

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL

Sub : In the matter of request for making provision of Terminal Benefits for year 2011-12 in the amended Clause 27.6 of MPERC (Terms and conditions for determination of transmission tariff) Regulations, 2009 issued vide No. 950/MPERC/2010 Bhopal dated 16.04.2010 notified on 30.04.2010 and deletion of views made part of Regulations.

Petition No. 42 of 2010

ORDER

(Date of Hearing : 20th July, 2010)

(Date of Order : 28th July, 2010)

MP Power Transmission Co. Ltd. - Petitioner
Shakti Bhwan, Jabalpur

V/s

MP Poorv Kshetra Vidyut Vitaran Company Ltd.,
Shakti Bhawan, Rampur, Jabalpur - 482 008.

M.P. Madhya Kshetra Vidyut Vitaran Co. Ltd.,
Nishtha Parisar, Govindpura, Bhopal - 462023.

M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd.,
GPH Compound, Pologround, Indore.

MP Audyogik Kendra Vikas Nigam,
Indore (SEZ, Indore).

MP State Electricity Board,
Shakti Bhawan, Jabalpur.

Energy Depart, GoMP

- Respondents

Shri D.P.Saxena, Consultant appeared on behalf of the Petitioner.

2. The petition is in the matter of request for making provision of Terminal Benefits for year 2011-12 in the amended Clause 27.6 of MPERC (Terms and conditions for determination of transmission tariff) Regulations, 2009 issued vide No. 950/MPERC/2010 Bhopal dated 16.04.2010 notified on 30.04.2010 and deletion of views made part of Regulations.

3. The petition is filed under the following provisions:

- (i) Clause 45 of MPERC (Terms & Conditions for Determination of Transmission Tariff) Regulations, 2009.
- (ii) Section 94(f) of the Electricity Act, 2003.
- (iii) Clause 47 of MPERC (Conduct of Business) Regulations, 2004.
- (vi) General Clause Act 1897-S-21.

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4. The Petitioner in his petition has submitted that clauses 27.5 and 27.6 of MPERC (Terms and Conditions for determination of Transmission Tariff) Regulations, 2009 were notified on 30.04.2009 for the control period from 2009-10 to 2011-12 and the amendment to the aforesaid regulation was notified on 30.4.2010.

5. The Petitioner has sought review of the aforesaid Para 27.6 of first amendment to MPERC (Terms and conditions for determination of Transmission Tariff) Regulations, 2009 dated 30.04.2010 on the following grounds –

- (i) The Para 27.6 of amended Regulation states that the existing arrangement of allowing funds for terminal benefits in ARR of MPPTCL shall continue upto FY-2010-11 but nothing has been mentioned for the FY 2011-12.
- (ii) The stipulation (K) of the opening balance sheet which is part of transfer scheme as notified by the state government directs the Petitioner to claim actual pension till requisite fund is developed, whereas, the amended Regulation allow this arrangement upto FY 2010-11. Therefore a provision for FY 2011-2012 may be made.
- (iii) As against the provision of para 8.1, the principles of terminal benefit payments in Para 27.6 are changing for each year. In order to keep uniform principle, it is prayed that provision for FY 2011- 12 may also be made similar to that for previous two years of control period.
- (iv) As per Commission's view in Regulation the arrangement of allowing actual expenses in ARR is becoming unsustainable and will have to be discontinued in near future. On the basis of the table cited in the petition, Petitioner has submitted that the terminal benefit liabilities grow little more as compared to ARR of retail tariff of Discoms (ranging from 2.48% to 3.33%) and is not expected to be unsustainable in future too.
- (v) Petitioner has referred various provisions of Section 131(3)(b), 131(5)(b) and section 132 of Electricity Act 2003. As per Section 133(2) of the Act the conditions of transfer shall not in any way be less favourable than those which would have been applicable to the personnel if there had been no such transfer

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under the Transfer Scheme. Therefore, the Terminal Benefit to existing pensioner cannot be denied.

6. The Petitioner has prayed to the Commission as under :

- (a) Make suitable provision for Terminal Benefits in Para 27.6(c) of MPERC (Terms and conditions for determination of Transmission Tariff) Regulations notified on 30.04.2010 for FY 2011-12 covered under control period.
- (b) Delete the views expressed in Para 27.6 on un-sustainability of Terminal Benefits to be allowed in ARR, and its discontinuance in near future.
- (c) Delete Commission's views that only provisioning of working employees be allowed in tariff.

7. The case was listed for motion hearing on 20.07.2010.

8. During the hearing, the representative of the Petitioner made a request that specific provisions for the FY 2011-12 may be made in Clause 27.6 of the Regulation.

9. The Commission after hearing the Petitioner has directed that the provisions of Clause 27.6 of the aforesaid Regulations be reviewed and further action be taken accordingly in due course.

10. With the above directions the Petition No. 42 of 2010 stands disposed off.

Ordered accordingly,

(C.S.Sharma)
Member (Eco.)

(K.K.Garg)
Member (Engg.)