GUJARAT ELECTRICITY REGULATORY COMMISSION

Tariff Order

Truing up for FY 2017-18,

Mid-Term Review of FY 2019-20 & FY 2020-21 and

Determination of Tariff for FY 2019-20

For

AspenPark Infra Vadodara Private Limited

(AIVPL)

Case No. 1778 of 2019

31st July, 2019

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(GERC)

GANDHINAGAR

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ABBREVIATIONS

A&G	Administrative and General Expenses
Aspen	AspenPark Infra Vadodara Private Limited
ARR	Aggregate Revenue Requirement
CAPEX	Capital Expenditure
CERC	Central Electricity Regulatory Commission
DISCOM	Distribution Company
EA	Electricity Act, 2003
FPPPA	Fuel and Power Purchase Price Adjustment
FY	Financial Year
GERC	Gujarat Electricity Regulatory Commission
GFA	Gross Fixed Asset
GoG	Government of Gujarat
HT	High Tension
kV	kilo Volt
kVA	kilo Volt Ampere
kVAh	kilo Volt Ampere hour
kWh	kilo Watt hour
LT	Low Tension
MTR	Mid-Term Review
MUs	Million Units
MW	Mega Watt
MYT	Multi-Year Tariff
O&M	Operations and Maintenance
p.a.	Per Annum
PPA	Power Purchase Agreement
R&M	Repairs and Maintenance
SBI	State Bank of India
SLDC	State Load Despatch Centre

Before the Gujarat Electricity Regulatory Commission at Gandhinagar

Case No. 1778 of 2019

Date of Order: 31/07/2019

CORAM

Shri Anand Kumar, Chairman

Shri K. M. Shringarpure, Member

Shri P.J. Thakkar, Member

ORDER

1 Background and Brief History

1.1 Background

AspenPark Infra Vadodara Private Limited (formerly Aspen Infrastructures Limited) (hereinafter referred to as 'AIVPL', 'Aspen' or 'Petitioner'), a Distribution Licensee, has filed the present Petition under Section 62 of the Electricity Act, 2003, read in conjunction with the Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2016 (hereinafter referred to as the GERC (MYT) Regulations, 2016), for the True up of FY 2017-18, determination of revised ARR for FY 2019-20 and determination of tariff for FY 2019-20, on 4th January, 2019.

Gujarat Electricity Regulatory Commission (hereinafter referred to as GERC or the Commission) notified the GERC (MYT) Regulations, 2016 on 29th March, 2016, which is applicable for determination of tariff in all cases covered under the Regulations from 1st April, 2016 onwards. Regulation 17.2 (c) of the GERC (MYT) Regulations, 2016 provides for submission of detailed application comprising Truing up for FY 2017-18, modification of Aggregate Revenue Requirement (hereinafter referred to as ARR) for the remaining years of the Control Period, i.e., FY 2019-20 and FY 2020-21, with adequate justification, revenue from sale of power at existing tariffs and charges for the ensuing year, i.e., FY 2019-20, Revenue Gap or Revenue Surplus for the ensuing year for determination of tariff for FY 2019-20, to be carried out under the GERC (MYT) Regulations, 2016 and amendment thereof from time to time.

The Petition was registered on 11th January, 2019 after technical validation and as provided under Regulation 29.1 of the GERC (MYT) Regulations, 2016, the Commission has proceeded with this Tariff Order.

1.2 AspenPark Infra Vadodara Private Limited

The Petitioner, AspenPark Infra Vadodara Private Limited (Aspen), is a Company incorporated under the Companies Act, 1956 having its registered office at 5th Floor, Godrej Millenium, Koregaon Park Road, Koregaon Park, Pune.

Aspen (formerly known as Aspen Infrastructures Limited) has developed a sector specific SEZ for High-tech Engineering products and related services at Village Alwa and Pipaliya, Taluka Waghodia, District Vadodara in the State of Gujarat under Section 3 of the SEZ Act, 2005.

Aspen has been notified as the developer of the SEZ by the Ministry of Commerce and Industry, Government of India and granted deemed Distribution Licensee status by the Commission.

1.3 Commission's Order for Approval of final ARR for FY 2016-17 and Approval of Multi-Year ARR for FY 2016-17 to FY 2020-21

The Petitioner filed its petition for Truing up of FY 2015-16, Approval of Final ARR for 2016-17, Approval of Multi-Year ARR for FY 2016-17 to FY 2020-21 and Determination of Tariff for 2017-18 on 18th January, 2017. The petition was registered on 18th February, 2017 (under Case No. 1638 of 2017).

The Commission vide Order dated 30th June, 2017 (hereinafter referred to as the MYT Order) approved the Truing up for FY 2015-16, Final ARR for 2016-17, Multi-Year ARR for FY 2016-17 to FY 2020-21 and determined the tariff for FY 2017-18.

1.4 Commission's Order for approval of True up of FY 2016-17 and Determination of Tariff for FY 2018-19

The Petitioner filed its Petition for Truing up for FY 2016-17 and Determination of Tariff for FY 2018-19 on 31st January, 2018. The Petition was registered on 7th March, 2018 (under Case No. 1708 of 2018). The Commission vide Order dated 8th August, 2018 approved the Truing up for FY 2016-17 and determined the tariff for FY 2018-19.

1.5 Background of the present Petition

Regulation 16.2 (iii) of the GERC (MYT) Regulations, 2016 provides for the Truing up of previous year's expenses and revenue based on audited accounts vis-à-vis the approved forecast and categorization of variation in performance as those caused by factors within the control of the applicant (controllable factors) and those caused by factors beyond the control of the applicant (uncontrollable factors).

Regulation 16.2 (vi) of the GERC (MYT) Regulations, 2016 provides for annual determination tariff for the generating Company, Transmission Licensee, SLDC, Distribution Wire Business and Retail Supply Business, for each financial year within the Control Period, based on the approved forecast and result of the Truing up exercise.

Further, the second proviso to Regulation 16.2 (i) of the GERC (MYT) Regulations, 2016 provides for Mid-Term Review as under;

> *"…*
>
> *Provided further that a Mid-term Review of the Aggregate Revenue Requirement shall be undertaken for the Generating Company, Transmission Licensee, SLDC and Distribution Licensee on an application that shall be filed by the utilities along with the Petition for truing-up for the second year of the Control Period and tariff determination for the fourth year of the Control Period;…".*

1.6 Registration of the Current Petition and Public Hearing Process

Aspen has submitted the current Petition for Truing up of FY 2017-18, determination of revised ARR for FY 2019-20 and determination of tariff for FY 2019-20 on 4th January, 2019. After technical validation, the Petition was registered on 11th January, 2019 (Case No. 1778 of 2019) and as provided under Regulation 29.1 of the GERC (MYT) Regulations, 2016, the Commission has proceeded with this Tariff Order.

In accordance with Section 64 of the Electricity Act, 2003, the Commission directed AIVPL to publish its application in an abridged form in the newspapers to ensure due public participation.

The Public Notice, inviting objections / suggestions from the stakeholders on the Petition filed by it, was published in the following newspapers:

Table 1.1: List of Newspapers in which Public Notice was published

Sl. No.	Name of Newspaper	Language	Date of Publication
1	Vadodara Samachar	Gujarati	22.01.2019
2	Business Standard	English	22.01.2019

The Petitioner also placed the Public Notice and the Petition on its website (www.aspensez.com) for inviting objections and suggestions on the Petition. The interested parties/stakeholders were asked to file their objections/suggestions on the Petition on or before 20th February,2019.

The Commission also placed the Petition and additional details received from the Petitioner on its website (www.gercin.org) for information and study of all the stakeholders.

The Commission has not received any objections / suggestions from consumers / consumer organizations on the petition before or even after the due date of 20th February, 2019. Hence, no public hearing was conducted.

1.7 Contents of this Order

The Order is divided into **nine Chapters** as detailed under: -

1. The **first Chapter** provides a brief background regarding the Petitioner, the Petition

on hand and details of the Public Hearing process and approach adopted in this Order.

2. The **second Chapter** outlines the summary of AIVPL's Petition.
3. The third **Chapter** focuses on the details of Truing up for FY 2017-18.
4. The **fourth Chapter** deals with the determination of revised ARR for FY 2019-20 and FY 2020-21.
5. The **fifth Chapter** deals with the determination of tariff for FY 2019-20
6. The **sixth Chapter** deals with compliance of directives and issue of fresh directives.
7. The **seventh Chapter** deals with FPPPA charges.
8. The **eighth Chapter** outlines the Wheeling Charges and Cross-Subsidy Surcharge.
9. The **ninth Chapter** deals with tariff philosophy and tariff proposals.

1.8 Approach of this Order

The GERC (MYT) Regulations, 2016, provides for Truing up of the previous year and determination of tariff for the ensuing year. The Commission has approved ARR for five years of the Control Period from FY 2016-17 to FY 2021-22 vide the MYT Order dated 9th June, 2017.

The GERC (MYT) Regulations, 2016, also provides for modification of the ARR for the remaining years of the Control Period, at the time of Mid-Term Review (MTR).

Aspen has approached the Commission with the present Petition for Truing up of FY 2017-18, MTR of FY 2019-20 and FY 2020-21 and determination of tariff for FY 2019-20.

The Commission has undertaken Truing up for FY 2017-18, based on the submissions of the Petitioner and the annual accounts for FY 2017-18. The Commission has undertaken the computation of gains and losses for FY 2017-18, based on the audited annual accounts and final ARR for FY 2017-18 approved vide Order dated 30th June, 2017.

While truing up for FY 2017-18, the Commission has been primarily guided by the following principles:

- Controllable parameters have been considered at the level approved as per the MYT Order, unless the Commission considers that there are valid reasons for revision of the same.
- Uncontrollable parameters have been revised, based on the actual performance observed.
- The Truing up for FY 2017-18 has been considered based on the GERC (MYT) Regulations, 2016.

For the Mid-Term Review of ARR for FY 2019-20 and FY 2020-21, the Commission has considered the GERC (MYT) Regulations, 2016 and its amendments thereof as the base.

Aspen has only sought the modification of the ARR for FY 2019-20 based on the revised estimates of various ARR elements along with justifications in this Petition. The Commission, while reviewing the said proposal for modification of the ARR, has finalized the approved ARR for the remaining years of the Control Period, viz., FY 2019-20 and FY 2020-21.

Determination of Tariff for FY 2019-20 has been considered as per the GERC (MYT) Regulations, 2016 and amendments thereof as the base.

2 Summary of Aspen's Petition

2.1. Introduction

Aspen submitted the current Petition, seeking approval of True-up for ARR for FY 2017-18, determination of revised ARR for FY 2019-20 and determination of tariff for FY 2019-20.

2.2. Actuals for FY 2017-18 submitted by Aspen

The details of expenses under various heads of ARR are given in the Table below:

Table 2.1: Actual Claimed by Aspen for FY 2017-18 (Rs. Lakh)

Particulars	Approved in the MYT Order	Actual as per Aspen
Power Purchase Expenses	809.37	756.44
Operation and Maintenance Expenses	37.89	35.72
Depreciation	-	-
Interest & Finance Charges	-	-
Interest on Working Capital	7.53	-
Income Tax	-	-
Total Revenue Expenditure	**854.79**	**792.16**
Return on Equity Capital	-	-
Less: Non-Tariff Income	55.89	51.39
Aggregate Revenue Requirement	**798.90**	**740.77**

2.3. Sharing of Gains and Losses for FY 2017-18

Aspen has not projected any sharing of Gains and Losses, as the entire over/(under) recovery of various components of the ARR has been considered as uncontrollable.

2.4. Revenue Gap / (Surplus) for FY 2017-18

The Table below summarizes the Revenue Gap/(Surplus) claimed by Aspen after Truing up for FY 2017-18:

Table 2.2: Revenue Gap /(Surplus) Claimed by Aspen (Rs. Lakh)

Particulars	Claimed by Aspen
Aggregate Revenue Requirement	740.77
Revenue from Sale of Electricity	745.36
Revenue Gap/(Surplus)	**(4.59)**

2.5. Revised ARR for FY 2019-20

Aspen, in its Petition, has projected the revised ARR for FY 2019-20, as shown below:

Table 2.3: Aggregate Revenue Requirement projected by Aspen for FY 2019-20 (Rs. Lakh)

Particulars	Approved in the MYT Order	Revised Estimate
Power Purchase Expenses	891.00	778.95
Operation and Maintenance Expenses	42.35	43.22
Depreciation	-	-
Interest & Finance Charges	-	-
Interest on Security Deposit	-	-
Interest on Working Capital	8.25	8.25
Income Tax	-	-
Total Revenue Expenditure	**941.60**	**830.42**
Return on Equity Capital		
Less: Non-Tariff Income	60.35	58.89
Aggregate Revenue Requirement	**881.25**	**771.53**

2.6. Revenue Gap/(Surplus) for FY 2019-20 and Tariff Proposal for FY 2019-20

Based on the revised ARR for FY 2019-20 given in the Table above, the estimated Revenue Gap for FY 2019-20 at existing tariff is shown in the following Table:

Table 2.4: Estimated Revenue Gap/(Surplus) of Aspen for FY 2019-20 (Rs. Lakh)

Particulars	FY 2019-20
Total ARR of FY 2019-20	771.53
Add: Revenue Gap of FY 2017-18	(4.59)
Net ARR	766.94
Revenue from Sales	776.10
Revenue Gap / (Surplus)	**(9.16)**

2.7. Aspen's Prayers to the Commission

1. Admit the Petition for approval of Truing up for FY 2017-18, and approval of revised ARR and Tariff for FY 2019-20 and FY 2020-21;
2. Allow Aspen to continue to charge consumers in the SEZ area at the same Wheeling Charge that shall be applicable for the respective category of consumers in the MGVCL area of supply for FY 2019-20;
3. Allow Aspen to continue to charge consumers in the SEZ area at the same Retail Tariff that shall be applicable for the respective category of consumers in the MGVCL area of supply for FY 2019-20;
4. Condone any inadvertent omissions/errors/shortcomings and permit Aspen to add/change /modify/alter this filing and make further submissions as may be required at a future date;
5. Pass such Orders as the Commission may deem fit in the facts of the present case.

