

## CHAPTER – 8

### DETERMINATION OF TARIFF FOR FY-23

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

The existing tariff and the tariff proposed are shown below:

Sl. No	Details	Existing (Rs./Unit)	Proposed (Rs./Unit)
1	Energy charges (including recovery towards service main charges)	8.42	9.62

Subject to a monthly minimum of Rs. 60 per installation per month.

#### **2. LT-2(a) - Domestic Consumers:**

**LT-2(a)(i):** Applicable to Areas coming under Bruhat Bangalore Mahanagara Palike (BBMP), Municipal Corporation and all Urban Local Bodies.

**Existing:**

Details	Particulars	Existing Tariff (Rs./unit)
Fixed Charges per Month	For the first KW	85
	For every additional KW up to and inclusive of 50 KW	95
	For every additional KW above 50 KW	150
Energy Charges	For 0- 50 units	4.10
	51 to 100 units	5.55
	101 to 200 units	7.10
	Above 200 units	8.15

**Proposed:**

Details	Particulars	Proposed (Rs/unit)
Fixed Charges per Month	For the first KW	50
	For every additional KW >1KW<=5KW	100
	For every additional KW >5KW<=10KW	200
	For every additional KW >10KW<=50KW	250
	For every additional KW above 50 KW	285
Energy Charges	For 0- 50 units	5.10
	51 to 100 units	6.55
	101 to 200 units	8.60
	Above 200 units	9.65

**LT-2(a)(ii):** Applicable to Areas under Village Panchayats.

**Existing:**

Details	Particulars	Existing Tariff (Rs/unit)
Fixed Charges per Month	For the first KW	70
	For every additional KW up to and inclusive of 50 KW	85
	For every additional KW above 50 KW	140
Energy Charges	Up to 50 units	4.00
	51 to 100 units	5.25
	101 to 200 units	6.80
	Above 200 units	7.65

**Proposed:**

Details	Particulars	Proposed (Rs/unit)
Fixed Charges per Month	For the first KW	35
	For every additional KW >1KW<=5KW	90
	For every additional KW >5KW<=10KW	180
	For every additional KW >10KW<=50KW	225
	For every additional KW above 50 KW	250
Energy Charges	For 0- 50 units	5.00
	51 to 100 units	6.25
	101 to 200 units	8.30
	Above 200 units	9.15

**3. LT-2(b) - Private Professional Educational Institutions, Nursing Homes and Private Hospitals etc.:**

**LT-2(b)(i):** Applicable in BBMP Areas, Municipal Corporations and all other Urban Local Bodies.

Details	Particulars	Existing Tariff (Rs/unit)	Proposed (Rs/unit)
Fixed Charges per Month	Up to and inclusive of 50 KW	Rs.100 Per KW subject to a minimum of Rs.125 PM	Rs.150 Per KW subject to a minimum of Rs.175 PM
	For every additional KW above 50 KW	Rs.155 per KW	Rs.205 per KW
Energy Charges	0-200 units	7.30	7.70
	Above 200 units	8.55	8.95

**LT-2(b)(ii):** Applicable in Areas under Village Panchayats.

Details	Particulars	Existing Tariff (Rs/unit)	Proposed (Rs/unit)
Fixed Charges per Month	Upto and inclusive of 50 KW	Rs.90 Per KW subject to a minimum of Rs.110 PM	Rs.140 Per KW subject to a minimum of Rs.160 PM
	For every additional KW above 50KW	Rs.145 per KW	Rs.195 per KW
Energy Charges	0-200 units	6.75	7.05
	Above 200 units	8.00	8.30

#### **4. LT-3- Commercial:**

The existing and proposed tariff is as follows:

**LT-3(i):** Applicable to areas under BBMP, Municipal Corporations and all areas under Urban Local bodies.

Details	Particulars	Existing Tariff (Rs/unit)	Proposed (Rs/unit)
Fixed charges per Month	Up to and inclusive of 50 KW	Rs. 105 per KW	Rs. 135 per KW
	For every additional KW above 50KW	Rs. 205 per KW	Rs. 235 per KW
Energy Charges	For the first 50 units	8.35	8.45
	For the balance units	9.35	9.45

