009	26	09	17
Total	418	222	196

*Disposal up to June 2009 has been reported.

- (g) **Review Petition:**

02 review petitions were filed before the Commission in 2008-09. Position of review petition as on 31.3.2009 is as shown below:

Year	Number of new cases filed	Number of old cases pending	Total no. of cases	Number of cases disposed of (5)			Number of cases pending at the end of the year (6) =4- 5(c)
				New	Old	Total	
(1)	(2)	(3)	(4)	(a)	(b)	(c)	(6) =4- 5(c)
2008-09	02	02	04	02	02	04	---

(h) **Miscellaneous applications:**

No new cases were filed before the Commission in 2008-09. Position as on 31.3.2009 is as shown below:-

Year	Number of new cases filed	Number of old cases pending	Total no. of cases	Number of cases disposed of (5)			Number of cases pending at the end of the year (6) =4- 5(c)
				New	Old	Total	
(1)	(2)	(3)	(4)	(a)	(b)	(c)	
2008-09	--	04	04	--	--	--	04 **

** 4 cases may be closed for non-compliance with direction.

(i) **Other Applications:**

The position of Other Applications filed before the Commission in 2008-09 is shown below: —

Year	Number of new cases filed	Number of old cases pending	Total no. of cases	Number of cases disposed of (5)			Number of cases pending at the end of the year (6) =4- 5(c)
				New	Old	Total	
(1)	(2)	(3)	(4)	(a)	(b)	(c)	
2008-09	12	11	23	09	06	15	08

(j) **Consumer Complaints**

i) Regulation

In order to protect the interest of the consumers, the Commission took action as per Electricity Act 2003. At present the West Bengal Electricity Regulatory Commission (Guidelines for Establishment of Forum for Redressal of Grievances of Consumers and Time and Manner of Dealing with such Grievances by the Ombudsman) Regulations, 2006 issued under notification No.27/WBERC dated 17.01.2006 and published in Kolkata Gazette Extraordinary Part-I dated 17.01.2006 is in force. This has replaced the previous Regulations made in 2003.

ii) Ombudsman & Redressal of Grievances of Consumers:

The Commission provided for a simple procedure for taking grievance of the consumers to Ombudsman. In terms of the provisions of the Regulations mentioned above, there shall be as many Grievance Redressal officers as may be necessary at the rate of at least one such GRO at each sub-district/district/region/zone/headquarter level in each organization of each licensee. But an aggrieved consumer will be entitled to approach the Ombudsman if he is aggrieved by any order of any GRO at any of these levels or if he does not get any response from the GRO within a specified time.

As per provisions of the above named Regulations, a forum is set up by each distribution licensee to redress the grievances of its consumers. The forum consists of Grievance Redressal Officers at different levels of the organization of each distribution licensee (*i.e.*, at the levels of sub districts, districts, regions, zones and headquarters). Any consumer can take his grievance(s) to such Grievance Redressal Officers for its/their redressal by submitting a grievance petition in writing in accordance with the provisions of the above mentioned Regulations. The names, official designations, address etc. of the Grievance Redressal Officers of a distribution licensee should be available in the offices / sub-offices, bill payment centres, websites etc. of the distribution licensee. However, no fee is required to be paid by a consumer for submission of a grievance petition to a Grievance Redressal Officer. On receipt of a grievance petition, the concerned Grievance Redressal Officer is to acknowledge receipt of such a petition by a written communication within 7 (seven) working days from the date of its receipt. If the grievance does not call for consultation with a technical expert or a spot visit, the Grievance Redressal Officer is required to dispose of the grievance petition within a period of 21 (twenty one) working days from the date of sending the acknowledgement after giving a reasonable opportunity of hearing to the aggrieved consumer and others. If on the other hand the redressal of the grievance requires a consultation with a technical expert and / or a spot inspection, the Grievance Redressal Officer is required to dispose of the grievance petition within 45 (forty five) days from the date of sending the acknowledgement after hearing all concerned. The Grievance Redressal Officer is required to give a certified copy of his order by which he has disposed of the grievance petition to the grievance petitioner



within 7 (seven) working days from the date of passing of the order. If a consumer still feels aggrieved, he may move the Ombudsman representing his case through a written submission in the format specified for this purpose. The necessary condition for doing the same is that the aggrieved consumer should already have approached at least one Grievance Redressal Officer seeking redressal of his grievance. If the concerned Grievance Redressal Officer has passed any order, a copy of the same is to be submitted to the Ombudsman. If the concerned Grievance Redressal Officer has failed to pass any order even after specified time from the date of lodging of the grievance petition, the aggrieved consumer will be entitled to represent his case before the Ombudsman without any copy of any order of the Grievance Redressal Officer. No fee needs to be paid for approaching the Ombudsman. A distribution licensee is required to comply with the orders of the Ombudsman within 30 (thirty) days from the date of issue of the order and submit a compliance report within 15 (fifteen) days thereafter.