3 Truing up for FY 2017-18

3.1 Introduction

This Chapter deals with Truing up of FY 2017-18.

The Commission has studied and analysed each component of the ARR for FY 2017-18 in the following paragraphs.

3.2 Energy Sales to Consumers

Petitioner's Submission:

The Commission has approved the Sales of 1,06,38,590 units in the MYT Order dated 30th June, 2017 in Case No. 1638 of 2017. However, the actual energy sales of Aspen were lower than that approved by the Commission in the MYT Order for FY 2017-18, i.e. at 1,05,51,370 Units, as shown in the Table below:

Table 3.1: Energy Sales for FY 2017-18 for Aspen (kWh)

Category	Approved in the MYT Order	Actual Claimed
Energy Sales	1,06,38,590	1,05,51,370

The Petitioner requested the Commission to approve the actual energy sales as indicated above for Truing up.

Commission's Analysis

The actual energy sales in Aspen's area in FY 2017-18 was 10.55 MUs against 10.64 MUs approved in the MYT Order, i.e., lower by 0.09 MUs.

As energy sales is uncontrollable, the Commission accepts the deviation submitted by Aspen. Accordingly, the Commission approves the energy sales of 10.55 MUs for FY 2017-18.

The actual category-wise sales in FY 2017-18 are shown in the Table below:

Table 3.2: Energy Sales submitted by Aspen for FY 2017-18 (MUs)

Category	Approved in the MYT Order	Actual Claimed
HTP-1		10.54

Category	Approved in the MYT Order	Actual Claimed
Non-RGP		0.01
Total	**10.64**	**10.55**

The Commission approves the energy sales as mentioned in Table 3-2 for Aspen totalling to 10.55 MUs for Truing up for FY 2017-18.

3.3 Distribution Losses

Petitioner's Submission

In FY 2017-18, the actual Distribution Losses were 2.22% against approved Distribution Losses of 2.47%, as shown in the Table below:

Table 3.3: Distribution Losses for FY 2017-18 as submitted by Aspen (%)

Particulars	Approved in the MYT Order	Actual Claimed
Distribution Losses (%)	2.47%	2.22%

The Petitioner requested the Commission to approve the actual distribution losses in FY 2017-18, which are lower than the approved losses in percentage terms.

Commission's Analysis

Aspen has submitted that the actual distribution losses are 2.22% as against 2.47% approved in the MYT Order for FY 2017-18.

In continuation of the approach adopted in previous Orders for Aspen, the Commission has considered the variation in distribution losses as uncontrollable in Truing up for FY 2017-18.

Therefore, the Commission approves the actual Distribution Losses of 2.22% for FY 2017-18.

3.4 Energy Requirement

Petitioner's Submission

The actual energy requirement for Aspen is based on the actual energy sales and Distribution Losses, as shown in the Table below:

Table 3.4: Energy Requirement for FY 2017-18 for Aspen (Units)

Particulars	Approved in the MYT Order	Actual Claimed
Energy Sales	1,06,38,590	1,05,51,370
Distribution Losses (%)	2.47%	2.22%
Distribution Losses	2,69,428	2,39,750*
Energy Requirement at Distribution Level	**1,09,08,018**	**1,07,91,120***

Note: * As rectified vide replies dated 29th April, 2019 submitted by Aspen to clarifications sought by the Commission

Commission's Analysis

The actual energy requirement submitted by the Petitioner for FY 2017-18 along with energy requirement as per the MYT Order dated 30th June, 2017 has been examined and verified by the Commission. The Commission observed that there is a reduction of 0.12 MUs in the energy requirement of Aspen against the quantum of 10.91 MUs approved in the MYT Order.

The actual energy requirement is lower than that approved in MYT Order due to the lower actual sales and lower Distribution Losses, as compared to that approved in the MYT Order. The actual energy requirement being the sum of actual energy sales and Distribution Losses, works out to 10.79 MUs for FY 2017-18.

The Commission accordingly approves the energy requirement at 10.79 MUs for Truing up of FY 2017-18 as given in Table 3.4.

3.5 Energy Availability

Petitioner's Submission

The source-wise energy purchased for FY 2017-18, as shown in the Table below:

Table 3.5: Net Energy Availability for FY 2017-18 as submitted by Aspen (Units)

Particulars	Approved in the MYT Order	Actual Claimed
MGVCL	1,09,08,018	1,07,91,120

Commission's Analysis

In the normal course, the Distribution Licensee shall procure power through competitive bidding process as per the guidelines issued by the Ministry of Power, Government of India (GoI). On account of the non-stabilisation of the load in the SEZ, Aspen does not have any tie-up for power and continues to procure power from MGVCL as a HT consumer.

The Commission, accordingly, approves the sources of power purchase and energy units purchased as shown in the Table below:

Table 3.6: Approved Energy Availability for FY 2017-18 (Units)

Particulars	Approved in the MYT Order	Actual Claimed	Approved in Truing up
MGVCL	1,09,08,018	1,07,91,120	1,07,91,120

3.6 Power Purchase Cost

Petitioner's Submission

The actual cost of power purchase from MGVCL in FY 2017-18 as summarised in the Table below:

Table 3.7: Availability of Power and Power Purchase Cost for FY 2017-18

Particulars	Approved in the MYT Order	Actual Claimed
Power Purchase (Units)	1,09,08,018	1,07,91,120
Power Purchase Cost (Rs. Lakh)	809.37	756.44
Cost per Unit (Rs. /kWh)	7.42	7.02

The actual per unit cost of power purchase of Rs. 7.02 per kWh is lower than the rate of Rs. 7.42 per kWh approved by the Commission. The Petitioner requested the Commission to approve the actual power purchase cost of Rs.756.44 Lakh for FY 2017-18, for the purpose of Truing up.

Commission Analysis

In reply to the Commission's query in this regard, Aspen submitted the monthly quantum of purchase, capacity charges and variable charges paid by it for purchase of power from

MGVCL for FY 2017-18. The Petitioner submitted the break-up of total power purchase cost of Rs. 7.56 Crore as comprising Energy Charges of Rs. 4.40 Crore, Demand Charges of Rs. 1.0853 Crore and Rs. 2.08 Crore against FPPPA, time of use charges, Power Factor incentive/penalty, and Other adjustments in MGVCL bills.

As verified from the Audited Accounts for FY 2017-18, Aspen has incurred a cost of Rs. 756.44 Lakh for purchase of 1,07,91,120 Units.

The Commission has approved the power purchase cost for FY 2017-18 as given in the Table below:

Table 3.8: Approved Power Purchase Cost for Aspen for FY 2017-18

Particulars	Approved in the MYT Order	Actual Claimed	Approved in Truing up
Power Purchase (Units)	1,09,08,018	1,07,91,120	1,07,91,120
Power Purchase Cost (Rs. Lakh)	809.37	756.44	756.44
Cost per Unit (Rs. /kWh)	7.42	7.02	7.02

Considering the approved power purchase cost of Rs. 756.44 Lakh for the approved energy procurement of 10.79 MUs, the per unit power purchase cost works out to Rs. 7.02 /kWh. As per the GERC (MYT) Regulations, 2016, variation in the price of fuel and/or price of power purchase are uncontrollable factors. Accordingly, the Commission has approved the Gains / (Losses) as shown in the Table below:

Table 3.9: Gains/(Losses) on account of Power Purchase Cost in the Truing up for FY 2017-18 (Rs. Lakh)

Particulars	Approved in the MYT order	Approved in Truing up	Deviation	Gains/(Losses) due to Uncontrollable factors
Power Purchase cost	809.37	756.44	52.93	52.93

3.7 Operation and Maintenance Expenses

Petitioner's Submission

Aspen has claimed actual O&M Expenses of Rs. 35.72 Lakh against Rs. 37.89 Lakh approved for FY 2017-18 in the MYT Order dated 30th June, 2017, as given in the Table below:

Table 3.10: O&M Expenses claimed by Aspen for FY 2017-18 (Rs. Lakh)

Particulars	Approved in the MYT Order	Actual Claimed
Employee Expenses	2.91	3.38
R&M Expenses	0.83	1.74
A&G Expenses	34.15	30.60
O&M Expenses	**37.89**	**35.72**

The breakup of the A&G Expenses submitted by Aspen is shown in the Table below:

Table 3.11: A&G Expenses claimed by Aspen for FY 2017-18 (Rs. Lakh)

Particulars	Actual Claimed
Facility Management Expenses (Electricians, supervisors, etc.)	6.74
Security Expenses	4.76
Consultancy Expenses	3.55
Regulatory Charges	15.33
Miscellaneous Expenses	0.22
A&G Expenses	**30.60**

Aspen has submitted that the major part of the A&G Expenses consists of the Petition filing fees paid to the Commission in accordance with the GERC (Fees, Fines & Charges) Regulations, 2005, and the remaining expenses are all justified expenses on facility management, security, consultancy fees, etc. Hence, Aspen submitted that the actual A&G Expenses should be allowed, as Aspen is entitled to recover the regulatory fees paid to the Commission, from its consumers.

Aspen has requested the Commission to approve the actual O&M Expenses of Rs. 35.72 Lakh for FY 2017-18 for Truing up, as the same is uncontrollable.

Commission's Analysis

The Commission has verified the O&M Expenses from the audited accounts. The O&M Expenses for FY 2017-18, as per Audited Accounts, are Rs. 35.72 Lakh. The head-wise analysis is as under:

(a) Employee Expenses: Employee Expenses as per Audited Accounts are Rs. 3.38 Lakh. Accordingly, the Employee Expenses of Rs. 3.38 lakh is approved.

(b) A&G Expenses: A&G Expenses as per Audited Accounts are Rs. 30.60 Lakh, which is in accordance with the A&G Expenses claimed by the Petitioner in Table 3.11 above. As these expenses are legitimate expenses, the Commission approves the A&G Expenses of Rs. 30.60 Lakh.

(c) Repair & Maintenance (R&M) Expenses: The Petitioner has claimed R&M Expenses of Rs. 1.74 Lakh as per Audited Accounts, which is approved by the Commission.

Further, as per the GERC (MYT) Regulations, 2016, the variation in O&M Expenses is to be considered as controllable except the change in law and wage revision. However, in the wake of the judgement dated 09th May, 2019 of the Hon'ble APTEL in Appeal No. 256 of 2016 in the similar matters related to TPL-D (Dahej), the Commission decides to accept Aspen's submission that O&M Expenses should be considered as uncontrollable along the lines of Distribution Losses, as the SEZ is yet to stabilize.

The Commission, accordingly approves the O&M Expenses at Rs. 35.72 Lakh, as uncontrollable expenses, in the Truing up for FY 2017-18.

Accordingly, the Gains/(Losses) on account of O&M Expenses in Truing up of FY 2017-18 is approved by the Commission as given in the Table below:

Table 3.12: O&M Expenses approved by the Commission for FY 2017-18 (Rs. Lakh)

Particulars	Approved in the MYT order	Approved in Truing up	Deviation	Gains/ (Losses) due to Uncontrollable Factors
O&M Expenses	37.89	35.72	2.17	2.17

3.8 Capital Expenditure, Capitalisation and Sources of Funding

Petitioner's Submission

Aspen has considered Nil capital expenditure and capitalisation in Truing up for FY 2017-18 as against Nil provision approved in the MYT Order for FY 2017-18 as detailed in the Table below:

Table 3.13: Capital Expenditure claimed by Aspen for FY 2017-18 (Rs. Lakhs)

Particulars	Approved in the MYT Order	Actual Claimed
Capital Expenditure/ Capitalisation	Nil	Nil

The Petitioner has submitted that the entire Gross Fixed Assets as well as asset addition in FY 2017-18 has been funded through Consumer Contribution. Aspen requested the Commission to approve the Nil capital expenditure and capitalisation in the True-up of FY 2017-18.

Commission's Analysis

The Commission has considered the capital expenditure and capitalisation as Nil during FY 2017-18, as the entire Gross Fixed Assets as well as asset addition in FY 2017-18 has been funded through Consumer Contribution.

3.9 Depreciation

Petitioner's Submission

Aspen has not considered any depreciation on assets in FY 2017-18 as the assets have entirely been funded through Consumer Contribution.

Commission's Analysis

The Commission approves the depreciation as **Nil** for FY 2017-18.

3.10 Interest & Finance Expenses

Petitioner's Submission

There are no outstanding loans against electricity distribution business in FY 2017-18 as the Gross Fixed Assets have been entirely funded by Consumer Contribution. Hence, no interest expenditure has been considered for FY 2017-18.

Commission's Analysis

The Commission, accordingly, considers the interest expenses as **Nil** for FY 2017-18.

