ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION

In case no. SM- 23/ 20-21

SUO-MOTO ORDER OF THE COMMISSION IN TERMS OF REGULATION 18.0 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (STANDARDS OF PERFORMANCE OF LICENSEES RELATING TO CONSUMER SERVICES) REGULATIONS, 2010, AS AMENDED TO REMOVE THE DIFFICULTIES IN GIVING EFFECT TO THE APPLICATIONS SEEKING REDUCTION OF CONTRACT DEMAND DUE TO LOCKDOWN ARISING OUT OF COVID-19 FROM THE CONSUMERS WHOSE CONNECTION HAS BEEN EFFECTED WITHIN A YEAR

PRESENT:
SRI SUTIRTHA BHATTACHARYA, CHAIRPERSON
SRI DURGADAS GOSWAMI, MEMBER
SRI PULAK KUMAR TEWARI, MEMBER

DATE: 03.06.2020

Certified true Copy
Suo-moto Order of the West Bengal Electricity Regulatory Commission in terms of regulation 18.0 of the West Bengal Electricity Regulatory Commission (Standards of Performance of Licensees Relating to Consumer Services) Regulations, 2010, as amended to remove the difficulties in giving effect to the applications of the consumers whose connection has been effected within a year seeking reduction of Contract demand due to lock down arising out of COVID-19

**ORDER**

1.0 The Ministry of Home Affairs, Government of India vide its Order dated 24/03/2020 has imposed lock down with certain exceptions, in all parts of the country for a period of 21 days with effect from 25/03/2020 to contain COVID-19 pandemic in the country, where operations related to electricity supply (viz. Power Generation, Transmission and Distribution) have been exempted under the lockdown to ensure uninterrupted power supply. The Government of West Bengal vide its orders dated 22.03.2020 imposed lockdown in the State of West Bengal with effect from 23.03.2020 (A.N) which is still continuing.

2.0 The Commission acknowledges the prevalent situation due to the lock down to combat the COVID-19 in the country and the difficulties faced by the stakeholders, particularly those consumers who have started their establishment recently. The Commission observes that as per provisions of WBERC (Standard of Performance of Licensees Relating to Consumer Services) Regulations, 2010, as amended (in short ‘SoP Regulations) consumers are allowed to reduce their contract demand and such reduction will be effected either in the next or second next billing cycle after receiving the application by the licensee for reduction of load. The Commission also observes that the new consumers whose service connection has been effected within one year are not permitted to reduce their demand as the second proviso of the regulation 12.3 of the SoP Regulations does not allow to do this. The Regulation is reproduced below:

"12.3 Reduction of load – On receiving the application for reduction of load such reduction will be effected within the next billing cycle from the date of receipt of the request from the consumer and the effect of it on tariff will be from the next billing cycle:

West Bengal Electricity Regulatory Commission
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Provided that if the gap between the date of completion of all the formalities and starting date of next billing cycle is less than 7 working days, then such conversion will be effected from the second next billing cycle.

Provided further that reduction of load or downward revision of contract demand shall be effected on the basis of application not before one year from the date of effect of service connection.

Provided also that any subsequent request for reduction of load / downward revision of contract demand shall be made effective not before one year from the date of previous reduction."

3.0 In order to enable the newly connected consumers, whose service connection has been effected within one year, to become eligible also to reduce their contract demand in light of the pandemic situation a proposal has arisen to relax the provision of the second proviso of the regulation 12.3 of the SoP Regulations for the time being for 3 months considering the present pandemic situation so that reduction of load may be effected to the new consumers also. After three months the second proviso of the regulation 12.3 shall be applicable for reduction of load by a consumer.

4.0 The proposal was forwarded to all the distribution licensees viz. West Bengal State Electricity Distribution Company Limited (WBSEDCL), Damodar Valley Corporation (DVC), CESC Limited (CESC) and India Power Corporation Limited (IPCL) for their views. Views were received from all the four licensees. The gist of the submission of the licensees are given below

a) WBSEDCL has submitted that in view of the lock down situation to combat the spread of COVID-19 most of the industries, commercial establishments, institutions and high electricity consuming entities are unable to run their respective business. Based on
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the applications received, reduction of contract demand (CD) are now given effect as per provision of the regulation 12.3 of the SoP Regulations. They have also received some applications seeking reduction of CD from bulk consumers whose connection has been effected within a year but reduction of CD cannot be given effect for those consumers as per second proviso to regulation 12.3 of the SoP Regulations. However, WBSEDCL has submitted that second proviso to the regulation 12.3 of the SoP Regulations shall be relaxed as a special case for the balance period of 2020 from 24.03.2020 so that one time reduction of contract demand (CD) can also be effected for the new consumers whose service connection has been effected within one year.

b) CESC has submitted that while they appreciate that some temporary concessions might be necessary in this extremely difficult time, the Utility has requested the Commission to bear in mind that it was severely limited by fund constraints as well.

c) As per submission, DVC has no objection to consider the proposal for suspension of the 2nd proviso of the regulation 12.3 of the SoP Regulations for the time being for 03 (three) months considering the present pandemic situation so that reduction of load may be effected to the new consumers also.

d) IPCL submitted that this step might boost the confidence of industries in the State and provide them the requisite relief in terms of reduction in cash outgo but simultaneously they have expressed their reservation towards implementation of this proposal as the balance of benefits would not be in favour of the utilities. However, IPCL also prayed to consider matching financial assistance to be provided to the licensees in the event of the proposal is implemented.

5.0 In view of the above circumstances, the Commission in exercise of its power under regulation 18.0 of the SoP Regulations and after careful consideration of the situation as

West Bengal Electricity Regulatory Commission
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6.0 However, Commission also noted the concern expressed by the utilities. The distribution licensees shall separately account for the financial impact arising out of this order, if any, and submit to the Commission along with their APR for FY 20-21. The Commission shall have liberty to review and or give any further direction in the matter.

7.0 Let a copy of the order be served upon WBSEDCL, CESC, DVC and IPCL.

Sd/-  x x x  
(PULAK KUMAR TEWARI  
MEMBER)

Sd/-  x x x  
(DURGADAS GOSWAMI  
MEMBER)

Sd/-  x x x  
(SUTIRTHA BHATTACHARYA  
CHAIRPERSON)

Dated: 03.06.2020

(TK MUKHERJEE)
Secretary

West Bengal Electricity Regulatory Commission