Office of the Ombudsman, West Bengal Electricity Regulatory Commission for all distribution licensees in the State as required under section 42(6) of the Electricity Act 2003 started functioning from 21.06.2004 within the office of the Commission itself and thereafter that office had been relocated twice and presently the Office of the Ombudsman is functioning in the hired accommodation at “**Bikalpa Shakti Bhavan (WBREDA)**”, 3rd Floor, J-1/10, EP & GP Block, Sector-V, Salt Lake, Kolkata - 700 091 at the usual office hours on all the working days in a week excepting holidays.

So far office of Ombudsman dealt with the following consumer grievances upto 2008-09 since inception in June 2004.

Grievance against	No. of complaints		
	Received	Disposed off	Pending
WBSEDCL	1108	1064	44
CESC Ltd.	707	693	14
DPL	03	02	01
SHRELCOP	36	36	-
DPSC Ltd.	01	01	-
Total	1855	1796	59

iii) Consumer complaints received by the Commission:

Complaints against the licensees were lodged by the consumers alleging wrong security deposit, excess billing, incorrect disconnection, non-receipt of meter, non-compliance of provisions of the Electricity Act 2003 and regulations framed thereunder. Some of those complaints were taken up with the utilities for obtaining reports. On receipt of reports, the Commission took views on the allegations. Some of the complaints, which were more serious in nature, were disposed of at the level of this Commission after giving hearings. The Commission so far received **934** complaints. 51 cases were referred to Ombudsman. So Commission had dealt with 883 cases (138 in 2008-09). Out of **883** complaints **800** were disposed of (144 in 2008-09), **83** complaints were in the process of disposal at the end of the period under report.

CATEGORY-WISE COMPLAINTS OF CONSUMERS AS ON 31.03.2009

Sl No	Category wise Complaints	No of complaints received			Disposed of			Pending		
		ERC	Ombudsman	Total	ERC	Ombudsman	Total	ERC	Ombudsman	Total
1.	Incorrect Electricity Bill	147	374	521	133	364	497	14	10	24
2.	Disconnection without observing procedural formalities	61	97	158	57	95	152	04	02	06
3.	Overcharging for new connection	06	65	71	06	62	68	—	03	03
4.	Non functioning of meters	17	64	81	11	58	69	06	06	12
5.	Delay in providing services	40	359	399	38	355	393	02	04	06
6.	Delay in giving new connection	126	795	921	105	769	874	21	26	47
7.	Miscellaneous Representations.	486	101	587	450	93	543	36	08	44
8.	Grand Total	*883	**1855	2738	800	1796	2596	83	59	142

*51 cases transferred to Ombudsman not included.

** 102 cases referred to Commission included herein.

Compensation allowed in case of 38 consumers (Commission)

+

120 consumer's in Ombudsman Office. Total 158 Consumers.

Order passed in favour of consumer: 437 No. of consumers in Commission

+

587 No. of consumer's in Ombudsman Office. Total 1024 Consumers.

6. Determination of tariff for generation, supply, transmission of electricity – wholesale, bulk, grid or retail: –

Under the MYT framework, all the licensees and generating companies were required to file an application before the Commission for approval of Aggregate Revenue Requirement (ARR) for the second control period covering three ensuing years *i.e.*, 2008-09, 2009-10 & 2010-11 as per regulation 2.5.3 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2007 issued under Notification No. 31/WBERC dated 09.02.2007 and published in Kolkata Gazette, Extraordinary on 09.02.2007 as amended and such application from each licensee and the generating company was required to be filed 30 days before commencement of financial year 2008-09 in terms of amendments made by the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff)(Amendment) Regulations, 2007 issued under Notification No. 38/WBERC dated 31.12.2007 and published in Kolkata Gazette, Extraordinary on 31.12.2007. Later the Commission passed an order dated 19.03.2008 by way of removal of difficulties extending further time upto 31.05.2008 for submission of the tariff petitions for the second control period by the distribution licensees, the transmission licensees as also generating companies when some of licensees had submitted their prayers for extension of time on the ground that they would take a considerable period of time for preparation of the said applications under amended Regulations. All the licensees and generating company except DVC submitted their petitions within the extended period of time, the details of which are given below:—