3.11 Interest on Working Capital

Petitioner's Submission

The Petitioner has furnished Nil Interest on Working Capital in truing up for FY 2017-18 against Rs. 7.53 Lakh approved in the MYT Order dated 30th June, 2017 as detailed in the Table below:

Table 3.14: Interest on Working Capital claimed Aspen for FY 2017-18 (Rs. Lakh)

Particulars	Approved in the MYT Order	Actual Claimed
Computation of Working Capital		
O&M Expenses (1 Month)	3.16	-
Maintenance Spares (1% of GFA)		
Receivables (1 Month of Revenue @ existing tariff)	61.19	-
Working Capital requirement	**64.35**	**-**
Amount held as Security Deposit from Distribution System Users	-	-
Total Working Capital	64.35	-
Interest Rate (%)	11.70%	-
Interest on Working Capital	**7.53**	**-**

Commission's Analysis

The Commission notes that Aspen has not claimed any Interest on Working Capital for FY 2017-18. Further, since the entire assets of Aspen have been funded through consumer contribution, the Commission approves the Petitioner's claim of Interest on Working Capital as Nil in Truing up for FY 2017-18.

The Commission considers the Interest on Working Capital as uncontrollable, since the components forming part of the working capital are mostly uncontrollable. Accordingly, the Commission has approved the Gains/(Losses) as shown in the Table below:

Table 3.15: Gains/(Losses) on account of Interest on Working Capital in Truing up for FY 2017-18 (Rs. Lakh)

Particulars	Approved in the MYT Order	Approved in Truing up	Deviation	Gains/ (Losses) due to Uncontrollable factors
Interest on working capital	7.53	0.00	7.53	7.53

3.12 Return on Equity

Petitioner's Submission

The Petitioner has not considered any Return on Equity for FY 2017-18 as the assets have been entirely funded through Consumer Contribution.

Commission's Analysis

The Commission, accordingly, considers the Return on Equity as **Nil** for FY 2017-18.

3.13 Income Tax

Petitioner's Submission

No Income Tax was payable by Aspen even under the MAT rule, as there was a book loss in the Accounts for FY 2017-18. Therefore, Aspen has not considered any Income Tax for the purposes of Truing up.

Commission's Analysis

The Commission approves the Income Tax as **Nil** for FY 2017-18.

3.14 Non-Tariff Income

Petitioner's Submission

The Petitioner has furnished the Non-Tariff income at Rs. 51.39 Lakh in Truing up for FY 2017-18 against Rs. 55.89 Lakh approved in the MYT Order for FY 2017-18, as detailed in the Table below:

Table 3.14: Non-Tariff Income claimed by Aspen for FY 2017-18 (Rs. Lakh)

Particulars	Approved in the MYT Order	Actual Claimed
Non-Tariff Income	55.89	51.39

The Petitioner has submitted that Interest on security deposit received by Aspen from MGVCL has been considered as Non-Tariff Income in FY 2017-18. Further, the income from facility maintenance from electricity business of Rs. 41.66 Lakh has also been included under the Non-Tariff Income. The Petitioner requested the Commission to approve the actual Non-Tariff Income for FY 2017-18, which is lower than the approved Non-Tariff Income, for the purpose of Truing up.

Commission's Analysis

The Commission has verified the Non-Tariff Income from the Audited Accounts for FY 2017-18 and found the same to be Rs. 15.67 Lakh. In addition, there is an income of Rs. 35.72 Lakh from facility maintenance as seen from the Audited Accounts for FY 2017-18.

The Commission, accordingly, approves the Non-Tariff Income at Rs. 51.39 (35.72+15.67) Lakh in the Truing up for FY 2017-18.

The Commission, accordingly, approves the claim towards Gains/(Losses) on account of Non-Tariff Income in Truing up for FY 2017-18 as detailed below:

Table 3.15: Non-Tariff Income and Gains/(Losses) approved for Truing up for FY 2017-18 (Rs. Lakhs)

Particulars	Approved in the MYT Order	Approved in Truing up	Deviation	Gains/(Losses) due to Uncontrollable factors
Non-Tariff Income	55.89	51.39	4.50	4.50

3.15 Revenue from Sale of Power

Petitioner's Submission

The revenue from sale of power as Rs. 745.36 Lakh for FY 2017-18.

Commission's Analysis

The Commission has verified the revenue from sale of power from the audited accounts for FY 2017-18.

The Commission, accordingly, approves the Revenue from sale of power at Rs. 745.36 Lakh in Truing up of FY 2017-18.

3.16 Summary of ARR for FY 2017-18

Petitioner's Submission

In the Order dated 8th August, 2018, the Commission had included the approved Revenue Gap after true-up of FY 2015-16, i.e., Rs. 1.48 *lakh (Crore)* in the ARR of FY 2017-18. Hence, the same shall be claimed by it in the true-up for FY 2017-18. The ARR approved in the MYT Order for FY 2017-18 dated 30th June, 2017 and the actuals claimed by the Petitioner in Truing up for FY 2017-18 are given in the Table below:

Table 3.16: Summary of ARR for FY 2017-18 for Aspen (Rs. Lakh)

Particulars	Approved in the MYT Order	Actual Claimed
Power Purchase Expenses	809.37	756.44
Operation and Maintenance Expenses	37.89	35.72
Employee Expenses	*2.91*	*3.38*
R&M Expenses	*0.83*	*1.74*
A&G Expenses	*34.15*	*30.60*
Depreciation	-	-
Interest & Finance Charges	-	-
Interest on Working Capital	7.53	-
Income Tax	-	-
Total Revenue Expenditure	**854.79**	**792.16**
Return on Equity Capital	-	-
Less: Non-Tariff Income	55.89	51.39
Aggregate Revenue Requirement	**798.90**	**740.77**

The Revenue Gap/(Surplus) for FY 2017-18 as summarised in the following Table:

Table 3.17: Revenue Gap /(Surplus) for FY 2017-18 (Rs. Lakh)

Particulars	Actual Claimed
Aggregate Revenue Requirement	740.77
Revenue from Sale of Electricity	745.36
Revenue Gap/(Surplus)	**(4.59)**

The Revenue Gap/(Surplus) for FY 2017-18 works out to Rs. (4.59) Lakh. The Petitioner requested the Commission to approve the above-mentioned Revenue Gap/(Surplus) of Rs. (4.59) Lakh after Truing up for FY 2017-18, along with the ARR for FY 2019-20.

The Petitioner further submitted that as the ARR for FY 2019-20 was approved for the combined Wires and Supply Business, the Trued-up for this year has also to be undertaken in a combined manner.

Commission's Analysis

The Commission has computed the sharing of Gains and Losses for FY 2017-18 based on Truing up for each of the components discussed in the above paragraphs. The ARR approved for FY 2017-18 in the MYT Order dated 30th June, 2017 and computed in accordance with the GERC (MYT) Regulations, 2016 are given in the Table below:

Table 3.18: ARR approved in respect of Aspen in Truing up for FY 2017-18 (Rs. Lakh)

Particulars	Approved in the MYT Order	Actual Claimed	Approved in Truing up	Deviation	Controllable	Uncontrollable
Power Purchase Expenses	809.37	756.44	756.44	52.93	-	52.93
O&M Expenses	37.89	35.72	35.72	2.17	-	2.17
Depreciation	-	-	-	-	-	-
Interest and Finance Charges	-	-	-	-	-	-
Interest on Security Deposit	-	-	-	-	-	-
Interest on Working Capital	7.53	-	-	-	-	-
Bad Debts Written off	-	-	-	-	-	-
Contribution to Contingency Reserves	-	-	-	-	-	-
Return on Equity Capital	-	-	-	-	-	-

Particulars	Approved in the MYT Order	Actual Claimed	Approved in Truing up	Deviation	Controllable	Uncontrollable
Income Tax	-	-	-	-	-	-
Less: Non-Tariff Income	55.89	51.39	51.39	4.50	-	4.50
ARR	**798.90**	**740.77**	**740.77**	**58.13**	**-**	**58.13**

3.17 Revenue Gap/(Surplus) for FY 2017-18

The trued-up ARR for FY 2017-18 as claimed by Aspen and as approved by the Commission is summarised in the Table below:

Table 3.19: Approved Trued-up ARR for FY 2017-18 including Gains/(Losses) for Aspen (Rs. Lakh)

Particulars	Legend	Actual Claimed	Approved in Truing up
ARR as per the MYT Order	a	798.90	798.90
Gains/(Losses) due to controllable factor	b	-	-
Gains/(Losses) due to uncontrollable factor	c	58.13	58.13
Pass through as tariff	d=-(1/3b+c)	(58.13)	(58.13)
Trued-up ARR	**e= a+d**	**740.77**	**740.77**

The Petitioner has stated that the Revenue Gap/(Surplus) for FY 2017-18 works out to Rs. (4.59) Lakh. The Commission observed that Aspen has not claimed the Revenue Gap of Rs. 1.48 lakh for FY 2015-16 while computing the Revenue Gap/(Surplus) for FY 2017-18.

Accordingly, the Revenue Gap claimed and approved for Aspen for FY 2017-18 are detailed in the Table below:

Table 3.20: Approved Revenue Gap/(Surplus) for Aspen for FY 2017-18 (Rs. Lakh)

Particulars	Actual Claimed	Approved in Truing up
Trued-up ARR	740.77	740.77
Revenue Gap of FY 2015-16	-	1.48
Cumulative ARR for FY 2017-18	740.77	742.25
Revenue from Sale of Power	745.36	745.36
Gap/(Surplus)	(4.59)	(3.11)

Accordingly, the Commission now considers the trued-up Revenue Surplus of Rs. 3.11 Lakh for FY 2017-18, for determination of tariff for FY 2019-20.

4 Determination of Revised ARR for FY 2019-20 and FY 2020-21

4.1 Introduction

The Commission approved the ARR for Aspen for the Control Period from FY 2016-17 to FY 2020-21 in the MYT Order dated 30th June, 2017 in Case No. 1638 of 2017.

Regulation 16.2 (i) of the GERC (MYT) Regulations, 2016, provides for a Mid-Term Review of the ARR along with Truing up of 2nd year of the Control Period and tariff determination for 4th year of the Control Period, as reproduced below:

> *"A detailed Multi-Year Tariff Application comprising the forecast of Aggregate Revenue Requirement for the entire Control Period and expected revenue from existing tariffs for the first year of the Control Period to be submitted by the Applicant:*
>
> *Provided that the performance parameters, whose trajectories have been specified in the Regulations, shall form the basis for projection of these performance parameters in the Aggregate Revenue Requirement for the entire Control Period:*
>
> ***Provided further that a Mid-term Review of the Aggregate Revenue Requirement shall be undertaken for the Generating Company, Transmission Licensee, SLDC and Distribution Licensee on an application that shall be filed by the utilities along with the Petition for Truing-up for the second year of the Control Period and tariff determination for the fourth year of the Control Period;" (emphasis added)***

Though the Petitioner has prayed for approval of the revised ARR for FY 2019-20 and FY 2020-21 under the Mid-Term Review, the Petitioner has submitted the revised ARR only for FY 2019-20. However, in accordance with Regulation 16.2 (i) of the GERC (MYT) Regulations, 2016, the Commission considers it appropriate to approve the revised ARR for FY 2019-20 and FY 2020-21 under the Mid-Term Review for Aspen. The Commission also noticed that while projecting the values for FY 2019-20, Aspen has mentioned FY 2018-19 at many places, which have been considered as referring to FY 2019-20 by the Commission.

4.2 Energy Sales

Petitioner's Submission

During the last five years of operations, the energy sales has increased from 8.03 MUs in FY 2011-12 to 11.27 MUs in FY 2016-17, reflecting a Compounded Annual Growth Rate (CAGR) of 7% for HTP-I category and a negative CAGR of 10% for Non-RGP category. However, the sales have been fluctuating from year to year, and had even gone down to 5.39 MUs in FY 2012-13, before recovering slowly. The Petitioner is uncertain regarding the movement of sales for FY 2019-20. In the MYT Order dated 30th June, 2017, the Commission had accepted the Petitioner's projection of increase in sales from 10.13 MUs to 12.31 MUs from FY 2016-17 to FY 2020-21, respectively.

Therefore, for projecting sales for FY 2019-20, the Petitioner has considered actual sales up to September 2018. Accordingly, the Petitioner has projected energy sales for FY 2019-20 as shown in the Table below:

Table 4.1: Projected Energy Sales for Aspen for FY 2019-20 (MUs)

Particulars	Approved in the MYT Order	Revised Estimate
Sales	**11.73**	**10.94**

Commission's Analysis

The Commission has noted the category-wise revised sales projected by the Petitioner for FY 2019-20. The Petitioner has considered FY 2017-18 as base year and considered the latest 5-year CAGR for projection of sales. The Commission is of the view that the Licensee is in the best position to judge the sales growth and accordingly, considers the approach of 5-year CAGR on the sales of latest year followed by Aspen as the most appropriate approach. Hence, the Commission approves the category-wise sales as shown in the Table below:

Table 4.2: Energy Sales approved by the Commission for Aspen for FY 2019-20 and FY 2020-21 (MUs)

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
HT & EHT Category		10.93	10.93		11.13

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
Non RGP		0.01	0.01		0.01
Total Sales	**11.73**	**10.94**	**10.94**	**12.31**	**11.14**

4.3 Distribution Losses

Petitioner's Submission

The Commission has approved the Distribution Losses of 2.47% for each year of the MYT Control Period. The Petitioner requested the Commission to approve the distribution losses for FY 2019-20 as 2.47%, without any reduction, as the losses are already very low and highly dependent on the quantum of sales, as lower sales have led to higher no-load losses in the past. In case the actual losses turn out to be lower due to higher sales, as was the case in FY 2017-18, then the Petitioner shall submit the same at the time of True-up for FY 2019-20, however, for projection purposes, the approved loss levels of 2.47% should be considered for FY 2019-20.

