

**JOINT ELECTRICITY REGULATORY COMMISSION FOR
THE STATE OF GOA AND UNION TERRITORIES
GURGAON**

Coram*

Shri S.K. Chaturvedi, Chairperson

Petition No. 76/2012

Suo-moto

Date of Order 05.05.2014

In the matter of

Loss Reduction Programme as per Regulation 15 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Terms and Conditions for determination of tariff) Regulations, 2009.

And in the matter of:

- 1) Electricity Department, Govt. of Goa
- 2) Electricity Department, UT of Andaman & Nicobar
- 3) Electricity Department, UT of Chandigarh
- 4) Electricity Department, UT of Dadra and Nagar Haveli
- 5) Electricity Department, UT of Daman & Diu
- 6) Electricity Department, UT of Lakshadweep
- 7) Electricity Department, UT of Puducherry

..... Respondents

Present:

1. Sh. Ramdas N. Bhat, Executive Engineer, ED- Goa.
2. Sh. Kuldip Singh Thakur, Dy. Resident Commissioner, A&N Admn.,
3. Ms. Sushma Mishra, Junior Engineer, ED- Andaman & Nicobar.
4. Shri M.P. Singh, Superintending Engineer, ED- Chandigarh.
5. Shri Pawan Kr. Sharma, AEE, ED- Chandigarh.
6. Sh. H.M. Patel, Executive Engineer, ED- Dadra and Nagar Haveli.
7. Sh. R.B. Chaubal, AE, ED- Dadra and Nagar Haveli.
8. Ms. Swapna Seshadri, Advocate, ED - Dadra and Nagar Haveli.
9. Sh. Shri Gaurav Lohani, Consultant, ED- Daman & Diu.
10. Sh. Asar Pal Singh, Dy. Resident Commissioner, UT of Lakshadweep.
11. Shri R. Murali, Executive Engineer, ED- Puducherry.
12. Shri D. Stephn Joseph, AE, ED- Puducherry.

Order

The Commission initiated Suo- Moto proceedings/ hearings on total AT&C losses as the licensees were not furnishing information on total AT&C losses of the previous year and current year resulting into failure of proposal of loss reduction program by licensees for ensuing year and next three years as required under Regulation 15 of JERC (Terms and condition for determination of Tariff) Regulations, 2009.

The Commission on 25.05.2012 sent notices to all respondents/ licensees directing them to submit detailed report and road map in respect of AT&C loss reduction program as required under Regulation 15 of JERC (Terms and condition for determination of Tariff) Regulations, 2009 by licensees for ensuing year and next three years by 22.06.2012 and thereafter by 10.07.2013, 14.10.2013, 25.10.2013 and lastly by 17.04.2014.

1. Electricity Department - Goa respondent no. 1

The respondent no. 1- ED- Goa submitted report on loss reduction Programme as per Regulation 15 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Terms and Conditions for determination of tariff) Regulations, 2009 and as directed by the Commission vide order dated 27.12.2013 in affidavit dated 02.05.2014. The report submitted by the respondent is shown in the table below:-

For Reduction of T&D losses					
S. No.	Name of Licensee	Existing	Targeted		
	ED Goa	2013-14	2014-15	2015-16	2016-17
1		14.23	14.1	13.95	13.75

The Commission examined the information/ report submitted by the respondent. The Commission observed that the existing T&D losses for FY 2013-14 of the respondent are 14.23 %. The respondent has undertaken that they will reduce T&D losses to 13.75 % by the end of FY 2016-17. The Commission directs the respondent to make sincere and best efforts to further reduce T&D losses.

2. Electricity Department - UT of Andaman & Nicobar respondent no. 2

The respondent no. 2- ED- A&N submitted report on loss reduction Programme as per Regulation 15 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Terms and Conditions for determination of tariff) Regulations, 2009 vide affidavit dated 1.05.2014 as directed vide order dated 27.12.2013 is shown in the table below:-

For Reduction of T&D losses					
S. No.	Name of Licensee	Existing	Targeted		
		2013-14	2014-15	2015-16	2016-17
1	ED- A&N Admn.	17.41%	17%	16%	15%

The Commission examined the information/ report submitted by the respondent. The Commission observed that the existing T&D losses for FY 2013-14 of the respondent are 17.41 %. The respondent has undertaken that they will reduce T&D losses to 15 % by the end of FY 2016-17.

