

**ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAVAN
UNIT-VIII, BHUBANESWAR-751012**

**Present : Shri S. P. Nanda, Chairperson
 Shri S. P. Swain, Member
 Shri A. K. Das, Member**

Case No.27 of 2013

The CEO, WESCO, NESCO & SOUTHCOPetitioner

Vrs.

GRIDCO & AnotherRespondents

In the matter of: Application under S.86 of the Electricity Act,2003 read with S.11 (i) (d) and 37 of the OER Act,1995 seeking regulation of Escrow arrangement between the RIL Managed DISCOMs and GRIDCO Ltd. with 1st priority of utilization of escrow in favour of lenders.

AND

Case No.48 of 2013

CEO, WESCO, NESCO & SOUTHCOPetitioner

Vrs.

GRIDCO & AnotherRespondents

In the matter of: Application under S.86 (1)(f) of the Electricity Act, 2003 read with Sec. 11 Clause-1 of sub-Sec.(d)&(i) and 37 of the OER Act, 1995 for approval of Employees cost from Escrow Account pari-pasu with current BST etc. in terms of Para 322(A)(a) of the RST Order dated 20.03.2013 passed in Case Nos. 104, 105, 106 & 107 of 2012.

For the Petitioner: Shri. A. K. Bohra, CEO, CSO, WESCO, NESCO & SOUTHCO,
 Shri G. B. Swain, GM(F), WESCO, NESCO & SOUTHCO,
 Shri K. C. Nanda, DGM(F), WESCO.

For the Respondents: Shri N. Sahoo, GM(F), GRIDCO, Shri S. Sahoo, AGM(F), GRIDCO, Shri S. K. Sahoo, DGM(F), GRIDCO, Sri B. Bhatta, DGM(F), GRIDCO, Smt. Niharika Pattnaik, ALO, DoE, Govt. Of Odisha.

ORDER

Date of hearing: 02.05.2014

Date of Order: 24.06.2014

The present two Petitions which have been filed by DISCOMs namely WESCO, NESCO & SOUTHCO are related to Escrow relaxation given in the RST order of the Commission for FY 2013-14. Therefore, the two petitions were heard analogously. In the first petition (Case No. 48/2013) the DISCOMs have prayed that the Commission should review their direction in escrow relaxation principle given in Para 322 (A) of the RST Order and should attach equal priority to employee cost to that of BSP payment to GRIDCO. They have further prayed that their prayer can be accommodated without any change in Tariff order by putting employee cost under 'any other cost' already approved by the Commission as first priority of escrow relaxation. The Petitioners in their submission have further stated that although WESCO & NESCO had paid the BSP dues in full during FY 2013-14 as per the scheduled energy, GRIDCO has only allowed Escrow relaxation only for 2 months i.e. October, 2013 and March 2013. Similarly, for SOUTHCO the escrow relaxation has been given for five months during the same period. The Petitioners pray that appropriate direction should be given to GRIDCO to relax escrow for the months for which BSP dues have been paid in full during FY 2013-14.

2. In the second petition (Case No.27 of 2013), WESCO, NESCO & SOUTHCO have prayed for modification of the priority in escrow relaxation approved by the Commission in its Tariff order for FY 2013-14 in such a manner that the requirement of serving the counterpart loans to be raised for Capex programme can be met by attaching first priority to it along with BSP payment.
3. The Respondent, GRIDCO in its reply submitted that the present petition to revise the priority for escrow relaxation is not tenable and may be rejected as this would have a adverse impact on the GRIDCO's finances by the way of reduction in receipt of BSP bills. They have fully acted as per the principle of escrow relaxation laid out by the Commission.
4. Heard the parties at length.
5. We are of the opinion that retrospective review of the Tariff order for FY 2013-14 can't be allowed at a belated stage, as the Commission has already passed the RST order for the

subsequent year 2014-15. If interfered at this stage, this would derail the arrear adjustment mechanism completely and will have impact on the tariff order for FY 2014-15. Therefore, both GRIDCO and DISCOMs should abide by directions given by the Commission with regard to escrow relaxation given in the Tariff Order.

6. Accordingly with the above observations, the cases are disposed of.

Sd/-
(A. K. Das)
Member

Sd/-
(S. P. Swain)
Member

Sd/-
(S. P. Nanda)
Chairperson