ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
IN CASE NO. WBERC/OA-298 /18-19

IN REGARD TO THE APPLICATION SUBMITTED BY WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED (WBSEDCL) FOR ISSUANCE OF ORDER FOR CHANGE OF BILLING CYCLE OF SOME CONSUMER CATEGORIES OF ERSTWHILE DURGAPUR PROJECTS LIMITED (DPL) LICENSEE AREA IN VIEW OF TRANSFER OF POWER DISTRIBUTION BUSINESS OF DPL TO WBSEDCL UPON RESTRUCTURING OF DPL WITH EFFECT FROM 01.01.2019 AS PER NOTIFICATION NO 328/PO/O/C-IV/1E-60/13 (PT-VA) DATED 26.12.2018 OF GOVERNMENT OF WEST BENGAL.

PRESENT:
SRI SUTIRTHA BHATTACHARYA, CHAIRPERSON
SRI DURGADAS GOSWAMI, MEMBER

DATE: 07.06.2019

Certified true Copy
Issuance of order for change of billing cycle of some consumer categories of erstwhile Durgapur Projects Limited (DPL) licensee area in view of transfer of power distribution business of DPL to the West Bengal State Electricity Distribution Company Limited (WBSEDCL) upon restructuring of DPL w.e.f 01.01.2019 as per notification no 328/PO/O/C-IV/1E-60/13 (PT-VA) dated 26.12.2018 of Govt. of West Bengal.

Facts in brief:

1.0 The West Bengal State Electricity Distribution Company Limited (WBSEDCL) submitted an application dated 01.02.2019 for issuance of order by the West Bengal Electricity Regulatory Commission (in short the ‘Commission’) to change billing cycle of some consumer categories of erstwhile Durgapur Projects Limited (DPL) licensee area in view of transfer of power distribution business of DPL to WBSEDCL upon restructuring of DPL w.e.f 01.01.2019 as per notification no 328/PO/O/C-IV/1E-60/13 (PT-VA) dated 26.12.2018 of Govt. of West Bengal.

2.0 In their petition WBSEDCL submitted that Government of West Bengal vide its notification no 328/PO/O/C-IV/1E-60/13 (PT-VA) dated 26.12.2018 notified that with effect from 01.01.2019 the entire distribution business and activity presently undertaken by DPL along with all associated assets and liabilities will be transferred to WBSEDCL via the mechanism of slump Transaction of Assets subject to terms and conditions as agreed in the slump sale arrangement.

3.0 WBSEDCL also submitted that the Commission in its order dated 31.12.2018 in Case no A-6/14 has allowed WBSEDCL to take over the entire business of distribution of electricity of DPL along with all associated assets and liabilities and to undertake distribution function within the licensed area of DPL w.e.f 01.01.2019. In the said order WBSEDCL was also allowed to charge the existing tariff and MVCA of DPL as on 31.12.2018 from the consumers of DPL’s licensed area in accordance with section 62(3) of the Electricity Act, 2003 as an interim measure until further order.

4.0 WBSEDCL further submitted that as per tariff order of WBSEDCL, the tariff for LV & MV consumers having contract demand below 50 kVA is determined by the Commission for two different types of billing cycle viz. Quarterly and Monthly and tariff for HV & EHV consumers are determined under Monthly billing cycle. Whereas as per the existing tariff...
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order of DPL, tariff of all consumer categories are determined by Commission under Monthly billing cycle.

5.0 WBSEDCL has submitted that for smooth preparation and maintaining the reading & billing schedule, collection process and data analysis, the frequency of billing cycle should be identical for same category of consumers so that meter reading equipment and other facilities of WBSEDCL may be used for consumers of erstwhile DPL licensed area.

6.0 In view of above, WBSEDCL has prayed before the Commission to pass appropriate order to allow WBSEDCL to bill the consumers in the erstwhile DPL's licensed area as per existing periodicity / cycle of billing of respective category of consumers of WBSEDCL and as per the tariff as mentioned in the order of the Commission dated 31.12.2018.

7.0 A gist of the application inviting suggestions and comments from all the stakeholders was published in "The Economic Times", "The Telegraph", "Sanmarg" and "Anandabazar Patrika on 06.03.2019. No suggestion / comment was received from the stakeholders within the scheduled date.

**Points for Determination:**

8.0 Whether WBSEDCL may be allowed to bill the consumers in the erstwhile DPL's licensed area as per the existing periodicity / cycle of billing of respective category of consumers of WBSEDCL under the preview of existing rules and regulations framed under the Electricity Act 2003.

**Observations of the Commission:**

9.0 Section 50 of the Electricity Act 2003 (hereinafter referred as "the Act") inter-alia mentions that the State Commission shall specify an electricity supply code to provide for recovery
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of electricity charges, interval for billing of electricity charges, disconnection of supply of electricity for non-payment thereof, etc. In exercise of the powers conferred by sub-section 50 read with clause (x) of sub-section (2) of section 181 of the Act, the Commission has notified West Bengal Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2013 [hereinafter referred as “Supply Code”].

