



**ORDER  
OF THE  
WEST BENGAL ELECTRICITY REGULATORY COMMISSION  
IN CASE NO. APR (R) – 7/18 – 19**

IN REGARD TO THE APPLICATION FOR REVIEW UNDER REGULATION 3.3 READ WITH REGULATION 3.10, 3.11 AND 3.12 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (CONDUCT OF BUSINESS) REGULATIONS, 2013 AGAINST THE ORDER IN CASE NO. APR – 35/12 – 13 DATED 09.09.2013 REGARDING THE ANNUAL PERFORMANCE REVIEW OF WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED FOR FY 2011-12 IN PURSUANT TO ORDER DATED 28.11.2018 IN APPEAL 267 OF 2015 PASSED BY HON'BLE APPELLATE TRIBUNAL FOR ELECTRICITY

**PRESENT:**

**SRI SUTIRTHA BHATTACHARYA, CHAIRPERSON  
SRI DURGADAS GOSWAMI, MEMBER  
SRI PULAK KUMAR TEWARI, MEMBER**

**DATE: 12.11.2021**





Application for review under regulation 3.3 read with regulation 3.10, 3.11 and 3.12 of the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013 against the Order in Case No. APR – 35/12 – 13 dated 09.09.2013 regarding the Annual Performance Review of West Bengal State Electricity Distribution Company Limited for FY 2011-12 in pursuant to Order dated 28.11.2018 in Appeal 267 of 2015 passed by Hon'ble Appellate Tribunal for Electricity



### **Facts in brief:**

- 1.0 The West Bengal State Electricity Distribution Company Limited (WBSEDCL) submitted an application on 20.03.2019 for review under regulation 3.3 read with regulation 3.10, 3.11 and 3.12 of the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013 against the Order in Case No. APR – 35/12 – 13 dated 09.09.2013 regarding the Annual Performance Review of West Bengal State Electricity Distribution Company Limited for FY 2011-12 pursuant to Order dated 28.11.2018 in Appeal No. 267 of 2015 passed by Hon'ble Appellate Tribunal for Electricity. The application has been admitted by the Commission on 19.09.2020 in Case No. APR (R) – 7/18-19.
- 2.0 WBSEDCL in their petition prayed for redetermination of APR for FY 2011-12 on the following issues:
  - (i) to allow the claim of Rs. 1651 Lakhs relating to prior period depreciation from 2008 – 09 to 2010 – 11 for addition of distribution assets which was commercially operated but not considered in respective years;
  - (ii) to allow the claim of Rs. 7264 Lakhs on the regulatory asset of Rs. 80003.86 Lakhs relating to employees' terminal benefit fund, arising due to implementation of recommendation of the 6<sup>th</sup> Pay Commission;
  - (iii) to allow carrying cost of Rs. 29744 Lakhs for the period from April, 2011 to December, 2012 on the arrear amount of Rs. 180418 Lakhs recoverable in 48 monthly installments from consumers; and
  - (iv) to allow carrying cost of Rs. 9625 Lakhs and Rs. 2722 Lakhs for the year 2010 – 11 with respect to the regulatory asset of Rs. 122801 Lakhs and Rs. 29978 Lakhs respectively created as per APR Order 2009 – 10 and 2010 – 11.
- 3.0 The Commission vide order dated 05.10.2021 in Case No. APR (R) – 7/18-19 has observed the following:
  - (i) The year 2011-12 comes under the 3rd control period of the MYT framework and 2010-11 is the base year. Thus, in terms of table 2.5.5-1 of the Tariff Regulations 2011, prior period depreciation pertaining to 2010-11 may be allowed. But, depreciation prior to 2010 – 11 are controllable items and hence claim of depreciation for 2008 – 09 to 2009 – 10 cannot be allowed in terms of Tariff Regulations.
  - (ii) WBSEDCL has not provided any breakup of prior period depreciation pertaining to FY 2010 – 11, the Commission cannot ascertain the allowable prior period adjustment.





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- (iii) Regarding other three issues (i) carrying cost on balance regulatory asset of employees' terminal benefit fund, (ii) carrying cost on delayed recovery for the period from April, 2011 to December, 2012 and (iii) carrying cost on regulatory asset created in the APR Order for the year 2009 – 10 and 2010 – 11, the Commission maintained the decisions taken in the APR Order.

- 4.0 In view of the above, the Commission vide order dated 05.10.2021 in Case No. APR (R) – 7/18-19 disposed off the application of WBSEDCL with the direction that WBSEDCL is required to submit proper documents and year wise break up of claim on prior period depreciation pertaining to FY 2010 – 11 separately through a petition.

**Observations of the Commission:**

- 5.0 It is now brought to the notice of the Commission that WBSEDCL vide letter dated 28.06.2021 had submitted through auditor's certificate that out of total claim of Rs.1651 lakh for prior period depreciation, Rs. 632 lakh pertains to 2008-09, Rs. 735 lakh pertains to 2009-10 and the balance of Rs. 284 lakh pertains to 2010-11.
- 6.0 Therefore, in view of the observation of the Commission in its order dated 05.10.2021 and the year-wise breakup submitted by WBSEDCL, the Commission finds it reasonable, in terms of the existing regulations, to allow prior period depreciation of Rs. 284 lakh pertaining to the year 2010-11 in addition to the amount already admitted in the APR for the year 2011-12.

**Order:**

- 7.0 In view of the above observations, the Commission in partial modification to the order dated 05.10.2021 on its own motion in terms of regulation 3.3.1 of the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013 as amended from time to time allows WBSEDCL to get additional amount of Rs. 284 lakh on account of prior period depreciation, over and above the amount found realizable in the APR order dated 09.09.2013. The APR order for 2011-12 dated 09.09.2013 in Case no APR-35/12-13 stands amended to that extent only.
- 8.0 In terms of regulation 2.6.6 of the Tariff Regulations, the additional recoverable amount of Rs. 284 lakh or part thereof shall be adjusted with the amount of Aggregate Revenue Requirement for the year 2020-21 or that for any other ensuing year or through a separate order as may be decided by





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the Commission. The decision of the Commission in this regard will be given in the tariff order for the year 2020 -21 or any ensuing year or in a separate order.

9.0 A copy of the order shall be posted in the website of the Commission.

10.0 Since, the office is facing hardship in issuing hard copy of the order due to circumstances beyond the control of the Commission, the copy of the order may be downloaded by WBSEDCL and other concerned entities from the website of the Commission and act on it.

<b>Sd/-</b> <b>(PULAK KUMAR TEWARI)</b> <b>MEMBER</b>	<b>Sd/-</b> <b>(DURGADAS GOSWAMI)</b> <b>MEMBER</b>	<b>Sd/-</b> <b>(SUTIRTHA BHATTACHARYA)</b> <b>CHAIRPERSON</b>
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**Dated: 12.11.2021**

**Sd/-**  
**SECRETARY**