



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

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REF. PR – 3 / TARIFF/ **40506**

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**COMMERCIAL CIRCULAR No 47.**

**Subject: Revision in tariff – Implementation thereof.**

The Maharashtra Electricity Regulatory Commission, by its Operative Order dated 29<sup>th</sup> September 2006 has revised the tariffs for retail sale of electricity. Accordingly, Commercial Circular No.45 was issued for implementation of guidelines and directives given by the Hon. Commission. Now MERC has issued the detail tariff order dated October 20, 2006 which necessitated certain modifications and additions in the Commercial Circular No.45 i.e. revision of tariff - implementation thereof.

Accordingly, this new Circular is issued considering all the aspects mentioned in the detail order for implementation of revision of tariff. This will supersede the Commercial Circular No.45, which may please be noted.

**1. DATE OF IMPLEMENTATION:**

- 1.1 The revised tariffs as applicable to the various categories of consumers have come into force with effect from 1<sup>st</sup> October 2006;
- 1.2 In case there is any delay in applying the revised tariffs to some of the consumers, suitable adjustment shall be carried out in the energy bills of such consumers for the month of November 2006; or immediate subsequent month.
- 1.3 In respect of billing involving periods prior to and after 1<sup>st</sup> October 2006, pro – rata consumption up to 30<sup>th</sup> September 2006 and from 1<sup>st</sup> October 2006 onwards shall be worked out and appropriate tariff shall be applied to such consumption.

## **2. ADDITIONAL SUPPLY CHARGE:**

- 2.1 The Hon. Commission has introduced a new charge "**Additional Supply Charge**" to compensate the costly power purchase; which will be in addition to the revised tariffs as indicated in the Table - I & Table - II attached to this Circular.
- 2.2 The said "Additional Supply Charge" is applicable to all consumers, except agricultural consumers and domestic consumers under "**Below Poverty Line**" category having consumption less than or up to 30 units per month;
- 2.3 The residential consumers consuming less than 300 units per month shall pay only 10% of the **Additional Supply Charge** for the respective consumption from costly source, which works out to 48 Ps/unit in addition to the revised tariffs.
- 2.4 Accordingly, the "Additional Supply Charge" shall depend upon the ratio of contribution of costly power to the consumption mix of a particular region and therefore shall vary depending upon the geographical location (i. e. load shedding hours) & the consumer category, as indicated in Table – III enclosed and will be charged based on Load Shedding pattern.
- 2.5 The Hon. Commission desires to **incentivise the consumers who voluntarily reduce the consumption**. This incentive is envisaged to be given effect in the Additional Supply Charge. This is proposed to be done by assessing the consumers consumption against the monthly average consumption of the previous year's consumption (January-2005 to December-2005) while billing the consumer for additional supply charge. For example, if a commercial consumer located in Industrial and Urban agglomeration **reduces the consumption by 5% as against the average of previous year's consumption, then only 14% (19% - 5%) of his current consumption will be billed at the rate of additional supply charge**. This incentive is limited to the maximum of the percentage indicated against the particular category and the region of the consumer i.e. 19% in above example.

- 2.6 The consumers, for applicability of “Additional Supply Charge” shall be classified as follows, depending up on the Load Shedding Pattern;

Sr. No.	LOAD SHEDDING PATTERN	CONSUMER CATEGORY / AREA
1.	Zero Load Shedding	Consumers connected on Express / dedicated Feeder & exempted from any kind of Load Shedding, including Staggering Day
2.	11 to 12 Hrs. Load Shedding	Agricultural Dominated Area
3.	2.4 Hrs. to 4 Hrs Load shedding	Industrial & Urban Agglomeration, including MIDC / Other Industrial Estates, where only weekly one day Staggering Day is observed
4.	4.5 Hrs. to 6 Hrs. Load shedding	Other regions

- 2.7 The “Additional Supply Charge” shall be separately shown in the energy bills and any over or under recovery shall be adjusted against the same set of consumers;

- 2.8 Additional Supply Charges shall be considered for computing **“Electricity Duty” as well the Rebates / Incentives / DPC / Additional Security Deposit.** Similarly, the “Additional Supply Charge” shall also be considered for determination of **assessment under Section 126 and Section 135** of the Electricity Act, 2003.

