

EXECUTIVE SUMMARY

Background

The Hon'ble Commission has issued the MYT Regulations 2011 for the 2nd Control Period (FY 2011-12 to FY 2015-16) on 4th February 2011 which came into force from 1st April 2011. However, expressing concern over the MYT Regulations, MSEDCL has filed a petition on 22nd February 2011 requesting for deferment of implementation of MYT Regulations followed by addendum dated 22nd March 2011 to the said petition seeking reconsideration of MYT Regulations. The Hon'ble Commission heard the petition and by its Order dated August 23, 2011 (Case No. 24 of 2011) has exempted the determination of tariff of MSEDCL under the Multi-Year Tariff framework till March 31, 2013 (i.e., for a period of 2 years).

Subsequently the Hon'ble Commission has issued Amendment to MERC (Multi Year Tariff) Regulations 2011 on 21st October 2011 providing that the Distribution Licensee exempted from determining tariff under MYT framework shall continue to file the Annual Petitions for approval of ARR and tariff during the period of exemption, in accordance with the MERC (Terms and Conditions of Tariff) Regulations, 2005.

MSEDCL has submitted the Petition for True Up for FY 2010-11, Annual Revenue Requirement for FY 2011-12 and FY 2012-13 and Tariff Determination for FY 2012-13 on 24th February 2012. First Technical Validation Session (TVS) was held at MERC on 28th March 2012 and subsequently a Second TVS was held on 12th April. MSEDCL has received some data gaps and queries on the Petition from Hon'ble Commission and Authorised Consumer Representatives. As a result of compliance to the Data Gaps, the net revenue gap to be recovered from Tariff has changed and during the 2nd TVS, Hon'ble Commission has directed MSEDCL to file revised petition considering the revision in data and compliances of data gaps.

Accordingly, MSEDCL hereby submits the revised petition under section 62 of the Electricity Act, 2003 and MERC (Terms and Conditions of Tariff Regulations), 2005 as amended for:

- Final True up for FY 2010-11 based on Annual Audited Accounts;
- Estimated Annual Revenue Requirement for FY 2011-12 (based on the available actual data till January 2012 (For Sales and Power Purchase));
- Based on the estimates of FY 2011-12 and other factual considerations, projections for FY 2012-13.

Final Truing Up For 2010-11

Based on the audited accounts of MSEDCL, the Aggregate Revenue Requirement (ARR) for FY 2010-11 is determined as **Rs. 33,514 Crs.** Power Purchase, Employee Costs, Depreciation, Interest on Long-term Loan Capital, Interest on Working Capital, Return on Equity and Revenue from Sale of Power are certain areas where true up amount has varied as compared to the amount approved by the Hon'ble Commission. True up for FY 2010-11 and the variation in actual expenditure vis-à-vis the approval of the Commission vide its Order in Case No. 100 of 2011 is summarized below.

Rs. Crs				
Sr. No.	Particulars	FY 2010-11 (Approved)	FY 2010-11 (Audited)	Deviation
1	Power Purchase Expenses	25,222	25,882	659
2	Operation & Maintenance Expenses	2,779	2,881	102
2.1	Employee Expenses	1,895	2,047	152
2.2	Deferred expenses for earned leave encashment as per Commission's order dated 29.06.2008	88	88	-
2.3	Administration & General Expenses	268	232	(36)
2.4	Repair & Maintenance Expenses	528	514	(14)
3	Depreciation, including advance against depreciation	568	660	92
4	Interest on Long-term Loan Capital	340	481	141
5	Interest on Working Capital and on consumer security deposits	296	456	160
6	Provisions for Bad Debts	443	499	56
7	Other Expenses	(16)	15	31
8	Income Tax	96	126	30
9	Transmission Charges paid to Transmission Licensee	1,892	1,892	0
10	Contribution to contingency reserves	33	29	(4)
11	Incentives/Discounts	132	143	11
12	Total Revenue Expenditure	31,784	33,062	1,278
13	Return on Equity Capital	610	676	66
14	Aggregate Revenue Requirement	32,394	33,738	1,344
15	Less: Non Tariff Income	(1,361)	(1,252)	109
16	Less: Income from wheeling charges	(17)	(16)	1
17	Add: RLC Refund	519	521	1
18	Add: ASC Refund	212	213	0
19	Net Prior Period Credit / Charges	-	311	311
20	Aggregate Revenue Requirement from Retail Tariff	31,747	33,514	1,767
21	Revenue from Sale of Power at Existing Tariff	30,964	33,222	2,258
22	Less: Revenue from ZLS Power	1,455	1,455	(0)
23	Net Revenue	29,509	31,767	2,258
24	Revenue Gap	2,238	1,747	(491)

Power purchase cost excludes procurement for Zero Load Shedding as per Audited Accounts

Prima-facie there appears to be some difference between the revenue from sale of electricity as approved by the Hon'ble Commission and as finalized in the Annual Accounts for the year 2010 – 11. This is due to the fact that in Annual Accounts, a provision of Rs. 1,627 Crs is made for unbilled revenue. Unbilled revenue is the revenue which has accrued but which has not been billed to the consumers as on 31st March 2011. Such provision of unbilled revenue is necessary since the Accounts of the MSEDCL are being maintained on accrual basis, and is followed every year. Also an amount of Rs. 317 Crs. is considered less at the time of projecting revenue in the Petition i.e. Rs. 17 Crs. on account of revenue from Bhiwandi DF & Rs. 300 Crs. on account of GOM Subsidy. Further the revenue billed as considered in Accounts includes Reliability Charges billed to ZLS beneficiary consumers (Rs.