**Demand based tariff (Optional)** where sanctioned load is above 5 KW but below 150 KW.

Details	Particulars	Existing Tariff (Rs/unit)	Proposed (Rs/unit)
Fixed charges per Month	Up to and inclusive of 50 KW	Rs. 120 per KW	Rs. 135 per KW
	For every additional KW above 50KW	Rs. 220 per KW	Rs. 235 per KW
Energy Charges	For the first 50 units	8.35	8.45
	For the balance units	9.35	9.45

**LT-3(ii):** Applicable to areas under Village Panchayats.

Details	Particulars	Existing Tariff (Rs/unit)	Proposed (Rs/unit)
Fixed charges per Month	Up to and inclusive of 50 KW	Rs. 95 per KW	Rs. 125 per KW
	for every additional KW above 50KW	Rs. 195 per KW	Rs. 225 per KW
Energy Charges	For the first 50 units	7.85	7.95
	For the balance units	8.85	8.95

**Demand based tariff (Optional)** where sanctioned load is above 5 KW but below 150 KW.

Details	Particulars	Existing Tariff (Rs/unit)	Proposed (Rs/unit)
Fixed charges per Month	Up to and inclusive of 50 KW	Rs. 110 per KW	Rs. 125 per KW
	for every additional KW above 50KW	Rs. 210 per KW	Rs. 225 per KW
Energy Charges	For the first 50 units	7.85	7.95
	For the balance units	8.85	8.95

**5. LT-4 - Irrigation pump sets:**

**LT-4(a)-** Applicable to I.P. Sets up to and inclusive of 10 HP.

**Existing:**

Particulars	(Rs./Unit)
Fixed charges	Free
Energy charges	
Commission Determined Tariff (CDT) for LT4 (a) category is	4.30

**Proposed:**

Particulars	(Rs./Unit)
Fixed charges	Free
Energy charges	
Commission Determined Tariff (CDT) for LT-4 (a) category is	5.21

**LT-4(b):** Applicable to IP sets above 10 HP.

Details	Particulars	Existing Tariff (Rs./unit)	Proposed Tariff (Rs./unit)
Fixed charges per Month	Rs. per HP per month.	90	190
Energy charges		3.85	4.85

**LT-4(c)(i):** Applicable to Horticultural Nurseries, Coffee and Tea plantations

Details	Particulars	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Fixed charges per Month	Rs. per HP per month	80	180
Energy charges		3.85	4.85

**6. LT-5 - LT Industries:**

**LT-5(a):** Applicable to BBMP & Municipal Corporation.

**i) Fixed Charges:**
**Existing**

Details	Particulars
Fixed Charges per Month	i) Rs. 75 per HP for 5 HP & below ii) Rs. 85 per HP for above 5 HP & below 40 HP iii) Rs. 105 per HP for 40 HP & above but below 67 HP iv) Rs. 170 per HP for 67 HP & above but below 100 HP v) Rs. 200 per HP for 100 HP & above

**Proposed**

Details	Particulars
Fixed Charges per Month	i) Rs. 155 per HP for 5 HP & below ii) Rs. 165 per HP for above 5 HP & below 40 HP iii) Rs. 185 per HP for 40 HP & above but below 67 HP iv) Rs. 250 per HP for 67 HP & above but below 100 HP v) Rs. 280 per HP for 100 HP & above

**ii) Demand based Tariff (optional):**
**Existing**

<b>Demand Based Tariff</b>	Above 5 HP and less than 40 HP	Rs. 105 per KW of billing demand
	40 HP and above but below 67 HP	Rs. 135 per KW of billing demand
	67 HP and above but below 100	Rs. 220 per KW of billing demand
	100 HP and above	Rs. 230 per KW of billing demand

