

**KERALA STATE ELECTRICITY REGULATORY COMMISSION  
THIRUVANANTHAPURAM**

**O.P. No. 14 of 2013**

**In the matter of Approval of Cost Data for distribution works in the  
area of the licensee, Thrissur Corporation.**

Petitioner : The Secretary, Thrissur Corporation

Respondent :

Present : **Shri. T. M. Manoharan, Chairman**  
**Shri. Mathew George, Member**

**Interim Order dated 20 .11. 2014**

1. The Secretary Thrissur Corporation filed a petition on 09.11.2012 for the approval of cost data for distribution works. The said petition was admitted as OP No.14/2013. After preliminary scrutiny of the data submitted by the petitioner, the Commission had called for various clarifications. In the meanwhile KSEB Limited had also submitted petition for approval of the cost data for distribution works in its area of licence. The petition submitted by KSEB Limited was admitted as OP No.30/2013. After previous publication, public hearing and careful scrutiny the Commission issued on 28.02.2014, the orders approving the cost data applicable to the distribution works of KSEB Limited. Vide letter no.560/C.Engg/ER/2013 dated 05.03.2014, all the other licensees in the State were requested by the Commission to intimate whether or not the cost data approved for KSEB Limited were acceptable to them also. It was also intimated that if any of the items in the cost data for KSEB Limited were not acceptable to them, they shall move fresh petition for approval of separate cost data applicable to them. Accordingly the Secretary, Thrissur Corporation filed on 01.07.2014, a fresh petition for the approval of cost data for the distribution works to be undertaken by Thrissur Corporation Electricity Department (TCED). The said petition has been admitted and added to OP No.14/2013. After detailed scrutiny of the data, the Commission decided to conduct a public hearing on

11.11.2014 at Thrissur. The details of the cost data were published in the website of the Commission and in the web site of Thrissur Corporation. The particulars of public hearing were also published in newspapers having wide circulation in Thrissur Corporation area. Originally the venue for hearing was fixed at Government Guest House, Thrissur which was subsequently shifted to Corporation Council Hall, Thrissur at the request of the petitioner. The venue of hearing was further shifted to the conference hall in the Chamber of Commerce building, Thrissur.

2. In the public hearing only 3 persons participated. The names of participants are given below.

A. Participants representing the petitioner

- i. Adv. Nancy Akkarappatty, Chairperson, Standing Council, P & W, Thrissur Corporation
- ii. Shri. S. Jayakumar, Asst. Secretary, TCED
- iii. Shri. T.S.Jose, Ele. Engineer, TCED
- iv. Shri. M.G. Rajagopal, CGRF (member) and other staff members of TCED

B. Participants representing the public

- i. Shri. Jose Paul
- ii. Shri. Narayanan kutty K.
- iii. Shri. Jijo Antony, Kuriachira.

3. Shri. T.S. Jose, Electrical Engineer, TCED presented the details of cost data on behalf of the petitioner. As a preliminary observation the Commission pointed out the huge differences in the costs of various materials as indicated below;

Sl. No.	Items	Unit	Cost approved by the Commission for KSEB Ltd	Cost proposed by TCED
			Rs.	Rs.
1	G.I.Wire No. 12	Kg	59	82
2	PSC pole 7M		1741	
3	PSC pole 8M		2141	
4	PSC pole 9M		3353	
5	9M steel pole			7845
6	11M steel pole			9530
7	WP Wire 2.5 mm <sup>2</sup> TC	M	5.25	8
8	WP Wire 6 mm <sup>2</sup> TC	M	11	25
9	PVC 50 mm <sup>2</sup> SC	M	32	71
10	PVC 95 mm <sup>2</sup> SC	M	56	99
11	PVC 120 mm <sup>2</sup> SC	M	70	125
12	Fuse Unit 32 A	E	69	80

13	Fuse Unit 100 A	E	360	390
14	2 line cross arm (2' x 3 1/2" x-arm)	set	251	585
15	4 line cross arm (4' x 3 1/2" x-arm)	set	492	900
16	Clamp with Bolt & Nut	set	96	363
17	LT Shackles Set	set	42	67
18	LT Pin Insulator Set	set	44	51
19	LT Stay Set	set	905	2022
20	ACSR Rabbit	M	39.32	40
21	ACSR Raccoon	M	58.57	47
22	11kV AB switch	set	9884	12500
23	11 kV Pin Insulator	set	120	140
24	11 kV lightning arrestor	set	306	450
25	100 kVA transformer	No.	121500	174800
26	160 kVA transformer	No	177000	215334
27	250 kVA transformer	No	206500	279355
28	315 kVA transformer	No	**	332322
24	500 kVA transformer	No	396174	424600

4. The Electrical Engineer, TCED explained that the difference was due to the high cost of tubular steel poles in place of PSC poles used by KSEB Limited. It was also submitted that TCED is using 9 meter and 11 meter steel poles for construction of distribution lines. Therefore it would not match if PSC poles are inserted. He also submitted that all the materials were purchased observing store purchase rules and that the higher cost proposed by TCED was due to the lesser quantity of materials purchased by them when compared to the quantities purchased by KSEB Limited.

#### Response of public

5. All the participants who attended representing the General public were of the view the TCED shall not allowed exorbitantly higher rates for the works and materials from the consumers.

6. After hearing TCED and the public, the Commission observed that it was not enough for the TCED authorities to invite 3 quotations or tenders and to award the purchase to the lowest tenderer. They should also ensure that the lowest rate quoted by the supplier is comparable to the market rate and the rates for supply of same material in other licensees. The purchasing officer has got a moral and legal responsibility to purchase quality materials at minimum rates with a view to safeguarding the interest of the poor consumers.

7. The Commission also noticed that the participation of the public was little, presumably due to lack of publicity and changes in venue of public hearing at short notice. In the absence of a public hearing without proper participation of the stakeholders it would not be appropriate to take a final decision on the issue.

**Orders of the Commission**

8. In view of the above facts and circumstances the Commission decided as follows;

1. The matter will be again placed for public hearing along with the public hearing on the ARR and ERC of TCED for the financial year 2015-16.
2. A final order can be issued on the proposals submitted by TCED only after such public hearing.
3. In the meanwhile, the TCED may be allowed to follow the cost data for the distribution works of KSEB Limited as approved by the Commission in its order dated 28.02.2014 in OP No. 30/2013.

It is ordered accordingly.

Sd/-  
**Mathew George**  
Member

Sd/-  
**T.M. Manoharan**  
Chairman

Approved for Issue

SECRETARY