251 Crs.), which being not the revenue income of MSEDCL, was not considered while projecting Revenue in Petition.

Annual Revenue Requirement for FY 2011-12 and FY 2012-13

Aggregate Revenue Requirement of MSEDCL for FY 2011-12 and FY 2012-13 is projected considering the available actual data till January 2012 (For Sales and Power Purchase) & estimated for balance two months (estimated), projections for FY 2012-13 (projected) and Provisions of MERC terms & conditions of Tariff Regulation, 2005.

Considering the annual revenue requirement and net revenue; MSEDCL has calculated the stand alone revenue gap for the FY 2011-12 and FY 2012-13 as shown in the following table.

Rs. Crs

Sr. No.	Particulars	FY 2011-12 (Estimated)	FY 2012-13 (Projected)
1	Power Purchase Expenses	31,707	36,623
2	Operation & Maintenance Expenses	3,437	3,893
2.1	Employee Expenses	2,485	2,829
2.2	Administration & General Expenses	387	442
2.3	Repair & Maintenance Expenses	566	622
3	Depreciation, including advance against depreciation	1,014	1,309
4	Interest on Long-term Loan Capital	828	1,102
5	Interest on Working Capital and on consumer security deposits	683	711
6	Provisions for Bad Debts	572	761
7	Other Expenses	10	11
8	Income Tax	-	-
9	Transmission Charges paid to Transmission Licensee	2,199	2,199
10	Contribution to contingency reserves	51	66
11	Incentives/Discounts	150	158
12	Total Revenue Expenditure	40,652	46,832
13	Return on Equity Capital	903	1,043
14	Aggregate Revenue Requirement	41,555	47,875
15	Less: Non Tariff Income	(1,314)	(1,379)
16	Less: Income from wheeling charges	(17)	(18)
17	Add: RLC Refund	443	
18	Aggregate Revenue Requirement from Retail Tariff	40,667	46,478
19	Revenue from Sale of Power at Existing Tariff	38,135	43,127
20	Less: Revenue from ZLS Power	321	
21	Net Revenue	37,814	43,127
22	Revenue Gap	2,853	3,351

Power Purchase Expense for FY 2011-12 excludes the procurement for ZLS

Power Purchase

MSEDCL intends to procure power from all available sources. The Source wise power purchase expenses have been considered based on the available actual data till January 2012 and estimated for balance two months of FY 2011-12 and for FY2012-13 (Projected) are summarized below:

Source	FY 2011-12 (Estimated)		FY 2012-13 (Projected)	
	Quantum (MUs)	Cost (Rs. Crs)	Quantum (MUs)	Cost (Rs. Crs)
MSPGCL	43,753	13,191	51,591	16,001
NTPC	18,394	4,694	23,259	6,009
NPCIL	5,202	1,203	5,133	1,261
SSP	1,151	236	953	195
Pench	138	28	69	14
RGPP	11,222	4,234	10,014	4,253
Dodson	122	29	126	24
JSW	1,880	601	1,862	671
Adani Power			5,357	1,696
Mundra UMPP			2,203	506
Medium Term	2,526	1,040	3,023	1,258
Traders	8,098	2,999		
ZLS	476	218		
NCE	4,547	1,765	7,454	3,365
CPP	1,118	507	866	409
Powergrid		853		960
UI and IBSM	798	332		
Others		(6)		-
Total	99,423	31,925	111,910	36,623
Less:ZLS Power not to be claimed by MSEDCL*	476	218		
Total Power Purchase Claimed by MSEDCL	98,948	31,707	111,910	36,623

Energy Balance

MSEDCL has computed energy balance based on the availability of power, sales forecast and transmission and distribution losses for FY 2010-11, FY 2011-12 and FY 2012-13. MSEDCL has revised the interstate transmission losses to **3.38%** as against **1.17%** submitted in the previous petition i.e. in Case No. 100 of 2011. Further for FY 2011-12 and FY 2012-13 MSEDCL projected inter-state transmission loss of **4.21%** and **4.91%** respectively.

MSEDCL has achieved a significant reduction in distribution losses, during recent years. These efforts shall continue and will be enhanced. However, loss reduction is a slow process and becomes increasingly difficult as the loss levels come down. In view of this, it is assumed that the distribution loss in FY 2011-12 will be reduced by 1% and for FY 2012-13 by 0.50%.

Energy Balance of MSEDCL for all three years is shown in the following table.

