

## CHAPTER – 2

### TARIFF APPLICATION PROCESS

#### 2.1 BACKGROUND:

The Commission has approved the ARR and transmission tariff of KPTCL for FY18 in its MYT Order dated 30<sup>th</sup> March, 2016 and revision of transmission tariff for FY18 in its Tariff Order dated 11<sup>th</sup> April, 2017. The KPTCL in its application dated 30<sup>th</sup> November, 2018, has sought approval of the revised ARR under APR for FY18 and carry forward the deficit of FY18 to the ARR of FY20 and revision of the transmission tariff for FY20-22, accordingly.

#### 2.2 Commission's Directives and Compliance by KPTCL:

The Commission, in its Tariff Order dated 14<sup>th</sup> May, 2018, has issued directives on various matters pertaining to transmission system maintained and operated by the KPTCL. The Commission has directed the KPTCL to ensure full compliance of the directives in a time bound manner.

The summary of the directives issued by the Commission and compliance by the KPTCL thereof, is appended vide Appendix, to this Order.

#### 2.3 Public Hearing Process:

On receipt of the application of the KPTCL dated 30<sup>th</sup> November, 2018 the Commission communicated its preliminary observations on the application on 12<sup>th</sup> December, 2018. The KPTCL furnished its replies on 22<sup>nd</sup> December, 2018.

The Commission in its letter dated 27<sup>th</sup> December, 2018, treated the application of the KPTCL as a petition in terms of the Tariff Regulations subject to further verification and validation. Accordingly, the KPTCL was directed to publish a summary of the application in the newspapers within five days, in accordance with Clause 5(1) of the KERC (Tariff) Regulations, 2000, as amended from time to time.

In compliance of the above directions of the Commission, the KPTCL has published the summary of its application in the following newspapers on 31<sup>st</sup> December, 2018 and 1<sup>st</sup> January, 2019.

- Deccan Herald
- The Hindu
- Prajavani
- Udayavani

The KPTCL's Application for APR for FY18 and approval of ARR and determination of Transmission tariff for the next Control period FY20-22 was also made available on the web-sites of the KPTCL and the Commission. In response to the notices published in the above newspapers calling for objections on the APR for FY18, and revision of transmission tariff of the KPTCL for the next control period FY20-22, the Commission did not receive any written objections.

The Commission held a Public Hearing on 1st February, 2019, in its Court Hall. No objections were raised during the public hearing.

#### **2.4 Consultation with Advisory Committee of the Commission:**

A meeting of the Advisory Committee of the Commission was held on 20<sup>th</sup> February, 2019. The various issues involved in the KPTCL's application were discussed in the meeting and the Members offered valuable suggestions. The Commission has taken note of these suggestions, while finalising this Order.