

BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION,
SHIMLA

M/S B.B.N. Industries Association
C/o Single Window Clearing Agency
Industrial Area, Baddi-173205

... Petitioner

V/S

H.P. State Electricity Board, Vidyut Bhawan,
Shimla, H.P.

... Respondent

Petition No. 149/2009

and

M.A. No. 159/09

(Decided on 29.8.2009)

CORAM
YOGESH KHANNA
CHAIRMAN

Counsels-

for the petitioner

Sh. Rajinder Guleria

for the respondents

Sh. Narinder Singh Thakur
Advocate.

Order

M/S B.B.N. Industries Association (in short referred to “as BBNIA”) through its President Rajinder Guleria have made a Petition No. 149/09 containing a proposal to mitigate the problem of power restriction due to accidental damage of 1 No. 220/66 kV, 80/100 MVA power transformer at Katha, Baddi Sub-station of H.P. State Electricity Board (hereinafter referred as “the Board”) on 4th August, 2009. The BBNIA has proposed to meet the demand shortfall of approximately 40 to 45 MVA by utilizing the D.G. sets capacities with them subject to the condition that the cost of generation from the aforesaid D.G. sets be compensated by the Board by sharing the cost on 50:50 basis.

The Board, vide M.A. No. 159/09, in its response has stated that the total financial implications works out to be of Rs. 49.12 crores for the period

intervening 5th August, 2009 to 30th November, 2009 i.e the date by which new transformer at Baddi Sub-station is expected to be installed/commissioned. Out of these projections a sum of Rs. 20.50 crores is expected to be generated on account of energy sales outside the State and the balance amount i.e. Rs. 28.62 crores is proposed to be realized as under:-

- i) 50% i.e. Rs. 14.30 crores to be shared and borne by BBNIA; and
- ii) balance 50% i.e. Rs. 14.30 crores would be borne by the State Government or the Board as pass through in ARR.

The above proposal of the Board is stated to have been concurred in by the State Government. With this background the Board has prayed for the approval of the said proposal by this Commission.

Sh. P.N. Bhardwaj, the Consumer Representative, appointed u/s 94(3) of the Act, welcomed the proposal to mitigate the shortfall, but has stressed that the burden of the additional cost should not be passed on to the consumers in general or to the Industrial consumers outside the affected area.

After hearing the parties and keeping in view larger public interest and the fact that the State Government has also concurred with the proposal, the Commission accords in principle approval to the above proposal subject to the condition that :-

- (i) the D.G. sets may commence generation w.e.f. 1.9.2009 or thereafter subject to mutually agreed arrangements between the Board and affected entities.
- (ii) the Commission shall exercise prudence and consider all parameters relating to this proposal at the time of ensuring truing up of the Board's ARR and would pass appropriate orders at that time in the context of adequate conditionalities juxtaposed on this proposal by the Board and after a full fledged hearing is held with other stakeholders.
- (iii) the Board will intimate to the Commission a set of Instructions in this context so as to ensure transparency and safeguards against malpractice.

It is so ordered.

(Yogesh Khanna)
Chairman

