

**BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY
COMMISSION AT SHIMLA**

**CASE NO: 32/2015
CORAM
SUBHASH CHANDER NEGI**

IN THE MATTER OF:

Provisional True-up Petition under Section 94(1)(f) of the Electricity Act, Read with Regulation 63 of the Himachal Pradesh Regulatory Commission (Conduct of Business) Regulation, 2005 for review of the APR order dated 27th April, 2013.

ORDER

- 1.1 HPSEBL filed Petition No. 32/2015 on 11th March, 2015 for the provisional true-up of FY14 under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 63 of the Himachal Pradesh Regulatory Commission (Conduct of Business) Regulation, 2005. Vide this petition; the HPSEBL has requested for the true-up of uncontrollable parameters in the ARR of FY14, however the controllable parameters fixed for 2nd Control Period have not been considered.
- 1.2 In accordance with Regulations 11, 38 and 39 of the HPERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2011, the true-up of the ARR of the distribution licensee has to be dealt in the following manner:-
 - (i) Variation in revenue/ expenditure on account of uncontrollable sales and power purchase shall be trued-up every year along with the APR/MYT petition of subsequent years.
 - (ii) Any surplus or deficit on account of controllable parameters such as distribution losses, O&M expenditure, financing cost and depreciation shall not be trued-up during the ongoing control period and shall be subject to true up at the end of the control period.
- 1.3 Vide current petition, the HPSEBL has asked for the true-up of uncontrollable parameters in the ARR of FY14, however the controllable parameters fixed for 2nd Control Period (FY12-FY14) have not been touched upon even though the 2nd Control Period is over on 31st March, 2014.
- 1.4 The True-up petitions are also required to be disclosed for inviting public suggestions/ objections like petition for annual tariff/ ARR. The Commission could not take up the current true-up petition concurrently with the APR petition for FY16,

as the same was filed by HPSEBL when the process of calling objections and Public Hearing in the APR Petition was over.

- 1.5 Further the HPSEBL has filed the current true-up petition on the provisional accounts. However FY14 has been over by almost one and half years and the final audited accounts of HPSEBL for FY14 should be available by now.
- 1.6 In view of above facts HPSEBL was requested vide HPERC letter no. HPERC/MYT3APR1/HPSEBL/2014-15-4268 dated 31st March, 2015 to file the true-up petition for the true-up of uncontrollable parameters of FY14 and controllable parameters of second MYT control period based on the audited accounts. However HPSEBL has failed to resubmit the true-up petition after taking corrective measures even after a lapse of more than 3 months.
- 1.7 In view of above, the current petition is disposed of with the direction to HPSEBL to file fresh petition after taking corrective steps outlined above.

Shimla.
Dated: 3rd August, 2015.

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(Subhash Chander Negi)
Chairman