

**BRIHAN-MUMBAI ELECTRIC SUPPLY & TRANSPORT UNDERTAKING
[ADDRESS OF THE REGISTERED OFFICE OF THE LICENSEE]**

Web site: www.bestundertaking.com

PUBLIC NOTICE

Comments / Suggestions on BEST Aggregate Revenue Requirement (ARR) and
Electricity Tariff Proposal (**Case 50 of 2005**)

1. BRIHAN-MUMBAI ELECTRIC SUPPLY & TRANSPORT UNDERTAKING (BEST) has filed a Petition for determination and approval of Aggregate Revenue Requirement (ARR) for FY 2006-07 and electricity tariffs before the Maharashtra Electricity Regulatory Commission under the Electricity Act, 2003. The Commission has admitted the Petition on **8th December, 2006** and directed BEST to publish a Public Notice under Section 64 (2) of the Act.
2. The salient features of the Petition are provided below:

Summary of ARR and Revenues of BEST at existing tariffs

Particulars	Unit	2005-06 (Actuals)	2006-07 (Projected)
A Energy Input (Units Purchased)	MU	4155.53	4269.29
B Distribution Losses	%	13.02	12.40
C. Projected Sales	MU	3614.69	3741.89
D Capital Investment	Rs Crore	63.78	171.06
E. Capitalized during the year.	Rs Crore	63.78	*
F. Estimated Revenue based on existing Retail Supply Tariff	Rs Crore	1447.70	1395.89
G. Power Purchase Cost at existing Bulk supply tariff	Rs Crore	1122.29	1463.31**
H. Transmission Charges	Rs Crore	--	102.33
I. Standby Charges	Rs Crore	--	121.50
J. Other expenses	Rs Crore	303.39	388.47***
K. Total Expenditure (ARR Components) incl. interest. on Consumer Security Deposit, Interest on Loans, etc.	Rs Crore	1425.68	2075.61
L. Interest on Other Deposits at 6%	Rs Crore	5.51	1.88
M. Interest on Government Grants at 6%	Rs Crore	2.74	3.39
N. Interest on other Funds (GEF Fund, BEST Staff Fund)	Rs Crore	10.50	11.47
O. Interest on Internal Funds	Rs Crore	43.72	35.22
P. Non Tariff Income	Rs Crore	70.30	82.70

Particulars	Unit	2005-06 (Actuals)	2006-07 (Projected)
Q. Aggregate Revenue Requirement (K+L+M+N+O-P)	Rs Crore	1417.85	2044.87
R. Revenue Gap at Existing Tariffs (Q-F)	Rs Crore	+29.85	-(648.98)

Notes:

- * E. Capitalized during the year for FY 06-07 - The same will be available at the time of closing of FY 06-07.
- ** G – Power Purchase cost for FY 06-07 includes R.P.O. cost of Rs.48.78 crores.
- *** J - Other expenses includes employees expenses, A&G expenses, R&M expenses, Depreciation, Interest on long term loans, Interest on consumer deposits and Bad debts.

Break up of expenses

Particulars	2005-06 (Actuals)	2006-07
Employee Expenses	151.04	117.30
Administration & General Expenses, incl. Rent	90.27	158.32
Repair and maintenance	6.38	44.27
Depreciation	38.69	44.68
Interest on Loans	5.29	6.01
Interest on Security Deposits	11.70	11.70
Bad Debts Written off	0.02	6.19
Total	303.39	388.47

Tariff Proposal by BEST for FY 2006-07

- The existing Energy Charges and RkVah charges and those proposed by BEST are as follows:

Sr.no.	EXISTING			PROPOSED		Remark
	Consumer Category	Energy Charge (paise / kWh)	RkVah charges (paise / RkVah)	Energy Charge (paise / kWh)	RkVah charges (paise / RkVah)	
1	BPL					
	0-30 UNITS	40		40		
2	LF – 1					
	0 - 100	75	-	200	-	
	101 – 300	200	-	425	-	
	> 300 (only balance units)	360	-	650	-	

3	LF – 2					*
	0 – 300	350		545		
	301 – 1000	500		635		
	> 1000 (only balance units)	590		760		
	PF < 0.92		270		270	
	$0.92 \leq \text{PF} < 0.95$		180		180	
	$0.95 \leq \text{PF} \leq 0.97$		120		120	
	PF > 0.97		0		0	
4	LTC – 1					*
	All units	390		670		
	PF < 0.92		270		270	
	$0.92 \leq \text{PF} < 0.95$		180		180	
	$0.95 \leq \text{PF} \leq 0.97$		120		120	
	PF > 0.97		0		0	
5	C (D)		-		-	
	All units	1100		1270		
6	LTP – 1					*
	0 – 300	270		550		
	301 – 1000	340				
	> 1000 (only balance units)	510				
	PF < 0.92		270		270	
	$0.92 \leq \text{PF} < 0.95$		180		180	
	$0.95 \leq \text{PF} \leq 0.97$		120		120	
	PF > 0.97		0		-	
7	LTP – 2					*
	All units	330		450		
	PF < 0.92		270		270	
	$0.92 \leq \text{PF} < 0.95$		180		180	
	$0.95 \leq \text{PF} \leq 0.97$		120		120	
	PF > 0.97		0		-	
8	SL	320	-	355	-	
9	E	160	-	160	-	
10	T	850	-	925	-	
11	TS (R)	170	-	170	-	