I.No	Name	No. of petitions	Year	Date of receipt	Date of order
1.	DPSC Ltd.	1	2008-09, 2009-10 & 2010-11	02.06.2008**	26.09.2008*
2.	DPL	1	2008-09, 2009-10 & 2010-11	30.05.2008	26.09.2008*
3.	WBPDC	1	2008-09, 2009-10 & 2010-11	30.05.2008	30.09.2008*
4.	CESC Ltd.	1	2008-09, 2009-10 & 2010-11	29.05.2008	30.09.2008*
5.	WBSETCL	1	2008-09, 2009-10 & 2010-11	26.05.2008	23.09.2008*
6.	WBSEDCL	1	2008-09, 2009-10 & 2010-11	02.06.2008**	30.09.2008*



** 31st May 2008 and 1st June 2008 being holidays, the licensee submitted the applications on next working day on 2nd June 2008.

* Commission determined Aggregate Revenue Requirement (ARR) for each of the three years – 2008-09, 2009-10 and 2010-11 and also revenue to be recovered through tariff etc. for 2008-09 in tariff order for 2008-09.

Wheeling Charges

The Commission also passed Orders on Wheeling Charges applicable for 2008-09 in respect of the following distribution licensees on the dates as shown against each:

	Distribution Licensee	Order dated
1.	West Bengal State Electricity Distribution Company Ltd	04.12.2008
2.	CESC Ltd.	04.12.2008
3.	DPSC Ltd.	04.12.2008
4.	The Durgapur Projects Ltd.	04.12.2008

Fuel & Power Purchase Cost Adjustment (FPPCA):

West Bengal Power Development Corporation Ltd. and West Bengal State Electricity Distribution Company Ltd., submitted following applications for FPPCA for 2006-07 in March 2008 but order was passed in 2008-09-

Sl No.	Name	Date of receipt	Year to which the applications relates	Date of order
1.	West Bengal Power Development Corporation Ltd	04.03.2008	2006-07	07.05.2008
2.	West Bengal State Electricity Distribution Company Ltd.	28.03.2008	2006-07	03.06.2008

The position of FPPCA claims filed before the Commission in 2008-09 and carried over cases is shown below:-

Sl No.	Name	Date of receipt	Year to which the applications relates	Date of order
1.	CESC Ltd	12.09.2008	2007-08	Under process *
2.	DPSC Ltd.	22.09.2008	2007-08	“
3.	The Durgapur Projects Ltd.	30.12.2008	2007-08	“
4.	West Bengal Power Development Corporation Ltd	27.02.2009	2007-08	“
5.	West Bengal State Electricity Distribution Company Ltd.	05.03.2009	2007-08	“

* disposed of by May 2009

Annual Performance Review (APR)

In terms of regulation 2.6 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2007 as amended by the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) (Amendment) Regulations, 2007, a generating company or a licensee is required to file an application for Annual Performance Review (APR) covering annual fixed charges, incentives and effects of gain sharing with statutory audited data and a copy of the audited Annual Accounts for the purpose of assessing the reasons and extent of any variation in the performance from the approved projection for the base year of the first control period *i.e.*, 2006-07 at least thirty days before the commencement of the second control period.

On the applications of some of the licensees, the Commission extended the time for submission of the application for Annual Performance Review for the base year of the first control period *i.e.* for 2006-07 by each distribution licensee, transmission licensee and generating company within the jurisdiction of the Commission, upto 31st March, 2008 by Order dated 25.02.2008.