Sr. No.	Particulars	Units	2010 -11		2011-12	2012-13
			Approved	Actual	Estimate	Projections
Within Maharashtra						
1	Purchase from MSPGCL	MUs	42,239	42,239	43,753	51,591
2	NPCIL Tarapur	MUs		3,614	4,010	4,401
3	Purchases from other sources and Medium Term	MUs	16,639	16,639	21,416	28,702
4	ZLS	MUs		1,655	271	
5	Traders	MUs		1,526	4,454	
6	IBSM + FBSM	MUs	225	225	550	
7	Power of other Distribution licensee on MSEDCL Network	MUs			1,517	
8	UI	MUs		1,108	248	
A	Total Purchase within Maharashtra	MUs	59,103	67,004	76,218	84,694
Outside Maharashtra						
1	Central Generating Station + NPCIL + UMPP + Case I + Sardar Sarovar + Pench	MUs	25,084	21,469	20,873	27,216
2	Traders	MUs	2,420	896	3,644	
3	UI	MUs	1,108			
4	Zero Load Shedding	MUs	2,626	972	205	
B	Total Purchase outside Maharashtra	MUs	31,238	23,337	24,722	27,216
1	Inter-State Transmission Loss	%	1.17%	3.38%	4.21%	4.91%
2	Total Purchase at Maharashtra Periphery	MUs	30,873	22,548	23,682	25,881
3	Total Power Purchase Payable	MUs	90,341	90,341	100,940	111,910
C	Total Power Available at Transmission Periphery	MUs	89,976	89,553	99,900	110,575
Energy Available at Distribution periphery						
1	Intra-state Loss	%	4.23%	4.23%	4.29%	4.29%
2	Energy at Distribution Periphery injected from 33 kv and above	MUs	86,170	85,765	95,614	105,831
3	Energy at Distribution Periphery injected and dawn at 33 kv	MUs		405	463	516
4	Energy at Distribution Periphery	MUs	86,170	86,170	96,078	106,347
5	Distribution Losses	%	18.20%	17.28%	16.27%	15.77%
6	Distribution Losses	MUs	15,683	14,890	15,632	16,771
D	Energy Available for Sale	MUs	70,488	71,280	80,446	89,576

Sales Projections

Based on the available energy for Sale derived from the energy balance, category wise sales have been projected. However, for FY 2010-11, the sales are as per audited statement and for FY 2011-12 the sales are considered on actual basis till January 2012 and estimated for the balance period of two months. For FY 2012-13, the projections are based on the past year sales. Summary of sales projections (in MUs) is shown below:

Category	FY 2010-11 (Actual)	FY 2011-12 (Estimated)	FY 2012-13 (Projected)
HT	31,372	32,900	37,437
LT	39,908	47,546	52,139
Total	71,280	80,446	89,576

Summary of Gap

Summary of Revenue Gap for FY 2012-13, proposed to be recovered from tariff is summarised below:

Sr. No.	Particulars	Rs. Crs	
		FY 2012-13 (Projected)	%
1	Gap of FY 2010-11	(491)	-1.14%
2	Gap of FY 2011-12	2,853	6.62%
3	Gap of FY 2012-13	3,351	7.77%
4	CAPEX - FY 2008-09	237	0.55%
5	Gap approved to be uncovered for FY 2010-11	405	0.94%
6	ATE Judgement (124 of 2010) Surplus allowed in the provisional true up for the FY 2008-09	427	0.99%
7	Approved Gap of MAHAGENCO	610	1.42%
8	Approved Gap of MAHATRANSCO	230	0.53%
9	Total Gap to be recovered from Tariff	7,623	17.68%

Issues

- **ATE, Delhi Judgment**

MSEDCL has filed an appeal (124 of 2010) against the MERC order dated 17.8.2009 (Case no. 116 of 2008) in the matter of true up for the FY 2007-08, annual performance review for 2008-09 and determination of ARR and tariff for the FY 2009-10. The Hon'ble ATE passed the judgment on 3rd January 2012 and ruled the matter in MSEDCL's favor. Accordingly, MSEDCL is claiming the impact of non consideration of surplus of Rs. 214 Crs in the provisional true up for the FY 2008-09 i.e. Rs. 427 Crs (Rs. (213) Crs - Rs. 214 Crs).

- **RLC Refund**

RLC Refund for FY 2011-12 is estimated at Rs. 443 Crs. However, MSEDCL has not considered any RLC Refund for FY 2012-13.

Suggestions

The revenue gap and the tariff have been arrived at on the basis of firmed up data from various power generating companies and other agencies. Also, this data in some cases is likely to get revised on account of various reasons including decisions by the Regulatory Forums. This is likely to have an additional impact on revenue gap, which cannot be estimated at this stage. It is humbly requested that as and when such impact is arrived at, the same may please be considered and Hon'ble Commission may permit immediate recovery of the same by way of an additional charge whenever such order comes.

Mula Pravara Electric Co-operative Society Ltd.

The Mula Pravara Electric Co-operative Society Ltd. (MPECS), Shrirampur was established in FY 1969-70. MPECS was granted Distribution license for 20 years by the State Government in 1971 and commenced its functioning w.e.f. March 1, 1971. MPECS took over the electrical distribution network of erstwhile MSEB. The said license was renewed by the State Government for another 20 years i.e. from 1991 to 2011. The term of license of MPECS has expired on 31.1.2011.

MPECS was purchasing power from the erstwhile MSEB up to May 2005 and from MSEDCL thereafter. Subsequent to constitution of MERC, the tariff for supply of electricity by MSEB / MSEDCL was determined by MERC from time to time on different occasions. As on the end of January 2012, arrears payable by MPECS has mounted up to Rs. 2639.72 Crs.

MERC vide its Order dated 27th January, 2011, rejected the application of MPECS for grant of distribution license and not only granted license to the MSEDCL, but also amended the license of the MSEDCL by merging its area of supply with MSEDCL area of supply.

