

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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CASE No. 337 of 2018

**In the matter of
Petition of BEST Undertaking for review certain aspects of Mid-Term Tariff Order
dated 12.09.2018 in Case No. 203 of 2017**

Coram

**Anand B. Kulkarni, Chairperson
I.M. Bohari, Member
Mukesh Khullar, Member**

BEST Undertaking

Petitioner

Appearance

For the Petitioner:

Shri. Bilal Shaikh

ORDER

Dated: 30 November, 2018

1. BEST undertaking has filed a Petition on 15 November, 2018 under Section 94 (1) (f) of the Electricity Act (EA), 2003 read with Regulation 85 of the MERC (Conduct of Business) Regulations, 2004 for review of certain aspects of the Mid-Term Review (MTR) Tariff Order dated 12 September, 2018 in Case No.203 of 2017.
2. BEST's prayers are as follows:
 - (a) *“Approve recovery of “Service Connection Charges” for Firefighting Service connection at par with the charges applicable for “Regular Service connection”.*
 - (b) *Include Voltage level of 11 KV, in HTV (B) Railways/Metro/Monorail Tariff Category.*

3. At the time of hearing held on 30 November, 2018 BEST reiterated their submission in Review Petition.
4. The Commission noted that the Review Petition has been filed under Regulation 85 of the MERC (Conduct of Business) Regulations, 2004 which specifies as follows:

Review of decisions, directions, and orders:

“85. (a) Any person aggrieved by a direction, decision or order of the Commission, from which (i) no appeal has been preferred or (ii) from which no appeal is allowed, may, upon the discovery of new and important matter or evidence which, after the exercise of due diligence, was not within his knowledge or could not be produced by him at the time when the direction, decision or order was passed or on account of some mistake or error apparent from the face of the record, or for any other sufficient reasons, may apply for a review of such order, within forty-five (45) days of the date of the direction, decision or order, as the case may be, to the Commission.”

Thus, the ambit of review is limited and BEST’s Petition has to be evaluated accordingly.

5. BEST’s contentions and the Commission’s rulings on each issue are set out below, considering the provisions of Regulation 85(a) of the MERC (Conduct of Business) Regulations, 2004 which governs review.

Issue I - Service Connection Charges (SCC) for Fire Fighting Service Connection:

BEST’s Submission

6. It had made following submission relating to recovery of Service Connection Charges (SCC) for Firefighting Service in MTR Petition in Case No.203 of 2017 :

*“7.1.2 In the previous order for determination of schedule of charges in case no. 90 of 2012, Hon’ble Commission had approved service connection charges for firefighting service on actual basis, as proposed by BEST. BEST submits that in case of other distribution licensee such as TPC-D the fire-fighting service has been considered as a regular service connection. **Therefore, BEST has proposed to treat the firefighting service as regular service connection at par with other distribution licensees** and not proposed levy of service connection charges for firefighting service on actual basis.”*

However, no ruling on this issue has been given in the impugned MTR Order dated 12 September, 2018.

7. As per schedule of charges approved in year 2012, BEST is recovering SCC for Firefighting Service on actual basis. Whereas in case of other Distribution licensees, such charges for Firefighting Service Connection are recovered as per normative Service Connection Charges approved for new connection. Therefore, SCC applicable to BEST consumers for Firefighting Service is significantly higher as compared to the SCC applicable to other Distribution licensees. This creates disparity in recovery of SCC for Firefighting Service Connection amongst the distribution licensees operating in Mumbai.
8. The Commission in its Order dated 16 February, 2018 in Case No.86 of 2017 had removed disparity in Service Connection Charges applicable for Regular service Connection amongst the Distribution licensees operating in Mumbai. On the same principles, BEST had proposed recovery of “Service Connection Charges” for Firefighting Service at par with the charges applicable for Regular Service Connection in the MTR Petition in Case No.203 of 2017 to have parity with the other Distribution licensees operating in Mumbai, however no ruling on this issue in the MTR Order
9. In view of the above, it is requested to approve recovery of Service Connection Charges for “Firefighting Service” at par with the charges applicable for Regular Service Connection, at par with other Distribution licensees.

Commission’s Analysis and ruling:

10. The Commission notes that BEST’s request of approving Service Connection Charges for “Firefighting Service” as regular service connection has not been addressed in the impugned MTR Order dated 12 September, 2018.
11. The Commission notes that vide its Order dated 28 December, 2012 in Case No. 90 of 2012, the Commission has allowed BEST to recover Service Connection Charges from consumer seeking connection for Firefighting on actual basis. The approval of the Commission for recovery at actual was based on BEST’s request
12. Now, BEST in this Petition is requesting to treat Firefighting services as regular connection and allow it to recover normative charges instead of actual charges from consumer seeking connection for firefighting. In support of its prayer BEST submitted that other Distribution Licensees in Mumbai are allowed to recover such charges on normative basis.
13. The Commission notes that earlier there was disparity in Service Connection Charges approved for Distribution Licensees in Mumbai for releasing new connections. The Commission vide its Order dated 16 February, 2018 in Case No. 86 of 2017 has removed

such disparity with reference to BEST. One of the reason cited for removing such disparity is as follows:

“19. The present SCC disparity is to the disadvantage of lower-load LT consumers of BEST in comparison with similarly placed consumers of TPC-D in the common supply area. It may also be an entry barrier to such consumers to opt for power supply from BEST, thus affecting its competitive position and the objective of a level playing field.”

