

## CHAPTER – 4

### DETERMINATION OF RETAIL SUPPLY TARIFF FOR FY21

#### 4.0 Revision of Retail Supply Tariff for FY21-HUKERI RECS's Proposals and Commission's Decisions:

##### 4.1 Tariff Application

As per the Tariff application filed by the HRECS, it has projected an unmet gap in revenue of Rs.58.38 Crores for FY21, which also includes revenue gap of Rs.33.35 Crores of FY19. In order to bridge this gap in revenue, HRECS has proposed a uniform tariff increase of 180 paise per unit, in respect of all the categories of consumers.

In the previous chapters of this Order, the process of Annual Performance Review (APR) for FY19 and the approval of revised ARR for FY21 has been discussed. The various aspects of determination of tariff for FY20 are discussed in this Chapter.

##### 4.2 Statutory Provisions guiding determination of Tariff

As per Section 61 of the Electricity Act, 2003, the Commission is guided inter-alia, by the National Electricity Policy, the Tariff Policy and the following factors, while, determining the tariff so that,

- the distribution and supply of electricity are conducted on commercial basis;
- competition, efficiency, economical use of resources, good performance, and optimum investment are encouraged;
- the tariff progressively reflects the cost of supply of electricity, and also reduces and eliminates cross subsidies within the period to be specified by the Commission;
- efficiency in performance is to be rewarded: and
- a multi-year tariff framework is adopted.

Section 62(5) of the Electricity Act, 2003, read with Section 27(1) of the Karnataka Electricity Reform Act, 1999, empowers the Commission to specify, from time to time, the methodologies and the procedure to be observed by the licensees in

calculating the Expected Revenue from Charges (ERC). The Commission determines the Tariff in accordance with the Regulations and the Orders issued by the Commission from time to time.

#### **4.3 Factors Considered for Tariff setting:**

The Commission has considered the following relevant factors for determination of retail supply tariff:

##### **a) Tariff Philosophy:**

As discussed in the earlier tariff orders, the Commission continues to fix tariff below the average cost of supply in respect of consumers whose ability to pay is considered inadequate and also fix tariff at or above the average cost of supply for categories of consumers whose ability to pay is considered to be higher. Thus, the system of cross subsidy continues. However, the Commission has taken due care to progressively bring down the cross subsidy levels as envisaged in the Tariff Policy, 2016, issued by the Government of India.

##### **b) Average Cost of Supply:**

The Commission has been determining the retail supply tariff based on the average cost of supply. The KERC (Tariff) Regulations, 2000, as amended from time to time, require the licensees to provide the details of embedded cost of electricity voltage / consumer category-wise. The distribution network of Karnataka is such that, it is difficult to segregate the common cost between voltage levels. Therefore, the Commission has decided to continue the average cost of supply approach for recovery of the ARR. With regard to the indication of voltage-wise cross subsidy with reference to the voltage-wise cost of supply, the same is indicated in the Annexure to this Order.

##### **c) Differential Tariff:**

The Commission has been determining differential retail supply tariff for consumers in urban and rural areas, beginning with its Tariff Order, dated 25<sup>th</sup>

November, 2009. The Commission decides to continue the same in the present Order also as the reasons cited for approach continue even now.

#### **4.4 New Tariff Proposals:**

##### **(i) Special Incentive Scheme to HT/EHT Industrial Consumers (SIS):**

###### **ESCOM's Proposal:**

BESCOM, MESCOM and CESC in their Tariff applications have proposed certain modification to the Special Incentive Scheme approved by the Commission in the Tariff Order 2018 dated 14.05.2018. They have proposed to fix the base consumption for overall consumption for the month (average of 12 months), instead of 10.00 hours to 18.00 hours and extension of rebate of Re.1 per unit for the entire consumption over and above the base consumption and the applicability of the Special Incentive Scheme be restricted to its embedded consumer only.

The Commission is of the view that, in order to encourage HT consumers to consume more power in the present power surplus situation and to reduce the financial burden of the ESCOMs and HRECS, the Special Incentive Scheme may require continuation for another year.

**The Commission after careful consideration of the submission made by some of the ESCOMs and the request made by the industries during the public hearings on the tariff applications, decides to continue the Special Incentive Scheme as approved in the Tariff Order, 2018 dated 14.05.2018 for FY21. The Special Incentive Scheme benefit is also extended for the OA consumers who consume energy from the ESCOMs and HRECS by limiting the benefit to the energy drawn from ESCOMs and HRECS only. The Commission also directs ESCOMs and HRECS to take up an intensive campaign to encourage more industrial consumer to opt for the scheme.**

## **1. Relaxing the ToD Usage during morning peak between 6 AM to 10 AM.**

During the course of public hearing of KPTCL and BESCOM, many consumers have requested the Commission to relax the ToD usage without any penalty during the morning peak between 6 .00AM to 10.00 AM.

The Commission, vide its letter dated 12.02.2020 had directed the KPTCL, SLDC and all the ESCOMs to confirm their readiness to relax the morning peak ToD usage through official letters to the Commission.

The matter was also deliberated in the 60<sup>th</sup> Advisory Committee Meeting held on 11<sup>th</sup> March,2020. The Commission desired to know about transmission constraints in handling excess demand in case of removal of Time of Day (ToD) during morning peak hours i.e., from 6:00am to 10:00am. KPTCL informed that, KPTCL network will be able to handle additional peak load consequent to removal of ToD. The ESCOMs also concurred that there are no constraints in the distribution network in handling additional energy demand, if any, due to relaxing of ToD usage period during morning peak hours. All the MDs of ESCOMs also informed that there is no system constraint in supplying additional load consequent to relaxing of the ToD usage during the morning the peak.

In response to Commission letter dated 12.02.2020, KPTCL has submitted hourly data of energy availability and demand for FY18 and FY19. As per the data submitted by the KPTCL, the maximum load met during morning peak hours i.e. 06.00 Hrs to 10.00 Hrs for FY19 is between 10,141 MW to 12,850 MW and also availability during morning peak hours is between 10,922 MW to 15,517 MW. The SLDC has informed that during FY19 and FY20 about 1,7530 MU and 7326 MU (till August, 2019) respectively was backed down/reserved shutdown and that even after considering the spinning reserve (i.e. is about 500 MW and corresponding energy, the State is in surplus position in terms of MW as well as energy (MU) in all the months.

As regards the demand and energy consumption in FY20, The Commission note that on 17.01.2020 the peak demand recorded during FY20 (till February, 2020) was 13169 MW and on March, 2020 the peak load was 13258 MW with the highest daily consumption of 259 MU on 18<sup>th</sup> March, 2020.

The analysis of source-wise availability of generation capacity during FY20 is as follows:

Source	Capacity in MWs	Percentage to total availability	Energy in MU	Percentage
Hydel	3832	13%	11567	11%
Thermal	10343	36%	70600	68%
Renewable Energy	14836	51%	21326	21%
Total	29011	100%	103493	100%

Against the above availability, the average daily consumption during FY20 is around 220 MU and the average demand is around 15200 MW.

**Considering the above facts, with a view to make use of the availability of surplus power as projected by the ESCOMs and SLDC, to encourage the industries to consume more power during morning peak hours, the Commission decides to remove the penalty under ToD mechanism for the use of power during morning hours from 6.00 AM to 10.00 AM.**

#### 4.5 Revenue at existing tariff and deficit for FY21:

The Commission in its preceding Chapters has decided to carry forward the surplus in revenue of Rs.2.955 Crores of FY19 to the revised ARR of FY21. The approved gap in revenue of Rs.1.136 Crores for FY21 is proposed to be filled up by revision of Retail Supply Tariff, as discussed in the following paragraphs of this Chapter.

Considering the approved revised ARR for FY21 and the revenue as per the existing tariff, the gap in revenue for FY21 is as follows:

**Revenue Deficit for FY21**

Particulars	Rs. in Crores
	Amount
Approved Net ARR for FY21 including gap of FY19	168.234
Revenue at existing tariff	167.098
(- )Deficit	-1.136
Additional Revenue to be realised by Revision of Tariff	1.136

Accordingly, in this Chapter, the Commission has proceeded to determine the Revised Retail Supply Tariff for FY21. The category-wise tariff as existing, as proposed by HUKERI RECS and as approved by the Commission are as follows:

**1. LT-1 Bhagya Jyothi:**

The existing tariff and the tariff proposed by HUKERI RECS are given below:

Sl. No.	Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
1	Energy charges (including recovery towards service main charges)	609 Paise / Unit Subject to a monthly minimum of Rs.45 per installation per month.	812 Paise / Unit Subject to a monthly minimum of Rs.45 per installation per month.

