

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 54 of 2005

In the matter of
Approval of Maharashtra State Electricity Distribution Company Limited (MSEDCL)'s
Annual
Revenue Requirements for FY 2004-05, FY 2005-06 & FY 2006-07,
And
Determination of Tariff for FY 2006-07

Dr. Pramod Deo, Chairman
Shri A. Velayutham, Member
Shri S. B. Kulkarni, Member

Date of Order: September 29, 2006

ORDER

The Maharashtra Electricity Regulatory Commission (hereinafter referred to as Commission), in exercise of the powers vested in it under Section 61 and Section 62 of the Electricity Act, 2003 (hereinafter referred to as EA 2003) and all other powers enabling it in this behalf, and upon detailed scrutiny of various responses, objections, suggestions, comments made by consumers, Maharashtra State Electricity Distribution Company Ltd (MSEDCL) and other key stakeholders as part of their written submissions as well as during the public hearing, hereby issues this Operative Order on the determination of the Annual Revenue Requirement (hereinafter referred to as ARR) and determination of tariff for wheeling of electricity and retail sale of electricity for MSEDCL. The tariffs for wheeling of electricity and revised tariffs for retail sale of electricity would be applicable from 1st October 2006 to 31st March 2007.



A. Background

This Order relates to Case 54 of 2005 filed by the MSEDCL for determination of tariff for retail sale of electricity and wheeling of electricity.

The Government of Maharashtra (hereinafter referred as GoM) issued an Order on 6th June, 2005 giving effect to the unbundling of Maharashtra State Electricity Board in terms of the Maharashtra Electricity Reforms Transfer Scheme 2004. As per this Order, the Maharashtra State Electricity Board (MSEB) has been restructured into four entities – MSPGCL, MSETCL, MSEDCL and MSEB Holding Company. In the notified provisional Transfer Scheme, GoM had allocated MSEDCL, all the assets and liabilities concerning the distribution of electricity in the area of supply consisting of O&M Zones of Amravati, Aurangabad, Beed, Bhandup, Kalyan, Kokan, Kolhapur, Nagpur, Nashik and Pune in the State of Maharashtra.

MSEDCL has filed petition for approval of Annual Revenue Requirement (ARR) for FY 2004-05, FY 2005-06 and FY 2006-07 on 28th February 2006, under affidavit, before the Commission. In this petition, MSEDCL did not submit any tariff proposal as required by MERC (Terms and Conditions of Tariff) Regulations, August 2005 (hereinafter referred as MERC Tariff Regulations).

The Commission held a Preliminary Validation Session in the presence of authorised Consumer Representatives on 7th April 2006. During the Preliminary Validation Session, the Commission directed MSEDCL to submit the Tariff Petition. MSEDCL submitted the Tariff Proposal for FY 2006-07 on 26th May 2006.

Subsequently, the Commission held a Technical Validation Session on 22nd June 2006 where in several discrepancies and data gaps were identified by the Commission and the Consumer Representatives. The Commission then directed MSEDCL to submit additional data and clarifications.

Based on the instructions from the Commission, a Public Notice was issued in Newspapers on 21st July 2006, giving a period of one month to the public to file their objections. The consultants to the Commission prepared an Approach Paper on key issues for the purpose of



public consultation before the hearings. The Commission held public hearings on the ARR and Tariff Petition of MSEDCL at below mentioned places.

Place of Public Hearing	Venue	Date
Amravati	Meeting Hall, Office of the Divisional Commissioner, Amravati	17.08.2006
Nagpur	Meeting Hall, Office of the Divisional Commissioner, Nagpur	18.08.2006
Aurangabad	Meeting Hall, Office of the Divisional Commissioner, Aurangabad	21.08.2006
Nashik	Bachat Bhavan, Office of the District Collector, Nashik	22.8.2006
Pune	Meeting Hall, Office of the Divisional Commissioner, Pune	24.08.2006
Mumbai	Y.B. Chavan Auditorium, Opp. Mantralaya, General Jagannath Bhosale Marg, Mumbai – 400 005	25.08.2006

The Commission has not accepted the ARR submitted by MSEDCL and based on its examination keeping in view the representations, both oral and written made before it and after considering the responses of the MSEDCL on the issues raised during the Public Hearing has determined the tariff for wheeling of electricity, retail sale of electricity and cross-subsidy surcharge.

