

No. N/170,202, 204/16, 104/17

BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION,

BENGALURU

Dated: 4th May 2017

Present:

Shri M.K.Shankaralinge Gowda .. Chairman
Shri H.D.Arun Kumar .. Member
Shri D.B. Manival Raju ... Member

OP No.88/2016

Bangalore Electricity Supply Company Ltd.,
K.R. circle, Bengaluru- 560 001. ... PETITIONER

OP No.99/2016

Mangalore Electricity Supply Company Ltd.,
MESCOM Bhavan, Bejai,
Kavoor Cross Road,
Mangaluru – 575 004. ... PETITIONER

OP No. 103/ 2016

Hubli Electricity Supply Company Ltd.,
P.B. Road, Navanagar,
Hubballi -580 025. ... PETITIONER

OP No. 58/ 2017

Gulbarga Electricity Supply Company Ltd.,
Station Main Road,
Kalaburagi-585102 ... PETITIONER

AND

Nil RESPONDENT

OP.Nos. 88/2016, 99/2016, 103/2016 & 58/2017

1. The Petitioners have filed these petitions with a common prayer for Modification of Time of Day Tariff (ToD) facility, providing for levy of penalty for consumption during both morning and evening peak hours without any incentive for consumption during off-peak hours.
2. During the course of hearing the petitions, the Federation of Karnataka Chambers of Commerce and Industry (FKCCI), stating to be affected party had filed an application to intervene in the proceedings and sought time to file Objections.
3. The Counsel for the petitions had submitted that the matter in the petition is covered in the Tariff petitions (for FY18) filed by the ESCOMs, published for public response. Considering the submissions, the Commission decided to consider these petitions along with the Tariff Petitions (for FY18) of the ESCOMs.
4. In the Tariff Orders dated 11.04.2017, the Commission has passed the following Order in respect of the prayer made in these petitions after considering the submissions of all the concerned:

(a) In respect of BESCO, in Chapter 6 of its Tariff Order:

vi) Introduction of morning peak from 6 AM to 10 AM under ToD billing:

“In respect of HT consumers, the ESCOMS have proposed to introduce ToD billing for morning peak between 6 AM to 10AM in addition to the prevailing ToD billing for usage of energy during evening peak (6 p.m. to 10 p.m.) and not to allow any incentive for off peak usage (during night hours) against the existing rate of Rs.1.25 per unit.

BESCO has submitted that the ToD billing is to encourage the HT consumers to shift their load from peak hours to non-peak hours by incentivizing them and also to levy a penalty to discourage usage of energy during peak hours. It has also cited the examples of Delhi, Mumbai and Gujarat where ToD billing is prevailing for both morning and evening peak usage as compared to the State's single ToD billing for evening peak usage. The off peak incentive helps in shifting the load curve to night hours which is helpful for optimum power generation during night hours.

Consumers across the State have opposed this proposal and have requested the Commission to make the ToD billing optional instead of making it mandatory.

The Commission has examined the issue in detail. It is found that during most part of the year, the morning peak usage is higher than the evening peak usage. In the absence of penal charges during the morning peak, the tendency to use the power in the morning peak is more as compared to the evening peak. The system of ToD billing for morning peak is also prevalent in the States referred to above. Hence, the Commission decides to introduce ToD billing in respect of HT consumers for morning peak between 6 AM to 10AM in addition to the prevailing ToD billing for usage of energy during evening peak (6 p.m. to 10 p.m.) and also to reduce the incentive for off-peak usage (during night hours) to Re1/ per unit as against the existing rate of Rs.1.25 per unit. The necessary changes in the ToD billing are indicated in the respective Tariff schedule of the HT Consumers, in this Tariff Order.

(b) In respect of MESCOM, in Chapter 6 of its Tariff Order:

"In respect of HT consumers, the MESCOM in its petition No.99/2016 has proposed to introduce ToD billing for morning peak between 6 AM to 10AM in addition to the prevailing ToD billing for usage of energy during evening peak (6 p.m. to 10 p.m.) and not to allow any incentive for off peak usage (during night hours) against the existing rate of Rs.1.25 per unit.

MESCOM has submitted that the ToD billing is to encourage the HT consumers to shift their load from peak hours to non-peak hours by incentivizing them and also to levy a penalty to discourage usage of energy during peak hours. It has also cited the examples of Delhi, Mumbai and Gujarat where ToD billing is prevailing for both morning and evening peak usage as compared to the State's single ToD billing for evening peak usage. The off peak incentive helps in shifting the load curve to night hours which is helpful for optimum power generation during night hours.

Consumers across the State have opposed this proposal and have requested the Commission to make the ToD billing optional instead of making it mandatory.

