

Before the Bihar Electricity Regulatory Commission
Vidyut Bhawan-II, Bailey Road, Patna 800 021

Suo Motu Case No. 01/2012

Dated : 24th January, 2012

In the matter of:

**2nd amendment to the Bihar Electricity Regulatory Commission (Fees,
Fines and Charges) Regulations, 2005**

Present :

Shri U.N. Panjiar	-	Chairman
Shri R.N. Sharma	-	Member
Shri S.C. Jhar	-	Member

Appearance on behalf of BSEB

1. Shri S.K. Singh, Chief Engineer, Commercial
2. Shri Laxmi Narayan Choudhary, Superintending Engg.
3. Shri Rakesh, EEE,
4. Shri Jayant Dubey, Asstt. Engineer
5. Shri Naresh Desai, Consultant.

ORDER

In exercise of powers conferred on it by Section 181 read with clause (g) of sub-section (1) of Section 86 of the Electricity Act, 2003, the Commission approved the Bihar Electricity Regulatory Commission (Fees, Fines and Charges) Regulations, 2005 on 2nd February, 2006. First amendment to the Regulations was notified on 1st November, 2007.

Considering that fees for certain types of petitions/applications have not been specified in the Regulations, the Commission initiated a Suo-Motu proceeding to amend the regulations to provide for fees for certain types of petitions/applications and also to revise the fees for certain other types of petitions/applications which are considered inadequate. Accordingly, a draft amendment to the Regulations was prepared and comments/suggestions were invited by the Commission from general public and stakeholders through a public notice published in two daily newspapers viz. Hindustan (Hindi) and the Times of India (English) on 11.11.2011. Bihar State Electricity Board, the only integrated utility for Generation, Transmission, Distribution and Trading of electricity in the State submitted its objections/suggestions to the proposed amendments. No other objection/suggestion was received.

The matter was placed for hearing on 12.01.2012. In course of hearing Chief Engineer BSEB made the following submissions :-

- (1) That the proposed 2nd amendment will put further burden on Bihar State Electricity Board which is going for procurement of electricity on Short Term Basis. Further, Bihar State Electricity Board is filing FPPCA petition every month. Realisation of ₹ 50,000/- (Rs. Fifty Thousand) for every petition will put an additional burden of ₹ 6,00,000/- (Rupees six lacs) only per year on the Board. Fees for FPPCA petition should ordinarily be charged under section 18(a) of the Fees, Fines and Charges, Regulation, 2005 of Bihar Electricity Regulatory Commission in the category of “any other petition/application.” As such, there is no need to insert a

separate item under serial no. 22 of the schedule to the regulations.

- (2) That BSEB is the sole licensee in the State and incurring financial losses which are yet to be made good. The proposed amendment will further add to the miseries of the Board.

The petitioner requested Commission to consider fees, fines and charges regulations of neighbouring states like Jharkhand, Uttar Pradesh, Assam and West Bengal and apply similar norms in BERC Regulations also. Copies of relevant regulations were also made available by the petitioner to Commission.

Commission's View

- (1) The Commission has perused the relevant fees, fines and charges regulations of the various states as proposed by BSEB viz. Jharkhand ERC, Uttar Pradesh ERC and Assam ERC. It is observed that as regards short term procurement of power, above mentioned State Commissions are charging same fees irrespective of the period of procurement (Short / Medium / Long Term) and quantum of the procurement. The proposed fee in the draft regulations is comparable and is in line with the Regulations of other neighbouring SERCs.

Thus, Commission observes that the proposed amendment is in order. Commission further observes that there is no need to insert a separate entry for short term procurement of power and decides to include short term, medium term and long term procurement at serial no. 7 of schedule to the regulations.

- (2) As regards fee for FPPCA petition, most of the State Commissions mentioned by BSEB, have not specified the fee for FPPCA petition separately. The fee of ₹ 50,000/- (Rupees fifty thousand) per petition proposed by BEREC appears to be rational in view of the time and manpower involved in examination of the proposals and according approval. The proposed fee will also not place any burden on BSEB as it will be included in the ARR of BSEB. Accordingly, the Commission approves the proposed fee contained in the draft amendment, in line with Assam Electricity Regulatory Commission.
- (3) In regard to other fees, the petitioner has not made any comments and accordingly the draft amendment placed for circulation is approved by the Commission.

Approved amendment will be forwarded to the State Government for publication in the Gazette of Bihar. A copy of the order may be sent to BSEB. The order will also be hosted on the website of the Commission.

Sd/-
(S.C. Jha)
Member

Sd/-
(R.N. Sharma)
Member

Sd/-
(U.N. Panjiar)
Chairman