

GUJARAT ELECTRICITY REGULATORY COMMISSION



Tariff Order

Truing up for FY 2016-17 and
Determination of Tariff for FY 2018-19

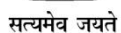
For

**Aspen Infrastructures Limited
(AIL)**

Case No. 1708 of 2018

8th August, 2018

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8th August, 2018

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ABBREVIATIONS

AIL	Aspen Infrastructure Limited
A&G	Administration and General Expenses
ARR	Aggregate Revenue Requirement
CAGR	Compound Annual Growth Rate
CEA	Central Electricity Authority
Control Period	The period from FY 2016-17 to FY 2020-21
Discom	Distribution Company
EHV	Extra High Voltage
FPPPA	Fuel and Power Purchase Price Adjustment
FY	Financial Year
GERC	Gujarat Electricity Regulatory Commission
GFA	Gross Fixed Assets
HT	High Tension
kV	Kilo Volt
kVA	Kilo Volt Ampere
kVAh	Kilo Volt Ampere Hour
kWh	Kilo Watt Hour
LT	Low Tension
LTMD	Low Tension Maximum Demand
MAT	Minimum Alternate Tax
MCLR	Marginal Cost of Funds based Lending Rate
MGVCL	Madhya Gujarat Vij Company Limited
MUs	Million Units (Million kWh)
MW	Mega Watt
MYT	Multi-Year Tariff
O&M	Operations & Maintenance
R&M	Repairs and Maintenance
SBI	State Bank of India
SLDC	State Load Despatch Centre
T.O.	Tariff Order



Before the Gujarat Electricity Regulatory Commission at Gandhinagar

Case No. 1708 of 2018

Date of the Order: 08/08/2018

CORAM

Shri Anand Kumar, Chairman
Shri K. M. Shringarpure, Member
Shri P. J. Thakkar, Member

ORDER

1 Background and Brief history

1.1 Background

Aspen Infrastructures Limited (formerly Synefra Engineering and Construction Limited) (hereinafter referred to as 'AIL', 'Aspen' or 'Petitioner'), a distribution licensee, has filed the present petition on 31st January, 2018 under Section 62 of the Electricity Act, 2003, read with the Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2016 for Truing up of FY 2016-17 and determination of tariff for FY 2018-19.

Gujarat Electricity Regulatory Commission notified the GERC (Multi-Year Tariff) Regulations, 2016 on 29th March, 2016 which shall be applicable for determination of tariff in all cases covered under the Regulations from 1st April, 2016 onwards. Regulation 17.2 (b) of the GERC (Multi-Year Tariff) Regulations, 2016 provides for



submission of detailed application comprising of truing up for FY 2016-17 to be carried out under the Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2016, revenue from the sale of power at existing tariffs and charges for the ensuing year (FY 2018-19) and revenue gap or revenue surplus for the third year of the Control Period calculated based on the Aggregate Revenue Requirement approved in the MYT Order and truing up for the previous year and determination of tariff for FY 2018-19.

After technical validation, the petition was registered on 7th March, 2018 as Case No. 1708 of 2018 and as provided under Regulation 29.1 of the GERC (MYT) Regulations, 2016, the Commission has proceeded with this tariff order.

1.2 Aspen Infrastructures Limited

The Petitioner, Aspen Infrastructures 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 Infrastructures Limited (formerly known as Synefra Engineering and Construction 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 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 tariff of FY 2016-17

The Commission in its Order dated 2nd December 2015 in the Suo Motu Petition No. 1534 of 2015 decided that the approved ARR of FY 2015-16 of the licensees / generating companies concerned be considered as provisional ARR of the licensees / generating companies for FY 2016-17.

The Commission has also decided that the licensees / generating companies shall file the ARR for FY 2016-17 based on the MYT Regulations for FY 2016-17 to FY 2020-21 and the true-up for the same shall also be governed as per the new MYT Regulations. It was also decided that the licensees / generating companies shall file the petition for determination of ARR and tariff for FY 2016-17 and true-up for FY 2014-



15 within 3 weeks from the date of issuance of this Order for Commission's consideration and decision.

Accordingly, the Petitioner filed its petition for Truing up of FY 2014-15 and determination of tariff for FY 2016-17 on 21st January, 2016. The petition was registered on 29th January, 2016 as Case No. 1560 of 2016. The Commission approved the provisional ARR and determined tariff for FY 2016-17 vide Order dated 4th April, 2016.

1.4 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 approved 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.

1.5 Background for the Present Petition

The Commission has notified the GERC (MYT) Regulations, 2016 for the control period of FY 2016-17 to FY 2020-21. 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 of 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 results of the truing up exercise.



1.6 Registration of the Current Petition and the Public Hearing Process

The Petitioner filed the current Petition for Truing up of FY 2016-17 and determination of tariff for FY 2018-19 on 31st January, 2018. After technical validation of the petition, it was registered on 7th March, 2018 (Case No. 1708 of 2018) 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, AIL was directed to publish its application in newspapers to ensure public participation.

The Public Notice, inviting objections / suggestions from the stakeholders on the petition, was published in the following newspapers:

Table 1.1: List of Newspapers

Sr. No.	Name of the Newspaper	Language	Date of publication
1	Business Standard	English	19.03.2018
2	Vadodara Samachar	Gujarati	19.03.2018

The Petitioner also placed the public notice and the petition on its website (www.aspensez.com), for inviting objections and suggestions. The interested parties / stakeholders were asked to file their objections / suggestions on the petition on or before 17th April, 2018.

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

The Commission received no objections / suggestions from any consumers / consumer organizations till the last submission date. Hence, no public hearing was conducted for the same.

1.7 Approach of this order

The GERC (MYT) Regulations, 2016, provide for “Truing up” of the previous year and determination of tariff for the ensuing year.

AIL has approached the Commission with the present Petition for “Truing up” of FY 2016-17 and determination of tariff for FY 2018-19.



In this Order, the Commission has considered the “Truing up” for FY 2016-17, as per the GERC (MYT) Regulations, 2016.

The Commission has undertaken “Truing up” for FY 2016-17, based on the submissions of the Petitioner. The Commission has undertaken the computation of gains and losses for FY 2016-17, based on the audited annual accounts.

While truing up of FY 2016-17, 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 2016-17 has been considered, based on the GERC (MYT) Regulations, 2016.

Determination of Tariff for FY 2018-19 have been considered as per the GERC (Multi-Year Tariff) Regulations, 2016.

