

**JOINT ELECTRICITY REGULATORY COMMISSION
FOR THE STATE OF GOA AND UNION TERRITORIES
GURGAON**

Quorum
Shri S.K.Chaturvedi, Chairperson
Smt. Neerja Mathur, Member
Petition No. 207/2016
Date of Order: 26.07.2016

In the matter of:

Petition under Section 61 and 62 of the Electricity Act, 2003 for approval of Implementation of DSM based Efficient Lighting Programme (DELP) in the Circle of operation of Electricity Department, Andaman & Nicobar under Demand Side Management Programme.

And in the matter of:

Electricity Department, Andaman & Nicobar Administration, Vidhyut Bhavan, Port Blair – 744 101

.... **Petitioner**

Present

For the Petitioner

Shri B. Ajit Kumar, Executive Engineer, (NRSE), Electricity Department, A&N Islands

ORDER

The Petitioner has filed this Petition for approval of the Commission to implement the Domestic Efficient Lightning Programme (DELP) for LED bulbs in the area of UT of Andaman & Nicobar Islands under Demand Side Management (DSM) Programme.

The Petitioner has submitted the following in its Petition:-

1. The Proposal to implement the DSM based Efficient Lightning Programme in the UT of A&N Islands shall be through an agreement with M/s Energy Efficiency Services Limited.
2. A Standard Offer Programme (SOP) shall be implemented in the household sector of the UT of A&N Islands.
3. DELP- SOP Program details:
 - a) Under the DELP-SOP Program, M/s EESL will deliver 4, 00,000 nos of 9 watt LED bulbs.

- b) The Electricity Department shall distribute 9 watt LED bulbs to 1,00,000 domestic service connections @ 4 LED bulbs to each household in the UT of A&N Islands in exchange of working ICL/CFL for each LED lamp and collect subsidized price of Rs.10 per LED lamp from each domestic consumer.
- c) The Monitoring Committee approved by the UT of A&N Administration shall monitor the progress and report the working conditions of LED bulbs in the system.
- d) The Electricity Department, A&N Administration shall make onetime payment to M/s EESL against delivery of 9 watt LED bulbs at Central Store, Phoenix bay, Port Blair.
- e) M/s EESL shall replace the faulty LED bulbs in case of any technical defects (not for broken bulbs) free of cost throughout the Project period of 3 years irrespective of type of fault.
- f) M/s EESL shall supply 9 watt LED bulb with a logo “DELP & EESL” in standard packing and minimum life of 25000 burning hours of each LED lamp.
- g) M/s EESL will ensure the performance warranty of the LED bulbs provided under this programme during the contract period of 3 years and will deposit an amount at the rate of 10% of the total contract value as performance guarantee.
- h) Energy savings

Sl. No.	Particulars	Unit	Details	
1.	Number of households	No.s	1,00,000	
2.	Number of LED bulbs offered household	No.s	4	
3.	Number of LED bulbs offered under this scheme	No.s	4,00,000	
			ICL	CFL
4.	Wattage of Bulb	Watts	60	25
5.	Wattage of LED Bulb	Watts	9	9
6.	Power Savings	Watts	51	16
7.	Hours of Usage	Hrs/day	3.5	3.5
8.	Operating days per year	Days/year	300	300
9.	Energy saved per LED per day	Kwhr	0.1785	0.056
10.	Energy saved per LED per year	Kwhr	53.55	16.8
11.	Energy saved by 4,00,000 LED per year if		ICL	CFL
a.	100% replacement	MU	21.42	
b.	100% replacement	MU		6.72
c.	60% replacement	MU	12.85	
d.	40% replacement	MU		2.68

i) Project Financials at a Glance

Cost of LED bulb	Rs. 55.80
EESL service charge/administrative cost @ 1.5%per bulb	Rs. 0.84
Freight/ clearing and forwarding charges of LED bulbs from Chennai to Port Blair @Rs.1.32 per bulb	Rs. 5,28,000/-
Total cost of each bulb	Rs. 57.94
Total cost of 4 lakh LED bulb	Rs. 2,31,76,000/-
CST @ 2%	Rs. 4,63,520/-
Total cost payable to M/s EESL A	Rs. 2,36,39,520/-
Other charges i.e. contingency, Handling , Transportation to other Islands by ED (Departmental charges)	Rs.1.00
Departmental charge for 4 lakh bulbs B	Rs. 4,00,000
Distribution at free of cost by Electricity Department	Nil
Consumer contribution @10/-per bulb C	Rs. 40,00,000
Distribution at free of cost payable to EESL+ Deptt. Charge (A+B)	Rs. 2,40,39,520.00
The total cost of each bulb plus incidental charges is computed to	Rs. 60.09

j) Cost Benefit Analysis

Financial Payouts/receivables involved in the implementation of this scheme are tabulated below:-

SL.No.	Description	Amount (INR crores)
1.	Total investment made by M/s Energy Efficiency Services Limited	2.36
2.	Savings deemed to have been accrued to the Electricity Department Per annum by savings energy generation at Subsidized rate	
a.	100% replacement of ICL	34.35
b.	100% replacement of CFL	10.78
c.	60% replacement of ICL (i.e. 2,40,000 nos.)	24.92
d.	40% replacement of CFL (i.e. 1,60,000 nos.)	
3.	Total payout to be made to	
a.	M/s Energy Efficiency Services Limited including taxes presently	2.36
b.	Electricity Department for other charges i.e contingency, handling, transportation to other Islands	0.04
	Total	2.40
4.	Net savings to ARR (in crores)	
a.	100% replacement of ICL	100.66
b.	100% replacement of CFL	29.98
c.	60% replacement of ICL	72.38
d.	40% replacement of CFL	

The Petitioner further submits that this scheme will help the consumers to reduce their energy consumption and its cost. It will also help the distribution utility in reducing the demand and supply gap, minimize load shedding during peak hours, meet demand of other cross subsidizing consumers i.e. commercial and industrial establishments and will generate additional revenue through sale of deemed energy to cross subsidizing consumers and in turn help to bridge the gap between the average cost of supply and cross subsidized tariff rates.

The Commission considered the submissions made by the Petitioner at length. The Commission is of the view that the scheme is beneficial to both the domestic consumers and the distribution licensee. Accordingly, the Commission accepts this scheme in Public interest and accords its approval to the said scheme. The Commission directs the Petitioner to implement this scheme as per the terms and conditions stated above.

Ordered accordingly.

Sd/-
(NEERJA MATHUR)
MEMBER

Sd/-
(S.K.CHATURVEDI)
CHAIRPERSON

CERTIFIED COPY

Sd/-
(KEERTI TEWARI)
SECRETARY