



ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION

In Case No. A. G/14/G.O.

In regard to the application submitted by India Power Corporation Limited (IPCL) for implementation of the Scheme "Hasir Alo" announced by the Government of West Bengal and direction issued by Government of West Bengal under section 108 read with section 65 of the Electricity Act 2003

PRESENT:

SHRI SUTIRTHA BHATTACHARYA, CHAIRPERSON
SHRI DURGADAS GOSWAMI, MEMBER
SHRI PULAK KUMAR TEWARI, MEMBER

DATE: 21-03-2020

CERTIFIED TRUE COPY.
21/3/20



Order of the West Bengal Electricity Regulatory Commission on the application submitted by India Power Corporation Limited (IPCL) for implementation of the Scheme "Hasir Alo" announced by the Government of West Bengal and direction issued by Government of West Bengal under section 108 read with section 65 of the Electricity Act 2003



FACTS IN BRIEF

1. Vide Memo no. 53-POW-13012(12)/2/2018-SECTION (POWER) dated 17th March, 2020 it has been communicated to the Commission that the State Government has announced a new scheme called "Hasir Alo", providing free electricity to the poor of the State. Under the Scheme, no electricity charges will be levied on all poor Life line Domestic Consumers
2. The State Government has decided to provide full subsidy (including meter rent) to the following group of consumers of WBSEDCL, CESC and IPCL in exercise of the power conferred by section 108 read with section 65 of the Electricity Act, 2003 (in short 'the Act') :
 - i) Lifeline Domestic consumers with a connected load upto 0.3 KW, having quarterly consumption of electricity upto 75 units or monthly consumption upto 25 units.

The above subsidy would be effective for consumption from 01/04/2020 on prevailing tariff and shall continue till further order. However, the dues, if any prior to 01.04.2020 will not be covered by this subsidy.
3. The State Government has also decided that the resultant shortfall in revenue realization of WBSEDCL, CESC and IPCL due to above decision shall be compensated upfront to WBSEDCL, CESC and IPCL in terms of regulation framed under section 65 of the Act.
4. India Power Corporation Limited (IPCL) through e-mail have submitted that at present , IPCL does not have any Life Line consumers connected directly to their supply network. It is further submitted that in view of their ongoing LT expansion drive, around 75-100 such Life line consumers are expected to be connected during FY2020-21 having a projected annual electricity consumption bills worth Rs 1.50 Lakhs. However, they seek the liberty to approach the Commission as and

CERTIFIED TRUE
[Signature]
2/1/20



Order of the West Bengal Electricity Regulatory Commission on the application submitted by India Power Corporation Limited (IPCL) for implementation of the Scheme "Hasir Alo" announced by the Government of West Bengal and direction issued by Government of West Bengal under section 108 read with section 65 of the Electricity Act 2003



when such consumers add to their consumer base in the ensuing year.

OBSERVATION OF THE COMMISSION

5. In terms of Section 65 of the Electricity Act, 2003, the State Government can provide subsidy, to any consumer or class of consumers in the tariff determined by the State Commission.
6. In terms of Section 108 of the Electricity Act, 2003, the State Government can issue direction to the Hon'ble Commission in matters of policy involving public interest.
7. Regulation 2.3 of the Tariff Regulations provides for the "Manner for provision of subsidy by State Government".
8. In terms of Regulation 2.3.1 of the Tariff Regulations, the State Government is required to pay the subsidy in advance to the licensee.
9. The manner for provision of subsidy by the State Government has been detailed in Schedule-6 of the Tariff Regulations.
10. Now the State Government has decided to provide full subsidy (including meter rent) to Lifeline Domestic consumers of WBSEDCL, CESC Ltd. and IPCL with a connected load upto 0.3 KW, having quarterly consumption of electricity upto 75 units or monthly consumption upto 25 units and has given direction in exercise of the power conferred by section 108 read with section 65 of the Act vide Memo no. 53-POW-13012(12)/2/2018-SECTION (POWER) dated 17th March, 2020. State Government has also mentioned that the shortfall in revenue realization of WBSEDCL, CESC and IPCL due to extension of subsidy shall be compensated upfront to WBSEDCL, CESC and IPCL as provided in regulation 2.3.1 of the Tariff Regulations and in Schedule- 6 to the Tariff Regulations. .
11. IPCL have also submitted that though as present they do not have any Life line consumers in their system but it is expected that some consumers under Life line

CERTIFIED TRUE COPY
[Signature]



Order of the West Bengal Electricity Regulatory Commission on the application submitted by India Power Corporation Limited (IPCL) for implementation of the Scheme "Hasir Alo" announced by the Government of West Bengal and direction issued by Government of West Bengal under section 108 read with section 65 of the Electricity Act 2003



category will be connected to their system during 2020-21 and the estimated impact is 1.5 Lakh. IPCL have also submitted that they will approach the Commission as and when such consumers add to their consumer base in the ensuing year.

12. In view of the above, the Commission decides that IPCL can extend the benefit of subsidy to the consumers as granted by State Government vide memo no.53-POW-13012(12)/2/2018-SECTION (POWER) dated 17th March, 2020 as and when those consumers will be connected to their system following the provisions made in regulation 2.3 and Schedule-6 of the Tariff Regulations.

ORDER OF THE COMMISSION

13. IPCL shall extend the benefit of subsidy to the consumers as granted by the State Government vide memo no.53-POW-13012(12)/2/2018-SECTION (POWER) dated 17th March, 2020 as and when those consumers will ^{be} connected to their system in compliance with the provisions made in regulation 2.3 and ~~Schedule-6~~ of the Tariff Regulations.
14. IPCL shall clearly indicate in the Life line consumer/ consumers' bill, if connected during the ensuing year:
- a) the amount payable in terms of the tariff determined by the Commission,
 - b) the amount of State Government subsidy and
 - c) net amount payable.
15. IPCL shall approach to the Commission as and when any Life Line consumers will be connected to their system.
16. IPCL in their petition for determination of tariff for the seventh control period comprising the years 2020-21, 2021-22 and 2022-23 shall submit the total amount

Chaitanya Kumar Ghosh
8/1/2020



Order of the West Bengal Electricity Regulatory Commission on the application submitted by India Power Corporation Limited (IPCL) for implementation of the Scheme "Hasir Alo" announced by the Government of West Bengal and direction issued by Government of West Bengal under section 108 read with section 65 of the Electricity Act 2003



of subsidy to be received from the State Government in terms of the direction vide memo no 53-POW-13012(12)/2/2018-SECTION (POWER) dated 17th March, 2020.

17. Commission shall adjust the subsidy amount in the Annual Aggregate Revenue Requirement (ARR) of IPCL while determining the tariff for the respective year(s) under seventh control period.
18. IPCL shall publish a gist of this order in the newspapers and also in their web-site.
19. The matter is disposed off .
20. Let a copy of this order may be served upon IPCL.
21. Let a copy of this order may also be served upon the State Government in the Department of Power.

Sd/-
(PULAK KUMAR TEWARI) MEMBER

Sd/-
(DURGADAS GOSWAMI) MEMBER

Sd/-
(SUTIRTHA BHATTACHARYA) CHAIRPERSON

DATED: 31-03-20

Carried true copy
31/3/20
Sent by