**Proposed**

<b>Demand Based Tariff</b>	Above 5 HP and less than 40 HP	Rs. 165 per KW of billing demand
	40 HP and above but less than 67 HP	Rs. 185 per KW of billing demand
	67 HP and above but below 100	Rs. 250 per KW of billing demand
	100 HP and above	Rs. 280 per KW of billing demand

**iii) Energy Charges:**

Particulars	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
For the first 500 units	6.00	6.50
Above 500 units	7.30	7.80

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

**i) Fixed Charges:**
**Existing**

Details	Particulars
Fixed Charges per Month	i) Rs. 65 per HP for 5 HP & below ii) Rs. 80 per HP for above 5 HP & below 40 HP iii) Rs. 100 per HP for 40 HP & above but below 67 HP iv) Rs. 155 per HP for 67 HP & above but below 100 HP v) Rs.185 per HP for 100 HP and above

**Proposed**

Details	Particulars
Fixed Charges per Month	i) Rs. 145 per HP for 5 HP & below. ii) Rs. 160 per HP for above 5 HP & below 40 HP. iii) Rs.180 per HP for 40 HP & above but below 67 HP. iv) Rs. 235 per HP for 67 HP & above but below 100 HP v) Rs.265 per HP for 100 HP and above



**ii) Demand based Tariff (optional):**
**Existing:**

<b>Demand Based Tariff</b>	Above 5 HP and less than 40 HP	Rs. 95 per KW of billing demand
	40 HP and above but below 67 HP	Rs. 125 per KW of billing demand
	67 HP and above but below 100	Rs. 210 per KW of billing demand
	100 HP and above	Rs. 220 per KW of billing demand

**Proposed:**

<b>Details</b>	<b>Description</b>	<b>Proposed Tariff</b>
Demand Based Tariff	Above 5 HP and less than 40 HP	Rs. 160 per KW of billing demand
	40 HP and above but less than 67 HP	Rs. 180 per KW of billing demand
	67 HP and above but below 100	Rs. 235 per KW of billing demand
	100 HP and above	Rs. 265 per KW of billing demand

**iii) Energy Charges:**

<b>Particulars</b>	<b>Existing Tariff (Rs./unit)</b>	<b>Proposed (Rs./unit)</b>
For the first 500 units	5.70	6.20
501 to 1000 units	6.65	7.15
Above 1000 units	6.95	7.45

**TOD Tariff applicable to LT5(a) & (b): At the option of the Consumer**

<b>Time of Day</b>	<b>Increase (+) / reduction (-) in energy charges over the normal tariff applicable</b>
06.00 Hrs to 10.00 Hrs	0
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	From July to November (monsoon period)-0 From December to June(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs next day	From July to November (monsoon period)-0 From December to June(-) 100 paise per unit

**7. LT-6 Water Supply Installations and Street Lights:**

**LT-6(a):** Water supply.

<b>Details</b>	<b>Existing Tariff (Rs./unit)</b>	<b>Proposed (Rs./unit)</b>
Fixed charges per Month	Rs.95/HP/month up to 67 HP	Rs.195/HP/month up to 67 HP
	Rs.195/HP/month for every additional KW above 67HP	Rs.295/HP/month above 67HP for every additional HP
Energy charges	4.95	5.75

**LT-6(b):** Public Lighting.

<b>Details</b>	<b>Existing Tariff (Rs./unit)</b>	<b>Proposed (Rs./unit)</b>
Fixed charges per Month	Rs.110/KW/month	Rs.210/KW/month
Energy charges	6.65	7.45
Energy charges for LED/Induction Lighting	5.60	5.60

**LT-6(c):** Electric vehicle charging stations

**HT:**

<b>Details</b>	<b>Existing Tariff (Rs./unit)</b>	<b>Proposed (Rs./unit)</b>
Fixed charges per KW/KVA	Rs.200/KVA/month	Rs.200/KVA/month
Energy charges	5.00	5.00

**LT:**

<b>Details</b>	<b>Existing Tariff (Rs./unit)</b>	<b>Proposed (Rs./unit)</b>
Fixed charges per KW/KVA	Rs.70/KW/month up to 50 KW	Rs.70/KW/month
	Rs.170/KW/month for every additional KW above 50KW	Rs.170/KW/month for every additional KW above 50KW
Energy charges	5.00	5.00

The approved ToD tariff is applicable for the power supply availed under HT supply for charging the Electric Motor Vehicle in the Depots of BMTC / Depots of KSRTC / NEKRTC / NWKRTC only.

