

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION

Site No.3, Sector-18-A, Madhya Marg, Chandigarh-160018

Petition No.45 of 2020
Date of Order: 17.11.2021
(Suo-Motu)

Petition No.45 of 2020 filed by Punjab State Power Corporation Limited for True-Up Of FY 2019-20, Annual Performance Review for FY 2020-21 and Approval of Revised ARR Forecast And Determination Of Tariff for FY 2021-22.

And

In the matter of: Extension of facility of electricity concession of 300 units per month to the successors/grandchildren of the freedom fighters of the State.

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

ORDER

Punjab State Power Corporation Limited (PSPCL) filed the Petition No.45 of 2020. The Commission vide letter bearing No.449-450 dated 03.02.2021 and 819-820 dated 05.03.2021 sought information from Govt. of Punjab in respect of grant of subsidy to various categories of consumers for FY 2021-22. The Govt. of Punjab, Department of Power, provided the information vide memo No. POWER-ENRG02/2/2021-EV21/86598/2021 dated 25.05.2021 and the petition was disposed of vide order dated 28.05.2021.

Now, Punjab State Power Corporation Limited, vide its office memo No.390/SV-176/Vol-1 dated 13.09.2021, has intimated that Govt. of Punjab (GoP), Department of Power (Energy Branch) vide its letter E-File No.1/238012/2021 dated 27.08.2021 has been received from Supdt. Energy Department of Power, GoP intimating that the Finance

Department, GoP vide its letter No. FE-40BDGT/22/20212FE4/1/231982/2021 dated 18.08.2021 has approved allocation of funds to the tune of Rs.38 crore as subsidy for FY 2021-22 under Account Head(20:2801:80:101:01:00:33-Subsidy) to fund electricity concession of 300 units per month to the successors/grandchildren of Freedom Fighters of the State. PSPCL has requested for approval of the same so that circular in this regard is issued.

The Commission has already issued tariff Order vide Order dated 28.05.2021 for the year FY 2021-22. Regulation-55(2) of the Punjab State Electricity Regulatory Commission (Conduct of Business) Regulations, 2005 provides that the Orders, which the Commission may issue to give effect to subsidy which the State Government may grant from time to time, shall not be construed as amendment to the tariff notified. The Distribution Licensee shall, however, give appropriate adjustments in the bills to be raised on the consumers for the subsidy amount in the manner the Commission may direct. Thus, with a view to avoid any delay and expeditious implementation of the allocation of funds as additional subsidy for FY 2021-22, the Commission takes notice of the intimation sent vide memo No.390 dated 13.09.2021 by PSPCL and decides as under;

Observations and Decision of the Commission.

Earlier, GoP of Punjab vide its memo No. POWER-ENRG02/2/2021-EV21/186598/2021 dated 25th May,2021 has conveyed its decision regarding the payment of subsidy to AP Section, DS consumers belonging to SC, BC, Non-SC BPL and industry category. Based on this commitment, PSERC in its Tariff Order dated 28th May, 2021 indicated that the subsidy for FY 2021-22 would be Rs.17796.28(10668.41+10.01+7117.86) Crore inclusive of shortfall of

Rs.7117.86 Crore by 31.03.2021, additional surcharge and carrying cost of Rs.10.01 Crore. Subsidy of Rs.0.04 Crore was earmarked for Freedom Fighter consumers in FY 2021-22. Now GoP has announced an additional subsidy for the successors/grandchildren of the Freedom Fighters of the State as indicated above.

Accordingly, the Commission notes the decision of GoP regarding subsidy of Rs.38.00 crore as additional subsidy for FY 2021-22 to fund grant of facility of electricity concession of 300 units per month with sanctioned load up to 1 KW for domestic consumers i.e. to the successors/grandchildren of the Freedom Fighters. This is required to be paid in advance as required under Section-65 of the Electricity Act,2003. With this, the total subsidy for FY 2021-22 will increase to Rs.17834.24 (17796.28-0.04+38.00) Crore. The monthly instalment of subsidy indicated in the Tariff Order of PSPCL for FY 2021-22 will remain the same as Rs.1386.33 Crore per month for the month of April 2021 to May 2021 (as per Commission's order dated 31st March 2021 & 28th May 2021). However, the monthly instalment from June 2021 to February 2022 is revised to Rs. 1506.16 Crore and Rs. 1506.14 Crore for March 2022 in the Tariff Order dated 28.05.2021 for FY 2021-22. Further, PSPCL is hereby directed to take up the matter regarding release of outstanding subsidy of Rs. 3458.83 Crore as on 31.10.2021, as intimated by CE/ARR&TR, PSPCL, Patiala vide its memo No. 817/ARR/Dy. CAO/237/Vol. II dated 02.11.2021, may also be pursued with the Govt. of Punjab on priority.

Sd/-
(Paramjeet Singh)
Member

Sd/-
(Viswajeet Khanna)
Chairperson

Date:

Place: 17.11.2021