The position of applications for APR so far received is given below:--

Sl.No	Name	No. of petitions	Year	Date of receipt	Date of order
1.	DPSC Ltd.	1	2006-07	31.03.2008	15.09.2008
2.	DPL	1	2006-07	31.03.2008	15.09.2008
3.	WBPDC	1	2006-07	25.03.2008	15.09.2008
4.	CESC Ltd.	1	2006-07	24.03.2008	26.09.2008
5.	WBSEDCL	1	2006-07	31.03.2008	26.09.2008

The position of APR filed before the commission in 2008-09 is shown below:-

Sl.No	Name	No. of petitions	Year	Date of receipt	Date of order
1.	DPSC Ltd.	1	2007-08	01.12.2008	Under process*
2.	DPL	1	2007-08	30.12.2008	“
3.	WBPDC	1	2007-08	31.12.2008	“
4.	CESC Ltd.	1	2007-08	01.12.2008	“
5.	WBSEDCL	1	2007-08	02.03.2009	“
6.	WBSETCL	1	2007-08	26.02.2009	“

*Disposed of by May 2009

7. Determination of tariff for use of transmission facilities: –

These matters have been discussed in paragraph 6 while dealing with tariff for generation, supply, and transmission of electricity.

8. Regulation of power purchase and procurement process of the transmission utilities and distribution utilities: –

One petition was filed during the year 2008-09 and disposed of.

9. Grant of licence for transmission, distribution and trading in Electricity – Amendment / Revocation of licence:-

No such valid petition was filed during the year 2008-09.

10. Adjudication of disputes between licensees and generating companies: --

No such petition was filed during the year 2008-09.

**11. Other functions performed by the Commission during the year: –****Accounting and Audit: -**

After enactment of the Electricity Act, 2003, the State Government notified the West Bengal Electricity Regulatory Commission (Annual Statement of Accounts) Rules, 2004 on April 29, 2004 in exercise of the power conferred by Clause (h) of sub-section (2) of section 180 read with sub-section (1) of section 104 of the Electricity Act, 2003 in supersession of the previous notification under the ERC Act, 1998.

In accordance with the provisions contained in section 104 of the Electricity Act, 2003 and Rules framed thereunder, the Commission forwarded the accounts, as certified by the Comptroller and Auditor General of India, together with the audit report thereon annually to the Govt. of West Bengal and the State Government caused the same to be laid before the State Legislature. The calendar of events in this regard was as under:

	Events	For the year 2007-08
i)	Submission of Accounts to the Principal Accountant General (Audit), West Bengal.	24.07.2008
ii)	Issuance of Audit Certificate by the Office of C & A.G.	18.12.2008
iii)	Forwarding the audited and certified accounts before the State Government for laying before the State Legislature.	24.03.2009
iv)	Laying of audited and certified accounts before the State Legislature by the State Government.	27.03.2009

Accounts for the year 2008-09 was prepared and submitted for audit on 26.06.2009. Audit of Annual Statement of Accounts for 2008-09 has been conducted by the office of the Principal Accountant General (Audit) West Bengal between 03.07.2009 and 10.07.2009.

Date: 14.09.2009

(K..L.Biswas)
Secretary

**SCHEDULE**

A) Name of post, number of post, scale of pay and category of officers and employees of WBERC:

Sl. No.	Name of the Post	No. of Posts	Scale of Pay	Category
1.	Secretary	1	18400-500-22400	Group-A
2.	Advisor	3	18400-500-22400	Group-A
3.	Joint Advisor	3	14300-400-18300	Group-A
4.	Director	4	12000-375-18000	Group-A
5.	Deputy Director	4	10000-325-15525	Group-A
6.	Assistant Director including one Accounts Officer	5	8000-275-13500	Group-A
7.	Personal Secretary	3	6000-250-12000	Group-A
8.	Accountant	1	4800-175-5850- 200-6650-225- 8675-250-10925	Group-B
9.	Head Assistant	1	4500-150-5250- 175-7000-200- 8800-225-9700	Group-B
10.	Personal Assistant	10	4000-125-4250- 150-5300-175- 7050-200-8850	Group-B
11.	Senior Assistant	7	4000-125-4250- 150-5300-175- 7050-200-8850	Group-B
12.	Assistant	8	3350-90-3800-100- 4700-125-6325	Group-C
13.	Group D officials	8	2600-55-2985-60- 3525-65-4175	Group-D



Annexure –II

(See paragraph 5(b) of this report)



West Bengal Electricity Regulatory Commission

FD-415A, Poura Bhawan, 3rd Floor, Sector-III

Bidhannagar, Kolkata – 700 106

Tel: (033) 2359 3397, 2189

Fax: (033) 2359 3397

Ref No. WBERC /D-1/Pt-IV/0869

Dated: 23.09.2008

From : Shri K L Biswas, IAS (Retd)
Secretary, WBERC

To : The Principal Secretary to the Government of West Bengal,
Department of Power & Non-Conventional Energy Sources,
New Secretariat Buildings,
1, K.S. Roy Road, 'A' Block, 7th Floor,
Kolkata – 700 001