B. Summary Order

1. The tariffs determined by the Commission in this Order will be applicable with effect from 1st October 2006, and will continue to remain in force until 31st March 2007. MSEDCL shall charge the consumers of electricity as per this Tariff Order from October 1st 2006. In cases, where there is a delay in applying these tariffs, MSEDCL shall adjust the bills of consumers in the subsequent month i.e. November 2006.
2. The Commission shall introduce Multi Year Tariff (hereinafter referred to as MYT) regime with effect from April 1st 2007 as mentioned in the Commission's Order dated 20th December 2005. In this regard, the Commission directs MSEDCL to file the ARR and Tariff petition for MYT before 30th November 2006.



3. The Commission has considered the ARR for FY 2004-05 for the erstwhile MSEB as a whole instead of individual companies. The Companies have been incorporated in FY 2005-06 and hence the Commission has determined the ARR for FY 2005-06 and FY 2006-07 for each company and through this Order the Commission has determined the ARR for MSEB as a whole for FY 2004-05 and MSEDCL for FY 2005-06 and FY 2006-07.
4. The Commission has considered the ARR for FY 2004-05 based on FY 2003-04 Tariff Order principles as specified in its Order dated April 13th 2006. The Commission has also considered the Audited Financial Statements of MSEB for the year 2004-05 while approving the revenue requirement.
5. The Commission has fixed the ARR for FY 2005-06 based on FY 2003-04 Tariff Order principles and (Limited) Review of accounts by Auditors as per SEBI Guidelines.
6. With respect to FY 2006-07, the Commission has determined the ARR based on MERC Tariff Regulations.
7. The Commission has taken the employee expenses for FY 2004-05 of erstwhile MSEB based on actuals as per the Audited Financial Statements. For FY 2005-06 and FY 2006-07, the Commission has determined the employee expenses based on past trends.
8. The Commission has considered Administration and General (A&G) expenditure for all the three years i.e. FY 2004-05, FY 2005-06 and FY 2006-07 on the basis of FY 2003-04 Tariff Order principles.
9. The Commission has considered Repairs & Maintenance (R&M) expenditure for FY 2004-05 based on FY 2003-04 Tariff Order principles. For FY 2005-06 and FY 2006-07, the Commission has determined the Repairs & Maintenance expenditure based on the past trends of R&M expenditure as a percentage of GFA.
10. The Commission has taken depreciation for FY 2004-05 based on actuals as per Audited Financial Statements of MSEB. For FY 2005-06 Commission has considered depreciation based on FY 2003-04 Tariff Order principles and for FY 2006-07 the Commission has projected depreciation expenses as per MERC Tariff Regulations. The loan repayments in FY 2006-07 are lower than the depreciation determined by the



- Commission and hence there was no requirement for Advance Against Depreciation for FY 2006-07.
11. The Commission has determined Interest on Working Capital and Security Deposit for FY 2004-05 and FY 2005-06 based on FY 2003-04 Tariff Order principles and not on the basis proposed by MSEDCL. The Commission has projected interest on working capital for FY 2006-07 as per the MERC Tariff Regulations and a rate of 10.25% has been adopted.
 12. For determination of interest expenses for long-term loans for FY 2004-05, FY 2005-06 and FY 2006-07, the Commission has considered the opening balances based on provisional transfer scheme and has limited the new loans to debt funding portion of the capitalisation made during the corresponding financial year.
 13. The Commission has considered provision for bad debts for FY 2004-05, FY 2005-06 and FY 2006-07 on the basis of FY 2003-04 Tariff Order principles and has allowed 1.5% of revenue as provision for bad debts. This provisioning does not amount to write-off of Bad debts.
 14. The Commission has not included the Tax on Sale of Electricity while determining the Revenue Requirement for FY 2005-06 and FY 2006-07.
 15. The Commission has not considered Income Tax for FY 2005-06 and FY 2006-07, as MSEDCL has not made any payment towards Income Tax including the Minimum Alternative Tax (MAT). As regards FY 2006-07, no advance tax has been paid by MSEDCL and therefore the Commission has not considered any income tax. In case any income tax is paid, the Commission shall allow such expenditure through the truing-up mechanism.
 16. The Commission has determined the reasonable return for FY 2004-05 (for MSEDCL) and FY 2005-06 based on FY 2003-04 Tariff Order principles and for FY 2006-07, the Commission has projected Return on equity as per Section 76.1 of the MERC Tariff Regulations.
 17. The Commission in the matter of Case No. 49 of 2005 has approved the ARR of MSEDCL for FY 2005-06 through its Order dated June 28th 2006 and the same has been considered for determining the transmission charges to be included in the ARR of