**Commission's Views/ Decision:**

The Government of Karnataka has continued its policy of providing free power to all BJ/KJ consumers with a single outlet, whose consumption is not more than 40 units per month, vide Government Order No. EN12 PSR 2017 dated 20<sup>th</sup> March, 2017. Based on the present average cost of supply, the tariff payable by these BJ/KJ consumers is revised to Rs.6.17 per unit.

Further, the HRECS have to claim subsidy for only those consumers who consume 40 units or less per month per installation. If the consumption exceeds 40 units per month or if any BJ/KJ installation is found to have more than one out- let, it shall be billed as per the Tariff Schedule LT 2(a).

Accordingly, Commission determines the tariff (CDT) in respect of BJ / KJ installations as follows:

**LT – 1 Approved Tariff for BJ / KJ installations**

Commission determined Tariff	Retail Supply Tariff determined by the Commission
<b>617 paise</b> per unit, Subject to a monthly minimum <b>of Rs.50 per installation per month.</b>	-Nil- Fully subsidized by GoK

**\*Since GOK is meeting the full cost of supply to BJ / KJ installations, the Tariff payable by these Consumers is shown as nil. However, if the GOK does not release the subsidy in advance, a Tariff of Rs.6.17 per unit subject to a monthly minimum of Rs.50 per installation per month, shall be demanded and collected from these consumers.**

**2. LT2 - Domestic Consumers:****HUKERI RECS's Proposal:**

The details of the existing and proposed tariff under this category are given in the following Table:

**Proposed Tariff for LT-2 (a)**  
**LT-2 a (i) Domestic Consumers Category**  
**Applicable to areas coming under City Municipal Corporations and all Urban Local Bodies**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	For the first KW Rs.60	For the first KW Rs.60
	For every additional KW Rs.70	For every additional KW Rs.70
Energy Charges 0-30 units <b>(life line Consumption )</b>	0 to 30 units:370 paise / unit	0 to 30 units: 550 paise/unit
Energy Charges exceeding 30 units per month	31 to 100 units:520 paise / unit	31 to 100 units: 700 paise / unit
	101 to 200 units:675 paise/unit	101 to 200 units: 855 paise/unit
	Above 200 units:780 paise/unit	Above 200 units:960 paise/unit

**LT-2(a)(ii) Domestic Consumers Category  
Applicable to Areas under Village Panchayats**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	For the first KW Rs.45	For the first KW Rs.45
	For every additional KW Rs.60	For every additional KW Rs.60
Energy Charges 0-30 units ( <b>life line Consumption</b> )	Upto 30 units:360 paise/ unit	0 to 30 units:540 paise/unit
Energy Charges exceeding 30 Units per month	31 to 100 units:490 paise/ unit	31 to 100 units:670 paise/ unit
	101 to 200 units:645 paise / unit	101 to 200 units: 825 paise/unit
	Above 200 units: 730 paise / unit	Above 200 units:910 paise/unit

**Commission's decision:**

As in the previous Tariff Order, the Commission decides to continue with the two tier tariff structure in respect of the domestic consumers as shown below:

- (i) Areas coming under City Municipal Corporations and all Urban Local Bodies.
- (ii) Areas under Village Panchayats.

The Commission approves the tariff for this category as follows:

**Approved Tariff for LT 2 (a) (i) Domestic Consumers Category:  
Applicable to Areas coming under City Municipal Corporations and all Urban  
Local Bodies**

Details	Tariff approved by the Commission
Fixed charges per Month	For the first KW: Rs.70/-
	For every additional KW Rs.80/-
Energy Charges upto 30 units per month (0-30 units)- <b>life line consumption.</b>	Upto 30 units:395 paise/unit
Energy Charges in case the consumption exceeds 30 units per month	31 to 100 units: 545 paise/unit
	101 to 200 units: 700 paise/unit
	Above 200 units: 805 paise/unit



**Approved Tariff for LT-2(a) (ii) Domestic Consumers Category:  
Applicable to Areas under Village Panchayats**

Details	Tariff approved by the Commission
Fixed Charges per Month	For the first KW: Rs.55 /-
	For every additional KW Rs.70/-
Energy Charges upto 30 units per month (0-30 Units)- <b>Lifeline Consumption</b>	Upto 30 units: 385 paise/unit
Energy Charges in case the consumption exceeds 30 units per month	31 to 100 units: 515 paise/unit
	101 to 200 units: 670 paise/unit
	Above 200 units:755 paise/ unit

**LT2 (b) Private and Professional Educational Institutions, Private Hospitals and  
Nursing Homes:**

**HUKERI RECS's Proposal:**

The details of the existing and the proposed tariff under this category are given in the following Table:

**LT 2 (b) (i)Applicable to areas under City Municipal Corporations Areas and all  
Urban Local Bodies**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Rs.75 Per KW subject to a minimum of Rs.100 per month	Rs.75 Per KW subject to a minimum of Rs.100 per month
Energy Charges	For the first 200 units: 690 paise per unit	For the first 200 units : 870 paise per unit
	Above 200 units: 815 paise per unit	For the balance units : 995 paise per unit

**LT 2 (b)(ii) Applicable to Areas under Village Panchayats**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Rs.65 per KW subject to a minimum of Rs.85 per Month	Rs.65 per KW subject to a minimum of Rs.85 per Month
Energy Charges	For the first 200 units: 635 paise per unit	For the first 200 units:815 paise per unit
	Above 200 units: 760 paise per unit	For the balance units:940 paise per unit

**Commission's decision:**

As in the previous Tariff Order, the Commission decides to continue the two tier tariff structure as follows:

- (i) Areas coming under City Municipal Corporation and all urban local bodies.
- (ii) Areas under Village Panchayats.

**Approved Tariff for LT 2 (b) (i)  
Private Professional and other private Educational Institutions, Private Hospitals  
and Nursing Homes**

**Applicable to areas under City Municipal Corporations and all other urban  
Local Bodies.**

Details	Tariff approved by the Commission
Fixed Charges per Month	Rs.85 per KW subject to a minimum of Rs.110 per Month
Energy Charges	0-200 units: 715 paise/unit
	Above 200 units: 840 paise/unit

**Approved Tariff for LT 2 (b) (ii)  
Private Professional and other private Educational Institutions, Private Hospitals  
and Nursing Homes**

**Applicable to Areas under Village Panchayats**

Details	Tariff approved by the Commission
Fixed Charges per Month	Rs.75 per KW subject to a minimum of Rs.95 per Month
Energy Charges	0-200 units: 660 paise/unit
	Above 200 units: 785 paise/unit

**3. LT3- Commercial Lighting, Heating & Motive Power:****HUKERI RECS's Proposal:**

The existing and proposed tariffs are as follows:

**LT- 3 (i) Commercial Lighting, Heating & Motive Power**

**Applicable to Areas coming under City Municipal Corporation and urban local bodies**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.80 per KW	Rs.80 per KW
Energy Charges	For the first 50 units:800 paise per unit	For the first 50 units:980 paise per unit
	For the balance units:900 paise per unit	For the balance units: 1080 paise per unit

**Demand Based Tariff (optional) where sanctioned load is above 5 KW but below 50 KW.**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges	Rs.95 per KW	Rs.95 per KW
Energy Charges	For the first 50 units:800 paise per unit	For the first 50 units:980 paise per unit
	For the balance units:900 paise per unit	For the balance units:1080 paise per unit

**LT-3 (ii) Commercial Lighting, Heating & Motive**

**Applicable to areas under Village Panchayats**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Rs.70 per KW	Rs.70 per KW
Energy Charges	For the first 50 units: 750 paise per unit	For the first 50 units: 930 paise per unit
	For the balance units: 850 paise per unit	For the balance units: 1030 paise per unit

**Demand Based Tariff (optional) where sanctioned load is above 5 KW but below 50 KW**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Rs.85 per KW	Rs.85 per KW
Energy Charges	For the first 50 units: 750 paise per unit	For the first 50 units: 930 paise per unit
	For the balance units: 850 paise per unit	For the balance units: 1030 paise per unit

**Commission's Views/ Decision:**

As in the previous Tariff Order, the Commission decides to continue with the two tier tariff structure as below:

- (i) Areas coming under City Municipal Corporations and other urban local bodies.
- (ii) Areas under Village Panchayats.