The Hon'ble ATE vide Judgment dated 16th December, 2011, set aside the order dated January 27th, 2011 and remanded the matter to MERC with the direction to reconsider the

application for license of MPECS with a further direction to consider for grant of license to both the parties by allowing them to operate in the same area. However, in the mean time, the MERC Order dated January 27, 2011 was implemented by MSEDCL and has taken over the distribution system of the Society with effect from February 1, 2011.

In the present ARR Petition, MSEDCL has considered MPECS' area as merged with the area of supply of MSEDCL and has accordingly estimated the sales, revenue requirement, etc. In case the decision of the Hon'ble Commission in the matter of implementation of the ATE Order dated December 16, 2011 goes against MSEDCL, then such decision will have consequential impact on the ARR Petition, which the Hon'ble Commission may please take in to account in appropriate manner at the time of deciding the ARR Petition of MSEDCL.

Suggestions about Tariff Revision

MSEDCL has made following suggestions for determination of tariff.

- **Restoration of Fixed Charges:**

MSEDCL has proposed restoration and rationalization of fixed charges for all HT category consumers except HT II Commercial, the Fixed Charges / Demand Charges payable by HT consumers belonging to different categories has been reinstated to the level of Fixed Charges / Demand Charges prevailing as per Tariff order dated 20th October 2006. For HT II Commercial Category (Others), it is proposed to increase the fixed charges from Rs. 150 per kVA to Rs. 300 per kVA per month.

However, Fixed Charges payable by Below Poverty Line (BPL) domestic consumers have been increased from Rs. 3 per connection per month to Rs. 10 per connection per month. For LT Domestic consumers, other than BPL Category consumers, it is proposed to have telescopic Fixed Charges based on the consumption.

Similarly, MSEDCL is proposing to increase in the fixed charges of LT Commercial Consumers (Above 20 kW) from Rs. 150 per kVA to Rs. 300 per kVA per month. Further, it is also proposed to increase in the fixed charges of LT Industrial Consumers Upto 20 kW from Rs. 150 to Rs. 220 per connection per month and Above 20 kW From Rs. 100 to Rs. 200 per KVA per month.

- **Rebate to Industries during Off-peak period:**

MSEDCL has proposed that there will be no change in prevailing incentives / rebates / penalties, except that the rebate in energy charge available to Industrial consumers (HT and LT) has been proposed to increase substantially from existing level of 85 paise per unit to 250 paise per unit, which will be applicable for consumption during night hours (10.00 p.m. to 06.00 a.m. next day).

- **Billing Demand during off peak period:**

MSEDCL has proposed that the Hon'ble Commission may consider modifying the present provision in respect of "Billing Demand" and the Demand recorded during off peak hours also needs to be considered for billing purpose. Similarly, MSEDCL has proposed that such consumers who have exceeded Contract Demand during night hours should also not be considered as eligible for "Load Factor Incentive". (Cases have come to the notice of MSEDCL where this provision has been misused by some consumers).

- **Reduction/Enhancement of Contract Demand by Minimum 25%**

MSEDCL found that many consumers are misusing the current provisions regarding Monthly Billing Demand by reducing the Contract Demand by just few kVAs. Due to change in Contract Demand the billing MD, instead of 75 % of 11 months maximum Demand becomes 50% of Contract Demand resulting in huge loss of revenue from fixed charges to MSEDCL.

Hence, MSEDCL requests the Hon'ble Commission to impose minimum 25% limit to change in Contract Demand for the applicability of the current provisions regarding Billing Demand and make following amendment in the provision.

"In case of change in Contract Demand by at least 25%, the period specified in clause above will be reckoned from the month following the month in which the change of Contract Demand takes place."

- **Tariff for Small Shops Operated from Home**

MSEDCL has proposed that consumers, who are running small household business, can be granted preferential LT-I tariff without installation of separate meter subject to monthly usage of 100 units in situated in Gram Panchayat areas only. In case such consumer exceeds limit of consumption of maximum 100 units per month, then after third such occasion, the consumer will be treated as a commercial consumer and will be billed with commercial tariff subsequently.

- **Energy Charges for Domestic /Agriculture Consumers:**

MSEDCL proposed to increase the energy charge payable by domestic consumers in the tariff slab of zero to hundred units per month from 282 paise per unit to 390 paise per unit which is approximately 10% less than the landed cost of power purchase. Similarly the energy charge payable by the agriculture consumers proposed to be increased from 176 paise per unit to 205 paise per unit.

- **Subcategory in HT and LT Commercial:**

MSEDCL has proposed to introduce a new consumer sub-category within Low Tension / High Tension non-domestic (Commercial) category consisting of all Government owned, managed and operated educational institutions including higher educational institutes (viz. Zilla Parishad/Municipal Council or Corporation Schools, Govt. Medical/Engineering Colleges etc.) but excluding Government aided educational institutes. Similar approach

will be followed for Government owned, managed and operated hospitals (viz. District Civil Hospitals, Primary Health Centre etc.). It is further proposed that tariff for such consumers shall be at par with the current level of Average Cost of Supply. In addition, it is also proposed that educational institutes and hospitals other than the Government owned educational institutes and hospitals shall not be subjected to any tariff hike, which inter – alia mean that the tariff applicable to such Educational Institutions & Hospitals shall not be increased.