- MSEDCL for FY 2005-06. Subsequently, the Commission has also issued the Transmission Tariff Order in Case No. 31 of 2006 on September 29th 2006, wherein the transmission tariff payable by MSEDCL for use of the intra-State transmission system has been determined, and this has been considered in this Order, while determining the ARR of MSEDCL for FY 2006-07.
18. The Commission has revisited the methodology of estimation of unmetered agricultural consumption for FY 2006-07 and has neither accepted MSEDCL's methodology nor the estimation of consumption in this regard. The Commission has decided to rely only on consumer metering information for estimating agricultural consumption. The Commission has adopted zone-wise consumption norms for estimating zone-wise agricultural consumption and has adopted the same norm for projecting unmetered consumption.
 19. The Commission hereby directs MSEDCL, to estimate agricultural consumption based on consumer metering information. The Commission is of the view that MSEDCL should take immediate and concerted action to eliminate average billing for metered consumers.
 20. Based on the agricultural consumption determined by the Commission the distribution loss for MSEDCL comes to 34.97% for FY 2006-07.
 21. For FY 2006-07, the Commission has considered target loss reduction of 2% vis-à-vis the reassessed loss levels of 34.97%, which works out to 32.97%. The Commission has considered the transmission loss of the intra-State transmission system of 4.85% as per the Commission's Order dated 28th June 2006 on the ARR Petition of MSETCL for FY 2006-07
 22. Further Commission expresses dissatisfaction over the efforts undertaken by MSEDCL in reduction of the losses. The Commission in this Order notes that more positive steps have to be taken for reduction of distribution loss levels and hence directs MSEDCL to introduce staff incentive scheme. The staff should be made responsible for reduction of loss levels and an incentive scheme should be implemented by MSEDCL to target distribution loss reduction.
 23. The Commission has considered the sales details for FY 2004-05 based on Audited Financial Statements and for FY 2005-06 based on (limited) audit review of accounts.
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- The Commission has considered the sales projections as submitted by the licensee for estimating the power purchase requirement for FY 2006-07.
24. The Commission has considered the generation expenses for FY 2004-05 based on the Commission's Orders on FOCA/FAC orders and the power purchase expenses based on the Audited Financial Statements. The Commission has considered the (limited) audit review of accounts for power purchase cost of FY 2005-06. As regards power purchase cost for FY 2006-07, the Commission has considered the MSPGCL's Tariff Order dated 7th September 2006 and the latest power purchase bills of Central Generating Stations.
25. In this Order, the Commission has decided to treat power from costly sources and power from non-costly sources separately. For the purpose of this Order, the Commission has considered power costing more than Rs 4 per unit as costly power. If only non-costly power is allocated equally irrespective of categories or regions, the average Load Shedding applicable across the State works out to 9 hrs per day. However, as per the prescribed load shedding protocol, agriculture dominated regions are subjected to load shedding of upto 12 hours owing to non-availability of power thereby reducing the Load Shedding for non-agricultural consumers to 7.25 hours.
26. Depending on the geographical location and the category, the consumers are being subjected to differential load shedding hours. For instance, in the present protocol, continuous process industries connected through express / dedicated feeders are exempted from the weekly staggering day of load shedding and are ensured zero load shedding hours while industries not connected through Express feeders are being subjected to one-day staggering load shedding.
27. Thus, consumers not located in Agriculture dominated regions are benefited through reduced Load Shedding hours because of additional supply from costly sources. The Commission has determined the cost implication of the additional supply at Rs.5.15 per unit (Costly Power for additional supply to be paid by consumers other than Below Poverty Line (BPL) and domestic consumers consuming less than 300 units per month divided by corresponding sales). The cost of this additional supply will be recovered in the ratio of contribution of costly power to the consumption mix of a particular region. For instance, if a particular division's earlier load shedding of 4 hours is to be maintained, all consumers located in that region will pay for 14% $[(7.25-4.00)/24 \text{ hours}]$ of their consumption at Rs.5.15 per unit as determined by the Commission. This
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charge has been termed as “Additional Supply Charge”. The percentage of costly power consumption has been estimated for various categories under various regions. Given below is a representative matrix of percentage of costly power consumed by various categories of consumers after adjustment for distribution losses:

CATEGORY	Agriculture Dominated	Industry & Urban Agglomerations	Other Region	TOTAL
HT Category				
HTP-I				
<i>Continuous</i>	42%	42%	42%	42%
<i>Non- Continuous</i>	11%	24%	20%	18%
HT - Seasonal	0%	0%	0%	1%
HTP-II PWW				
<i>Express Feeders</i>	0%	41%	41%	41%
<i>Non- Express Feeders</i>	0%	22%	9%	6%
HTP- III Railway	42%	11%	40%	35%
HTP-IV Residential	0%	19%	6%	10%
HTP-IV Commercial	0%	19%	8%	11%
Total HT	27%	29%	32%	29%
LT Category				
LD-1 Domestic	0%	19%	8%	10%
LD-2 Commercial	0%	19%	8%	12%
LTP-G Industries	6%	21%	12%	13%
Street Light	0%	0%	12%	9%
Total LT	1%	19%	7%	11%
Total HT + LT	19%	24%	7%	21%

28. The Additional Supply Charge will not be applicable for the BPL consumers. The residential consumers consuming less than 300 units per month shall only pay 10% of the Additional Supply Charge for the respective consumption (14% in the earlier example) from costly sources, which works out to 48 Ps/unit in addition to the revised tariffs. MSEDCL shall show these charges separately in the consumer bills and any over or under recovery shall be adjusted against the same set of consumers.



29. The Commission has determined the tariffs for retail sale of electricity by considering only the non-costly sources of power. In this context, the Commission holds the view that agricultural tariff should not be increased owing to higher burden of load shedding and poor quality of supply.
30. The Commission has introduced the concept of load regulation for HT continuous and HT non-continuous industries in its order dated 10th January 2006 in Case No 35 of 2005 and further issued a corrigendum and clarificatory Order. The Commission has noted that the protocol of second off day is not being implemented strictly and consumers despite violating load regulation continue to get supply and MSEDCL is procuring additional power from costly sources to meet this demand. The Commission has disallowed the power purchase made by MSEDCL to the extent of this violation by each of these categories till the month of September 2006.
31. The Commission has decided that in case of any inter-utility power exchange within the State, the rate applicable shall be the marginal cost of the supplying utility and the same shall be applicable on the net supply between utilities for every thirty-minute time block.
32. The consumer categories comprising HTP I-Industries (BMR/PMR) and HTP II – Industries (Non BMR/PMR), as per the existing Tariff Schedule of MSEDCL have been combined into one consumer category, viz. HTP I - Industries. The Commission has further reclassified the HTP -I Industries into Continuous and Non Continuous Industries.
33. The consumer categories comprising HTP III- PWW (BMR/PMR) and HTP IV PWW (non BMR/PMR), as per existing Tariff Schedule of MSEDCL, have been combined into one consumer category, viz. HTP II – PWW. The Commission has further reclassified the HTP – II PWW into consumers connected on Express Feeders and consumers connected on Non Express Feeders. Based on this recategorisation, Railway Traction shall be now termed as HTP –III, Bulk Supply as HTP- IV and Agricultural as HTP- V.
34. The Commission after considering the consumption patterns of recategorised HTP I, HTP II and LTP-G categories during peak hours rules that the Time of the Day tariff