However, for computation of the energy requirement for FY 2019-20, Aspen has considered the Distribution Losses as 2.30%, as shown in the Table below:

Table 4.3: Distribution Losses projected by Aspen for FY 2019-20

Particulars	Approved in the MYT Order	Revised Estimate
Distribution Losses (%)	2.47%	2.30%

Commission's Analysis

As can be seen from the above paragraph, though the Petitioner has requested the Commission to consider the approved Distribution Losses of 2.47% for FY 2019-20, the Petitioner has itself considered the Distribution Losses as 2.30% for computation of the energy requirement.

Aspen has reported lower actual Distribution Losses in FY 2017-18, as compared to the trajectory of Distribution Losses approved by the Commission in the MYT Order. However, the Hon'ble APTEL has ruled that in accordance with the GERC (MYT) Regulations, 2016, the performance trajectories cannot be modified at the time of MTR. Accordingly, the Commission approves the Distribution Losses, in line with the trajectory approved by the Commission in the MYT Order, as shown in the Table below:

Table 4.4: Distribution Losses as approved by the Commission for FY 2019-20 and FY 2020-21

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
Distribution Losses (%)	2.47%	2.30%	2.47%	2.47%	2.47%

4.4 Energy Requirement

Petitioner's Submission

The projected Energy Balance for Aspen's licence area based on the revised projected Sales and Distribution Losses for FY 2019-20 is as given in the Table below:

Table 4.5: Energy Requirement projected by Aspen for FY 2019-20 (Units)

Particulars	Approved in the MYT Order	Revised Estimate
Energy Sales	1,17,27,303	1,09,45,080
Distribution Losses (%)	2.47%	2.30%
Distribution Losses	2,97,000	2,52,000
Energy Input at Distribution Level	1,20,24,303	1,11,97,080

Commission's Analysis

Based on the energy sales approved in Table 4.2 and Distribution Losses approved in Table 4.4, the Commission has computed the energy requirement for Aspen for FY 2019-20 and FY 2020-21 as shown in the Table below:

Table 4.6: Energy Requirement approved for Aspen for FY 2019-20 and FY 2020-21 (Units)

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
Energy Sales	1,17,27,303	1,09,45,080	1,09,45,080	1,23,12,818	1,11,39,350

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
Distribution Losses (%)	2.47%	2.30%	2.47%	2.47%	2.47%
Distribution Losses	2,97,000	2,52,000	2,77,190	3,11,829	2,82,110
Energy Requirement	1,20,24,303	1,11,97,080	1,12,22,270	1,26,24,647	1,14,21,460

4.5 Power Purchase Cost

Petitioner's Submission

The Petitioner has estimated the cost of power purchase from MGVCL for FY 2019-20 based on the projected energy requirement for the licenced area.

The Petitioner has considered the tariff of MGVCL for FY 2018-19 as approved by the Commission, for projecting the power purchase cost for FY 2019-20, as shown in the Table below:

Table 4.7: Power Purchase Cost projected by Aspen for FY 2019-20 (Rs. Lakh)

Particulars	2019-20	
	Approved in the MYT Order	Revised Estimate
Power Purchase (Units)	1,20,24,303	1,11,97,080
Power Purchase Cost (Rs. Lakh)	891.00	778.95
Cost per Unit (Rs. /kWh)	7.41	6.96

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Commission's Analysis

Since Aspen is a HT consumer of MGVCL, the Commission have considered the same tariff as approved in the MGVCL Order dated 24th April, 2019 in Case No. 1761 of 2018 for computing the demand charges and variable charges for FY 2019-20 and FY 2020-21. The Commission has considered the base FPPPA of Rs. 1.61/kWh for computing the FPPPA charges for FY 2019-20 and FY 2020-21. The Commission has considered Rs 0.85/kWh as Time of Use charges and accordingly deducted Rs. (0.11) crore as approved in the true-up for FY 2017-18 to calculate the power purchase cost for FY 2019-20 and FY 2020-21.

Further, in normal course, the Distribution Licensee shall procure power through competitive bidding process as per the Guidelines issued by the Ministry of Power, GoI. Since Aspen does not have any tie-up power, the proposal of Aspen to procure power from MGVCL as a HT consumer is provisionally approved. However, Aspen has to explore the possibility of getting power at competitive rates.

Accordingly, the Commission has approved the total power procurement cost of Aspen from MGVCL, after Mid-Term Review, as given in the Table below:

Table 4.8: Power Purchase Quantum and Cost approved for FY 2019-20 and FY 2020-21

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
Power Purchase (Units)	1,20,24,303	1,11,97,080	1,12,22,270	1,26,24,647	1,14,21,460
Power Purchase Cost (Rs. Lakh)	891.00	778.95	780.89	925.39	793.02
Cost per Unit (Rs. /kWh)	7.41	6.96	6.96	7.33	6.94

4.6 Operation and Maintenance Expenses

Petitioner's Submission

The Petitioner has projected the O&M Expenses for FY 2019-20 by escalating the actual O&M Expenses of FY 2017-18 as claimed in the True-up for FY 2017-18, with 5.72% twice, to account for the growth of 2 years, as shown in the Table below:

Table 4.9: Revised O&M Expenses projected by Aspen for FY 2019-20 (Rs. Lakh)

Particulars	Approved in the MYT Order	Revised Estimate
O&M Expenses	42.35	43.22

Commission's Analysis

The Petitioner has revised the O&M Expenses for FY 2019-20, which are higher than the O&M Expenses approved by the Commission in the MYT Order.

Regulations 86.2 and 94.8 of the GERC (MYT) Regulations, 2016 specify the method of allowing normative O&M Expenses for the MYT Control Period, as reproduced below:

"86.2 Operation and Maintenance expenses:

a) The Operation and Maintenance expenses shall be derived on the basis of the average of the actual Operation and Maintenance expenses for the three (3) years ending March 31, 2015, subject to prudence check by the Commission.

b) The average of such operation and maintenance expenses shall be considered as operation and maintenance expenses for the financial year ended March 31, 2014 and shall be escalated year on year at the escalation factor of 5.72% to arrive at operation and maintenance expenses for subsequent years up to FY 2020-21…"

Therefore, the Commission finds it appropriate to retain the same at the level approved in the MYT Order. This is consistent with the approach followed for other parameters such as Distribution Losses, etc., where the trajectory stipulated in the MYT Order has been retained in the Mid-Term Review, even though the actual Distribution Losses in FY 2017-18 are lower than the stipulated levels. And hence, there is no scope for revision of the O&M Expenses at the time of Mid-Term Review by considering the actual O&M Expenses for FY 2017-18, as proposed by the Petitioner.

Thus, the Commission approves the O&M expenses for FY 2019-20 and FY 2020-21 after Mid-Term Review, as allowed in the MYT Order, as shown in the Table below:

Table 4.10: O&M Expenses approved for Aspen for FY 2019-20 and FY 2020-21 (Rs. Lakh)

Particulars	2019-20			2020-21	
	Approved in the MYT order	Revised Estimate	Approved in MTR	Approved in the MYT order	Approved in MTR
Employee Expenses	3.25	4.09	3.25	3.44	3.44
R&M Expenses	0.93	2.10	0.93	0.99	0.99
A&G Expenses	38.17	37.03	38.17	40.35	40.35
O&M Expenses	**42.35**	**43.22**	**42.35**	**44.78**	**44.78**

4.7 Capital Expenditure, Capitalization and Sources of Funding

Petitioner's Submission

The capital expenditure has been funded entirely through Consumer Contribution. Further, no capital investment has been envisaged for FY 2019-20. However, if any capital expenditure is undertaken through either debt or equity, the Petitioner shall approach the Commission at the time of Truing up. Therefore, the Petitioner requests the Commission to approve Nil capital expenditure and capitalisation for FY 2019-20.

Commission's Analysis

In view of the above submission made by Aspen, **the Commission approves Nil capital expenditure and capitalisation for FY 2019-20 and FY 2020-21.**

4.8 Depreciation

Petitioner's Submission

Aspen has not claimed any depreciation on the assets as all the assets have been funded through Consumer Contribution.

Commission's Analysis

The Commission approves the depreciation as **Nil** for FY 2019-20 and FY 2020-21, as all the assets have been funded through Consumer Contribution.

4.9 Interest Expenses

Petitioner's Submission

Since, no new capital expenditure has been proposed by Aspen and existing assets are funded by Consumer Contribution, no interest expenditure has been considered for FY 2019-20.

Commission's Analysis

The Commission approves **Nil** Interest and Finance Charges for FY 2019-20 and FY 2020-21, as no new capitalisation has been proposed by Aspen and existing assets are funded by Consumer Contribution.

4.10 Interest on Working Capital

Petitioner's Submission

The Petitioner has calculated the normative Interest on Working Capital for FY 2019-20 as per Regulation 40.5 of the GERC (Multi Year Tariff) Regulations, 2016. The rate of interest for computing the Interest on Working Capital (IoWC) for FY 2019-20 has been considered as 1-year SBI MCLR as on April 1, 2017, i.e., 8%, plus 250 basis points, in accordance with the First Amendment to the GERC (MYT) Regulations, 2016. Thus, the effective rate of interest for IoWC works out to 10.50%.

Commission's Analysis

The Commission has computed the normative working capital requirement of Aspen as specified in Regulation 40.4 and Regulation 40.5 of the GERC (MYT) Regulations, 2016 read in conjunction with the GERC (MYT) (First Amendment) Regulations, 2016. Further, in line with the approach adopted in the true-up for FY 2017-18, the Commission has not considered one-month O&M Expenses for computing the working capital requirement, as the entire O&M Expenses are being recovered by the Petitioner from the consumers as Facility Maintenance and being reported under Non-Tariff Income.

The Commission has considered the 1-year MCLR of State Bank of India as on 1st April, 2018 as 8.15% and hence, rate of interest on working capital works out to 10.65% (8.15% plus 2.5% or 250 basis points). The normative interest on working capital approved by the Commission for FY 2019-20 and FY 2020-21 is shown in the Table below:

Table 4.11:Interest on Working Capital approved for FY 2019-20 and FY 2020-21 (Rs. Lakh)

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
O&M Expenses	3.53	3.61	-	3.73	-
Maintenance Spares					
Receivables	66.95	66.88	64.34	69.78	65.36
Working Capital requirement	70.48	70.49	64.34	73.51	65.36
Less: Amount held as Security Deposit	-	-	-	-	-
Total Working Capital	70.48	70.49	64.34	73.51	65.36
Interest Rate (%)	11.70%	11.70%	10.65%	11.70%	10.65%

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
Interest on Working Capital	**8.25**	**8.25**	**6.85**	**8.60**	**6.96**

As can be observed from the above table, the Interest on working capital requirement for FY 2019-20 and FY 2020-21 works out to be Rs. 6.85 Lakh and Rs. 6.96 Lakh.

4.11 Return on Equity

Petitioner's Submission

The Petitioner has not considered any Return on Equity for FY 2019-20 as its existing assets have been entirely funded through Consumer Contribution, and there is no proposed equity addition by Aspen for FY 2019-20.

Commission's Analysis

The Commission approves the Return on Equity as **Nil** for FY 2019-20 and FY 2020-21, as all the assets have been funded through Consumer Contribution.

4.12 Income Tax

Petitioner's Submission

In FY 2017-18, no Income Tax was payable by Aspen even under the MAT rule, as there was a book loss shown in the Accounts for FY 2017-18. Therefore, Aspen has not considered any provisional Income Tax for its business for FY 2019-20. In case Income Tax is actually paid for FY 2019-20, the same shall be claimed at the time of True-up.

Commission Analysis

The Commission approves the Income Tax as Nil for FY 2019-20 and FY 2020-21.

In case Income Tax is actually paid for FY 2019-20 and FY 2020-21, the same shall be considered at the time of True-up.

4.13 Non-Tariff Income

Petitioner's Submission

The Petitioner has projected the income from Facility Management Charges under Non- Tariff Income for FY 2019-20 at the same level as the actual income from these Charges in FY 2017-18. The total Non-Tariff Income projected for FY 2019-20 is shown in the Table below:

Table 4.12:Non-Tariff Income projected by Aspen for FY 2019-20 (Rs. Lakh)

Particulars	2019-20	
	Approved in the MYT Order	Revised Estimate
Non-Tariff Income	60.35	58.89

Commission's Analysis

The Commission has considered the revenue from Facility Management charges for FY 2019-20 and FY 2020-21 equal to the O&M expenses approved for the respective year, in line with the practice adopted by Aspen. The Interest on deposit earned from MGVCL has been considered at the same level as considered in the Truing up for FY 2017-18.