1.8 Contents of this Order

The order is divided into **Eight** chapters as under:

1. The **First Chapter** provides the background of the Petitioner, the Petition and details of the public hearing process and the approach adopted for this order.
2. The **Second Chapter** outlines the summary of Aspen’s petition.
3. The **Third Chapter** provides for the objections raised by various stakeholders, Aspen’s response and the Commission’s views on the response.
4. The **Fourth Chapter** deals with the ‘Truing up’ for FY 2016-17.
5. The **Fifth Chapter** deals with the determination of tariff for FY 2018-19.
6. The **Sixth Chapter** deals with the compliance of directives.
7. The **Seventh Chapter** deals with FPPPA.
8. The **Eighth Chapter** deals with determination of the wheeling charges and cross-subsidy surcharge.



2 Summary of Truing up for FY 2016-17 and Tariff for FY 2018-19

2.1 Introduction

This chapter deals with highlights of the petition as submitted by AIL for truing up of FY 2016-17 and determination of tariff for FY 2018-19.

2.2 True-up for FY 2016-17

A summary of the proposed ARR for Truing-up of FY 2016-17 compared with the approved final ARR for FY 2016-17 in “Multi Year Tariff Order” dated 30th June, 2017 is presented in the Table below as submitted by AIL:

Table 2.1: Actuals claimed by Aspen for FY 2016-17

(Rs. Lakh)

Sr. No.	Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
1	Power Purchase Cost	779.21	792.31
2	O&M Expenses	35.84	41.65
i	Employee Expenses	2.75	3.85
ii	R&M Expenses	0.79	1.64
iii	A&G Expenses	32.30	36.16
3	Depreciation	-	-
4	Interest on Long Term Loan Capital	-	-
5	Interest on Working Capital	7.22	8.01
6	Income tax	-	-
7	Total Revenue Expenditure	822.27	841.97
8	Return on Equity	-	-
9	Less: Non-Tariff Income	53.84	61.96
10	Aggregate Revenue Requirement	768.43	780.01

2.3 Revenue gap / (surplus) for FY 2016-17

The Table below summarizes the proposed ARR claimed by AIL for truing up.

Table 2.2: True up for FY 2016-17 as submitted by AIL

(Rs. Lakh)

Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
Aggregate Revenue Requirement for FY 2016-17	768.43	780.01
Less: Revenue from Sale of Electricity	-	777.92*
Net Revenue Gap / (Surplus)	-	2.09



* Aspen vide its e-mail dated 11th May, 2018 has requested to consider Rs. 777.92 Lakh as reported in the Audited Accounts instead of inadvertently reported Rs. 780.01 Lakh in the petition

The Revenue Gap for FY 2016-17 works out to Rs. 2.09 Lakh. Aspen has submitted that the Revenue Gap has been minimised by reducing the distribution losses to 2.30% as compared to the level of 2.47% approved by the Commission, which enabled Aspen to reduce the quantum of power purchase and hence, the power purchase cost, which is the biggest head of ARR of Aspen.

Aspen has requested the Commission to approve the Revenue Gap of Rs. 2.09 Lakh after truing up for FY 2016-17, and allow Aspen to recover this Revenue Gap in FY 2018-19, along with the ARR of FY 2018-19.

2.4 ARR for FY 2018-19

AIL in its petition for determination of tariff for FY 2018-19 has projected revised ARR for FY 2018-19, which is in variance with the ARR approved by the Commission in the MYT Order dated 30th June, 2017 as detailed below:

Table 2.3: ARR proposed by AIL for FY 2018-19

(Rs. Lakh)			
Sr. No.	Particulars	Approved for 2018-19 in MYT Order	Revised Projections
1	Power Purchase Cost	842.91	926.59
2	O&M Expenses	40.06	46.55
3	Depreciation	-	-
4	Interest on Long Term Loan Capital	-	-
5	Interest on Working Capital	7.85	8.45
6	Income tax	-	-
7	Total Revenue Expenditure	890.82	981.59
8	Return on Equity	-	-
9	Less: Non-Tariff Income	58.06	61.96
10	Aggregate Revenue Requirement	832.76	919.63

2.5 Revenue Gap / (Surplus) for FY 2018-19 and Tariff Proposal for FY 2018-19

Based on the revised ARR for FY 2018-19 given in the Table above, the estimated revenue gap for FY 2018-19 at existing tariff is shown in the following Table:



Table 2.4: Estimated revenue gap / (surplus) of AIL for FY 2018-19

(Rs. Lakh)

Particulars	2018-19
Total ARR of FY 2018-19	919.63
Add: Revenue Gap of FY 2016-17	2.09
Net ARR	921.72
Revenue from Sales	880.07
Revenue Gap/(Surplus)	41.65

Aspen has requested the Commission to allow it 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 2018-19. It is expected that Aspen, by virtue of the MGVCL tariff being the ceiling tariff approved for the license area, would be able to recover all/most of the Revenue Gap of Rs. 41.65 Lakh for FY 2018-19.

2.6 Request of AIL

1. Admit the Petition for approval of truing up for FY 2016-17 and approval of Revised ARR and Tariff for FY 2018-19;
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 2018-19;
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 2018-19;
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 Brief outline of Objections raised, Response from AIL and Commission's view

3.1 Stakeholders' Suggestions / Objections, Petitioner's Response and Commission's Observations

In response to the public notice published on 19th March, 2018, inviting objections / suggestions from the stakeholders on the petition filed by AIL for True-up of FY 2016-17 and Determination of Tariff for FY 2018-19, none of the consumers / organisations filed their suggestions / objections before or even after the due date of 17th April, 2018.

The Commission, therefore, did not conduct a public hearing.



4 Truing up for FY 2016-17

4.1 Introduction

The Petitioner, in its petition for truing up of FY 2016-17 has furnished the actual energy sales, expenditure and revenue for FY 2016-17 based on the Audited Annual Accounts for FY 2016-17. It is submitted that the truing up of FY 2016-17 is on the basis of audited accounts.

The Commission has analysed the components of the actual energy sales, expenses and revenue for truing up of FY 2016-17.

GERC (MYT) Regulations, 2016 specify that the Commission shall undertake the truing up of expenses and revenue of licensee for the previous year, i.e., FY 2016-17, based on actuals as per Audited Accounts for FY 2016-17 and approved values for FY 2016-17 in the MYT Order dated 30th June, 2017 in Case No. 1638/2017.

4.2 Energy Sales

Petitioner's Submission

The Petitioner has submitted that the actual energy sales for FY 2016-17 is 1,12,70,698 kWh, as against the approved sales of 1,01,32,800 kWh.

Table 4.1: Energy sales claimed for FY 2016-17

(kWh)		
Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
Energy Sales (kWh)	1,01,32,800	1,12,70,698

The actual sales in FY 2016-17 is higher than the sales approved in the MYT Order for FY 2016-17. Aspen requested the Commission to approve the actual energy sales as indicated above for truing up.