- during evening peak hours i.e. 1800 hrs to 2200 hrs, shall be 110 Ps/unit and morning peak hours i.e. 0900 hrs to 1200 hrs shall be 80 Ps/Unit.
35. The Commission, through this Order, rules that Regulatory Liability Charges (RLC) shall be discontinued from 1st October 2006. The Commission is of the opinion that the repayment of RLC should be linked to the loss reduction trajectory over the years and hence is of the view that the treatment of RLC should be provided in the MYT regime.
36. The Commission has determined the wheeling charges for each voltage network based on the voltage-wise asset base and capacity levels at each voltage. The ARR has been segregated between wheeling business and retail supply business based on the submissions made by MSEDCL. Consumers connected directly to the transmission network would not be required to pay the wheeling charges.
37. The Commission in its Order (Case No.9 of 2006) dated September 5th 2006 has defined the methodology to be followed for determination of cross-subsidy surcharge. The Commission has adopted the same methodology, wherein the surcharge works out to be zero.
38. The Commission after considering the MoP Order dated 9th June, 2005 on Electricity (Removal of Difficulties) (Eighth) Order, 2005 rules that HTP-IV Residential would be applicable only to the Group Housing Societies. The Commission also rules that the HTP-IV-Commercial category shall continue to be under this category for a period of six months from the date of this Order keeping in view the metering constraints and identification of consumers. In future, the consumers belonging to this Commercial Category requiring a single point supply will have to either operate through a franchise route or take individual connections under relevant category.
39. The Commission has introduced two sub- categories in the existing LD-1 (Domestic) category. The first sub-category will consist of BPL consumers consuming 30 units or less per month. The second sub-category will consist of consumers other than BPL with slabs of 0- 100 Units, 101 – 300 Units and more than 300 Units.
40. Through this Order, the Commission has abolished HP based tariffs applicable to Low Tension Industrial Consumers (LTP – G i.e. General Motive Power). This category of consumers shall be governed by metered tariff only and depending on the metering features, TOD tariffs shall be made applicable.
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41. The Commission has revised the slabs of consumer category PWW-LT. The slabs have been classified based on sanctioned load. The slabs have been revised as, 20 KW or less, 21-40 KW and 41-50 KW.
42. The Commission has introduced new category viz. Advertisements & Hoardings. This category will include any supply to advertisements and hoardings.
43. The Commission has re-categorized the Temporary category into two sub-categories. Firstly, T (Temporary Connection) for other purposes, which will include any temporary supply of electricity at Low / Medium voltage for any construction work, decorative lighting for exhibitions, circus, film shooting, marriages, etc. and any activity not covered under consumer category TS(R). Secondly, sub-category viz. TS(R) for Traditional Public Religious Functions.
44. The Commission has revised the slabs for unmetered agricultural consumer category. The slabs have been classified based on the consumption norm as set by the Commission. The slabs have been revised as, consumption norm more than 1318 Hours/ HP/ Year and consumption Norm less than 1318 Hours/HP/Year.
45. Pursuant to the High Court directive and Supreme Court Order during June 2003, GoM has requested the Commission to examine and recommend whether Mula Pravara Electric Co-op Society (hereinafter referred as MPECS) should continue or wound up. In this regard, the Commission has advised GoM during January 2004 the alternatives namely (i) MPECS to continue as licensee with direct subsidy arrangements, (ii) MPECS to continue as licensee with creation of regulatory asset and (iii) MPECS as a Management Contractor / Franchisee. However, in the absence of any clarity till date in this matter, the Commission has treated MPECS as a bulk consumer of MSEDCL availing supply at high voltage (33/11kv) level. Accordingly, the Commission has determined the retail tariff applicable to MPECS.
46. The rebates/incentives such as power factor incentive, bulk discount and prompt payment incentive have been retained at the existing levels.
47. MSEDCL should ensure strict observation of metering, billing and collection provisions as stipulated in the MERC (Electric Supply Code and other Conditions of Supply) Regulations 2005.



The detailed Order will follow.

