

CHAPTER – 6
DETERMINATION OF TARIFF FOR FY18

6. GESCOM proposal of Tariff for FY-18.

6.1. The projected unmet gap for FY-18 is Rs. 1075.34 crores. In order to bridge the gap in revenue, in tariff application it is proposed to increase of 148 paisa per unit in respect of all the category of consumers.

6.2 Revenue at existing tariff and deficit for FY18:

The gap of revenue for FY18 is Rs. 679.41 Crs, gap of FY-16 is Rs. 133.44 Crs and P&G trust amount is Rs. 262.49 Crs.

Revenue Deficit for FY18

Sl No	Particulars	FY-18
1	Net ARR including carry forward surplus of FY16 (Rs. Crores)	4955.05
2	Revenue at existing tariff (Rs. Crores)	4270.5
3	Gap in revenue for FY18 (Rs. Crores)	679.41
4	Gap in revenue for FY16 (Rs. Crores)	133.44
5	Total gap (Rs. Crores)	812.85
6	P&G Trust amount (Rs in Crores)	262.49
7	Total gap with P&G Trust considered for Tariff	1075.34

6.3 Proposed hike for FY-18:

To meet the revenue gap for FY-18 the hike in all the categories the existing tariff and proposed tariff furnished as below.

6.3.1 LT-1 Bhagya Jyothi

The existing tariff and the tariff proposed by GESCOM are given below:

Details	Existing as per Tariff Order 2016	Proposed
Energy Charges (including recovery towards service main charges)	577 Paisa / Unit Subject to a monthly minimum of Rs.30 per installation per Month.	725 Paisa / Unit Subject to a monthly minimum of Rs.30 per installation per Month.

6.3.2: LT-2: Domestic

LT-2 a (i) Domestic Applicable to areas coming under City Municipal Corporations and all Urban Local Bodies

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	For the first KW Rs.30	For the first KW Rs.30
	For every additional KW Rs. 40	For every additional KW Rs. 40
Energy charges	0 to 30 units: 300 paise/unit	0 to 30 units: 448 paise/unit
	31 to 100 units:440 paise/unit	31 to 100 units:588 paise/unit
	101 to 200 units: 590 paise/unit	101 to 200 units: 738 paise/unit
	Above 200 units: 690 paise	Above 200 units: 838 paise

LT-2 (a) (ii) Domestic applicable to Areas under Village Panchayats

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	For the first KW Rs. 20	For the first KW Rs.20
	For every additional KW Rs. 30	For every additional KW Rs. 30
Energy charges	0 to 30 units: 290 paise/unit	0 to 30 units: 438 paise/unit
	31 to 100 units:410 paise/unit	31 to 100 units:558 paise/unit
	101 to 200 units: 560 paise/unit	101 to 200 units: 708 paise/unit
	Above 200 units: 640 paise	Above 200 units: 788 paise

6.3.3: LT 2(b):

LT 2 (b) (i) Private Professional Educational Institutions & Private Hospitals and Nursing Homes. Applicable to areas under City Municipal Corporations and all other urban Local Bodies.

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs. 45per KW subject to a minimum of Rs.75 per month	Rs. 45per KW subject to a minimum of Rs.75 per month
Energy charges	0-200 units: 625 paise/unit	0-200 units: 773 paise/unit
	Above 200 units: 745 paise/unit	Above 200 units: 893 paise/unit

LT 2 (b) (ii) Private Professional Educational Institutions & Private Hospitals and Nursing Homes.

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs. 35 per KW subject to a minimum of Rs.60 per month	Rs. 35 per KW subject to a minimum of Rs.75 per month
Energy charges	0-200 units: 570 paise/unit	0-200 units: 718 paise/unit

	Above 200 units: 690 paise/unit	Above 200 units: 838 paise/unit
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6.3.4: LT- 3 : Commercial.

LT 3 (i) Commercial Lighting, Heating and Motive Power applicable in areas under all Urban Local Bodies including City Municipal Corporations

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs.50 per KW	Rs.50 per KW
Energy charges	For the first 50 units 715 paise/unit	For the first 50 units 863paise/unit
	For the balance units 815 paise/unit	For the balance units 963 paise/unit

Demand based tariff (Optional) where sanctioned load is above 5 kW but below
50 kW

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs.65 per KW	Rs.65 per KW

Energy charges	For the first 50 units 715 paise/unit	For the first 50 units 863 paise/unit
	For the balance units 815 paise/unit	For the balance units 963 paise/unit

LT-3 (ii) Commercial Lighting Heating& Motive Power applicable to areas under Village Panchayats.

