



**Maharashtra State Electricity Distribution Co. Ltd.**

Prakashgad, Plot No.G-9, Bandra (East), Mumbai – 400 051

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Ref. No PR-3/Tariff/ **No 24539**

Date : **02 SEP 2013**

**Commercial Circular No. 207**

**Sub:** Change of Category of Consumer, who runs Small Business from part of Residential Premises.

- Ref:**
- 1) MERC Order dtd.16.07.13 in Case no.118 of 2012.
  - 2) MERC Tariff Order dtd.16.08.12 in Case no.19 of 2012
  - 3) Commercial Circular no.175 dtd.05.09.12 and 177 dtd.25.09.12.

The Maharashtra Electricity Regulatory Commission has issued Tariff Order dated 16<sup>th</sup> August 2012 for MSEDCL in Case No. 19 of 2012. Accordingly, the guidelines have been issued for implementation of the same vide Commercial Circular No. 175 dt. 05.09.2012. The Commission has given relief to residential consumers running small business from households from high Tariffs of Commercial/Industrial/Public Services etc . categories by applying LT (I) Residential tariff .The consumers who consumes less than 300 units a month and consumed less than 3600 units in previous financial year to be charged accordingly. Subsequently, the detail guidelines were issued to field offices vide Commercial Circular No. 177 dtd 25.09.2012.

However, Maharashtra Veej Grahak Sanghatna filed a Petition (case no. 118 of 2012) before Commission, for non-compliance of Commission's Order in regard to above matter.

The Commission has issued order dtd.16.07.13 in Case No.118 of 2012. In the said order Hon'ble Commission clarified that beneficial tariff ( LT Residential) will be applicable to all such activities running from part of residential premises which technically may be classified as commercial/industrial/non-residential subject to condition of monthly/yearly consumption limit as specified in the tariff Schedule. The Hon'ble Commission has further directed MSEDCL to allow the benefit of LT-Residential tariff to the consumers operating small business or any activity which technically may be classified as commercial / industrial / non-residential from part of their residence, irrespective of such consumers are situated in rural or urban area.


In view of the directives in above Order, the instructions to field officers are as below:-

- 1) The LT-I Residential tariff is applicable to the consumers operating small business or any other activity **from part of their residence**, which technically may be classified as Commercial / Industrial / Public Service / Non-residential, who consume less than 300 units a month, and who have consumed less than 3600 units per annum in the previous financial year. **The applicability of this Tariff will have to be assessed at the end of each**

**financial year.** In case any consumer has consumed more than 3600 units in the previous financial year, then the consumer will henceforth not be eligible for Tariff under this category. This provision is applicable to such eligible situated in rural or urban area.

- 2) The above categorization as LT (I) should be done with retrospective effect from dtd.01.08.12 and refund due to categorization as above ie. LT(I) w.e.f. 01.08.12 shall be given by way of adjustment in ensuing bill only.
- 3) such consumers where the consumption is more than 3600 units in FY, needs to be recategorized first as per the uses under Commercial/Industrial/Public Service etc category after giving notices and separate connection for residential use should be released for such consumer.
- 4) If consumer is carrying business using **hazardous material**, a NoC issued by appropriate authority should be obtained from such consumer. **However for non hazardous activities , undertaking of the consumer that he should not carry business of hazardous activity is to be obtained**
- 5) The provisions of Commercial Circular No. 177 dt. 25/09/2012 shall stands cancelled herewith.

All field offices are hereby instructed to follow above instructions strictly.



**Chief Engineer (Commercial)**

**Copy s.w.r. to :**

- 1) The Director (Operation) MSEDCL, Mumbai.
- 2) The Director (Finance) MSEDCL, Mumbai.
- 3) The Executive Director (Commercial), MSEDCL, Mumbai.
- 4) The Regional Executive Director-I/II/III, MSEDCL, Kalyan / Pune / Nagpur.

**Copy f.w.c.s. to:**

- 1) All Chief Engineer, O&M Zones, MSEDCL
- 2) The Chief General Manager (IT), MSEDCL, Mumbai.
- 3) The OSD to MD, MSEDCL, Mumbai

**Copy to:**

All Superintending Engineers, O&M Circles, MSEDCL.

**Copy to:** As per mailing list