### **3. AGRICULTURAL TARIFF:**

- 3.1 The Hon. Commission has retained the existing tariff applicable to Agricultural consumers;

- 3.2 However, the Hon’ble Commission has revised the slabs for unmetered agricultural consumers, as consumers having consumption above 1318 hours per HP per year and consumers having consumption below 1318 hours per HP per year;

3.3 Accordingly, the Hon'ble Commission has also identified the area (Zones) depending upon the consumption norms of that respective area;

**Category – I:** Zones (with consumption norm above 1318 hours/HP/year) Bhandup (Urban), Pune (Urban & rural) and Nasik

**Category – II:** Zones (with consumption norm below 1318 hours/HP/year) Amaravti, Aurangabad, Kalyan, Konkan, Kolhapur, Latur, Nagpur (Urban) & Nagpur

#### **4. HTP- I (INDUSTRIES)**

4.1 As per the pre-revised tariff, the HTP – I & HTP – II tariff was applicable for all High Tension Industries & Other High Tension consumers situated in Mumbai Metropolitan / Pune Metropolitan Area and other Area respectively;

4.2 The Hon'ble Commission has now combined these two categories (HTP – I & HTP – II) into one consumer category, viz. HT I – Industries & hence all the consumers in the erstwhile HTP-I & HTP-II will now be covered under HT-I tariff category. Further, this category has been reclassified into two sub – categories, viz. "Continuous" and "Non – Continuous" Industries.

4.3 In the absence of any authenticate data regarding processing type of industry all the erstwhile HTP – I & HTP – II High Tension Industrial consumers, who are at present exempted from Load shedding, will be treated as being on an Express feeder, shall henceforth be classified as "**Continuous**" Industries and shall be billed accordingly;

4.4 All consumers of the erstwhile HTP-I and HTP-II categories, other than those covered in para 4.3 above, who are presently subjected to Load shedding, shall henceforth be classified as "**Non - Continuous**" Industries and shall be billed accordingly. Any continuous industry consumer who is subjected to load shedding and hence classified as non-continuous can opt for continuous tariff by submitting the proper documents;

4.5 It shall be noted that the T. O. D. Tariff as applicable to these consumers (HTP – I Industries) has also been revised by the Hon'ble Commission and it shall be noted that the T. O. D. Tariff is also applicable to High Tension (Seasonal) consumers;

## **5. HTP-III (PUBLIC WATER WORKS)**

- 5.1 As per the pre-revised tariff, the HTP – III & HTP – IV tariff was applicable for all High Tension Public Water Supply Scheme consumers situated in Mumbai Metropolitan / Pune Metropolitan Area and other Area respectively;
- 5.2 The Hon'ble Commission has now combined these two categories (HTP – III & HTP – IV) into one consumer category, viz. **HT III – PWW** and has further reclassified this category into two sub – categories, viz. consumers connected on **"Express feeders"** & consumers connected on **"Non – Express Feeders"**;
- 5.3 The erstwhile HTP – III & HTP – IV High Tension Public Water Supply Scheme consumers, who are at present connected on "Express feeders" & consumers who are connected on "Non – Express Feeders" shall be identified and billed accordingly;
- 5.4 It shall be noted that the T. O. D. Tariff as applicable to these consumers has also been revised by the Hon'ble Commission.

## **6. LT GENERAL MOTIVE POWER (LTP – G) TARIFF:**

- 6.1 The category LTP (G) has been renamed as LT V – General Motive Power.
- 6.2 The Hon'ble Commission has abolished the HP based tariff as was applicable to Low Tension General Motive consumers and instead has introduced **MD Based tariff** for these consumers;
- 6.3 Accordingly, these consumers are now to be charged "Fixed Charge" based on "Billing Demand", depending upon the "Contract Demand" as may be declared by the consumer;
- 6.4 It shall be noted that, as per the revised tariff, now T. O. D. Tariff is compulsory for these consumers;
- 6.5 In absence of declaration of Contract Demand by the consumer within the prescribed time limit, the consumer shall be billed as follows:
- 6.5.1 In case of a consumer, having an energy meter with the facility to record the Demand either in kVA or kW, the contract demand will be determined by converting the 50% of Sanctioned Load in HP to equivalent Sanctioned Demand in kVA, assuming 0.90 as average power factor i.e.( 50% SL in HP \* 0.746 /0.9). The consumer shall

be billed either for 40% of such Sanctioned Demand or 65% actual recorded Maximum Demand in kVA during 0600 Hrs to 2200 Hrs, which ever is more. Such arrangement shall continue till the consumer declares his Contract Demand;