**ToD Tariff**

<b>Time of Day</b>	<b>Increase (+) / reduction (-) in energy charges over the normal tariff applicable</b>
06.00 Hrs to 10.00 Hrs	0
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	From July to November (monsoon period)-0 From December to June(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs next day	From July to November (monsoon period)-0 From December to June(-) 100 paise per unit

**8. LT 7- Temporary Installations:**

**LT-7(a):** Applicable to **Temporary Power supply for all purposes.**

**Existing:**

<b>Details</b>	<b>Approved Tariff</b>
Less than 67 HP:	Energy charge at <b>1110 paise/unit</b> subject to a weekly minimum of <b>Rs.250 per KW</b> of the sanctioned load.

**Proposed:**

Details	Proposed Tariff
Less than 67 HP:	Energy charge at <b>1160 paise unit</b> subject to a weekly minimum of <b>Rs. 330 per KW</b> of the sanctioned load.

**LT-7(b): Advertisement – Permanent**

**Existing:**

Details	Approved Tariff
Less than 67 HP:	Fixed Charges at <b>Rs.125</b> per KW/month Energy Charges at <b>1110 paise/unit</b> .

**Proposed:**

Details	Proposed Tariff
Less than 67 HP:	Fixed Charges at <b>Rs.300 per KW/month</b> Energy Charges at <b>1160 paise/unit</b> .

**9. HT-1 Water Supply & Sewerage:**

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 230 / kVA of billing demand / month	Rs. 630 / kVA of billing demand / month
Energy charges	5.55	5.55

**TOD Tariff (Optional):**

<b>Time of Day</b>	<b>Increase (+) / reduction (-) in energy charges over the normal tariff applicable</b>
06.00 Hrs to 10.00 Hrs	0
10.00 Hrs to 18.00 Hrs	0
18.00 Hrs to 22.00 Hrs	From July to November (monsoon period)-0 From December to June(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs next day	From July to November (monsoon period)-0 From December to June(-) 100 paise per unit

**10. HT-2(a) & (b) Installations:**

**Tariff for HT-2(a)(i):** Applicable to BBMP area and Davanagere City Municipal Corporation.

<b>Details</b>	<b>Existing Tariff (Rs./unit)</b>	<b>Proposed (Rs./unit)</b>
Demand charges	Rs. 250 / kVA of billing demand / month	Rs. 425 / kVA of billing demand / month
Energy charges		
For the first one lakh units	7.45	7.45
For the balance units	7.75	7.75

**Tariff for HT-2(a)(ii):** Applicable to other areas.

<b>Details</b>	<b>Existing Tariff (Rs./unit)</b>	<b>Proposed (Rs./unit)</b>
Demand charges	Rs. 240/ kVA of billing demand /month	Rs. 415/ kVA of billing demand /month
Energy charges		
For the first one lakh units	7.35	7.35
For the balance units	7.55	7.55

**Railway Traction applicable to both HT-2a(i) & HT-2a(ii):**

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 250 / KVA of billing demand/ month	Rs. 250/ KVA of billing demand/ month
Energy charges for all the units	6.55	6.55

**Effluent Treatment Plants applicable to both HT-2a (i) & HT-2a(ii):**

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 250/ KVA of billing demand/ month	Rs. 250/ KVA of billing demand/ month
Energy charges for all the units	6.95	6.95

**BMRCL Tariff:**

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 220/KVA of billing demand/month	Rs. 220/KVA of billing demand/month
Energy charges for all the units	5.20	5.20