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs.40 per KW	Rs.40 per KW
Energy charges	For the first 50 units 665 paise/unit	For the first 50 units 813 paise/unit
	For the balance units 765 paise/unit	For the balance units 913 paise/unit

Demand based tariff (Optional) where sanctioned load is above 5 kW but below 50 kW

Details	Existing as per Tariff Order 2016	Proposed
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Fixed Charges per month	Rs.55 per KW	Rs.55 per KW
Energy charges	For the first 50 units 665 paise/unit	For the first 50 units 813 paise/unit
	For the balance units 765 paise/unit	For the balance units 913 paise/unit

6.3.5: Irrigation Pumpsets:

LT-4 (a) Irrigation Pump Sets. Applicable to IP Sets up to and inclusive of 10 HP

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Free	Free (In case GoK does)
Energy charges	CDT 503 paisa per unit	CDT 651 Paisa per unit

LT4 (b) Irrigation Pump Sets above 10 HP

Details	Existing as per	Proposed
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	Tariff Order 2016	
Fixed Charges per month	Rs. 40 per HP	Rs.40 per HP
Energy charges	280 paise per unit	428 paise per unit

LT-4 (c) (i) Irrigation Pump Sets : Applicable to Private Horticultural Nurseries, Coffee and Tea plantations up to & inclusive of 10 HP

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs. 30 per HP	Rs. 30 per HP
Energy charges	280 paise per unit	428 paise per unit

LT4 (c)(ii) Irrigation Pump Sets: Applicable to Horticultural Nurseries, Coffee, Tea& Rubber plantations above 10 HP

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs. 40 per HP	Rs. 40 per HP
Energy charges	280 paise per unit	428 paise per unit

6.3.6: LT 5 LT Industries:

LT-5(a) LT Industries: Applicable to all areas covered under municipal corporation.

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs. 30 per HP for 5 HP & Below	Rs. 30 per HP for 5 HP & Below
	Rs. 35 per HP for above 5 HP & below 40 HP	Rs. 35 per HP for above 5 HP & below 40 HP
	Rs. 40 per HP for 40 HP & above but below 67 HP	Rs. 40 per HP for 40 HP & above but below 67 HP
	iv)Rs. 100 per HP for 67 HP &	iv)Rs. 100 per HP for 67 HP &

Demand based Tarif:

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Above 5 HP and less than 40 HP Rs. 50 per KW of billing demand	Above 5 HP and less than 40 HP Rs. 50 per KW of billing demand
	40 HP and above but less than 67 HP Rs. 65 per KW of billing demand	40 HP and above but less than 67 HP Rs. 65 per KW of billing demand
	67 HP and above Rs. 150 per KW of billing demand	67 HP and above Rs. 150 per KW of billing demand

Energy charges:

Details	Existing as per Tariff Order 2016	Proposed
Energy Charges	For the first 500 units 495 paise per unit	For the first 500 units 643 paise/ unit
	For the next 500 units 585 paise per unit	For the next 500 units 733 paise/ unit
	For the balance 615 paise per unit	For the balance 763 paise/ unit

LT-5(b) LT Industries: Applicable to all areas other than
covered under LT 5(a)

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Rs. 30 per HP for 5 HP & Below	Rs. 30 per HP for 5 HP & Below
	Rs. 35 per HP for above 5 HP & below 40 HP	Rs. 35 per HP for above 5 HP & below 40 HP
	Rs. 40 per HP for 40 HP & above but below 67 HP	Rs. 40 per HP for 40 HP & above but below 67 HP
	Rs. 100 per HP for 67 HP &	iv)Rs. 100 per HP for 67 HP &

Demand based Tariff:

Details	Existing as per Tariff Order 2016	Proposed
Fixed Charges per month	Above 5 HP and less than 40 HP Rs. 50 per KW of billing demand	Above 5 HP and less than 40 HP Rs. 50 per KW of billing demand
	40 HP and above but less than 67 HP Rs. 65 per KW of billing demand	40 HP and above but less than 67 HP Rs. 65 per KW of billing demand
	67 HP and above Rs. 150 per KW of billing demand	67 HP and above Rs. 150 per KW of billing demand