- 6.5.2 In other cases, wherever the energy meter installed to the consumer does not have the facility to indicate the Demand in either kVA or kW, the consumer's Sanctioned Demand in kVA shall be determined as above. And such consumer shall be billed for 65% of the Sanctioned Demand till suitable meter is installed to the consumer and declaration shall be obtained from the consumer about his Contract Demand.

## **7. OTHER PROVISIONS:**

- 7.1 The Hon'ble Commission has revised the names of HT categories as indicated below :-

<b>Existing</b>	<b>Revised</b>
<b>HTP-I and II Industrial (BMR / PMR)</b>	<b>HT I Continuous and Non-Continuous</b>
<b>HTP-V Railway Traction</b>	<b>HT-II Railway Traction</b>
<b>HTP-III and IV PWW</b>	<b>HT-III Express and Non-Express</b>
<b>HTP-VII High Tension Agriculture</b>	<b>HT IV Agricultural</b>
<b>HTP-VI Residential &amp; Commercial Complexes taking supply at one point of sub-division / division.</b>	<b>HT-V Bulk Supply. Residential &amp; Commercial Complexes only.</b>
<b>HT Seasonal</b>	<b>HT-VI seasonal</b>

- 7.2 The Hon'ble Commission has revised the names of LT categories also. Domestic category (old LD-I) shall now be termed as LT-I, Commercial (old LD-II) as LT-II, LT Water Works as LT-III, Agriculture as LT-IV, General Motive Power as LT-V, Street Light as LT-VI and Temporary as LT-VII.
- 7.3 The Hon'ble Commission has carved out a separate category of "Below Poverty Line" consumers from the Domestic category and has prescribed a separate tariff for the same;
- 7.4 It shall be noted that the Non – Domestic consumers can opt for MD based tariff and whenever such option is exercised, the LTP-G MD based T. O. D. Tariff shall be compulsory;
- 7.5 The tariff / consumption slabs in respect of Low Tension Public Water Works consumers have been modified;

7.6 The Hon'ble Commission has introduced following new categories of consumers:

- 1) Advertisement & Hoardings;
- 2) Temporary Connection:

- (a) Temporary Connection for other purposes, and**
- (b) Temporary connection for Traditional Public Religious Functions**

7.7 As per the Detailed Tariff Order Dt. 20-October-2006 all Incentives / Rebates like Power Factor , Bulk Discount, Load Factor Incentive applicable under the pre – revised tariff have been retained.

7.7.1 The Power Factor Penalty/ Incentive and Bulk Discount Incentive are not applicable to Railway consumers.

7.7.2 All the penalty and incentives will be charged on energy charges and additional supply charge except for Load Factor Incentive. The Load Factor Incentive is calculated on energy charges if the Load Factor is above 75% and below 85%. If the Load Factor is above 85% then the incentive will be on energy charges and additional supply charge.

7.8 Similarly, applicability / eligibility criteria of any of the Incentives / Rebates as were in force under the pre – revised tariff have not been changed;

7.9 For the H.T. Consumers having metering on LT side, following methodology has to be followed for billing purpose –

- a) 2% will be added to KVA demand registered for KVA Bills demand.**
- b) X Units will be added to KWH recording to determine the total energy consumption. The X units are determined as below -**  
 **$X = (730 * \text{KVA rating of transformer}) / 500.$**

For this purpose, the transformer rating of all the High Tension consumers must be submitted to IT Section.

For proper implementation of the revised tariff, all the I. T. Management Department / Field Officers shall follow following **"ACTION PLAN"**.