The Commission vide order dated 27.12.2013 directed the respondent to make sincere and best efforts to further reduce T&D losses. The Commission further directed the respondent to submit complete and detailed report and road map in respect of AT&C loss reduction program by licensee for ensuing year and next three years by 17.04.2014 positively in Performa Annexed "A" & "B" in the order dated 25.10.2013 of South Andaman District. The respondent has failed to submit report of AT&C losses of South Andaman District separately. Therefore, the Commission directs the respondent to submit complete and detailed report on AT&C losses of south Andaman District. The respondent is further directed to make sincere and best efforts to further reduce T&D losses.

3. Electricity Department - UT of Chandigarh respondent no. 3

The respondent no. 3- ED- Chandigarh submitted report on loss reduction Programme as per Regulation 15 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories

(Terms and Conditions for determination of tariff) Regulations, 2009 vide affidavit dated 02.05.2014 as directed vide order dated 27.12.2013 is shown in the table below:-

For Reduction of T&D losses					
S. No.	Name of Licensee	Existing	Targeted		
			2013-14	2014-15	2015-16
1	ED- Chandigarh	15.50%	15%	14.50%	14%

The Commission examined the information/ report submitted by the respondent. The Commission observed that the existing T&D losses for FY 2013-14 of the respondent are 15.50 %. The respondent has undertaken that they will reduce T&D losses to 14 % by the end of FY 2016-17. The Commission directs the respondent to make sincere and best efforts to further reduce T&D losses.

4. Electricity Department - UT of Dadra and Nagar Haveli respondent no. 4

The respondent no. 4- ED- DNH submitted report on loss reduction Programme as per Regulation 15 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Terms and Conditions for determination of tariff) Regulations, 2009 vide affidavit dated 03.05.2014 as directed vide order dated 27.12.2013 as shown in the table below:-

For Reduction of T&D losses					
S. No.	Name of Licensee	Existing	Targeted		
			2013-14	2014-15	2015-16
1	DNHPDCL	4.90%	4.90%	4.85%	4.80%

The Commission examined the information/ report submitted by the respondent. The Commission observed that the existing T&D losses for FY 2013-14 of the respondent are 4.90 %. The respondent has undertaken that they will reduce T&D losses to 4.80% by the end of FY 2016-17. The Commission observed that T&D losses in UT of Dadra and Nagar Haveli are lowest amongst the licensees of this Commission. There is still scope for further reduction in T&D losses. Therefore, the Commission directs the respondent to make more efforts to further reduce T&D losses.

5. Electricity Department - UT of Daman & Diu respondent no. 5

The respondent no. 5- ED- DD submitted report on loss reduction Programme as per Regulation 15 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Terms and Conditions for determination of tariff) Regulations, 2009 vide letter dated 25.12.2013 as directed vide order dated 25.10.2013 is shown in the table below:-

For Reduction of T&D losses					
S. No.	Name of Licensee	Existing	Targeted		
			2013-14	2014-15	2015-16
1	ED- D&D	8.80%	8.70%	8.60%	8.50%

The respondent has failed to submit report as directed vide order dated 27.12.2013. The Commission examined the information/ report submitted by the respondent in letter dated 25.12.2013. The Commission observed that the existing T&D losses for FY 2013-14 of the respondent are 8.80 %. The respondent has undertaken that they will reduce T&D losses to 8.50% by the end of FY 2016-17.

The Commission observed that T&D losses in UT of Daman & Diu are second lowest amongst the licensees of this Commission. There is still scope for further reduction in T&D losses. Therefore, the Commission directs the respondent to make sincere and best efforts to further reduce T&D losses.

6. Electricity Department - UT of Lakshadweep respondent no. 6

The respondent no. 6 ED- Lakshadweep has submitted report on loss reduction Programme as per Regulation 15 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Terms and Conditions for determination of tariff) Regulations, 2009 vide affidavit dated 02.05.2014 as directed vide order dated 27.12.2013 is shown in the table below:-

For Reduction of T&D losses					
S. No.	Name of Licensee	Existing	Targeted		
		2013-14	2014-15	2015-16	2016-17
1	ED- Lakshadweep	15%	14%	13.5%	13%

The Commission examined the information/ report submitted by the respondent. The Commission observed that the existing T&D losses for FY 2013-14 of the respondent are 15 %. The respondent has undertaken that they will reduce T&D losses to 13% by the end of FY 2016-17. The Commission directs the respondent to make sincere and best efforts to further reduce T&D losses.