**Approved Tariff for LT- 3 (i) Commercial Lighting, Heating & Motive  
Applicable to areas under City Municipal Corporations and other Urban Local  
Bodies**

Details	Tariff Approved by the Commission
Fixed Charges per Month	Rs.90 per KW
Energy Charges	For the first 50 units: 825 paise/ unit
	For the balance units: 925 paise/unit

**Approved Tariff for Demand Based Tariff (Optional) where sanctioned load is  
above 5 kW but below 50 kW**

Details	Tariff Approved by the Commission
Fixed Charges per Month	Rs.105 per KW
Energy Charges	For the first 50 units: 825 paise /unit
	For the balance units: 925 paise/unit

**Approved Tariff forLT-3 (ii) Commercial Lighting, Heating and Motive  
Applicable to areas under Village Panchayats**

Details	Tariff Approved by the Commission
Fixed charges per Month	Rs. 80 per KW
Energy Charges	For the first 50 units: 775 paise per unit
	For the balance units: 875 paise per unit

**Approved Tariff for Demand Based Tariff (Optional) where sanctioned load is above 5 kW but below 50 kW**

Details	Tariff Approved by the Commission
Fixed Charges per Month	Rs.95 per KW
Energy Charges	For the first 50 units: 775 paise per unit
	For the balance units: 875 paise per unit

**4. LT4-Irrigation Pump Sets:**

**HUKERI RECS's Proposal:**

The existing and proposed tariff for LT4 (a) are as follows:

**LT-4 (a) Irrigation Pump Sets**

**Applicable to IP sets up to and inclusive of 10 HP**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Nil	Nil
Energy charges	CDT 600 paise per unit	CDT 780 paise per unit

**Commission's Decision**

The Government of Karnataka has extended free supply of power to farmers as per the Government Order No. EN 55 PSR 2008 dated 04.09.2008. As per this policy of GoK, the entire cost of supply to IP sets upto and inclusive of 10 HP is being borne by the GoK through tariff subsidy. In view of this, all the consumers under the existing LT-4(a) tariff are covered under free supply of power.

Considering the cross subsidy contribution from categories other than IP Sets and BJ/KJ Categories, the Commission determines the tariff for IP Sets under LT4(a) category as follows:

**Approved CDT for IP Sets for FY21**

Particulars	HUKERI RECS
Approved ARR in Rs. Crores	168.241
Revenue from other than IP & BJ/KJ installations in Rs. Crores	52.882
Amount to be recovered from IP & BJ/KJ installations in Rs. Crores	115.359
Approved Sales to BJ/KJ installations in MU	3.829
Revenue from BJ/KJ installations at Average Cost of supply in Rs. Crores	2.362
Amount to be recovered from IP Sets category in Rs. Crores	112.997
Approved Sale to IP Sets in MU	191.520
<b>Commission Determined Tariff (CDT) for IP set Category for FY21 in Rs/Unit</b>	<b>5.90</b>

Accordingly, the Commission decides to approve tariff of **Rs.5.90 per unit** as CDT for FY20 for IP Set category under LT4 (a). In case the GoK does not release the subsidy in advance, the tariff of **Rs.5.90 per unit** shall be demanded and collected from these consumers.

**Approved by the Commission  
LT-4 (a) Irrigation Pump Sets  
Applicable to IP sets up to and inclusive of 10 HP**

Details	Tariff Approved by the Commission
Fixed charges per Month Energy charges	Nil*
<b>CDT (Commission Determined Tariff): 590 paise per unit</b>	

*\* In case the GoK does not release the subsidy in advance, a tariff of Rs.5.90 per unit shall be demanded and collected from these consumers.*

The Commission has been issuing directives to ESCOMs including HRECs for conducting Energy Audit at the Distribution Transformer Centre (DTC)/feeder level for proper assessment of distribution losses and to enable detection and prevention of commercial loss. In view of completion of the reasonable progress in implementation of feeder segregation under NJY scheme, the ESCOMs including HRECs were also directed to submit IP set consumption on the basis of

the meter readings of the 11 kV feeders at the substation level duly deducting the energy losses in 11kV lines, distribution transformers & LT lines, in order to compute the consumption of power by IP sets accurately. Further, in the Tariff Order 2016 and in the subsequent tariff Orders, the ESCOMs including HRECs were also directed to take up enumeration of IP sets, 11 KV feeder-wise by capturing the GPS co-ordinates of each live IP set in their jurisdiction. In this regard, the Commission has noted that the HRECs has partly complied with these directions and have initiated measures to achieve full compliance. The HRECs need to ensure early full compliance as this has direct impact on their revenues and tariff payable by other categories of consumers.

The Government of Karnataka in the budget for the financial year 2020-21 has allocated an amount of Rs.11250.00\_Crores for the subsidized supply to BJ/KJ and IP sets installations in accordance with the Policy of the Government in the matter of free supply to BJ/KJ consumers (consuming up to 40 Units) and IP sets consumers with a sanctioned load of 10 HP and below. Accordingly, the Commission is of the view that, to tide over the present precarious financial situation, the ESCOMs and Hukeri RECS need to minimise their subsidy requirement to the extent of amount of subsidy provided in the budget by restricting the power supply to IP installations.

The Commission notes that, as per the provisions of the Electricity Act, 2003 and the Policy of the State Government to supply free power to BJ/KJ installations (consuming up to 40 Units per month) and IP Sets installations having sanctioned load of 10 HP and below, the Government has to fully meet the cost of such subsidized supply. The Commission makes it clear that any short fall in subsidy on account of increase in the IP sales beyond the sales approved by the Commission will not be passed on to the GoK unless there is any consent /commitment from the GoK and also on to the other consumers, who are already paying tariffs with high level of cross subsidies. Any increase on such higher tariff of other consumers would correspondingly increase the cross subsidy levels, which would be against the provisions of the Electricity Act and the Tariff

Policy, that emphasize gradual reduction in cross subsidy at a level not exceeding plus or minus 20% of the cost of supply.

**Under the circumstances, the Commission directs the ESCOMs and Hukeri RECS as follows:**

The ESCOMs including Hukeri RECS shall manage supply of power to the IP sets for the FY21, to ensure that it is within the quantum of subsidy committed by the GoK. While doing so, they shall procure power proportionate to such supply. In case the ESCOMs and Hukeri RECS choose to supply power to the IP sets in excess of IP Sales approved by the Commission as per the consent /commitment from the GOK or than to the quantum proportionate to the amount of subsidy made available by the GoK for FY21, the difference in the amount of subsidy relating to such supply shall be claimed from the GoK. If the difference in subsidy is not paid by the GoK, the same shall be collected from the IP set consumers.

In case the ESCOMs and Hukeri RECS choose to supply power to the IP sets in excess of IP Sales approved by the Commission without obtaining the consent /commitment from the GoK, the cost of such excess quantum of power and the subsidy amount thereon will not be considered and passed on to the other consumers/GoK.

#### **LT4 (b) Irrigation Pump Sets above 10 HP:**

##### **HUKERI RECS's Proposal**

The Existing and proposed tariff for LT-4(b) category are as follows:

#### **LT-4 (b) Irrigation Pump Sets: Applicable to IP Sets above 10 HP**

<b>Details</b>	<b>Existing as per 2019 Tariff Order</b>	<b>Proposed by HUKERI RECS</b>
Fixed charges per Month	Rs.70 per HP	Rs.70 per HP
Energy charges for the entire consumption	350 paise per unit	530 paise per unit



The existing and proposed tariff for LT4(c) are as follows:

**LT-4 (c) Tariff category:**

**LT-4 (c) (i) - Applicable to Private Horticultural Nurseries, Coffee, Tea & Rubber plantations up to & inclusive of 10 HP**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.60 per HP	Rs.60 per HP
Energy charges for the entire consumption	350 paise per unit	530 paise per unit

**LT-4 (c) (ii) - Applicable to Private Horticultural Nurseries, Coffee, Tea & Rubber plantations above 10 HP**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.70 per HP	Rs.70 per HP
Energy charges for the entire consumption	350 paise per unit	530 paise per unit

**Approved Tariff:**

The Commission decides to revise the tariff in respect of these categories as shown below:

**LT-4 (b) Irrigation Pump Sets:  
Applicable to IP Sets above 10 HP**

Details	Tariff approved by the Commission
Fixed charges per Month	Rs.80 per HP
Energy charges for the entire consumption	375 paise/unit