10.0 Supply Code specifies for provisions of monthly billing, bimonthly billing and quarterly billing by the licensees to the consumers along with the timing of meter reading in each cases. The multiple provisions are kept in the Supply code considering the different practice historically followed by different distribution licensees. At the same time Supply Code specifies that for HV & EHV consumers billing shall be on monthly basis and for LV & MV consumers billing shall be made at an interval not more than 90 days with option for monthly payment. The regulation 3.1.4 is reproduced below:

“3.1.4 Bills shall be issued by the licensee at intervals of not more than ninety days with monthly payments option in respect of consumers receiving supply at low and medium voltage. However, consumers receiving supply at HV and EHV shall be issued monthly bills.”

11.0 The licensees while submitting Multi Year Tariff petition, in terms of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2011, as amended [hereinafter referred as “Tariff Regulations”], specifies their proposed tariff structure to the Commission. The Commission determines the tariff for retail sale of electricity by the distribution licensees based on the petition submitted by the respective licensee and suggestions/objections received from the stakeholders and applying prudence check. Commission also directs the distribution licensees to bill the consumers as per their proposed billing cycle.
Issuance of order for change of billing cycle of some consumer categories of erstwhile Durgapur Projects Limited (DPL) licensee area in view of transfer of power distribution business of DPL to the West Bengal State Electricity Distribution Company Limited (WBSEDCL) upon restructuring of DPL w.e.f 01.01.2019 as per notification no 328/PO/O/C-IV/1E-60/13 (PT-VA) dated 26.12.2018 of Govt. of West Bengal.

12.0 In this instant case the distribution activity of DPL has been undertaken by WBSEDCL as per Government policy and the same has been allowed by the Commission. Now the WBSEDCL has expressed their difficulties regarding maintaining two different billing cycles for same consumer category. At the same time it is necessary to properly maintain the meter reading and billing schedule, recording of data and analyzing it efficiently for the benefit of consumers as well as the overall system in the State.

13.0 Commission further observes that to indemnify the consumers of erstwhile DPL’s licensed area, Government of West Bengal vide letter dated 332-PO/O/C-IV/IE-60/13 (Part-VA) dated 31.12.2018 in exercise of power under section 108 inter-alia directed the Commission to allow WBSEDCL to continue charging existing tariff and present MVCA of DPL as on 31.12.2018 from consumers in the DPL’s licensed area in accordance with section 62(3) of the Electricity Act 2003 (hereinafter referred as “the Act”) as an interim measure until further order.

14.0 Subsequent to a discussion held on 10.04.2019, WBSEDCL vide their letter dated 22.04.2019 submitted that for implementation of quarterly billing of some consumer categories of erstwhile DPL licensee area, energy charge of monthly slab is to be charged on quarterly consumption by multiplying monthly slab with 3 (three). WBSEDCL also ensured that energy charge payable by consumers will not increase if consumer under monthly billing cycle is converted to quarterly billing cycle.

15.0 The Commission observes that as per Tariff Regulations, the licensee generally proposes the tariff structure along with the MYT petition in line with their operational policy to increase their efficiency. Further regulation 3.1.4 of the Supply Code also permits quarterly billing for LV & MV consumers with monthly payment option.
Issuance of order for change of billing cycle of some consumer categories of erstwhile Durgapur Projects Limited (DPL) licensee area in view of transfer of power distribution business of DPL to the West Bengal State Electricity Distribution Company Limited (WBSEDCL) upon restructuring of DPL w.e.f 01.01.2019 as per notification no 328/PO/O/C-IV/1E-60/13 (PT-VA) dated 26.12.2018 of Govt. of West Bengal.

Order:

16.0 Considering the facts and observations mentioned above for smooth preparation and maintaining the reading & billing schedule, collection process and data analysis, the Commission passes the following orders:

(1) WBSEDCL is allowed to bill the consumers in the erstwhile DPL’s licensed area as per the existing periodicity/ cycle of billing of respective category of consumers of WBSEDCL with monthly payment option and as per the tariff as mentioned in the order of the Commission dated 31.12.2018 in respect of DPL’s licensed area.

(2) The total tariff as payable by the consumers of erstwhile DPL’s licensed area as per the tariff mentioned in order dated 31.12.2018 of the Commission, under no circumstances, shall increase due to conversion of monthly billing cycle to quarterly billing cycle.

(3) WBSEDCL shall maintain all data regarding energy sales and revenue realized from the consumers of erstwhile DPL’s licensed area separately.

17.0 The petition is thus disposed of. Let a copy of the order be served upon WBSEDCL.

Sd/-
(DURGADAS GOSWAMI)
MEMBER

Sd/-
(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

Dated: 07.06.2019

(T. K. MUKHERJEE)
SECRETARY

West Bengal Electricity Regulatory Commission