

# Rajasthan Electricity Regulatory Commission

**Petition No: RERC/1274/17**

In the matter of petition filed under Section 94 (1) (f) of the Electricity Act, 2003 for review of Commission's order dated 27.04.2017.

**Coram:**

**Sh. Vishvanath Hiremath, Chairman**  
**Sh. R.P. Barwar, Member**  
**Sh. S.C. Dinkar, Member**

**Petitioner(s):**

1. Jaipur Vidyut Vitran Nigam Ltd.
2. Ajmer Vidyut Vitran Nigam Ltd.
3. Jodhpur Vidyut Vitran Nigam Ltd.

**Respondents:**

1. Rajwest Power Limited. (RWPL)
2. Barmer Lignite Mining Co. Ltd. (BLMCL)

**Date of hearings:** 30.11.2017, 13.12.2017, 16.01.2018 and 09.02.2018

**Present:**

1. Sh. P. N. Bhandari, Advocate for Petitioners
2. Sh. Aman Anand, Advocate for Respondents

**Date of Order:**

**29.05.2018**

## **ORDER**

1. Jaipur Vidyut Vitran Nigam Ltd., Ajmer Vidyut Vitran Nigam Ltd. and Jodhpur Vidyut Vitran Nigam Ltd. (hereinafter referred to as "Petitioners" or "Discoms") have collectively filed a petition on 06.11.2017 under Section 94

(1) (f) of the Electricity Act, 2003 for review of Commission's order dated 27.04.2017 issued for determining interim tariff for sale of electricity from its RWPL's power stations and transfer price of Lignite from Kapurdi mine for FY 2017-18.

2. Discoms in their petition submitted as under:

(i) Commission vide its order dt. 27.04.2017 passed in petition no. 966/17 and 967/16 filed by M/s BLMCL and M/s RWPL respectively had determined interim tariff for RWPL's power stations and transfer prices of lignite from Kapurdi mine FY 2017-18 as Rs. 4.0123/unit and Rs. 1807.39/MT respectively.

(ii) While allowing the above interim tariff, Commission observed as under:

*"30. Interim tariff for units 1 to 8 of the RWPL and interim transfer price of BLMCL would be applicable from 01.04.2017 subject to adjustment, if any, based on final tariff and transfer price to be determined."*

(iii) Further, Commission vide its order dt. 19.06.2017 had approved the final tariff for RWPL's power stations for FY 2014-15, 2015-16 and 2016-17 as under:

Particulars	FY 2014-15	FY 2015-16	FY 2016-17
Fixed Charges (Rs./kWh))	2.006	1.906	1.817
Variable Charges (Rs./kWh)	1.516	1.634	1.848
Total Tariff (Rs./kWh)	3.522	3.539	3.665

(iv) Commission at para 4.71 of its order dt. 19.06.2017 observed as under:

*"4.71 The Commission directs RWPL to bill/adjust the difference in tariff approved by the Commission in this order and the tariff charged by RWPL as provisionally approved by the Commission for the period FY 2014-15 to FY 2016-17."*

(v) Since there is a substantial difference between the interim tariff and the final tariff determined by the Commission for FY 2016-17, Discoms are facing heavy financial burden. When the final tariff has been determined by the Commission for and upto the year 2016-17, then the interim tariff

should also be brought at par. When the final tariff has been determined then continuation of the interim tariff would be erroneous and therefore this needs to be reviewed.

(vi) Interim tariff decided for FY 2016-17 has now been finally determined by order dated 19.06.2017. The figures of ad-hoc tariff for FY 2017-18 were based on the interim tariff for FY 2016-17 allowed vide order dated 31.3.2016. Once the final tariff determination for 2016-17 has been done through the order dated 19.6.2017, the earlier assumptions are no more valid. Hence the interim tariff for FY 2017-18 deserves to be updated and revised based on the final figures of FY 2016-17.

(vii) Commissions in its order dt.19.06.2017 has very elaborately gone into various parameters and after detailed scrutiny arrived at the final figures. After this exercise, the interim determination for the relevant period cannot hold water. Interim determination is based on broad parameters without any detailed scrutiny. That is why, every order determining interim tariff concludes by stating that "this is subject to the final order". Hence the interim orders have a transient nature.

(viii) It is therefore requested that the interim tariff for FY 2017-18 may kindly be review in the light of the latest order dated 19.6.2017.

3. The notice was issued to Respondents on 30.11.2017 for filing the reply on the petition. However, Respondents have not filed their reply so far.
4. The matter was finally heard on 09.02.2018. Sh. P.N. Bhandari, Advocate appeared for Respondent Discoms reiterated the submission made in the petition. Sh. Aman Anand, Advocate appeared for RWPL.

### **Commission's Analysis**

5. The Commission has gone through the submissions of the Petitioner and Respondents.
6. It is the contention of the Petitioner that ad-hoc tariff allowed for FY 2017-18 was based on the interim tariff approved for FY 2016-17. Further, Commission vide its order dated 19.6.2017 has determined the final tariff for 2016-17 then interim tariff for FY 2017-18 deserves to be updated and revised based on the final figures of FY 2016-17. Petitioner also contended that since there is a substantial difference between the interim tariff and the final tariff determined by the Commission for FY 2016-17, the order dated 27.04.2017 may be reviewed.
7. Respondents, during the hearing submitted that the petition for determination of tariff for FY 2017-18 for RWPL's power plant is pending before the Commission and Commission has reserved the order on the same, therefore there is no need to revise the ad-hoc tariff allowed for FY 2017-18.
8. Commission observes that RWPL has filed a petition for determination of tariff for FY 2017-18 for its RWPL's power plant and Commission after carefully considering the submissions of the Petitioner, Respondent Discoms and Stakeholder has passed an order dt. 18.05.2018 and determined the final tariff for FY 2017-18 for RWPL's power plant.
9. In view of above, this petition has become infructuous. Accordingly, petition stands disposed.

(S. C. Dinkar)  
Member

(R. P. Barwar)  
Member

(Vishvanath Hiremath)  
Chairman