The existing and proposed tariff for LT4(c) is as follows:

**LT4(c) (i) - Applicable to Horticultural Nurseries, Coffee, Tea & Rubber plantations up to & inclusive of 10 HP**

Details	Tariff approved by the Commission
Fixed charges per Month	Rs.70 per HP
Energy charges	375 paise / unit

**LT4 (c)(ii) - Applicable to Horticultural Nurseries, Coffee, Tea & Rubber plantations above 10 HP**

Details	Tariff approved by the Commission
Fixed charges per Month	Rs.80 per HP
Energy charges	375 paise/unit

**5. LT5 Installations-LT Industries:**

**HUKERI RECS's Proposal:**

The existing and proposed tariffs under this category are given below:

**LT-5 (a) LT Industries:**

**Applicable to areas under City Municipal Corporation**

**i) Fixed charges**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	i) Rs. 55 per HP for 5 HP & below ii) Rs. 60 per HP for above 5 HP & below 40 HP iii) Rs. 80 per HP for 40 HP & above but below 67 HP iv)Rs. 140 per HP for 67 HP & above	<b>Not applicable/ Proposed</b>

**Demand based Tariff (Optional)**

Details	Description	Existing Tariff as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Above 5 HP and less than 40 HP	Rs.75 per KW of billing demand	Not applicable/Proposed
	40 HP and above but less than 67 HP	Rs.105 per KW of billing demand	
	67 HP and above	Rs.190 per KW of billing demand	

**ii) Energy Charges**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
For the first 500 units	545 paise per unit	Not applicable/Proposed
For next 500 units	645 paise per unit	
For the balance unit	675 paise per unit	

**LT-5 (b) LT Industries:****Applicable to all areas other than those covered under LT-5(a)****i) Fixed charges**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	i)Rs.45 per HP for 5 HP & below ii) Rs.55 per HP for above 5 HP & below 40 HP iii) Rs.75 per HP for 40 HP & above but below 67 HP iv)Rs.125 per HP for 67 HP & above	i) Rs.45 per HP for 5 HP & below ii) Rs.55 per HP for above 5 HP & below 40 HP iii) Rs.75 per HP for 40 HP & above but below 67 HP iv)Rs.125 per HP for 67 HP & above

**Demand based Tariff (optional)**

Details	Description	Existing Tariff as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed Charges per Month	Above 5 HP and less than 40 HP	Rs.70 per KW of billing demand	Rs.70 per KW of billing demand
	40 HP and above but less than 67 HP	Rs.100 per KW of billing demand	Rs.100 per KW of billing demand
	67 HP and above	Rs.180 per KW of billing demand	Rs.180 per KW of billing demand

**ii) Energy Charges**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
For the first 500 units	535 paise per unit	715 paise/ unit
For the next 500 units	630 paise per unit	810 paise/ unit
For the balance units	660 paise per unit	840 paise/ unit

**Existing ToD Tariff for LT5 (a) & (b): At the option of the consumers****ToD Tariff**

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 hrs	0
18.00 Hrs to 22.00 Hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Proposed ToD Tariff for LT5 (a) & (b): At the option of the consumers****ToD Tariff**

Time of Day	Increase (+ )/ reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 hrs	0
18.00 Hrs to 22.00 Hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Commission's Decision:****Time of the Day Tariff:**

The decision of the Commission in its earlier Tariff Orders, providing for mandatory Time of Day Tariff for HT2(a), HT2(b) and HT2(c) consumers with a contract demand of 500 KVA and above is continued. The existing optional ToD will continue for HT2(a), HT2(b) and HT2(c) consumers with contract demand of less than 500 KVA. Further, for LT5 and HT1 consumers, the existing optional ToD is continued.

The Commission decides to continue with two tier tariff structure introduced in the previous Tariff Orders, which are as follows:

- i) LT5 (a): For areas falling under City Municipal Corporations
- ii) LT5 (b): For areas other than those covered under LT5 (a) above.

**Approved Tariff:**

The Commission approves the tariff under LT 5 (a) and LT 5 (b) categories as given below:

**Approved Tariff for LT 5 (a):****Applicable to areas under City Municipal Corporations****i) Fixed charges**

Details	Tariff approved by the Commission
Fixed Charges per Month	i) Rs.65 per HP for 5 HP & below ii) Rs. 70 per HP for above 5 HP & below 40 HP iii) Rs.90 per HP for 40 HP & above but below 67 HP iv) Rs.150 per HP for 67 HP & above

**Demand Based Tariff (optional)**

Fixed Charges per Month	Above 5 HP and less than 40 HP	Rs.85 per KW of billing demand
	40 HP and above but less than 67 HP	Rs.115 per KW of billing demand
	67 HP and above	Rs.200 per KW of billing demand

**ii) Energy Charges**

Details	Tariff approved by the Commission
For the first 500 units	570 paise/unit
For the next 500 units	670 paise/ unit
For the balance units	700 paise/ unit

**Approved Tariff for LT 5 (b):**

**Applicable to all areas other than those covered under LT-5(a)**

**i) Fixed charges**

Details	Tariff approved by the Commission
Fixed Charges per Month	i) Rs.55 per HP for 5 HP & below ii) Rs.65 per HP for above 5 HP & below 40 HP iii) Rs.85 per HP for 40 HP & above but below 67 HP iv)Rs.135 per HP for 67 HP & above

**ii) Demand Based Tariff (optional)**

Details	Description	Tariff approved by the Commission
Fixed Charges per Month	Above 5 HP and less than 40 HP	Rs.80 per KW of billing demand
	40 HP and above but less than 67 HP	Rs.110 per KW of billing demand
	67 HP and above	Rs.190 per KW of billing demand

**iii) Energy Charges**

Details	Tariff approved by the Commission
For the first 500 units	560 paise/ unit
For the next 500 units	655 paise/ unit
For the balance units	685 paise/unit

As discussed earlier in this Chapter, the approved ToD Tariff for LT5 (a) & (b): At the option of the consumers

#### ToD Tariff

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	0
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

#### 6. LT6 Water Supply Installations and Street Lights:

##### HUKERI RECS's Proposal:

The existing and the proposed tariffs are given below:

##### LT-6(a) : Water Supply

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.75/HP/month	Rs.75/HP/month
Energy charges	460 paise/unit	640 paise/unit

##### LT-6 (b) : Public Lighting

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Fixed charges per Month	Rs.90/KW/month	Rs.90/KW/month
Energy charges without LED bulbs	625 paise/unit	805 paise/unit
<b>Energy charges for LED / Induction</b>	<b>525 paise/unit</b>	<b>705 paise/unit</b>

##### LT-6( c) Electric Vehicle Charging Stations for both LT & HT

Details		Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Under LT Supply	Fixed charges per KW	Rs.60 /KW/month	Rs.60 /KW/month
Under HT Supply	DC per KVA	Rs.190 /KW/month	Rs.190 /KW/month
	Energy charges per KWH for both LT & HT)	500 paise/unit	680 paise/unit

**Commission's Decision:**

During the public hearing and the representation received from the stakeholders, they have requested to include the Electric Vehicle Battery Swapping Stations, which is considered as essential to promote usage of more clean / environmental friendly electric vehicle in the State. The Commission with a view to promote the usage of e-vehicle in the State and also to achieve the target set by the GoI / GoK, decides to categorise and include power supply to Electric Vehicle Battery Swapping Station installations also under LT 6(c ) tariff schedule.

The Commission approves the tariff for these categories as follows:

**Tariff Approved by the Commission for LT-6 (a): Water supply**

Details	Tariff approved by the Commission
Fixed Charges per Month	Rs.85 /HP/month
Energy charges	485 paise/unit

**Tariff Approved by the Commission for LT-6 (b): Public Lighting**

Details	Tariff approved by the Commission
Fixed charges per Month	Rs.100 /KW/month
Energy charges	650 paise/unit
<b>Energy charges for LED / Induction Lighting</b>	<b>545 paise/unit</b>

**Tariff Approved by the Commission for LT-6 (c) – Electric Vehicle Charging Stations\* /Battery Swapping Stations\***

Details		Tariff approved by the Commission
Under LT Supply	Fixed charges per KW	Rs.70 /KW/month
Under HT Supply	DC per KVA	Rs.200 /KW/month
	Energy charges per KWH for both LT & HT)	500 paise/unit

\* Definition as per MoP's "Charging Infrastructure for Electric Vehicles – Guidelines & Standards"

**7. LT 7- Temporary Supply & Permanent supply to Advertising Hoardings:****HUKERI RECS's Proposal:**

The existing rate and the proposed rate are given below:

**Tariff Schedule LT-7(a)**  
**Applicable to Temporary power Supply for all purposes.**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Less than 67 HP:	Energy charge at 1060 paise per unit subject to a weekly minimum of Rs.210 per KW of the sanctioned load.	Energy charge at 1240 paise per unit subject to a weekly minimum of Rs.210 per KW of the sanctioned load.

