

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 25 and 53 of 2005 and Case No. 12 and 56 of 2005

In the matter of
Annual Revenue Requirement (ARR) Petition of REL for FY 2005-06 and ARR & Tariff Petition for FY 2006-07, and
In the matter of
Annual Revenue Requirement (ARR) Petition of TPC for FY 2005-06 and ARR & Tariff Petition for FY 2006-07

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

CLARIFICATORY ORDER

Dated: 9th November 2006

The Commission hereby makes the following clarifications to its Orders issued on October 3, 2006, in the matter of Annual Revenue Requirement (ARR) Petition of REL for FY 2005-06 and ARR & Tariff Petition for FY 2006-07, and in the matter of Annual Revenue Requirement (ARR) Petition of TPC for FY 2005-06 and ARR & Tariff Petition for FY 2006-07.

The Commission has introduced the concept of Load Management Charges (LMC) and Load Management Rebate (LMR), linked to the reduction of consumption to targeted levels of 80% of the corresponding month in the previous year. The applicability of LMC and LMR in the following instances is clarified as follows:

1. If the industrial premises were under 'lock-out' or qualify under 'sick industry' definition during the corresponding period in the last year, then the reference period for comparison of consumption for levy of Load Management Charge/Rebate will be the last bill period.
2. If the sanctioned load/contract demand has been increased, or if the nature of the connection has changed, or the consumer categorization has changed after October 1, 2005, then the reference period for comparison of consumption for levy of Load Management Charge/Rebate will be the last bill period after the respective change.
3. If the consumption during the corresponding month in the previous year is either zero or less than 50% of the average consumption during the past 12 months (average consumption to be computed by excluding the zero consumption months), then the reference period for comparison of consumption for levy of Load Management Charge/Rebate will be the last bill period.



The Tariff Orders of the Commission (Case 25 and 53 of 2005 and Case 22 and 56 of 2005) state that:

- (i) *“This monthly consumption reduction target will not be applicable for new consumers and in case of change in occupancy during the last one year for the existing consumers.”*

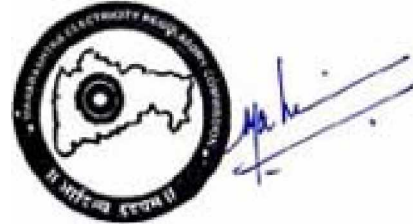
It is clarified that the above clause is applicable for change in lessee/tenant in case of leased/rented flats or change in ownership, even in cases where the consumer name continues to be in the name of the original owner, provided the current lessee/tenant produces a lease agreement or leave and license agreement or property agreement, respectively, documenting the above change, when asked to do so by the licensee.

The Distribution Licensees are directed to give effect to these clarifications with retrospective effect, wherever applicable, and adjust the consumers' bills for the specified months accordingly, through adjustment of future bills.

Sd/-
(S.B. Kulkarni)
Member

Sd/-
(A. Velayutham)
Member

Sd/-
(Dr Pramod Deo)
Chairman



(Malini Shankar)
Secretary, MERC