Commission's Analysis

As energy sales is uncontrollable, the Commission accepts the deviation submitted by Aspen. Accordingly, the Commission approves the energy sales of 1,12,70,698 kWh for FY 2016-17.



4.3 Distribution Losses

Petitioner's Submission

The Petitioner has submitted that the actual distribution losses are lower at 2.30% against 2.47% approved in the MYT Order for FY 2016-17. Aspen requests to approve the actual distribution losses achieved which is lower than the approved losses.

Commission's Analysis

Aspen has submitted that the actual distribution losses are 2.30% as against 2.47% approved in the MYT Order for FY 2016-17. Any gain / loss on account of distribution losses is controllable as per the GERC (MYT) Regulations, 2016. However, the Commission observes that the treatment of gain / loss on account of distribution losses has been considered as uncontrollable in truing up of previous years. Hence, the Commission decides to continue with the existing practice of treating the variation in distribution losses as uncontrollable.

Therefore, the Commission approves the distribution losses of 2.30% as uncontrollable for FY 2016-17, as per actuals.

4.4 Energy Requirement

Petitioner's Submission

Based on the energy sales and the actual distribution losses for FY 2016-17, the Petitioner has calculated the energy requirement for FY 2016-17. The energy requirement for FY 2016-17 as approved in the MYT Order and actuals now submitted by the Petitioner, are given in the Table below:

Table 4.2: Energy Requirement as submitted by Aspen for FY 2016-17

Sr. No.	Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
1	Energy Sales (Units)	1,01,32,800	1,12,70,698
2	Distribution Losses (%)	2.47%	2.30%
3	Distribution Losses (Units)	2,56,619	2,65,542
4	Energy Procured (Units)	1,03,89,419	1,15,36,240

Commission's Analysis

The Commission has approved the distribution losses at 2.30% in para 4.3 above. The Commission verified from the annual accounts and the bills raised by MGVL that the



quantum of electricity purchased is 1,15,36,240 units as claimed by the Petitioner. The Commission computed the Energy Requirement with distribution losses of 2.30% for FY 2016-17, as given in the Table below:

Table 4.3: Energy requirement approved by the Commission for truing up for FY 2016-17

Sr. No.	Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17	Approved in Truing up for 2016-17
1	Energy Sales (Units)	1,01,32,800	1,12,70,698	1,12,70,698
2	Distribution Losses (%)	2.47%	2.30%	2.30%
3	Distribution Losses (Units)	2,56,619	2,65,542	2,65,542
4	Energy Procured (Units)	1,03,89,419	1,15,36,240	1,15,36,240

The Commission approves the energy requirement of 1,15,36,240 Units for truing up for FY 2016-17 as per actuals as verified from the Annual Accounts submitted by the Petitioner.

4.5 Power Purchase Cost

Petitioner's Submission

Aspen has submitted that the requirement of power is met from MGVL. The availability of power and power purchase cost, as per the MYT Order for FY 2016-17 and actuals, are given in the Table below:

Table 4.4: Availability of Power and Power Purchase Cost for FY 2016-17

Energy Sources	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
Power Purchase (Units)	1,03,89,419	1,15,36,240
Power Purchase cost (Rs. Lakh)	779.21	792.31
Cost Per Unit (Rs./kWh)	7.50	6.87

The Petitioner has submitted that the actual per unit cost of power purchased from MGVL is lower at Rs. 6.87 per kWh in comparison to Rs. 7.50 per kWh, though the overall power purchase cost is higher than the approved levels on account of higher quantum of sales. The Petitioner requested the Commission to approve the actual power purchase cost for truing up of FY 2016-17.



Commission's Analysis

As verified from the Annual Accounts for FY 2016-17, Aspen has incurred a cost of Rs. 792.31 Lakh for purchase of 1,15,36,240 units.

The Commission, accordingly, approves the power purchase of 1,15,36,240 units at total cost of Rs. 792.31 Lakh in the truing up for FY 2016-17.

As per the GERC (MYT) Regulations, 2016, variation in Power Purchase Cost on account of variation in sales and variation in actual cost with respect to base rate during the year is uncontrollable. Accordingly, the Commission has approved the gains / (losses) as shown in the Table below:

Table 4.5: Gain / (Loss) on account of Power Purchase Cost in the Truing up of FY 2016-17

(Rs. Lakh)

Particulars	Approved for 2016-17 in MYT Order	Approved in Truing up for 2016-17	Deviation +/-	Gains / (losses) due to controllable factors	Gains / (losses) due to uncontrollable factors
Total Power Purchase Cost	779.21	792.31	(13.10)	0.00	(13.10)

4.6 Fixed Charges

4.6.1 Operations and Maintenance (O&M) Expenses

Aspen has claimed Rs. 41.65 Lakh on O&M expenses against Rs. 35.84 Lakh of O&M expenses approved for FY 2016-17 in the MYT Order dated 30th June, 2017 as detailed in the Table below:

Table 4.6: O&M Expenses of Aspen in FY 2016-17

(Rs. Lakh)

Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
Employee Cost	2.75	3.85
R&M Expenses	0.79	1.64
A&G Expenses	32.30	36.16
Total O&M Expenses	35.84	41.65



Petitioner's Submission

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. 41.65 Lakh for FY 2016-17 for truing up, as the same is uncontrollable.

Commission's Analysis

The O&M expenses for FY 2016-17, as per audited annual accounts, are Rs. 41.65 Lakh.

Accordingly, the Commission approves the O&M expenses at Rs. 41.65 Lakh, as controllable in the truing up for FY 2016-17.

As per the GERC (MYT) Regulations, 2016, variation in the O&M expenses is a controllable factor. Accordingly, the Commission has approved the gains / (losses) as shown in the Table below:

Table 4.7: Gain / (Loss) on account of O&M Expenses in the Truing up of FY 2016-17
(Rs. Lakh)

Particulars	Approved for 2016-17 in MYT Order	Approved in Truing up for 2016-17	Deviation +/-	Gains / (losses) due to controllable factors	Gains / (losses) due to uncontrollable factors
O&M Expenses	35.84	41.65	(5.81)	5.81	0.00

4.6.2 Capital Expenditure, Capitalization and Sources of Funding

Aspen has furnished Nil capital expenditure/capitalisation in the truing up for FY 2016-17 as against Nil provision approved in the MYT Order for FY 2016-17 as detailed in the Table below:



Table 4.8: Capital expenditure/ Capitalisation claimed by Aspen for FY 2016-17

(Rs. Lakh)

Sr. No.	Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
1	Capital Expenditure/ Capitalisation	Nil	Nil

Petitioner's Submission

The Petitioner has submitted that the entire GFA, for electricity distribution network inside the SEZ, is through underground cables, and has been funded through consumer contribution.