12	SB	--			-	**
	All units	--		800	-	
13	HTP -1		-	-	-	
	All units	180		-	-	
	PF < 0.92		270	-	-	
	$0.92 \leq PF < 0.95$		180	-	-	
	$0.95 \leq PF \leq 0.97$		120	-	-	
	PF > 0.97		0	-	-	
14	HTP-2			HTP-GENERAL		***
	All units	350		415		
	PF < 0.92		270		270	
	$0.92 \leq PF < 0.95$		180		180	
	$0.95 \leq PF \leq 0.97$		120		120	
	PF > 0.97		0		0	
15	HTP -3			-	-	
	All units	330		-	-	
	PF < 0.92		270	-	-	
	$0.92 \leq PF < 0.95$		180	-	-	
	$0.95 \leq PF \leq 0.97$		120	-	-	
	PF > 0.97		0	-	-	
16	HTP -4			-	-	
	All units	225		-	-	
	PF < 0.92		270	-	-	
	$0.92 \leq PF < 0.95$		180	-	-	
	$0.95 \leq PF \leq 0.97$		120	-	-	
	PF > 0.97		0	-	-	
17	HTP -5			HTP-DEFENCE		***
	All units	200		350		
	PF < 0.92		270		270	
	$0.92 \leq PF < 0.95$		180		180	
	$0.95 \leq PF \leq 0.97$		120		120	
	PF > 0.97		0		0	

- The existing Fixed Charges and those proposed by BEST are as follows:

Sr.no.	Consumer Category	EXISTING		PROPOSED		Remark
		Fixed / Demand Charges (Rs. / connection / month)		Fixed / Demand Charges (Rs. / connection / month)		
		Single Phase	Three Phase	Single Phase	Three Phase	
1	BPL					
	0-30 UNITS	3 / connection / month	--	3 / connection / month		
2	LF - 1					
	0 - 100	10	100	30	100	
	101 – 300	10		50	100	
	> 300 (only balance units)	50		100	100	
3	LF - 2					*
	0 - 300	150		200 / connection / month		
	301 – 1000					
	> 1000 (only balance units)					
	PF < 0.92					
	$0.92 \leq PF < 0.95$					
	$0.95 \leq PF \leq 0.97$					
	PF > 0.97					
4	LTC - 1					*
	All units	300 / kVA / month		374 / kVA / month		
	PF < 0.92					
	$0.92 \leq PF < 0.95$					
	$0.95 \leq PF \leq 0.97$					
	PF > 0.97					
5	C (D)					
	All units	200		200 / connection / month		

6	LTP - 1					*
	0 - 300	300		300 / connection / month		
	301 – 1000					
	> 1000 (only balance units)					
	PF < 0.92					
	$0.92 \leq \text{PF} < 0.95$					
	$0.95 \leq \text{PF} \leq 0.97$					
	PF > 0.97					
7	LTP - 2					
	All units	300 / kVA / month		374 / kVA / month		
	PF < 0.92					
	$0.92 \leq \text{PF} < 0.95$					
	$0.95 \leq \text{PF} \leq 0.97$					
	PF > 0.97					
8	SL	300 / kVA / month		374 / kVA/ month		
9	E	100		100 / connection / month		
10	T	250 / connection / occasion of supply		250 / connection / occasion of supply		
11	TS (R)	200 / connection / occasion of supply		200 / connection / occasion of supply		
12	SB	---		100 / kW / month of sanctioned		**
13	HTP -1					
	All units	300 / kVA / month				
	PF < 0.92					
	$0.92 \leq \text{PF} < 0.95$					
	$0.95 \leq \text{PF} \leq 0.97$					
	PF > 0.97					

14	HTP-2			HTP-GENERAL		***
	All units	300 / kVA / month		374 / kVA / month		
	PF < 0.92					
	0.92 ≤ PF < 0.95					
	0.95 ≤ PF ≤ 0.97					
	PF > 0.97					
15	HTP -3					
	All units	300 / kVA / month				
	PF < 0.92					
	0.92 ≤ PF < 0.95					
	0.95 ≤ PF ≤ 0.97					
	PF > 0.97					
16	HTP -4	300 / kVA / month				
	All units					
	PF < 0.92					
	0.92 ≤ PF < 0.95					
	0.95 ≤ PF ≤ 0.97					
	PF > 0.97					
17	HTP -5	100 / kVA / month		HTP-DEFENCE		***
	All units			374 / kVA / month		
	PF < 0.92					
	0.92 ≤ PF < 0.95					
	0.95 ≤ PF ≤ 0.97					
	PF > 0.97					

