

**PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
SCO NO. 220-221, SECTOR 34-A, CHANDIGARH**

**Petition No.49 of 2013
Date of Order: 18.11.2014**

In the matter of: Petition for proposal regarding inclusion of availability clauses in General Conditions of Tariff with regard to Diversification of Agriculture – A.P. Tariff for Livestock Sector.

AND

In the matter of: Punjab State Power Corporation Limited, The Mall, Patiala.

Present: Smt. Romila Dubey, Chairperson
Shri Virinder Singh, Member
Shri Gurinder Jit Singh, Member

ORDER

Punjab State Power Corporation Limited (PSPCL) filed this petition pursuant to OSD, Power Reforms, Government of Punjab, Department of Power letter No.470 dated 09.07.2013 intimating that the State Government has decided to change AP Metered Tariff for electricity supply to dairy, goatery, piggery, fish farmers and farming of fruits, vegetables and high tech and high density categories of consumers. The annual financial implication on account of change in tariff will be borne by the State Government as subsidy. Copy of this letter was also addressed to Secretary PSERC. The Commission vide letter No.3503 dated 17.07.2013 desired that PSPCL may file petition for inclusion of availability clauses. Accordingly PSPCL filed this petition for inclusion of availability clauses as received from Director and Warden Fish Farming, Punjab, Director, Agriculture, Punjab, Director, Horticulture, Punjab, Director, Animal Husbandry, Punjab and Director, Dairy Development,

Punjab, in the schedule of tariff as per proposal detailed in Annexure B of the petition.

2. The petition was admitted by the Commission on 24.09.2013 and it was decided that Government of Punjab, Department of Power be made a respondent in the petition. PSPCL was directed vide Order dated 25.09.2013 to file additional submissions clearly setting out the required amendments in annotated form by 04.10.2013. PSPCL filed a request dated 03.10.2013 submitting that some clarifications had been sought from Director/Horticulture, Chandigarh, which were awaited. PSPCL had accordingly prayed for grant of extension in time for submission of requisite information in compliance of Order dated 25.09.2013. GoP, Department of Power also prayed for time to file reply. The hearing was accordingly fixed for 29.10.2013. PSPCL again filed a request dated 21.10.2013 for extension in time. GoP, Department of Power filed reply dated 15.10.2013 stating therein that the State Government would bear annual liability on account of change in tariff which will be approximately ₹115.86 Lacs in the year 2013-14 as intimated by PSPCL. PSPCL was again directed to file additional submissions setting out the required amendments in annotated form by 19.11.2013. PSPCL again prayed for more time during hearing on 26.11.2013. PSPCL was accordingly directed to do so by 09.12.2013 vide Order dated 28.11.2013. The request was again repeated by PSPCL on 10.12.2013 and accordingly was allowed to file additional submissions setting out required amendments in annotated form by 27.12.2013 and hearing of the petition was fixed for 31.12.2013 vide Order dated 11.12.2013, which was postponed and fixed for 06.01.2014 on request of PSPCL vide letter dated 27.12.2013. PSPCL finally filed additional submissions dated 02.01.2014. The Commission pointed out some deficiencies in the additional submissions during hearing on 06.01.2014. PSPCL was directed vide Order dated 08.01.2014 to attend to the same and file revised submissions by 24.01.2014. Govt. of Punjab, Department of Power was requested to examine the additional submissions filed by PSPCL and offer comments by 24.01.2014. Next hearing was fixed for 28.01.2014. PSPCL submitted the revised proposal dated 22.01.2014 after attending to the observations of the Commission. During hearing on 28.01.2014 PSPCL