Sub: **Revised Estimate for 2008-2009 and Budget Estimate for 2009-2010 of the West Bengal Electricity Regulatory Commission required under rule 4 of the rules called the West Bengal Electricity Regulatory Commission (Appointment of Chairperson & Members, Budget & Annual Report) Rules, 2003 issued under notification No. 337-Power/III dated 29.12. 2003**

Sir,

I am directed by the Commission to refer to the subject mentioned above and to forward the Budget in Form I and Form II showing the revised estimate for the year 2008-2009 and budget estimate for the year 2009-2010 with actuals for the year 2007-2008 and budget estimate for the year 2008-2009, as required.

Yours faithfully,

Sd/- 23.09.2008
(K L Biswas)
Secretary

Encl : as stated above.



Annexure – II (Contd)

FORM I

(See rule 4.)

Revised Estimate for the year 2008-2009 and Budget Estimate for the year 2009-2010 of the West Bengal Electricity Regulatory Commission.

Receipts	Actuals for the year 2007-2008	Budget Estimate for the year 2008-2009	Revised Estimate for the year 2008-2009	Budget Estimate for the year 2009-2010
	Rs.	Rs.	Rs.	Rs.
1.Grants-in-aid from the State Government	-----	-----	-----	-----
(i) Grants-in-aid towards salaries	NIL	10,000	10,000	10,000
(ii) Other grants-in-aid	-----	-----	-----	-----
2. Licence fee	2,18,09,449	2,08,15,000	2,38,75,000	2,40,00,000
3.Other Fees/Receipts including OB	1,85,42,615	1,02,30,000	6,25,78,000	1,35,00,000
Grand Total :	4,03,52,062	3,10,55,000	8,64,63,000	3,75,10,000

Sd/- 23.09.2008

Secretary,

West Bengal Electricity Regulatory Commission



Annexure – II (Contd)

FORM II
(See rule 4.)

Expenditure	Actuals for the year 2007-08	Budget Estimate for the year 2008-09	Revised Estimate for the year 2008-09	Budget Estimate for the year 2009-10
	Rs.	Rs.	Rs.	Rs.
Salaries – Pay	42,58,848	62,00,000	80,00,000	96,00,000
Dearness Allowance	6,58,517	15,00,000	20,00,000	25,00,000
House Rent and other allowance	9,87,775	22,65,000	25,00,000	29,00,000
Ad hoc Bonus	18,000	35,000	17,000	36,000
Total Salaries:	59,23,140	1,00,00,000	1,25,17,000	1,50,36,000
Wages	39,774	65,000	65,000	70,000
Travel Expenses	1,70,902	5,50,000	5,50,000	6,50,000
Office Expenses	39,45,207	50,00,000	50,00,000	62,00,000
Rent, Rates and Taxes	34,06,920	40,00,000	45,00,000	45,00,000
Maintenance	3,51,834	3,90,000	4,50,000	6,00,000
Major/Minor Works	-----	2,50,000	2,50,000	3,00,000
Payment for Professional and Special Services	63,62,505	58,00,000	60,00,000	90,00,000
Other Charges	8,85,740	25,00,000	35,00,000	43,30,000
Motor Vehicles	-----	-----	-----	-----
Tools and Plants/Machinery and Equipments	15,46,411	25,00,000	40,00,000	60,00,000
Total Expenditure	2,26,32,433	3,10,55,000	3,68,32,000	4,66,86,000
Surplus (+)/ Shortfall (-)	-----	-----	(+)4,96,31,000	(-)91,76,000*
G. Total	2,26,32,433	3,10,55,000	8,64,63,000	3,75,10,000

* In terms of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2007 as amended, every Generating Company and Licensees shall file application for tariff under Multi years Tariff Framework once in a control period which is



Annexure – II (Concluded)

normally a period consisting of multiple years. Thus, fee for application for tariff for tariff will be received once in a control period of multiple years, which amounts to Rs. 491.91 lakh in 2008-

09. So the Commission is having an unequal pattern of income and thus surplus arising at the beginning of a control period shall be utilized to meet the shortfall of the remaining years of a control period and thereby the expenditure will on overall basis during the control period.

Sd/- 23.09.2008
Secretary
West Bengal Electricity Regulatory Commission