



ASSAM ELECTRICITY REGULATORY COMMISSION

ORDER SHEET

FILE NO. AERC 744/2020

PETITION NO: 10/2020

CORAM: HON'BLE SHRI S.C. DAS, CHAIRPERSON
HON'BLE SHRI S. N. KALITA, MEMBER
HON'BLE SMTI B. BORTHAKUR, MEMBER

In the matter of

Mitigation of impact of COVID-19 on the consumers and Assam Power Distribution Company Limited (APDCL)

And

Appeal seeking relief during the period of lock down of Tea Estates for combating the spread of COVID-19 filed by Consultative Committee of Plantation Associations

SUO-MOTO ORDER

24.04.2020

1. Ministry of Home Affairs, Government of India vide its Order No. 40-3/2020-DM(I)(A) dated 24/03/2020 has imposed lock down with certain exceptions, in all parts of the country for a period of 21 days with effect from 25/03/2020 to contain COVID-19 pandemic in the country, and whereas operations related to electricity supply (viz. Power Generation, Transmission and Distribution) have been exempted under the lockdown to ensure uninterrupted power supply.
2. Ministry of Power (MoP), Government of India in the current scenario of COVID-19 outbreak and nationwide lockdown and a need to ensure uninterrupted power supply, in the interest of public, under Section 107 of the Electricity Act, 2003 issued directions vide its Order No. 23/22/2019-R&R Part-4 dated 28/03/2020 to Central Electricity Regulatory Commission (CERC) as follows:

"...The Commission may specify a reduced rate of Late Payment Surcharge (LPS) for payments which become delayed beyond a period 45 days (from the date of presentation of the bill) during the period from 24th March, 2020 to 30th June, 2020 to generating companies and licensees treating the restrictions placed by the Central Government to contain COVID-19 as an event of force majeure. The reduced LPS shall be applicable for delayed payments till 30th June, 2020. The LPS should not be more than the cost that the Generating Companies and Transmission Licensees would have to bear because of the

delayed payment...”

3. CERC, in compliance to above mentioned direction of MoP , has passed a suo-moto Order dated 03/04/2020 regarding reduction of Late Payment Surcharge, as follows:

“Keeping in view the directions issued by the Government of India under section 107 of the Act and to address the difficulties faced by the distribution companies (beneficiaries of the generating stations and long term customers of inter-State transmission systems) on account of the unprecedented situation arising out of the restrictions placed by the Central Government and State Governments on the movement of public and opening of offices and establishments etc., the Commission in exercise of its powers under Regulation 76 of the 2019 Tariff Regulations relaxes the provisions of Regulation 59 of 2019 Tariff Regulations to provide that if any delayed payment by the distribution companies to the generating companies and inter-State Transmission licensees beyond 45 days from the date of the presentation of the bills falls between 24.03.2020 and 30.06.2020, the concerned distribution companies shall make the payment with LPS at the reduced rate of 12% per annum that translates into 1% per month.”

4. The Ministry of Home Affairs vide order dated 15.4.2020 extended the lock down period upto 03.05.2020 with certain relaxation w.e.f. 20.04.2020.
5. Due to the lock down arising out of COVID-19 the business in Micro as well as Macro level has been hampered.
6. The Consultative Committee of Plantation Associations (TEA-COFFEE-RUBBER-CARDAMOM) filed an appeal before Assam Electricity Regulatory Commission highlighting the acute financial crisis faced due to the lock down and prayed as below:
 - (i) The due date of upcoming bills from the month of March 2020 onwards for at least 5 months post resumption of operations, may kindly be considered to be deferred by at least 45 days beyond grace period without imposing any Late Payment surcharge (LPSC).
 - (ii) During the instant period of Lock-down from 24.03.2020 till further directive as to be received from the Government, we seek your kind consideration to allow applicable rebates pertaining to Maximum Demand Charge; Load Factor Rebates and Power Factor Rebates etc.
 - (iii) Waiving of the levy of Electricity Duty for a period of 5 months.
7. The said appeal was registered as Miscellaneous Petition No. 10 of 2020.
8. APDCL submitted their response on 17.04.2020.
9. In the mean time various consumer groups also filed representation before APDCL, Government of Assam and Assam Electricity Regulatory Commission seeking moratorium

on payment of electricity dues.

10. The impact of lock down has led to cash flow problem for all the consumers in the state of Assam as well as for the APDCL.
11. The Commission acknowledge the prevalent situation due to the lock down to combat the COVIT-19 in the country and the difficulties faced by the stakeholders and decided to take up the suo-moto proceedings as the matter is of common nature.
12. It is a fact that the income of all the consumer category in the state of Assam has been badly affected due to the prevailing situations.
13. It is also an admissible fact that the APDCL is obliged to maintain uninterrupted power supply in the state of Assam and in doing so they have to honour the long-term contract executed with the generators as well as transmission licensee to ensure continuous power supply.
14. The APDCL has submitted that they have raised bills on the consumers for the month of March 2020 based on average consumptions when meter was not possible to read and with due dates in the last week of April 2020.
15. APDCL also submitted that their revenue collection was severely hit due to lock down imposed w.e.f. 25.03.2020 and facing severe financial crisis. So, they are not in a position to allow any concession to consumers, unless they are duly compensated for the same.
16. The AERC passed the tariff order of APDCL on 07.03.2020 effective from 1st April 2020.
17. APDCL will raise bill in revised tariff for the consumption of April 2020 payable during the month of May 2020.
18. As the FY 2019-2020 is already over and bill for the consumption for March 2020 has been raised, the Commission does not deem it proper to allow any relaxations on the same except that the due date is extended upto 30.04.2020.
19. The Commission after careful consideration of the situation at hand decided to provide following relaxation on the electricity bills raised in the month of April and to be raised in May 2020 for consumption for the month of March 2020 and April 2020.
 - (a) The due date for payment of dues payable in April 2020 is extended till 30th April 2020.
 - (b) A rebate of 1% shall be allowed for payment made within the due date for the bill amount of April 2020, raised and payable in May 2020.
 - (c) Part payment of electricity charges is allowed to the consumers against bills for the month of March 2020 raised in April 2020 and for the month of April 2020 raised in May 2020.
 - (d) The deferred amount will entail 1% surcharge per month if paid within 31st July 2020. Payment made beyond 31st July 2020, the surcharge @1.5% will be levied per month or part thereof from the original due date.
 - (e) APDCL may pursue with the Government of Assam for suitable grant-in-aid to mitigate the liquidity position of APDCL.

- (f) APDCL shall explore the possibility of short term borrowing from financial institution at competitive rate for the working capital requirement till 31st July 2020. Additional interest on this account will be considered during True-up in addition to normal interest on working capital entitlement.
- (g) APDCL shall separately account for the financial impact arising out of this order in each annual account and submit to the Commission at the time of true up of FY 2020-2021.
- (h) If Government of Assam sanctions any financial aid to APDCL to mitigate the hardship of the consumers, the same should be passed on to the consumers.
- (i) The Commission may of its own or on any reference made by the stakeholders, may review the above order.

20. In view of the above decision and direction of the Commission, the Miscellaneous Petition No. 10 of 2020 stands disposed off.

s/d
(B. Borthakur)
Member, AERC

s/d
(S. N. Kalita)
Member, AERC

s/d
(S. C. Das)
Chairperson, AERC