Energy charges:

Details	Existing as per Tariff Order 2016	Proposed
Energy Charges	For the first 500 units 485 paisa per unit	For the first 500 units 633 paise/ unit
	For the next 500 units 570 paisa per unit	For the next 500 units 718 paise/ unit
	For the balance 600 paisa per unit	For the balance 748 paise/ unit

ToD Tariff for LT5 : At the option of the consumers

ToD Tariff as per tariff order 2016

Time of Day	Increase (+)/ reduction (-) in energy charges over the normal tariff applicable
22.00Hrs to 06.00 Hrs	(-) 125 paise per unit
06.00Hrs to 18.00 hrs	0
18.00Hrs to 22.00 Hrs	(+) 100 paise per unit

Proposed ToD Tariff for LT5 :At the option of the consumer

Time of Day	Increase (+)/ reduction (-) in energy charges over the normal tariff applicable
22.00Hrs to 06.00 Hrs	(-) 125 paise per unit
06.00Hrs to 18.00 hrs	0.00
18.00Hrs to 22.00 Hrs	100 paise per unit

6.3.7: LT6 Water Supply Installations and Street Light

LT-6(a) : Water Supply

Details	Existing as per 2016 Tariff Order	Proposed by GESCOM

Fixed Charges per Month	Rs. 45/HP/month	Rs. 45/HP/month
Energy Charges	390 paise/unit	538 paise/unit

LT-6 (b) : Public Lighting

Details	Existing as per 2015 Tariff Order	Proposed by GESCOM
Fixed Charges per Month	Rs. 60/KW/month	Rs. 50/KW/month
Energy Charges	550 paise/unit	698 paise/unit
Energy Charges for LED Lighting	450 paise/ unit	598 paise/ unit

6.3.8: LT 7- Temporary Installations and Advertising Hoardings:

TARIFF SCHEDULE for LT-7(a)

Details	Existing tariff as per Tariff Order 2016	Proposed
Temporary powersupply to all purposes for	Energy charge at 950 paise per unit	Energy charge at 1098 paise per unit subject to a weekly

less than 67 HP	subject to a weekly minimum of Rs.170 per KW of the sanctioned load.	minimum of Rs.170 per KW of the sanctioned load.
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LT7 (b)

Details	Existing tariff as per	Proposed
	Tariff Order 2016	
Power supply on permanent connection basis for Less than 67 HP	Fixed charges at Rs. 50 per KW/month. Energy charges at 950 paisa /unit.	Fixed charges at Rs. 50 per KW/month. Energy charges at 1098 paisa /unit.

H. T.categories

6.3.9: HT-1 Water Supply & Sewerage

Sl. No.	Details	Existing tariff as per Tariff Order 2016	Proposed
1	Demand Charges	Rs.190 / kVA of billing Demand / month	Rs.180 / kVA for billing demand / Month
2	Energy Charges	450 paise per unit	598 paise per unit

Existing ToD tariff to HT- 1 tariff to Water Supply & Sewerage

installations at the option of the consumer

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
22.00 Hrs to 06.00 Hrs next day	(-) 125 Paise per unit
06.00 Hrs to 18.00 Hrs	
18.00 Hrs to 22.00 Hrs	(+) 100 Paise per unit

Proposed ToD Tariff to HT-1

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
22.00 Hrs to 06.00 Hrs next day	(-) 125 paise per unit
06.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	100 paise per unit

6.3.10: HT-2 – HT Industrial

HT – 2 (a)(ii) - HT Industries - Applicable to all areas

Details	Existing tariff as per Tariff	Proposed by GESCOM
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	Order 2016	
Demand Charges	Rs.180 / kVA of billing demand / month	Rs.180 / kVA of billing demand / month
Energy Charges (iii) For the first one lakh units	620 paise per unit	768 paise per unit
(iv) For the balance units	660 paise per unit	808 paise per unit

Railway traction and Effluent Plants

Details	Existing tariff as per Tariff Order 2016	Proposed
Demand Charges	Rs. 190 / kVA at billing demand / Month	Rs. 190 / kVA of billing demand / Month
Energy Charges	590 paise per unit for all the units	738 paise per unit for all the units

Existing ToD Tariff for HT-2(a)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
22.00 Hrs to 06.00 Hrs next day	(-) 125 paise per unit