**11. HT-2(b) HT Commercial:**

**HT-2(b)(i):** Applicable to BBMP area & Municipal Corporation.

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 270 / kVA of billing demand / month	Rs. 420/ kVA of billing demand / month
Energy charges		
(i) For the first two lakh units	9.25	8.25
(ii) For the balance units	9.35	8.35

**HT-2(b)(ii):** Applicable to all areas other than covered under HT-2(b)(i) above.

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 260/ kVA of billing demand/ month	Rs. 460/ kVA of billing demand/ month
Energy charges		
(i) For the first two lakh units	9.05	8.05
(ii) For the balance units	9.15	8.15

## **12. HT-2(c) HT Hospitals and Educational Institutions:**

**HT-2(c)(i):** Applicable to Government Hospitals and Educational Institutions.

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 240 / kVA of billing demand/ month	Rs. 440 / kVA of billing demand/ month
Energy charges		
(i) For the first one lakh units	7.20	7.20
(ii) For the balance units	7.60	7.60

**HT-2(c)(ii):** Applicable to Hospitals and Educational Institutions and Hostels of educational institutions other than those covered under HT-2(c)(i) above.

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 240 / kVA of billing demand / month	Rs. 440 / kVA of billing demand / month
Energy charges		
(i) For the first one lakh units	8.20	8.20
(ii) For the balance units	8.60	8.60

**TOD Tariff applicable to HT2 (a), HT2 (b) and HT2(c) category:**

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	From July to November (monsoon period)-0 From December to June(+) 100 paise per unit
22.00 Hrs to 06.00 Hrs next day	From July to November (monsoon period)-0 From December to June(-) 100 paise per unit

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

**HT-3(a)(i):** Applicable to LI schemes under Govt. Dept. / Govt. owned Corporations

**Existing:**

Energy charges / Minimum charges	<b>310 paise/ unit</b> subject to an annual minimum of <b>Rs. 1720 per HP / annum.</b>
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**Proposed:**

Energy charges/ Minimum charges	<b>410 paise/unit</b> subject to an annual minimum of <b>Rs. 2120 per HP / annum.</b>
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**HT-3(a)(ii):** Applicable to Pvt. LI Schemes and Lift Irrigation Societies fed through express/ urban feeders.

Details	Particulars	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Fixed charges	HP / Month of sanctioned load	95	215
Energy charges		3.10	3.40



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

Details	Particulars	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Fixed charges	HP /Month of sanctioned load	75	215
Energy charges		3.10	3.40

**HT-3(b):** Irrigation & Agricultural Farms Government Horticulture farms, Private Horticulture Nurseries, Coffee, tea, Coconut & Arecanut Plantations:

**Existing:**

Details	Tariff
Energy charges /minimum charges	<b>510 paise/ unit</b> subject to an annual minimum of <b>Rs. 1780 per HP / annum.</b>

**Proposed:**

Details	Tariff
Energy charges / minimum charges	<b>510 paise/ unit</b> subject to an annual minimum of <b>Rs. 2280 per HP / annum.</b>

**14. HT-4- Residential Apartments/ Colonies:**

**HT - 4:** Applicable to all areas.

Details	Existing Tariff (Rs./unit)	Proposed (Rs./unit)
Demand charges	Rs. 155 / kVA of billing demand	Rs. 605 / kVA of billing demand
Energy charges	7.05	7.55

**15. HT-5- Temporary Supply:**

**Existing:**

<b>67 HP and above</b>	
Fixed charges	Rs.300/HP/month for the entire sanctioned load/contract demand.
Energy Charges	1110 paise/ unit.

**Proposed:**

<b>67 HP and above</b>	
Fixed charges	Rs.600/HP/month for the entire sanctioned load/contract demand
Energy Charges	1130 paise/ unit

**HT-5(a)- Temporary Supply:**

**Existing:**

<b>67 HP and above</b>	
Fixed charges	Not Applicable
Energy Charges	1220 paise/ unit.