The Commission, accordingly, approves the Non-Tariff Income at Rs. 58.02 Lakh and Rs. 60.45 Lakh for FY 2019-20 and FY 2020-21, respectively, as shown in the Table below:

Table 4.13:Non-Tariff Income approved for FY 2019-20 and FY 2020-21 (Rs. Lakh)

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
Facility Management Charges	42.35	43.22	42.35	44.78	44.78
Interest on Deposit earned from MGVCL	18.00	15.67	15.67	18.00	15.67
Non-Tariff Income	**60.35**	**58.89**	**58.02**	**62.78**	**60.45**

4.14 Aggregate Revenue Requirement

Petitioner's Submission

The summary of revised estimates of ARR for FY 2019-20 as submitted by Aspen is shown in the Table below:

Table 4.14: Summary of ARR projected by Aspen for FY 2019-20 (Rs. Lakh)

Particulars	2019-20	
	Approved in the MYT Order	Revised Estimates
Power Purchase Expenses	891.00	778.95
O&M Expenses	42.35	43.22
Depreciation		
Interest on Loans		
Interest on Working Capital	8.25	8.25
Income Tax		
Total Revenue Expenditure	**941.60**	**830.42**
Return on Equity		
Less: Non-Tariff Income	60.35	58.89
ARR	**881.25**	**771.53**

Commission's Analysis

The ARR approved by the Commission after Mid-Term Review for FY 2019-20 and FY 2020-21 is shown in the Table below:

Table 4.15:Summary of ARR approved for FY 2019-20 and FY 2020-21 (Rs. Lakh)

Particulars	2019-20			2020-21	
	Approved in the MYT Order	Revised Estimate	Approved in MTR	Approved in the MYT Order	Approved in MTR
Power Purchase Expenses	891.00	778.95	780.89	925.39	793.02
O&M Expenses	42.35	43.22	42.35	44.78	44.78
Depreciation	-	-	-	-	-
Interest & Finance Charges	-	-	-	-	-
Interest on Security Deposit	-	-	-	-	-
Interest on Working Capital	8.25	8.25	6.85	8.60	6.96
Return on Equity Capital	-	-	-	-	-
Income Tax	-	-	-	-	-
Total Revenue Expenditure	**941.60**	**830.42**	**830.09**	**978.77**	**844.76**
Less: Non-Tariff Income	60.35	58.89	58.02	62.78	60.45
Aggregate Revenue Requirement	**881.25**	**771.53**	**772.07**	**915.99**	**784.31**

5 Determination of Tariff for FY 2019-20

5.1 Introduction

This Chapter deals with the determination of Revenue Gap/(Surplus), as well as consumer tariff for FY 2019-20 for Aspen.

The Commission has considered the ARR approved in the last Chapter for FY 2019-20 and the adjustment on account of True-up for FY 2017-18, while determining the Revenue Gap/(Surplus) for FY 2019-20.

5.2 Gap/(Surplus)

Petitioner's Submission

Based on the projected ARR for FY 2019-20 and expected Revenue from sales at the existing tariff, the projected Revenue Gap/(Surplus) for FY 2019-20 has been projected as shown in the Table below:

Table 5.1: Revenue Gap/(Surplus) projected by Aspen for FY 2019-20 (Rs. Lakh)

Particulars	Claimed by Aspen
ARR of FY 2019-20	771.53
Add: Revenue Gap/(Surplus) of FY 2017-18	(4.59)
Net ARR	766.94
Revenue from Sales	776.10
Revenue Gap/(Surplus)	**(9.16)**

Commission's Analysis

The Commission has approved various components of the ARR for FY 2019-20 as discussed in the previous Chapter. The Commission has independently computed the Revenue for Aspen for FY 2019-20 from projected category-wise sales and existing tariff, i.e., the tariff approved by the Commission for FY 2018-19 vide Order dated 8th August, 2018 in Petition No. 1708 of 2018 as shown in the Table below:

Table 5.2: Approved Sales and Category Wise Revenue of Aspen for FY 2019-20 (Rs. Lakh)

Category	Sales (MUs)	Avg. Tariff Realization (Rs. /kWh) *	Estimated Revenue (Rs. Lakh)
HT-1	10.93	7.17	784.18
Non RGP	0.01	7.83	0.96
Sum Total	**10.95**	**7.17**	**785.14**

Note:
***:** The average tariff realization includes the FPPPA charges of Rs. 1.61 per kWh, plus TOD charges and Power Factor adjustment charges as projected by Aspen

Considering the approved ARR for FY 2019-20 and the Revenue from sale of power at existing tariffs as per Table 5.2, there is a projected Revenue Surplus of Rs. 16.18 Lakh, as shown in the Table below:

Table 5.3:Approved Revenue Gap/(Surplus) of Aspen for 2019-20 (Rs. Lakh)

Particulars	Claimed	Approved
ARR for FY 2019-20	771.53	772.07
Add: Revenue Surplus of FY 2017-18	(4.59)	(3.11)
Net ARR	766.94	768.96
Revenue from Sales	776.10	785.14
Revenue Gap/(Surplus)	**(9.16)**	**(16.18)**

As regards retail tariff for FY 2019-20, the Commission takes cognizance of the Petitioner's submission that its licence area overlaps with the licence area of MGVCL and thus, falls under the second proviso to Section 62 (1) of the Electricity Act, 2003, as reproduced below:

> *"Provided that in case of distribution of electricity in the same area by two or more distribution licensees, the Appropriate Commission may, for promoting competition among distribution licensees, fix only maximum ceiling of tariff for retail sale of electricity."*

Therefore, the Commission decides to keep the tariff for retail sale of electricity for Aspen distribution area as per MGVCL tariff schedule effective from 1st August, 2019. The approved Tariff Schedule for Aspen for FY 2019-20 is given as Annexure to this Tariff Order.

Hence, the Commission has decided not to pass on the Cumulative Surplus of Rs. 16.18 Lakh in the revised tariffs for FY 2019-20, and retains the category-wise tariffs at the same level as decided for MGVCL.

6 Compliance of Directives

The Commission did not issue any new directives in the Tariff Order dated 8th August, 2018 in Case No. 1708 of 2018 and the earlier directives have been addressed in the previous Order.

7 Fuel and Power Purchase Price Adjustment

Aspen is sourcing power from MGVCL for meeting its power requirement for its licenced area. Aspen purchases power from MGVCL at the tariff applicable to HTP-I consumers.

Since Aspen is treated as a consumer under HTP-I tariff category, MGVCL is charging FPPPA to Aspen as in case of other consumers. The FPPPA charge varies every quarter in accordance with the Formula approved by the Commission.

As such, Aspen shall charge its consumers FPPPA at the rate applied to it by MGVCL.

8 Wheeling Charges and Cross Subsidy Surcharge

8.1. Wheeling Charges

Petitioner's Submission

Regulation 87 of the GERC (MYT) Regulations, 2016 specifies that the ARR is to be segregated as per the Allocation Matrix for segregation of expenses between Distribution Wires Business and Retail Supply Business, for determination of Wheeling Charges.

The Allocation Matrix specified by the Commission for segregation of expenses between Wheeling and Retail Supply Business is as under:

Table 8.1: Allocation matrix for segregation of Wheeling and Retail Supply as submitted by the Petitioner for FY 2019-20

ARR Components	Wires Business (%)	Retail Business (%)
Power Purchase Expenses	0%	100%
Employee Expenses	60%	40%
Administration & General Expenses	50%	50%
Repair & Maintenance Expenses	90%	10%
Depreciation	90%	10%
Interest on Long Term Loan Capital	90%	10%
Interest on Working Capital and Consumer Security Deposit	10%	90%
Bad Debts	0%	100%
Income Tax	90%	10%
Contingency Reserves	100%	0%
Return on Equity	90%	10%
Non-Tariff Income	10%	90%

Based on the above Allocation Matrix, the ARR of Aspen has been segregated into ARR for Wheeling and Supply Business as shown in the Table below:

Table 8.2: Segregation of ARR into Wires and Supply Business for FY 2019-20 (Rs. Lakh)

Particulars	Wires Business	Supply Business
Power Purchase Expenses	-	778.95
O&M Expenses	13.77	22.45
Depreciation	-	-
Interest on Loan	-	-
Interest on Working Capital	0.82	7.43
Income Tax	-	-
Total Revenue Expenditure	**14.59**	**808.83**
Return on Equity	-	-
Less: Non-Tariff Income	5.89	53.01
Aggregate Revenue Requirement	**8.70**	**755.82**

The Petitioner submitted that the above segregated ARR has been considered to determine the Wheeling Charges for FY 2019-20.

Commission's Analysis

The Commission, in order to compute the Wheeling Charges, has considered the Allocation Matrix between the Wires Business and Retail Supply Business in accordance with the GERC (MYT) Regulations, 2016.

Based on the ARR approved by the Commission and the Allocation Matrix specified in the GERC (MYT) Regulations, 2016, the ARR approved for the Wires Business and Retail Supply Business for FY 2019-20 is shown in the Table below:

Table 8.3: Approved Segregation of ARR into Wires and Supply Business for FY 2019-20 (Rs. Lakh)

Particulars	Wires Business	Supply Business
Power Purchase Expenses	-	780.89
Employee Expenses	1.95	1.30
Administration & General Expenses	19.09	19.09
Repair & Maintenance Expenses	0.84	0.09
Depreciation	-	-
Interest on Loan	-	-
Interest on Security Deposit	-	-

Particulars	Wires Business	Supply Business
Interest on Working Capital	0.69	6.17
Bad debts	-	-
Contingency Reserve	-	-
Income Tax	-	-
Total Revenue Expenditure	**22.56**	**807.54**
Return on Equity	-	-
Less: Non-Tariff Income	5.80	52.22
Aggregate Revenue Requirement	**16.76**	**755.32**

8.1.1. Determination of Wheeling Charges

Petitioner's Submission

The Petitioner has submitted that in accordance with the approach adopted by the Commission in the MYT Order dated 30th June, 2017 in Case No. 1638 of 2017, the ARR of the Wires Business computed above, has not been segregated between HT and LT Voltages. Accordingly, the proposed Wheeling Charges are calculated as shown in the Table below:

Table 8.4:Wheeling Charges proposed by Aspen at 11 kV for FY 2019-20

Particulars	Units	Amount
ARR for the Wires Business	Rs Lakhs	13.77
Energy Input at 11 kV	Lakh Units	111.16
Wheeling Charge at 11 kV	Paise/kWh	12.30
Proposed Wheeling Charges at 11 kV	**Paise/kWh**	**13.00**

The Petitioner added that an Open Access consumer will also have to bear the Distribution Losses of 2.47%, in addition to the above proposed Wheeling Charges.

Commission's Analysis

The Commission has determined the ARR of the Wires Business for FY 2019-20 in earlier Section, as Rs. 16.76 Lakh.

The Commission has not segregated the Wires ARR between HT and LT voltage levels. Accordingly, the Commission has computed the Wheeling Charges for FY 2019-20 as shown below:

Table 8.5: Calculation of Wheeling Charges for Aspen at 11 kV Voltage

Particulars	Units	Amount
ARR for the Wires Business	Rs Lakh	16.76
Energy Input at 11 kV	Lakh Units	112.22
Wheeling Charge at 11 kV	Paise/kWh	14.93

Table 8.6: Approved Wheeling Charges at 11 kV voltages

Particulars	Units	Amount
Wheeling Charges at 11 kV	Paise/kWh	**15.00**

The Commission has accordingly approved the Wheeling Charges for HT voltage as Rs. 0.15 /kWh for FY 2019-20.

The Open Access consumer will also have to bear the distribution losses at 2.47% in addition to the wheeling charges.

8.2. Cross Subsidy Surcharge

Petitioner's Submission

In accordance with the approach adopted by the Commission in the Order dated 8th August, 2018 in Case No. 1738 of 2018, the Petitioner has computed the Cross-Subsidy Surcharge (CSS) based on the Formula stipulated in the revised Tariff Policy, 2016, as under:

The Formula for computation of CSS is as under:

S = T – [C / (1 - L/100) + D + R]

Where,

S is the surcharge;

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation;

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation;

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level;

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level; and

R is the per unit cost of carrying regulatory assets.

The CSS based on the above formula is computed as shown in the Table below:

Table 8.7: Cross Subsidy Surcharge payable for Open Access consumers in Aspen area

Particulars	2019-20
T – Tariff for HT category (Rs/kWh) *	7.17
C – Wt. Average cost of power Purchase in Rs/kWh	6.96
W – Wheeling Charges (Rs. /kWh)	0.13
L – Aggregate T&D Loss (%)	2.47%
Cross subsidy Surcharge in Rs/kWh	(0.10)

Note: The Tariff for HT Category has been considered equal to the Average Billing Rate of HT I Category based on Aspen's existing tariff. The same shall have to be revised, based on the tariff approved by the Commission

The Petitioner submitted that as the CSS works out to be negative based on existing tariff, no CSS is proposed for Open Access consumers for FY 2019-20. In case the CSS works out to be positive based on tariffs approved by the Commission for FY 2019-20, then the same shall be applicable for Open Access consumers.

Commission's Analysis

The Hon'ble APTEL in its Judgment on the issue of formula for calculation of Cross Subsidy Surcharge has endorsed the use of the formula provided in the Tariff Policy. According to the Tariff Policy, 2016, the formula for Cross Subsidy Surcharge is as under:

$S = T – [C / (1 - L/100) + D + R]$

Where,

S is the surcharge;

T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation;

C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation;

D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level;

L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level;

R is the per unit cost of carrying regulatory assets.

Further, the Tariff Policy, 2016 also stipulates that the surcharge shall not exceed 20% of the tariff applicable to the category of consumers seeking Open Access.