Note:

* **1.0** MERC has recently issued Conditions of Supply vide its order dated 3rd November, 2006. As per these conditions of supply, the licensees are required to execute agreement with all consumers with applied load below 50 kW, the application form (requisition) serves as the agreement, whereas for all the loads exceeding contract demand above 50 kW, a separate agreement is required to be executed. In tariff proposal for LF-2, LTC-1, LTP-1 and LTP-2 categories, above parameters of conditions of supply are incorporated.

****2.0** In previous tariff of the Undertaking, there was a tariff category 'Standby Tariff'. This tariff was meant for standby supply utilized for fire fighting and

dedicated supply purpose. As per the statutory requirement, the supply for such installation is required to be given from separate sources and adequate network capacity is required to be kept spare for this purpose. The network capacity to that extent is kept reserved for such installation and can not be utilized elsewhere. As such, in the previous tariff schedule, the billing for this tariff category was on the basis of connected load i.e. sanctioned load and consumption if any and billing was on whichever was higher. However, in MERC's Supplementary Tariff Order dated 26th September, 2006, this tariff was clubbed with Temporary Supply (T) with billing based on connection basis and consumption. As the applications of temporary supply and the above standby tariff supply as described above are entirely different, it is proposed to re-introduce this tariff as separate tariff category at Sr.No.12 with heading 'Standby (SB)' in Proposed Tariff Schedule.

*****3.0** The existing tariff schedule of the Undertaking has five tariff categories in HT tariffs. It is proposed to rationalize HT tariff categories to two tariff categories as follows :-

3.1 In the license area, there are a number of important defence installations with their large residential complexes. It is, therefore, proposed to have a separate HTP category meant for residential bulk defence consumption. Therefore, HT tariff category under the heading HTP-Defence is proposed for above purpose and rest of the existing HT categories are covered under HTP General category. As such, this will be in line with the HT tariff categories with the neighbouring utilities.

The existing Fixed Charges, and those proposed by BEST are as follows:

* Note : "No change" may be stated in case no revision is proposed.

3. Copies of the following documents can be obtained on written request from the Head Office and Zonal Offices of BEST mentioned below:
- Summary of the proposal (free of cost, in Marathi or English)
 - Detailed Petition document along with CD (in English) (on payment of Rs.150/- in cash or by DD/ Pay Order drawn on any nationalized bank or scheduled bank).
 - Detailed Petition document (in English) (on payment of Rs. 100/-).
 - CD of detailed Petition document (in English) (on payment of Rs. 50/-).

Head Office Address: General Office Manager
BEST Bhavan
BEST Marg
Colaba, Mumbai - 400001

Zonal Offices Address:

1) Commercial (North)	2) Commercial (South)
2nd floor	1st floor
Transportation Engg. Bldg.	Electricity House
Tilak Road,	S.B. Road
Dadar, Mumbai -14.	Colaba, Mumbai – 1.

4. The Commission has directed BEST to invite comments or suggestions from the public on the above Petition through this Notice. Suggestions or comments may be sent to the Secretary, Maharashtra Electricity Regulatory Commission, 13th Floor, Centre No. 1, World Trade Centre, Cuffe Parade, Mumbai - 400 005 [Fax : 22163976 : E-mail – mercindia@mercindia.org.in] by **22nd December, 2006**, along with proof of service on the General Manager, BEST Undertaking. BEST may reply to the sender by **28th December 2006** (with 6 copies to the Commission), and rejoinders to BEST's reply may be addressed by BEST at the Public Hearing.
5. The suggestions or comments shall be filed in English or in Marathi, in six copies, and should carry the full name, postal address and e-mail address, if any, of the sender. It should be indicated whether the objection is being filed on behalf of any organization of category of consumers. It should also be mentioned if the sender wants **to be heard in person, in which case opportunity would be given by the Commission at the Public Hearing to be held at Vista Hall,30th Floor,Centre no.1,World Trade Centre,Cuffe Parade,Colaba,Mumbai-400 005 on 29th December, 2006 at 11.00 hours**, for which no separate notice will be given.
6. The executive summary alongwith detailed Petition document is available at BEST's website www.bestundertaking.com, and the executive summary is also available on web-site of the Commission [[http://www .mercindia.org.in](http://www.mercindia.org.in)] in downloadable format (free of cost).

Signature

**(Uttam Khobragade)
General Manager
BEST Undertaking**