**Proposed:**

<b>67 HP and above</b>	
Fixed charges	Not applicable
Energy Charges	1278 paise/ unit

## **Other Issues:**

### **Rationale of Tariff hike:**

BESCOM has proposed a revision in fixed and energy charges for various categories in order to bridge the revenue gap. Such tariff revision is minimum requirement for BESCOM to meet the inflation as well as the additional costs that have arisen due to increase in power purchase costs; Renewable Purchase Obligation (RPO) as per new RPO Regulations 2018, change in consumer mix and its impact on revenue, increase in PoC cost, reduction in revenue etc. The tariff revision is necessary for its survival and it is purely to meet the revenue gap emerged due to increase in cost on account of inflation as well as additional costs which are beyond the control of BESCOM.

### **I. Wheeling Charges:**

Considering the network and supply cost segregation and the methodology adopted by Hon'ble Commission in its previous Orders, BESCOM has proposed the wheeling charges and wheeling losses at HT and LT level for FY-23 applicable to all open access/wheeling transactions and also to RE source as summarized in following table:

Distribution ARR-Rs. Crs.	3914.28
Sales-MU	29120.82
Wheeling charges-ps./unit	134.42
<b>Paise/unit</b>	
HT-network	40.32
LT-network	94.09

The allocation of the distribution network costs to HT and LT networks for determining wheeling charges is done in the ratio of 30:70, as was being done earlier. The following technical losses are applicable to all open access/wheeling transactions:

<b>Loss allocation</b>	<b>% loss</b>
HT	3.21
LT	6.83

## **II. Cross Subsidy Surcharge**

The Cross Subsidy Surcharge (CSS) is compensatory charge to the ESCOMs. As held by APTEL, New Delhi, CSS is not only to compensate the ESCOMs for the loss of cross subsidy, it is also to compensate the remaining consumers of the ESCOM who have not taken Open Access. Therefore, CSS needs to be based on the current level of cross subsidy.

To examine the issues related to Open Access along with issues relating to amendments in provisions relating to captive Generating plants in the Electricity Rules, 2005, a Committee was constituted by CEA on the advice of Ministry of Power. In the Consultation paper by MoP issued on 24<sup>th</sup> August 2017, which is based on the report of the said Committee, it has been proposed that:

*“It is essential for SERCs to implement both Para 8.3 -2 and First proviso to para 8.5.1 of the Tariff Policy 2016 simultaneously. If one of the provisions could not be implemented due to some reason, the second provision should also not be implanted to that extent.”*

Accordingly, BESCOM has proposed CSS based on the formula in Tariff Policy 2016. The proposed CSS for HT category consumers has been provided in the following table:

Particulars	HT1	HT2a(i)	HT2a(ii)	HT2b(i)	HT-2b(ii)	HT2c(i)	HT2c(ii)	HT3a(i)	HT-3a(ii)	HT-3b	HT4	HT-5
Avg. Realisation Rate-Ps./unit@existing rate	616.76	1020.15	962.34	1407.13	1161.83	859.29	1055.88	347.58	755.45	548.27	800.79	1425.48
Proposed tariff hike-Ps./unit	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00	158.00
Avg. Realisation Rate-Ps./unit	774.76	1178.15	1120.34	1565.13	1319.83	1017.29	1213.88	505.58	913.45	706.27	958.79	1583.48
Cost of supply @66kV and above level	677.11	677.11	677.11	677.11	677.11	677.11	677.11	677.11	677.11	677.11	677.11	677.11
Cross subsidy surcharge-ps/unit @66kV and above level	97.65	501.04	443.23	888.02	642.72	340.18	536.77	-171.53	236.34	29.16	281.68	906.37
20% tariff applicable to the category of the consumers	154.95	235.63	224.07	313.03	263.97	203.46	242.78	101.12	182.69	141.25	191.76	316.70
Cross subsidy surcharge limited to 20% of the tariff applicable	97.65	235.63	224.07	313.03	263.97	203.46	242.78	-171.53	182.69	29.16	191.76	316.70
Cost of supply @HT level	737.08	737.08	737.08	737.08	737.08	737.08	737.08	737.08	737.08	737.08	737.08	737.08
Cross subsidy surcharge-ps/unit @HT level	37.68	441.07	383.26	828.05	582.75	280.21	476.80	-231.50	176.37	-30.81	221.71	846.40
20% tariff applicable to the category of the consumers	154.95	235.63	224.07	313.03	263.97	203.46	242.78	101.12	182.69	141.25	191.76	316.70
Cross subsidy surcharge limited to 20% of the tariff applicable	37.68	235.63	224.07	313.03	263.97	203.46	242.78	-231.50	176.37	-30.81	191.76	316.70