This capital expenditure required huge capital outlay, which has been funded entirely through consumer contribution. The Commission in the MYT Order dated 30th June, 2017 in Case No. 1638 of 2017 approved Nil Capitalisation for FY 2016-17.

Aspen requests the Commission to approve the Nil capital expenditure for the true-up of FY 2016-17.

Commission's Analysis

As seen from the audited accounts there is no addition of assets during FY 2016-17 but on the contrary there has been deduction of Rs. 111 Lakh from the GFA. Accordingly, the Opening GFA of Rs. 1053.80 Lakh reduced to Rs. 942.80 Lakh at the end of FY 2016-17.

The Commission considers the capital expenditure / capitalisation as Nil during FY 2016-17.

4.6.3 Depreciation

Petitioner's Submission

Aspen has not considered any depreciation on the assets in FY 2016-17 as the assets have entirely been funded through consumer contribution.

Commission's Analysis

The Commission approves the depreciation as Nil for FY 2016-17.



4.6.4 Interest & Finance Expenses

Petitioner's Submission

The Petitioner has submitted that there are no outstanding loans against electricity distribution business in FY 2016-17 as the same has been funded by consumer contribution. Hence, no interest expenditure has been considered for FY 2016-17.

Commission's Analysis

The Commission, accordingly, considers the interest expenses as Nil for FY 2016-17.

4.6.5 Interest on Working Capital

Petitioner's Submission

The Petitioner has submitted the following details regarding Interest on Working Capital.

Table 4.9: Interest on Working Capital submitted by Aspen for FY 2016-17

(Rs. Lakh)

Sr. No.	Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
1	Working Capital requirement		
2	O&M Expenses	2.99	3.47
3	Spares @ 1% of GFA	-	-
4	Receivables	58.71	65.00
5	Sub-Total	61.71	68.47
6	Less: Security Deposit	-	-
7	Normative Working Capital	61.71	68.47
8	Interest Rate (%)	11.70	11.70
9	Interest on Working Capital	7.22	8.01

The working capital computed as per the GERC (MYT) Regulations, 2016 works out to be Rs. 68.47 Lakh. In calculation of Interest on Working Capital, Aspen has considered 11.70% interest rate.

Commission's Analysis

The Commission has reviewed the working capital requirement in terms of the component wise values approved in preceding sections.



With regard to rate of interest on working capital, the Commission vide notification no. 7 of 2016 dated 2nd December, 2016 has amended its Regulation 40.4 (b) of the GERC (MYT) Regulations, 2016 as given under:

Interest shall be allowed at a rate equal to the State Bank Base Rate (SBBR) / 1 year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as may be applicable as on 1st April of the financial year in which the petition is filed plus 250 basis points:

Provided that at the time of truing up for any year, interest on working capital shall be allowed at a rate equal to the weighted average State Bank Base Rate (SBBR) / 1 year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as may be applicable prevailing during the financial year plus 250 basis points.

In line with the above proviso to Regulation 40.4 (b), the Commission has considered the weighted average of 1 year State Bank of India (SBI) Marginal Cost of Funds Based Lending Rate (MCLR) of 8.81% prevailing during the financial year 2016-17 plus 250 basis points. Accordingly, the rate of interest on working capital is worked out to be 11.31%.

The Commission observes that the entire O&M Expenses is being recovered by the Petitioner from the consumers as Facility Maintenance and being reported under Non-Tariff Income. Therefore, the Commission does not consider it appropriate to allow claiming one-month O&M Expenses in working capital requirement. Accordingly, the Commission approves interest on working capital as shown in the Table below:

Table 4-10: Interest on working capital approved by the Commission for truing up for FY 2016-17

(Rs. Lakh)

Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17	Approved in Truing up for 2016-17
Working capital requirement			
O&M Expenses (1 month)	2.99	3.47	0.00
Spares (1% of GFA)	-	-	-



Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17	Approved in Truing up for 2016-17
Receivables (1 month of revenue at existing tariffs)	58.71	65.00	64.83
Sub-total	61.71	68.47	64.83
Less: Security Deposit	-	-	-
Normative Working Capital	61.71	68.47	64.83
Interest rate	11.70%	11.70%	11.31%
Interest on Working Capital	7.22	8.01	7.33

The Commission approves interest on working capital at Rs. 7.33 Lakh for truing up for FY 2016-17.

The Commission considers the Interest on working capital as uncontrollable, since the components forming part of the working capital are mostly uncontrollable.

4.6.6 Income Tax

Petitioner's Submission

The Petitioner has submitted that no Income Tax was payable by Aspen even under the MAT rule, as there was a book loss in the Accounts for FY 2016-17. 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 2016-17.

4.6.7 Return on Equity

Petitioner's Submission

The Petitioner has submitted that it has not considered any Return on Equity for FY 2016-17 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 2016-17.



4.6.8 Non-Tariff income

Aspen has furnished the Non-Tariff income at Rs. 61.96 Lakh in the truing up for FY 2016-17 against Rs. 53.84 Lakh approved in the MYT Order for FY 2016-17 as detailed in the Table below:

Table 4.11: Non-Tariff income claimed for Aspen for FY 2016-17

(Rs. Lakh)			
Sr. No.	Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
1	Non-Tariff Income	53.84	61.96

Petitioner's Submission

The Petitioner has submitted that the actual Non-Tariff income for FY 2016-17 is Rs. 61.96 Lakh.

Commission's Analysis

The Commission has verified the Non-Tariff income from the audited accounts for FY 2016-17 and found the same to be Rs. 20.30 Lakh. In addition, there is an income of Rs. 41.66 Lakh from facility maintenance as seen from the Audited Accounts for FY 2016-17.

The Commission, accordingly, approves the Non-Tariff income at Rs. 61.96 (41.66+20.30) Lakh in the truing up for FY 2016-17.

The Commission considers variation in the Non-Tariff income as an uncontrollable factor.

4.6.9 Revenue from sale of power

Petitioner's Submission

Aspen has submitted the revenue from sale of power at Rs. 780.00 Lakh for FY 2016-17.



Commission's Analysis

The Commission observes that the revenue from sale of power as per audited accounts is Rs. 777.92 Lakh. However, the Petitioner has claimed a revenue of Rs. 780.00 Lakh in the Petition. Upon seeking clarification, the Petitioner, vide e-mail dated 11th May, 2018, admitted that the revenue has been inadvertently reported as Rs. 780.01 Lakh in Form 10 of the petition. Aspen has requested to consider Rs. 777.92 Lakh, as reported in the Audited Accounts.

Considering the Petitioner's request, the Commission takes into account Rs. 777.92 Lakh as revenue from sale of power for FY 2016-17 as per Annual Accounts.