was directed to clearly distinguish the applicability for 'AP High Density category' and category for 'Farming of fruits and vegetables'. The Commission also directed PSPCL to examine the chances of misuse of extending the UPS supply to areas fed from pure AP feeders under this scheme. GoP sought time of three weeks to file reply as the matter required inter-departmental approvals. Further hearing of the petition was accordingly fixed for 04.03.2014 vide Order dated 30.01.2014. PSPCL filed its response dated 03.03.2014 in compliance of the Commission's Order dated 30.01.2014. GoP, however, again requested vide No.166 dated 03.03.2014 for extension in time of one month to file reply. The request was again reiterated during hearing on 07.04.2014 by representative of GoP. Last opportunity was allowed to GoP to file reply by 30.05.2014 vide Order dated 09.04.2014. Hearing was fixed for 03.06.2014. During hearing on 03.06.2014, GoP again prayed for granting further time of one month for filing reply as the matter was under consideration in the Finance Wing of Government of Punjab. GoP was accordingly directed to file reply by 01.07.2014. The request was repeated by the representative of GoP in the hearing dated 08.07.2014. Keeping in view repeated requests of GoP for extension in time for filing reply, the Commission decided vide Order dated 10.07.2014 to adjourn the case sine-die to await for the reply of the GoP. GoP filed reply dated 6th August, 2014 and informed that the State Government has agreed to bear difference of tariff for levying AP tariff in place of existing tariff charged to the farmers engaged in Dairy, Goatery, Piggery, Fish Farming and Fruit and Vegetable cultivation, high tech and high density cultivation and pay the difference to PSPCL as subsidy.

Accordingly, the petition was listed for further hearing on 23.09.2014 and the parties were informed. After hearing PSPCL the Commission observed that PSPCL was directed vide Order dated 30.01.2014 to clearly distinguish the applicability of 'AP High Density' and category for 'Farming of fruits and vegetables'. PSPCL was also directed to examine the chances of misuse of extending the UPS supply to the areas fed from pure AP feeders under this scheme. But PSPCL has not addressed these issues raised by the Commission. The Commission accordingly directed PSPCL vide Order dated 24.09.2014 to file a submission in this context before next date of hearing

fixed for 21.10.2014. PSPCL submitted vide No.969 dated 20.10.2014 a copy of letter dated 20.10.2014 from Chief Engineer/Commercial, PSPCL to Chief Engineer/ARR & TR, PSPCL, by way of clarification on the above issue, which was taken on record and further hearing of the petition was closed vide Order dated 22.10.2014. Order was reserved.

The prayer of PSPCL in this petition is to include various farming activities such as dairy farming, goatery, piggery, fish farming, farming of fruits & vegetables and High Density cultivation under relevant Schedules of Tariff and to allow PSPCL to charge AP metered tariff from all these category of consumers subject to payment of subsidy by the Government to compensate the loss due to difference in tariff rates of relevant tariff category and AP metered tariff. OSD/Power Reforms, Department of Power, Govt. of Punjab Chandigarh vide its Memo No. 1/14/2013-EB(P.R) 578 dated 6.8.2014 conveyed the decision of the State Govt. to compensate PSPCL on account of tariff difference between the existing tariff applicable to these categories and AP metered tariff by way of subsidy to the utility.

Dairy farming & fish farming (exclusive) are already covered under Schedule Industrial Tariff. Tubewells used to provide irrigation for horticulture/floriculture in open field condition or net houses, green / hot houses are already covered under Schedule of AP tariff. The Commission approves the proposal of PSPCL to include Goatery and Piggery under relevant Schedule of Industrial Tariff. AP high Tech is covered under separate schedule and charged AP metered tariff. The Commission also approves the proposal of PSPCL to treat AP High Density farming at par with AP High Tech category for the purpose of tariff. The farmers opting for connection under AP High Density category shall furnish a certificate from Chief Agriculture Officer/ Director Horticulture Department to the effect that farming being carried out by the applicant is covered under High Density farming under the state government policy.

PSPCL is directed to work out the estimated subsidy amount on account of difference in tariff rates of relevant tariff category and AP metered tariff for the remaining months of FY 2014-15 and work out monthly subsidy which the State Govt. shall reimburse to PSPCL in advance monthly

instalments. The charging of lower tariff from above mentioned categories shall be subject to payment of advance monthly subsidy by the State Govt.

The petition is disposed of in above terms.

Sd/-

(Gurinder Jit Singh)
Member

Sd/-

(Virinder Singh)
Member

Sd/-

(Romila Dubey)
Chairperson

Chandigarh

Dated: 18.11.2014