

KARNATAKA ELECTRICITY REGULATORY COMMISSION

**No.16C-1. Miller Tank Bed Area, Vasanthanagar
BENGALURU - 560 052**

Dated 4th November, 2020

In the matter of:

Application of HRECS in respect of the Annual Performance Review for FY19, Approval of Annual Revenue Requirement for FY21 and approval of revised Retail Supply Tariff for FY21, under Multi Year Tariff framework.

Present:	Shri Shambhu Dayal Meena	Chairman
	Shri H.M. Manjunatha	Member
	Shri M.D. Ravi	Member

O R D E R

The Hukeri Rural Electric Co-operative Society Ltd., (hereinafter referred to as HRECS) is a Distribution Licensee under the provisions of the Electricity Act, 2003. The HRECS, has filed its Tariff application on 27th November, 2019 and has prayed to consider:

- a) To allow gap of Rs.33.35 Crores of the year 2018-19 in the ARR of FY21 which has been factored in the application for revised ARR and tariff application filed alongside of this application for the kind consideration of the Hon'ble Commission.
- b) Approve the annexed audited Accounting Statements of the Applicant for the Financial Year 2018-19.
- c) To direct HESCOM to waive interest levied to the extent of Rs. 35.24 crores or allow the same in the ARR in phased manner.

- d) Allow the items Interest on working capital and RoE for the year 2018-19 as mentioned in para 4 & 5 under revenue requirement which are normative in nature which are allowed by the MYT Regulations as a reward for the efficiency.
- e) Allow the recovery of filing fees, costs and other expenses to be incurred in this regard as a pass through.
- f) Pass such other Orders as the Hon'ble Commission deems fit under the facts and circumstances of the case; and
- g) Allow this application, in the interest of justice.

In exercise of the powers conferred under Sections 62 and 64 and other provisions of the Electricity Act, 2003, KERC (Terms and Conditions for Determination of Tariff for Distribution and Retail Sale of Electricity) Regulations 2006, read with the KERC (Tariff) Regulations, 2000 and other enabling Regulations, as amended from time to time, the Commission has considered this application and also the views and objections submitted by the consumers and other stakeholders while passing this Order. The Commission's decisions on various aspects, are brought out in the subsequent Chapters of this Order.