Sd/-
(S. B. Kulkarni)
Member

Sd/-
(A. Velayutham)
Member

Sd/-
(Pramod Deo)
Chairman, MERC

(Malini Shankar)
Secretary, MERC



Table 1 Annual Revenue Requirement for FY 2004-05 and FY 2005-06

Particulars	FY 2004-05		FY 2005-06	
	MSEB's Proposal	Commission's Approval	MSEDCL's Proposal	Commission's Approval
Generation Expense	4,889	4,710	0	0
Power Purchase Expense	4,203	4,774	12,790	12,505
Employee Expense	1,952	1,963	1,456	1,382
Administration & General Expense	185	148	127	104
Repairs & Maintenance Expense	697	770	282	305
Depreciation	1,429	1,431	541	586
Interest Expense	1,305	703	442	250
Provision for Bad Debts	210	213	220	248
Other Expense	130*	24	123*	34
Income Tax	-	-	109	-
Transmission Charges			1,668	1,433
Contribution to Contingency Reserve	-	-	45	-
Revenue Expense	14,999	14,737	17,803	16,846
Return on Equity	461	390	129	158
ARR	15,460	15,127	17,932	17,005
Less: Non Tariff Income	986	1,039	1,022	708
ARR from Retail Tariff	14,474	14,087	16,910	16,297
Revenue From Sale of Power	13,992	14,224	15,508	16,524
Revenue Gap/(Surplus)	513	(137)	1,401	(227)

* Includes Tax on Sale of Electricity



Table 2 Annual Revenue Requirement for FY 2006-07

Particulars	MSEDCL's Proposal	Commission's Approval	Basis of Approval
Power Purchase Expense	17,358	11,371	Based on MSPGCL's Order. Power purchase from costly sources not considered.
Incentive/ Discounts such as Power Factor Incentive	-	166	Audited statements for previous years
Employee Expense	1,565	1,445	5 year CAGR has been considered on FY 2005-06 estimates
Administration & General Expense	133	108	4.2% increase over FY 2005-06 approved values
Repairs & Maintenance Expense	348	340	3.8% on GFA on the Basis of average of 5 years
Depreciation	599	352	Depreciation norm of 3.57% as per MERC Tariff Regulations
Interest On Long Term Loans	279	116	Considered opening balances of transfer scheme and there on only the approved borrowings & repayments.
Other Interest & Finance Charges	348	140	Interest on Working Capital as per MERC Tariff Regulation
Provision for Bad Debts	238	207	1.5% of Revenues
Other Expense	137	41	Other expenses included Tax on sale of Electricity, which is disallowed.
Income Tax	161	-	Based on actual payment of advance tax
SLDC Charges	-	16	Commission's Order on SLDC Budget
Transmission Charges	1,854	1,257	As per Commission's Order on Transmission Pricing Framework
Contribution to contingency reserves	50	50	As per MERC Tariff Regulation
Revenue Expense	23,071	15,606	
Return on Equity	478	391	As per MERC Tariff Regulation
ARR	23,549	15,997	
Less: Non Tariff Income	1,059	734	Increase over FY 2005-06 approved values
ARR from Retail Tariff	22,489	15,263	Only non Costly power has been considered
Revenue From Sale of Power	18,942	12,747	FAC not included. RLC considered for six months only.
Revenue Gap/(Surplus)	3,547	2,516	
Aggregate Revenue Gap/(Surplus) for 3 year	5,462	2,152	



Table 3: Summary of LT Tariff Effective from 1st October 2006

Consumer Category	Demand Charges (Rs/KVA/month) or (Rs/HP/month) or (Rs/service connection per month)	Energy Charge (Paise/kWh)
Domestic (LD 1)		
Below the Poverty Line(BPL) Consumers (0-30 Units)	Rs 3 per service connection	40
Consumers other than BPL		
0-100 Units	Single Phase: Rs. 40 per service connection; Three Phase: Rs. 100 per service connection; Additional Fixed charge of Rs. 100 per 10 KW load or part thereof above 10 KW load shall be payable.	190
101- 300 Units		340
Above 300 Units (Only balance Units)		450
Non Domestic (LD 2)		
0-100 Units	Single Phase: Rs. 100 per service connection; Three Phase: Rs. 150 per service connection; Additional Fixed Charge of Rs. 150 per 10 KW load or part thereof above 10 KW load shall be payable. Optional LTMD based Tariff will be available for all consumers	290
101- 200 Units		375
Above 200 Units (Only balance Units)		490
General Motive Power (LTP-G) MD based tariff will be applicable to all the consumers,		
0-1000 units	Rs. 220 per KVA per month;	300
Above 1000 Units (Only balance Units)		400
TOD Tariff (In addition to Base Tariff)		
2200 hrs – 0600 hrs	0	(85)
0600 hrs – 0900 hrs		0
0900 hrs – 1200 hrs		80
1200 hrs – 1800 hrs		0
1800 hrs – 2200 hrs		110
Advertisement & Hoarding	Rs 200 per connection	1100
Public Water Works (PWW)		
0- 20 KW	Rs 50 per KVA per month	100
21-40 KW	Rs 60 per KVA per month	150
41-50 KW	Rs 90 per KVA per month	240
Agriculture		
Unmetered Tariff		
Category 1 Zones*	Rs 180 per HP per month	0