Accordingly, the Commission has determined the Cross-Subsidy Surcharge based on the formula stipulated in the Tariff Policy, as shown in the Table below:

Table 8.8: Approved Cross Subsidy Surcharge payable for Open Access consumers in Aspen Area

Particulars	2019-20
T – Tariff for HT category (Rs/kWh)	7.17
C – Wt. Avg. Power Purchase Cost (Rs/kWh)	6.96
D –Wheeling Charges (Rs / kWh)	0.15
L – Aggregate T&D Loss (%)	2.47%
R – per unit cost of carrying Regulatory Assets (Rs/kWh)	0.00
S - Cross Subsidy Surcharge (Rs/kWh)	(0.11)

S (for HTMD) = 7.17- [6.96/ (1-0.0247) +0.15+0] = (0.11)

As the Cross-Subsidy Surcharge computation results into negative value, no Cross-Subsidy Surcharge will be applicable for Open Access consumers for FY 2019-20.

9 Tariff Philosophy and Tariff Proposal

9.1. Introduction

The Commission is guided by the provisions of the Electricity Act, 2003, the National Electricity Policy, the Tariff Policy, Regulations on Terms and Conditions of Tariff issued by the Central Electricity Regulatory Commission (CERC) and the GERC (MYT) Regulations, 2016 notified by the Commission.

Section 61 of the Act lays down the broad principles and guidelines for determination of retail supply tariff. The basic principle is to ensure that the tariff should progressively reflect the cost of supply of electricity and reduce the cross subsidy amongst categories within a period to be specified by the Commission.

This Chapter discusses Aspen's tariff proposal and details the Commission's final decision on the same.

9.2. Aspen's Tariff Proposal for FY 2019-20

Petitioner's Submission

The Petitioner submitted that the second proviso to Section 62 (1) of the EA 2003 specifies as under:

> *"Provided that in case of distribution of electricity in the same area by two or more distribution licensees, the Appropriate Commission may, for promoting competition among distribution licensees, fix only maximum ceiling of tariff for retail sale of electricity."*

Aspen's licence area overlaps with the licence area of MGVCL, and thus, falls under the situation envisaged under the above proviso to Section 62(1) of the EA 2003. Further, consumers have opted to set up their Units within the SEZ area, under the presumption that the electricity tariff will be the same as that applicable within MGVCL's area of supply, and the consumers would not be adversely affected by virtue of opting to set up their Units within the SEZ. It will also create a lot of problems if the tariffs within the SEZ and outside the SEZ for the same category of consumer are different, and may result in migration of consumers outside the Licence area.

The Petitioner submitted that as it was still in the process of development of the SEZ, and the sales are yet to reach significant levels, it should be allowed to continue to charge consumers in the SEZ area at the same tariff that shall be applicable for the respective category of consumers in the MGVCL area of supply for FY 2019-20.

Commission Analysis

The Commission decides to keep the tariff for retail sale of electricity for Aspen distribution area as per MGVCL tariff schedule effective from 1st August, 2019. The approved Tariff Schedule for Aspen for FY 2019-20 is given as Annexure to this Tariff Order.

Hence, the Commission has decided not to pass on the Cumulative Surplus of Rs. 16.18 Lakh in the revised tariffs for FY 2019-20, and retains the category-wise tariffs at the same level as decided for MGVCL.

Regulation 97 of the GERC (MYT) Regulations, 2016 considers “Prompt Payment Rebate” as one of the heads for Non-Tariff Income. However, the Commission observes that Distribution Licensees do not extend such rebate on Prompt payments being made by the consumers of such licensees. Keeping in view the above, the Commission decides to exclude the condition for Prompt Payment Rebate from the general conditions of tariff for supply of electricity to consumers of the Petitioner.

COMMISSION'S ORDER

The Commission approves the Aggregate Revenue Requirement (ARR) for Aspen for FY 2019-20 and FY 2020-21, as shown in the Table below:

Approved ARR for Aspen for FY 2019-20 and FY 2020-21 (Rs. Lakh)

Sr. No.	Particulars	Approved in Mid-Term Review	
		2019-20	2020-21
1	Power Purchase Expenses	780.89	793.02
2	Operation & Maintenance Expenses	42.35	44.78
3	Depreciation	-	-
4	Interest & Finance Charges	-	-
5	Interest on Security Deposit	-	-
6	Interest on Working Capital	6.85	6.96
7	**Total Revenue Expenditure**	**830.09**	**844.76**
8	Return on Equity Capital	-	-
9	Income Tax	-	-
10	**Aggregate Revenue Requirement**	**830.09**	**844.76**
11	Less: Non-Tariff Income	58.02	60.45
12	**Aggregate Revenue Requirement**	**772.07**	**784.31**

The retail supply tariff for Aspen for FY 2019-20 determined by the Commission are annexed to this Order.

This Order shall come into force with effect from 1st August, 2019. The revised rates shall be applicable for the electricity consumption from 1st August, 2019 onwards.

-Sd-	-Sd-	-Sd-
P. J. THAKKAR	**K. M. SHRINGARPURE**	**ANAND KUMAR**
Member	Member	Chairman

Place: Gandhinagar
Date: 31/07/2019

Annexure: Tariff Schedule

TARIFF FOR SUPPLY OF ELECTRICITY AT LOW TENSION, HIGH TENSION AND EXTRA HIGH TENSION

Effective from 1st August, 2019

GENERAL CONDITIONS

1. The tariff figures indicated in this tariff schedule are the tariff rates payable by the consumers of Distribution Licensees of Aspen.
2. These tariffs are exclusive of Electricity Duty, tax on sale of electricity, taxes and other charges levied by the Government or other competent authorities from time to time which are payable by the consumers, in addition to the charges levied as per the tariff.
3. All these tariffs for power supply are applicable to only one point of supply.
4. The charges specified are on monthly basis. Distribution Licensee may decide the period of billing and adjust the tariff rate accordingly.
5. Except in cases where the supply is used for purposes for which a lower tariff is provided in the tariff schedule, the power supplied to any consumer shall be utilized only for the purpose for which supply is taken and as provided for in the tariff.
6. The various provisions of the GERC (licensee's power to recover expenditure incurred in providing supply and other miscellaneous charges) Regulations, except Meter Charges, will continue to apply.
7. Conversion of Ratings of electrical appliances and equipment from kilowatt to B.H.P. or vice versa will be done, when necessary, at the rate of 0.746 kilowatt equal to 1 B.H.P.
8. The billing of fixed charges based on contracted load or maximum demand shall be done in multiples of 0.5 (one half) Horse Power or kilo watt (HP or kW) as the case may be. The fraction of less than 0.5 shall be rounded off to next 0.5. The billing of energy charges will be done on complete one kilo-watt-hour (kWh).
9. The Connected Load for the purpose of billing will be taken as the maximum load connected during the billing period.
10. The Fixed charges, minimum charges, demand charges, and the slabs of consumption of energy for energy charges mentioned shall not be subject to any adjustment on

account of existence of any broken period within billing period arising from consumer supply being connected or disconnected any time within the duration of billing period for any reason.

11. Contract Demand shall mean the maximum kW / kVA for the supply of which licensee undertakes to provide facilities to the consumer from time to time.
12. Fuel Cost and Power Purchase Adjustment Charges shall be applicable in accordance with the Formula approved by the Gujarat Electricity Regulatory Commission from time to time.
13. Payment of penal charges for usage in excess of contract demand / load for any billing period does not entitle the consumer to draw in excess of contract demand / load as a matter of right.
14. The payment of power factor penalty does not exempt the consumer from taking steps to improve the power factor to the levels specified in the Regulations notified under the Electricity Act, 2003 and licensee shall be entitled to take any other action deemed necessary and authorized under the Act.
15. Delayed Payment Charges for all consumers:
    - No Delayed Payment Charges shall be levied if the bill is paid within ten days from the date of billing (excluding date of billing).
    - Delayed Payment Charges will be levied at the rate of 15% per annum in case of all consumers except Agricultural category for the period from the due date till the date of payment if the bill is paid after due date. Delayed payment charges will be levied at the rate of 12% per annum for the consumer governed under Rate AG from the due date till the date of payment if the bill is paid after due date.
    - For Government dues, the delayed payment charges will be levied at the rate provided under the relevant Electricity Duty Act.

PART- I

SCHEDULE OF TARIFF FOR SUPPLY OF ELECTRICITY AT LOW AND MEDIUM VOLTAGE

1. RATE: RGP

This tariff is applicable to all services in the residential premises which are not covered under "Rate RGP (Rural)" Category.

- Single-phase supply- Aggregate load up to 6 kW
- Three-phase supply- Aggregate load above 6 kW

1.1. FIXED CHARGE

Range of Connected Load: (Other than BPL consumers)

(a)	Up to and including 2 kW	Rs. 15/- per month
(b)	Above 2 to 4 kW	Rs. 25/- per month
(c)	Above 4 to 6 kW	Rs.45/- per month
(d)	Above 6 kW	Rs. 70/-per month

For BPL household consumers:

Fixed Charges	Rs. 5/- per month

PLUS

1.2. ENERGY CHARGE: FOR THE TOTAL MONTHLY CONSUMPTION:

(For Other than BPL consumers)

(a)	First 50 units	305 Paise per Unit
(b)	Next 50 Units	350 Paise per Unit
(c)	Next 150 Units	415 Paise per Unit
(d)	Above 250 Units	520 Paise per Unit

1.3. ENERGY CHARGE: FOR THE TOTAL MONTHLY CONSUMPTION:

FOR THE CONSUMERS BELOW POVERTY LINE (BPL)**

(a)	First 30 units	150 Paise per Unit
(b)	For the remaining units	Rate as per RGP

**The consumer who wants to avail the benefit of the above tariff has to produce a copy of the Card issued by the authority concerned at the sub-division office of the Distribution Licensee. The concessional tariff is only for 30 units per month.

1.4. MINIMUM BILL

Payment of fixed charges as specified in 1.1 above.

2. RATE: RGP (RURAL)

This tariff will be applicable to all services for residential premises located in areas within Gram Panchayat as defined in the Gujarat Panchayats Act.

- Single-phase supply- Aggregate load up to 6 kW
- Three-phase supply- Aggregate load above 6 kW

2.1. FIXED CHARGES / MONTH

Range of Connected Load: (Other than BPL Consumers)

(a)	Up to and including 2 kW	Rs. 15/- per month
(b)	Above 2 to 4 kW	Rs. 25/- per month
(c)	Above 4 to 6 kW	Rs. 45/-per month
(d)	Above 6 kW	Rs. 70/-per month

For BPL household consumers:

Fixed Charges	Rs. 5/- per month

PLUS

2.2. ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION: (OTHER THAN BPL CONSUMERS)

(a)	First 50 units	265 Paise per Unit
(b)	Next 50 Units	310 Paise per Unit
(c)	Next 150 units	375 Paise per Unit
(d)	Above 250 units	490 Paise per Unit

2.3. ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION: FOR THE CONSUMER BELOW POVERTY LINE (BPL)**

(a)	First 30 units	150 Paise per Unit
(b)	For remaining units	Rate as per RGP (Rural)

**The consumer who wants to avail the benefit of the above tariff has to produce a copy of the Card issued by the authority concerned at the sub-division office of the Distribution Licensee. The concessional tariff is only for 30 units per month.

2.4. MINIMUM BILL

Payment of fixed charges as specified in 2.1 above.

Note: If the part of the residential premises is used for non-residential (commercial) purposes by the consumers located within 'Gram Panchayat' as defined in Gujarat Panchayat Act, entire consumption will be charged under this tariff.

3. RATE: GLP

This tariff is applicable to the educational institutes and other institutions registered with the Charity Commissioner or similarly placed authority designated by the Government of India for such intended purpose and research and development laboratories.

(a)	Fixed charges	Rs. 70/- per month
(b)	Energy charges	390 Paise per Unit

4. RATE: NON-RGP

This tariff is applicable to the services for the premises those are not covered in any other tariff categories and having aggregate load up to and including 40 kW.

Consumer under this category may opt to be charged as per category – 'RATE: LTMD'

4.1. FIXED CHARGES PER MONTH

(a)	First 10 kW of connected load	Rs. 50/- per kW
(b)	For next 30 kW of connected load	Rs. 85/- per kW

PLUS

4.2. ENERGY CHARGES:

(a)	For installation having contracted load up to and including 10 kW: for entire consumption during the month	435 Paise per Unit
(b)	For installation having contracted load exceeding 10 kW: for entire consumption during the month	465 Paise per Unit

4.3. MINIMUM BILL PER INSTALLATION FOR SEASONAL CONSUMERS

a) "Seasonal Consumers", shall mean a consumer who takes and uses power supply for ice factory, ice candy machines, ginning and pressing factory, oil mill, rice mill, huller, salt industry, sugar factory, khandsari, cold storage plants (including such plants in fisheries industry), tapioca industries manufacturing starch, etc.

b) Any consumer, who desires to be billed for the minimum charges on annual basis shall intimate to that effect in writing at least one month before commencement of billing period about the off-season during which energy consumption, if any, shall be mainly for overhauling of the plant and machinery. The off-season period at any time shall be a full calendar month/months. The total period of the off-season so declared and observed shall be not less than three calendar months in a calendar year.

c) The total minimum amount under the head "Fixed and Energy Charges" payable by the seasonal consumer satisfying the eligibility criteria under sub-clause (a) above and complying with the provision stipulated under sub-clause (b) above shall be Rs. 1800 per annum per kW of the contracted load.

d) The units consumed during the off-season period shall be charged for at a flat rate of 480 Paise per unit.

e) The electricity bills related to the off-season period shall not be taken into account towards the amount payable against the annual minimum bill. The amount paid by the consumer towards the electricity bills related to the seasonal period only under the heads "Fixed Charges" and "Energy Charges", shall be taken into account while determining the amount of short-fall payable towards the annual minimum bill as specified under sub-clause (c) above.