**TARIFF SCHEDULE LT-7(b)**

**Applicable to power supply to Hoardings & Advertisement boards  
on Permanent connection basis**

Details	Existing as per 2019 Tariff Order	Proposed by HUKERI RECS
Less than 67 HP:	Fixed Charge Rs.85 per KW/ month of the sanctioned load	Fixed Charge Rs.85 per KW/ month of the sanctioned load
	Energy charge at 1060 paise per unit	Energy charge at 1240 paise per unit

**Commission's decision**

As decided in the previous Tariff Order, the tariff specified for installations with sanctioned load / contract demand above 67 HP shall continue to be covered under the HT temporary tariff category under HT5.

With this, the Commission decides to approve the tariff for LT-7 category as follows:

**TARIFF SCHEDULE LT-7(a)****Tariff approved to Temporary Power Supply for all purposes.**

LT 7(a)	Details	Tariff approved by the Commission
Temporary Power Supply for all purposes.	Less than 67 HP:	Energy charges at 1100 paise / unit subject to a weekly minimum of Rs.225 per KW of the sanctioned load.



**TARIFF SCHEDULE LT-7(b)**

**Tariff approved to Hoardings & Advertisement boards, Bus Shelters with Advertising Boards, Private Advertising Posts / Sign boards in the interest of public such as Police Canopy Direction boards, and other sign boards sponsored by Private Advertising Agencies / firms on permanent connection basis.**

LT 7(b)	Details	Tariff approved by the Commission
Power supply on permanent connection basis	Less than 67 HP:	Fixed Charges at Rs.100 per KW / month
		Energy charges at 1100 paise / unit

**H.T. Categories:****Time of Day Tariff (ToD)**

The Commission decides to continue the mandatory Time of Day Tariff for HT2 (a), HT-2(b) and HT2(c) consumers with a contract demand of 500 KVA and above. Further, the optional ToD will continue as existing for HT2 (a), HT-2(b) and HT2 (c) consumers with contract demand of less than 500 KVA. The details of ToD tariff are indicated under the respective tariff category.

**The increase in billing demand to 85% of the CD, is hereby continued for billing of all the HT installations.**

**8. HT1- Water Supply & Sewerage****HUKERI RECS's Proposal:**

The existing and proposed tariff is as given below:

**The Existing and the proposed tariff – HT-1 Water Supply and Sewerage Installations**

Details	Existing tariff as per 2019 Tariff Order	Proposed Tariffs by HUKERI RECS
Demand charges	Rs.210 / kVA of billing demand / month	Rs.210 / kVA for billing demand / month
Energy charges	520 paise per unit	700 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 energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Proposed ToD Tariff to HT-1 category:**

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Commission's decision:**

As discussed earlier in this Chapter, the Commission approves the tariff for HT 1

**Water Supply & Sewerage category as below:**

Details	Tariff approved by the Commission for HT 1
Demand charges	Rs.220 / kVA of billing demand / month
Energy charges	545 paise/ unit

**As discussed earlier in this Chapter, the approved ToD tariff to HT-1 tariff to Water Supply & Sewerage installations at the option of the consumer is as follows**

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
<b>06.00 Hrs. to 10.00 Hrs</b>	<b>0</b>
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	(+)100 paise per unit
22.00 Hrs to 06.00 Hrs next day	(-) 100 paise per unit

**9. HT2 (a) – HT Industries****HUKERI RECS's Proposal:**

The existing and proposed tariff are as given below:

**HT – 2 (a) HT Industries  
Applicable to all areas of HUKERI RECS**

Details	Existing tariff as per Tariff Order 2019	Proposed Tariff by HUKERI RECS
Demand charges	Rs. 210 / kVA of billing demand / month	Rs. 210 / kVA of billing demand / month
Energy charges		
(i) For the first one lakh units	695 paise per unit	875 paise per unit
(ii) For the balance units	720 paise per unit	900 paise per unit

**Tariff applicable to Railway traction**

Details	Existing tariff as per Tariff order 2019	Tariff Proposed by HUKERI RECS
Demand charges	Rs. 220 / kVA at billing demand / month	Rs. 220 / kVA of billing demand / month
Energy charges	620 paise per unit for all the units	800 paise per unit for all the units

**Effluent Treatment Plants independently serviced outside the premises of any installation under both HT2(a)**

Details	Existing tariff as per Tariff order 2019	Tariff Proposed by HUKERI RECS
Demand charges	Rs. 220 / kVA of billing demand / month	Rs. 220 / kVA of billing demand / month
Energy charges	660 paise / unit for all the units	840 paise / unit for all the units

**Existing ToD Tariff for HT-2(a)**

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 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
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Commission's Decision:**

Commission continues to allow billing of the electricity consumed by the Effluent Treatment Plants and Drainage Water Treatment plants from the main meter or by sub-meter, at the same respective tariff schedule as applicable to the installations for which the power supply is availed.

**Approved Tariff for HT – 2 (a)**

As discussed earlier in this chapter, the Commission approves the tariff for HT 2(a) category as below:

**i) Approved Tariff for HT2(a)****Applicable to all areas under HUKERI RECS**

Details	Tariff approved by the Commission
Demand charges	Rs.220 / kVA of billing demand / month
Energy charges	
For the first one lakh units	720 paise/ unit
For the balance units	745 paise/ unit

**As discussed earlier in this Chapter, the approved ToD tariff to HT2(a) tariff.**

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
<b>06.00 Hrs to 10.00 Hrs</b>	<b>0</b>
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Note: ToD Tariff is not applicable to Railway Traction installations.**

**i) Railway Traction under HT2(a)**

Details	Tariff approved by the Commission
Demand charges	Rs. 230 / kVA of billing demand / month
Energy charges	645 paise / unit for all the units

**The Commission, by considering the concessional tariff extended to the Railway traction, decides that Special Incentive Scheme and ToD tariff shall not be extended to the Railway traction installations.**

**ii) Effluent Treatment Plants independently serviced outside the premises of any installation under HT2(a)**

Details	Tariff approved by the Commission
Demand charges	Rs.230 / kVA of billing demand / month
Energy charges	685 paise / unit for all the units

**Note: The ToD tariff is applicable to these installations, if the New Special Incentive Scheme is not opted.**

**10. HT-2 (b) HT Commercial****HUKERI RECS's Proposal:**

The existing and proposed tariff are as given below:

**Existing and proposed tariff HT – 2 (b) HT Commercial****Applicable to all areas of HUKERI RECS**

Details	Existing tariff as per Tariff Order 2019	Tariff Proposed by HUKERI RECS
Demand charges	Rs.230 / kVA of billing demand / month	Rs.230 / kVA of billing demand / month
Energy charges		
(i) For the first two lakh units	865 paise per unit	1045 paise per unit
(ii) For the balance units	875 paise per unit	1055 paise per unit

**Existing ToD Tariff for HT-2(b)**

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 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
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Commission's Decision:**

The Commission as approved in its Tariff Order 2019 dated 30<sup>th</sup> May,2019,decides to continue to include all the activities listed under LT3 tariff schedule shall also be considered to be billed under HT2(b) tariff schedule by including the additional nomenclature – "all the activities listed under LT3 tariff schedule and not included under HT2(b) tariff schedule shall be classified and billed under HT-2(b), if they avail power under HT supply".