4.6.10 Summary of ARR and sharing of gains / losses

Petitioner's Submission

The Aggregate Revenue Requirement (ARR) as approved in the MYT Order for FY 2016-17 dated 30th June, 2017 and the actuals claimed by Aspen in truing up are given in the Table below:

Table 4.12: Summary of ARR for FY 2016-17

(Rs. Lakh)			
Sr. No.	Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17
1	Power Purchase Cost	779.21	792.31
2	O&M Expenses	35.84	41.65
i	Employee Expenses	2.75	3.85
ii	R&M Expenses	0.79	1.64
iii	A&G Expenses	32.30	36.16
3	Depreciation	-	-
4	Interest on Long Term Loan Capital	-	-
5	Interest on Working Capital	7.22	8.01
6	Income tax	-	-
7	Total Revenue Expenditure	822.27	841.97
8	Return on Equity	-	-
9	Less: Non-Tariff Income	53.84	61.96
10	Aggregate Revenue Requirement	768.43	780.01

Aspen has submitted that the actual revenue from sale of power in FY 2016-17 was Rs. 777.92 Lakh. Accordingly, the revenue gap / (surplus) for FY 2016-17 is summarised in the following Table:



Table 4.13: Revenue Gap / (Surplus) for FY 2016-17

(Rs. Lakh)

Particulars	Claimed in Truing up for 2016-17
Aggregate Revenue Requirement	780.01
Revenue from Sale of Power	777.92
Revenue Gap / (Surplus)	2.09

Commission's Analysis

The Commission reviewed the performance of Aspen under Regulation 21 of the GERC (MYT) Regulations, 2016 with reference to the Audited Annual Accounts for FY 2016-17. The Commission has computed the sharing of gains and losses for FY 2016-17 based on the truing up for each of the components discussed in the above paragraphs. The ARR approved for FY 2016-17 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 4-14: ARR approved for FY 2016-17 along with impact of controllable / uncontrollable factors

(Rs. Lakh)

Sr. No.	Particulars	Approved for 2016-17 in MYT Order	Claimed in Truing up for 2016-17	Approved in Truing up for 2016-17	Controllable gain / (loss)	Uncontrollable gain / (loss)
1	Power Purchase Cost	779.21	792.31	792.31	-	(13.10)
2	O&M Expenses	35.84	41.65	41.65	(5.81)	-
3	Depreciation	-	-	-	-	-
4	Interest on Long Term Loan Capital	-	-	-	-	-
5	Interest on Security Deposit	-	-	-	-	-
6	Interest on Working Capital	7.22	8.01	7.33	-	(0.11)
7	Bad Debts Written Off	-	-	-	-	-
8	Contribution to Contingency Reserves	-	-	-	-	-
9	Total Revenue Expenditure	822.27	841.97	841.29	(5.81)	(13.21)
10	Return on Equity	-	-	-	-	-
11	Income Tax	-	-	-	-	-
12	Less: Non-Tariff Income	53.84	61.96	61.96	-	8.12
13	Aggregate Revenue Requirement	768.43	780.01	779.33	(5.81)	(5.09)



Summary of trued up ARR of FY 2016-17 to be recovered by Aspen after incorporation of sharing of Gains / Losses is as detailed in Table below:

Table 4-15: Trued up ARR for FY 2016-17

(Rs. Lakh)

Sr. No.	Particular	Approved in Truing up for 2016-17
1	Approved as per MYT (A)	768.43
2	Add: Loss on account of controllable factor to be passed on to the consumers (1/3) (B)	1.94
3	Add: Loss on account of un-controllable factor to be passed on to the consumers (C)	5.09
4	ARR trued up of FY 2016-17, D= (A-B-C)	775.46

4.7 Net revenue Gap / (Surplus)

The Net revenue Gap / (Surplus) approved for FY 2016-17 is given in the Table below:

Table 4-16: Net revenue Gap / (Surplus) approved for FY 2016-17

(Rs. Lakh)

Particulars	Claimed in Truing up for 2016-17	Approved in Truing up for 2016-17
1. Annual Revenue Requirement (Trued up)	780.01	775.46
2. Revenue from Sale of Power	777.92	777.92
3. Net Revenue Gap / (Surplus) (2-1)	2.09	(2.46)

Accordingly, the Commission approves the trued up surplus of FY 2016-17 as Rs. 2.46 Lakh against gap of Rs. 2.09 Lakh claimed by Aspen for FY 2016-17. This trued up surplus is considered by the Commission for determination of tariff for FY 2018-19.



5 Determination of Tariff for FY 2018-19

5.1 Introduction

This Chapter deals with the determination of consumer tariff for FY 2018-19.

5.2 Approved ARR for FY 2018-19

The Commission in the MYT Order dated 30th June, 2017 had determined the ARR for each year of the control period from FY 2016-17 to FY 2020-21. The ARR approved for FY 2018-19 is given in the Table below:

Table 5.1: Approved ARR for AIL for FY 2018-19

(Rs. Lakh)

Sr. No.	Particulars	Approved for 2018-19 in MYT Order
1	Power Purchase Cost	842.91
2	O&M Expenses	40.06
3	Depreciation	-
4	Interest on Long Term Loan	-
5	Interest on Working Capital	7.85
6	Income tax	-
7	Total Revenue Expenditure	890.82
8	Return on Equity	-
9	Less: Non-Tariff Income	58.06
10	Aggregate Revenue Requirement	832.76

5.3 Revised ARR projected for FY 2018-19

Aspen in its petition for determination of ARR and Tariff for FY 2018-19 has projected revised ARR for FY 2018-19, which is in variance with ARR approved by the Commission, in the MYT Order dated 30th June, 2017 as detailed below:

Table 5.2: Revised ARR Projected by AIL for FY 2018-19

(Rs. Lakh)

Sr. No.	Particulars	Approved for 2018-19 in MYT Order	Revised ARR projected by AIL
1	Power Purchase Cost	842.91	926.59
2	O&M Expenses	40.06	46.55
3	Depreciation	-	-
4	Interest on Long Term Loan	-	-
5	Interest on Working Capital	7.85	8.45
6	Income Tax	-	-
7	Total Revenue Expenditure	890.82	981.59



Sr. No.	Particulars	Approved for 2018-19 in MYT Order	Revised ARR projected by AIL
8	Return on Equity	-	-
9	Less: Non-Tariff Income	58.06	61.96
10	Aggregate Revenue Requirement	832.76	919.63

The Petitioner has not proposed any new capital expenditure for FY 2018-19. Besides, the existing assets have been entirely funded through Consumer Contribution. Accordingly, Aspen has proposed NIL depreciation, interest on long term loan and return on equity for FY 2018-19.