Cross subsidy surcharge is proposed as under:

Voltage level	HT1	HT2a(i)	HT2a(ii)	HT2b(i)	HT-2b(ii)	HT2c(i)	HT2c(ii)	HT3a(i)	HT-3a(ii)	HT-3b	HT4	HT-5
66kV & above	97.65	235.63	224.07	313.03	263.97	203.46	242.78	-171.53	182.69	29.16	191.76	316.70
HT level-11 kV/33kV	37.68	235.63	224.07	313.03	263.97	203.46	242.78	-231.50	176.37	-30.81	191.76	316.70

### III. Additional Surcharge:

BESCOM has tied up sufficient quantum of power, after approval of the Hon'ble Commission, by considering the overall growth. However, on the other hand, a large number of consumers are buying power under Open Access instead of availing supply from BESCOM. As a result, the generation capacity tied up by BESCOM remains idle.

In this situation, BESCOM needs to back down the generation and also required to pay Fixed Charges (or Capacity Charges) to the Generators irrespective of actual purchase. Thus, the need for recovery of the part of fixed cost towards the stranded capacity arising from the power purchase obligation through levy of Additional Surcharge from OA consumers is computed.

In line with the methodology adopted by Hon'ble Commission in the KERC Order dated 30th May 2019, BESCOM computed the Additional Surcharge. The Additional Surcharge that could be recovered as per the ARR of BESCOM for FY23 is Rs. 2.09/unit. The details are shown in the table below:

Particulars	Unit	110kV & 66 kV	11 kV	LT	Total
Energy Sales as per flow diagram	MU	915.62	7045.24	21159.96	29120.82
Distribution Losses	MU	0.88	433.98	3145.98	3580.84
Net IF energy	MU	916.50	7479.22	24305.94	32701.65
Transmission Loss	%	2.93%	2.93%	2.93%	
Net Energy at Gen	MU	944.16	7704.97	25039.60	33688.73
Dist of Energy input	%	2.8%	22.9%	74.3%	100.0%
PP Cost	Rs.in Cr.	20015.15			20015.15
Dist of PP Cost	Rs.in Cr.	560.94	4577.68	14876.53	20015.15
Dist of energy sales	%	3.0%	24.0%	73.0%	100.0%
Other Cost (Transmission & Dist. Network)	Rs.in Cr.	5827.36			5827.36
Dist. Of other cost	Rs.in Cr.	174.82	1398.57	4253.98	5827.37
Total Cost	Rs.in Cr.	735.76	5976.25	19130.51	25842.52
<b>Voltage wise per unit Cost</b>	<b>Rs./unit</b>	<b>8.04</b>	<b>8.48</b>	<b>9.04</b>	<b>8.87</b>

Particulars	Unit	110kV & 66 kV	11 kV	LT	Total
PP Cost	Rs.in Cr.				20015.15
Dist. Of PP Cost	Rs.in Cr.	560.94	4577.68	14876.53	20015.15
% share		2.80%	22.87%	74.33%	
Total Fixed Charges PP	Rs.in Cr.				9652.00
Voltage wise Fixed Charge	Rs.in Cr.	270.50	2207.52	7173.98	9652.00
Total Variable Charges	Rs.in Cr.				10363.15
Voltage wise VC	Rs.in Cr.	290	2370.16	7702.55	10363.15
other Cost	Rs.in Cr.	175	1399	4254	5827.36
<b>Total Fixed Expenditure (FC+ Other Cost)</b>	<b>Rs.in Cr.</b>	<b>445.32</b>	<b>3606.09</b>	<b>11427.96</b>	<b>15479.37</b>