7. Electricity Department - UT of Puducherry respondent no. 7

The respondent no. 7- ED- Puducherry submitted report on loss reduction Programme as per Regulation 15 of Joint Electricity Regulatory Commission for the State of Goa and Union Territories (Terms and Conditions for determination of tariff) Regulations, 2009 vide affidavit dated 20.12.2013 and 29.04.2013 as directed vide orders dated 25.10.2013 and 27.12.2013 is shown in the table below:-

For Reduction of T&D losses					
S. No.	Name of Licensee	Existing	Targeted		
		2013-14	2014-15	2015-16	2016-17
1	ED- Puducherry	13%	12.33%	11.58%	11.16%

The Commission examined the information/ report submitted by the respondent. The Commission observed that the existing T&D losses for FY 2013-14 of the respondent are 13 %. The respondent has undertaken that they will reduce T&D losses to 11.16 % by the end of FY

2016-17. The Commission directs the respondent to make sincere and best efforts to further reduce T&D losses.

The Commission in exercise of powers under Sections 61 read Section 81 of the Electricity Act, 2003 has framed JERC (Terms and Conditions for determination of tariff) Regulations, 2009. Regulation 15 of JERC (Terms and Conditions for determination of tariff) Regulations, 2009 runs as under:-

Quote

Regulation - 15. AT&C Losses

(1) The licensee shall give information of total AT&C losses in Previous Year and Current Year and the basis on which such losses have been worked out.

(2) The licensee shall also propose a loss reduction programme for the Ensuing Year as well as for the next three years giving details of the measures proposed to be taken for achieving the same.

(3) Based on the information furnished and field studies carried out and the loss reduction program proposed by the licensee, the Commission shall fix 11 separate targets for reduction of Transmission and Distribution losses and for commercial efficiency for the period specified by the Commission:

Provided further that in the event of unbundling of the integrated utility, the Commission may fix separate transmission and distribution loss targets and commercial efficiency targets, as the case may be, for each successor licensee taking into account its area of operation, its consumer mix, state of the network, level of metering, metering initiatives planned, etc.

(4) The licensee shall conduct regular energy audit to substantiate its estimation of T&D losses. The licensee shall also furnish six monthly energy audit reports to the Commission.

The energy audit report for the first six months of the year shall be provided by November end of the same year. Similarly energy audit report for the last six months of the year shall be provided by May end of the next year.

(5) In the absence of energy audit, the Commission may not accept the claim of the licensee and may proceed to fix the loss levels on the basis of any other information available and its own judgment.

Unquote

In the light of Regulation 15 of JERC (Terms and Conditions for determination of tariff) Regulations, 2009 the licensees are required to furnish information on total AT&C losses of the previous year and current year with proposal of loss reduction program for ensuring year and next three years, therefore, the Commission gives following directions to all the licensees for strict compliance in future:-

i. All the licensees shall give information of total AT&C losses of previous year and current year and the bases on which such losses have been workedout in format-2 of JERC (Terms and Conditions for determination of tariff) Regulations, 2009.

ii. The licensees shall also propose loss reduction program for the ensuing year as well as for the next three years with details of the measures proposed to be taken for achieving the same.

iii. The licensees shall conduct regular energy audit to substantiate its estimation of T&D losses and furnish six monthly energy audit reports to the Commission. The énergy audit report of first six months of the year shall be furnished by November end of the same year and energy audit report for the last six months of the year shall be provided by May end of the next year.

iv. The licensees shall undertake Load Flow Study from third party/ independent agency to ascertain losses in the existing network along with recommendation for system strengthening, loss reduction and reliability improvement alongwith commercial losses in existing network. The study must be completed by 30.11.2014. The report must be submitted to the Commission latest by 26.12.2014.

It is made clear that if any of the licensees fails to submit six monthly energy audit report to the Commission in time and in proper format, in that eventuality the Commission will not accept the claim of the licensee and will proceed to fix the loss levels on the basis of any other information available and its own judgment.

With the above directions the Suo-Moto proceedings in petition no. 76/2012 stands disposed off.

sd-
(S.K.Chaturvedi)
Chairman

Member(Vacant)

Certified Copy


Secretary

* As per Regulation 9 (II) of JERC (Conduct of Business) Regulations, 2009 "Coram is two". Whereas as per proviso of Regulation 9 (II) of JERC (Conduct of Business) Regulations, 2009 if Chairperson or the Member is prevented from attending hearing of which he has been given notice the Member or the Chairman as the case may be attending the meeting shall validly constitute the Coram. Post of the Member is vacant. According to provisions of Section 93 of the Electricity Act, 2003 no act or proceedings of the appropriate Commission shall be questioned or invalidated merely on the ground of existence of any vacancy or defect in the Constitution of the appropriate Commission. So the Chairperson only constitute a valid Coram.