Further, Aspen has submitted that no Income Tax was payable as there was a book loss shown in the accounts for FY 2016-17. Therefore, the Petitioner has not considered any Income Tax for FY 2018-19.

5.3.1 Revised Projection of Energy Sales

Aspen has projected the revised Energy Sales for FY 2018-19 as given in the Table below:

Table 5.3: Revised Projection of Energy Sales for FY 2018-19

(MUs)

Particulars	Approved for 2018-19 in MYT Order	Revised Projections
Energy Sales	11.17	12.28

Petitioner's Submission

Aspen has submitted that 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. However, the actual energy sales have been higher than the original projections, and have reached 11.57 MUs against the approved 10.13 MUs in FY 2016-17.

Therefore, for projecting sales for FY 2018-19, Aspen has considered actual sales up to September, 2017. From October, 2017 to March, 2019, category-wise energy sales have been projected as per actual energy sales of FY 2016-17 with appropriate CAGR. Accordingly, Aspen has projected energy sales for FY 2018-19 as shown in the Table 5.3 above.



5.3.2 Revised Projection of Energy Requirement

Aspen has submitted the revised energy requirement for FY 2018-19 based on the revised projection of sales as detailed in the Table below:

Table 5.4: Revised Projection of Energy Requirement for FY 2018-19

Sr. No.	Particulars	Approved for 2018-19 in MYT Order	Revised Projections
1	Energy Sales (Units)	1,11,69,670	1,22,78,514
2	Distribution Losses (%)	2.47%	2.47%
3	Distribution Losses (Units)	2,82,878	3,10,960
4	Energy Requirement (Units)	1,14,52,459	1,25,89,474

Petitioner's Submission

Aspen has submitted that it has computed the revised energy requirement for FY 2018-19 considering the distribution losses of 2.47% which is approved in the MYT Order dated 30th June, 2017 for FY 2018-19 and the revised estimate of energy sales for FY 2018-19.

5.3.3 Revised Projection of Power Purchase Cost

Aspen has projected the Power Purchase Cost for FY 2018-19 considering the actual per unit Power Purchase Cost as approved in the MYT Order dated 30th June, 2017 for FY 2018-19 and the revised estimate of energy sales for FY 2018-19 as given in the Table below:

Table 5.5: Revised Projection of Power Purchase Cost for FY 2018-19

Sr. No.	Particulars	Approved for 2018-19 in MYT Order	Revised Projections
1	Power Purchase (Units)	1,14,52,548	1,25,89,474
2	Power Purchase Cost (Rs. Lakh)	842.91	926.59
3	Cost per Unit (Rs./kWh)	7.36	7.36

5.3.4 Revised Projection of O&M Expenses

Aspen has submitted the O&M Expenses at Rs. 46.55 Lakh in the revised estimate for FY 2018-19 against Rs. 40.06 Lakh approved for the year in the MYT Order dated 30th June, 2017 as detailed in the Table below:



Table 5.6: Revised Projection for O&M Expenses for FY 2018-19

(Rs. Lakh)

Particulars	Approved for 2018-19 in MYT Order	Revised Projections
O&M Expenses	40.06	46.55

Petitioner's Submission

Aspen has projected the O&M Expenses for FY 2018-19 by escalating the actual O&M Expenses of FY 2016-17 as claimed in the true-up for FY 2016-17, with the escalation factor of 5.72% twice as specified in the GERC (MYT) Regulations, 2016, to account for the growth of 2 years.

5.3.5 Revised Projection of Interest on Working Capital

Aspen has projected the revised Interest on Working Capital for FY 2018-19 as given in the Table below:

Table 5.7: Revised Projection for O&M Expenses for FY 2018-19

(Rs. Lakh)

Sr. No.	Particulars	Approved for 2018-19 in MYT Order	Revised Projections
1	O&M Expenses for 1 month	3.34	3.88
2	Maintenance Spares @ 1% of the Historical Cost	-	-
3	Receivables Equivalent to 1 month of Expected Revenue from Sale of Electricity	63.80	76.64
4	Sub-total	67.13	80.52
5	Less: Security Deposit	-	-
6	Normative Working Capital	67.13	80.52
7	Interest Rate	11.70%	10.50%
8	Interest on Working Capital	7.85	8.45

Petitioner's Submission

Aspen has submitted that it has computed Interest on Working Capital for FY 2018-19 considering interest rate of 10.50%, which is 1 year SBI MCLR as on 1st April, 2017 i.e. 8% plus 250 basis points, in accordance with the First Amendment to the GERC (MYT) Regulations, 2016.

5.3.6 Revised Projection of Non-Tariff Income

Aspen has projected the income from Facility Management Charges under Non-Tariff Income for FY 2018-19 at the same level as the actual income from these charges in



FY 2016-17. The revised total Non-Tariff Income projected for FY 2018-19 is shown in the Table below:

Table 5.8: Revised Projection for Non-Tariff Income for FY 2018-19

(Rs. Lakh)		
Particulars	Approved for 2018-19 in MYT Order	Revised Projections
Non-Tariff Income	58.06	61.96

5.3.7 Revised Projection of Revenue Gap for FY 2018-19

Aspen has submitted the projected Revenue Gap / (Surplus) for FY 2018-19 based on the Revised Projections of ARR for FY 2018-19 at expected revenue from sales at the existing tariff including FPPPA charges @ Rs. 1.71 per unit as shown in the Table below:

Table 5.9: Revised Projection of Revenue Gap / (Surplus) for FY 2018-19

Sr. No.	Particulars	Rs. Lakh
1	Revised ARR for FY 2018-19	919.63
2	Less: Revenue from sales at existing tariff including FPPPA revenue @ Rs. 1.71 per unit	880.07
3	Gap / (Surplus) of FY 2018-19	39.56
4	Add: Gap / (Surplus) of FY 2016-17	2.09
5	Total Revenue Gap / (Surplus)	41.65

Aspen has submitted that it is still in the process of development of the SEZ, and the sales are yet to reach significant levels. Aspen has requested the Commission to allow it 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 2018-19.

Aspen has further submitted that it is expected that the tariff approved for Aspen, by virtue of the MGVCL tariff being the ceiling tariff, would be able to recover all / most of the Revenue Gap of Rs. 41.65 Lakh for FY 2018-19.

5.4 Commission's Analysis

It is observed that the Petitioner has revised the ARR for FY 2018-19 and also revised the Revenue from Sale of Power considering the current trend in the category-wise sales as well as FPPPA revenue @ Rs. 1.71/Unit. Such revision of already approved



ARR and Revenue is not permissible unless and until the Commission initiates the Mid-Term Review. Since the Commission has not initiated the process of Mid-Term Review, the Commission decides to consider only the approved ARR for FY 2018-19 as per the MYT Order dated 30th June, 2017.

