

TARIFF ORDER DATED 16.8.2012 OF MSEDCL IN BRIEF

ELECTRICITY TARIFF
OF MSEDCL

WITH EFFECT FROM 1 AUGUST, 2012

MERC, Mumbai

Date: 16th August 2012

Final ARR

(Increase in Tariff is primarily on account of increase in power purchase expenses, which have gone up due to rise in fuel prices) .

Item	MSEDCL Petition	MERC Approval
Consolidated ARR for FY 2012-13	Rs. 50,750 Cr	Rs. 48926 Cr (96.4%)
Revenue gap	Rs. 7,623 Cr	Rs. 6921 Cr (91%)
Overall increase in average Tariff	17.68%	16.48% (93%)
Effective average Tariff increase	Average Cost of Supply approved by MERC works out to Rs. 5.56 per unit. (Earlier Rs.4.98 PU)	6.91% ((After taking into account impact of existing additional energy charges as well as the existing FAC)

Power Purchase Cost rising (Rs. Cr)

Particulars	FY 2010-11	FY 2011-12	FY 2012-13
Power Purchase	25882	31116	37238
O&M Expenses	2931	3063	3362
Depreciation	617	1014	1309
Interest	738	1120	1686
Transco Charges	1892	2200	3105
ROE	664	849	989
Net ARR	33238	39243	47937
Revenue	31767	37814	42005
Gap	(767)	1429	5932

Why gap of Rs 6921 Crores?

Sr No.	Particulars	Approved by MERC Rs Cr	Remarks
1	Gap for 2010-11	(767)	
2	Gap for 2011-12	1429	
3	Gap for 2012-13	5932	
4.	Capitalization 08-09	228	
5	Uncovered Gap for 2010-11	405	
6	ATE Judgment	427	
7.	MSEDCL approved gap	750	
8.	FAC Impact	(1483)	Already being charged (Six installments June- Nov)

Important Provisions

- Allowing all LT Com & IND consumers consuming less than 300 units/month to avail Tariff as per LT Domestic category. (This initiative will ensure hassle free power supply at affordable rates for people carrying out professional or small commercial activities out of their residential premises & small commercial & industrial units. This provision will benefit over 3.5 Lakhs consumers).
- Formation of a new category called "Public Services" (LT/HT for Hospitals & Educational institutes (irrespective of ownership), defence services establishments, police stations, post offices, fire service stations, public libraries and reading rooms, courts, Airport etc. Tariff for the "Public Services" categories (LT/HT) has been designed so as to result in an ABR lower than Com category.

Imp Provisions

- Introduction of 3% rebate on energy charges for availing supply at Extra High Voltage (>66KV).
- Off-peak rebate for night (2200-0600) consumption for ToD Tariff is applicable has been increased from 85 Ps/U to 100 Ps/U (better DSM initiative) for all HT Consumers
- Increase Fixed/Demand charges by 25% (MSEDCL's proposal increasing fixed charges by 100%)
- MSEDCL allowed to purchase 10,675 MU power from Traders at Rs 4.50/Unit (LS Free Maharashtra)
- Power Purchase from Medium Term= 3141 MU @ 410Ps/Unit
- Interest on consumer Security Deposit has been increased to 9.5% as per the Bank rate.
- MERC has approved the distribution loss target of 15.77% for FY 2012-13 as against estimated loss of 16.27% for FY 2011-12.

Tariff Rise (LT)(Total Consumers: 2.20 Crores)

Category	slab	No. of Consumers	Existing FC/DC	Existing Energy Charge (Ps/U)	New FC/DC	New Energy Charge (Ps/U)
Domestic Con: 1.72 Cr	0-100 U	1.12 Crores	Rs 30	311 Ps	Rs 40	336
	101-300 U	37 Lakh	Rs 30	505Ps	Rs 40	605
AG Un met Zone2 (Con: 34.58 L) Zone1 (B/P/Nsk)	0-5HP	15.74 Lakh	Rs209Hp/ month		Rs240/Hp/month	
	>0-5HP		Rs.233/Hp		265/Hp/	
	0-5HP		Rs272/HP/ Month		Rs.295/Hp/mont h	
	>5HP		Rs301/Hp		Rs 325/Hp	
AG Met		18.84 Lakh	Rs 15/Hp	183 Ps	Rs20/HP	210
LT Com (Con: 14.87 L)	0-200 U	3.53 Lakh	Rs.150	567 Ps	Rs.190	585
	>200U	8.90 Lakh		812 Ps		838
LT Pub Services	0-200 U		Rs 150	541	Rs. 190	536
	>200 U			755		788

HT Tariff Rise (TTL Consumers: 17,583)

Category	No. of Consumers	Existing FC/DC	Existing Energy Charge (Ps/U)	New FC/DC	New Energy Charge (Ps/U)
HT IND Cont	2041	Rs 150/ KVA	663	Rs 190	701
HT IND Non-Cont	9415	Rs 150	604	Rs 190	633
HT Comm	2922	Rs 150	963/1001	Rs 190	983/ 1045
HT Railways	44		730		781
HT PWW	907	Rs 125	472/453	Rs 190	473/505
HT AG	1186	Rs 25	271	Rs 30	288
HT Public Services			963/1001	Rs 190	821/765

Thank you!!!