



MAHARASHTRA ELECTRICITY REGULATORY COMMISSION

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PUBLIC NOTICE

Inviting suggestions and objections from the public on draft Maharashtra Electricity Regulatory Commission (Multi Year Tariff) (Third Amendment) Regulations, 2014.

Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations 2011, allows the generating company to bill the fuel surcharge adjustment towards adjustment of rate of energy charge on account of variation in price or heat value of fuels on monthly basis with provision of post-facto approval while the distribution licensee is allowed to recover the same from the end consumers on six monthly basis with prior approval of the Commission.

As the fuel cost contributes a major portion of the expenses of a generating company and the power purchase cost contributes a major portion of the expenses of the distribution licensee, the inherent time gap in the approval of fuel surcharge adjustment for distribution licensee may lead to under recovery of expenses in a particular year. Further, the carrying cost component in the FAC component of Z-factor charge would also create additional burden on the end consumers because of the inherent time gap.

Therefore, after due consideration, the Commission initiates the present consultation for amendment of MERC (Multi Year Tariff) Regulations, 2011 to allow the recovery of fuel surcharge adjustment to the distribution licensee on monthly basis.

The draft Maharashtra Electricity Regulatory Commission (Multi Year Tariff) (Third Amendment) Regulations, 2014 is available on the Commission's website, www.mercindia.org.in / www.merc.gov.in, in downloadable format. The Commission hereby invites suggestions and objections from the public / stakeholders on the above draft, which may be sent (1+5 copies) to the Secretary, MERC, 13th floor, Centre No. 1, World Trade Centre (WTC), Cuffe Parade, Mumbai-400 005 [Fax: 022-22163976, Email: mercindia@merc.gov.in] on or before 31st January, 2014.

All the suggestions and objections received on or before 31st January, 2014 shall be considered by the Commission.

Mumbai-400 005

Date : 4th January 2014

Sd/-
Secretary,
MERC