However, issue of firefighting was not raised at that point of time and hence was not addressed. Now, in this Petition, BEST has requested to remove disparity in Service Connection Charges for firefighting connection.

14. The Commission notes that in competitive market like Mumbai where the consumers have choice of selecting Distribution Licensee, Service Connection Charges which is onetime payment for getting new connection should not be act as entry barriers. Further, Service Connection for other regular connections has already at parity. Hence, the Commission hereby allows BEST to recover Service Connection Charges for Firefighting Service as per normative Service Connection Charges approved for regular new connection.

Issue II– Tariff Category HT V – Railways/Metro/Monorail

BEST’s Submission

15. In the impugned MTR Order, the Commission has specified the tariff category for HT V(B) – Railways/Metro/Monorail as follows:

“HTV- Railways/Metro/Monorail [FY 2018-19]

This Tariff category is applicable to power supply at High Voltage for Railways, Metro and Monorail, including Stations and Shops, Workshops, Yards, etc.

Consumption Slab (kWh)	Fixed/ Demand Charge	Wheeling Charge (Rs/kWh)	Energy Charge (Rs./kWh)	TDLR Refund (Rs/kWh)*
(A) 110/132 kV	Rs. 275 per kVA per month	-	5.90	-
(B) 33 kV	Rs. 275 per kVA per month	0.52	5.90	-

HTV- Railways/Metro/Monorail [FY 2019-20]

This Tariff category is applicable to power supply at High Voltage for Railways, Metro and Monorail, including Stations and Shops, Workshops, Yards, etc.

Consumption Slab (kWh)	Fixed/ Demand Charge	Wheeling Charge (Rs/kWh)	Energy Charge (Rs./kWh)	TDLR Refund (Rs/kWh)*
(A) 110/132 kV	Rs. 305 per kVA per month	-	5.55	-
(B) 33 kV	Rs. 305 per kVA per month	0.53	5.55	-

16. However, it has consumers in the above category who are supplied at the Voltage level of 11 kV. Therefore, the Commission is requested to include 11 kV Voltage level in HT V(B) Category.

Commissions Analysis and Ruling

17. The Commission notes that HT V –Railway/ Metro/ Monorail category has been subdivided into sub-categories based on connection voltage level i.e.110/132 kV and 33 kV. Tariff differential in these sub-categories is only on account of Wheeling Charges; other charges i.e. Energy Charge and TDLR Refund are identical.
18. BEST has requested to include 11 kV voltage level along with 33 kV level mentioned in Tariff Schedule. In this regards, the Commission notes that in impugned MTR Order, the Commission has determined Wheeling Charges for HT and LT level only. There is no separate Wheeling Charges for 11 kV and 33 kV. Hence, HT V –Railway/ Metro/ Monorail category tariff of 33 kV level can be made applicable to 11 kV level.
19. Therefore, the Commission approves following corrections in tariff applicable to HT V – Railway/ Metro/ Monorail category:

HT V- Railways/Metro/Monorail [FY 2018-19]

This Tariff category is applicable to power supply at High Voltage for Railways, Metro and Monorail, including Stations and Shops, Workshops, Yards, etc.

Consumption Slab (kWh)	Fixed/ Demand Charge	Wheeling Charge (Rs/kWh)	Energy Charge (Rs./kW)	TDLR Refund (Rs/kWh)*
(A) 110/132 kV	Rs. 275 per kVA per month	-	5.90	-
(B) 11/33 kV	Rs. 275 per kVA per month	0.52	5.90	-

HT V- Railways/Metro/Monorail [FY 2019-20]

This Tariff category is applicable to power supply at High Voltage for Railways, Metro and Monorail, including Stations and Shops, Workshops, Yards, etc.

Consumption Slab (kWh)	Fixed/ Demand Charge	Wheeling Charge (Rs/kWh)	Energy Charge (Rs./kW)	TDLR Refund (Rs/kWh)*
(A) 110/132 kV	Rs. 275 per kVA per month	-	5.90	-
(B) 11/33 kV	Rs. 275 per kVA per month	0.52	5.90	-

(A) 110/132 kV	Rs. 305 per kVA per month	-	5.55	-
(B) 11/33 kV	Rs. 305 per kVA per month	0.53	5.55	-

20. Hence the following Order:

ORDER

- a. Review is allowed
- b. BEST is allowed to recover Service Connection Charges for Firefighting Service as per normative Service Connection Charges approved for regular service connection
- c. 11 kV Voltage level is included in tariff applicable for HT V (B) –Railway/ Metro/ Monorail category.

sd/-
(Mukesh Khullar)
Member

sd/-
(I.M.Bohari)
Member

sd/-
(Anand Kulkarni)
Chairperson


 (Abhijit Deshpande)
 Secretary