06.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	100 paise per unit

Proposed ToD Tariff for HT-2(a)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
22.00 Hrs to 06.00 Hrs next day	(-) 125 paise per unit
06.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	100 paise per unit

6.3.11. HT – 2 (b)-HT Commercial

Details	Existing tariff as per Tariff Order 2016	Proposed by GESCOM
Demand Charges	Rs. 200 / kVA of billing demand / month	Rs. 200 / kVA of billing demand / Month
Energy Charges		
(i) For the first two lakh units	785 paise per unit	933 paise per unit
(ii) For the balance	815 paise per unit	963 paise per unit

units		
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Existing ToD Tariff for HT-2(b)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
22.00 Hrs to 06.00 Hrs next day	(-) 125 paise per unit
06.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	100 paise per unit

Proposed ToD Tariff for HT-2(b)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
22.00 Hrs to 06.00 Hrs next day	(-) 125 paise per unit
06.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	100 paise per unit

6.3.12: HT - 2 (c) - Applicable to Hospitals and Educational Institutions:

HT-2(c)(i)- Applicable to Government Hospitals, Hospitals run by Charitable Institutions, ESI Hospitals, Universities, Educational Institutions belonging to Government, Local Bodies and Aided Institutions & Hostels of all educational institutions.

Details	Existing tariff as per Tariff Order 2016	Proposed

Demand Charges	Rs. 180 / kVA of billing demand / Month	Rs. 180 / kVA of billing demand / Month
Energy Charges		
(i) For the first one lakh units	600 paise per unit	748 paise per unit
(ii) For the balance units	650 paise per unit	798 paise per unit

HT – 2 (c) (ii)- Applicable to Hospitals/Educational Institutions other than those covered under HT2(c) (i)

Details	Existing tariff as per Tariff Order 2016	Proposed
Demand Charges	Rs. 180 / kVA of billing demand / Month	Rs. 180 / kVA of billing demand / Month
Energy Charges		
(i) For the first one lakh units	700 paise per unit	848 paise per unit
(ii) For the balance units	750 paise per unit	898 paise per unit

Existing ToD Tariff for HT-2(c)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
22.00 Hrs to 06.00 Hrs next day	(-) 125 paise per unit
06.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	100 paise per unit

Proposed ToD Tariff for HT-2(c)

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
22.00 Hrs to 06.00 Hrs next day	(-) 125 paise per unit
06.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	100 paise per unit

6.3.13: LIS.

HT 3(a) (i) Applicable to LI Schemes under Government Departments / Government owned Corporations

Details	Existing charges as per tariff order 2016	Proposed
Energy Charges/ Minimum Charges	200 paise / unit subject to an annual minimum of Rs.1120 per HP / annum	348 paise / unit subject to an annual minimum of Rs. 1120 per HP / annum

HT 3(a) (ii) Applicable to Pvt. LI Schemes and Lift Irrigation Societies fed through Express/ Urban feeders

Details	Existing Tariff as per Tariff Order 2016	Proposed

Fixed Charges	Rs. 40 / HP / Month of sanctioned load	Rs. 40 / HP / Month of sanctioned load
Energy Charges	200 paise / unit	348 paise / unit

HT 3(a) (iii) Applicable to Pvt. LI Schemes and Lift Irrigation Societies other than those covered under HT-3 (a)(ii)

Details	Existing Tariff as per Tariff Order 2016.	Proposed
Fixed Charges	Rs. 20 / HP / Month of sanctioned load	Rs. 20 / HP / Month of sanctioned load
Energy Charges	200 paise / unit	348 paise / unit

6.3.14: HT3 (b)- Irrigation & Agricultural Farms, Government Horticulture farms, Private Horticulture Nurseries, Coffee, Tea, Coconut & Arecanut Plantations:

Details	Existing tariff as per Tariff Order 2016	Proposed
Energy Charges / Minimum Charges	400 paise / unit subject to an annual minimum of Rs. 1120 per HP	548 paise / unit subject to an annual minimum of Rs. 1120 per

6.3.15: HT – 4 - Residential Apartments/ Colonies

Details	Existing tariff as per Tariff Order 2016	Proposed
Demand Charges	Rs. 110 / kVA of billing demand	Rs. 110 / kVA of billing Demand
Energy Charges	585 paise per unit	733 Paise/ unit

6.3.16: HT - 5 - Temporary supply

	Existing tariff as per Tariff Order 2016	Proposed
67 HP and above:	Order 2016	
Fixed Charges / Demand Charges	Rs.220/HP/month for the entire sanction load / contract demand	Rs.220/HP/month for the entire sanction load / contract demand
Energy Charge	950 paise / unit	1098 paise / unit

6.4: Other issue.