5. RATE: LTMD

This tariff is applicable to the services for the premises those are not covered in any other tariff categories and having aggregate load above 40 kW and up to 100 kW.

This tariff shall also be applicable to consumer covered in category- 'Rate: Non-RGP' so opts to be charged in place of 'Rate: Non-RGP' tariff.

5.1. FIXED CHARGE:

(a)	For billing demand up to the Contract demand		
	(i)	For first 40 kW of billing demand	Rs. 90/-per kW per month
	(ii)	Next 20 kW of billing demand	Rs. 130/-per kW per month
	(iii)	Above 60 kW of billing demand	Rs. 195/- per kW per month
(b)	For billing demand in excess of the contract demand		Rs. 265/- per kW

PLUS

5.2. ENERGY CHARGE:

For the entire consumption during the month	460 Paise per Unit

PLUS

5.3. REACTIVE ENERGY CHARGES:

For all the reactive units (kVARh) during the month	10 Paise per kVARh

5.4. BILLING DEMAND

The billing demand shall be highest of the following:

a) Eighty-five percent of the contract demand
b) Actual maximum demand registered during the month
c) 6 kW

5.5. MINIMUM BILL

Payment of demand charges every month based on the billing demand.

5.6. SEASONAL CONSUMERS TAKING LTMD SUPPLY:

5.6.1 The expression, “Seasonal Consumer”, shall mean a consumer who takes and uses power supply for ice factory, ice-candy machines, ginning and pressing factory, oil mill, rice mill, salt industry, sugar factory, khandsari, cold storage plants (including such plants in fishery industry), tapioca industries manufacturing starch, pumping load or irrigation, white coal manufacturers etc.

5.6.2 Any consumer, who desires to be billed for the minimum charges on annual basis shall intimate to that effect in writing at least one month before commencement of billing period about the off-season during which energy consumption, if any, shall be mainly for overhauling of the plant and machinery. The off-season period at any time shall be a full calendar month/months. The total period of the off-season so declared and observed shall be not less than three calendar months in a calendar year.

5.6.3 The total minimum amount under the head “Demand and Energy Charges” payable by a seasonal consumer satisfying the eligibility criteria under sub-clause 5.6.1 above and complying with provisions stipulated under sub-clause 5.6.2 above shall be Rs. 2970 per annum per kW of the billing demand.

5.6.4 The billing demand shall be the highest of the following:

a) The highest of the actual maximum demand registered during the calendar year.
b) Eighty-five percent of the arithmetic average of contract demand during the year.
c) 6 kW

5.6.5 Units consumed during the off-season period shall be charged for at the flat rate of 470 Paise per unit.

6. RATE: NON-RGP NIGHT

This tariff is applicable for aggregate load up to 40 kW and using electricity **exclusively during night hours** from 10:00 PM to 06:00 AM next day. (The supply hours shall be regulated through time switch to be provided by the consumer at his cost.)

6.1. FIXED CHARGES PER MONTH:

50% of the Fixed charges specified in Rate Non-RGP above

PLUS

6.2. ENERGY CHARGES:

For the entire consumption during the month	260 Paise per unit

NOTE:

1. *15% of the contracted demand can be availed beyond the night hours prescribed as per para 6 above.*
2. *10% of total units consumed during the billing period can be availed beyond the night hours prescribed as per para 6 above.*
3. *In case the consumer failed to observe condition no. 1 above during any of the billing month, then demand charge during the relevant billing month shall be billed as per Non-RGP category demand charge rates given in para 4.1 of this schedule.*
4. *In case the consumer failed to observe condition no. 2 above during any of the billing month, then entire energy consumption during the relevant billing month shall be billed as per Non-RGP category energy charge rates given in para 4.2 of this schedule.*
5. *In case the consumer failed to observe above condition no. 1 and 2 both during any of the billing month, then demand charge and entire energy consumption during the relevant billing month shall be billed as per Non-RGP category demand charge and energy charge rates given in para 4.1 and 4.2 respectively, of this schedule.*
6. *This tariff shall be applicable if the consumer so opts to be charged in place of Non-RGP tariff by using electricity exclusively during night hours as above.*
7. *This option can be exercised to shift from NON-RGP tariff category to NON-RGP NIGHT tariff or from NON-RGP NIGHT tariff category to NON-RGP tariff four times in*

a calendar year by giving not less than 15 days' advance notice in writing before commencement of billing period.

7. RATE: LTMD-NIGHT

This tariff is applicable for aggregate load above 40 kW and using electricity **exclusively during night hours** from 10.00 PM to 06.00 AM next day. (The supply hours shall be regulated through time switch to be provided by the consumer at his cost.)

7.1 FIXED CHARGES PER MONTH:

50% of the Fixed charges specified in Rate **LTMD** above

PLUS

7.2. ENERGY CHARGES:

For entire consumption during the month	260 Paise per unit

PLUS

7.3. REACTIVE ENERGY CHARGES:

For all reactive units (kVARh) drawn during the month	10 Paise per kVARh

NOTE:

1. *15% of the contracted demand can be availed beyond the night hours prescribed as per para 7 above.*
2. *10% of total units consumed during the billing period can be availed beyond the night hours prescribed as per para 7 above.*
3. *In case the consumer failed to observe condition no. 1 above during any of the billing month, then demand charge during the relevant billing month shall be billed as per LTMD category demand charge rates given in para 5.1 of this schedule.*
4. *In case the consumer failed to observe condition no. 2 above during any of the billing month, then entire energy consumption during the relevant billing month shall be billed as per LTMD category energy charge rates given in para 5.2 of this schedule.*

5. *In case the consumer failed to observe above condition no. 1 and 2 both during any of the billing month, then entire energy consumption during the relevant billing month shall be billed as per LTMD category energy charge rates given in para 5.1 and 5.2 respectively, of this schedule.*
6. *This tariff shall be applicable if the consumer so opts to be charged in place of LTMD tariff by using electricity exclusively during night hours as above.*
7. *This option can be exercised to shift from LTMD tariff category to LTMD NIGHT tariff or from LTMD- NIGHT tariff category to LTMD tariff four times in a calendar year by giving not less than 15 days' advance notice in writing before commencement of billing period.*

8. RATE: LTP- LIFT IRRIGATION

Applicable for supply of electricity to Low Tension Agricultural consumers contracting load up to 125 HP requiring continuous (twenty-four hours) power supply for lifting water from surface water sources such as canal, river, & dam and supplying water directly to the fields of farmers for agricultural irrigation only.

(a)	Fixed charges per month	Rs. 20/- per HP
	PLUS	
(b)	Energy charges per month; For entire consumption during the month	150 Paise per Unit

9. RATE: WWSP

This tariff shall be applicable to services used for water works and sewerage pumping purposes.

9.1 Type I- Water works and sewerage pumps operated by other than local authority

(a)	Fixed charges per month	Rs. 25/- per HP
	PLUS	
(b)	Energy charges per month; For entire consumption during the month	430 Paise per Unit

9.2 Type II- Water Works and sewerage pumps operated by local authority such as Municipal Corporation, Gujarat Water Supply & Sewerage Board located outside Gram Panchayat Area will also attract this tariff:

(a)	Fixed charges per month	Rs. 20/- per HP
	PLUS	
(b)	Energy charges per month; For entire consumption during the month	410 Paise per Unit

9.3 Type III- Water Works and sewerage pumps operated by Municipalities/ Nagarpalikas/ and Gram Panchayats or Gujarat Water Supply & Sewerage Board for its installations located in Gram Panchayats:

Energy charges per month: For entire consumption during the month	320 Paise /Unit

9.4 TIME OF USE DISCOUNT:

Applicable to all the water works consumers having connected load of 50 HP and above for the energy consumption during the Off-Peak Load Hours of the Day.

For energy consumption during the off-peak period, viz, 1100 Hrs to 1800 Hrs	40 Paise per Unit
For energy consumption during night hours, viz, 2200 Hrs to 0600 Hrs next day	85 Paise per Unit

10. RATE: AG

This tariff is applicable to services used for irrigation purposes only excluding installations covered under LTP- Lift Irrigation category.

10.1 The rates for following group are as under:

10.1.1 HP BASED TARIFF:

For entire contracted load	Rs. 200 per HP per month

ALTERNATIVELY

10.1.2 METERED TARIFF

Fixed Charges	Rs. 20 per HP per month
Energy Charges: For entire consumption	60 Paise per Unit per month

10.1.3 TATKAL SCHEME

Fixed Charges	Rs. 20 per HP per month
Energy Charges: For entire consumption	80 Paise per Unit per month

NOTE: The consumers under Tatkal scheme shall be eligible for normal metered tariff as above, on completion of five years period from the date of commencement of supply.

10.2 No machinery other than pump water for irrigation (and a single bulb or CFL up to 40 watts) will be permitted under this tariff. Any other machinery connected in the installation governed under this tariff shall be charged separately at appropriate tariff for which consumers shall have to take separate connection.

10.3 Agricultural consumers who desire to supply water to brick manufacturing units shall have to pay Rs. 100/HP per annum subject to minimum of Rs. 2000/- per year for each brick Mfg. Unit to which water is supplied in addition to existing rate of HP based / metered agricultural tariff.

10.4 Such Agricultural consumers shall have to pay the above charges for a full financial year irrespective of whether they supply water to the brick manufacturing unit for full or part of the Financial Year.

Agricultural consumers shall have to declare their intention for supply of the water to such brick manufacturing units in advance and pay charges accordingly before commencement of the financial year (i.e. in March every year).

11. RATE- SL

11.1 Tariff for Street Light for Local Authority and Industrial Estates:

This tariff includes the provision of maintenance, operation and control of the street lighting system.

11.1.1 ENERGY CHARGES:

For all the units consumed during the month	405 Paise per Unit

11.1.2 OPTIONAL KVAH CHARGES:

For all the kVAh units consumed during the month	305 Paise per Unit

11.1.3 Renewal and Replacements of Lamps:

The consumer shall arrange for renewal, maintenance and replacement of lamp, associated Fixture, connecting wire, disconnecting device, switch including time switch etc. at his cost by person authorised by him in this behalf under Rule-3 of the Indian Electricity Rules, 1956 / Rules issued by CEA under the Electricity Act, 2003.

11.1.4 Maintenance other than Replacements of Lamps:

Maintenance of the street lighting conductor provided on pole to connect the street light shall be carried out by Distribution Licensee.

11.2 Tariff for power supply for street lighting purposes to consumers other than the local authorities and industrial estates:

11.2.1 FIXED CHARGES

Rs. 30 per kW per month

11.2.2 ENERGY CHARGES

For all the units consumed during the month	405 Paise per kWh

11.2.3 Renewal and Replacement of Lamps

The consumer shall arrange for renewal, maintenance and replacement of lamp, associated Fixture, connecting wire, disconnecting device, switch including time switch etc. at his cost by person authorised by him in this behalf under Rule-3 of the Indian Electricity Rules, 1956 / Rules issued by CEA under the Electricity Act, 2003.

11.2.4 Maintenance other than Replacement of Lamps:

Maintenance of the street lighting conductor provided on pole to connect the street light shall be carried out by Distribution Licensee.

12. RATE- TMP

This tariff is applicable to services of electricity supply for temporary period at the low voltage. A consumer not taking supply on regular basis under a proper agreement shall be deemed to be taking supply for temporary period.

12.1 FIXED CHARGE

Fixed Charge per Installation	Rs. 15 per kW per Day

12.2 ENERGY CHARGE

A flat rate of	465 Paise per Unit

Note: Payment of bills is to be made within seven days from the date of issue of the bill. Supply would be disconnected for non-payment of dues on 24 hours' notice.

13. RATE- LT ELECTRIC VEHICLE (EV) CHARGING STATIONS

This tariff is applicable to consumers who use electricity **exclusively** for Electric Vehicle Charging installations.

Other consumers can use their regular electricity supply for charging electric vehicle under same regular category i.e. RGP, RGP (RURAL), GLP, LTMD, NON-RGP NIGHT, LTMD-NIGHT, etc. as the case may be.

13.1 FIXED CHARGES / MONTH

Fixed Charge	Rs. 25 per installation

13.2 ENERGY CHARGES: FOR THE ENTIRE MONTHLY CONSUMPTION

Energy Charge	410 Paise per Unit

PART - II

TARIFFS FOR SUPPLY OF ELECTRICITY AT HIGH TENSION

(3.3 KV AND ABOVE, 3-PHASE 50 HERTZ), AND EXTRA HIGH TENSION

The following tariffs are available for supply at high tension for large power services for contract demand not less than 100 kVA

14. RATE- HTP-1

This tariff will be applicable for supply of electricity to HT consumers contracted for 100 kVA and above for regular power supply and requiring the power supply for the purposes not specified in any other HT Categories.