As discussed earlier in this chapter, the Commission approves the following tariff for HT 2 (b) consumers:

**Approved tariff for HT – 2 (b) - HT Commercial - Applicable to all areas of HUKERI RECS**

Details	Tariff approved by the Commission
Demand charges	Rs.240 / kVA of billing demand / month
Energy charges	
(i) For the first two lakh units	890 paise per unit
(ii) For the balance units	900 paise per unit

**Approved ToD Tariff for HT-2(b)**

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
<b>06.00 Hrs. to 10.00 Hrs</b>	<b>0</b>
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	(+)100 paise per unit
22.00 Hrs to 06.00 Hrs next day	(-)100 paise per unit

**11. HT – 2 (c) – Applicable to Hospitals and Educational Institutions:**

The existing and proposed tariff are as follows:

**Existing and proposed tariff for HT – 2 (c) (i)  
Applicable to Government Hospitals & Hospitals run by Charitable Institutions & ESI  
Hospitals and  
Universities, Educational Institutions belonging to Government, Local Bodies and Aided  
Educational Institutions and Hostels of all Educational Institutions.**

Details	Existing tariff as per Tariff Order 2019	Tariff Proposed by HUKERI RECS
Demand charges	Rs.210 / kVA of billing demand / month	Rs.210 / kVA of billing demand / month
Energy charges		
(i) For the first one lakh units	680 paise per unit	860 paise per unit
(ii) For the balance units	720 paise per unit	900 paise per unit

**Existing and proposed tariff for HT – 2 (c) (ii) –**

**Applicable to Hospitals and Educational Institutions other than those covered under HT2(c) (i)**

Details	Existing tariff as per Tariff Order 2019	Tariff Proposed by HUKERI RECS
Demand charges	Rs. 210 / kVA of billing demand / month	Rs. 210 / kVA of billing demand / month
Energy charges		
(i) For the first one lakh units	780 paise per unit	960 paise per unit
(ii) For the balance units	820 paise per unit	1000 paise per unit

**Existing ToD Tariff for HT-2(c)(i) & (ii)**

Time of Day	Increase (+) / reduction (-) in energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Proposed ToD Tariff for HT-2 HT-2(c)(i) & (ii)**

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs to 10.00 Hrs	(+) 100 paise per unit
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 hrs	(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs	(-) 100 paise per unit

**Commission's Decision:**

The Commission approves the following tariff for HT2(c) consumers.

**Approved tariff for HT – 2 (c) (i)**

**Applicable to Government Hospitals, Hospitals run by Charitable Institutions, ESI Hospitals,**

**Universities and Educational Institutions belonging to Government & Local Bodies, Aided Educational Institutions and Hostels of all Educational Institutions**

Details	Tariff approved by the Commission
Demand charges	Rs.220 / kVA of billing demand / month
Energy charges	
(i) For the first one lakh units	705 paise per unit
(ii) For the balance units	745 paise per unit

**Approved tariff for HT – 2 (c) (ii)**

**Applicable to Hospitals/Educational Institutions other than those covered under HT2(c) (i)**

Details	Tariff approved by the Commission
Demand charges	Rs.220 / kVA of billing demand / month
Energy charges	
(i) For the first one lakh units	805 paise per unit
(ii) For the balance units	845 paise per unit



**Approved ToD Tariff for HT-2 HT-2(c)(i) & (ii)**

Time of day	Increase (+) / reduction (-) in the energy charges over the normal tariff applicable
06.00 Hrs. to 10.00 Hrs	0
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	(+)100 paise per unit
22.00 Hrs to 06.00 Hrs next day	(-)100 paise per unit

**12. HT-3(a) Lift Irrigation Schemes under Government Departments / Government owned Corporations/ Lift Irrigation Schemes under Pvt./Societies:**

The existing and proposed tariff are given below:

**Existing and proposed tariff for HT – 3 (a) –Lift Irrigation Schemes****HT 3(a) (i) Applicable to LI Schemes under Government Departments / Government owned Corporations.**

Details	Existing charges as per Tariff Order 2019	Proposed charges by HUKERI RECS
Energy charges/ Minimum charges	275 paise / unit Subject to an annual minimum of Rs.1480 per HP / annum	455 paise / unit Subject to an annual minimum of Rs. 1480 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 2019	Proposed by HUKERI RECS
Fixed charges	Rs. 70 / HP / Month of sanctioned load	Rs.70 / HP / Month of sanctioned load
Energy charges	275 paise / unit	455 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 2019	Proposed by HUKERI RECS
Fixed charges	Rs.50 / HP / Month of sanctioned load	Rs.50 / HP / Month of sanctioned load
Energy charges	275 paise / unit	455 paise / unit

**Commission's Decision:**

The Commission approves the following tariff for HT3(a) consumers:

**Approved tariff for HT 3 (a) (i)  
Applicable to LI schemes under Govt. Dept. / Govt. owned Corporations**

Details	Tariff approved by the Commission
Energy charges / Minimum charges	300 paise/ unit subject to an annual minimum of Rs.1600 per HP / annum

**Approved tariff for HT 3 (a) (ii)**

**Applicable to Private LI Schemes and Lift Irrigation Societies fed through express  
/ urban feeders**

Details	Tariff approved by the Commission
Fixed charges	Rs.80 / HP / Month of sanctioned load
Energy charges	300 paise / unit

**Approved tariff for HT 3 (a) (iii)**

**Applicable to Private LI Schemes and Lift Irrigation Societies other than  
those covered under HT 3 (a) (ii)**

Details	Tariff approved by the Commission
Fixed charges	Rs.60 / HP / Month of sanctioned load
Energy charges	300 paise / unit

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

**HUKERI RECS's Proposal:**

The existing and the proposed tariff are given below:

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

Details	Existing Tariff Order 2019	Proposed tariff by HUKERI RECS
Energy charges /minimum charges	475 paise / unit subject to an annual minimum of Rs.1480 per HP of sanctioned load	655 paise / unit subject to an annual minimum of Rs.1480 per HP of sanctioned load

**Commission's Decision:**

The Commission approves the tariff for this category as indicated below:

**Approved Tariff**

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

Details	Tariff approved by the Commission
Energy charges / minimum charges	500 paise / unit subject to an annual minimum of Rs.1600 per HP of sanctioned load

**14. HT4- Residential Apartments/ Colonies:**

**HUKERI RECS's Proposal:**

The existing and the proposed tariff for this category are given below:

**Existing and proposed tariff for HT – 4 - Residential Apartments/ Colonies  
HT – 4 Applicable to all areas.**

Details	Existing Tariff Order 2019	Tariff Proposed by HUKERI RECS
Demand charges	Rs.130 / kVA of billing demand	Rs.130 / kVA of billing demand
Energy charges	665 paise per unit	845 paise/ unit

**Commission's Decision**

As discussed earlier in this chapter, the Commission approves the tariff for this category as indicated below:

**Approved tariff****HT – 4 Residential Apartments/ Colonies Applicable to all areas**

Details	Tariff approved by the Commission
Demand charges	Rs.140 / kVA of billing demand
Energy charges	690 paise/ unit

**15. TARIFF SCHEDULE HT-5****HUKERI RECS's Proposal:**

The existing and the proposed tariffs are given below:

**HT – 5 – Temporary supply**

67 HP and above:	Existing tariff Order 2019	Proposed by Hukeri RECS
Fixed charges / Demand Charges	Rs.260/HP/month for the entire sanction load / contract demand	Rs.260/HP/month for the entire sanction load / contract demand
Energy Charge	1060 paise / unit	1240 paise / unit

**Commission's Views/Decisions:**

The approved tariff in respect of HT-5 is as follows:

**TARIFF SCHEDULE HT-5**

As approved in the Commission's Tariff Order dated 6<sup>th</sup> May, 2013, this Tariff is applicable to 67 HP and above hoardings and advertisement boards and construction power for industries excluding those categories of consumers covered under HT2(b) Tariff schedule availing power supply for construction power for irrigation and power projects and is also applicable to power supply availed on temporary basis with the contract demand of 67 HP and above of all categories.

**Approved Tariff for HT – 5 – Temporary supply**

<b>67 HP and above:</b>	<b>Tariff approved by the Commission</b>
Fixed Charges / Demand Charges	Rs.275 /HP/month <b>for the entire sanction load / contract demand</b>
Energy Charges	1100 paise / unit

The Approved Tariff schedule for FY21 is enclosed in **Annexure – 2** of this Order.

**4.6 Wheeling charges**

HRECS in their Tariff Petition had not submitted the details of wheeling charges & cross subsidy surcharge applicable for FY-21. Hence, the Commission had directed HRECS to submit the same. Hukeri RECS in their replies has stated that there are no consumers who are eligible or willing to wheel electricity at 11 KV level and that the Hon'ble Commission is determining the wheeling charges & cross subsidy surcharge on the basis of the same formula as applied to HESCOM for segregating the ARR between distribution business and retail supply business. Therefore, HRECS has submitted that the same may be followed for FY-21 also.