- **Additional consumption slab in LT Commercial:**

MSEDCL has proposed to create a new consumption slab in Low Tension non-domestic category of consumers (up to 20 KW Connected Load) having consumption above 500 units per month and accordingly the proposed tariff slabs in LT non-domestic consumer category would be (i) Zero to 200 units, (ii) 200 to 500 units, and (iii) above 500 units.

- **FAC:**

MSEDCL has proposed to remove ceiling of 10% on FAC recovery so as to ensure that the full eligible amount of increase in power purchase cost is recovered through FAC without any ceiling thereon.

- **Tariff based on actual circle wise distribution losses:**

The distribution losses in a particular geographical area depend on various factors, like consumer mix, HT: LT Ratio, status of infrastructure, voltage level of power supply, etc. Further, it would be difficult to pass on the benefits to the consumers situated in Circles having lower losses than the State's average distribution loss and comparison of distribution loss level of different Circles vis-à-vis State's average distribution loss, may not be appropriate and may therefore not be insisted for. Hence MSEDCL has not proposed tariff or any incentives based on actual circle wise distribution losses.

- **Voltage Level Tariff**

Electricity Act 2003 mandates for unified distribution licensee and not separate licensees for wires and supply business. Amendment in Act as well as Distribution Licenses, necessary regulatory framework and technical improvement is required to be in place in order to segregate wires and supply business. MSEDCL at present is using old accounts system & the new software systems are under implementation; hence retrieving old information would be very difficult. Such segregation / separation will involve a lot of manpower, which would mean that the utility would have to incur additional employee expenses. Further, certain segments of business cannot be segregated into both of the two business category e.g. Sub-station which caters to both distribution and supply business.

Wheeling Charges

Considering the Network and supply cost segregation ratio and the methodology approved by Hon'ble Commission in its Review Order dated 2nd December 2010 and distribution loss 1.5% less (1% reduction for FY 2011-12 and 0.5% reduction for FY 2012-13) than opening distribution loss FY 2010-11 for consumers seeking open access at LT level, MSEDCL has proposed the wheeling charges and wheeling losses at HT and LT level for FY 2012-13 as summarized in following table:

Particulars	Wheeling Loss %	Wheeling Charges (Rs./kWh)
33 kV level	6%	0.12
22/11 kV level	9%	0.64
LT Level	12.50%	1.10

Cross Subsidy Surcharge

Considering the Hon'ble Commission's Order in Case No. 43 of 2010 dated September 09, 2011 for determination of cross subsidy surcharge and projected ARR for FY 2012-13,

MSEDCL has proposed Cross Subsidy Surcharge, which is summarised in the following table:

Sr. No.	Category	Sub category	T	C	L	D	1+L/100	CSS
			Rs/unit	Rs/unit	%	Rs/unit		Rs/unit
EHV								
1	Industry	Express Feeder	7.94	4.48	4.85	0	1.05	3.24
		Non Express feeder	7.77	4.48	4.85	0	1.05	3.07
		Seasonal Industry	9.31	4.48	4.85	0	1.05	4.61
2	Commercial (Express)	Educational Institutions and Hospitals	10.52	4.48	4.85	0	1.05	5.83
		Others	11.69	4.48	4.85	0	1.05	7.00
	Commercial (Non Express)	Educational Institutions and Hospitals	9.87	4.48	4.85	0	1.05	5.18
		Others	11.14	4.48	4.85	0	1.05	6.45
3	Railways		7.50	4.48	4.85	0	1.05	2.80
4	Bulk Supply	Residential Complex	9.70	4.48	4.85	0	1.05	5.01
		Commercial Complex	9.70	4.48	4.85	0	1.05	5.01
HT 33KV								
5	Industry	Express Feeder	7.94	4.48	10.56	0.12	1.11	2.87
		Non Express feeder	7.77	4.48	10.56	0.12	1.11	2.70
		Seasonal Industry	9.31	4.48	10.56	0.12	1.11	4.24
6	Commercial (Express)	Educational Institutions and Hospitals	10.52	4.48	10.56	0.12	1.11	5.45
		Others	11.69	4.48	10.56	0.12	1.11	6.62
	Commercial (Non Express)	Educational Institutions and Hospitals	9.87	4.48	10.56	0.12	1.11	4.80
		Others	11.14	4.48	10.56	0.12	1.11	6.07
7	Railways		7.50	4.48	10.56	0.12	1.11	2.43
8	Bulk Supply	Residential Complex	9.70	4.48	10.56	0.12	1.11	4.63
		Commercial Complex	9.70	4.48	10.56	0.12	1.11	4.63

Schedule of Miscellaneous and Other Charges

As per provisions of Supply Code Regulations, various charges are permitted to be recovered from consumers subject to approval from the Hon'ble Commission. The Hon'ble Commission vide Order dated September 8, 2006, has determined the Schedule of Charges under different heads. However, it has been more than 5 years the same has not been revised. Considering the inflation and actual material and labour cost, MSEDCL has proposed revision in various Charges as indicated here in below.

Sr. No.	CATEGORY	EXISTING SERVICE CONNECTION CHARGES (Rs.)	PROPOSED SERVICE CONNECTION CHARGES (Rs.)	VARIABLE CHARGES (Rs.)
(1).	L. T. Supply.			
A	Single Phase.			
	For load upto 0.5 kW	500	1,000	NIL
	For load above 0.5 kW and upto 10 kW	1,000	2,000	NIL
B	Three Phase			
	Motive power upto 21 HP or other loads upto 16 kW.	2,500	4,000	NIL
	Motive power above 21 HP but upto 107 HP or other loads above 50 kW but upto 80 kW.	6,500	10,000	NIL
	Motive power above 107 HP but upto 200 HP or other loads above 80 kW but upto 150 kW.	12,000	17,000	NIL
(2).	H. T. SUPPLY			
	H.T. Supply upto 500 kVA.	15,000	24,000	50 Per kVA for excess load above 500 kVA.

