

**MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
(A GOVT. OF MAHARASHTRA UNDERTAKING)**

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No. PR3/Cos/ DF (MOU)/

No 15.733

Date:

28 JUN 2018

Commercial Circular No. 308

Sub: Revision in Allowable Distribution Losses and Reimbursement Charges of Distribution Franchisee through MOU route in Urban Township area.

Ref: 1) Board Resolution No. 689 dated 20.05.2016
2) Office Note No. PR-3/Cos/DF (MOU)/348 dated 18.04.2018
2) Board Resolution No. 1289 dated 05.05.2018

MERC vide in its order dated 01.06.2010 directed all distribution Licensees to enter into Franchisee agreement through MOU route with Single Point consumers having mixed load. In its order dated 24.05.2010, Hon'ble Commission clarified that the Distribution Franchisee will be available to categories like Residential colonies; Commercial Complexes/ Buildings; Multiplexes and malls; Township; IT Parks; etc. MSEDCL has executed Distribution Franchise Agreement through MOU route with various Franchisee Agencies. The category-wise prevailing maximum Allowable Distribution Loss and Reimbursement Charges are approved vide Board Resolution under ref (1) are as below:

Sr. No	Particulars of D.F. Area	Distribution Losses	Reimbursement Charges
1.	Rural /Hilly area having scattered Network	3.5%	2%
2.	a) IT – park, SEZ Multiple Building etc	1.5%	1%
	b) IT Single Building	1%	1%
3.	Urban Township area	2%	1.5%
4.	Others such as Malls, Commercial/ Residential Complexes, Small Colonies, etc.	1.5%	1%

Some DF agencies operating in Urban Township Area have requested to revise the norms to make their operations sustainable and help them to survive in this arrangement. It is further informed that without revision, it is impossible

to extend franchisee services. The matter was submitted before the Board for in meeting dated 05.05.2018 for decision.

Board Resolution No. 1289 dated 05.05.2018:


Board Resolved that approval be and is hereby accorded to sub-categorizing the Category No. 03 i.e. Urban Township Area as under:

Sr. No	Particulars of D.F. Area	Distribution Losses	Reimbursement Charges
3.	a) Urban Township area - Having more than 250 acres of area under DF (MOU) and Connected Load of more than 50MW	3%	2%
	b) Urban Township area - Not included in Category 03 (a) above	2%	1.5%

Accordingly, the category-wise maximum Allowable Distribution Loss and Reimbursement Charges stand revised as below:

Sr. No	Particulars of D.F. Area	Distribution Losses	Reimbursement Charges
1.	Rural /Hilly area having scattered Network	3.5%	2%
2.	a) IT – park, SEZ Multiple Building etc	1.5%	1%
	b) IT Single Building	1%	1%
3.	a) Urban Township area - Having more than 250 acres of area under DF (MOU) and Connected Load of more than 50MW	3%	2%
	b) Urban Township area - Not included in Category 03 (a) above	2%	1.5%
4.	Others such as Malls, Commercial/ Residential Complexes, Small Colonies, etc.	1.5%	1%

All the field offices are requested to take further necessary action accordingly.


Chief Engineer (Commercial)

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