Category 2 Zones#	Rs 150 per HP per month	0
Metered Tariff (including Poultry Farms)	Rs 15 per HP per month	110
Street Light		
Grampanchayat, A, B & C Class Municipal Council	Rs 30 per KW per month	210
Municipal Corporation Areas		250
Temporary (T)	Rs 250 per connection per occasion of supply	850
Temporary Supply -Religious (TS-R)	Rs 200 per connection per occasion of supply	170

*Category 1 Zones (with consumption norm above 1318 hours/HP/year)					
1	Bhandup (U)	2	Pune (Urban & Rural)	3	Nashik

#Category 2 Zones (with consumption norm below 1318 hours/HP/year)					
1	Amravati	2	Aurangabad	3	Kalyan
4	Kokan	5	Kolhapur	6	Latur
7	Nagpur(U)	8	Nagpur		

Notes:

1. FAC will be determined monthly based on the FAC Formula approved by the Commission.
2. Billing Demand for LTPG and other LT categories opting for MD based tariff :

Monthly Billing Demand will be the higher of the following:

- a) Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours
- b) 75% of the highest billing demand recorded during preceding eleven months subject to the limit of contract demand
- c) 50% of the Contract Demand.



Table 4: Summary of HT Tariff Effective from 1st October 2006

Consumer Category	Demand Charges (Rs/KVA/month)	Energy Charge (Paise/kWh)
HTP-I (Industries)		
Continuous Industries	350	215
Non Continuous Industries	350	285
TOD Tariff (In addition to Base Tariff)		
2200 hrs – 0600 hrs	0	(85)
0600 hrs – 0900 hrs		0
0900 hrs – 1200 hrs		80
1200 hrs – 1800 hrs		0
1800 hrs – 2200 hrs		110
HT Seasonal Category	350	340
HTP-II (Public Water Works)		
Express Feeders	350	260
Non- Express Feeders	350	240
TOD Tariff (In addition to Base Tariff)		
2200 hrs – 0600 hrs	0	(85)
0600 hrs – 0900 hrs		0
0900 hrs – 1200 hrs		80
1200 hrs – 1800 hrs		0
1800 hrs – 2200 hrs		110
HTP - III (Railway Traction)	0	390
HTP- IV (Bulk Supply)		
Residential Complex	150	240
Commercial Complex	150	360
HTP- V- Agricultural	25	130
Mula Pravara Electric Co-op Society	200	280

Notes:

1. HTP V category includes HT Lift Irrigation Schemes irrespective of ownership.
2. FAC will be determined monthly based on the FAC Formula approved by the Commission
3. HT Categories (HTP-I, HTP-II,)

Monthly Billing Demand will be the higher of the following:

- i. Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours
- ii. 75% of the highest billing demand recorded during preceding eleven months subject to the limit of contract demand.



iii. 50% of the Contract Demand.

4. HT Seasonal Category

During Declared Season Monthly Billing Demand will be the higher of the following:

- i. Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours
- ii. 75% of the Contract Demand
- iii. 50 kVA.

During Declared Off-season

Monthly Billing Demand will be the following:

- i) Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours

5. HT Industrial consumers having captive generation facilities synchronized with the grid will pay additional demand charges of Rs. 20 per kVA per month only for the standby contract demand component.



Table 5: Summary of Wheeling Charges Effective from 1st October 2006

Voltage level	Rs/kVA/Month
132 kV	Nil
33 kV	3
22 kV & 11 kV	37
LT	113

Table 6: Summary of Cross Subsidy Surcharge Effective from 1st October 2006

Consumer Category	Voltage Level		
	EHV	33 kV	11 kV
HTP-I (Industries)			
Continuous Industries	NIL		
Non Continuous Industries			
Seasonal Category			
HTP-II (Public Water Works)			
Express Feeders			
Non- Express Feeders			
HTP – III (Railway Traction)			
HTP- IV			
Residential			
Commercial			

