



DELHI ELECTRICITY REGULATORY COMMISSION

Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi- 110017.

No. F. 11(1502)/DERC/2017-18/5805/

Review Petition No. 43/2017

In the matter of: **Petition seeking review of the Open Access Order dated 01.06.2017 notified by DERC under Section 94(1)(f) of the Electricity Act, 2003 and Regulation 7(iv) of the DERC (Conduct of Business) Regulations, 2001.**

Indian Energy Regulatory Services

Through: Mr. Gaurav Nand

T-44, Karampura,
New Delhi 110 015

...Petitioner

Coram: Sh. B. P. Singh, Member

Appearance:

1. Mr. Atul Kumar Shrivastav, Representative for IERS
2. Mr. Buddy Ranganadhan, Adv., BRPL
3. Mr. Mayank Ahlawat, BRPL
4. Mr. Abhishek Mahapatra, BRPL
5. Mr. Ravi Shandilya, BRPL
6. Mr. Abhishek, BRPL
7. Mr. Gagan Swain, BYPL
8. Mr. Abhishek Srivastava, BYPL
9. Mr. Sameer Singh, BYPL
10. Mr. Bharat Bhadawat, TPDDL
11. Mr. Varun Sharma, TPDDL

ORDER

(Date of Hearing 22.05.2018)

(Date of Order: 28.05.2018)

1. The petitioner has filed the instant petition for review of the Open Access Order dated 01.06.2017 notified by the Commission regarding the Cross-Subsidy Surcharge determination vis a vis Regulatory Surcharge and for clarifying or giving directions regarding the Deemed Open Access Approval provision in the notified Order.
2. The authorized representative of the petitioner submitted that the cross subsidy formula notified in the recent Open Access Order dated 01.06.2017 based on the surcharge formula laid down in Para 8.5 of the National Tariff Policy issued by the Government of India is " $T-[C/(1-L/100)D+R]$ ". The 'T' component in the formula belongs to "the tariff payable by the relevant category of the consumers" and comprises of the fixed charges as per the Contract demand in KVA/month and Energy charges in MU's. The Open Access charges payable by the consumers

includes the Regulatory Surcharge of 8% apart from the other charges like Wheeling and Additional Surcharge and others.

3. He further submitted that the Cross Subsidy Surcharge (CSS) is computed by the formula $S=T-[X+D+R]$ where 'T' = Tariff payable by the relevant category of consumers including Renewable Purchase Obligation and the imposed 'T' component already includes the Regulatory Surcharge of 8%. Thus, the 'T' component carries forward with it the Regulatory Surcharge of 8% when the Cross-subsidy surcharge is computed. 'T' component when added in the CSS, forces the consumer to pay the regulatory surcharge twice in the form of Tariff payable by the consumer and the CSS calculated with the 'T' component wherein the regulatory surcharge is already included. Therefore, the double imposition of same charge is penalizing the consumer and thus it is requested to either deduct the Regulatory surcharge levied under the 'T' component in the CSS formula or adjust the Regulatory Surcharge already added in the Tariff payable in addition to the fixed and the Energy charges.
4. It is observed that the petitioner IERS has previously also *vide* letter dated 15.07.2017 raised the same objections to the Engineering division of the Commission and *vide* letter dtd. 14.08.2017 the two issues raised by the petitioner were clarified and are being reiterated again for clarification hereunder:
 - a) Regarding the Double imposition of regulatory surcharge it is clarified that the tariff 'T' taken for computation of cross subsidy surcharge for different categories of consumers is average tariff as per average billing rate specified by the Commission in its Tariff Order for FY 2015-16. The average billing rate computed in the Tariff Order is excluding 8% regulatory surcharge. The Regulatory Surcharge of 8% is levied on the embedded consumers as a separate component. The contention raised by the petitioner that regulatory surcharge is levied twice is not correct. The Regulatory surcharge is not included in Tariff 'T' for computing the cross subsidy surcharge. Hence, the query raised by the petitioner is incorrect and there is no double imposition of the same charge on the consumers.
 - b) On the issue of deemed open access approval, there is no ambiguity which requires clarification. The provisions of Clause 11 of short term open access guidelines of the Order dated 01.06.2017 are for renewal of existing conditional consent. The deemed approval of conditional consent has been made only in case where consumer is already availing the open access and necessary infrastructure for metering and accounting is in place. Sub Clause 1 of Clause 11 of the guidelines categorically states for submission of an application for renewal of conditional consent at least 7 working days prior to expiry of existing

conditional consent. It further states that renewal of conditional consent shall have same terms and conditions as mentioned in the existing conditional consent.

5. In view of the above, nothing survives in the petition for adjudication. Accordingly, the petition is disposed of.

Sd/-
(B.P. Singh)
Member