6.4.1: Tariff for Green Power:

To increase generation and use of green power it is decided to continue the existing Green Tariff of 50 paise per unit as the additional tariff over and above the normal tariff to be paid by HT-consumers, who opt for supply of green power from out of the renewable energy procured by distribution utilities over and above their Renewable Purchase Obligation (RPO).

6.4.2. WHEELING CHARGES & CROSS SUBSIDY SURCHARGES

6.4.2.1 WHEELING CHARGES for FY-18

A. The modalities adopted by the Hon'ble Commission in the Tariff Order 2009, with the following assumption, are considered for determination of Wheeling Charges for GESCO.

- i. Allocation of distribution ARR between HT & LT in the ratio of 30:70.
- ii. Reasonable loss compensation as per Energy Flow Diagram

Wheeling charges in Cash [Distribution charges]:

1. Distribution ARR [Rs. In Cr.]	4978.90
2. Sales [in MUs]	7266.01
3. Wheeling Charges [Paise / unit] [2/1]	685.23
4. For HT [30% of 3 after rounding off to nearest paise]	205.57
5. For LT [70% of 3 after rounding off to nearest paise]	479.66

Wheeling charges in Kind [Loss compensation]:

Loss Allocation	% Loss
HT	4.36
LT	6.32

B. The actual Wheeling Charges payable depending upon the point of injection & point of drawl as below;

Injection Point →	Paise	
	HT	LT
Drawl Point ↓		
HT	84.28	283.00
LT	283.00	205.57

Hon'ble Commission in the Tariff Order 2012 has prescribed the Wheeling charges in kind only 5% for the energy sourced from NCE units and used in the State as 5% and for wind & mini hydel additional banking charges of 2%.

This concessional rate is seriously affecting the distribution business of GESCO as its system is utilized for Wheeling which carries higher technical loss level also.

Therefore, it is requested for maintenance of parity in Wheeling charges even for the energy sourced from NCE units and supplied within the State.

In case wheeling of energy [other than NCE] involves usage of Transmission network or network of more than one licensee, the charges shall be as indicated under:

- i. If only transmission network is used, transmission charges determined by the Commission shall be payable to the Transmission Licensee.
- ii. If Transmission network & ESCOMs' network are used, the Transmission Charges shall be payable to the Transmission Licensee and the Wheeling Charges of the ESCOM where the power is drawn is payable & such wheeling charges shall be shared equally among the ESCOMs whose networks are used.

6.4.2.2 CROSS SUBSIDY SURCHARGES for FY-18

Calculation of Cross - Subsidy surcharge for FY-17 payable by Open - Access consumers.

Total Energy Input for FY-18 (as projected)MU	9056.54
Million Units (MU) at margin of 5%	452.98

Details of power Purchase at 5% margin (excluding liquid fuel project & renewables)

Source	MUs	Cost (Rs. In Cr.)	Average per unit (Paise /Unit)
VellurTPS Stage1&2&3	119.73	59.41	496.20
RTPS Thermal Unit II	149.76	67.30	449.39
Simhadri	183.49	81.48	444.08
Total	452.98	208.19	459.60

Details of surcharge at 66 KV & above level and 33 KV level (Paise/Unit)

	66 KV	33 KV Level
	Above level	
Cost of power purchase / unit at margin	206.39	481.58
Transmission Loss % (as per KPTCL: filing) at 3.47%	7.64	
Cost at margining after accounting for Transmission Loss	198.75	
33 KV Loss % 1.75%		8.43
Cost at margining after accounting for 33 KV level loss		473.15
Transmission Charges per unit (as per KPTCL filing)		45.55
Average Wheeling charges at 33 KV level		53.18
Cost of Supply	206.39	481.58
Average Tariff of HT -2a consumers (Project for FY-18)	874.44	671.32
Cross Subsidy Surcharge		

WHEELING AND BANKING:

Wheeling enables a generator to transfer the generated energy through distribution lines from one Utility service area to another's. The energy output is wheeled to its captive consumer, group captive or non-captive consumer.