5.4.1 Revenue at Existing Tariff and Revenue Gap / (Surplus)

Energy Sales as approved in the MYT Order and FPPPA revenue @ Rs. 1.49 per unit for the Revenue Projections for FY 2018-19 is in line with the Tariff Order issued for MGVL. Therefore, the revenue from sales at existing tariff including FPPPA @ Rs. 1.49 per unit works out to Rs. 772.25 Lakh.

Based on the above, the Revenue Gap / (Surplus) for FY 2018-19 is detailed in the Table below:

Table 5.10: Revenue Gap / (Surplus) with Existing Tariff for FY 2018-19

Sr. No.	Particulars	Rs. Lakh
1	ARR for FY 2018-19	832.76
2	Add: Gap / (Surplus) of FY 2016-17	(2.46)
3	Less: Revenue from sales at existing tariff including FPPPA revenue @ Rs. 1.49 per unit	772.25
4	Revenue Gap / (Surplus) in FY 2018-19	58.05

With regard to retail tariff for FY 2018-19, the Commission takes cognizance of Petitioner's submission that its license area overlaps with the license area of MGVL and thus, falls under the second proviso to Section 62 (1) of the Electricity Act, 2003, as specified 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.”

Therefore, the Commission decides to keep the tariff for retail sale of electricity for Aspen distribution area as per as per MGVL tariff schedule effective from 1st April, 2018. The Commission has decided the tariff for MGVL for FY 2018-19 as per Annexure of this Tariff Order.



As regards the Revenue Gap of Rs. 58.05 Lakh, the Commission directs the licensee to meet the same by taking measures for improving efficiency in its operation and reducing costs.



6 Compliance of Directives

6.1 Existing Directives

The Commission had issued following directives in the Tariff Order dated 30th June 2017 in Case No. 1638 of 2017 and its compliance as filed by the Petitioner is follows:

Directive 1:

The Commission directs Aspen to procure power through competitive bidding as sufficient time of 9 years of operation starting from FY 2008-09 has been given to Aspen to attain full-grown maturity as a distribution licensee.

Compliance submitted by AIL:

AIL has submitted that though it has been in operation for 9 years as observed by the Commission, the number of consumers as well as the sales have not really grown and matured, and there is significant uncertainty regarding the electricity business, going forward. AIL has also got part of the licence area de-notified due to the lack of growth in its business. In case AIL does receive competitive bids for its small requirement of around 3 MW and contracts for such power in the medium-term, then it will be bound to offtake certain minimum requirement, and in case of failure to do so, may become liable to pay certain fixed charges. On the contrary, purchase from MGVCL gives AIL the flexibility to draw power as per requirement, and the consumers also are not adversely affected, as the retail tariffs in AIL's licence area are maintained at the same level as charged by MGVCL. Further, in case of power procurement through competitive bidding, AIL will have to obtain the necessary Open Access clearances and approvals and undertake the power purchase activity in a more rigorous manner.

AIL has submitted that under these circumstances, it is more advisable to continue to procure power from MGVCL as at present, rather than initiating a competitive bidding process with its attendant expenses and risks.

Commission's View:

The Commission has noted the Petitioner's response.



7 Fuel and Power Purchase Price Adjustment Charges

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

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

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



8 Wheeling Charges and Cross Subsidy Surcharge

8.1 Introduction

Regulation 91 of the GERC (MYT) Regulations, 2016, stipulates that the Commission shall specify the wheeling charges of distribution wires business of the distribution licensee in its ARR and Tariff order. Accordingly, the Commission has reviewed submission of Aspen in this regard and determined the wheeling charges at HT and LT levels, for long term (LT), medium term (MT) and short term (ST) open access consumers.

Petitioner's submission

Aspen has allocated the total ARR to wire and retail supply business considering the following allocation matrix:

Table 8.1: Allocation of matrix for segregation of expenses between distribution wires business and retail supply business

Particulars	Wires Business (%)	Retail supply Business (%)
Power Purchase Expenses	0	100
Intra-State Transmission Charges	0	100
Employee Expenses	60	40
A&G Expenses	50	50
R&M Expenses	90	10
Depreciation	90	10
Interest on Long-Term Loans	90	10
Interest on Working Capital and Consumer Security Deposit	10	90
Bad Debts Written Off	0	100
Income Tax	90	10
Transmission Charges	0	100
Contribution to Contingency Reserve, if any	100	0
Return on Equity	90	10
Non-Tariff Income	10	90

Based on the above allocation matrix, Aspen has segregated the ARR into wheeling and retail supply business as shown in the Table below to determine the wheeling charges:

Table 8.2: Allocation of ARR between wheeling (wires business) and retail supply business for FY 2018-19

(Rs. Lakh)

Cost components	Total	Wheeling (Wires Business)	Retail Supply
Power Purchase Expenses	926.59	-	926.59
O&M Expenses	46.55	25.52	21.03
Depreciation	-	-	-
Interest on Long-Term Loan Capital	-	-	-
Interest on Working Capital	8.45	0.85	7.61
Income Tax	-	-	-
Return on Equity	-	-	-
Less: Non-Tariff Income	61.96	6.20	55.76
Total	919.63	20.17	899.46

Commission's analysis

The Commission, in order to compute the wheeling charges and cross subsidy surcharge, has considered the allocation matrix between the wires and retail supply business as per the GERC (MYT) Regulations, 2016. The allocation matrix and the basis of allocation of various cost components of the ARR as per GERC (MYT) Regulations, 2016 are shown below:

Table 8.3: Allocation Matrix for segregation to wire and retail supply business as per GERC (MYT) Regulations, 2016

(%)

ARR Components	Wire Business	Retail Business
Power Purchase Expense	0	100
Employee Expense	60	40
Administrative & General Expenses	50	50
Repair & Maintenance Expenses	90	10
Depreciation	90	10
Interest on Long Term Loans	90	10
Interest on Working Capital & Security Deposit	10	90
Bad Debts Written Off	0	100
Income Tax	90	10
Contingency Reserve	100	0
Return on Equity	90	10
Non-Tariff Income	10	90

Based on the above allocation, the approved ARR for wires business and retail supply business are computed as shown below.