Particulars	11 kV and above consumers (HT)	LT consumers
FC	2120.84	3200.79
EC	6211.85	11571.80
Total	8332.69	14772.59
FC %	25%	22%
EC%	75%	78%

Proposed fixed charges from HT consumers (D21) Crores.	2120.84
Total Fixed Charges to be collected Crores	4051.41
Estimated Under recovery from Fixed Charges Crores	1930.57
Additional Surcharge	2.43

#### **IV. Voltage wise Cost of Supply**

In the absence of actual data on voltage wise cost, the bifurcation of the cost has been done on the basis of assumption in line with the KERC methodology (D-23 statement). The standalone Voltage Wise Cost of Supply for FY-23 is as shown in following table.

<b>Voltage Level</b>	<b>FY 22-23</b>
EHT (66 kV & above)	8.04
HT Level (22&/or 11 kV)	8.48
LT Level	9.04
<b>Total</b>	<b>8.87</b>

#### **V. Details on Sale of Green Energy:**

As per KERC Tariff order FY 21 Clause 6.10.1, “In order to encourage generation and use of green power in the State, the Commission decides to continue the existing Green Tariff of Rs 0.5 per unit as the additional tariff over and above the normal tariff to be paid by HT consumer who opts for supply of Green Power from out of Renewable energy procured by Distribution Utilities over and above their RPO”.

Accordingly, the following HT Consumers have procured Green Power from BESCOM. The details of green energy (solar) sold and amount collected from HT Consumers at additional tariff of Rs 0.5 per unit over and above the solar RPO target of BESCOM are as below:

<b>Company</b>	<b>Period</b>	<b>Energy(KWh)</b>	<b>Amount @ 0.5 Rs /unit</b>
Capgemini	June 21 to Mar 22	495013	247506
Shamaraju & Co	May 21 to Mar 22	178330	89165
Aricent	April 21 to Mar 22	92000	46000
SAP Labs India	April 21 Oct 21	332400	166200
Toyota kirloskar	Jun 21 to Oct 21	382000	191000
<b>TOTAL</b>		<b>1479743</b>	<b>739871.5</b>

## **VI. Interest on delay in payment of electricity bills by Consumers.**

During FY 2020-21, due to covid 19 pandemic, the recovery of electricity bills from consumers was not normal and instructions were there not to enforce recovery proceedings and levy interest for the delayed payment. Instalment facility for payment of bills by consumers was also extended. During the pandemic period there was almost no revenue realisation for 6 months as the commercial and industrial establishments were completely closed.

Further, in the Tariff Order, 2021, Commission has directed that

*“In view of the prevailing lockdown situation due to Covid Pandemic, the arrears towards revision of Tariff for the energy consumed during the month of April and May, 2021, is ordered to be recovered during the month of October and November, 2021 respectively, without charging any interest”*

As a result, there is loss of interest on additional revenue due to tariff revision for the months of April and May 2021 deferred to October and November, 2021.

The delayed payment of electricity bills will attract interest of 1% p.m or 12% p.a. as per the prevailing norms. On the other hand, ESCOMs have to pay late payment charges to Power Generators at the rate of 1.5% to 2% p.m or 18% to 24% p.a.

On one side, there was steep decrease in revenue collections and the delayed payment of bills by consumers attract 1% p.m interest but on the other side,



ESCOMs were forced to pay 2% interest as late payment charges to Power Generators for delayed payment. This difference in rate of interest also affected the cash flow of ESCOMs.

In the current financial year i.e., FY 22, the situation has improved and the economy is almost back to the normal.

**Hence, the Hon'ble Commission is requested to approve levying of 2% interest on delayed payment of electricity bills by consumers during FY-23 as a special case to mitigate the loss to some extent.**