When a generator uses the wheeled energy for captive consumption then no cross subsidy surcharge is collected. The energy is delivered at the output point after deducting the wheeling and banking charges in kind.

The generator can also sell his energy to a consumer after taking permission from the Utility and paying cross subsidy surcharge.

Further, the generator can also supply his energy to the group captive consumers (with 26% stake in the generation) and no cross subsidy surcharge is to be collected.

The Generator can also bank his generated energy with the utility after deducting banking charges in kind.

The banked energy is to be utilized by the generator within the stipulated wind year. The wind year starts from the month of April of each financial year and ends in the month of March of the same financial year.

1. As per the provisions of the Electricity Act 2003, the Utility needs to act as standby to the open access consumer.
2. In Wheeling and Banking arrangement, the Wind Generators banks its energy with the Utility during generation period and uses up the banked energy at the end of the wind year that is in the month of March. (Wind year – 1st April to 31st March).
3. 70% of wind generation is during the five months duration from May to September. Due to the induction of this energy into the grid, there is surplus energy available and hence the Utility instructs its State generation to back off. Even if the State generator is instructed to pull back, the Utility is obligated to pay capacity charges to the State generator. This increases the Power Purchase cost of the Utility.
4. Since, the Utility is facing huge energy crisis usually during the fourth quarter of the financial year i.e (Jan, Feb and March). Drawal of banked energy by the generator during the same period is hindering the functioning of the Utility. The Utility then has to resort to high cost energy to supply power to its consumers. This in turn increase the power purchase cost of the Utility.
5. Added to this ordeal, HT consumers are leaving the grid to purchase energy through open access. The HT consumers are(cross subsidizing category) leaving the grid for greener pastures and at the same time the Utility has to comply its social obligation by supplying energy to agriculture, domestic and weaker consumers(cross subsidized category). This has increased the average cost supply of the Utility. The difference between the average cost of supply and the average realization rate is bridged through increase in tariff to its consumers. Further, increase in HT tariff will only facilitate the HT consumers to leave the Utilities grid. The increase in the open access consumers over the years is depicted in the table below:

Table No: 1

FINANCIAL YEAR	2011-12	2012-13	2013-14	2014-15	2015-16	2016-2017 upto SEPT-2016
NUMBER OF USERS	11	18	31	42	72	102
TOTAL CONSUMPTION THROUGH OPEN ACCESS in mu	5.30	18.86	76.06	174.65	528.95	522.78

6. When open access consumers draws from the Utility even after opting for open access, the standby arrangements provided for such consumers by the Utility become stranded once they go back to the open access supplier.
7. The Utility is allowing consumers to opt for open access on one hand and forcing the distribution companies to purchase high cost renewable energy under Renewable Power purchase Obligation (RPO). There is no scope for level playing field to ensure a healthy competition.

In lieu of the above difficulties faced by Utility, the following proposals are placed before the Commission:

1. The banking facility shall be allowed for a period of 3 months from the date of generation.
2. Withdrawal of banked power should not be allowed during peak and Time of Day (TOD) hours.

3. If the banked energy is not utilized within a period of three Months from the date of power banked with the concerned power utilities/Licensee, it will automatically lapse and no charges shall be paid in lieu of such Power.
4. Additional surcharge to open access consumers who draw from the Utility even after opting for open access.

Prayer

GESCOM respectfully prays that the Hon'ble Commission may please be considered to approve the following:

- Approve the ARR and ERC proposed as per the MYT principles, as detailed in format A-1 to A-4 for FY-18.
- Revenue Requirement, Return on Equity & Tariff Petition for FY-18 and the deficit arising on account of proposed ARR and ERC for FY-18 by way of upward revision of the tariff by **Rs. 148 paisa per unit** across all the categories.
- Annual Performance Review for FY 16 as per Accounts Audited by the Statutory Auditors (Comments of the C&AG is being obtained) by considering the Regulatory Asset of Rs. 577.39 accounted as accrued income during FY16 based on the difference between actual and approved power purchase cost which is treated as an “uncontrollable” component

of the ARR as per MYT regulations, as part of GAP to be passed on to the Consumers in this Tariff.

- To consider and approve the new proposals as indicated.