

OFFICE OF THE CHIEF ENGINEER (Commercial)

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No.PR-3/Tariff /36292

Date: 26.09.2008.

COMMERCIAL CIRCULAR No. 88.

Sub: Provisions of Clarificatory Order dated 12th September, 2008 in the matter of the detailed Tariff Order of MERC dated 20th June, 2008.

Ref: 1. Commercial Circular No.81 dated 07 September 2008.
2. Letter No. MERC/TRF/Case No. 72 of 2007/1841 dated 17 Sept 2008.

The Maharashtra Electricity Regulatory Commission (Commission), in exercise of the powers vested in it under Section 61 and Section 62 of the Electricity Act, 2003 (EA 2003) and all other powers enabling it in this behalf, and after taking into consideration all the submissions made by MSEDCL, all the objections, responses of the MSEDCL, issues raised during the Public Hearing, and all other material, issued the Operative Order dated May 31, 2008 and detailed Tariff Order dated June 20, 2008 in Case 72 of 2007 on the Annual Performance Review for FY 2007-08 and determination of tariff for retail sale and wheeling of electricity for MSEDCL for FY 2008-09.

Subsequently, on July 05, 2008, MSEDCL filed a Petition (the petition having been numbered as Case No. 44 of 2008), seeking clarifications on the Tariff Order, with the stated objective of ensuring the correct implementation of the Tariff Order.

The Commission held a hearing on the said Petition on August 13, 2008, in the presence of Consumer Representatives authorised on a standing basis under the Electricity Act, 2003.

Accordingly the Commission has issued Clarificatory Order dt. 12/09/2008 and letter under reference '2'. The Commission also directs MSEDCL to ensure that the clarifications given in this Order are implemented with effect from June 1, 2008 and the consumers' bills are revised accordingly. This will ensure that the Commission's Order is implemented as desired from the date of enforcement of the said Order and the consumers are not unnecessarily burdened on account of lack of clarity on certain aspects related to implementation of the Tariff Order in Case No. 72 of 2007.

Main features of the Clarificatory Order are as under:

1. Applicability of HT-I (Continuous Industry):

In the Tariff Order, the Commission has specified that *"only HT industries connected on express feeder and **demanding continuous supply** will be deemed as HT continuous industry and given continuous supply, while all other HT industrial consumers will be deemed as HT non-continuous industry."*

Now Commission has clarified that –

The consumer getting supply on express feeder may exercise his choice between continuous and non-continuous supply only once in the year, within the first month after issue of the Tariff Order for the relevant tariff period.

In the present instance, the consumer may be given one month time from the date of issue of this circular for exercising his choice. In case such choice is not exercised within the specified period, then the existing categorisation will be continued.

2. Applicability of LT VII Temporary tariff for HT and LT Construction activity:

The Commission has clarified on this issue that the above stated applicability for LT VII – Temporary Connections was not intended to be applied to LT consumers who are renovating or undertaking minor construction activity at their existing premises.

The Commission hence, clarifies that **any LT consumer, having consumption upto 500 units per month, and who undertakes construction or renovation activity in his existing premises, does not require any separate temporary connection and this consumer should be billed at his existing tariff rate.**

3. Applicability of Tariff for Government Hospitals, ESIS Corporation Hospitals and Zilla Parishad Hospitals availing power supply on High Tension:

The Commission has clarified that **all Government Hospitals, ESIS Corporation Hospitals and Zilla Parishad Hospitals availing power supply on High Tension shall be eligible for LT-I tariff, and shall not be included under HT II: HT Commercial category.**

Thus except the above three types of hospitals, all the other hospitals (including trust hospitals) will be categorized under HT-II commercial category.

4. Applicability of Power Factor Penalty and Incentive:

The Commission clarifies that the power factor penalty and incentive shall be applicable to **only those consumers who have MD based tariff and are provided with meters to measure their power factor.**

5. Applicability of Tariff for Residential consumer availing supply at HT voltage:

LT – I (Residential) tariff is to be levied for residential consumers availing supply at HT voltage.

All the above five clarification came into force retrospective w.e.f. 01/06/2008.

The billing software is to be modified in accordance with the Clarificatory Order by the CGM (IT) Section and will be issued to the respective IT centers shortly.

This being a tariff matter all the field officers are requested to observe very strict due diligence and in case of difficulty may contact their respective Executive Directors / Zonal Chief Engineers for clarification/guidelines.

Chief Engineer (Commercial)

Copy f. w. c. to:

The Chief General Manager (IT), MSEDCL.
The Chief Engineers of all O & M Zones, MSEDCL.

Copy To:

- 1) The Superintending Engineers of all O & M Circles, MSEDCL.
- 2) The Executive Engineers of all O & M Divisions, MSEDCL.
- 3) The Dy. Executive Engineers of all O & M Sub-Divisions, MSEDCL.
- 4) The Assistant Engineers of all O & M Sub-Divisions, MSEDCL.

Copy s. w. r. to:

The Secretary, Maharashtra Electricity Regulatory Commission, Mumbai,

Copy s. w. r. to:

The Managing Director, MSEB, Holding Company Ltd.
The Managing Director, M.S.E.D. Company Ltd.
The Managing Director, M.S.E.T. Company Ltd.
The Managing Director, M.S.E.P.G. Company Ltd.
The Director, (Finance), M.S.E.D. Company Ltd.
The Director, (Operations), M.S.E.D. Company Ltd.
The Director (V & S), MSEDCL.

Copy s. w. r. to:

The Executive Director - I (Dist.-Com. & Co-Ord.), MSEDCL.
The Executive Director - II (Dist. & Com.), MSEDCL.
The Executive Director - III (Dist. & Com.), MSEDCL.
The Executive Director (Corporate Planning -TRC) MSEDCL.
The Executive Director (HRD) MSEDCL.

Copy f. w. c. to:

The Company Secretary, MSEDCL.
The Chief General Manager (Tech. Estt.), MSEDCL.
The Chief General Manager (Finance & Acctt.) MSEDCL.
The Chief General Manager (IA), MSEDCL.
The Chief General Manager (Personnel) MSEDCL.
The Chief Engineer (Distribution) / (IR) / (Load Management)/ (Special Project Cell)/(APDRP)/Power Purchase/ Infrastructure Plan/AMR, MSEDCL.
The Chief Engineer (TRD), MSEDCL, Nasik,
The General Manager (SB) / (Corp. Account), MSEDCL.
The Chief Legal Adviser, MSEDCL.
The R. A. O.; Government Audit, Prakashgad, Mumbai,
The C. I. & P. R. O., Mumbai,
The Superintending Engineer (TRC) MSEDCL.
The Technical Assistant to Managing Director, MSEDCL.
The G.M. (Inspection), MSEDCL, Mumbai,
The Dy. Director (V, S & E), MSEDCL, Pune / Nagpur / Mumbai
The G.M. (Inspection), MSEDCL, Mumbai,
The G.M., Computer Centre, MSEDCL, Mumbai,
Pune/Nagpur/Aurangabad/Akola/Nasik/Vashi/Bhandup/Kalyan/Kolhapur
The System Analyst, Computer Centre, MSEDCL,
Bhandara/Buldhana/Dhule/Jalgaon/Latur/Nanded/Satara/Solapur/Pen
The Programmer, Computer Centre, MSEDCL,
Ahmadnagar/Amravati/Chandrapur/Palghar/Ratnagiri/Sangli/Yavatmal
All Flying Squads, MSEDCL,

Copy f. w. c. to:

The Vice President-Bhiwandi Operations,
Torrent Power Ltd.,
Old Agra Road, Anjur Phata, Bhiwandi-421 302.