The Commission has examined the issue in detail. It is found that during most part of the year, the morning peak usage is higher than the evening peak usage. In the absence of penal charges during the morning peak, the tendency to use the power in the morning peak is more as compared to the evening peak. The system of ToD billing for morning peak is also prevalent in the States referred to above. Hence, the Commission decides to introduce ToD billing in respect of HT consumers for morning peak between 6 AM to 10AM in addition to the prevailing ToD billing for usage of energy during evening peak (6 p.m. to 10 p.m.) and also to reduce the incentive for off-peak usage (during night hours) to Rs.1/ per unit as against the existing rate of Rs.1.25 per unit. The necessary changes in the ToD billing are indicated in the respective Tariff schedule of the HT Consumers, in this Tariff Order”.

(c) In respect of HESCOM, in Chapter 6 of its Tariff Order:

“In respect of HT consumers, the HESCOM in its petition No.103/2016 dated 8th February,2017 has proposed to introduce ToD billing for morning peak between 6 AM to 10AM in addition to the prevailing ToD billing for usage of energy during evening peak (6 p.m. to 10 p.m.) and to reduce the incentive for off peak usage (during night hours) to Rs.1/ per unit against the existing rate of Rs.1.25 per unit.

HESCOM has submitted that the ToD billing is to encourage the HT consumers to shift their load from peak hours to non-peak hours by incentivizing them and also to levy a penalty to discourage usage of energy during peak hours. They have also cited the examples of Delhi, Mumbai and Gujarat where ToD billing is prevailing for both morning and evening peak usage as compared to the State's single ToD billing for evening peak usage. The off peak incentive helps in shifting the load curve to night hours which is helpful for optimum power generation during night hours.

Consumers across the State have opposed this proposal and have requested the Commission to make the ToD billing optional instead of making it mandatory.

The Commission has examined the issue in detail. It is found that during most part of the year, the morning peak usage is higher than the evening peak usage. In the absence of

penal charges during the morning peak, the tendency to use the power in the morning peak is more as compared to the evening peak. The system of ToD billing for morning peak is also prevalent in the States referred to above. Hence, the Commission decides to introduce ToD billing in respect of HT consumers for morning peak between 6 AM to 10AM in addition to the prevailing ToD billing for usage of energy during evening peak (6 p.m. to 10 p.m.) and also to reduce the incentive for off-peak usage (during night hours) to Re1/ per unit as against the existing rate of Rs.1.25 per unit. The necessary changes in the ToD billing are indicated in the respective Tariff schedule of the HT Consumers, in this Tariff Order”.

(d) In respect of GESCO, in Chapter 6 of its Tariff Order:

“In respect of HT consumers, the GESCO in its petition No.58/2017 dated 31st March,2017 has proposed to introduce ToD billing for morning peak between 6 AM to 10AM in addition to the prevailing ToD billing for usage of energy during evening peak (6 p.m. to 10 p.m.) and to remove the existing incentive of Rs.1.25 per unit for off peak period usage from 22.00 Hours to 6.00 Hours (during night hours).

GESCO has submitted that the ToD billing is to encourage the HT consumers to shift their load from peak hours to non-peak hours by incentivising them and also to levy a penalty to discourage usage of energy during peak hours. They have also cited the examples of Delhi, Mumbai and Gujarat where ToD billing is prevailing for both morning and evening peak usage as compared to the State’s single ToD billing for evening peak usage. The off peak incentive helps in shifting the load curve to night hours which is helpful for optimum power generation during night hours.

Consumers across the State have opposed this proposal and have requested the Commission to make the ToD billing optional instead of making it mandatory.

The Commission has examined the issue in detail. It is found that during most part of the year, the morning peak usage is higher than the evening peak usage. In the absence of penal charges during the morning peak, the tendency to use the power in the morning peak is more as compared to the evening peak. The system of ToD billing for morning peak is also prevalent in the States referred to above. Hence, the Commission decides to introduce ToD billing in respect of HT consumers for morning peak between 6 AM to

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10AM in addition to the prevailing ToD billing for usage of energy during evening peak (6 p.m. to 10 p.m.) and also to reduce the incentive for off-peak usage (during night hours) to Rs.1/ per unit as against the existing rate of Rs.1.25 per unit. The necessary changes in the ToD billing are indicated in the respective Tariff schedule of the HT Consumers, in this Tariff Order".

5. The prayer in these petitions is answered in the Tariff Orders dated 11.4.2017, as at above, and nothing survives for further consideration. Hence, these petitions stand disposed of, in terms of the Tariff Order dated 11.4.2017. Original of this Order shall be kept in OP No.88/2016 and the copies in the connected OP Nos. 99/2016, 103/2016 and 58/2017.

Sd/-

(M.K.Shankaralinge Gowda)
Chairman

Sd/-

(H.D.Arun Kumar)
Member

Sd/-

(D.B.Manival Raju)
Member