- 1) The Billing Unit-wise list of all villages shall be forwarded by IT Centers to the concerned Billing Unit In-Charge.

- 2) The Billing Unit In-Charge shall identify all the villages as per the Load Shedding Protocol, like Agricultural dominated (A), MIDC (M), Industrial & Urban Agglomeration (I) and Others (O) and shall return the list to concerned IT Center. It shall be ensured that, all villages are properly identified and marked as per above classification (i.e. "A" or "M" or "I" or "O");
- 3) The Circle-wise list of all High Tension consumers (irrespective of category) shall be given by the IT Centers to the concerned Superintending Engineer.
- 4) The Superintending Engineer shall identify all the High Tension consumers as per the Load Shedding Protocol, as under:
  - i) Express Feeder (E)
  - ii) MIDC / Industrial Estate Area with one day staggering holiday and not on Express Feeder (M)
  - iii) Agricultural dominated (A)
  - iv) Industrial & Urban Agglomeration (I)
  - v) Others (O)

And shall return the list to concerned IT Center, it shall be ensured that, all High Tension consumers are properly identified and marked as per above classifications only;

- 5) HT consumers should be provided HV side metering immediately. However, the present HT consumers transformer capacity rating in KVA, who are billed on LV side metering should be registered with I.T. for calculation of KWH consumption.
- 6) All the Field Officers shall ensure that the unmetered agricultural consumers are properly reclassified in Category – I and Category – II depending upon their geographical location as prescribed by the Hon'ble Commission under Table 1 attached to this Circular;
- 7) All the Field Officers shall also ensure that, all meters installed to agricultural consumers are in proper working condition and readings are taken regularly. It shall be noted that all agricultural metered consumers are billed as per actual meter reading and average billing should not be done;
- 8) All the concerned Field Officers shall immediately install suitable energy meters having the facility to record the Demand in kVA along with T. O. D Metering facility to Low Tension General Motive Power (LT - V) consumers latest by the end of November, 2006;



- 9) Necessary changes in the Meter Reading Form and the Energy Bill Form shall be made by I. T. Department to ensure proper recording of all the necessary parameters as may be required for the billing of Low Tension General Motive Power (LT – V) consumers;
- 10) I. T. shall print a message on the first energy bill to be issued to Low Tension General Motive Power (LT – V) consumers to declare their respective Contract Demand within a period of one month;
- 11) The Domestic consumers having sanctioned load up to & including 0.1 kW and consumption less than 30 units per month continuously for the previous twelve months shall at present be identified as "Below Poverty Line" consumers and shall be billed accordingly;
- 12) In case, either the sanctioned / connected load or consumption per month of such "Below Poverty Line" consumer exceeds 0.1 kW or 30 units respectively, the consumer shall not remain as "Below Poverty Line" consumer and shall be categorized & billed as per normal Domestic consumer, unless the consumer proves that he is a "Below Poverty Line" consumer.

All field officers are therefore requested to take due note of the revised tariff and should follow the same hereafter and compliance of the action taken report should be informed to this office.

**Chief Engineer (Commercial)**

To:

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

**Table 1: Summary of LT Tariff Effective from 1<sup>st</sup> October 2006**

Consumer Category	Demand Charges (Rs/KVA/month) or(Rs/HP/month) or (Rs/service connection per month)	Energy Charge (Paise/kWh)
<b>LT I (Domestic)</b>		
Below the Poverty Line Consumers (0-30 Units)	Rs 3 per service connection	40
Consumption more than 30 Units per Month		
0-100 Units	Single Phase: Rs. 40 per service connection;	190
101- 300 Units	Three Phase: Rs. 100 per service connection;	340
Above 300 Units (Only balance Units)	Additional Fixed charge of Rs. 100 per 10 KW load or part thereof above 10 KW load shall be payable.	450
<b>LT II (Non Domestic)</b>		
0-100 Units	Single Phase: Rs. 100 per service connection;	290
101- 200 Units	Three Phase: Rs. 150 per service connection;	375
Above 200 Units (Only balance Units)	Additional Fixed Charge of Rs. 150 per 10 KW load or part thereof above 10 KW load shall be payable. <b>Optional</b> LTMD based Tariff i.e. LT V will be available for all consumers	490
<b>Advertisement &amp; Hoarding</b>	Rs 200 per connection	1100
<b>LT III - Public Water Works</b>		
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
<b>LT IV - Agriculture</b>		
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
<b>LT V - General Motive Power</b> MD based tariff will be applicable to all the consumers		
0-1000 units	Rs. 220 per KVA per month for 65% of	300
Above 1000 Units (Only balance Units)	Maximum Demand or 40% of the contracted demand whichever is higher.	400
<b>TOD Tariff (In addition to Base Tariff)</b>		
2200 hrs - 0600 hrs		(85)
0600 hrs - 0900 hrs		0
0900 hrs - 1200 hrs		80
1200 hrs - 1800 hrs		0
1800 hrs - 2200 hrs		110
<b>LT VI - Street Light</b>		
Grampanchayat, A, B & C Class Municipal Council	Rs 30 per KW per month	210
Municipal Corporation Areas		250

<b>LT VII - Temporary</b>		
Temporary Connections (other Purpose)	Rs 250 per connection per occasion of supply	850
Temporary Connections-Religious	Rs 200 per connection per occasion of supply	170

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

<b>#Category 2 Zones (with consumption norm below 1318 hours/HP/year)</b>		
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. Billing Demand for Non Domestic Category (LT II) opting for MD based tariff and billing Demand for General Motive Power (LT V):

**Monthly Billing Demand will be the higher of the following:**

- a) 65% of the Actual Maximum Demand recorded in the month during 0600 hours to 2200 hours
- b) 40% of the Contract Demand.

**NOTE:**

1. Demand registered during the period 0600 to 2200 Hrs. will only be considered for determination of the Billing demand.
2. In case of change in Contract Demand, the period specified in Clause (b) above will be reckoned from the month following the month in which the change of Contract Demand takes place.

**Table 2: Summary of HT Tariff Effective from 1<sup>st</sup> October 2006**

Consumer Category	Demand Charges (Rs/KVA/month)	Energy Charge (Paise/kWh)
<b>HT I - Industries</b>		
Continuous Industries	350	215
Non Continuous Industries	350	285
<b>TOD Tariff ( In addition to Base Tariff)</b>		
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
<b>HT II - Railway Traction</b>		0
<b>HT III - Public Water Works</b>		
Express Feeders	350	260
Non- Express Feeders	350	240
<b>TOD Tariff ( In addition to Base Tariff)</b>		
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
<b>HT IV - Agricultural</b>		25
<b>HT V - Bulk Supply</b>		
Residential Complex	150	240
Commercial Complex	150	360
<b>HT VI - Seasonal Category</b>	350	340
<b>TOD Tariff ( In addition to Base Tariff)</b>		
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
<b>Mula Pravara Electric Co-op Society</b>		200

**Notes:**

1. HT IV 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 Industries & Public Water Works Categories (HT-I & HT-III)

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 limit of contract demand.
- iii. 50% of the Contract Demand.

4. HT Seasonal Category (HT –VI)

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 III : Additional Supply Charge**

<b>CATEGORY</b>	<b>Industrial &amp; Urban Agglomeration</b>	<b>Other Regions</b>	<b>Agriculture Dominated Regions</b>
<b>HT Category</b>			
HT-I Industry			
Express feeders (Continuous or Non continuous)	42%	42%	42%
Non-express feeders (Continuous or Non Continuous )	28%	9%	0%
MIDC	28%	28%	28%
HT-II Railway Traction	42%	42%	42%
HT-III PWW			
Express Feeders	42%	42%	42%
Non- Express Feeders	28%	9%	0%
HT-V Residential	19%	9%	0%
HT-V Commercial	19%	9%	0%
HT VI –Seasonal Industry	19%	9%	0%
<b>LT Category</b>			
LT-I Domestic	19%	9%	0%
LT-II Commercial	19%	9%	0%
LT-V General Motive Power	28%	9%	0%
MIDC	28%	28%	28%
LT- VI Street lighting	19%	9%	0%