Table 8.4: Segregation between wires and retail supply business ARR as approved by the Commission for FY 2018-19

(Rs. Lakh)

Sr. No.	Cost components	Total	Wheeling (Wires Business)	Retail Supply
1.	Power Purchase Expenses	842.91	0.00	842.91
2.	Employee Cost	3.08	1.85	1.23
3.	A&G Expenses	36.10	18.05	18.05
4.	R&M Cost	0.88	0.79	0.08
5.	Depreciation	-	-	-
6.	Interest on Long-Term Loans	-	-	-
7.	Interest Security Deposit	-	-	-
8.	Interest on Working Capital	7.85	0.79	7.07
9.	Return on Equity	-	-	-
10.	Less: Non-Tariff Income	58.06	5.81	52.25
11.	Aggregate Revenue Requirement	832.76	15.67	817.08

The above allocations of ARR are used for determination of wheeling charges for FY 2018-19.

8.2 Determination of wheeling charges

The Commission has not segregated wheeling ARR between HT and LT voltage levels. Accordingly, the Commission has derived the wheeling charges as shown below:

Table 8.5: Calculation of Wheeling Charges at 11 KV voltages

Sr. No.	Particulars	Units	Amount
1.	Total distribution cost (wheeling cost)	Rs. lakh	15.67
2.	Energy input at 11 kV	LU	114.53
3.	Wheeling charge at 11 kV	Ps/kWh	13.68

Table 8.6: Approved Wheeling charges at 11 KV voltages

Sr. No.	Particulars	Units	Amount
1.	Wheeling charges at 11 kV	Ps.	14.00

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



8.3 Determination of Cross Subsidy Surcharge

Commission's analysis

Hon'ble APTEL in its judgement on the issue of formula for calculation of Cross-subsidy has endorsed the use of the formula depicted in the Tariff Policy. The Central Government has recently issued Tariff Policy, 2016. According to this policy 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.

The cross subsidy surcharge based on the above formula is worked out as shown in the table below:

Table 8.7: Cross Subsidy Surcharge for FY 2018-19

Sr. No.	Particulars	2018-19
1	T - Tariff for HT Category (Rs./kWh)	6.91
2	C - Wt. Avg. Power Purchase Cost (Rs./kWh)	7.36
3	D - Wheeling Charge (Rs./kWh)	0.1368
4	L - Aggregate T&D Loss (%)	2.47%
5	R - per unit cost of carrying regulatory assets (Rs/kWh)	0.00
6	S = Cross Subsidy Surcharge (Rs./kWh)	-0.77

$$S = 6.91 - [7.36 / (1 - 0.0247) + 0.1368 + 0] = -0.77$$

As cross subsidy surcharge computation results into negative value, no cross subsidy surcharge will be applicable to Open Access consumers for FY 2018-19.



COMMISSION'S ORDER

The Commission approves the Aggregate Revenue Requirement (ARR) for Aspen Infrastructures Limited (AIL) for FY 2018-19, as shown in the Table below:

(Rs. Lakh)

Sr. No.	Particulars	2018-19
1	Power Purchase Cost	842.91
2	O&M Expenses	40.06
3	Depreciation	-
4	Interest on Long Term Loan	-
5	Interest on Working Capital	7.85
6	Income tax	-
7	Total Revenue Expenditure	890.82
8	Return on Equity	-
9	Less: Non-Tariff Income	58.06
10	Aggregate Revenue Requirement	832.76

The approved ceiling for retail supply tariff will be in accordance with the Tariff schedule annexed to this order. This Order shall come into force with effect from 1st September, 2018. The rate shall be applicable for the electricity consumption from 1st September, 2018 onwards.

Sd/-

P. J. THAKKAR
Member

Sd/-

K. M. SHRINGARPURE
Member

Sd/-

ANAND KUMAR
Chairman

Place: Gandhinagar
Date: 08/08/2018



ANNEXURE: TARIFF SCHEDULE

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

Effective from 1st April, 2018

GENERAL

1. The tariff figures indicated in this tariff schedule are the tariff rates payable by the consumers of Distribution Licensees viz. DGVCL, MGVL, PGVL and UGVL.
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 equipments 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. Prompt payment discount on the total bill excluding all types of levies, duties or taxes levied by the Government or any other competent authorities and but including fixed charges, energy charges and minimum charge may be allowed at the 1% rate for all tariff categories



provided that the payment is made within 7 days of presentation of bill and that no previous amount is outstanding as on the date of the bill.

12. 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.
13. 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.
14. 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.
15. 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.
16. 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 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
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PLUS

1.2 ENERGY CHARGES: FOR THE TOTAL MONTHLY CONSUMPTION:

(OTHER THAN BPL CONSUMERS)

(a)	First 50 units	305 Paise per Unit
(b)	Next 50 units	350 Paise per Unit
(c)	Next 100 units	415 Paise per Unit
(d)	Next 50 units	425 Paise per Unit
(e)	Above 250 units	520 Paise per Unit

1.3 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

**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 is 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
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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 100 units	375 Paise per Unit
(d)	Next 50 units	385 Paise per Unit
(e)	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.

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 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,



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 CHARGES:

(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
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PLUS

5.2 ENERGY CHARGES:

For the entire consumption during the month	460 Paise per Unit
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PLUS

5.3 REACTIVE ENERGY CHARGES:

For all the reactive units (KVARH) drawn during the month	10 paise per KVARH
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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) 10 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) 10 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 entire consumption during the month	260 Paise per Unit
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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
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PLUS

7.3 REACTIVE ENERGY CHARGES:

For all reactive units (KVARH) drawn during the month	10 Paise per KVARH
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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 demand charge and entire energy consumption during the relevant billing month shall be billed as per LTMD category demand charge and 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 For entire consumption during the month	180 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
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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
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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 Authorities 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
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11.1.2 OPTIONAL KVAH CHARGES:

For all the kVAh units consumed during the month:	305 Paise per Unit
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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 Replacement 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 units consumed during the month	405 Paise per kWh
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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
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12.2 ENERGY CHARGE

A flat rate of	465 Paise per Unit
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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
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13.2 ENERGY CHARGES: FOR THE ENTIRE MONTHLY CONSUMPTION

Energy Charge	410 Paise per Unit
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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-I

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 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
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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 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
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PLUS

15.2 ENERGY CHARGES:

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

PLUS

16.2 ENERGY CHARGES:

For all units consumed during the month	660 Paise/Unit
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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
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16.4 Billing demand

16.5 Minimum bill

16.6 Maximum demand and its measurement

16.7 Contract Demand

16.8 Rebate for supply at EHV

} Same as per
HTP-I Tariff

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:

1/3 rd 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
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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 per
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 RATE: HTP- V

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	180 Paise per Unit
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18.3 Billing demand

18.4 Minimum bill

18.5 Maximum demand and its measurement

18.6 Contract Demand

18.7 Rebate for supply at EHV

} Same as per
HTP-I Tariff

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 units consumed during the month	500 Paise per Unit
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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 per
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:

For billing demand up to contract demand	Rs. 25/- per kVA per Month
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
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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