14.1 DEMAND CHARGES:

14.1.1 For billing demand up to contract demand

(a)	For the first 500 kVA of billing demand	Rs. 150/- per kVA per month
(b)	For next 500 kVA of billing demand	Rs. 260/- per kVA per month
(c)	For billing demand in excess of 1000 kVA	Rs. 475/- per kVA per month

14.1.2 For billing Demand in Excess of Contract Demand

For billing demand in excess over the contract demand	Rs. 555 per kVA per month

PLUS

14.2 ENERGY CHARGES

For entire consumption during the month		
(a)	Up to 500 kVA of billing demand	400 Paise per unit
(b)	For billing demand above 500 kVA and up to 2500 kVA	420 Paise per Unit
(c)	For billing demand above 2500 kVA	430 Paise per Unit

PLUS

14.3 TIME OF USE CHARGES

For energy consumption during the two peak periods, viz, 0700 Hrs to 1100 Hrs and 1800 Hrs. to 2200 Hrs.		
(a)	For Billing Demand up to 500 kVA	45 Paise per unit
(b)	For billing demand above 500 kVA	85 Paise per Unit

14.4 BILLING DEMAND

The billing demand shall be the highest of the following:

a) Actual maximum demand established during the month
b) Eighty-five percent of the contract demand
c) One hundred kVA

14.5 MINIMUM BILLS:

Payment of “demand charges” based on kVA of billing demand.

14.6 POWER FACTOR ADJUSTMENT CHARGES:

14.6.1 Penalty for poor Power Factor:

a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff as per para 14.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.
b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 14.2 of this schedule, will be charged.

14.6.2 Power Factor Rebate

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 14.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

14.7 MAXIMUM DEMAND AND ITS MEASUREMENT:

The maximum demand in kW or kVA, as the case may be, shall mean an average kW/kVA supplied during consecutive 30/15 minutes or if consumer is having parallel operation with the grid and has opted for 3 minutes, period of maximum use where such meter with the features of reading the maximum demand in kW/kVA directly, have been provided.

14.8 CONTRACT DEMAND:

The contract demand shall mean the maximum kW/kVA for the supply, of which the supplier undertakes to provide facilities from time to time.

14.9 REBATE FOR SUPPLY AT EHV:

On Energy charges:		**Rebate @**
(a)	If supply is availed at 33/66 kV	0.5%
(b)	If supply is availed at 132 kV and above	1.0%

14.10 CONCESSION FOR USE OF ELECTRICITY DURING NIGHT HOURS:

For the consumer eligible for using supply at any time during 24 hours, entire consumption shall be billed at the energy charges specified above. However, the energy consumed during night hours of 10.00 PM to 06.00 AM next morning shall be eligible for concession at the rate of 40 Paise per unit.

14.11 SEASONAL CONSUMERS TAKING HT SUPPLY:

14.11.1 The expression, "Seasonal Consumer", shall mean a consumer who takes and uses power supply for ice factory, ice-candy machines, ginning and pressing factory, oil mill, rice mill, salt industry, sugar factory, khandsari, cold storage plants (including such plants in fishery industry), tapioca industries manufacturing starch, pumping load or irrigation, white coal manufacturers etc.

14.11.2 Any consumer, who desires to be billed for the minimum charges on annual basis shall intimate to that effect in writing at least one month before commencement of billing period about the off-season during which energy consumption, if any, shall be mainly for overhauling of the plant and machinery. The off-season period at any time shall be a full calendar month/months. The total period of the off-season so declared and observed shall be not less than three calendar months in a calendar year.

14.11.3 The total minimum amount under the head "Demand and Energy Charges" payable by a seasonal consumer satisfying the eligibility criteria under sub-clause 14.11.1 above and complying with provisions stipulated under sub-clause 14.11.2 above shall be Rs. 4550 per annum per kVA of the billing demand.

14.11.4 The billing demand shall be the highest of the following:

a) The highest of the actual maximum demand registered during the calendar year.
b) Eighty-five percent of the arithmetic average of contract demand during the year.
c) One hundred kVA

14.11.5 Units consumed during the off-season period shall be charged for at the flat rate of 430 Paise per unit.

14.11.6 Electricity Bills paid during off-season period shall not be taken into account towards the amount payable against the annual minimum bill. The amount paid by the consumer towards the electricity bills for seasonal period only under the heads "Demand Charges" and "Energy Charges" shall be taken into account while determining the amount payable towards the annual minimum bill.

15. RATE- HTP-II

Applicability: This tariff shall be applicable for supply of energy to HT consumers contracting for 100 kVA and above, requiring power supply for Water Works and Sewerage pumping stations run by Local Authorities and GW & SB. GIDC Water Works.

15.1 DEMAND CHARGES:

15.1.1 For billing demand up to contract demand

(a)	For the first 500 kVA of billing demand	Rs. 115/- per kVA per month
(b)	For next 500 kVA of billing demand	Rs. 225/- per kVA per month
(c)	For billing demand in excess of 1000 kVA	Rs. 290/- per kVA per month

15.1.2 For billing demand in excess of contract demand

For billing demand in excess of contract demand	Rs. 360 per kVA per month

PLUS

15.2 ENERGY CHARGES:

For entire consumption during the month		
(a)	Up to 500 kVA of billing demand	435 Paise per unit
(b)	For billing demand above 500 kVA and up to 2500 kVA	455 Paise per Unit
(c)	For billing demand above 2500 kVA	465 Paise per Unit

PLUS

15.3 TIME OF USE CHARGES:

For energy consumption during the two peak periods, viz, 0700 Hrs to 1100 Hrs and 1800 Hrs. to 2200 Hrs.		
(a)	For Billing Demand up to 500 kVA	45 Paise per unit
(b)	For billing demand above 500 kVA	85 Paise per Unit

15.4 Billing Demand
15.5 Minimum Bill
15.6 Maximum demand and its measurement
15.7 Contract Demand
15.8 Rebate for supply at EHV
15.9 Concession for use of electricity during night hours

Same as HTP-I Tariff

15.10 POWER FACTOR ADJUSTMENT CHARGES

15.10.1 Penalty for poor Power Factor:

a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff as per para 15.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.

b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 15.2 of this schedule, will be charged.

15.10.2 Power Factor Rebate:

If the power factor of the consumer's installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head "Energy Charges", arrived at using tariff as per para 15.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

16. RATE- HTP-III

This tariff shall be applicable to a consumer taking supply of electricity at high voltage, contracting for not less than 100 kVA for temporary period. A consumer not taking supply on regular basis under a proper agreement shall be deemed to be taking supply for temporary period.

16.1 DEMAND CHARGES:

For billing demand up to contract demand	Rs. 18/- per kVA per day
For billing demand in excess of contract demand	Rs. 20/- per kVA per day

16.2 ENERGY CHARGES:

For all units consumed during the month	660 Paise/Unit

PLUS

16.3 TIME OF USE CHARGES:

Additional charge for energy consumption during two peak periods, viz, 0700 Hrs. to 1100 Hrs. and 1800 Hrs. to 2200 Hrs.	85 Paise per Unit

16.4 Billing Demand	**Same as HTP-I Tariff**
16.5 Minimum bill	
16.6 Maximum demand and its measurement	
16.7 Contract Demand	
16.8 Rebate for supply at EHV	

16.9 POWER FACTOR ADJUSTMENT CHARGES

16.9.1 Penalty for poor Power Factor:

a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head “Energy Charges”, arrived at using tariff as per para 16.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.

b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 16.2 of this schedule, will be charged.

16.9.2 Power Factor Rebate:

If the power factor of the consumer’s installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head “Energy Charges”, arrived at using tariff as per para 16.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

17. RATE- HTP-IV

This tariff shall be applicable for supply of electricity to HT consumers opting to use electricity exclusively during night hours from 10.00 PM to 06.00 AM next day and contracted for regular power supply of 100 kVA and above.

17.1 DEMAND CHARGES:

1/3rd of the Fixed Charges specified in Rate HTP-I above

PLUS

17.2 ENERGY CHARGES:

For all units consumed during the month	225 Paise per Unit

17.3 Billing Demand
17.4 Minimum Bill
17.5 Maximum demand and its measurement
17.6 Contract Demand
17.7 Rebate for supply at EHV

Same as HTP-I Tariff

17.8 POWER FACTOR ADJUSTMENT CHARGES:

17.8.1 Penalty for poor Power Factor:

a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head "Energy Charges", arrived at using tariff as per para 17.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.
b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head "Energy Charges", arrived at using tariff as per para 17.2 of this schedule, will be charged.

17.8.2 Power Factor Rebate:

If the power factor of the consumer's installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head "Energy Charges", arrived at using tariff as per para 17.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

NOTE:

1. 15% of the contracted demand can be availed beyond the night hours prescribed as per para 16 above.
2. 10% of total units consumed during the billing period can be availed beyond the night hours prescribed as per para 16 above.

3. In case the consumer failed to observe condition no. 1 above during any of the billing month, then demand charge during the relevant billing month shall be billed as per HTP-I category demand charge rates given in para 14.1 of this schedule.
4. In case the consumer failed to observe condition no. 2 above during any of the billing month, then entire energy consumption during the relevant billing month shall be billed as per HTP-I category energy charge rates given in para 14.2 of this schedule.
5. In case the consumer failed to observe above condition no. 1 and 2 both during any of the billing month, then demand charge and entire energy consumption during the relevant billing month shall be billed as per HTP-I category demand charge and energy charge rates given in para 14.1 and 14.2 respectively, of this schedule.
6. This tariff shall be applicable if the consumer so opts to be charged in place of HTP-I tariff by using electricity exclusively during night hours as above.
7. This option can be exercised to shift from HTP-I tariff category to HTP-IV tariff or from HTP-IV tariff category to HTP-I tariff four times in a calendar year by giving not less than 15 days' advance notice in writing before commencement of billing period

18. <u>RATE- HTP-V</u>

HT - Agricultural (for HT Lift Irrigation scheme only)

This tariff shall be applicable for supply of electricity to High Tension Agricultural consumers contracting for 100 kVA and above, requiring power supply for lifting water from surface water sources such as canal, river and dam, and supplying water directly to the fields of farmers for agricultural irrigation only.

18.1 DEMAND CHARGES:

Demand Charges Rs. 25 per kVA per month

PLUS

18.2 ENERGY CHARGES:

For all units consumed during the month	150 Paise/Unit

18.3	**Billing Demand**	**Same as per HTP-I Tariff**
18.4	**Minimum bill**	
18.5	**Maximum demand and its measurement**	
18.6	**Contract Demand**	
18.7	**Rebate for supply at EHV**	

18.8 POWER FACTOR ADJUSTMENT CHARGES

18.8.1 Penalty for poor power factor

a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head "Energy Charges", arrived at using tariff as per para 18.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.

b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head "Energy Charges", arrived at using tariff as per para 18.2 of this schedule, will be charged

18.8.2 Power Factor Rebate

If the power factor of the consumer's installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head "Energy Charges", arrived at using tariff as per para 18.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

19. RATE- RAILWAY TRACTION

This tariff is applicable for power supply to Railway Traction at 132 kV/66 kV.

19.1 DEMAND CHARGES:

(a)	For billing demand up to the contract demand	Rs. 180 per kVA per month
(b)	For billing demand in excess of contract demand	Rs. 425 per kVA per month

NOTE: In case of the load transfer for traction supply due to non-availability of power supply at preceding or succeeding point of supply or maintenance at Discom's level, excess demand over the contract demand shall be charged at normal rate at appropriate point of supply.

Normal Demand Charges will also apply in case of bunching of trains. However, Discoms shall charge excess demand charges while raising the bills and Railways have to give convincing details and documentary proof of bunching of trains if they want to be charged at the normal demand charges. If satisfactory proof of bunching of trains is provided, Discom shall consider that occasion for normal demand charges, otherwise excess demand charges will be applicable specified as above at 19.1 (b).

PLUS

19.2 ENERGY CHARGES:

For all the units consumed during the month	500 Paise per Unit

19.3 Billing Demand:
19.4 Minimum Bill
19.5 Maximum demand and its measurement
19.6 Contract Demand
19.7 Rebate for supply at EHV

$\}$ **Same as HTP-I Tariff**

19.8 POWER FACTOR ADJUSTMENT CHARGES

19.8.1 Penalty for poor Power Factor:

a) The power factor adjustment charges shall be levied at the rate of 1% on the total amount of electricity bills for the month under the head "Energy Charges", arrived at using tariff as per para 19.2 of this schedule, for every 1% drop or part thereof in the average power factor during the month below 90% up to 85%.

b) In addition to the above clause, for every 1% drop or part thereof in average power factor during the month below 85% at the rate of 2% on the total amount of electricity bill for that month under the head "Energy Charges", arrived at using tariff as per para 19.2 of this schedule, will be charged.

19.8.2 Power Factor Rebate:

If the power factor of the consumer's installation in any month is above 95%, the consumer will be entitled to a rebate at the rate of 0.5% (half percent) in excess of 95% power factor on the total amount of electricity bill for that month under the head "Energy Charges", arrived at using tariff as per para 19.2 of this schedule, for every 1% rise or part thereof in the average power factor during the month above 95%.

20. RATE-HT ELECTRIC VEHICLE (EV) CHARGING STATIONS

This tariff is applicable to consumers who use electricity **exclusively** for Electric Vehicle Charging installations.

Other consumers can use their regular electricity supply for charging electric vehicle under same regular category i.e. HTP-I, HTP-II, HTP-III, HTP-IV, HTP-V, RAILWAY TRACTION as the case may be.

20.1 DEMAND CHARGES:

(a)	For billing demand up to the contract demand	Rs. 25/- per kVA per month
(b)	For billing demand in excess of contract demand	Rs. 50/- per kVA per month

PLUS

20.2 ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION

ENERGY CHARGE	400 Paise per Unit

20.3 BILLING DEMAND

The billing demand shall be the highest of the following:

a) Actual maximum demand established during the month
b) Eighty-five percent of the contract demand
c) One hundred kVA