ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY
COMMISSION
IN CASE NO TP-72/16-17-COMPLIANCE

IN REGARD TO THE PETITION SUBMITTED BY CESC LIMITED SEEKING EXTENSION OF TIME FOR COMPLIANCE WITH THE DIRECTION PASSED VIDE ORDER DATED 02.03.2020 IN CASE NO TP-72/16-17-COMPLIANCE

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

DATE: 15/06/2020
Order of the West Bengal Electricity Regulatory Commission on the petition submitted by CESC Limited seeking extension of time for compliance with the direction passed vide order dated 02.03.2020 in case No TP-72/16-17-COMPLIANCE

ORDER

1. This is in regard to the application submitted by CESC Limited (CESC) on 23.05.2020 seeking extension of time for compliance with the direction passed by the Commission vide order dated 02.03.2020 in case No TP-72/16-17-COMPLIANCE

2. Vide order dated 02.03.2020, the Commission issued the following directions to CESC.

   "8. In view of the above observations, the Commission directs that CESC Limited shall,

   a) Start procuring power only through the process as prescribed by the Government of India in a transparent manner;

   b) Evolve a transparent mechanism of disposal of the rejects duly following extant guidelines; and

   c) Submit report of compliance on the points as above to the Commission within 90 days of the date of issue of the order.

   The Commission further directs CESC to note that any non-compliance will entail –

   i) Disallowing of the cost of power procurement in future APR order covering the period of violation; and

   ii) Imposition of penalty as per the provisions of the Electricity Act, 2003."

3. The Commission granted a period of 90 days to CESC to comply with the aforesaid directions.

4. CESC in their petition has submitted that to comply with the directions they issued a tender on 13.03.2020 inviting bids for procurement of power under short term arrangement in accordance with the ‘Guidelines for short-term Procurement of Power by Distribution Licensees through Tariff based bidding process’ issued by Government of India vide Ministry of Power’s Resolution dated 30.03.2016.

5. CESC has further submitted that the bidding for procurement of power under short term arrangement was conducted electronically on the MSTC platform on 21.03.2020

West Bengal Electricity Regulatory Commission

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through DEEP e-Bidding portal. Entire procurement process was carried out strictly in
accordance with the Guidelines issued by Government of India.

6. CESC has further submitted that the lowest tariff discovered through the aforesaid
procurement process was not aligned with the competing offers of better rates and
terms that they presently have. Accordingly, they decided not to go ahead and annulled
the aforesaid tender for power procurement. They also submitted that they put an
interim arrangement in place, with more favourable terms vis-à-vis the other offers
available with them as also the lowest tariff discovered through the aforesaid bidding
process.

7. CESC has further submitted that they are continuing to make earnest efforts to fulfil
the directions issued by the Commission within the prescribed time period. But with the
outbreak of COVID-19 pandemic, the Government of West Bengal had vide its Order
No. H&FW/120/20 dated 22.03.2020 imposed a complete lockdown across the entire
State with effect from 23.03.2020 which severely impacted their day to day functioning
and hampered their efforts to comply with the directions given in Order dated
02.03.2020.

8. CESC has prayed before the Commission to Grant a further extension of at least 90
days for compliance of the directions contained at para 8 of the Commission’s Order
dated 02.03.2020 passed in Case No. TP-72/16-17-COMPLIANCE.

9. In view of the above the Commission in exercise of its power under regulation 3.13 of
the West Bengal Electricity Regulatory Commission (Conduct of Business)
Regulations, 2013 and after careful consideration of the situation at hand due to
COVID-19 decides to allow CESC a further period of 90 days from the expiry of the
original limit to comply with the directions in the order dated 02.03.2020.
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10. Let a copy of the order be served upon CESC.

Sd/-

(PULAK KUMAR TEWARI)
MEMBER

Sd/-

(DURGADAS GOSWAMI)
MEMBER

Sd/-

(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

Dated: 15/06/2020

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TK Mukherjee
Secretary

West Bengal Electricity Regulatory Commission