The Commission has noted the replies furnished by HRECS. Since HRECS has not proposed wheeling charges and has also not provided the segregation of cost between distribution and retail supply business, the Commission has segregated the ARR between distribution business and retail supply business for HRECS in the same proportion as in HESCOM. Further, the allocation of loss is based on the energy flow diagram furnished for FY21 by HRECS. As such the wheeling charges for HRECS is as indicated below:

**4.6.1 Wheeling within HUKERI RECS Area:**

The wheeling charges to each voltage level are worked out as under:

	<b>Paise/unit</b>
HT-network	26.03
LT-network	60.74

In addition to the above, the following technical losses are applicable to all open access/wheeling transactions:

Loss allocation	% loss
HT	5.77
LT	7.06

**Note: Total loss is allocated to HT, LT & Commercial loss based on energy flow diagram furnished by HUKERI RECS.**

The actual wheeling charges payable (after rounding off) will depend upon the point of injection & point of drawal as under:

Injection point →	HT	LT
Drawal point ↓		
HT	26(5.77%)	87(12.83%)
LT	87(12.83%)	61(7.06%)

**Note: Figures in brackets are applicable losses**

The wheeling charges as determined above are applicable to all the open access or wheeling transactions for using the HRECS network only, except for energy transmitted or wheeled from Renewable sources to the consumers within the State.

#### **4.6.2 Wheeling of Energy Using Transmission Network or Network of more than one Licensee**

#### **4.6.3 In case the wheeling of energy [other than RE sources wheeling to consumers within the State] involves usage of Transmission network or network of more than one licensee, the charges shall be as indicated below:**

- i. If only transmission network is used, transmission charges including losses determined by the Commission shall be payable to the Transmission Licensee.
- ii. If the Transmission network and the Distribution licensees' network is used, Transmission Charges shall be payable to the Transmission Licensee, in addition to transmission and distribution licensee technical loss and

Wheeling charges shall be payable to the Distribution licensee where the power is drawn. Wheeling Charges of the Distribution licensee where the power is drawn shall be shared equally among the Distribution licensees whose networks are used.

**Illustration:**

If a transaction involves transmission network and HUKERI RECS's network and 100 units are injected, then at the drawal point the consumer is entitled for 84.52 units, after accounting for Transmission loss of 3.039% & HUKERI RECS's distribution loss (Technical) of 12.83%.

The Transmission charge in cash as determined in the Transmission Tariff Order shall be payable to KPTCL & Wheeling charge of 87 paise per unit shall be payable to HUKERI RECS. In case more than one Distribution licensee is involved, the above 87 paise shall be shared by all the Distribution licensees involved.

iii. If distribution licensees' network only is used, the Wheeling Charges of the distribution licensee where the power is drawn is payable and it shall be shared equally among the distribution licensees whose networks are used.

**Illustration:**

If a transaction involves injection to BESCOM's network & drawal at HUKERI RECS's network, and 100 units are injected, then at the drawal point the consumer is entitled for 87.17 units, after accounting HUKERI RECS's loss of 12.83%.

The Wheeling charge of 87 paise per unit applicable to HUKERI RECS shall be equally shared between HUKERI RECS & BESCOM.

#### **4.6.4 Charges for Wheeling of Energy by RE Sources (Non-REC Route) to Consumers in the State**

The separate Orders issued by the Commission from time to time in the matter of wheeling and banking charges for RE sources (non-rec route) wheeling energy to consumers within the State shall be applicable.

#### 4.6.5 Charges for Wheeling Energy by RE Sources Wheeling Energy from the State to a Consumer/Others Outside the State and for those opting for Renewable Energy Certificate [REC]

In case the renewable energy is wheeled from the State to a consumer or others outside the State, the normal wheeling charges as determined in para 4.6.1 and 4.6.3 of this Order shall be applicable. For Captive RE generators including solar power projects opting for RECs, the wheeling charges as specified in the separate Orders issued by the Commission from time to time shall be applicable.

#### 4.6.6 Banking Charges:

Banking charges as specified in the separate Orders issued by the Commission from time to time shall be applicable.

#### 4.7 Cross Subsidy Surcharge (CSS):

The Commission in its preliminary observations had directed HRECS to furnish CSS applicable for FY-21 along with working details.

In response to the observations made by the Commission, HUKERI RECS has stated that there are no consumers who are eligible or willing to wheel electricity at 11 kV level and therefore, HRECS has submitted that the CSS could be determined on the basis of same formula adopted for HESCOM.

As the Commission has determined a common cross subsidy surcharge for all the ESCOMs, the same shall be applicable to Hukeri RECS also. As such the applicable cross subsidy surcharge is indicated below:

Particulars	Paise/unit	
	66 kV & above	HT level-11 kV/33kV
HT-1 Water Supply	86	38
HT-2a Industries	179	179
HT-2b Commercial	215	215
HT-2 (C)(i)	176	176



Particulars	66 kV & above	HT level-11 kV/33kV
HT-2 (C)(ii)	198	198
HT3 (a)(i) Lift Irrigation	0	0
HT3 (a)(ii) Lift Irrigation	0	0
HT3 (a)(iii) Lift Irrigation	0	0
HT3 (b) Irrigation & Agricultural Farms	0	0
HT-4 Residential Apartments	161	161
HT5 Temporary	301	301

**Note: wherever CSS is one paise or less, it is made zero**

The cross-subsidy surcharge determined in this order shall be applicable to all open access/wheeling transactions in the area coming under HRECS. However, the above CSS shall not be applicable to captive generating plant for carrying electricity to the destination of its own use and for those renewable energy generators who have been exempted from CSS by the specific Orders of the Commission.

The Commission directs the Licensees to account the transactions under open access separately. Further, the Commission directs the Licensees to carry forward the amount realized under Open Access/wheeling to the next ERC, as it is an additional income to the Licensees.

Regarding the CSS for LT categories, the Commission would determine the CSS as and when open access is allowed to LT-consumers.

#### **4.8 Additional Surcharge:**

As regards additional surcharge, the Commission has determined a common additional surcharge for all the ESCOMs and therefore, the same shall be applicable to HRECS also.

Therefore, Additional Surcharge of 80 paise per unit shall be payable by the HT/EHT open access consumers to the concerned distribution licensee on a monthly basis, based on the actual energy drawn during the month, through

Open Access. Further, to encourage renewable sources of power, the Commission decides to levy Additional Surcharge of 20 paise per unit (25% of 80 paise per unit) for the energy procured under OA from Renewable Energy Sources.

#### **4.9 Other Issues:**

##### **4.9.1 Tariff for Green Power:**

In order to encourage generation and use of green power in the State, the Commission decides 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). **The Commission directs ESCOMs including Hukeri RECS to publicise the availability of RE power through newspapers/media/interaction meeting with the industrial consumers.**

##### **4.9.2 Other tariff related issues:**

###### **i) Rebate for use of Solar Water Heater:**

The Distribution licensees have requested the Commission to continue the Solar water heater rebate to consumers, whereas the consumers have requested to increase the Solar water heaters Rebate. Since the use of Solar Water Heaters is advantageous to the ESCOMs /HRECS and the consumers, the Commission decides to retain the existing rebate of 50 paise per unit subject to a maximum of Rs.50 per installation per month for use of solar water heaters.

###### **ii) Prompt payment incentive:**

The Commission had approved a prompt payment incentive at the rate of 0.25% of the bills amount in respect of:

(i) in all cases of payment through ECS;

- (ii) in the case of monthly bill exceeding Rs.1,00,000 (Rs.one lakh), where payment is made 10 days in advance of due date and
- (iii) advance payment of exceeding Rs.1000 made by the consumers towards monthly bills.

The Commission decides to continue the same.

### **iii) Relief to Sick Industries:**

The Government of Karnataka has extended certain reliefs for revival/rehabilitation of sick industries under the New Industrial Policy 2001-06 vide G.O. No. CI 167 SPI 2001, dated 30.06.2001. Further, the Government of Karnataka has issued G.O No.CI2 BIF 2010, dated 21.10.2010. The Commission, in its Tariff Order 2002, had accorded approval for implementation of reliefs to the sick industries as per the Government policy and the same was continued in the subsequent Tariff Orders. However, in view of issue of the G.O No.CI2 BIF 2010, dated 21.10.2010, the Commission has accorded approval to the ESCOMs/Hukeri RECS for implementation of the reliefs extended to sick industrial units for their revival / rehabilitation on the basis of the orders issued by the Commissioner for Industrial Development and Director of Industries & Commerce, Government of Karnataka / National Company Law Tribunal (NCLT).