Service Connection Charges for new Underground Connection

Sr. No.	Category	Existing (Rs.)	Proposed (Rs.)
		(Inclusive of material Cost of (MSEDCL)	
(1).	L.T. Supply		
A.	Single Phase		
a	For load upto 5 kW	2,000	4,000
b	For loads above 5 kW & upto 10kW	4,000	8,000
B.	Three Phase		
a	Motive power upto 27 HP or other loads upto 20 kW	8,000	14,000
b	Motive power above 27HP but upto 67 HP or for other loads above 20 kW but upto 50 kW	14,000	23,000
c	Motive power above 67HP but upto 134 HP or for other loads above 50 kW but upto 100 kW	30,000	48,000

Sr. No.	Category	Existing (Rs.)	Proposed (Rs.)
		(Inclusive of material Cost of (MSEDCL))	
d	Motive power above 134HP but upto 201 HP or for other loads above 100 kW but upto 150 kW	45,000	72,000
(2).	H.T. Supply		
a	H.T supply upto 500 kVA	175,000	200,000
b	H.T supply above 500 kVA	195,000	225,000

Miscellaneous & General Charges

Sr. No	Particulars	Existing (Rs.)	Proposed (Rs.)
1	Installation Testing Fees		
	Low Tension Service		
	a) Single phase	25	50
	b) Three phase	50	100
	c) High Tension Service	200	400
2	Reconnection Charges		
	Low Tension Service at Meter incomer :		
	a) Single phase	25	100
	b) Three phase	50	200
	At overhead mains:		
	a) Single phase	25	100
	b) Three phase	50	200
	At underground mains:		
	a) Single phase	50	200
	b) Three phase	50	500
	High Tension Supply:	300	1,000
3	Changing location of meter within same premises at consumers request	100 *	300*
	A. Testing of meters		
	a) Single phase	100	200
	b) Polyphase meter/RKVAH meter	300	500
	c) LTMD (with or without CTs)	500	1,000
	d) Trivector meter	500	3,000
	e) Metering equipments like CT/PT per unit for LT		1,000
	f) Metering equipments like CT/PT per unit for HT up to & including 33 kV		3,000

Sr. No	Particulars	Existing (Rs.)	Proposed (Rs.)
	g) Metering equipments like CT/PT per unit for EHT above 33 kV		5,000
	B. Testing of Meters at TQA Labs		
	a) Single Phase		2,000
	b) Three Phase		9,500
	c) LT CTOP Meters		10,000
	d) HT TOD Meters		15,000
	e) ABT/Apex		20,000
5	Administrative charges for cheque bouncing	250/- Irrespective of amount	350/-

MSEDCL has proposed following Operating Charges and Processing fees for Open Access Applications.

Load Requisitioned	Processing fee per application	Operating Charges per month
Upto 1 MW	Rs. 10,000/-	Rs. 10,000/-
More than 1 MW and upto 5 MW	Rs. 15,000/-	Rs. 10,000/-
More than 5 MW and upto 20 MW	Rs. 30,000/-	Rs. 20,000/-
More than 20 MW and upto 50 MW	Rs. 50,000/-	Rs. 50,000/-
More than 50 MW	Rs. 1,00,000/-	Rs. 1,00,000/-

Change in Applicability

Every consumer of electricity has a unique applicability of tariff, depending upon the nature of power supply, purpose of power supply etc. which determines the class of consumer or category of the consumer. The Hon'ble Commission has accordingly classified the consumers of electricity into various categories depending upon the nature of power supply i.e. (Low Tension or High Tension), purpose of power supply i.e. (Domestic, Non-domestic, Industrial, Agricultural, etc.) In the recent past, it is observed that classification of a consumer into a particular category has resulted in litigation since applicability of a particular category of tariff is not available in exhaustive nature. MSEDCL has therefore examined this issue and based on the feedback received during interaction with field officers hereby proposes to define applicability of tariff to different category of consumer in

exhaustive manner. Accordingly, MSEDCL has proposed modification in applicability of tariff as appearing in the tariff booklet.

Tariff Schedule

Considering the tariff philosophy suggested above, MSEDCL has proposed the revised tariff as indicated herein below. It is stated that only for the comparison purpose, the average FCA as applicable to different categories of consumers has been added in the existing Energy Charge, since it is expected that after the tariffs are revised the FAC payable would be NIL.