### **iv) Power Factor(PF):**

The Commission in its previous order had retained the PF threshold limit and surcharge, both for LT and HT installations at the levels existing as in the Tariff Order 2005. The Commission decides to continue the same in the present order as indicated below:

LT Category (covered under LT-3, LT-4, LT-5 & LT-6 where motive power is involved): 0.85

HT Category: 0.90

**v) Rounding off of KW / HP:**

In its Tariff Order 2005, the Commission had approved rounding off of fractions of KW / HP to the nearest quarter KW / HP for the purpose of billing and the minimum billing being for 1 KW / 1HP in respect of all the categories of LT installations including IP sets. This shall continue to be followed. In the case of street light installations, fractions of KW shall be rounded off to the nearest quarter KW for the purpose of billing and the minimum billing shall be for a quarter KW.

**vi) Interest on delayed payment of bills by consumers:**

The Commission, in its previous Order had approved collection of interest on delayed payment of bills at 12% per annum. The Commission decides to continue the same in this Order also.

**vii) Security Deposit (3 MMD/ 2 MMD):**

The Commission had issued the KERC (Security Deposit) Regulations, 2007 on 01.10.2007 and the same has been notified in the Official Gazette on 11.10.2007. The payment of security deposit shall be regulated accordingly.

**viii) Mode of Payment by consumers:**

The Commission, in its previous Tariff Order had approved payment of electricity bills in cash/cheque/DD of amounts up to and inclusive of Rs.10,000 and payment of amounts exceeding Rs.10,000 to be made only through cheque. The consumers can also make payment of power bills through Electronic Clearing System(ECS)/ Credit card/ online E-payment up to the limit prescribed by the RBI, and the collection of power supply bills above Rupees One lakhs through RTGS / NEFT at the option of the consumer.

The Commission as decided in the Tariff Order 2018 dated 14<sup>th</sup> May, 2018, in order to encourage the consumers to opt for digital payments in line with the direction of the MOP, GoI, decides to continue to allow Hukeri RECS to collect payment of monthly power supply bill through **Electronic clearing system (ECS)/**

**Debit / Credit cards / RTGS/ NEFT/ Net Banking through Hukeri RECS / Bank/ Karnataka One websites, on-line E-Payment / Digital mode of payments in line with the guidelines issued and the payment up to the limit prescribed by the RBI wherever such facility is provided by the Licensee and allow HRECS to incur and claim the expenditure on such transaction (wherever applicable) in the ARR. However, the Commission decides to allow HRECS to incur the expenditure on the payment for power supply bills received through Debit / Credit Cards having demand up to Rs.2000/- and below only.**

**ix) Cross Subsidy Levels for FY21:**

The Hon'ble Appellate Tribunal for Electricity (ATE), in its Order dated 8<sup>th</sup> October, 2014, in Appeal No.42 of 2014, has directed the Commission to clearly indicate the variation of anticipated category-wise average revenue realization with respect to overall average cost of supply in order to implement the requirement of the Tariff Policy that tariffs are within  $\pm 20\%$  of the average cost of supply, in the tariff orders being passed in the future. It has further directed the Commission to also indicate category-wise cross subsidy with reference to voltage-wise cost of supply so as to show the cross subsidies transparently.

In the light of the above directions, the variations of the anticipated category-wise average realization with respect to the overall average cost of supply and also with respect to the voltage-wise cost of supply of HRECS and the cross subsidy thereon, is Indicated in ANNEXURE- I of this Order. It is the Commission's endeavour to reduce the cross subsidies gradually as per the Tariff policy.

**x) Effect of Revised Tariff:**

As per the KERC (Tariff) Regulations 2000, read with the MYT Regulations 2006, the Hukeri RECS has to file their applications for ERC/Tariff before 120 days of the close of each financial year in the control period. The Commission observes that the Hukeri RECS have filed their applications for revision of tariff on 27<sup>th</sup> November, 2019. In view of various restrictions / measures including the Lockdown imposed by the GoI/GoK on account pandemic COVID 19, the

Commission in order to cope up with the situation was unable to issue the Tariff Order within the time frame

In view of the prevailing COVID-19 lockdown situation, in order to reduce the burden on consumers the Commission has decided to give effect to the revised Tariff from 1<sup>st</sup> November, 2020.

The Commission has decided to treat the unrecovered revenue of Rs.0.51 Crores as Regulatory Asset as discussed in Chapter-3 of this Order

A statement indicating the proposed revenue and approved revenue is enclosed vide Annexure-I and detailed tariff schedule is enclosed vide Annexure-II.

#### **4.10 Summary of the Tariff Order:**

- The Commission has approved for Hukeri RECS the revised ARR of Rs.168.234 Crores for FY21, which includes the surplus for FY19 of Rs.2.955 Crores as per APR, with a net gap in revenue of Rs.1.136 Crores as against HRECS's proposed ARR of Rs.263.72 Crores.
- Since the Tariff Order is effective from 1<sup>st</sup> of November, 2020, the Commission has allowed recovery of the revenue gap of Rs.0.475 Crores during FY21. The remaining unrecovered revenue gap of Rs.0.665 Crores is treated as Regulatory Asset to be recovered in the next two Financial years i.e. FY22 and FY23.
- HRECS in its filing dated 27.11.2019 had proposed an average increase in the tariff of 180 paise per unit all categories of consumers resulting in average increase in retail supply tariff by 28.43%. The Commission has approved an average increase of 20 paise per unit to 25 paise per unit for all categories of consumers except IP sets.

- The Commission has allowed recovery of additional revenue, partly by increase in fixed charges ranging from Rs.10 per KW/HP/KVA to all categories of consumers wherever applicable and Rs.15 per KW/HP to temporary supply.
- The Commission has allowed recovery of additional revenue, partly by increase in the energy charges in the range of 20 paise per unit to 25 paise per unit to all categories of consumers and 40 paise per unit to temporary supply.
- Time of the day tariff which was made mandatory in the previous Tariff Orders for installations under HT2 (a), HT2 (b) and HT2(c) with contract demand of 500KVA and above **by excluding the morning peak period from 06.00 Hrs to 10.00 Hrs** is continued in this Order except Railway Traction Installation.
- The Commission in order to boost the energy sales and to attract the consumers to consume power from Hukeri RECS has decided to continue the existing Special Incentive Scheme to HT category during FY21.
- The Commission has allowed concessional tariff of Rs.6.45 per unit to the Railway Traction installations.
- The energy consumption of Effluent Treatment Plant and Drainage Water Treatment Plants installed within the premises of the consumer's installations by drawing power from the main meter or through sub-meter will be continued to bill at the respective tariff category for which the power supply is availed for the installation.
- The Commission, by considering the environmental and social benefits in processing of the Solid Waste has decided to continue to bill the power supply arranged to Solid Waste Processing Plant under respective LT/HT Industrial Category.
- The Commission has continued the sub-category of LT-6(c) under LT -6 Tariff Schedule in respect of concessional power supply to the Electric Vehicle Charging Stations **by including the Electric Vehicle battery swapping Stations as well, without increasing the energy charges.**

- Green tariff of additional 50 paise per unit over and above the normal tariff, which was introduced a few years ago for HT industries and HT commercial consumers at their option, to promote purchase of renewable energy from ESCOMs, is continued in this Order.
- The Commission has continued to provide a separate fund for facilitating better Consumer Relations /Consumer Education Programmes.
- The Commission, as decided in the previous tariff Order, has decided to continue to impose penalty up to Rupees one lakh per sub-division on Hukeri RECS if it fails to conduct Consumer Interaction meetings at least once in three months and such penalty would be payable by the concerned officers of the Hukeri RECS.

### **ORDER**

1. **In exercise of the powers conferred on the Commission under Sections 62 and 64 and other provisions of the Electricity Act, 2003, the Commission hereby approves the revised ARR as per APR for FY19 and determines the revised ARR for FY21 and notifies the retail supply tariff of HRECs for FY21 as stated in Chapter-4 of this Order.**
2. **The tariff determined in this Order shall be applicable to the electricity consumed from the first meter reading date falling on or after 1<sup>st</sup> November, 2020.**
3. **This Order is signed dated and issued by the Karnataka Electricity Regulatory Commission at Bengaluru this day, the 4<sup>th</sup> of November, 2020.**

Sd/-  
(Shambhu Dayal Meena)  
Chairman

Sd/-  
(H.M. Manjunatha)  
Member

Sd/-  
(M.D. Ravi)  
Member