Comparison of Existing & proposed HT Tariff Schedule

Consumer Category	Existing Tariff					Proposed Tariff	
	Fixed/Demand Charges	Energy Charge	Additional Energy Charge (2nd Dec'10 Order)	Additional Energy Charge (31st Oct'11 Order)	Total Energy Charge	Fixed/Demand Charges	Energy Charge
	Rs./kVA/Month	paise/unit	paise/unit	paise/unit	paise/unit	Rs./kVA/Month	paise/unit
HT CATEGORY							
HT I Industrial							
<i>HT I-Cont (Express Feeders)</i>	150	587	22	54	663	300	690
<i>HT I-Non Cont (Non Express Feeders)</i>	150	535	20	49	604	300	635
<i>HT I - Seasonal Category</i>	150	657	24	61	742	300	760
HT II Commercial							
HT II (Express Feeder)							
Educational Institutes & Hospitals owned by Government - Proposed	150	853	32	78	963	150	645
Educational Institutes & Hospitals	150	853	32	78	963	150	965
Others	150	886	33	82	1,001	300	995
HT II (Non Express Feeder)							
Educational Institutes & Hospitals owned by Government - Proposed	150	797	30	73	900	150	560
Educational Institutes & Hospitals	150	797	30	73	900	150	900
Others	150	830	31	76	938	300	940
HT III Railways	0	646	24	60	730	0	750
HT IV- PWW							
Express Feeders	150	418	16	39	472	300	515
Non-Express Feeders	150	401	15	37	453	300	500
HTV - Agricultural	25	240	9	22	271	25	275
HT VI - Bulk Supply - Residential Complex	125	415	15	38	468	150	915
HT VI - Bulk Supply - Commercial Complex	125	702	26	68	796	300	810
HT VIII (A) Temporary Supply Religious	200	281	10	26	317	200	375
HT VIII (B) Temporary Supply Others	250	1,282	48	118	1,448	250	1,405

Note: For the comparison purpose, FCA as applicable to different categories of consumers has been added in the existing Energy Charge

Proposed ToD Tariff

TOD Tariffs (in addition to base tariffs)
for Industrial Consumers Only

Time Slot	Existing (Discount/Penalty)	Proposed (Discount/Penalty)
	paise/unit	paise/unit
0600 hours to 0900 hours	0	0
0900 hours to 1200 hours	80	80
1200 hours to 1800 hours	0	0
1800 hours to 2200 hours	110	110
2200 hours to 0600 hours	-85	-250

Note: For other Categories, the TOD charges are proposed same as existing.

Comparison of Existing & proposed LT Tariff Schedule

Consumer Category	Existing Tariff					Proposed Tariff	
	Fixed/Demand Charges	Energy Charge	Additional Energy Charge (2nd Dec'10 Order)	Additional Energy Charge (31st Oct'11 Order)	Total Energy Charge	Fixed/Demand Charges	Energy Charge
	Rs./Connection/month	paise/unit	paise/unit	paise/unit	paise/unit	Rs./Connection/month	paise/unit
LT CATEGORY							
LT I Domestic							
BPL (0-30 Units)	3	87	3	8	98	10	90
Consumption > 30 Units Per Month							
0-100 Units	30	275	10	25	311	60	390
101-300 Units	30	487	18	45	550	60	585
301-500 Units	30	697	26	64	787	90	800
500-1000 Units	30	808	30	74	912	120	915
Above 1000 Units	30	836	31	74	941	120	940
Three Phase Connection	100					200	
LT II Non Domestic							
0-20 kW							
0-20 kW (Edu Institutes, Hospitals owned by Government)							
0-200 Units	150	479	18	44	541	150	405
200-500 Units	150	669	25	62	755	150	565
Above 500 Units	150	694	25	62	780	150	585
0-20 kW (Edu Institutes, Hospitals)							
0-200 Units	150	479	18	44	541	150	540
Above 200 units	150	669	25	62	755	150	755
Above 500 Units	150	694	25	62	780	150	780
0-20 kW (Others)							
0-200 Units	150	502	19	46	567	150	600
200-500 units	150	719	27	66	812	150	825
Above 500 Units	150	719	27	66	812	150	850
>20- 50 kW*	150	724	27	67	818	300	830
>50 kW*	150	936	35	86	1,057	300	1,050
LT III Public Water Works							
0-20 kW *	40	192	7	18	216	50	285
20-40 kW *	50	247	9	23	279	60	340
40-50 kW *	70	337	12	31	380	90	430

Note: For the comparison purpose, FCA as applicable to different categories of consumers has been added in the existing Energy Charge

Consumer Category	Existing Tariff					Proposed Tariff	
	Fixed/Demand Charges	Energy Charge	Additional Energy Charge (2nd Dec' 10 Order)	Additional Energy Charge (31st Oct' 11 Order)	Total Energy Charge	Fixed/Demand Charges	Energy Charge
	Rs./Connection /month	paise/unit	paise/unit	paise/unit	paise/unit	Rs./Connection /month	paise/unit
LT IV Agriculture							
Unmetered Tariff							
Category 1 Zones - (Above 1318 Hours) **							
0-5 HP	235		10	27	272	290	
Above 5 HP	264		10	27	301	315	
Category 2 Zones - (Below 1318 Hours) **							
0-5 HP	188		8	13	209	230	
Above 5 HP	212		8	13	233	255	
Metered Tariff (Including Poultry Farms) **	15	162	6	16	183	15	205
LT V Industries							
0-20 KW	150	435	16	40	491	220	535
Above 20 KW *	100	602	22	55	679	200	705
LT VI Street Light ***							
Grampanchayat and Municipal Council	30	345	13	32	390	30	440
Municipal Corporation Areas	30	412	15	38	465	60	510
LT VII Temporary Connection							
Temporary Connections (Religious)	200	281	10	26	317	200	375
Temporary Connections (Other Purposes)	250	1282	48	118	1448	250	1405
LT VIII Advertisement and Hoarding	400	1783	66	164	2013	400	1830
LT IX – Crematoriums & Burial Grounds	200	281	10	26	317	200	290

Note:

* Fixed charges / Demand Charges in Rs./kVA/Month

** Fixed charges / Demand Charges in Rs./ HP/ Month

*** Fixed charges / Demand Charges in Rs./ kW/ Month

Note: For the comparison purpose, FCA as applicable to different categories of consumers has been added in the existing Energy Charge

Prayers

MSDCL respectfully prays to the Hon'ble Commission;

1. To admit the petition seeking Final True up of FY 2010-11 and Annual Revenue Requirement for FY 2011-12 and FY 2012-13 as per the provisions of MERC (Terms and Conditions of Tariff) Regulations, 2005;
2. To approve the total recovery of Final True up of FY 2010-11 and Annual Revenue Requirement for FY 2011-12 and FY 2012-13 and other claims as proposed by MSDCL.
3. To allow to recover the additional charges in case of any variation in the fixed cost of the Central Government Power Station as approved by CERC in line with the CERC

(Terms & Conditions of Tariff) Regulations, 2009-14.

4. To approve revision in tariff as proposed by MSEDCL for different categories of consumers.
 5. To restore fixed charges for all consumers belonging to HT category, except HT II Commercial, as per Tariff order dated 20th October 2006 and rationalise fixed charges as proposed and may please consider deciding a road map to gradually increase the fixed charges to ensure that the fixed expenditure is fully recovered through fixed charges. For HT II Commercial Category (Others), it is proposed to increase the fixed charges from Rs. 150 per kVA to Rs. 300 per kVA per month.
 6. To approve the increase in the fixed charges of BPL Category from Rs. 3 per connection per month to Rs. 10 per connection per month, Domestic Consumers (0 - 300 Units) from Rs. 30 to Rs. 60 per connection per month, Domestic Consumers (300-500 Units) from Rs. 30 to Rs. 90 per connection per month, Domestic Consumers (500-1000 Units) from Rs. 30 to Rs. 120 per connection per month.
 7. To approve the increase in the fixed charges of LT Commercial Consumers (Above 20 kW) from Rs. 150 per kVA per month to Rs. 300 per kVA per month.
 8. To approve the increase in the fixed charges of LT Industrial Consumers Upto 20 kW from Rs. 150 to Rs. 220 per connection per month and Above 20 kW From Rs. 100 to Rs. 200 per KVA per month.
 9. To approve the increase in the TOD rebate as applicable to Industrial Consumers (HT and LT) from existing level of 85 paise per unit to 250 paise per unit applicable for consumption during night hours (10.00 p.m. to 06.00 a.m. next day).
 10. To Permit recovery of 50% of the actual capital expenditure that would be incurred for executing the work of shifting of electric poles / lines presently causing obstacle to vehicular tariff in the city of Nagpur from the consumers situated within geographical jurisdiction of Nagpur Municipal Corporation, i. e. the consumers from the O & M Divisions of MSEDCL at Mahal, Gandhibaug, Congress Nagar & Civil Lines under Nagpur Urban Circle at the rate of 29 paise per unit over a period of twelve
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- (12) months by way of “Infrastructure Charge”;
11. To Permit to follow similar policy in other areas also wherever the Local Body and / or the consumers request MSEDCL for shifting of electric poles and conversion of Low Tension / High Tension Overhead Distribution Network into Underground, for the purposes other than System Improvement, Reduction in Losses etc..
 12. To approve cross subsidy surcharge and all such other charges including Wheeling Charges and Losses in relation with Open Access granted to consumers in accordance with the provisions of the EA 2003 for the year 2012-13 based on the correct level of cross subsidy for FY 2012-13.
 13. To impose minimum 25% limit for change in Contract Demand for the applicability of the current provisions regarding Billing Demand and make amendment in the current provision as proposed by MSEDCL.
 14. To modify the present provision in respect of “Billing Demand” and the Demand recorded during off peak hours to be considered for billing purpose.
 15. To approve revision regarding load factor incentive for such consumers who exceed contract demand during night hours.
 16. To approve the proposed energy charge payable by domestic consumers in the tariff slab of 0 to 100 units per month.
 17. To allow to introduce a new consumer sub-category within Low / High Tension non-domestic (Commercial) category as Government owned, managed and operated educational institutions including higher educational institutes (viz. Zilla Parishad/Municipal Council or Corporation Schools, Govt. Medical/Engineering Colleges etc.) but excluding Government aided educational institutes. Similarly, the said sub-categories is proposed to also include Government owned, managed and operated hospitals (viz. District Civil Hospitals, Primary Health Centre etc.).
 18. To allow to introduce new tariff slabs in LT non-domestic consumer sub-category (0-20 kW) as (i) 0 to 200 units, (ii) 200 to 500 units, and (iii) above 500 units.
 19. To remove ceiling of 10% on levy of FAC.
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20. To approve the revised applicability of tariff as proposed by MSEDCL.
21. To grant any other relief as the Hon'ble Commission may consider appropriate.
22. To approve the Schedule of Charges (Part A & Part B) as proposed by MSEDCL.
23. To pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.
24. To condone any error/omission and to give opportunity to rectify the same.
25. To permit the Petitioner to make further submissions, addition and alteration to this Petition as may be necessary from time to time.